

HOW LEGAL DEPARTMENTS ARE MANAGING COSTS DESPITE INCREASED LEGAL DEMAND



“Effective legal project management requires having the ability to view all projects as a whole, include those assigned to internal departments and to outside counsel.”

Legal departments are experiencing an increase in demand for legal services due to the rise in regulatory and compliance risks. In PWC's [Annual Corporate Directors Survey](#), 44% of respondents saw [compliance and regulatory matters](#) posing as the greatest oversight challenge.

However, legal departments are being tasked to do more with fewer resources. Legal spending continues to slow. In a 2016 HBR Survey of 276 corporate legal departments, those surveyed reported that total legal spending increased by only one percent over the past year, while spending on outside counsel decreased by two percent.

In the face of these trends, here are several ways legal departments can improve in-house department efficiency while continuing to deliver high-quality work.

BRING IN LEGAL DEPARTMENT OPERATIONS (LDO)

In large legal departments, or ones looking to grow, a legal department operations team can be instrumental in helping the department run smoothly. An LDO professional most commonly oversees vendor management and internal processes and introduces new technologies that improve efficiency and reduce cost. This frees up your legal department to focus on actual legal issues.

LDOs are becoming increasingly common in large corporate legal departments. In 2008, Mary O'Carroll was hired by [Google](#) to head its new legal operations team. Over her tenure, O'Carroll focused on innovative technology, improving processes, training and career development. The work of O'Carroll and her team has since saved Google millions of dollars [<http://www.acc.com/clo/perspectives/april-2015-clo-profile.cfm>] each year.

RE-EXAMINE WORKFLOWS

Whether they are a part of a large or small legal department, even expert professionals struggle to keep track of all work that is being performed. Effective legal project management requires having the ability to view all projects as a whole, include those assigned to internal departments and to outside counsel. Doing so allows the manager to make better-informed decisions, such as prioritizing projects and allocating resources accordingly.

Workflows should be reviewed to address redundancies and other inefficiencies and be re-examined at regular intervals in order to address changing priorities or to make use of new technologies.

continued on page 2

LEVERAGE TECHNOLOGY

Today's regulatory environment provides the opportunity for in-house counsel to become the driving force in bringing stakeholders, management, and legal counsel together with shared systems and processes.

For example, a [centralized entity management platform](#) allows for efficient collaboration and communication among department members and prevents compliance gaps.

CONSIDER LEGAL PROCESS OUTSOURCING

[Legal process outsourcing](#) works well as a complement to existing in-house services providing the benefits of immediate expertise. Law firms and corporate legal departments have increasingly relied on legal process outsourcing as a cost-effective solution for carrying out repetitive work that requires a high-level of accuracy. LPOs can also relieve the overflow of work during high-volume seasons.

However, while outsourcing may reduce costs it's critical to choose the [right LPO provider](#)—a reputable and responsive company offering high-quality work.



“Legal process outsourcing works well as a complement to existing in-house services providing the benefits of immediate expertise.”

LEARN MORE

To learn more about how CT can help you better manage your compliance and legal service needs for [corporations](#) or [law firms](#), contact a CT representative at 844-206-9033 (toll-free US).

Join the conversation. Follow us on [Twitter](#), [LinkedIn](#), [Google+](#) and [Facebook](#).