

# 2021 State of Corporate Law Departments

## Key Insights

ACRITAS SHARPLEGAL WITH THOMSON REUTERS INSTITUTE

In 2020, COVID-19 accelerated major shifts impacting corporate legal departments:



### More with less

**58%** of law departments reported increased workloads and **29%** experienced budget cuts.



### More disputes and safeguards

Law departments reported an unprecedented strain on contracts, causing:

**40%** to anticipate increased spending on legal disputes and to implement safeguards to prevent them.

### More oversight



A top priority for law departments was to control the cost of outside counsel – understandable given the size of this spend:

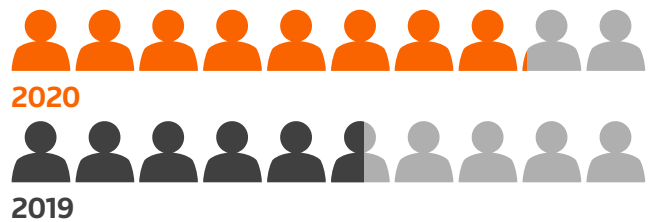


#### THE TOP 10 MOST EFFECTIVE WAYS TO MANAGE EXTERNAL COUNSEL COSTS IDENTIFIED BY LAW DEPARTMENTS:

1	Enforce billing guidelines and reduce invoice fees and expenses	81%
2	Standard discounts on proposed timekeeper rate cards	53%
3	Review of budgets and comparison to actual spending on high-cost matters	51%
4	Reduce invoice expenses	50%
5	Reduce timekeeper rate increases	49%
6	Volume discounts	45%
7	Require law firm matter budgets	42%
8	Require blended hourly rates	35%
9	Fixed or flat fee with amount set at matter level	34%
10	Use of preferred vendors/panel program	28%

### More legal ops

**81% of new hires were in legal operations – up from 57% the previous year –** to bolster process optimisation, technology adoption, budget management, strategic planning, and other factors essential for success.



### More tech



**30%**

of departments are increasing their spend on technology



**44%**

are increasing their use of tech tools



#### THE TOP FIVE MOST IMPORTANT TECHNOLOGIES CITED BY CORPORATE LAW DEPARTMENTS:

- eBilling/spend and matter management
- Contract management
- Legal research
- Document management
- Legal hold



#### THE FIVE MOST COMMON TECHNOLOGY SOLUTIONS THAT LAW DEPARTMENTS INTEND TO PROCURE:

- Legal business intelligence
- Contract AI for analysis, risk assessment, or due diligence
- Contract management
- Legal workflow automation
- Document management

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