

Virtual Freelance Paralegal Cost Comparisons

Client Legal Fees for Practitioner Working With v. Without a Paralegal*

With A Paralegal			
Litigation case	Attorney Time	Paralegal Time	Client Cost
Interview with client	1	1	\$290.00
Conference with paralegal	0.5	0.5	\$145.00
Research and gather documents		2	\$180.00
Legal research	1	3	\$470.00
Draft pleading, prepare correspondence to client, begin chronology and trial notebook		2	\$180.00
Attorney review of paralegal documents	0.25		\$50.00
Draft discovery		3	\$270.00
Attorney review of paralegal documents	0.25		\$50.00
Review discovery responses		1.5	\$135.00
Summarize deposition		2	\$180.00
Analyze case	1	2	\$380.00
Prepare chronology and trial notebook		3	\$270.00
Conference with paralegal	1	1	\$290.00
Prepare settlement		1	\$90.00
Attorney review of paralegal documents	0.25		\$50.00
Total	5.25	22	\$3,030.00

Without A Paralegal		
Litigation case	Attorney Time	Client Cost
Interview with client	1	\$200.00
Research and gather documents	2	\$400.00
Legal research	4	\$800.00
Draft pleading, prepare correspondence to client, begin chronology and trial notebook	2	\$400.00
Draft discovery	2	\$400.00
Review discovery responses	1.5	\$300.00
Summarize deposition	2	\$400.00
Analyze case	2	\$400.00
Prepare chronology and trial notebook	3	\$600.00
Prepare settlement	1	\$200.00
Total	20.5	\$4,100.00

*Assumes attorney billing rate of \$200/hour and paralegal billing rate of \$90/hour.

Expense of Hiring and Maintaining a Paralegal Employee v. Utilizing a Virtual Freelance Paralegal

Expense	Employee	Virtual Paralegal
Advertising	\$50.00	\$0.00
Reviewing applications (2 hours at attorney's assumed rate of \$200/hour)	\$400.00	\$0.00
Interviewing (5 hours of attorney's time)	\$1,000.00	\$0.00
Training (10 hours of attorney's time)	\$2,000.00	\$0.00
Pay:		
Employee (full-time at 2080 hours annually)	\$45,000.00	
Freelance/Virtual Paralegal (\$40/hour at 1040 hours annually**)		\$41,600.00
Rent/equipment/supplies (.75 of salary)	\$33,750.00	\$0.00
Employment expenses (SS, UI, WC, Medicare) (.09 of salary)	\$4,050.00	\$0.00
Paid leave (.07 of salary)	\$3,150.00	\$0.00
Health benefits (.08 of salary)	\$3,600.00	\$0.00
Retirement (0.03 of salary)	\$1,350.00	\$0.00
TOTAL	\$94,350.00	\$41,600.00

**Assuming regular assistance of 4 hours per day, five days a week is necessary. A virtual freelance paralegal is paid only for the work performed, completing the required tasks within 3-4 hours of the standard 8-hour work day.

Realized Savings from the Utilization of a Virtual Freelance Paralegal		
	Attorney time	Client fees
Without Paralegal	20.5 hours	\$4,100.00
With Paralegal	5.25 hours	\$3,030.00
Savings	15.25 hours	\$1,070.00

Cost Benefit of Utilizing a Virtual Freelance Paralegal		
Business savings by utilizing a virtual freelance paralegal versus hiring an additional employee	\$94,350 – \$41,600 =	\$52,750.00
Value of attorney time saved to work on other matters/generate additional business	15.25 hours x \$200/hour =	\$3,050.00
Increase in profit margin from utilization of a virtual freelance paralegal		\$55,800.00