

MORE LEGAL WORK IS MOVING IN-HOUSE

New challenges are creating the “new normal” for legal departments everywhere.

MAIN CHALLENGE:

Need to do more work with fewer resources

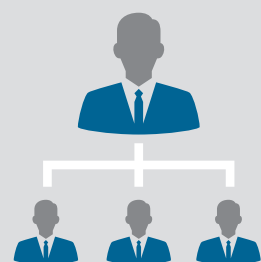


Nearly 50% of legal departments rank this as a top challenge

WHY MOVE WORK IN-HOUSE?



HOW ARE LEGAL DEPARTMENTS DEALING WITH THE CHALLENGE?



THE CHALLENGES OF DOING MORE WITH LESS:

40% rank reducing outside legal costs as a top challenge

ONLY 26% plan to increase spend for outside law firms

79% of those that reported decreasing reliance on outside resources redirected the work in-house

OVER 35% experienced an overall decrease in their reliance on outside counsel over the past two years

23% of legal departments are consolidating the number of firms they work with

OF THOSE THAT ARE HIRING

- 42% are newer law firm lawyers
 - 39% are seasoned in-house lawyers
 - 37% are paralegals
 - 31% are support staff
 - 10% are seasoned law firm lawyers
- In 2014, contract lawyers and support staff were also hired to further address workload.

ADDITIONAL STRATEGIES TO DEAL WITH THE CHALLENGE



- 52% – cost containment
- 17% – decrease in legal work
- 7% – quality assurance strategy
- 5% – hired additional in-house counsel
- 2% – less litigation

76% OF LEGAL DEPARTMENTS RELY ON TECHNOLOGY

- 49% use document-management tools
- 33% use legal hold systems
- 33% use matter management
- 28% use electronic signatures
- 25% use e-billing
- 21% use e-discovery
- 21% use entity management



WHEN DO LEGAL DEPARTMENTS TURN TO OUTSIDE COUNSEL?

They contract outside counsel for complex work that requires subject-matter expertise.

68% Litigation/disputes



41% Mergers & acquisitions



29% Intellectual property



27% Alternative dispute resolution



Navigating the “new normal” requires an ability to manage the legal department as a business; employ technology wherever possible; use metrics to track and measure; hire the right people and train them; and judiciously rely on outside counsel where necessary for litigation, mergers and acquisitions, and intellectual property work.