

# Legal Department Operations Index 2021: The risk of being left behind

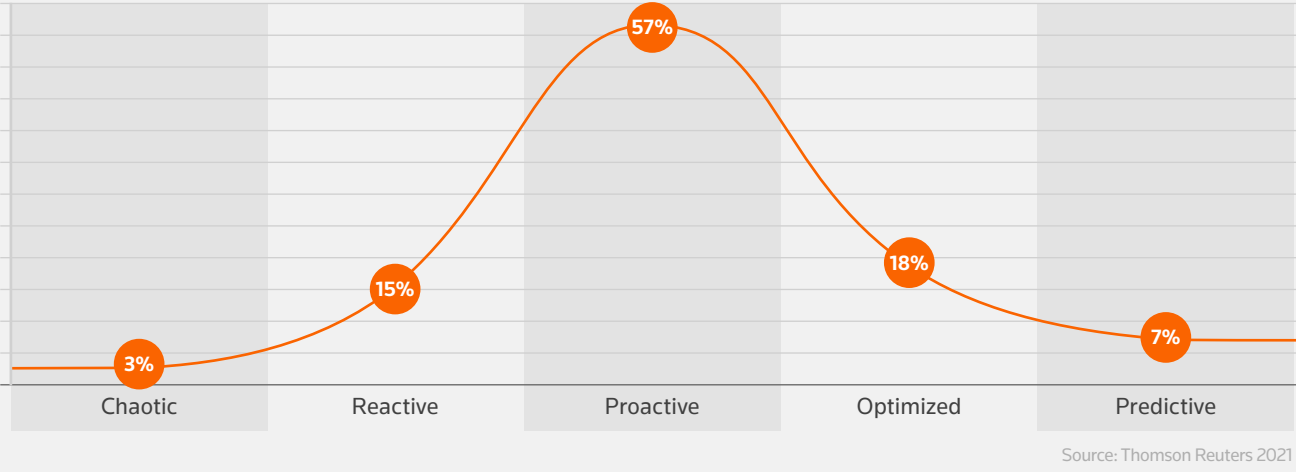
In the sixth edition of the Thomson Reuters® LDO Index, we noticed new or continuing developments in three crucial areas of legal department operations: **department management, spending, and technology.**

Here, we take a deeper dive into the spending and technology findings.

## SPENDING

Spend management is growing in sophistication. 82% of legal departments identified themselves as proactive, optimized, or predictive in their approach to managing their outside counsel spend.

### 2021 Sophistication Levels



When it comes to controlling costs, a large number of legal departments see general enforcement of billing guidelines as being most effective.

### Effective cost control measures

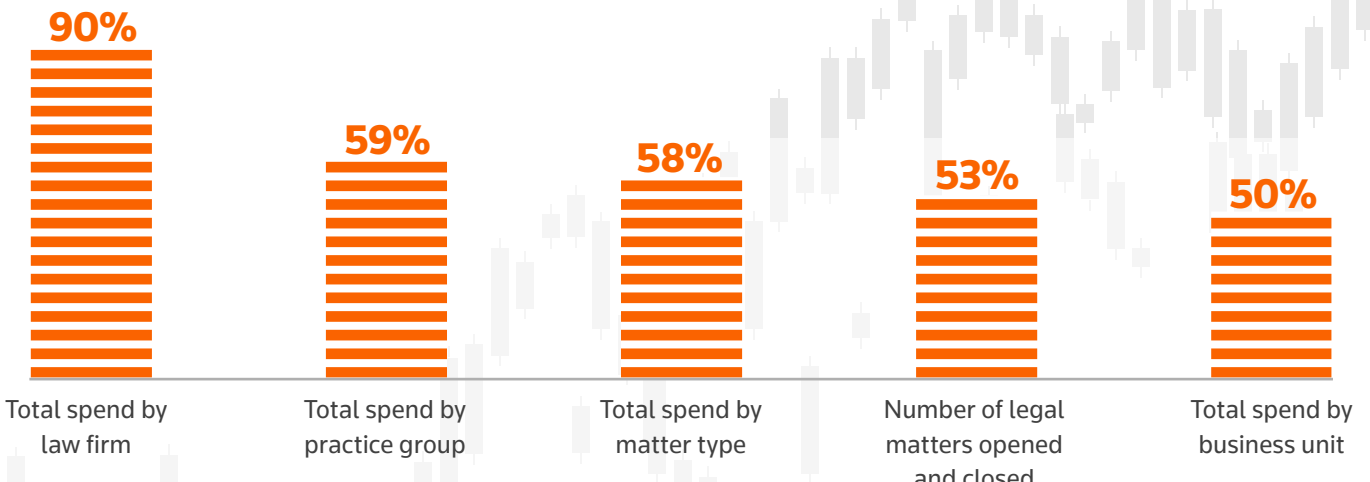
86% of legal departments identify general enforcement of billing guidelines to reduce invoice fees and expenses as the standard best practice for cost control.



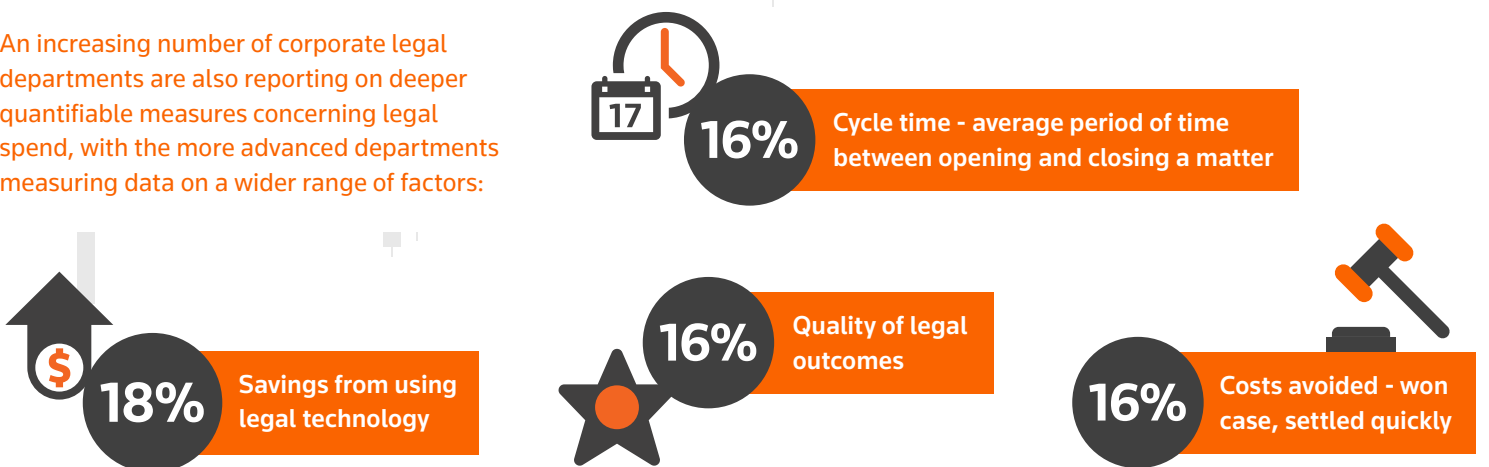
### Becoming more data-driven

To help them make better decisions, legal departments are using tools like Thomson Reuters Legal Tracker to measure, track, and report on a variety of metrics. Being data-led allows legal departments to better demonstrate their value, work more efficiently, and reduce costs.

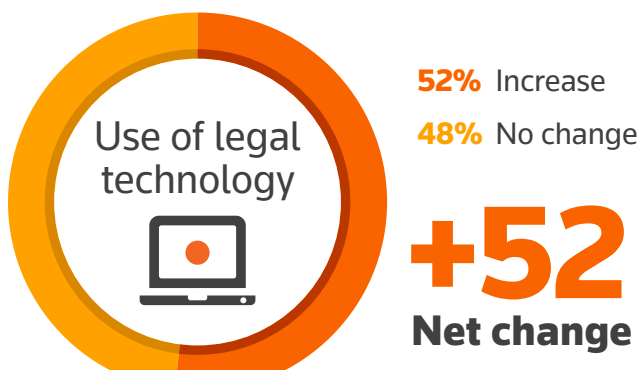
Spend-related data dominates the top 5 most reported on metrics:



An increasing number of corporate legal departments are also reporting on deeper quantifiable measures concerning legal spend, with the more advanced departments measuring data on a wider range of factors:



## TECHNOLOGY



The adoption of critical legal technology is expanding:

Technology	Utilization Rate
E-billing/spend and matter management	97%
E-signature	80%
Legal research	74%
Contract management	66%
Legal hold	65%
Document management	63%
Legal business intelligence/dashboarding/analytics	58%
E-discovery	54%
IP management	51%

And legal departments are looking at ways they can further develop their technology stack.

Fastest growing solutions — legal departments looking to procure solutions in next 24 months.



For a deeper dive into the LDO Index key findings and developments around legal department management, see our infographic.

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