

# 2024

Bloomberg Law<sup>®</sup>

# Legal Ops + Tech Survey



**86% OF RESPONDENTS** cited "security concerns" and/or "data security concerns" as barriers they face when they implement new legal technology.

**Bloomberg Law** surveyed 168 legal professionals in January 2024, about legal operations and legal technology – including technology usage, efficiencies, barriers, metrics, decision-making responsibilities, and practice management. This summary report highlights the topline results from the survey. Data have been rounded to the nearest whole number.

**57% of law firm and 45% of in-house** legal professionals report having a full-time legal operations function in their organization, indicating the importance of those duties. Legal operations teams tend to be relatively small, however, averaging about 6 people in law firms and 3 people in-house. Around 40% of respondents indicate that their organizations currently have no data specialists on staff, and have no intention to hire any.

## HOW MANY of each of the following staff do you have at your organization? (Average for each)

### LAW FIRM

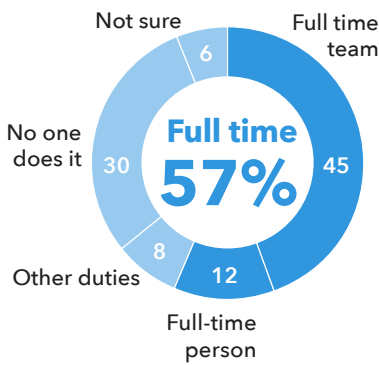
<b>Attorneys</b>	<b>225</b>
Admin/secretarial staff	71
Paralegals	24
Legal operations	6

### IN-HOUSE

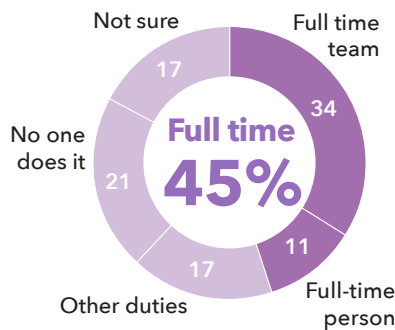
<b>Attorneys</b>	<b>33</b>
Paralegals	6
Admin/secretarial staff	6
Legal operations	3

Is legal ops a **FULL-TIME JOB** for the one(s) doing it at your organization, or do they have other duties?

### IN-HOUSE

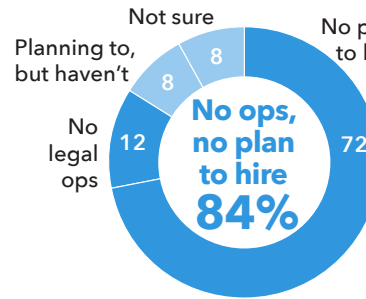


### LAW FIRM

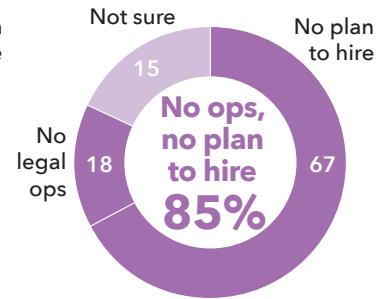


Are you planning to hire someone to **DIRECT ALL LEGAL OPERATIONS**?

### IN-HOUSE



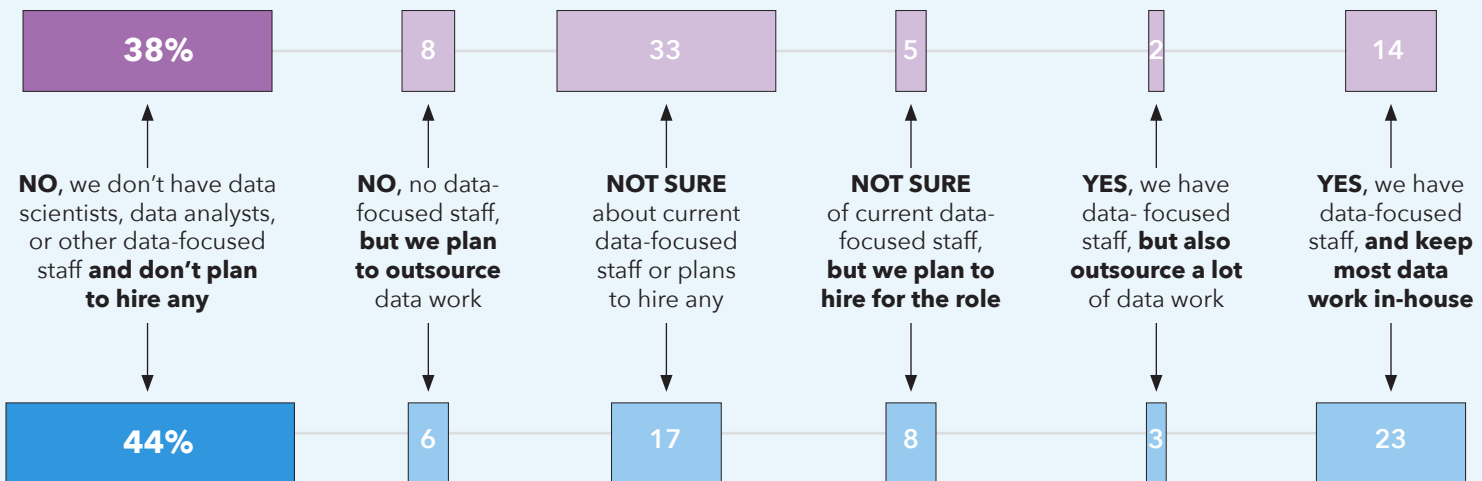
### LAW FIRM



Does your organization currently have **STAFF DEDICATED TO DATA-FOCUSED WORK**?

If not, are plans in place to hire data experts? If so, is that work primarily outsourced or in-house?

### LAW FIRM



### IN-HOUSE

**Over 50% of respondents from law firms** said that their legal operations staff report to one of the partners. For in-house legal professionals, just under half say their legal ops team reports to general counsel.

## TO WHICH PERSON do the members of your legal ops team report?

### LAW FIRM

<b>Partner</b>	<b>52%</b>
C-Suite Professional	18
Other	13
Themselves/Legal Ops Dept.	7
General Counsel	5
Not Sure	5

### IN-HOUSE

<b>General Counsel</b>	<b>47%</b>
Associate/Deputy General Counsel	23
C-Suite Professional	16
Other	7
Themselves/Legal Operations Dept.	5
Not Sure	2

## In which areas do the person(s) in your legal ops function have **DECISION-MAKING RESPONSIBILITY**?

### LAW FIRM

<b>Legal technology implementation</b>	<b>36%</b>
Vendor management	31
Budget Management	29
Billing	26
Staffing	26
Records management	24
They have no decision making responsibility	24
Procurement	21
Training	21
Business development	17
Analytics	14
Well-being	14
Attorney Development	12
Generative AI use and management	12
Knowledge management	12
Other	12
Contract management	10
e-Discovery Strategy	10
Project management	10
Innovation	7

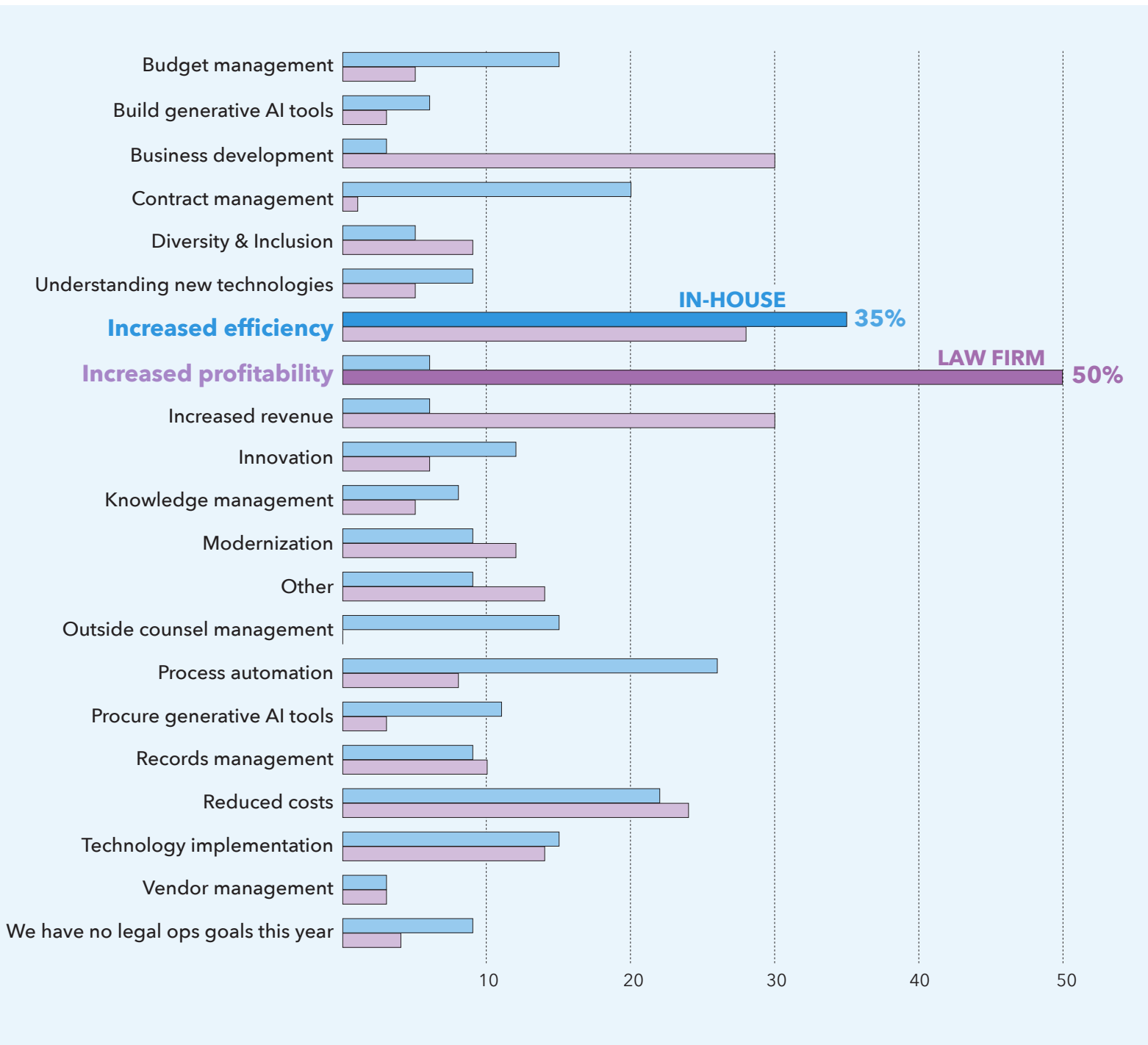
### IN-HOUSE

<b>Contract management</b>	<b>54%</b>
<b>Outside counsel management</b>	<b>54%</b>
Legal technology implementation	49
Training	46
Budget Management	40
Project management	40
Records management	37
Billing	34
Analytics	31
Generative AI use and management	31
Innovation	31
Vendor management	31
Attorney Development	26
Knowledge management	26
Procurement	26
Staffing	23
Well-being	20
e-Discovery Strategy	14
Other	14
Business development	9
They have no decision making responsibility	9

When in-house legal professionals were asked to select three goals prioritized by their legal operations function, increasing efficiency (35%) rose to the top. The other top goals for in-house were process automation (26%) and reduced costs (22%). Of the options listed, the lowest priorities for in-house legal ops teams are diversity, business development, and vendor management.

For law firms, the main legal ops priorities seem to be financial. The most chosen goal was increased profitability (50%), followed by business development (30%), and increased revenue (30%). Lowest on the list for law firms' legal operations functions are building or procuring generative AI tools, vendor management, and contract management.

What are your organization's **TOP LEGAL OPERATIONS GOALS** or priorities for this year?



**In-house legal teams** most commonly track outside legal counsel spend (72%), and most law firms track attorney time spent on billable matters (64%). The cost of legal tech is the only metric on the “Top 5” lists of both groups.

## Which of the following metrics does your organization **MEASURE OR COLLECT**?

	IN-HOUSE	LAW FIRM
Alternative legal services provider spend	13	3
<b>Attorney time spent on billable matters</b>	–	<b>64%</b>
Attorney time spent on non-billable matters	–	45
Attorney time spent working remotely	2	9
Attorney well-being	13	8
Average legal spend by legal matter/case type	25	6
Average time to completion for tasks	10	11
Budget-to-actual spend comparison	41	26
Compliance with outside counsel guidelines	18	13
Cost of legal technology	44	29
Don't know	10	23
In-house legal spend	43	–
Incoming requests/Intake	28	19
Internal feedback on use of legal technology	18	13
Law firm ratings (surveys by inside legal team)	18	11
Legal spend as a percentage of company revenue	26	–
Legal technology ability to integrate with other tech	13	5
Legal technology adoption rates	12	4
Legal technology ROI	12	5
Legal technology utilization rates	16	8
Number of matters handled internally	36	–
Number of matters outsourced	23	–
Other	2	1
<b>Outside counsel legal spend</b>	<b>72%</b>	–
Overall legal department spend	66	–
Percentage of cost of the technology passed on to clients	–	10
Percentage of legal matters successfully resolved	16	4
Processes automated	12	3
Time spent per legal matter/dispute/case	12	40
Total cost of resolution of legal matter/dispute/case	21	19
Total cost per FTE	25	–
Total time for resolution of legal matter/dispute/case	15	9
We do not measure any of these	8	4
Work that legal operations brings to the organization	10	6
Write-downs of attorney time on routine tasks	5	40

### TOP 5: IN-HOUSE

<b>Outside counsel legal spend</b>	<b>72%</b>
Overall legal department spend	66
Cost of legal technology	44
In-house legal spend	43
Budget-to-actual spend comparison	41

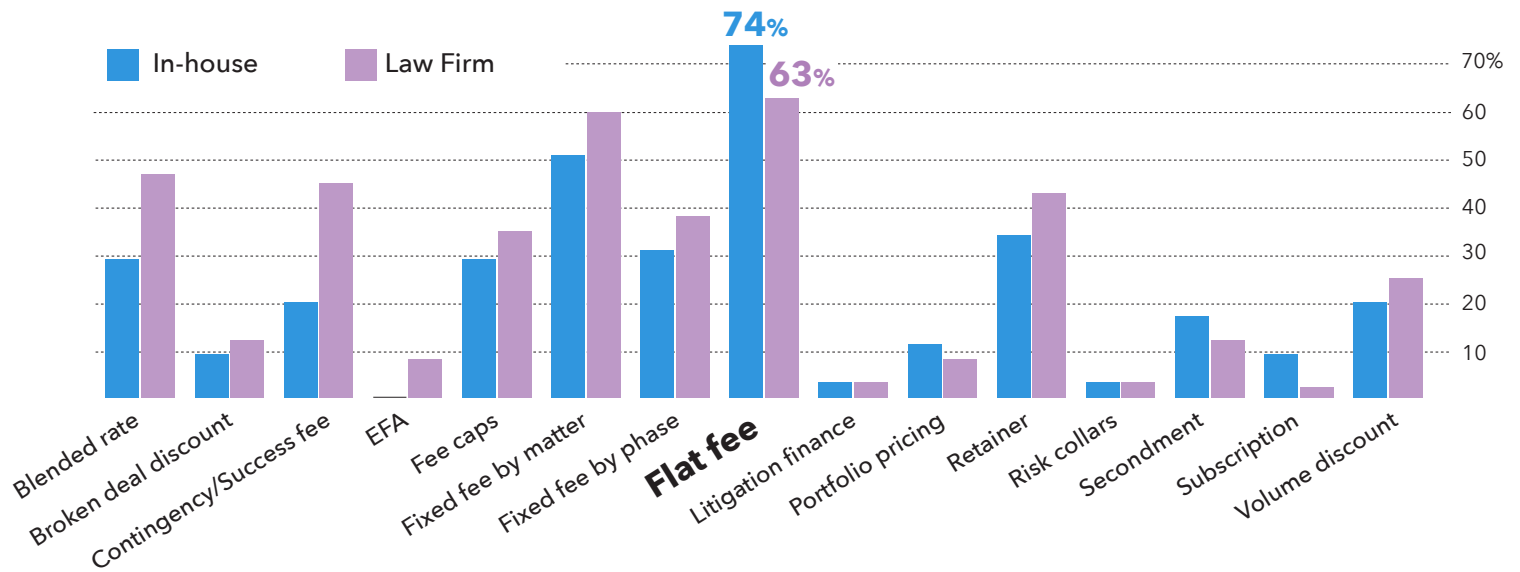
### TOP 5: LAW FIRM

<b>Attorney time spent on billable matters</b>	<b>64%</b>
Attorney time spent on non-billable matters	45
Time spent per legal matter/dispute/case	40
Write-downs of attorney time on routine tasks	40
Cost of legal technology	29

On average, respondents report that **between 20% (in-house) and 26% (law firm)** of their work is performed under an alternative fee arrangement\* (AFA). Of the different types of AFA's, flat fee topped out as the one that both law firm and in-house legal professionals utilize most often.

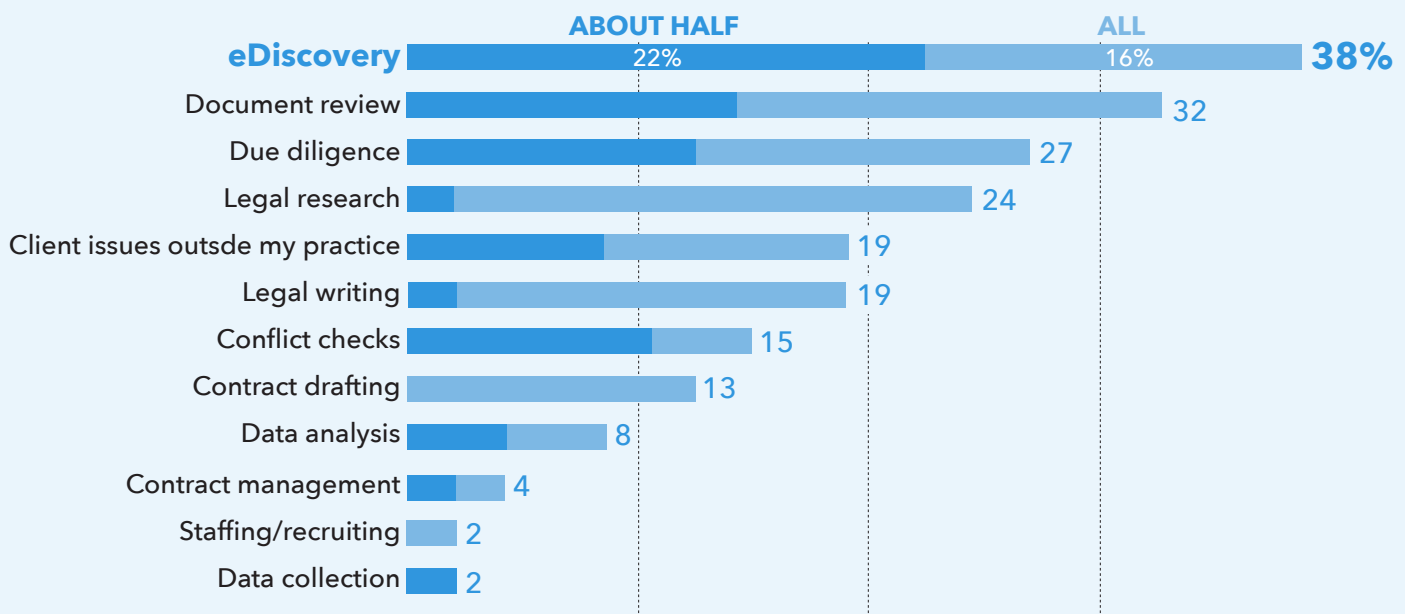
**23%** The average amount of work performed under alternative fee arrangements

What **TYPES OF ALTERNATE FEE ARRANGEMENTS** have you used during the past 12 months?



**83% of in-house legal departments** outsource at least some of their work, compared to only 31% at law firms. Arguably, the work most commonly outsourced is the work that is the most time-consuming and tedious: eDiscovery, document review, due diligence, legal writing and research.

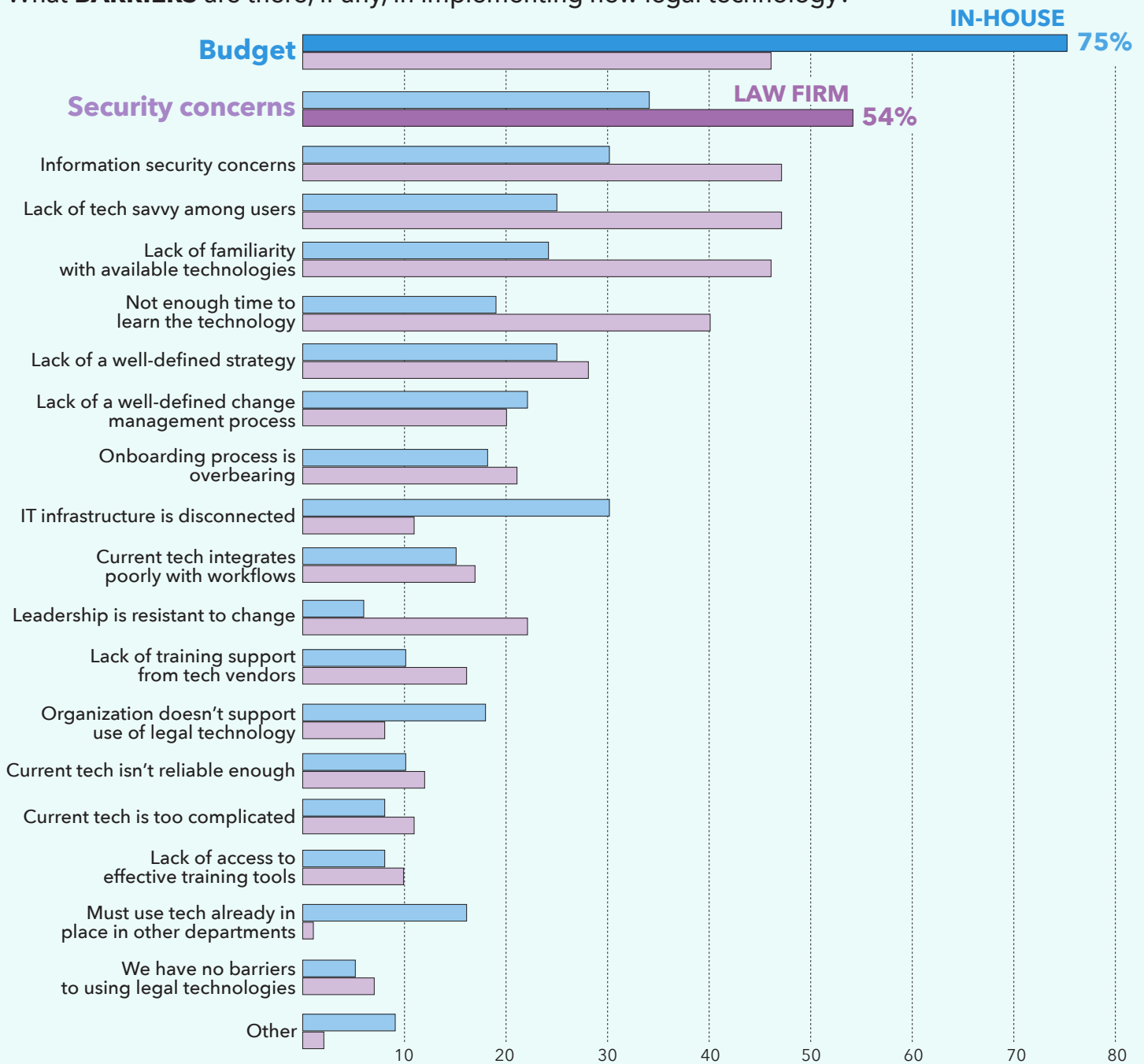
Which of these legal tasks are **IN-HOUSE** attorneys outsourcing **AT LEAST HALF OF**?



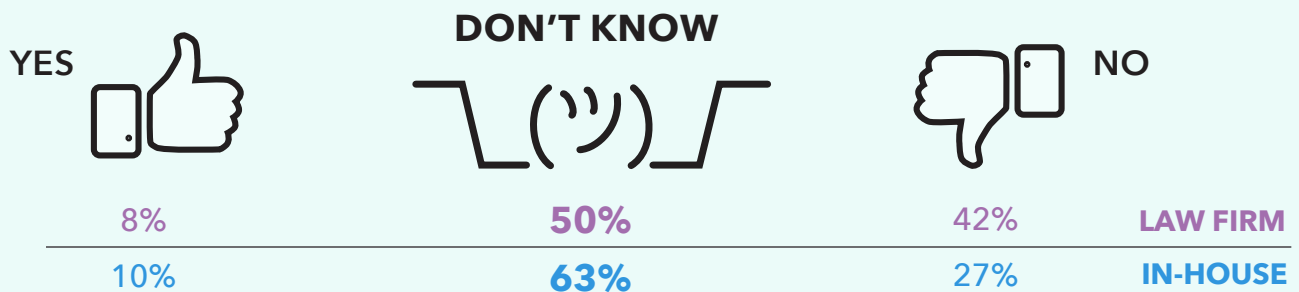
\*Including value based

**Security is high on the list of concerns** about implementing new legal technology. It's the main concern for law firms and second only to "Budget" for in-house legal respondents. Despite worries over cybersecurity, respondents said that only around 10% of their organizations use generative AI for proactive threat protection.

## What **BARRIERS** are there, if any, in implementing new legal technology?

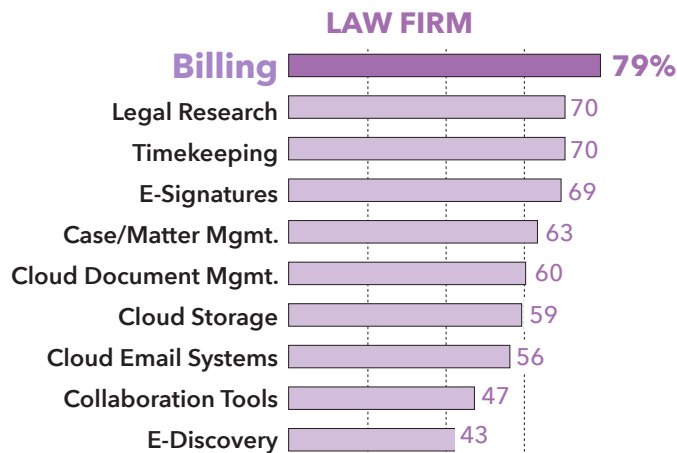
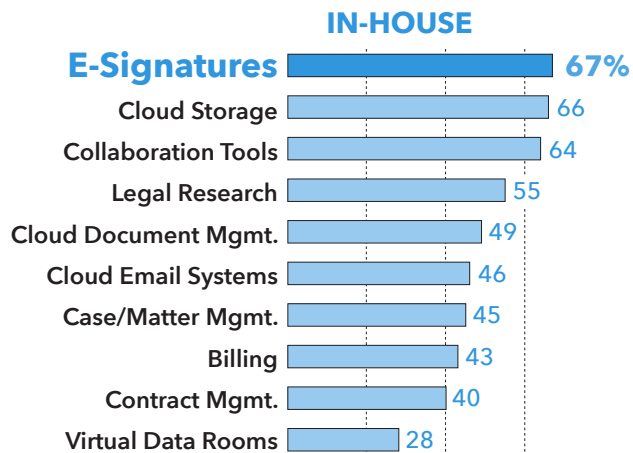


## Has your organization started using generative AI for **PROACTIVE THREAT PROTECTION** in cybersecurity?



Law firm and in-house usage differs, but both rely on legal tech for research and data/document management.\*

## WHICH LEGAL TECHNOLOGY TOOLS are you or others in your organization currently using?



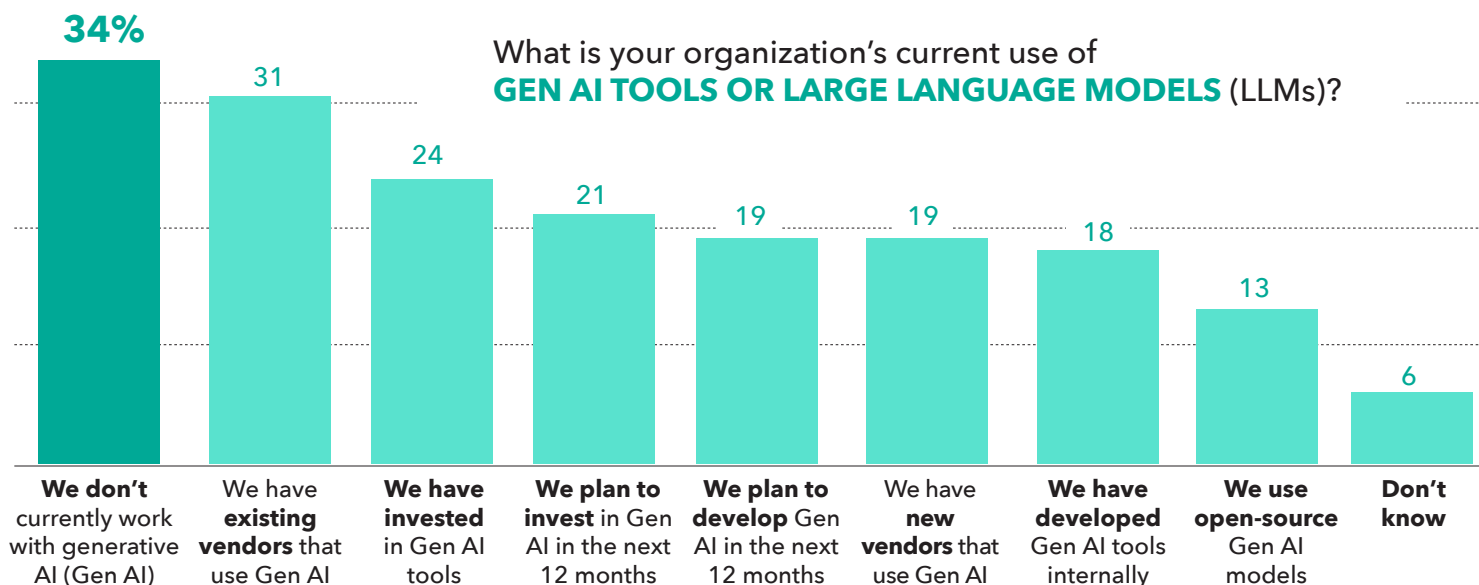
### How has **CLOUD-BASED TECHNOLOGY** helped your organization?

	IN-HOUSE	LAW FIRM
<b>Improved data security</b>	<b>41%</b>	<b>65%</b>
Lowered maintenance costs	39	57
Cut down automation time	30	18
Made onboarding easier	28	19
Improved case management transparency	22	24
Other	22	8

### What are some **DIFFICULTIES WHEN TRYING TO ONBOARD** new legal technology?

	COMBINED
<b>Lengthy time to understand the technology</b>	<b>84%</b>
Long implementation process	71
Steep learning curve	68
Inconsistency in use of technology	55
Lack of change management	26
Lack of vendor support	23
Other	13

### What is your organization's current use of **GEN AI TOOLS OR LARGE LANGUAGE MODELS (LLMs)**?

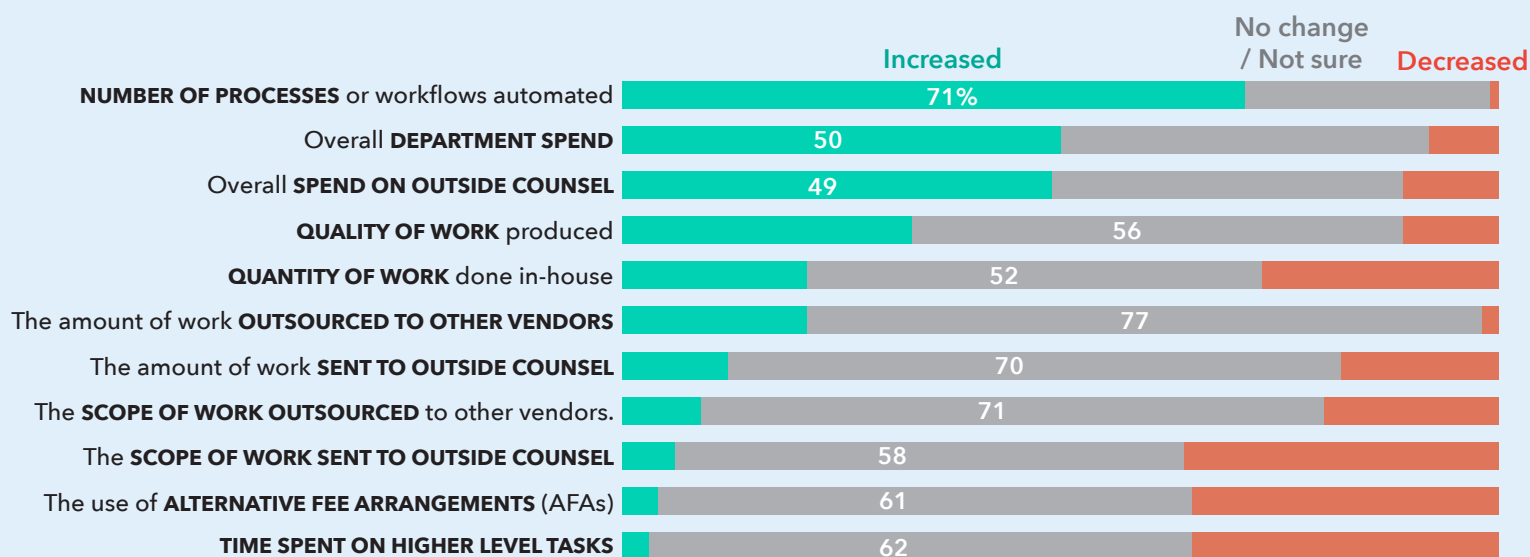


\*Legal research, billing, cloud storage, cloud document management, contract management, and case matter management

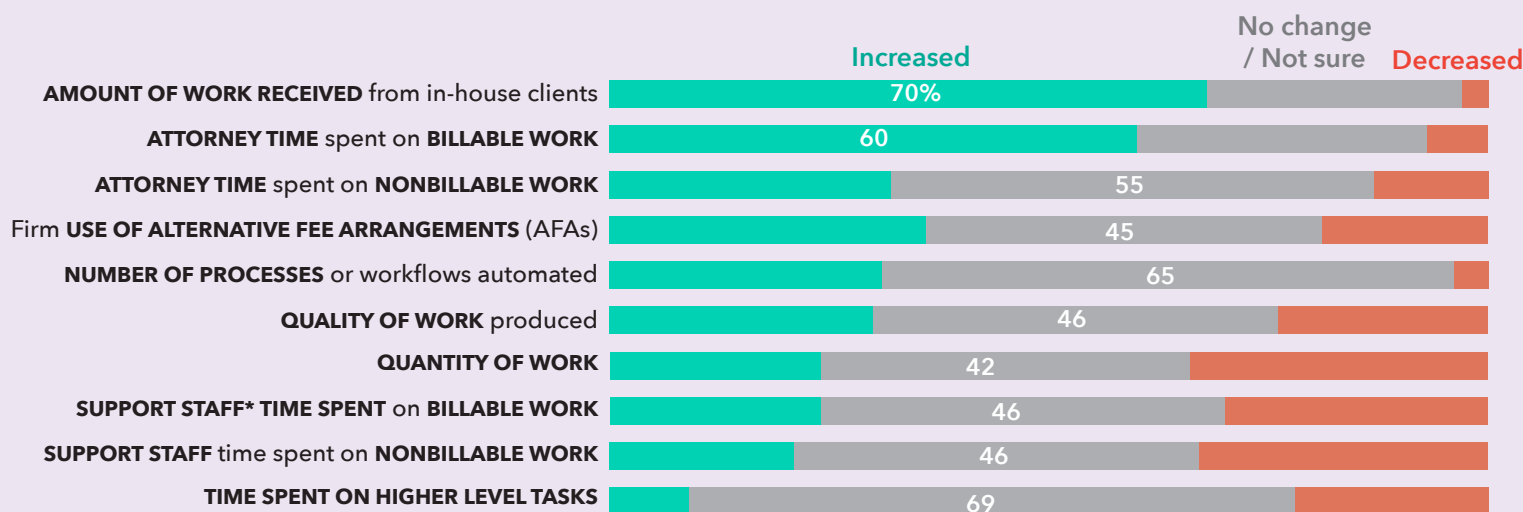


**Generative artificial intelligence is not seen as disruptive** to respondents' workflows. In fact, it's expected to be an enhancer. In-house respondents predict that AI will increase workflow automation and reduce time spent on higher level tasks. Respondents at law firms think AI will increase work from in-house clients and attorney time spent on billable work. Given the large percentage of "no change" and "not sure" responses, however, many remain unconvinced about the potential benefits of generative AI.

How do you think the following aspects of your **IN-HOUSE PRACTICE** will be impacted by Gen AI?



How do you think the following aspects of your **LAW FIRM PRACTICE** will be impacted by Gen AI?



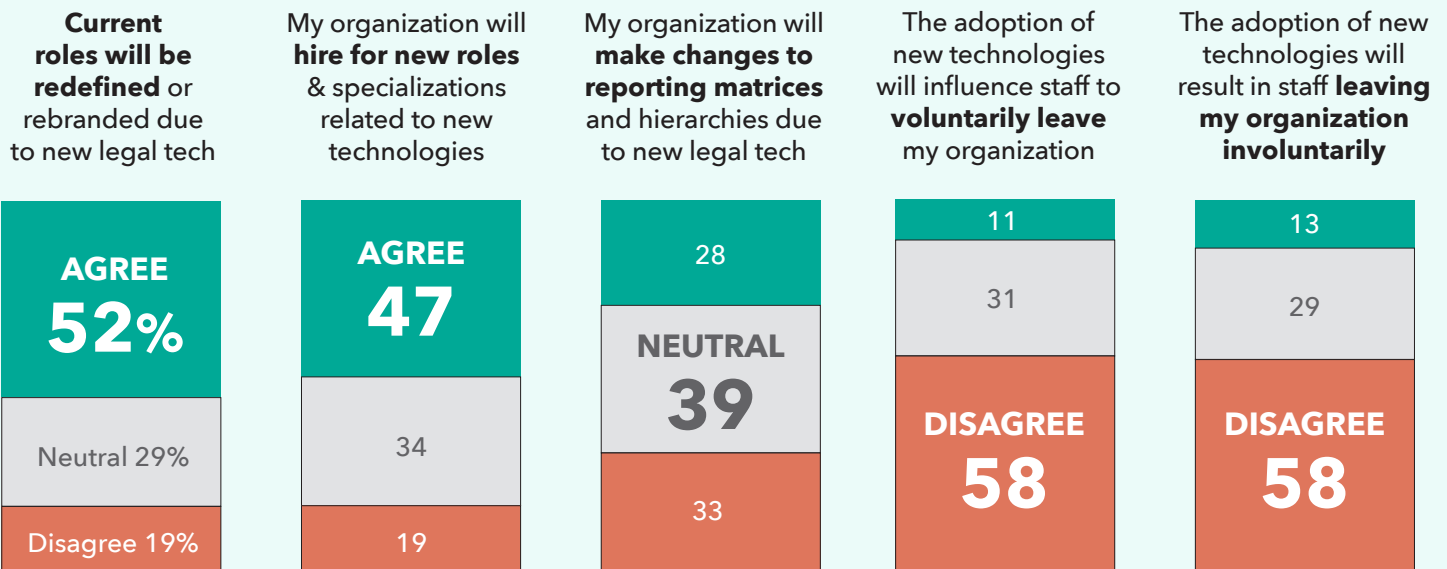
\*Paralegal, legal assistant, office manager, etc.

**Billing is the top priority** for technology investments for law firm respondents, while contract management will be more prioritized in-house. With investment for legal technology as part of budgeting plans, respondents agree that there will be a reorganization of roles to accommodate the shift towards new tech.

In which areas of legal technology do you have **BUDGET OR PLANS FOR INVESTMENT** in 2024?

	IN-HOUSE	LAW FIRM		IN-HOUSE	LAW FIRM
<b>Billing</b>	18	<b>35%</b>	e-Signatures	11	11
Case/Matter management	14	18	Intake management	8	7
Client relationship management	10	12	Knowledge management (taxonomy, etc.)	3	6
Cloud document management	10	19	Legal research	16	20
Cloud email systems	3	17	Litigation analytics	2	11
Cloud storage	8	18	Other	18	23
Collaboration tools (SharePoint, etc.)	8	16	Payment solution	2	4
Compliance and/or Risk analytics	8	4	Practice management	5	11
<b>Contract Management</b>	<b>32%</b>	1	Predictive analytics	2	7
Data privacy/Cybersecurity	14	13	Project management	6	1
Dockets	2	4	Records management	6	16
Document review	11	16	Secure document Platforms	2	11
Drafting tools: Brief drafting	3	7	Timekeeping	3	21
Drafting tools: Contract drafting	21	11	Vendor Management	3	1
e-Discovery	13	14	Virtual data Rooms	6	7
e-Notarization	3	2	We don't plan to invest in legal tech	24	18

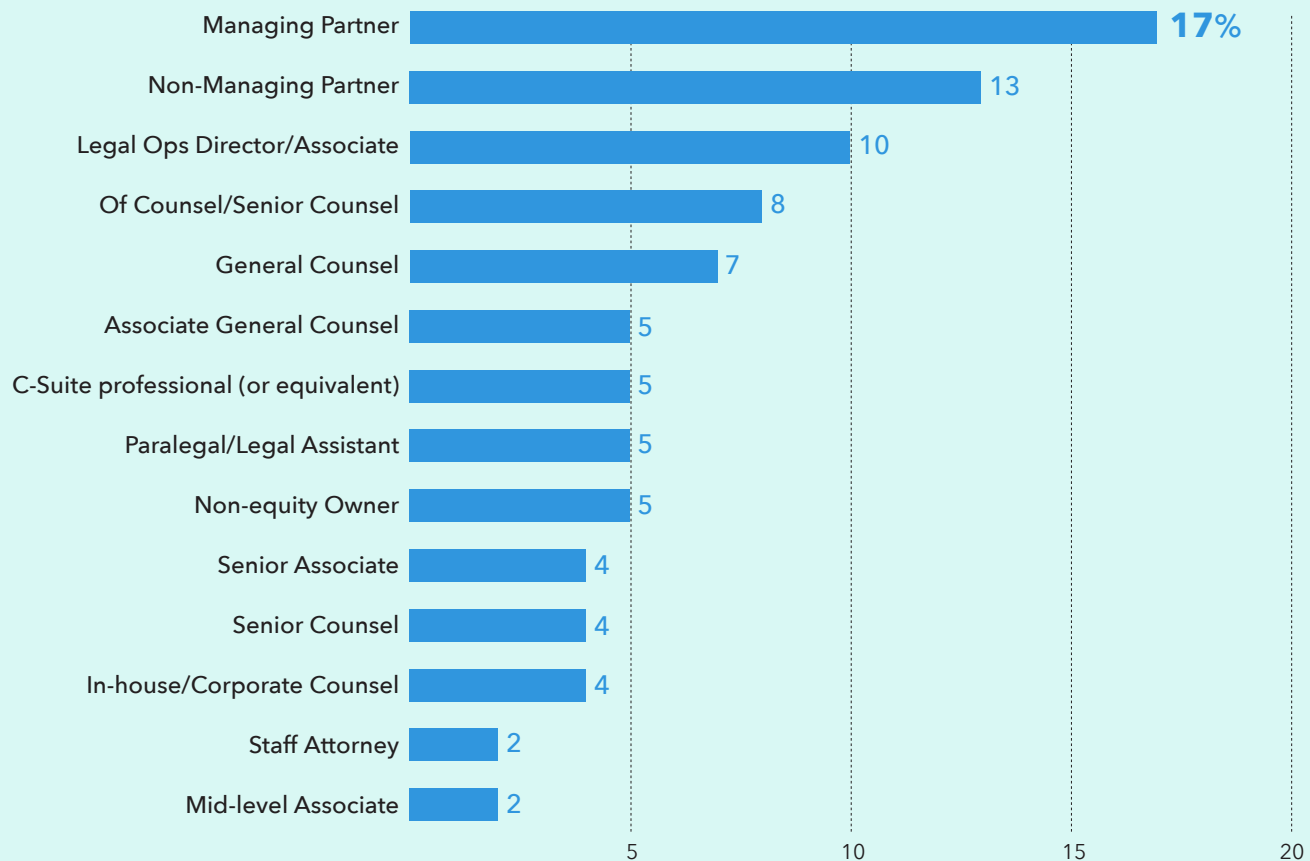
**DO YOU AGREE** that new legal tech will lead to the following staffing changes at your organization?



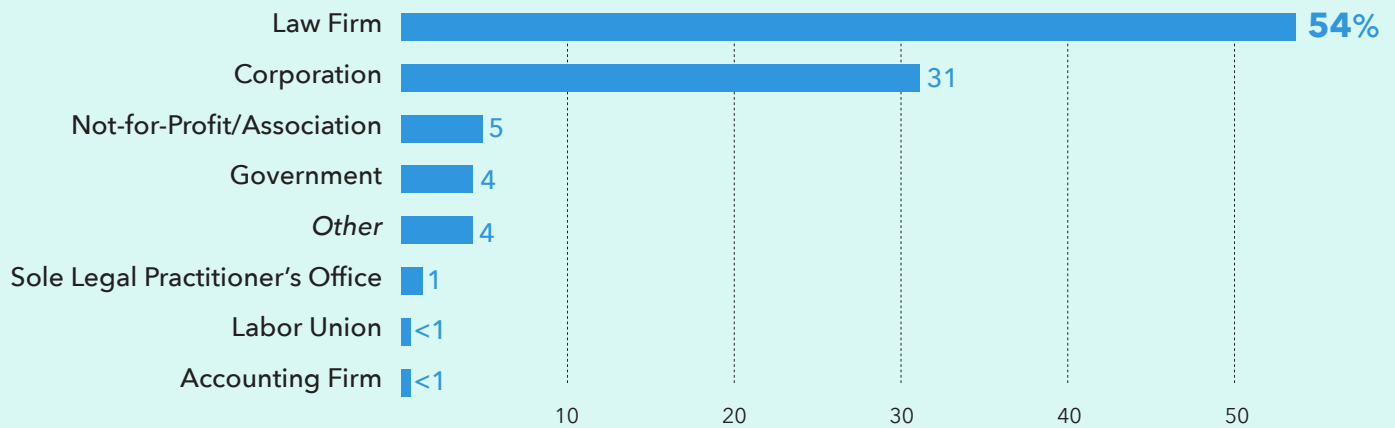
In which of the following **areas of law** do you or the attorneys you support practice?

<b>Litigation (Business &amp; Tort)</b>	<b>56%</b>	Environmental	24
Commercial Contracts	54	Trusts & Estates	24
Corporate	54	Construction/Building Management	23
Real Estate	46	Bankruptcy/Restructuring/Reorganization	20
Labor & Employment	45	Antitrust/Competition	19
Compliance	44	Alternative Dispute Resolution (ADR)	19
Mergers & Acquisitions	43	Energy	19
Intellectual Property: Copyright / Trademark	42	Litigation (International)	18
Litigation (Other)	34	Workers Compensation	18
Intellectual Property # Patents	30	Health/Healthcare	16
Tax	29	Private Equity	16
Employee Benefits/Executive Compensation	27	Personal Injury	16
Insurance	27	Immigration	14
Banking/Finance	26	E-Commerce	13
Landlord/Tenant	26	Criminal/White Collar/Investigations	11
Privacy/Cybersecurity	24	Securities Litigation/SEC Enforcement	11
Securities/Capital Markets	24		

Which of the following best describes your **professional title**?



Which of the following best describes your **workplace**?



## PERSONAL DEMOGRAPHICS

What is your **RACE / ETHNICITY**?

<b>White</b>	<b>76%</b>
Prefer not to say	11
Hispanic, Latino/a/x, or Spanish	7
Asian	4
Black or African American	2
Other	2
Middle Eastern or North African	1
American Indian or Alaska Native	1

What is your **AGE**?

25-34 years old	4
35-44 years old	19
45-54 years old	21
<b>55-64 years old</b>	<b>27%</b>
65+ years old	21
Prefer not to say	8

Do you identify as **NEURODIVERGENT**?

<b>No</b>	<b>81%</b>
Prefer not to say	12
Yes	7

What is your **GENDER**?

<b>Male</b>	<b>63%</b>
Female	28
Prefer not to say	9