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**LEGAL MARKET STUDY
IN GEORGIA**



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MANAGEMENT
INSTITUTE
*Promoting Rule of Law
in Georgia (PROLoG)*

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Table of Contents

Introduction	6
Acknowledgements	7
Main Findings of the Study	8
Conclusions and Recommendations	13
1. Study Methodology	15
1.1 Study Goals and Objectives	15
1.2 Study Design.....	16
1.2.1. Qualitative Research Design	16
1.2.2 Quantitative Survey Design.....	16
1.3 Study Fieldwork	18
1.3.1 Qualitative Research Fieldwork.....	18
1.3.2 Quantitative Survey Fieldwork.....	20
1.4 Study Outcomes and Reporting.....	21
2. Desk Research	22
3. Main Part of the Report	27
3.1 Number of Lawyers on the Market and Higher Education Institutions Providing Legal Education.....	27
3.1.1 Available Employment on the Legal Market.....	27
3.2 Number of Lawyers on the Market and Higher Education Institutions Providing Legal Education.....	31
3.3 Description of Surveyed Organizations and their Employees	33
3.4 Market Requirements for Lawyers and Entry-level Lawyers	38
3.4.1 Qualification Examinations	38
3.4.2 Bachelor’s vs. Master’s Degrees	41
3.4.3 Proposed Salaries for Entry-level Lawyers	42

3.5 Required Skills and Qualifications for Lawyers and Existing Shortcomings	43
3.5.1 Professional and General Skills Required for Entry-level Lawyers.....	43
3.5.2 Entry-level Lawyer Job Description	50
3.5.3 Qualification Assessment of Entry-level Lawyers	52
3.5.4 Gap Between Market Requirements and Qualifications of Graduates.....	54
3.6 Internship Experience.....	57
3.7 General Overview of the Legal Education Environment.....	58
3.7.1 University Clinics	60
List of Tables:	
Table 1. Study Design.....	17
Table 2. Target Groups Surveyed within the Research Framework.....	19
Table 3. Number of Conducted Interviews	20
Table 4. Sampling Error Based on Sectors	21
Table 5. Announced Vacancies on www.hr.gov.ge, According to Lawyer Position Shares	27
Table 6. Announced Vacancies on www.jobs.ge, According to Lawyer Position Shares.....	28
Table 7. Please Tell me, How Many Lawyers Worked in your Organization/Company in 2013/2014/2015? How Many of them were Women? (Regional Context)	29
Table 8. Please Tell me, How Many Employees Worked in your Organization/Company in 2013/2014/2015? How Many of them were Women? How Many of them were Men?	30
Table 9. Please Tell me, How Many Lawyers were Employed in your Organization/Company by the End of 2013/2014/2015? How Many of them were Women? How many of them were entry-level lawyers (Sectoral Context).....	30
Table 10. Number of Lawyers Currently Employed in your Organization in as a Lawyer/in a Position Other than Lawyer.....	31
Table 11. Information Regarding Bachelor’s and Master’s Degree Lawyers:	32
Table 12. Organization Descriptions	36
Table 13. Results of Bar Examinations by Year (Gender Context)	39
Table 14. Please Tell me, What is the Lowest Salary and the Highest Salary (Gross) of Entry-level Lawyers in your Organization?	43
Table 15. Please Tell me if Entry-level Lawyers at your Organization Have the Following Professional Skills and Qualifications?.....	45
Table 16. Please Tell me if Entry-level Lawyers at your Organization Have the Following Soft Skills and Qualifications?.....	49
Table 17. In Your Opinion, Does the Labor Market Experience a Lack of Qualified Lawyers? (Please use a 10-point scale, in which “0” = no scarcity at all and “10” = a great lack).....	53

Chart 1 - Please Tell me, Which of the Following Types Listed Below Relates to your Organization?	34
Chart 2 - Please Tell me, Does your Organization Have a Legal Department or Full-time Employed Lawyers?.....	35
Chart 3 - What are the Functions of Lawyers in your Organization?	35
Chart 4 - Places of Origin of Employed Staff Member Lawyers	37
Chart 5 - Which of the Given Professional Skills do you Pay Attention to when Selecting an Entry-level Lawyer for a Legal Position?	38
Chart 6 - Please Tell me, What Should be the Highest Attained Degree of an Entry-level Lawyer Who Wants to Get a Job in your Organization?	42
Chart 7 - Please Tell me, Which of the Given Professional Skills do you Pay Attention to when Selecting an Entry-level Lawyer for a Legal Position?	44
Chart 8 - Please Tell me, Which of the Given Soft Skills do you Pay Attention to when Selecting an Entry-level Lawyer for a Legal Position?	48
Chart 9 - Please Look at the Card and Tell me, Which of these Activities are Handled by Entry-level Lawyers in Your Organization?	51
Chart 10 - Please Tell me, in General, What Fields Do You Require the Entry-level Lawyers to be More or Less Professional in?	53
Chart 11 - In Your Experience, What is the General Situation in Terms of Qualifications for the Labor Market? .	54
Chart 12 - In your Experience, What Difficulties Do you Face When Looking for an Entry-level Lawyer for a Legal Position?	55

Introduction

The following document presents the legal market research report conducted by East-West Management Institute (EWMI), commissioned within the framework of the "Promoting Rule of Law in Georgia" (PROLoG) project. The following document provides a combined report of qualitative and quantitative study findings. Results of the quantitative survey are generalized and characterized by statistical reliability. Qualitative research results are not generalized; they reflect the primary explanations and interpretations of the research participants, as well as general tendencies based on their interviews. Qualitative and quantitative data are mutually complementary and account for one another.

The main section of the report presented below focuses on the analysis of the information obtained from different target groups of the research. It also encompasses a general overview of the market and research goals and objectives, along with the research design and main findings.

Acknowledgements

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Main Findings of the Study

Number of bachelor's degree and master's degree graduates on the legal market

- ❖ From 2012 to 2015, 7363 Bachelors and 2178 Masters graduated from different universities in Georgia. According to information from 2012-2015, new lawyers gained both Bachelor's (2436) and Master's (583) degrees in 2014. While in 2015, a much lower amount of Bachelors – 1722 – were added to the legal market, the number of Masters practically remained the same – 575. A significant decrease in the number of Bachelors can be explained by the fact that the labor market, in general, is full of individuals with degrees in jurisprudence. This means that future students try to choose professions with less competition and greater opportunity for employment.
- ❖ Presently, 33 higher education institutions in Georgia offer higher legal education (as of February 2016).

Requirements on Legal Market

- ❖ There is no verified information on how many vacancies are announced for lawyers positions annually in Georgia. Announcements posted on job portals partially repeat themselves. At the same time, we can assume that part of the vacancies on lawyers positions are not posted on job portals at all and are disseminated by relatively informal means.
- ❖ Based on information from www.hr.gov.ge, it can be said that vacancies on lawyers positions in the public sector have decreased between 2013 and 2015. This is verified by the number of job announcements (from 661 to 496) on the respective position, as well as by the share of respective announcements in the entire number of vacancies (from 6.2% to 4.8%).
- ❖ A different tendency is indicated on the job portal www.jobs.ge, on which job announcements in both public and private sectors are posted. Based on the respective source, if in 2013 employers were looking for a lawyer for 478 positions, this number amounted to 500 in 2014 and exceeded 600 in 2015. If we consider the decrease of demand in the public sector, it presumably takes place at the expense of demand in the business sector.
- ❖ Employers posting vacancies for a lawyer position in most cases require a bachelor's degree; however, the quantitative survey reveals that 74% of surveyed employees hold a master's degree. Evidence of this is that the employment portal analysis reveals that in most cases, vacancies for lawyer positions are either directly announced for undergraduates, or the job description indicates that the candidate should have a degree in law, without specifying the level.
- ❖ Based on the results of the quantitative research, at least six out of ten (60%) employers require a bachelor's degree, while approximately one-third of employers (36%) require a

master's degree in the respective field. Employers requiring at least a bachelor's degree are mainly financial institutions (70%) and law firms (68%), whereas master's degrees appear to be more important for non-governmental/international organizations (40%) and public institutions (38%).

- ❖ Based on the quantitative research outcomes, almost one-third (32%) of employers require Bar and other professional qualification exam certificates. Among them, the highest percentage share for the mentioned requirement is represented by law firms (49%), followed by international non-governmental organizations (40%); while the lowest percentage share for professional qualification exam certificates is represented by state agencies (26%). Although the number of lawyers (both female and male) awarded with the lawyer's qualification increases every year, the number of applicants taking the lawyers qualification examination has been virtually identical during 2014-2015 years.
- ❖ The average minimum wage employers offer entry-level lawyers amounts to 605ℳ, while the average maximum wage equals 874ℳ. The highest minimum (755ℳ), as well as maximum (911ℳ) average salary for entry-level lawyers is provided by state organizations, while the lowest average salary is provided by law firms (minimum average salary - 461ℳ; maximum average salary - 821ℳ).
- ❖ Based on the results of the quantitative survey, it can generally be inferred that a majority of employees on the legal market (61%) have graduated from Iv. Javakhishvili Tbilisi State University. This is quite natural if we take into account that the largest portion of graduate lawyers comes from Iv. Javakhishvili Tbilisi State University and their number is several times higher than the number of graduates from Georgian Technical University, which has the most bachelor's degrees after Iv. Javakhishvili Tbilisi State University.
- ❖ Based on the information provided by the surveyed organizations, 92% of lawyers hold a Georgian diploma, while 8% hold a foreign diploma.
- ❖ Research outcomes reveal that an average of 2.9 persons, holding a law degree are employed as lawyers, while an average of 4 persons are employed in positions other than that of a lawyer. Based on the results of the qualitative research, it is safe to conclude that law faculty graduates are awarded priority by employers when hiring for various positions in the banking as well as administrative sectors. These positions require dealing with contracts and other types of documentation. The average indicator of lawyers employed in non-lawyer positions is the highest in state institutions (an average of 6.3 employees), as well as in financial institutions (an average of 5.5 employees). The abovementioned data may be explained by the "overproduction" of lawyers.
- ❖ Data from the 2013, 2014 and 2015 employment index/register of available vacancies shows no occurrence of an increase or decrease in personnel on the respective labor market.

Gaps between employer requirements and market supply

- ❖ According to the quantitative survey, what most employers require from entry-level lawyers is the knowledge of relevant legislation for the respective position (80%). Young lawyers are the most adept at computer office programs from the list of essential skills specified by the employers (97%), while the most crucial general skill for employers was revealed to be a high sense of responsibility (83%).
- ❖ According to representatives of higher education institutions, one of the major barriers for entry-level lawyers is employers' frequent demand for narrow profile specialists (for example, Banking Law and Tax Law), which have criteria that mostly cannot be met by entry-level lawyers.
- ❖ Qualifications in Civil Law were significant for the majority of employers (80%). Nonetheless, it should be noted that Civil Law competence is most demanded by law firms (91%), while it is least required by state agencies (66%), which mostly require Administrative Law (74%). In accordance with the opinions expressed within the framework of the qualitative research, the largest deficit can be observed for Banking and Tax Law specialists. Based on the quantitative research data, Banking Law is naturally the most required by financial institutions (44%), whereas qualifications in Tax Law are equally important for business organizations (44%) and financial institutions (41%).
- ❖ Based on research findings, entry-level lawyers predominantly lack skills for conducting effective negotiations (the highest percentage indicator (16%) that organizations assigned the "none are qualified" code to).

Gender Aspects

- ❖ Respondents surveyed within the qualitative research were unable to provide information on gender differences when discussing legal market demands. According to the perceptions of employers as well as representatives of higher education institutions, the interest to acquire the legal profession is equally high in females and males. Employers on their part claim a lack of gender stereotyping in any specific given direction (criminal law, administrative law, tax law, etc).
- ❖ According to the research findings, each target group contains a higher number of female employees than the average number of male employees, save for state institutions, where based on a comparison of the 2013, 2014 and 2015 data, the average number of male employees exceeds that of female employees in every case.
- ❖ More than half of the employees (53%) in the position of a lawyer are female.

Market Requirements and Answers from Higher Education Institutions

- ❖ Entry-level lawyer employers reflect that higher education institutions cannot provide practical skills. This opinion is more or less shared by representatives of higher education institutions. More specifically, higher education institution representatives that simultaneously incorporate employer status are most likely to be more critical regarding the role of educational institutions than those that only have the status of representative of a higher education institution.
- ❖ Based on perceptions of the employers surveyed within the qualitative research, higher education institutions at best only provide theoretical knowledge of the local law to their entry-level lawyers. As for practical skills, employers' viewpoint in this regard is exceptionally critical toward higher education institutions.
- ❖ The existence of university clinics, which implies the provision of legal consultations to people with legal problems, has been positively assessed by the representatives of higher education institutions, as well as by students and employers within the following research. According to the views of respondents, the abovementioned practice is the best means for entry-level lawyers to apply the knowledge acquired during the study process, as well as to develop the necessary skills.
- ❖ A varied perception is held by higher education institution representatives and employers regarding the writing skills of entry-level lawyers. Higher education institution officials consider that in a majority of cases, universities provide the prospect to develop writing skills to their law faculty students (for instance, academic writing is being taught as a course), while based on their personal experience, employers deem entry-level lawyers' writing skills inadequate, specifically with respect to document drafting as well as argumentative writing skills.
- ❖ Private higher education institution representatives claim to demand practical and analytical thinking skills from their students more than those of state higher education institutions; however, it should be noted that employers have not made entry-level lawyer differentiation based on the type of their higher education institution within the framework of the following research.
- ❖ The largest gap between legal market requirements and qualifications and skills available on the market relates to a lack of appropriate qualifications (21%), and practical skills (19%).
- ❖ Bar examination applicant results may serve as a certain indicator of the lawyers' proficiency / qualification levels. Relevant data shows that an average of 1 out of 4 undergraduate degree holder applicants is able to pass the qualification exam successfully. Circumstances are even direr in regards with the graduate degree holder applicants: in 2014, only 9% of the MA degree applicants managed to receive lawyer qualification, while 20% of them were able to pass the qualification exam in 2015.

Internships

- ❖ Both quantitative and qualitative research data reveal that from the employer's perspective, internships represent the initial stage of entry-level lawyer's career development. This may be a result of employers' hesitance regarding the employment of entry-level lawyers with no working experience, even in lower positions.
- ❖ Based on the quantitative research data, it is safe to assume that one out of ten organizations in Georgia employs interns (12%).
- ❖ Respondents within the framework of both the qualitative and quantitative research predominantly agree that internships are generally unpaid.

The absence of labor market research deprives employers from getting a continual grip on a sense of employment market trends. Regular research would help them implement a more effective employment policy.

Conclusions and Recommendations

Absence of regularly conducted research on the labor market complicates drawing of adequate conclusions in respect to the said market trends; aforementioned refers to the graduate lawyers since comprise considerable volume of the labor market not only as the positions of a lawyer, but beyond their specialty field as well, nonetheless still utilizing their legal knowledge (in the administrative field, on bank loan officer position, etc.). The above mentioned may on the one hand connote to the varied alternative employment opportunities for the lawyers, while on the other hand owing to the market saturation, such employment status is most definitely devoid of choice. Sharp drop in the number of lawyers graduating in 2015 as opposed to the number of law graduates in previous years may precisely be result of the market saturation.

Calculation of the annual number of announced vacancies for lawyer positions is virtually impossible, due to the duplicated information provided by various employment portals; furthermore, certain portion of the data presumably is not even being uploaded. A declining trend of announced vacancies on lawyer positions may be observed in the public sector, while is in all probability assumed to increase for the business sector.

Taking requirements for the entry-level lawyers into account, master's degree prerequisite is not evident; however 3 out of 4 lawyers employed by the organizations surveyed within the following research are holders of the graduate degree diploma, suggesting that the aforementioned is still a significant advantage in employment process. Naturally, successful completion of the bar examination is most frequently required by the law companies. Scarcity of tax and banking law specialists repeatedly mentioned within the frameworks of the above presented research, creates a niche, upholding of which is unavailable for the entry-level lawyers due to their lack of adequate knowledge and experience.

The largest gap on the market between supply and demand relates to the absence of suitable qualifications and skills of the entry-level lawyers; however, higher education institutions are able to only provide theoretical knowledge to their law graduates as opposed to the practical skills (working with legal documentation, reasoned argumentation, client counseling, communication, etc.), provision of which largely depends not only on the graduate's efforts, but also on higher education institutions themselves. University clinics aim to supply the above mentioned practical skills and are widely considered as one of the most effective educational mechanisms, however level of excellence and functionality of such clinics is doubtful to be equal across the spectrum of higher education institutions.

One of the most austere challenges for entry-level lawyers remains demand for work experience, which cannot be satisfied as a result of their relatively young age. Internship may be considered as one of the solutions in cases of inadequate experience or absence of it, since on the one hand it helps entry-level lawyers accumulate experience, while granting them the prospect to demonstrate certain set of

skills and abilities to the employer, on the other. However, only one out of every ten surveyed organizations provides internship opportunities.

Outcomes of the following research clearly reveal challenges in employment that new graduate lawyers face on the legal market, the solution of which requires complex actions ranging from education and employment policy to certain changes in higher education institutions and the approach of potential employers. Presence of relevant will, as well as certain financial and technical resources is significant in pursuance of implementation of the aforementioned changes. In order to avoid generalization, vast majority of the following recommendations are essentially aimed at higher education institutions.

- It is of utmost importance that higher education institutions pay more attention to the internship component, which not only helps development of the young lawyers' practical skills, but also to some extent supplies the working experience that is so highly required by the employers.
- Great significance is assigned to the existence of intensive relationship between higher education institutions and potential employers, therefore active engagement of employers in elaboration of study curriculums, diploma defense process, as well as their attendance on employment forums and other events is highly recommended. The above mentioned will help higher education institutions acquire better sense of employer requirements and, at the same time facilitate establishment of partnership between students and potential employers.
- Higher education institutions are recommended to cater for creation of not only general, but also specific narrow specialization staff in order to meet the demands of the market. Highly qualified specialists in banking and tax law fields currently represent highest demanded labor force on the market.
- Higher education institutions are recommended to provide graduates with not only theoretical knowledge, but also to develop practical skills inasmuch as possible (client counseling, advocacy, argumentative reasoning, etc.). In this regard, further establishment/development of the so-called clinics are preferable, in addition to students being encouraged to participate in mock trials (simulated court cases), and more.
- In conjunction with the provision of general profile and specific field knowledge, higher education institutions are further encouraged to enhance competitiveness of entry-level lawyers through transfer of such specific skills as: writing skills (drafting and working on various legal documents), skills of effective negotiation, ethics, and ability to work in a team setting as well as independently.
- Conducting of regular legal market studies reflecting periodical shifts in the current trends is recommended. The above mentioned is important for existence of general statistics as well as for the appropriate management of expectations in entry-level lawyers and potential employers.

1. Study Methodology

1.1 Study Goals and Objectives

The goal of the study presented below was to analyze legal market demands in order to assess the market requirements for entry-level lawyers, as well as to evaluate whether their qualifications meet market demands.

Specific objectives of the study were:

- to describe legal education system and appropriate service providers;
- to analyze labor market and employers' requirements with respect to entry-level lawyers;
- to determine barriers preventing further development of entry-level lawyers as professionals;
- to understand what skills and qualifications are most valuable to employers; and
- to identify existing inconsistencies between the required and provided skills and qualifications.

Both quantitative and qualitative, as well as desk research has been conducted in the interest of meeting the research objectives.

1.2 Study Design

1.2.1. Qualitative Research Design

In the course of preparation of the research instrument, it was specified that study (both qualitative and quantitative) should mainly focus on entry-level lawyers. Entry-level lawyers are forthwith defined as individuals who have zero or up to two years of legal work experience.

Qualitative research was conducted using the focus group and in-depth interview techniques.

Qualitative research was conducted in six focus groups of higher education institution students or graduates in the following cities: Tbilisi, Batumi and Kutaisi. As a result of the size, significance, and number of universities located on site, four focus group interviews were conducted in Tbilisi, and one each in Batumi and Kutaisi.

In-depth interviews were conducted with 32 respondents in each of the following target groups: employers, representatives of higher education institutions and field experts/associations operating in their respective fields.

In-depth interviews were conducted in Tbilisi, Batumi and Kutaisi. For the reasons mentioned above, in-depth interviews were largely conducted in Tbilisi (28 interviews). Collectively, four interviews were conducted in Batumi and Kutaisi.

1.2.2 Quantitative Survey Design

The quantitative survey was conducted using the face-to-face interview technique. A total of 405 face-to-face interviews were conducted with various employer target groups. The stratified random sampling approach was used for the survey. Sampling was based on data from the National Statistics Office of Georgia.

The total sample sum of the survey included organizations located in Tbilisi, Kutaisi, and Batumi from all institutional sectors:

- Business organizations
- Financial institutions (banks, insurance companies, microfinance institutions)
- International and non-governmental organizations
- Law firms
- State institutions and public law legal entities.

For technical convenience, the above listed two latter categories have been merged into one, and henceforth referred to as “State institutions.”

Subsequent to the initial contact, organizations were filtered based on two main questions: (1) lawyer employment/existence of a legal department within the organization, and (2) pre-defined number of employees.

The overall design of the conducted study can be viewed below (See Table 1)

Table 1. Study Design

	Qualitative Research	Quantitative Survey
Technique	Focus group In-depth interview	Face-to-face interview
Target group	Focus groups - students and graduates from different education institutions In-depth interviews – employers, representatives of high education institutions, experts, and associations	Employers from different institutional sectors
Sample size	Six focus groups 32 in-depth interviews	405 face-to-face interviews
Sampling approach	Purposive sampling according to pre-defined criteria	Stratified random sampling
Study area	Tbilisi, Kutaisi, Batumi	Tbilisi, Kutaisi, Batumi
Duration	Focus group - 70-90 minutes In-depth interview - 40-70 minutes	25-30 minutes

1.3 Study Fieldwork

1.3.1 Qualitative Research Fieldwork

A sampling sheet was prepared prior to organizing the focus groups, which precisely defined the respondent selection criteria. The focus group participants' selection criteria were as follows:

- Education - bachelor's degree holder, master's degree holder, graduate student, undergraduate student of law;
- Study at public or private universities;
- Two to four respondents in each group with two years of working experience as a lawyer;
- Aged between 21 and 25 years;
- Gender - mixed.

From the focus groups conducted in Tbilisi, two were composed of students from state higher education institutions, and two were composed of students from private universities. Respondents in the Kutaisi focus group represented Akaki Tsereteli State University students or graduates, while respondents from Batumi represented Shota Rustaveli State University graduates.

An average of eight respondents participated in each focus group. A total of 51 participants from 17 different higher education institutions (students or graduates) participated in the discussions.

Arrangements for the in-depth interviews with potential respondents were handled by the commissioner. More specifically, 18 employers were surveyed, including eight state agencies, four law firms, three financial institutions, and three entities from other business sectors.

Representatives from eight different higher education institutions (six in Tbilisi, one each in Batumi and Kutaisi) and seven field experts/associations operating in respective fields participated in the research as respondents. It should be noted that in some cases, respondent differentiation between employers and experts/associations is merely figurative, since the latter can also represent an employer. However, for distinction, individual experts are engaged in academic activities.

Table 2. Target Groups Surveyed within the Research Framework

Employers	18
<u>State institutions</u>	8
Ministry of Justice of Georgia	1
Prosecutor's Office of Georgia	1
Supreme Court of Georgia	1
Ministry of Corrections of Georgia	1
Ministry of Regional Development and Infrastructure of Georgia	1
Ministry of Environment and Natural Resources Protection of Georgia	1
Georgian United Water Supply Company	1
Notary Bureau	1
<u>Law firms</u>	4
Law Firms in Tbilisi	3
Law Firms in Batumi	1
<u>Financial institutions</u>	3
Bank	2
Microfinance Organization	1
<u>Companies from other sectors</u>	3
Fuel Business	1
Communications	1
Multiprofile Industrial Holding	1
High Education Institutes	8
Ivane Javakhishvili Tbilisi State University	1
Ilia State University	1
Georgian Institute of Public Affairs	1
International Black Sea University	1
Caucasus University	1
Free University of Tbilisi	1
Shota Rustaveli State University	1
Akaki Tsereteli State University	1
Experts/Associations	7
Georgian Bar Association	1
Georgian Young Lawyers Association	1
Transparency International Georgia	1
Academic Staff of Different High Education Institutions	2
Academic Staff of Different High Education Institutions Who are Employers at the Same Time	2

Respondents from the respective institutions/organizations were selected according to the level of information regarding the research topic. For employers, these individuals were mostly represented by the heads of Human Resources Departments or Legal Department officials; however, in some cases, the research was conducted with chief officials of the companies/organizations in question. Respondents interviewed at the higher education institutions were represented by the heads of legal faculties or schools, while respondents representing experts and associations were leaders of a variety of programs or recognized experts in the field.

1.3.2 Quantitative Survey Fieldwork

From the onset of the undertaken fieldwork, a telephone database of institutional sectors was prepared and contact with their representatives was made in order to obtain appointments for the interviews. All available numbers from the database were contacted within the framework of the quantitative survey, denoting to the use of a sampling method. However, only 405 interviews were conducted instead of 500. Nonetheless, a total of 4102 telephone numbers from the database were contacted.

Challenges related to the interview process (similar to the difficulties experienced during organizational surveys) were caused as a result of technical faults of the databases, as well as by the respondents' refusal of participation due to unavailability. The number of interviews was determined by additional screening process in the form of filter questions, which required surveyed organizations to have an employed lawyer(s), as well as a certain number of employees: 21+ for businesses, 6+ for financial institutions and international / local non-governmental organizations, and 3+ for law firms.

The time and location of the interviews was arranged with the respondents who agreed to participate. Interviewees were company representatives responsible for staff recruitment and/or legal department representatives, as well as chief executives of the companies. The overwhelming majority of interviews were conducted at the workplace of the respondents. Interviews conducted according to cities are as follows: 301 interviews were conducted in Tbilisi, 66 in Batumi, and 38 in Kutaisi. The table below shows the number of conducted interviews:

Table 3. Number of Conducted Interviews

Sector	Number of Interviews
Business organizations	165
Financial institutions	36
Non-governmental/international organizations	67
Law firms	56
State institutions	81
Total	405

1.4 Study Outcomes and Reporting

Quantitative and qualitative research findings were jointly analyzed. Data from the quantitative survey findings was processed through the Statistical Package for the Social Sciences (SPSS). Qualitative research results were prepared in the form of transcripts and subsequently analyzed thematically.

For the purposes of data generalization, weighting was carried out for the quantitative survey. The margin of sampling error ranges between 4% and 4.5%. The margin of sampling error for individual sectors is as follows:

Table 4. Sampling Error Based on Sectors

Sector	Sampling Error
Business organizations	5-6%
Financial institutions	10-12%
Non-governmental/International organizations	6-7%
Law firms	8-10%
State institutions	7-9%
Total	4.0-4.5%

2. Desk Research

The following desk study attempts to briefly overview the literature describing the state of the Georgian labor market (including that of lawyer positions) in recent years. Conducted literary works revealed the lack of regular labor market research in Georgia that would highlight current and future market trends, as well as provide a comparatively definitive picture of the field. The following brief overview represents a clear example of the above-indicated problem, since the materials used within it are somewhat out of date.

The primary segment of the presented desk research encompasses an analysis of labor market-related reports published at various time periods. Information collected directly within the framework of the given project regarding the amount and nature of currently available lawyer vacancies is predominantly presented in the subsequent chapter. However, such information is sometimes used in the following sub-chapter for better illustration and a comparison of the data presented in particular reports.

In the last decade, one example of a thorough study of the Georgian labor market is research conducted by the United States Agency for International Development (USAID) and the International Organization for Migration (IOM) during June-July 2010. Their research revealed typical characteristics of the Georgian labor market:

- Low employment and high unemployment rates;
- Limited capacity of enterprises;
- Dominance of the "secondary labor market" over the "primary market";
- High percentage indicator of youth unemployment as well as unemployment among people with higher education;
- Low wages;
- Lack of regulations;
- Underdeveloped infrastructure;
- Inadequate labor market flexibility;
- High rate of long-term unemployment;
- Limited mobility for professionals;
- Sharp disproportion between supply and demand.¹

The main characteristic of the Georgian labor market as distinguished by the report was the limited activity area of the labor market, specifically a low indicator of supply and demand in terms of employment. The share of hired workers in the pool of total employed personnel is low, and in this regard, the observed trend shows no improvement over the years.

The abovementioned report illustrated that employers based in regions are faced with the challenge of employing relevantly educated and trained personnel for specific jobs. Along with other professions, a shortage of legal professionals has emerged in Tbilisi.²

¹P.5, Labor market in Georgia, June-July 2010, Survey report

According to the research conducted by the United States Agency for International Development (USAID) and the International Organization for Migration (IOM) during February-June 2011, which concerned the provision of the workforce to the Georgian labor market, it can be stated that the demand-supply gap for labor is incongruous quantitatively as well as structurally. A vast majority of personnel necessary for labor market do not receive proper training at vocational and higher education institutions, while many industries (e.g. fields of humanities and arts, social sciences, business, and law) tend to be overrepresented in the work force.³ Between the years of 2009 and 2010, the distribution of students in higher education institutions was such that the fields of social sciences, business and law represented the dominant areas, and amounted to 33% of the overall education market.⁴ The abovementioned is of greater significance, considering that the number of graduates is disproportionately large for the country's small labor market, and ultimately equates to even fewer available jobs. The aforementioned research confirms that one of the greatest necessities for the labor market is the regulation of supply and demand (including the legal market).

As for the employment status of lawyers based in various business areas, the International Organization for Migration (IOM) conducted the "Demand for workforce in employers" research in February 2008. In this research, 173 companies operating in Tbilisi were surveyed. The research showed that, for example, out of an average of 79 professional employees working in 49 transportation organizations, only three employed a lawyer.⁵ A similar situation was observed in the communications sector, where out of an average of 42 employees working in 19 companies, only three had a lawyer.⁶ The research revealed an interesting trend in the insurance sector, in which 29% of the surveyed companies increased the number of employees. Among the newly hired employees were lawyers, sales managers, business insurance specialists, insurance agents, economists, accountants, and human resource managers.⁷ As opposed to other business sectors, a particular focus on lawyer employment in the financial sector can be attributed to strict regulations that require more serious work on appeals.

Relatively newer data gathered within the framework of the following research reveals a declining trend of lawyer vacancies announced in the public service sector between the years of 2013 and 2015, ergo the number of announced vacancies, as well as their share in the total amount of job openings announced in the public sector was observed to have decreased (from 6.2% down to 4.8%).⁸

²P.25, Labor market in Georgia, June-July 2010, Survey report

³ Research report on the supply of labor force to the labor market conducted by the US Agency for International Development (USAID) and the International Organization for Migration (IOM), January-June 2011, Page 67

⁴ The United States Agency for International Development (USAID) and the International Organization for Migration (IOM), April-June 2011 research, Page 53

⁵ P.13 International Organization for Migration (February 2008). Employer Workforce Demand Report, Tbilisi, Georgia

⁶ P.15 International Organization for Migration (February 2008). Employer Workforce Demand Report, Tbilisi, Georgia

⁷ P.18 International Organization for Migration (February 2008). Employer Workforce Demand Report, Tbilisi, Georgia

⁸ Public Service Bureau

There is no accurate data available regarding changes in the number of announced lawyer vacancies in the business sector. According to data from www.jobs.ge, one of the largest employment portals in Georgia, the number of lawyer vacancies increased from 478 to 620 during the period of 2013-2015. However, speculation can be made about the upsurge of the number of lawyer vacancies in the business sector due to the increasing number of private businesses on the labor market in 2010, subsequently creating a greater demand for employees.⁹

Further speculation may be made that lawyer employment is more favorable in the private sector, since it customarily provides higher remuneration than the public sector. More specific data for comparing lawyer remuneration in the public and private sectors is not available in any of studies, however the 2013 data of the National Statistics Office confirmed that wages are lower in the public sector than in the private sector.¹⁰ Bar examination statistics may also serve as an indirect confirmation that the private sector is more attractive to lawyers.¹¹ Based on the records from the past three years, statistics show an increasing trend in the number of individuals (both sexes) passing Bar examination (93 in 2013, 213 in 2014, and 290 in 2015). The public sector does not require qualification exams, so the above listed results can be attributed to a high interest in the private sector.

In 2015, the aforementioned trend experienced a sharp decline (2536 graduate lawyers in 2014, and 1722 graduate lawyers in 2015).¹² This may be a result of market saturation perception and a shift of the interest towards areas in which employment prospects are considered more realistic. According to the "Georgian Higher Legal Education Quality Research Report" conducted in 2014 by the "Georgian Young Lawyers' Association", only five percent of bachelor's degree holder lawyers do not plan continuing or launching their career in the legal field.¹³

According to research conducted by Ilia State University in 2015, on the list of most demanded professions, lawyer is ranked as one of the least requested careers and holds second to last place (1.9%). The remaining most demanded professions on the list according to the research, are as follows: professionals in the financial field and financial experts (20.1%); sales manager (18.5%); technical staff (13.2%); medical staff (9.7%); distribution employee (8%); IT manager (7.4%); manager in other fields (7.2%); teacher/consultant (6.4%); tour operator (3.5%); marketing specialist (3.1%); and engineer (1%). A surplus of financial field professionals can be attributed to the magnitude and significance of the financial sector (the aforementioned sector supplies 26% of the total labor market demand).¹⁴ However, data collected within the framework of the following research project confirmed that legal education is considered an asset in the financial sector as well (see the main part of the report).

⁹<http://factcheck.ge/article/imis-miukhedavad-rom-sajaro-seqtorsbi-khelphasebi-izrdeba-is-kerdzo-seqtorsbi-khelphasebi-odenobas-chamorcheba/>

¹⁰<http://factcheck.ge/article/imis-miukhedavad-rom-sajaro-seqtorsbi-khelphasebi-izrdeba-is-kerdzo-seqtorsbi-khelphasebi-odenobas-chamorcheba/>

¹¹<http://factcheck.ge/article/imis-miukhedavad-rom-sajaro-seqtorsbi-khelphasebi-izrdeba-is-kerdzo-seqtorsbi-khelphasebi-odenobas-chamorcheba/>

¹²National Center for Educational Quality Enhancement

¹³"Georgian Higher Legal Education Quality Research Report" GYLA, 2014, Page 74

¹⁴<http://forbes.ge/blog/79/Sromis-bazari-saqarTveloSi>

According to the "Youth employment problems in Georgia" research conducted in 2013¹⁵, a vast majority of employers hesitate to hire students or university graduates, preferring more experienced candidates.¹⁶ This, in turn, contributes to youth labor migration from Georgia.¹⁷ In the event of hiring a student, employers only offer internship programs and do not guarantee future employment. However, research conducted by the Young Lawyers' Association shows that private sector employers prefer to hire broad-profile lawyers and develop their qualifications in specific areas. Interestingly, as a rule, undergraduates are more likely to be employed in the public or non-governmental sector than in the private sector.¹⁸

Studies show ambiguous attitudes towards the importance of holding a master's degree. According to research conducted by Iv. Javakhishvili Tbilisi State University, employers tend to not attribute too much significance to the differences between B.A. and M.A. graduates, as they consider the levels of knowledge acquired to be almost identical.¹⁹ The "Georgian Higher Legal Education Quality Research Report" provides a different picture, in which students and professors state that the higher the level of education achieved by the applicant, the higher the chances of getting a job.

Research conducted by the Georgian Young Lawyers Association identified specific skill sets necessary for lawyers:

- In-depth knowledge of legal issues;
- Good written and oral communication skills;
- Good law interpretation skills; and
- Good understanding of the Civil Service Code of Ethics.²⁰

According to the "Georgian Higher Legal Education Quality Research Report" conducted in 2014 by the Georgian Young Lawyers' Association, the majority of law faculty graduates cannot meet the above listed requirements, mostly due to the low level of legal education received at the higher education institution compared to that of labor market demands.²¹ As a result, a shortage of qualified lawyers is observed in spite of the surplus of lawyers on the labor market. An assessment of the bachelor's degree graduate preparation level for the qualification exam may serve as an accurate evaluation indicator of undergraduate level education, however different attitudes are revealed toward the mentioned topic in various target groups. Namely, according to the aforementioned research conducted by the Georgian Young Lawyers' Association, professors/scientists evaluate undergraduate level knowledge acquired in the higher education institution to be satisfactory for the law graduates to pass the Bar examination,

¹⁵"Youth employment problems in Georgia" N. Kvelashvili; N. Abramia; R. Liparteliani; T. Tartarashvili; G. Shioshvili. 2013

¹⁶"Georgian Higher Legal Education Quality Research Report" GYLA, 2014, Page

¹⁷"Youth employment problems in Georgia" N. Kvelashvili; N. Abramia; R. Liparteliani; T. Tartarashvili; G. Shioshvili. 2013

¹⁸"Georgian Higher Legal Education Quality Research Report" GYLA, 2014

¹⁹ Promotion of student employment by Georgian higher educational institutions, 2011, TSU, Tbilisi, p. 22

²⁰ Research does not specify definition of the term. Perhaps, the mentioned term connotes to the public institution regulations and terms of reference

²¹"Georgian Higher Legal Education Quality Research Report" GYLA, 2014, p. 83

while students do not share this opinion. Among students, 45.5% consider that their education is not sufficient for the Bar examination. Master's degree holders are generally more optimistic.²²

Cooperation between universities and employers is interesting in terms of student employment. According to a survey conducted by Iv. Javakishvili Tbilisi State University in 2011, the main types of relationships between employers and universities are as follows: personal communication, student employment units (existent in universities), or presentations and seminars.²³ Most employers have information regarding student employment units only from private universities.²⁴ Based on the survey, only 30% of the universities have a special structure focused on student employment. Furthermore, employers were generally dissatisfied with the quality of service of such units (e.g. delays in organizational issues, tardiness in submitting documents, lack of communication with the students, etc).²⁵ As the research showed, the aforementioned problems were essentially not shared by employers and educational institutions, reducing the likelihood of their resolution.

According to the research conducted by the Georgian Young Lawyers' Association, the most active way of communication with higher education institutions is through personal contacts.²⁶ This is because the signing of a memorandum or an agreement with a potential employer is a complicated process and represents a mere formality.²⁷ Both of the above reviewed pieces of research show that the relationship between potential employers and universities is generally weak.²⁸

²²"Georgian Higher Legal Education Quality Research Report" GYLA, 2014

²³Promotion of student employment by Georgian higher educational institutions, 2011, TSU, Tbilisi, p. 36

²⁴Promotion of student employment by Georgian higher educational institutions, 2011, TSU, Tbilisi, p. 14

²⁵Promotion of student employment by Georgian higher educational institutions, 2011, TSU, Tbilisi, p. 15

²⁶Promotion of student employment by Georgian higher educational institutions, 2011, TSU, Tbilisi, p. 36

²⁷Promotion of student employment by Georgian higher educational institutions, 2011, TSU, Tbilisi, p. 37

²⁸"Georgian Higher Legal Education Quality Research Report" GYLA, 2014

3. Main Part of the Report

3.1 Number of Lawyers on the Market and Higher Education Institutions Providing Legal Education

3.1.1 Available Employment on the Legal Market

Exact information regarding the number of annually announced lawyer vacancies in Georgia is not available.

Research attempted to analyze three largest employment portals - www.hr.gov.ge, www.jobs.ge and www.hr.com.ge. The years 2013-2015 were chosen as the calculation period, during which statistical information was provided by two portals - www.hr.gov.ge and www.jobs.ge, while the data gathered from www.hr.com.ge was primarily considered for trends.

The portal www.hr.gov.ge is a website administered by the Civil Service Bureau that publishes vacancies announced in the public service sector. The aforementioned website is not used for vacancies announced in other sectors (business, NGO, etc). The portals www.jobs.ge and www.hr.com.ge do not have a particular profile, therefore information published here concerns job openings in various sectors, including the public sector. An accurate estimation of data regarding available vacancies at any given period is infeasibly based on an analysis of the above listed portals, since on one hand announced vacancies are not necessarily mutually exclusive and cannot be sorted mathematically, and on the other hand, information concerning certain job openings is spread via informal channels or through company intranet. Therefore, such vacancies are not listed on the aforementioned portals.

Obtaining comprehensive information on announced vacancies in the public sector is available via www.hr.gov.ge. According to Civil Service Bureau data, which carries out the administration of the aforementioned website, in 2013 a total of 10 620 vacancies were announced in the public sector, while the announced job openings amounted to 12 734 in 2014, and 10 297 in 2015. Among them, the share of announced vacancies for lawyers equaled 6.2% in 2013; the mentioned vacancy shares were reduced in 2014 and 2015 and equaled 4.6% and 4.8%, respectively. The above presented percentage shares are reflected in numbers as follows: 661 announced lawyer vacancies in the public sector in 2013, while civil service sector was planning to employ 496 lawyers in 2015. The respective overall data is presented below:

Table 5. Announced Vacancies on www.hr.gov.ge, According to Lawyer Position Shares

	Total Number of Vacancies	Lawyer Vacancies	Lawyer Vacancy Shares
2013	10 620	661	6.2%
2014	12 734	580	4.6%
2015	10 297	496	4.8%
Total	33 651	1737	5.2%

As for an analysis of the employment portal www.jobs.ge, a total of 41 805 vacancies were published during 2013-2015, among which the number of lawyer vacancies equaled 1 598, or 3.8% of the total sum of published vacancies. The number of the announced total, as well as lawyer vacancies published on www.jobs.ge has increased over the years. In 2013, the website published 478 jobs for lawyers. This number increased to 500 in 2014 and 620 in 2015. Although the overall share of lawyer vacancies was lower in 2014 and 2015 than in 2013, the actual number of published vacancies increased. The respective overall data is presented below:

Table 6. Announced Vacancies on www.jobs.ge, According to Lawyer Position Shares

	Total Number of Vacancies	Lawyer Vacancies	Lawyer Vacancy Shares
2013	10 936	478	4.4%
2014	14 786	500	3.4%
2015	16 083	620	3.9%
Total	41 805	1 598	3.8%

During the years 2013-2015, 32 421 out of 41 805 published vacancies on www.jobs.ge were announced in Tbilisi. As for the regions, the highest share of available vacancies was present in Adjara (3121) and Imereti (2674) – the regions where the survey was conducted as well.

Data on the third employment portal - www.hr.com.ge, was scarce and did not contain specific quantitative figures; however, according to the general data of the past three years, the share of announced lawyer vacancies amounted to a total of between one and two percent, on average.

Analytical data regarding specific characteristics significant for the research, such as bachelor's or master's degree requirements for lawyer positions, is not available on any of the above mentioned web portals.

In order to attain a broader overview of existing general trends, the research analyzed vacancies posted on a particular day on all three websites. The research outcomes showed the following:

- ✓ On average share of announced vacancies for lawyer positions range between one to four percent
- ✓ In most cases, vacancies for lawyer positions are either directly announced for undergraduates or the job description indicates that the candidate should have a degree in law, without specifying the level. In the above listed portal cases, announced vacancies were observed on a particular day, where in one instance no master's degree was required for 12 different job openings. In another instance, 2 out of 19 announcements required a graduate degree. In the third instance, 4 out of 18 posted job openings for lawyers announced a requirement for a graduate degree. In all three above mentioned cases, a master's degree was required for the position of Department Adviser or Chief Specialist, as well as for common lawyer positions (in two cases). Therefore, the assumption that a master's degree is required only for high-level positions is inaccurate.

- ✓ Several job opening announcements observed at the analyzed websites are worthy of a separate mention, since in essence these are vacancies for legal positions, yet legal education is not considered a priority. These sectors are: management of problematic loans, security administration, and appeals administration (medical, financial). Furthermore, respondents surveyed within the framework of the qualitative research consider legal education as an asset for the abovementioned sectors, as well as for the administrative sector of companies in general.
- ✓ A majority of the vacancies require one or two years of work experience for the position of a lawyer (particular required experience may differ depending on the field position and specification - e.g, experience in the field of human rights).

Only 1 out of the 49 analyzed job opening announcements required applicants to be female. Incidentally, in a private conversation with representatives of the Civil Service Bureau, it was insinuated that announcing a gender preference for a particular position would be considered a violation of the law, and at any rate such information would be filtered, even in the case of the employer's indication of the mentioned criteria. Such restrictions are not present in private portals.

Based on the quantitative survey data, the average lawyer employment rate in Tbilisi, Kutaisi and Batumi legal labor markets has not changed over the past years. According to the 2013, 2014 and 2015 data, an average of three lawyers were employed in Tbilisi, while an average of one lawyer was employed in Kutaisi and Batumi.

Table 7. Please tell me, How Many Lawyers Worked in your Organization/Company in 2013/2014/2015? How many of them were Women? (Regional Context)

According to City	Number of Lawyers			Number of Women Among Them		
	2013	2014	2015	2013	2014	2015
Tbilisi	3	3	3	3	3	3
Batumi	1	1	1	1	1	1
Kutaisi	1	1	1	1	1	1

According to the quantitative survey outcome data, the average index of employed individuals experienced an increase between 2013 and 2015 (an average of 145 employees in 2013; 148 employees in 2014; and 156 employees in 2015). However, this indicator was not reflected on the number of employed lawyers.

Results of the above presented outcome analysis from a gender standpoint showed that the average number of female employees exceeded the average number of male employees, with the exception of state institutions. For the years 2013, 2014 and 2015, data indicated that in particular cases, the average number of male employees exceeded the average number of female employees in state institutions.

Table 8. Please tell me, How Many Employees Worked in your Organization/Company in 2013/2014/2015? How many of them were Women? How many of them were Men?

	Number of Employees			Number of Female Employees			Number of Male Employees		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
According to year									
Business organization	196	206	219	103	109	119	93	97	100
Financial institution	74	77	85	47	46	51	29	31	33
Non-governmental/international organization	58	57	56	35	34	33	24	23	23
Law firm	7	9	8	4	5	5	4	5	4
State institution	195	192	199	94	92	94	104	101	107
Total Average	145	148	156	77	79	83	71	72	75

As for the average index of employed lawyers, the data has remained unchanged over the years, with the exception of financial institutions. For financial institutions, in 2013, the average indicator of employed personnel in the position of a lawyer was two, and this figure increased by a margin of one in both 2014 and 2015. Results of the analyzed average index of employed personnel in the position of a lawyer from a gender standpoint showed that, similar to the employed individual data, the average number of employed female lawyers exceeds the average number of employed male lawyers in general. As for entry-level lawyers, naturally, their number is higher in those sectors where the average number of hired lawyers is higher than 1-2 (law firms, state institutions). At the same time in state institutions, lawyers with one-year experience are considered as appropriate for law positions, while lawyers with up to two-year experience are considered as entry-level lawyers according to our study.

Table 9. Please Tell me, How Many Lawyers were Employed in your Organization/Company by the End of 2013/2014/2015? How many of them were Women? How many of them were entry-level lawyers (Sectoral Context).

	Number of Lawyers			Number of Female Lawyers			Number of Entry-level Lawyers		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
Business organization	1	1	1	1	1	1	1	1	1
Financial institution	2	3	3	2	2	2	1	1	1
Non-governmental/international organization	2	2	2	2	2	2	1	1	1
Law firm	5	5	5	3	3	3	2	2	2
State institution	5	5	5	4	4	4	2	2	2
Total Average	3	3	3	2	2	2	2	2	2

It should also be noted that as a result of the surplus of lawyers on the labor market, the number of legal education holding individuals employed in positions other than lawyer far exceeds the number of employed as a lawyer.

On one hand, the given circumstances may be caused by a candidate's involuntary choice to occupy a position other than a lawyer as a result of workforce "overproduction," while on the other hand, employers generally prefer applicants with legal education appropriate for positions, where employees are required to handle certain types of documentation. This statement was mostly expressed by those respondents within the qualitative research who represented financial companies and state agencies.

It is also noteworthy that an average of 2.9 employees holding a law degree occupies lawyer positions, however the average indicator of employees occupying positions other than a lawyer is relatively high. More specifically, an average of four people is employed as non-lawyers. The above presented trend can be observed in every target group - the average number of staff members employed in the position of lawyer is invariably greater than the average number of staff employed on the positions other than a lawyer. This trend is particularly pronounced within financial institutions, where an average of 2.8 employees occupies lawyer positions, while 5.5 employees hold positions other than that of a lawyer.

Table 10. Number of Lawyers Currently Employed in your Organization in as a Lawyer/in a Position Other than Lawyer

	In the Position of a Lawyer	In the Position Other than a Lawyer
Business organization	1.4	2.1
Financial institution	2.8	5.5
Non-governmental/international institution	2	3
Law firm	5.1	5.4
State institution	5	6.3
Total	2.9	4

3.2 Number of Lawyers on the Market and Higher Education Institutions Providing Legal Education

Based on the data of the National Center for Educational Quality Enhancement, as of February 3, 2016, below listed 33 higher education institutions in Georgia implement legal education programs:

1. NELP - New Vision University
2. NELP - Georgian Institute of Public Affairs
3. NELP - St. Andrew the First-Called Of the Patriarchate of Georgia
4. NELP - Georgian Patriarchate St. Tbel Abuseridze University
5. LEPL - Akaki Tsereteli State University
6. LEPL - Shota Rustaveli State University
7. LEPL - Gori State Teaching University

8. LEPL - Telavi Iakob Gogebashvili State University
9. LEPL - Ivane Javakishvili Tbilisi State University
10. LEPL - Ilia State University
11. LEPL - Samtskhe-Javakheti State Teaching University
12. LEPL - Georgian Technical University
13. LEPL - Sokhumi State University
14. LEPL - Academy of the Ministry of Internal Affairs of Georgia
15. Ltd. - Grigol Robakidze University
16. Ltd. - Guram Tavartkiladze Teaching University
17. Ltd. - European University
18. Ltd. - Free University of Tbilisi
19. Ltd. - Tbilisi Teaching University
20. Ltd. - Tbilisi Teaching University Gorgasali
21. Ltd. - Tbilisi Open Teaching University
22. Ltd. - Tbilisi Humanitarian Teaching University
23. Ltd. - Caucasus International University
24. Ltd. - Caucasus University
25. Ltd. - Georgian Aviation University
26. Ltd. - University of Georgia
27. Ltd. - Sulkhan Saba Orbeliani Teaching University
28. Ltd. - Georgian American University
29. Ltd. - International Black Sea University
30. Ltd. - East European University
31. Ltd. - Teaching University European Academy
32. Ltd. - David Aghmashenebeli University of Georgia
33. Ltd. - Higher Education Institution Education Academy

A total of 7 363 undergraduate and 2 178 graduate lawyers have joined the market since 2012. The biggest output of bachelor's degree lawyers among them, with 2 536 students was in 2014, while the number dropped to 1 722 in 2015. Master's degree data shows that the number of graduates between 2012 and 2014 was steadily increasing until 2015, when the indicator practically did not change. Data according to years can be viewed in the table below:

Table 11. Information Regarding Bachelor's and Master's Degree Lawyers:

Year	Bachelor's	Master's
2012	1 227	520
2013	1 878	500
2014	2 536	583
2015	1 722	575
Total	7 363	2 178

Ivane Javakhishvili Tbilisi State University has produced the largest amount of lawyers. The number of Ivane Javakhishvili Tbilisi State University bachelor's degree graduates over the years greatly exceeds the number of bachelor's degree graduates from Georgian Technical University, which is the second largest producer of graduates in the country. Between the years 2012-2015, an average of every third bachelor's degree graduate lawyer was a student of Ivane Javakhishvili Tbilisi State University.

Moreover, Ivane Javakhishvili Tbilisi State University is an absolute leader in the number of master's degree graduates between the years 2012-2015; however, their share on the market is slightly lower than that of undergraduates. It should be noted that the average number of Iv. Javakhishvili Tbilisi State University master's degree lawyers within the past four years have been stable and have fluctuated between 141 and 158.

Regarding other higher education institutions - in 2014, subsequent to Ivane Javakhishvili Tbilisi State University, the second highest number of bachelor's degree lawyers was produced by Georgian Technical University with 203 students. However last year, the number was reduced to 83. Furthermore, in 2014, the following three other higher education institutions produced over 100 bachelor's degree holders: Ilia State University (158), Akaki Tsereteli State University (135) and Sokhumi State University (100). Compared to 2014, however, the above listed universities also experienced a significant drop in bachelor's degree holders in 2015 (with the exception of Ilia State University, where the declining trend was observable, yet not altogether significant). Therefore, there were 142 graduates from Ilia State University, 98 from Akaki Tsereteli State University, and 75 from Sokhumi State University.

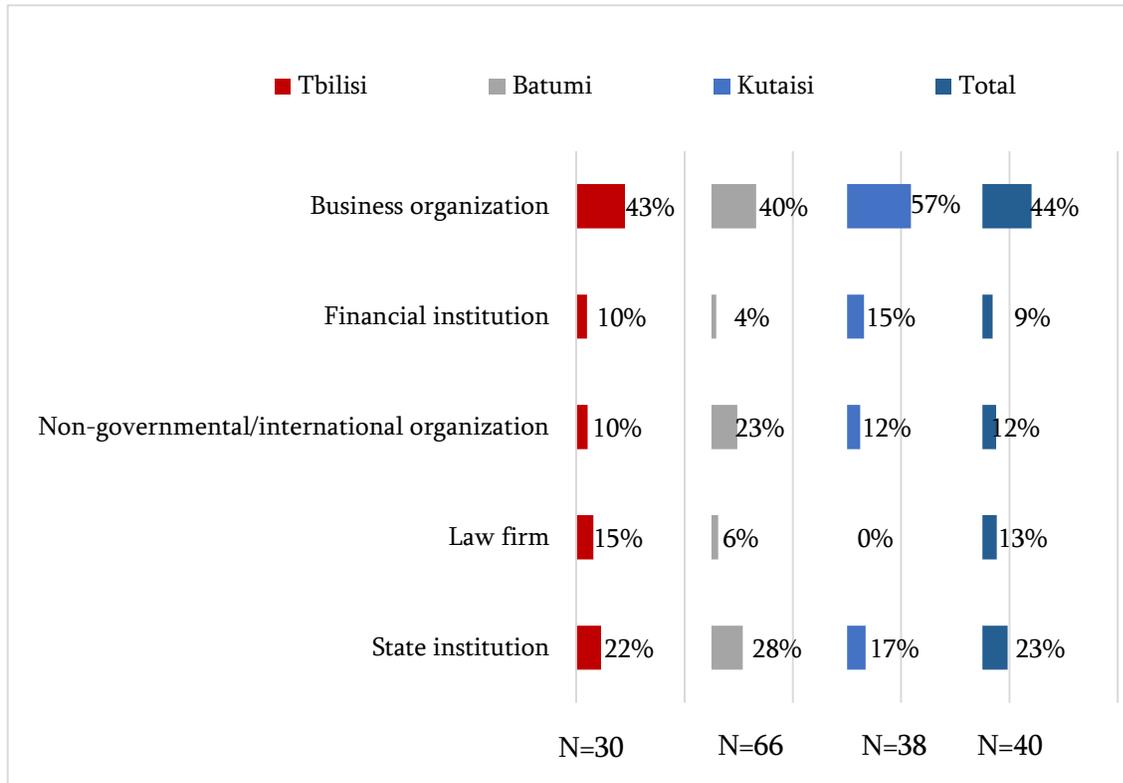
In 2015, Georgian Technical and Ilia State Universities were distinguished by a practically equally large number of master's degree lawyers (76 and 75 graduates, respectively). In addition, last year, Guram Tavartkiladze Learning University produced a large number of master's degree holders, with 50 students in total, as opposed to 15 in 2014.

The conducted quantitative survey showed that more than half of the lawyers employed at organizations (61%) are represented by Ivane Javakhishvili Tbilisi State University graduates. However, it should also be noted that the same share of lawyers employed in Batumi (60%) are Shota Rustaveli State University graduates; while the same 2/3 of employed lawyers in Kutaisi are Akaki Tsereteli State University graduates.

3.3 Description of Surveyed Organizations and their Employees

A majority of the surveyed organizations within the **quantitative** survey (44%) were represented by business enterprises. From the regional standpoint, Kutaisi has a relatively greater share of surveyed business organizations (57%), compared to those in Tbilisi (43%) and Batumi (40%). However, the share of non-governmental/international organizations (23%) and public institutions (28%) in Batumi is relatively higher than those present in the other two cities.

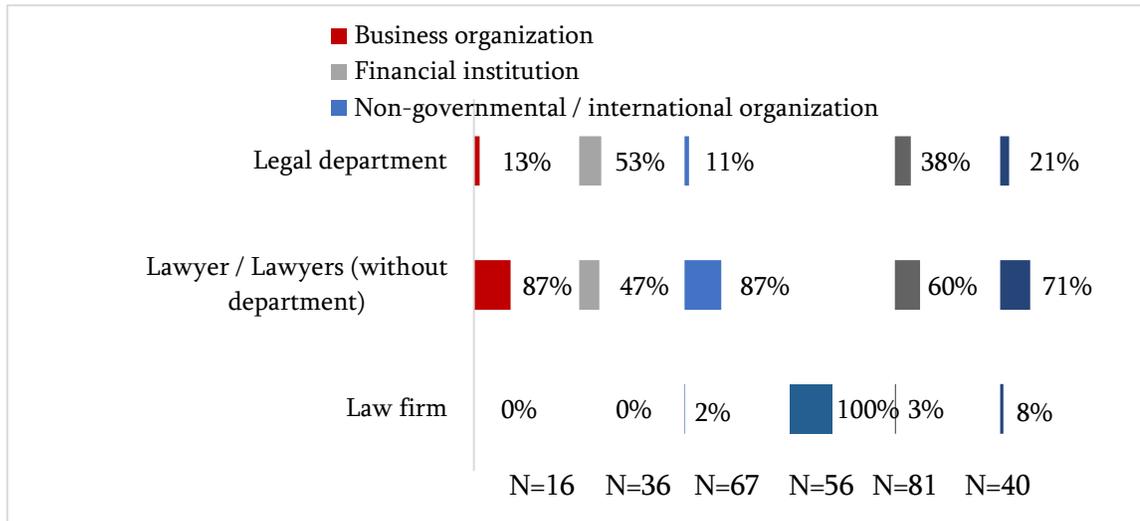
Chart 1 - Please tell me, which of the Following Types Listed below relates to your Organization?



A majority of the surveyed companies within the **organizational** research (65%) were represented by legal consultation entities, while the percentage share of legal service organizations was relatively low (57%).

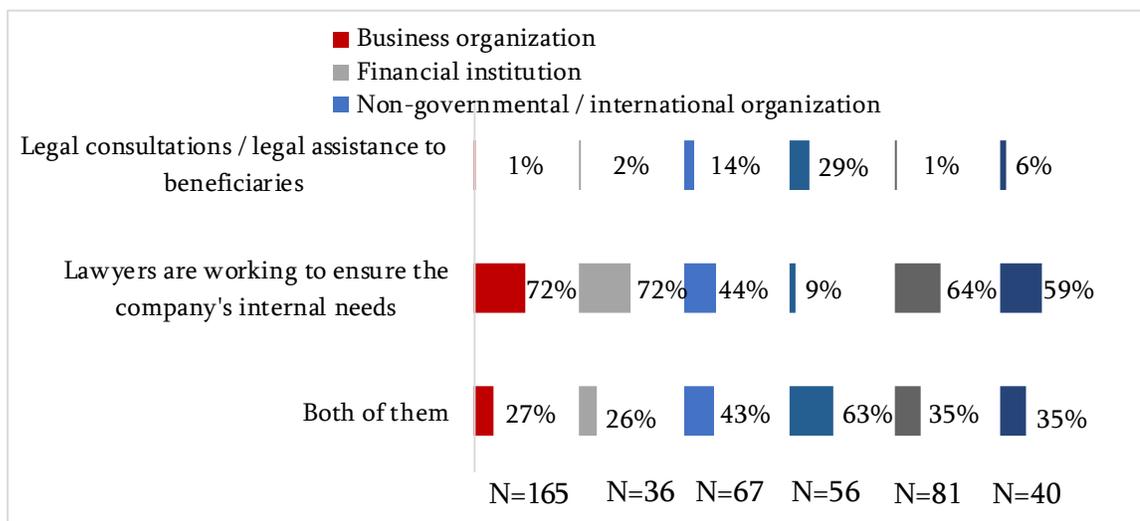
It should also be noted that one-fifth of the surveyed organizations (21%) have a legal department/division, and the highest percentage share among them is represented by financial institutions (53%).

Chart 2 - Please tell me, Does your Organization Have a Legal Department or Full-time Employed Lawyers?



Based on the results of the **quantitative** survey, lawyers employed in various organizations work towards the provision of company needs (59%), however more than a third of employed lawyers also have to administer counseling and legal assistance to beneficiaries along with the provision of internal company needs (35%). Naturally, lawyers employed in business organizations (72%) and financial institutions (72%) are required to deal with internal needs more, compared to lawyers employed in law firms (9%).

Chart 3 - What are the Functions of Lawyers in your Organization?



Research outcomes demonstrate that 23% of organizations are employing at least one entry-level lawyer. However, it should be noted that within the framework of the quantitative survey, none of the

organizations surveyed in Kutaisi had the experience of entry-level lawyer employment (the number of surveyed organizations in Kutaisi is 34).

More than half of the employed lawyers are female staff members. It is also noteworthy that in surveyed organizations employing at least one entry-level lawyer, their share amounts to more than a quarter (up 28%) of the total number of employed lawyers. Nonetheless, if the data is analyzed in the context of all surveyed organizations in general, it can be inferred that one in every ten (10%) lawyers is entry-level.

The share of lawyers holding a bachelor's degree is relatively high (34%) in the organizations employing at least one entry-level lawyer, compared to all of the interviewed organizations (22%).

In general, 74% of lawyers employed in the organizations surveyed within the research hold a master's degree. Graduate lawyers are frequently found in organizations employing at least one entry-level lawyer, however even in these cases, the percentage share of employed undergraduate lawyers is significantly high (the total share of bachelor's degree lawyers equals 22%, and the total share of bachelor's degree lawyers in organizations employing at least one entry-level lawyer is 34%). An analysis of the above presented data in the regional context revealed that an absolute majority of the employed lawyers in Kutaisi (98%) holds a master's degree, while the same indicator is relatively lower in both Tbilisi (72%) and Batumi (77%).

Based on the information provided by respondents of the **organizational research**, a majority (92%) of the lawyers employed at their company or institution hold a Georgian diploma. However, the indicator of foreign diploma ownership varied depending on the region. Eight percent of employed lawyers in Tbilisi hold a foreign diploma, while their share equals to four percent in Batumi and two percent in Kutaisi. In addition organizations that employ entry-level lawyers also have a bigger share of employees with a foreign diploma.

Table 12. Organization Descriptions

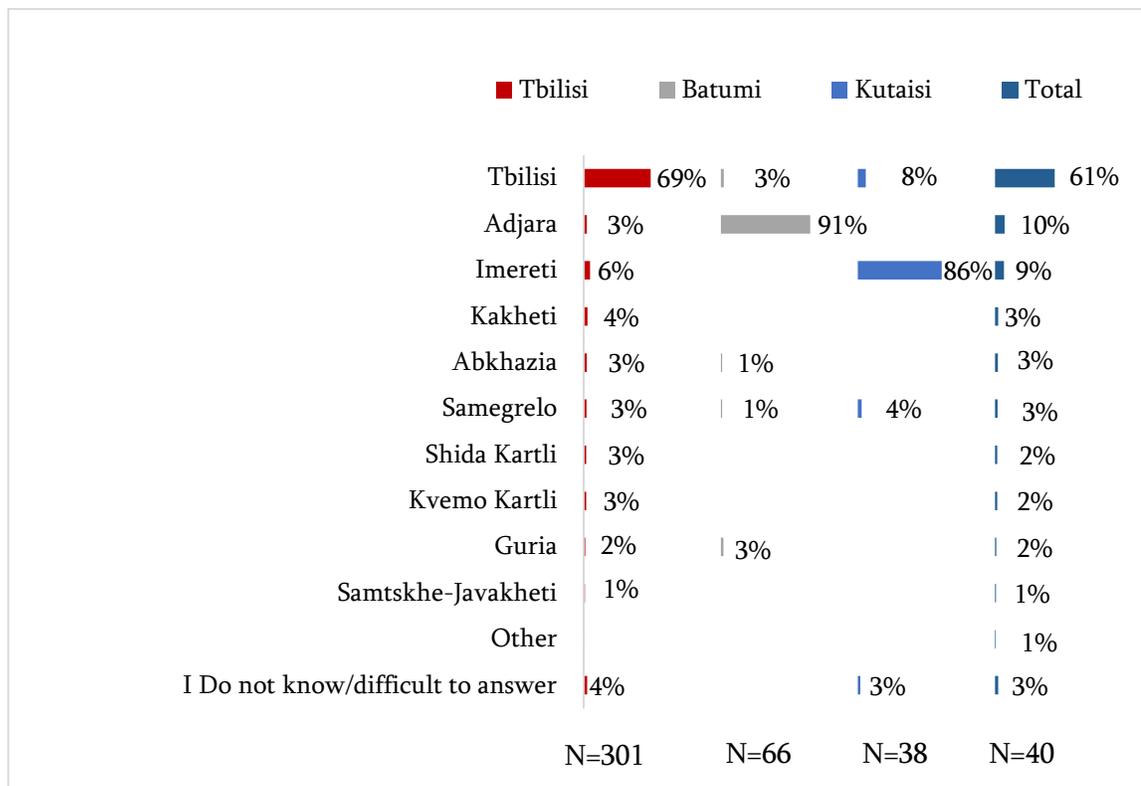
	All Organizations	Organizations with Entry-level Lawyers
At least one entry-level lawyer in organization	23%	100%
Female	53%	56%
Male	47%	44%
Entry-level lawyers among others	10%	28%
Bachelor	22%	34%
Master	74%	62%
PHD	4%	4%
Georgian diploma	92%	88%
Foreign diploma	8%	12%

Ivane Javakhishvili Tbilisi State University	61%	61%
Shota Rustaveli State University	5%	2%
Akaki Tsereteli State University	4%	1%
Georgian Technical University	3%	4%
Ilia State University	2%	3%
Georgian-American University	2%	3%
Other	15%	13%
I do not know/difficult to answer	8%	13%

* Data is calculated from organizations employing less than 20 lawyers. Data does not include five organizations that could dramatically alter and misrepresent the mean data due to the large number of employed lawyers.

It should also be noted that in Tbilisi, a majority of employed staff members (69%) are from Tbilisi, although some are from Imereti (6%), Kakheti (4%), etc. As for the staff members employed in Kutaisi, a majority of them naturally originate from the Imereti region (86%), however Tbilisi natives are also represented (8%), along with a small number of employees (4%) from the Samegrelo region. A vast majority of staff members employed in Batumi are from Adjara (91%), however Tbilisi natives are also represented (4%), as well as employees from the Guria region (3%).

Chart 4 - Places of Origin of Employed Staff Member Lawyers

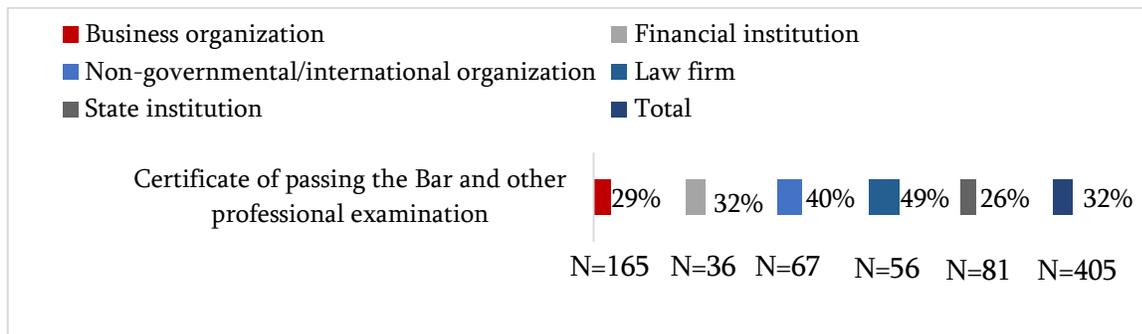


3.4 Market Requirements for Lawyers and Entry-level Lawyers

3.4.1 Qualification Examinations

For a third of the surveyed organizations Bar or other professional qualification exams are an important factor in the entry-level lawyer selection process. However, legal companies give more priority to professional qualification exam certificates (49%) than public institutions (26%) or business organizations (29%). It should also be noted that in total, only seven percent of the surveyed respondent organizations consider professional qualification exams as the most important factor in the selection process, out of which financial institutions (13%) and law firms (11%) score the highest.

Chart 5 - Which of the given Professional Skills do you Pay Attention to when Selecting an Entry-level Lawyer for a Legal Position?



As for the qualitative research data, according to the opinions of the interviewed law firm representatives, passing the Bar examination threshold level is a significant challenge for entry-level lawyers. Based on the views of financial institution representatives, passing the local qualification exams emphasizes the fact that entry-level lawyers are familiar with Georgian legislation and the local court system. As for the views of the entry-level lawyers regarding the Bar and other qualification exams, passing the threshold level of the abovementioned exams is considered so difficult that it plays a significant role in the employers' applicant selection process. In addition, in the event of successful passing of the Bar exam, a lawyer is assigned second instance advocate status, which is important for both financial institutions and law firms for legal representation in the court.

Entry-level lawyers' knowledge/skills and employment is one of the key themes of the following research. Entry-level lawyers are eligible to take the Bar and prosecutor qualification exams, as well as the notary qualification exam. In particular, any capable Georgian citizen may take the prosecutor qualification exam, provided they hold a degree in law and are fluent in the language of the proceedings. Furthermore, the right to sit at Bar examination is granted to any capable citizen of Georgia, provided they hold a degree in law and speak the national language. Notary qualification

exam preconditions are more complicated, since the eligible applicant needs to hold a degree in law, and needs to have undergone the internship of "Regarding Notary" according to the Georgian legislature. They also need to be fluent in the state language. All three of the abovementioned qualification exam requirements enable entry-level lawyers to obtain the status of a lawyer, a prosecutor or a notary, and to seek employment in their respective fields, provided that they pass the examination.

Eligibility for a judicial qualification test is also granted to any capable citizen of Georgia from the age of twenty-three, provided that they hold a degree in law and are fluent in the state language. Accordingly, entry-level lawyers have the possibility to sit this exam as well, but it is less relevant for this target group due to the specifics of the judge position.

Collecting accurate information regarding the prosecutor qualification tests was virtually impossible. As for the Bar examinations, their results according to years and gender marker are as follows:

Table 13. Results of Bar Examinations by Year (Gender Context)

	December, 2013			June, December, 2014			May, December, 2015		
	female	male	total	female	male	Total	female	male	total
Civil specialization	28	14	42	74	26	100	129	52	181
Criminal specialization	23	18	41	48	43	91	31	41	72
General	4	6	10	11	11	22	20	17	37
Total	55	38	93	133	80	213	180	110	290

The following research showed that on average, 10% of those registered for the Bar examinations fail to turn up.

Obtaining comprehensive information with respect to the 2014-2015 year Bar examinations was possible via Georgian Lawyers' Association on the research reporting stage, while for the first time ever, conduction of online examination became partially available in 2013, as a result of which, part of information is not available in electronic form. Only conclusions that may be drawn based on the 2013 data is following: 93 candidates have been awarded with lawyer qualification, majority of who were females (55).

As for the 2014 and 2015 data, the following research revealed that:

- A total of 1058 applicants took Bar examination in 2014, while 1125 applicants were present in 2015, which allows for the conclusion that relatively equal interest was shown towards the examination during the above mentioned time period.

- The number of applicants taking civil specialization qualification exams was considerably higher during both years, than that of the criminal and general law specialization qualification exam applicants - 46% and 49% in 2014 and 2015 years, respectively. Lower indicator of interest compared to the other law fields was shown towards general law specialization qualification exam.
- As for the acquired results, only one-fifth of the civil law specialization examination applicants were able to obtain the respective lawyer qualification in 2014, 24% of the criminal law qualification applicants managed to pass the examination, while only 12% of the applicants received the general law specialization qualification.
- Total share of applicants successfully passing the civil law specialization examination increased from 20% up to 33% in 2015, while the indicators of other specialization qualification exams remain virtually unchanged.
- 844 undergraduate and 211 graduate applicants were present for the Bar examination in 2014, while the aforementioned exam was taken by 904 undergraduate and 219 graduate applicants in 2015. Research data indicates that on average 8 or 9 out of every 10 applicants are Bachelor degree holders. However, it is noteworthy that in 2014, 23% of the undergraduate degree holder applicants were able to receive their qualification in the said exam, while only 9% of the graduate degree holder applicants managed to pass the Bar examination. In 2015, 27% of the undergraduate and 20% of the graduate degree holder applicants were able to pass the lawyers qualification exam. Although a total share of the successful Master's degree holder applicants has doubled in 2015, it is worth noting that on average, 4 out of 5 graduate degree holder applicants fail the aforementioned bar exam.
- Number of female bar examination applicants was higher during both of the research reporting years - female candidates represented 59-61% of the total number of exam takers during 2014-2015 years. As for the exam results, according to the following research, the number of female and male successful Bar examination applicants were practically identical - in 2014, 21% of the female and 19% of the male applicants were able to pass the examination, while in 2015, 26% of female and 25% of male applicants were successful.

The data show that in 2013-2015, most candidates passed the examination in the civic specialization, with a total of 323 candidates, a majority of which were female (231 candidates). A proportional number of female and male candidates were observed to have taken the criminal and general law specialization examinations. A higher number of female candidates tend to have taken specialization exams in civil law. As for male candidates, in 2013-2014, a greater part of them took the criminal law specialization exams, but in 2015, the tendency was different. Fifty-two male candidates passed an exam in the civil specialization, and 41 in the criminal specialization.

A research analysis of a gender context reveals that a total of 368 females passed the Bar exams in all three years. The same indicator for males amounts to 281.

As mentioned in the onset of the research, the only unmistakable trend the research shows is the increasing number of applicants receiving lawyer certificates each year. Compared to 2013, the data acquired in 2015 was tripled (93 and 290, respectively). This trend is on par for both sexes independently.

3.4.2 Bachelor's vs. Master's Degrees

Despite the majority of employed lawyers (74%) holding a master's degree, based on the information obtained from the interviewed public and private organization representative respondents within the qualitative research, master's degrees do not play a major role in the selection process of entry-level lawyers. The majority of research respondents state that a master's degree is rarely considered an essential requirement for the employment of entry-level lawyers, however quantitative survey data shows that compared to an undergraduate degree, more priority is given to an applicant holding a graduate degree. Ramifications of this can clearly be observed in the share of graduate employees in the surveyed organizations. (See Table # 12)

Research outcomes show that employers hiring bachelor's degree holders give absolute priority to Georgian diploma holders (as opposed to foreign diploma holders). However, we cannot say that employers absolutely prioritize a Georgian diploma, since it is not their choice but the reality of the Georgian legal education market. The aforementioned trend can partly be attributed to the fact that the market offers a much higher number of Georgian diploma holder lawyers to employers; however, at the same time, according to experts, knowledge and experience of local legislation is essential in the jurisprudence field. Holding a foreign diploma, mainly in the form of a master's degree, is only considered as a positive factor provided the applicant has a thorough understanding of local legislation.

“Georgian diploma is necessary. At the same time, having a foreign Master's degree is desirable not only because a local graduate degree may be qualitatively inferior to a European or American Western graduate degree, but mainly because one or two years of working, living and studying experience abroad adds valuable character traits beyond knowledge.” [Experts in legal matters]

According to the **quantitative** survey outcomes, an entry-level lawyer in most cases (60%) should obtain a Georgian bachelor's degree in order to be considered for employment. More than one-third of entry-level lawyers are required to hold a Georgian master's degree (36%).

Chart 6 - Please Tell me, What Should be the Highest Attained Degree of an Entry-level Lawyer Who Wants to Get a Job in your Organization?



According to some respondents surveyed in the **qualitative** research, possession of a foreign diploma for both entry-level and experienced lawyers is more associated with a good foreign language knowledge than professional qualification. However, according to other surveyed respondents there are some areas, such as government agencies (international treaties division, etc.), in which a foreign diploma can be regarded as a priority, but would not be classified as a mandatory requirement.

3.4.3 Proposed Salaries for Entry-level Lawyers

Based on the results of the **quantitative** survey, it is revealed that the average minimum salary for entry-level lawyers equals 605^ლ, while the average maximum salary is 874^ლ. Nevertheless, the presented data varies comparatively for different target groups. For instance, the highest average entry-level lawyer salary is present in state institutions (755^ლ), while the lowest average salary is present in law firms (461^ლ). According to the organizational research, the maximum average entry-level lawyer salary varies by region. The maximum amount of an average entry-level lawyer salary in Tbilisi is 891^ლ, while in Batumi it only amounts to 675^ლ.²⁹

The fact that the highest average salary is present in state institutions can be explained by the one-year experience requirement for the position, so entry-level lawyers implied in the research are considered to be full-fledged staff members. Accordingly, all similarly ranked employees have identical salaries designated for their specific positions, regardless of their experience.

²⁹ The above-mentioned data shows only a trend, since the entry-level lawyer employment criteria narrows the respondent segment down; the sectorial division of which will show a higher margin of error.

Table 14. Please Tell me, what is the Lowest Salary and the Highest Salary (Gross) of Entry-level Lawyers in your Organization?

Sector	Minimum Salary Average		Maximum Salary Average	
Business organization	579 ₾		879 ₾	
Financial institution	703 ₾		873 ₾	
Non-governmental/international organization	487 ₾		879 ₾	
Law firm	461 ₾		821 ₾	
State institution	755 ₾		911 ₾	
Tbilisi/Batumi	598 ₾	527 ₾	891 ₾	675 ₾
Total	605 ₾		874 ₾	

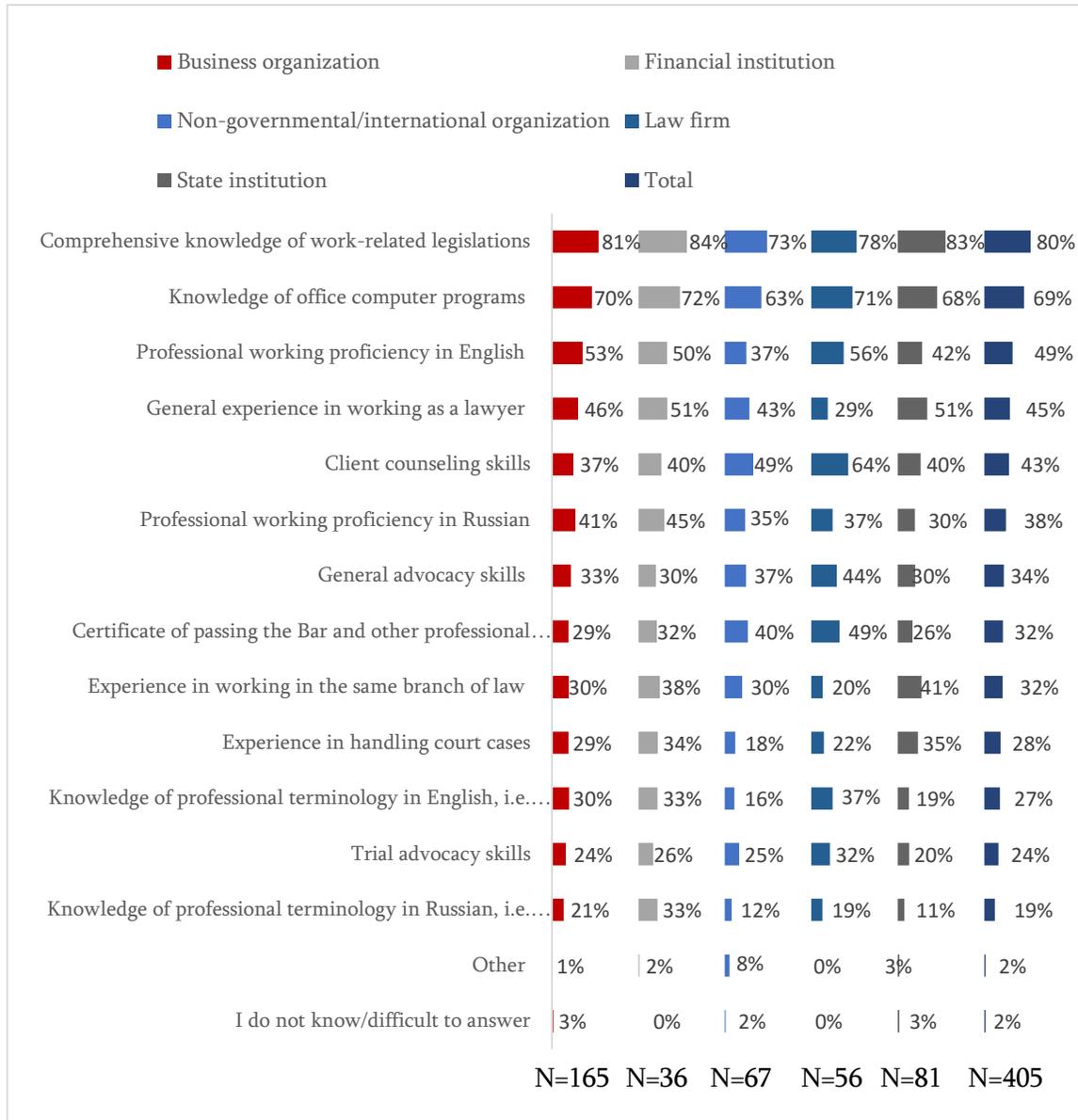
* Minimum and maximum average salary is calculated on the basis of the data of an organization employing at least one entry-level lawyer (N95).

3.5 Required Skills and Qualifications for Lawyers and Existing Shortcomings

3.5.1 Professional and General Skills Required for Entry-level Lawyers

Based on research outcomes, it can be inferred that the requirements for entry-level lawyers on the legal market are diverse. Quantitative survey data reveals that entry-level lawyers are more frequently required to have higher level knowledge of field-relevant legislature (80%) than any other **professional skill**. However, it should be noted that the requirements for entry-level lawyers are somewhat different depending on the target group. For instance, quantitative survey data indicates that appropriate knowledge of the English language is more frequently required in legal service companies (56%) than in any other target group. Financial institutions (51%) and public agencies (51%) are more likely to require legal work experience than any other target group, while legal companies (29%) are least likely to require the same. However, as opposed to all other surveyed target group representative organizations, required professional skill for legal companies is client counseling skills (64%), as well as Bar and other professional qualification exam certificates (49%).

Chart 7 - Please tell me, which of the Given Professional Skills do you Pay Attention to when selecting an Entry-level Lawyer for a Legal Position?



It should be noted that among the abovementioned professional skills, more than half of respondents (57%) named excellent knowledge of relevant legislation as the most important professional skill, as well as counseling (43%) and advocacy skill (34%).

As for the **quantitative** survey respondents' views on the professional training of entry-level lawyers, research results reveal that the professional skill perceived to be upheld by most entry-level lawyers is proficiency of computer office programs (97%), followed by an excellent knowledge of relevant legislature (76%). Respondents perceived that the professional skills least present in entry-level lawyers

are relevant legal work experience (60%), followed by a lack of participation practice in legal proceedings (54%). (See Table #15 below)

Table 15. Please tell me if Entry-level Lawyers at your Organization Have the Following Professional Skills and Qualifications?

	Everyone has the skill	Only some	Nobody	DK
Knowledge of office computer programs	97%	3%		
Certificate of passing the Bar examination	31%	25%	43%	1%
Comprehensive knowledge of work-related legislation	76%	16%	8%	
Knowledge of professional terminology in English, i.e. translating and composing contracts for banking and civil law	53%	15%	31%	
Knowledge of professional terminology in Russian, i.e. translating and composing contracts for banking and civil law	40%	17%	45%	
Professional working proficiency in English	65%	20%	15%	
Professional working proficiency in Russian	49%	25%	26%	
General experience working as a lawyer	32%	17%	51%	
Experience working in the same branch of law	26%	12%	60%	1%
Experience in handling court cases	27%	18%	54%	
General advocacy skills	43%	17%	39%	
Trial advocacy skills	33%	18%	49%	
Client counseling skills	68%	11%	21%	

* Implies unhindered translation and drafting of banking and civil law contracts.

Based on the opinions of **qualitative** research respondents, one of the most important employer requirements relates to verbal and writing skills. According to research participants' perceptions, writing skills in the jurisprudence field include "*critical interpretation of the read research and conveying it in a properly organized and structured manner.*" According to the respondents' beliefs, importance is given to the entry-level lawyer's ability to verbally convey their opinions in a comprehensively formulated manner, similarly to writing skills. From the respondents' opinions, public speaking skills, as well as persuasive and argumentative reasoning are significant factors not only for experienced lawyers, but for entry-level lawyers as well.

Based on the information provided by the higher education institution representatives surveyed within the qualitative research, students are given the opportunity to significantly develop their writing skills by taking such courses as academic writing and reasoning, etc. Demand for writing skills on the legal market was discussed above, but it should be noted that it is regarded as equally important by the surveyed employers and higher education institutions. However, whereas higher education institution representatives consider that entry-level lawyers "demonstrate their writing skills well," employers tend to have a different experience. Based on the information provided by the surveyed employers within the qualitative research, a majority of entry-level lawyers find it difficult to independently draft documentation, adhere to document structure, and write in an argumentative manner.

As mentioned above, respondents consider that client counseling, advocacy and contract drafting skills are extremely important in the process of determining the preparedness of entry-level lawyers for the labor market. Within the context of jurisprudence, client counseling includes combining communication and conflict resolution skills, since *"every client comes from an essentially conflict-driven circumstance, and this is the reason for addressing the lawyer."*

"In short, it is basically a communication skill, the art of conflict management, knowledge of a specific civil code or the criminal code fields." (Representative of a higher education institution)

Based on the perceptions of the employer respondents interviewed within the research, cooperation is a uniquely important skill for an entry-level lawyer. Representatives of legal companies believe that the ability of cooperation is especially important for entry-level lawyers, especially when dealing and coordinating with investigators and colleagues of different positions and hierarchical levels other than their own. Communication skills can be included within the quantitative survey. Sixty-two percent of the surveyed organizations consider that communication skills are crucial in the selection process of an entry-level lawyer.

Proficiency in foreign languages is an important factor for lawyers (including entry-level lawyers) in order to access the legal market, however attitudes of the qualitative research respondents towards the entry-level lawyers' proficiency in foreign languages may be considered somewhat different. While the majority of respondents agree that proficient knowledge of a foreign language is not a requirement for an entry-level lawyer who only deals with local legislation and clients, there are organizations that, due to the nature of their specific field of work, are constantly in touch with representatives, organizations, or even legislation from other countries. For instance, according to the quantitative data, almost half (49%) of the respondents consider that English language skills are important for entry-level lawyers, while the requirement of Russian language skills is significant for 38% of the surveyed respondents.

Based on the research outcomes, it can be inferred that the most frequently required foreign languages in the legal field are English as an international language, German since our legislation is "tied" to German legislation, and Russian as the most commonly used language in the post-Soviet space.

"Russian speaking clients are from Azerbaijan, Ukraine, some from the Russian Federation...clients from the post-Soviet space are more or less familiar to the Georgian market as they consider it more acceptable for investments. It is somewhat reminiscent of their native environment, and naturally Russian language is more comfortable for them than English; however, English is still dominating, since ultimately they want to access the international arena. Therefore, they want to communicate in English at any rate." (Private law firm)

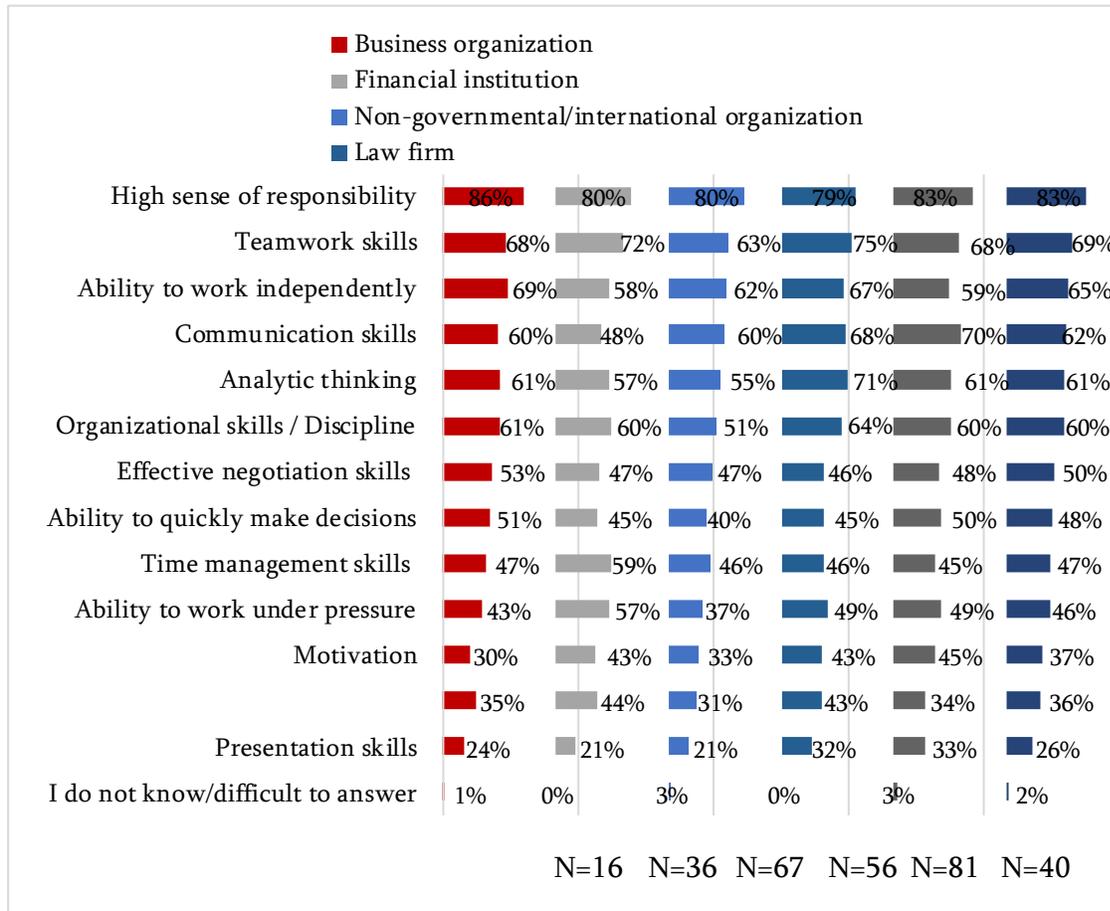
According to the **qualitative** research outcomes, certain work experience can be a prerequisite for employment in the legal market. Based on their experience, an overwhelming majority of the surveyed respondents envision the employment of entry-level lawyers only in the capacity of an intern. Therefore, an entry-level lawyer's experience gained through practical work can be considered as one of the key demands of the legal market.

Based on the perceptions of a majority of respondents representing private organizations, participation in conferences, training attendance, undergoing various examinations, and membership in professional associations connote to the entry-level lawyer's motivation and commitment. However, research findings show that from the above mentioned skills, the highest demand in the labor market is for internships and practical exercises.

"If more time was dedicated to this in higher education institutions, graduates would be more accordingly prepared. Naturally, they would not have been able to study everything completely, but after several months of training in court or in the public registry, students would be more prepared. " (Representative of a private organization)

Research also named general skills that employers take into account during the entry-level lawyer selection process. **Quantitative** survey results revealed that from the perspective of a vast majority of the organizational research respondents (83%), a high sense of responsibility is regarded as an important trait, and employers give priority to this trait during the entry-level lawyer selection process. However, there are general skills that representatives of various target groups assign different importance to. According to the quantitative survey data, communication skills, both general and interpersonal skills, are more prioritized by representatives of state institutions (70%) than by respondents of financial institutions (48%). After a high sense of responsibility (79%) and team work skills (75%), legal service companies consider analytical thinking skills (71%) as one of the most important factors. The abovementioned skill is awarded lower priority by financial institutions (57%) and non-governmental organizations (55%) during the entry-level lawyer selection process.

Chart 8 - Please tell me, which of the Given Soft Skills do you Pay Attention to when selecting an Entry-level Lawyer for a Legal Position?



It should also be noted that from the general skills listed above, the most important for the process of selecting a entry-level lawyer are: high sense of responsibility (38%), analytical thinking (12%) and the ability to work independently (12%).

According to the opinions of both private and public sector employers surveyed in the **qualitative** research, important requirements for entry-level lawyers are listening, communication and received information prioritization skills. Respondents believe that a lawyer should be able to listen to the client carefully, ask the right questions and filter priority issues from the received information. At the same time, logical thinking and reasoned discussion is one of the decisive factors in the course of the entry-level lawyer evaluation process.

"Level of [applicant's] confidence, coherence of speech and pronunciation, the ability to reason and a whole list of other criteria; we have a questionnaire by which we determine the level of appropriate skills." (Prosecutor's office)

Organization representatives surveyed within the quantitative survey assessed the general skills most frequently possessed by entry-level lawyers based on their own experience as follows: high sense of responsibility (95%) and good communication skills (94%). Interpersonal skills are least pronounced in entry-level lawyers, as are effective negotiation skills (16%), followed by the inability to work under stressful conditions (14%). Furthermore, entry-level lawyers are considered unlikely to possess fast decision-making skills (12%) and presentation skills (11%).

Table 16. Please tell me if Entry-level Lawyers at your Organization Have the Following Soft Skills and Qualifications?

	Everyone has the skill	Only some	Nobody	DK
Teamwork skills	92%	6%	2%	
Ability to work independently	77%	15%	8%	
Ability to work under pressure	78%	13%	9%	
High sense of responsibility	95%	3%	2%	
Communication skills	94%	5%	1%	
Effective negotiation skills	62%	21%	16%	1%
Time management skills	72%	19%	8%	1%
Organizational skills / Discipline	92%	4%	3%	
Analytical thinking	81%	14%	5%	1%
Ability to work in a stressful environment	74%	12%	14%	1%
Ability to quickly make decisions	72%	17%	12%	
Presentation skills	75%	13%	11%	1%
Motivation	89%	7%	4%	1%

Higher education institution representative respondents take a different view of the legal market requirements for entry-level lawyers. According to their observations, employers are more in need of narrower specialization specialists, which in many cases presents a barrier for graduates (for example, an organization may post an opening for a banking law specialist).

"Nowadays, an employer is more interested in undergraduate and graduate level specialists who are competent in a specific sub-direction, rather than in terms of general law." (Higher education institution representative)

It should also be noted that in general, higher education institution representative respondents consider that the legal market requires "*vast experience and knowledge of all things*" from entry-level lawyers.

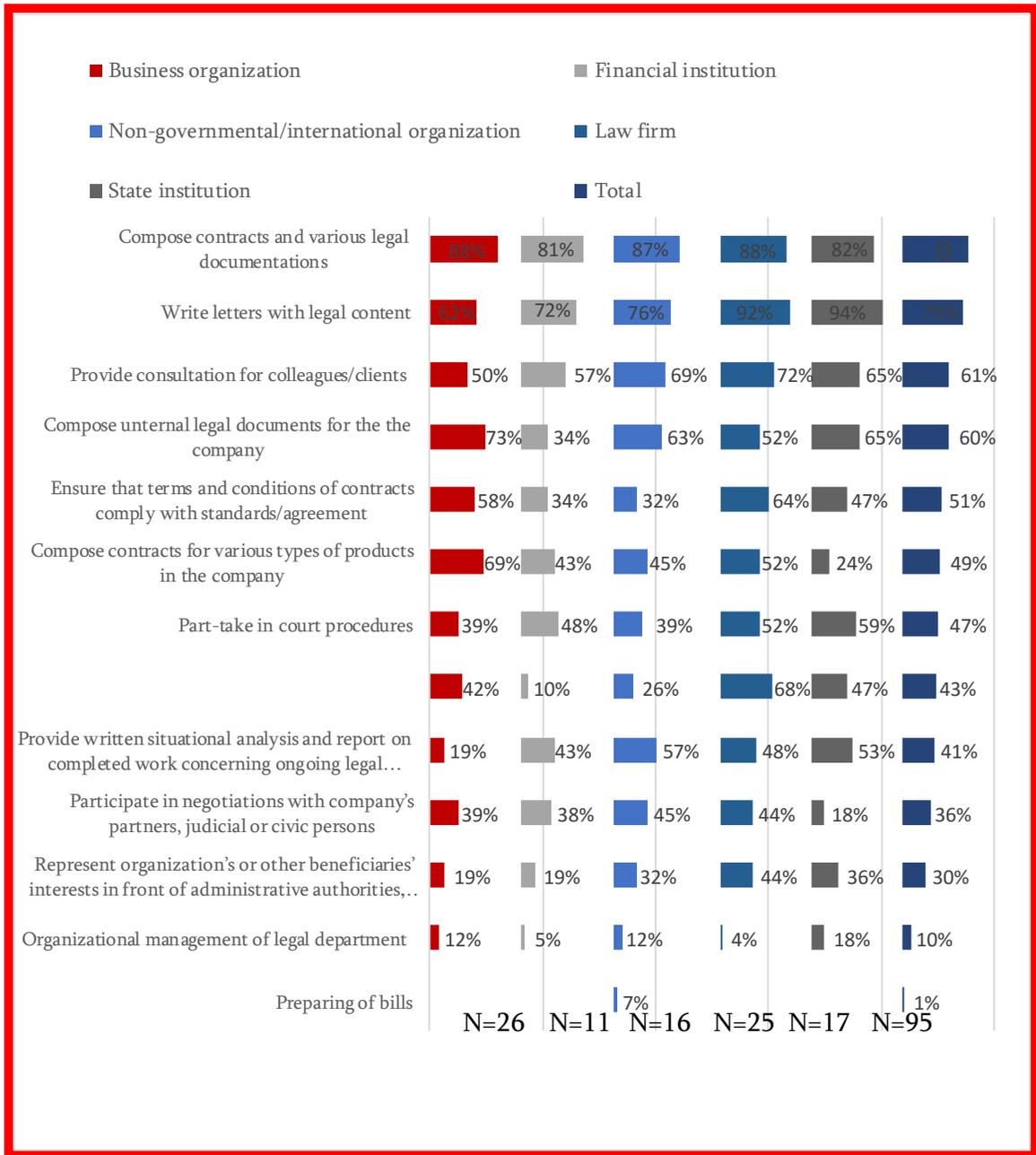
3.5.2 Entry-level Lawyer Job Description

Quantitative and **qualitative** research data reveals that the list of tasks inexperienced lawyers are nevertheless required to complete is quite extensive. Following are the most frequently encountered obligations for entry-level lawyers (however, the general list is much broader):

- Drafting contracts and legal documents (86%);
- Drafting the company's internal legal documents and determining their compliance with Georgian legislation (79%) (Under the supervision of an experienced lawyer);
- Preparation of legal content letters (61%);
- Participation in court proceedings (60%) (However, this task is mainly related to the preparation of materials, organizational matters, and communication with court administration representatives/assistants concerning, for example, the dates of court appointments, etc.)

The above presented figures vary according to target groups. Case in point, organizational research data shows that entry-level lawyers are more commonly tasked to prepare legal content letters in legal companies (92%) and in public institutions (94%). In addition, entry-level lawyers are most frequently required to draft a company's internal legal documents in business organizations (73%), and least frequently in financial institutions (34%). It is also noteworthy that employed entry-level lawyers are more frequently required to compile various profile relevant contracts for company-owned products in business organizations (69%), than in state agencies (24%). It should also be noted that based on the views of a significant segment of the surveyed employers (61%), entry-level lawyers are also required to provide consultations to their colleagues and clients. However, this responsibility is more frequently yielded to entry-level lawyers employed at law firms (72%).

Chart 9 - Please look at the Card and Tell me, which of these Activities are Handled by Entry-level Lawyers in Your Organization?



Qualitative research data showed that part of the entry-level lawyer's work process is communication with clients, as well as keeping electronic correspondence; document request/presentation in court; collecting evidence; and representing the company or completing registrations in the public or non-entrepreneurial (non-commercial) registry, including the legal registry (Service Development Agency). Based on the information provided by *legal company* representative respondents for the research, entry-level lawyers also have to prepare certain research for their own or client companies, as well as

study foreign legislature and best international practices, and become familiar with both foreign and Georgian judicial practices. In the research respondent opinions, *"no small or minor phase exists in legal services, but every stage is important: document delivery, deadlines, evidence collection, etc."*

It should also be noted that the majority of respondents surveyed within the **qualitative** research consider it desirable that entry-level lawyers participate in all types of work. Employers often have an understanding of the risks attached to such approach; however, they consider experience as the best available kind of training, and the most reasonable solution to the given reality is to assign responsibility and autonomy to entry-level lawyers. This opinion is taken into account by surveyed respondents from public agencies and business organizations, as well as by legal companies.

3.5.3 Qualification Assessment of Entry-level Lawyers

A certain segment of the research respondents consider the defining factors of the employment of entry-level lawyers to be professional knowledge and degree. Higher education institution representative respondents surveyed within the qualitative research believe that employers have a greater demand for narrow specialized personnel.

Quantitative survey data allows for deliberation regarding which areas are more in-demand for each target group in the organizational research. It should be noted that experienced civil law specialists are predominantly in-demand by the target segment. However, this does not apply to state institutions, where employers are more in need of qualified personnel in administrative law (74%) than in civil law (66%). Incidentally, administrative law is least demanded by financial institutions (26%). Entry-level lawyers specializing in public law are most in-demand by state agency representatives (53%), while staff members specializing in banking law will naturally be more of a priority for financial institution representatives (44%) than for any other target group interviewed within the research

Chart 10 - Please Tell Me, in General, What Fields Do You Require the Entry-level Lawyers to be More or Less Professional in?



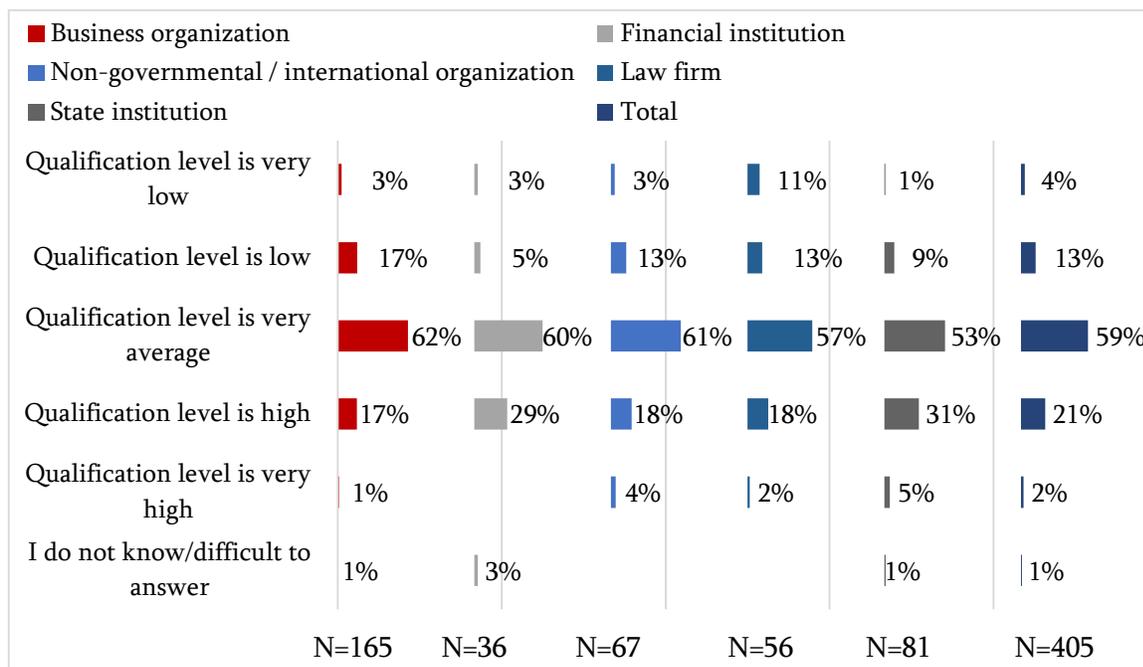
Based on their experience, majority of the respondents surveyed in the **quantitative** survey consider that finding entry-level lawyers with the minimum skills and qualifications on the labor market is a challenging (53%), rather than a simple matter (45%). As for the overall assessment of lawyers' qualifications, respondents allotted them an average of 5.5 points on a 10-point scale; however, a slightly different assessment was made by financial institutions, based on which a lack of qualified legal personnel on the market was noted, and they were evaluated with 6.1 points.

Table 17. In Your Opinion, Does the Labor Market Experience a Lack of Qualified Lawyers? (Please use a 10-point scale, in which "0" = no scarcity at all and "10" = a great lack)

	Average Score
Business organization	5.5
Non-governmental/international organization	5.2
State institution	5.6
Financial institution	6.1
Law firm	5.2
Total	5.5

Quantitative survey data revealed that the general qualification level of lawyers on the labor market is assessed as average (59%). Based on the regional context analysis, it can be concluded that the qualification level of lawyers in Tbilisi, Kutaisi, and Batumi is perceived almost identically.

Chart 11 - In Your Experience, What is the General Situation in Terms of Qualifications for the Labor Market?



3.5.4 Gap Between Market Requirements and Qualifications of Graduates

Qualitative research data showed that the "harshest" gap between market requirements and qualifications for graduates relates to the lack of practical skills estimated by employers, namely: inadequate presence of entry-level lawyers at the court proceedings, unfamiliarity with international practices, and document compliance and legal document drafting skills. The above presented perceptions are shared by employers as well as legal experts and representatives of higher education institutions. The process of becoming acquainted with and reviewing international-level cases not only helps the development of analytical skills, but also assists entry-level lawyers in *"recognizing contradictions and the charm of their own profession."*

Based on the respondent opinions, without practical skills, entry-level lawyers are *"practically not prepared for the market, regardless of good theoretical knowledge."* Employer respondents in the qualitative research believe that higher education institutions are required to provide a practical module training program, based on which an assessment of the student could be administered through "presentation of learned material, discussion, debate, listening, interaction, and expression of unpopular opinions."

Employer respondents in the **qualitative** research consider that another gap between market requirements and qualifications for entry-level lawyers is the lack of initiative of young lawyers, which presents an obstacle on the way to the development of both professional and technical skills (research, investigation skills).

As for the **quantitative** survey data, almost half of respondents (42%) did not face any difficulties in the search for an entry-level lawyer. However, similar to the qualitative data, almost one-fifth of the respondents (21%) complain about a lack of suitable qualified personnel and the absence of practical knowledge necessary for the employer (19%).

Chart 12 - In your Experience, What Difficulties Do you Face When Looking for an Entry-level Lawyer for a Legal Position?



Organizations surveyed within the quantitative survey named professional and general skills, the lack of which in most cases results in the entry-level lawyer’s failure to procure employment after the trial period, as employers refrain from hiring them. The highest indicator among these skills is knowledge of relevant legislation (66%) and a high sense of responsibility (55%). According to the employers surveyed within the quantitative survey, knowledge of relevant legislation is the skill most frequently possessed by entry-level lawyers, since higher education institutions are primarily empowering graduates with theoretical knowledge.

Representatives of the legal companies surveyed in the research consider that entry-level lawyers should be equipped with theoretical knowledge by a higher education institution. Entry-level lawyers with no practical experience are expected to have high-level knowledge of legislation, due to their frequent use of it in daily activities. Notably, cases of candidate unemployment after the trial period are rare, since the applicant selection process for the trial period is governed by strictly defined criteria.

However, it should also be noted that in addition to the above presented skills, the list of employer requirements for entry-level lawyers is quite long, and includes the ability to work independently (38%), motivation (35%), organization/discipline (33%), analytical thinking skills (28%), etc.

A certain segment of the legal company and financial institution representative respondents surveyed in the qualitative research believe that the biggest gap between the legal market requirements and the qualifications of entry-level lawyers lies in the lack of specialists of tax and banking law. It is noteworthy that the aforementioned view is shared by other target group respondents.

“The greatest challenge is that employers most frequently need a civil jurist, so they hire a civil lawyer who has dealt with civil law and has experience working as a lawyer, but is unaware of the tax as well as banking system, hence the country is experiencing a shortage of financial lawyers.” (Expert in legal issues)

Regardless of the belief of a certain segment of the respondents surveyed in the qualitative research that the theoretical knowledge of entry-level lawyers relatively meets the needs of the labor market, the remaining surveyed segment considers that the knowledge of theoretical fundamentals and legislation does not correspond with the demand of employers or the work environment.

In spite of the information provided by the higher education institution representative respondents regarding the academic writing courses taught within the training programs, respondents believe the standards used by higher education institutions do not conform to the actual workload that entry-level lawyers are faced with. In addition, academic writing courses in universities in most cases encompass working with texts in general and not with legal documentation in particular.

Private and public sector employer respondents surveyed in the qualitative research consider that project drafting, analysis, research, and identification of legal problems are a few of the tasks that entry-level lawyers are expected to complete, however their practical implementation presents a substantial difficulty for the majority of young lawyers. Based on their experience, a majority of respondents state that these challenges that employers face during the entry-level lawyer's work process can be resolved by the accumulation of work experience and constant supervision by senior lawyers. Nevertheless, there are cases in which the employer does not have the luxury of time and resources to wait for the entry-level lawyer's skill development.

A certain segment of the higher education institution representative respondents surveyed in the qualitative research considers that in addition to professional skills, entry-level lawyers are in need of general skills improvement, such as self-discipline and concentration.

"The primary skill is self-discipline...the challenge of students lie in poor concentration skills and a lack of certain fundamental learning skills, such as the awareness that you have to bring a book to class, or that you need to take notes during a lecture...Unfortunately, for many students these are not apparent, which is exactly why this is related to the skill of self-discipline." (Representative of a higher education institution)

As for theoretical knowledge, employer research respondents believe that the improvement of professional skills such as client counseling, advocacy and contract drafting skills are to be developed over the course of the work process. These skills, to some extent, determine the qualifications and competence of a lawyer.

3.6 Internship Experience

Employment propositions for entry-level lawyers are chiefly represented in the form of internships, which in case of private sector organizations are often times paid, while for public sector agencies they are generally unpaid. According to the respondents' perspectives, the paid internship system is to some extent, one of the underlying factors of intern motivation, as subsequently motivated and enthusiastic interns result in benefits for both sides. Legal companies' representative respondents surveyed within the qualitative research consider that the intern employment practice is a good means for developing staff members according to internal professional specifics and standards.

Quantitative survey data reveals that only a small proportion of organizations (12%) currently employ an intern in the legal department or in the field of law. As a result of a regional context analysis of the data, it transpired that the majority of organizations employing interns are located in Tbilisi (15%) and a small segment is located in Kutaisi (3%), while none of the surveyed companies in Batumi currently employ an intern. A vast majority of organizations presently not employing interns state that it is not one of the company's needs (80%).

A majority of students interviewed in the **qualitative** research assess the experience gained during their internship as generally positive. By their estimation, internship practice at a particular organization is much more valuable and applicable than theoretical knowledge. Based on the experiences of students participating in the qualitative research, internships contribute to their confidence, self-realization, and development of such practical skills as drafting appeals, presentation in court, etc.

Furthermore, knowledge acquired as a result of an internship plays a significant role with regards to the entry-level lawyers' development in their respective fields of specialization. For instance, respondent students indicated that they have to work on particular tax legislation with no connection to the theoretical knowledge provided by the higher education institution; however, in the course of being employed as an intern in one of microfinance organizations, they became familiar with the aforementioned law.

"Anything that's visually observable is more memorable; so I remember whatever I saw and heard more vividly than the materials read and passed out at school." (Student, Batumi)

However, it should be noted that students have certain negative attitudes towards internship programs as well. Based on the information provided by the respondent students interviewed in the **qualitative** research, during the intern selection process, employer organization representatives in some cases demand more extensive knowledge of law than students are equipped with. Meanwhile, focus group discussion participant students complained that companies exploit them as "blue-collar" workers. The abovementioned especially applies to state agencies, courts, and the state chancellery, where interns have less responsible work.

"Students are treated as blue-collar workers at the court and chancellery; students need an internship at the court less than the court needs student interns, since there are so many available students delivering documents back and forth. It's not practical for the court to pay for such labor since they already have free workers." (Student, Tbilisi)

However, it should also be noted that a certain segment of higher education institution representatives approve of the internship programs provided by the public agencies. The internship program offered at the prosecutor's office was distinguished in particular, as according to the respondents' opinions, selection procedures are acceptable and program management is properly upheld.

Based on the information provided by the focus group discussion participant respondents, a majority of internship experiences issued certificates, references and other internship certifying documents.

3.7 General Overview of the Legal Education Environment

Every higher education institution surveyed in the research implemented undergraduate and graduate programs individually. Presumably, higher education institutions do not take employer market demands into account during the development of programs for the labor market.

One segment of the higher education institutions, along with the academic staff, tries to take the opinions and needs of various specialized employers into consideration while devising a curriculum. Currently, when an employer is looking for new staff, even for the position of an entry-level lawyer, the terms of references are often clearly defined. Therefore, a certain segment of the higher education institutions ensures that students studying even at the undergraduate program level are allowed to choose a particular, narrow specialization. However, in the opinion of higher education institution representatives, a certain portion of students are not utilizing this opportunity; they are only receiving universal/diverse knowledge and select courses from every field.

A majority of employer organizations as well as higher education institutions surveyed within the **qualitative** research state that they have signed memorandums regarding internship programs for students and graduates. However, according to them, certain memorandums signed with universities are mainly formal in nature and are rarely used in practice by both parties. As for the quantitative survey data, a very limited number of organizations (4%) have partnerships with universities within the framework of a memorandum.

As for the differentiation of universities according to the quality of teaching, representatives of higher education institutions believe that they prepare future lawyers in compliance with the demands of the employment market and their curriculum envisages the provisions that entry-level lawyers have to fulfill in the working process (sub-chapter 3.5.2). As believed by the representatives of some private universities, the high qualification of their law graduates is verified by the fact that, unlike other universities, the rate of student drop outs due to low academic report is high in their universities. This statement is somewhat shared by employers. Despite the fact that as believed by the employers inquired within the research, future lawyers prepared by some private universities are more qualified than graduates of state universities (implies the presence of both general and professional skills), the proportion of such individuals is still very small in the entire number of graduates from the faculty of law.

However, we definitely need to mention the attitude indicated within the study towards the faculty of law of Iv.Javakhishvili Tbilisi State University. As believed by the respondents, unlike faculties of law in other private and state universities, the faculty of law in this state university is a hearth of legal education, and representatives of the education field as well as employers still perceive this university as a provider of in-depth legal education. As believed by the respondents, Iv. Javakhishvili Tbilisi State University is still attractive for highly qualified lecturers which, to some extent, make it prestigious too. In the course of assessing the quality of studies and material-technical capacities of the other higher education institutions mentioned within the research, respondent attitudes were mainly driven by subjective factors and their personal relationship with particular educational institutions. However, it should be once more noted that the majority of higher education institutions collaborated with the same lecturers.

Based on the opinion of **qualitative** survey participants, there is scarcity of skills and standards associated with the advocatory and judicial ethics within the legal education environment. Although higher education institutions have already introduced theoretical component of the abovementioned, according to the perceptions of experts participating within the research, entry-level lawyers are faced with the challenge of implementing practical component.

Private higher education institutions are essentially striving to support employed students, as higher education institutions are trying to provide studies to entry-level lawyers not only from a scientific standpoint, but also from a practical perspective. A certain segment of respondents considers that the practical framework incorporated in the study courses is much more valuable than the experience gained at different institutions.

As for the study process assessed during focus group discussions, a shortage of lecturers in higher education law faculties that practice law is perceived as one of the central problems by the respondent students within the research.

"When a lecturer who has taught there for 20 years coaches you in appeal, claim and counterclaim procedures without the relevant knowledge, he does not have the capacity to teach. I, for instance, learned how to draft a claim, plea, and appeal; as well as how to write a private complaint during my internship in GYLA." (Student, Kutaisi)

Based on student information, one of the other shortcomings of the study program is the inability to acquire necessary analytical thinking skills at the premises of the higher education institution, thereafter required in the work process. Development of the mentioned skills is only accessible through internship programs.

3.7.1 University Clinics

"They know the theory, but not the practice" - in many cases, employers and legal experts participating in the research assessed the knowledge and skills of entry-level lawyers this. While moot court competitions/mock trials are tried-and-tested practice in every higher education institution program, part of the respondents believe that it fails to generate necessary practical skills in entry-level lawyers, and the discussion of real cases and decisions would have been more effective. For instance, by having students examine the European Court's ruling against Georgia, which implies not only acquaintance with court's judgements, but also an analysis of the full cycle of the court's decisions.

"They virtually do not teach practical work in the universities." The presented perspective is shared by a majority of employers; however, representatives of higher education institutions have a different outlook on skills that are provided by the universities to their students/graduates. According to their perceptions, university clinics available in the higher education institution help develop necessary practical skills that greatly help students access the labor market.

Legal clinic practice is positively perceived by the students participating in the qualitative research. From their perspective, clinics allow entry-level lawyers to realize their objectives, ranging from social performance to attainment of any legal specification. A certain number of students noted that the university clinic played an important role in their professional development, public speaking skills, coping with intrapersonal difficulties, and shaping their sense of competitiveness. It should be noted that university clinic students are able to realize their potential more fully, granting them a privileged position in case of offers extended on behalf of a variety of programs or employers.

"I would not have been able to gain so much knowledge at the University. I learned drafting of contracts, as well as presenting for court processes at the legal clinic." (Student, Batumi)

Student views are shared by the representatives of higher educational institutions, as well as by the employers surveyed within the qualitative research. According to their outlook, the presence and diversity of the university clinics to some extent reflect on the prestige and rank of the respective higher education institution.