

# Legal operations 101

A blueprint for modern legal departments

# Table of contents

## **1 Introduction**

## **2 What is legal operations?**

## **3 The foundation of a strong legal operations function**

- Strategic planning
- Financial planning
- Reporting and legal analytics
- Vendor management
- Technology enablement & adoption

## **5 Building out your legal operations team**

- The 3 levels of legal operations
- The legal operations org chart
- Your first legal operations hire
- Sample legal operations job description
- Promoting cross-functional collaboration

## **12 Supporting legal operations and ensuring long-term success**

- Have a change management plan ready
- Set clear expectations
- Implement an e-Billing program

## **14 Expanding responsibilities**

- Environmental, social, and governance concerns
- Diversity, equity, and inclusion initiatives
- Keeping up with technology: automation and artificial intelligence

## **17 Conclusion**

# Introduction

In the early 1990s, General Electric, Bank of America, and Prudential were part of a handful of companies that employed dedicated legal operations managers to better manage legal spend and drive efficiencies within corporate legal departments. Today, legal operations isn't just a luxury reserved for large organizations with the budget to expand their legal departments. According to a [2016 Law Department Survey](#) conducted by Harvard Business Review, 56% of law departments have a legal operations professional.

**Legal departments are no longer asking whether to invest in legal operations. Instead, they're interested in how to start building a team that will deliver positive outcomes.**

This white paper is a resource for:

- General counsel looking to set up a new legal operations function
- Legal team members taking over the 'legal operations' functions within their department
- Legal teams trying to improve their processes and modernize

Readers will be provided with a framework for the key responsibilities of the legal operations function, hiring best practices, integration strategy, and change management.

# What is legal operations?

Legal operations (also called “legal ops”) is the combination of all the business activities, processes, and people that empower an in-house legal team to serve a company’s legal needs using a strategic business approach.

Unlike the legal administration team in law firms, which focuses on admin tasks like answering calls, drafting documents, and conducting legal research, legal operations teams support in-house counsel with skills like planning, financial management, vendor management, technology management, and legal data analytics.

Before 1990, legal operations was more focused on risk management than on maximizing resources.

**The goal was simple: reduce outside counsel costs.** The major transformation began in the mid-2000s and carried on to 2019. Legal ops began to focus on not just reducing costs but also on the granular breakdown of those costs and the ROI they delivered. By embracing technology and automation, legal ops teams could break down spend by matter type and evaluate outside firms by their past performance.

## Evolution of legal operations

### Pre 1990

Focus on risk management and reducing outside counsel costs

### 90s - Mid 00s

Focus on heavier outside counsel use while still trying to lower costs

### Mid 00s - 19

Focus on bringing strategic value to the business

### 2019 - Now

Focus on innovating and improving processes

Because of the strategic insights legal ops delivered, legal departments could now see the value in having a legal ops team. Whereas only larger legal departments could afford a formal legal operations team before 2000, **a formal legal operations team has become more common now**, even at smaller companies.

# The foundation of a strong legal operations function

A strong legal operations function will champion innovation and change by building processes that drive greater efficiencies, empowering your in-house attorneys to spend more time on the actual practice of law.

**CLOC** (Corporate Legal Operations Consortium) defines legal operations as a multidisciplinary function that optimizes legal service delivery to a business by focusing on [twelve core competencies](#), a few of which we've highlighted below:

## Strategic planning

Legal operations works with every part of the legal department, from the general counsel and lawyers to paralegals (in every practice area), legal assistants, and admins. The function will be responsible for partnering with the GC to develop the long-term strategy for the legal department and align the team and resources against these goals.

## Financial planning

One of the key aspects of a strong legal operations function is departmental budget management. Legal operations puts the process and system in place to track legal spend, accruals, and budgets in order to identify cost saving opportunities. Close collaboration with the finance department is also a necessity to ensure compliance with any financial requirements.

## Reporting and legal analytics

Strong legal operations departments will be data-driven. They have determined which KPIs are best to track their team's success, built in the data infrastructure to understand how spend is being allocated across matters, and understand when to invest in outside counsel vs. leverage internal resources. Legal operations share these reports and communicate legal metrics to the executive team to build alignment across the organization and facilitate more informed decision making.

Tracking legal spend, often done with modern e-Billing software, is a prioritized reporting initiative for legal operations – especially given the pressure for legal departments to be data-driven and strategic partners to the organization. Once legal operations understand where each dollar is being spent, they can focus on where they can optimize, reduce spend, and leverage past project data to predict future costs.

## Vendor management

Vendors are the legal department's strategic partners. The group largely consists of law firms, but in some cases they are consultants or specialists that support the work of the in-house team.

Once legal operations exposes strategic and financial initiatives, they can leverage available legal data to evaluate whether their in-house team or outside counsel is best suited to handle the work.

When outside counsel is determined to be the best option, legal operations helps to create a vendor management program that uses benchmarking metrics to evaluate outside counsel performance against communicated expectations. The program will also include negotiating fee agreements, regular business reviews with outside counsel, as well as implementing and enforcing billing guidelines.

## Technology enablement & adoption

We're at a turning point in the industry with the way legal services are delivered, and the way technology is used in the legal field. Effective legal operations departments will **introduce modern legal tools** and create a long-term technology roadmap that includes solutions such as e-Billing and matter management, contract management, IP management, electronic signature, legal hold, and more. Another key priority is creating an interconnected ecosystem where each independent technology can seamlessly share information from one system to another.

### A strategic partner to the general counsel

A growing number of general counsel are taking a seat on the board of directors, and are being called on to provide strategic advice that directly influences how the organization operates. As the Director of Sales discusses win rates and profits generated, and the Director of HR discusses retention rates and saved recruiting and training expenses, general counsel must participate quantitatively to emerge as a peer of those at the leadership table. No longer can legal simply acknowledge that money is going out the door because of a specific project or litigation.

As a result, the outcome of a good legal operations team is to be a strategic partner to the GC. The two will work closely together to define, launch, and drive initiatives that provide more visibility into outside legal spend, vendor performance, and legal spend metrics. In many cases, e-Billing is the foundational tool to help gather data and position legal as a data-driven department.

# Building out your legal operations team

The scope of the legal operations role grows with the maturity of the legal operations function within the department. Because of this, the role and responsibilities of legal operations leaders vary by company and will impact how you structure your legal operations team.

## The 3 levels of legal operations

We've put together a [legal operations maturity model](#) to help you benchmark maturity in any given area. With this model in mind, you can better determine the level of legal operations your department is ready for. From there, whether you are making your first legal operations hire or building out your current team, you can view legal operations in three different levels.

### Level 1: The admin

The beginner's level of legal operations is typically an admin who manages the legal department's vendors through the company's onboarding process. They facilitate payment for services rendered, and when possible, provide basic reporting to various stakeholders. They might also ensure compliance with financial controls and internal audits.

### Level 2: The optimizer

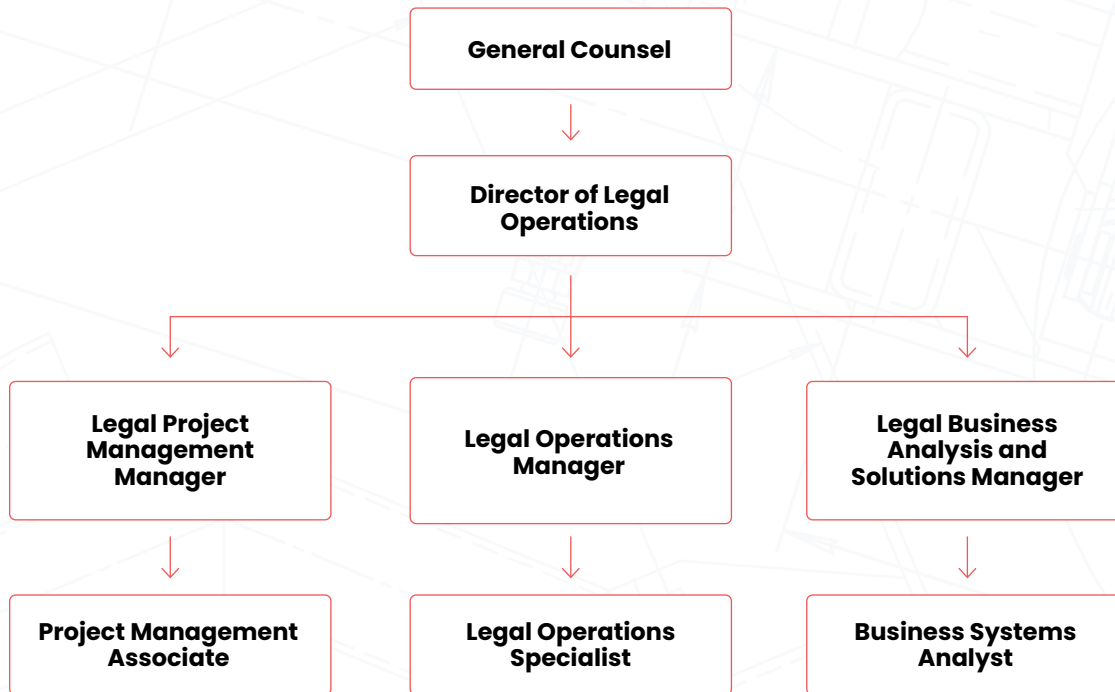
The mid-level of legal operations is all about optimization. The legal operations specialist works more closely with vendors than an admin would. The goal of legal ops in this level is to help each vendor better understand how they can do more for the overall business. It may also include working with IT and industry consultants to deliver technology necessary to fulfill the responsibilities of the position such as tracking, reducing, and reliably reporting on legal spend.

### Level 3: The strategist

This level is what all legal departments should strive to achieve. Legal operations will work closely with the many groups that work with legal (a topic we'll be discussing in more detail later in this guide) to make processes go faster given that certain activities must be done. Effective legal operations understands requirements, predicts needs, and implements the solutions to ensure maximum efficiency and effectiveness.

## The legal operations org chart

With an understanding of the three levels of legal operations, your next step is to hire someone based on your company needs and the level of legal operations your department is ready for. Keep in mind that as your company and department grow, so will your org chart. Here's an example of how legal operations can be built out at a mature organization.



## Your first legal operations hire

When thinking about your first legal operations hire, you will likely have a handful of questions around what a top candidate looks like. In addition to driving peak operational performance, legal operations leaders should be able to demonstrate:

- A strong understanding of the core business
- The ability to translate the needs of business departments into legal requirements
- Commitment to using the internal legal department to grow the company
- Expert knowledge of how to effectively manage law firm performance

Here are a few other question areas that you'll need to answer when making your first legal operations hire.

### Part-time vs. full-time?

Your decision of whether or not to hire a full-time employee to manage legal operations will be largely dependent on your legal team and organization size. Larger legal departments and companies will benefit from a full-time employee who can dedicate their time to creating operational efficiencies, selecting technologies and ensuring they connect with tools from other departments, and implementing new, streamlined processes.



## Attorney vs. non-attorney?

Legal operations leaders are business people first, and lawyers second. In fact, a law degree isn't a requirement to be successful in legal operations – though a legal background definitely provides value in conversations with law firms and attorneys.

Because legal operations leaders are hired for their business management experience as much as for their legal knowledge, an individual may fall into any of the following personas:

- The lawyer who has chosen a more business-focused career path
- The uber-analyst who brings quantitative rigor to the legal department
- The MBA who brings operational and financial discipline to the legal department
- The highly analytical JD/MBA who is valued for both legal and business expertise

## New hire vs. current team?

Organizations that don't have a formal legal operations role don't necessarily have to look outside of their department for a legal operations professional. In some cases, you might already have "half a legal operations manager" – someone who's naturally become involved with vendor management, data analysis, or general operational processes. Their divided attention makes it difficult to reach optimal operational efficiency, but moving them into the role of a dedicated legal operations manager can be a viable option. They're already familiar with the current legal department structure as well as operational processes and any technologies currently utilized so there's less training and knowledge sharing required.

For smaller teams, there's also great opportunity in enabling your current paralegals. Paralegals are closest to the work that's being done by outside counsel. They have a strong understanding of your matters and invoice process, how they align with budget and spend management goals, and often work closely with the general counsel so they have the strategic and business oriented perspective to be successful in the role.

### **We chatted with **Ryan Black**, Head of Legal Operations at Opendoor, and asked the all important question: what advice would you give to legal teams looking to make their first legal ops hire?**

"Since the field of 'legal operations' is loosely defined, have a good idea of what problems you're looking to solve before you start searching for someone to lead this function. This will help you identify someone with the right skills, experience, and desire to work on the specific issues that need the most attention in your organization.

If you're not sure what definition of legal operations is right for your organization, send a couple of team members to a legal ops conference to get an idea of the possibilities. Interview a large pool of candidates to get a better understanding of the different skills and talents different professionals can bring to your team. Be as strategic about this hire as you would be for any attorney role on your team.

Last but not least, understand what portion of your budget you will be able to devote to legal technologies and be up front about what that might look like during the interview process. Many organizations aren't able to provide much budget to legal operations, and that's OK. In that case, you'll want to understand how comfortable your candidates are hacking existing tools or building tools in-house if you can't buy them just yet."

# Sample legal operations job description

After determining the right level of legal operations and mix of characteristics that align with your current team structure and legal department's goals, the next step is writing a job description that outlines the expectations of the general counsel and the legal department. Here's a sample job description to help you get started.

## Legal Operations Manager

Mountain View, CA

### Background

We are seeking a highly motivated and detail-oriented individual to join our growing legal team. The position will work closely with the General Counsel and business stakeholders at all levels of the company. As our Legal Operations Manager, you will be key in creating processes and practices to improve the day-to-day efficiency and effectiveness of the legal team, facilitate change, and control costs.

This is a generalist role that involves managing and supporting projects across the full range of subject matter supported by the legal team. You must be able to adapt to changing priorities and business needs, and must be proactive in identifying areas of need and generating action plans.

### Responsibilities

- Define, launch, and drive strategic and operational initiatives with on-time and on-budget results
- Report on key operational and substantive metrics for the practice group that will better inform decision-making, including matter and work product analyses
- Identify and implement legal department tools to streamline new or existing practices, as well as manage design, rollout, and training for new systems
- Develop and enforce processes and policies to manage outside counsel usage and spend
- Assist with budget matters and optimizing workflows within the legal department
- Collaborate with cross functional teams including sales, support, service, business development, regulatory, IT, and finance as well as various business units

### Requirements

- B.A. or B.S. required
- 3+ years of experience with legal project operations and management in-house or at a law firm (both preferred)
- Proven ability or prior experience developing playbooks and policies
- Demonstrated ability to independently move projects forward by gaining support needed from others while working in a cross-functional role
- Proven track record of collaborating with cross-functional groups (e.g., Finance, Operations, Sales, IT) to set objectives and produce meaningful results
- Strong experience in developing, implementing, and using legal department technology solutions (e.g., SimpleLegal e-Billing, IPfolio IP management, DocuSign e-signature, etc.)
- Excellent analytical, problem-solving, and communication skills
- Able to thrive in a fast-paced, dynamic environment and successfully manage multiple deadlines

Hiring for legal operations jobs is a big step for your company, whether you are expanding your team or building a new one. We want to help you take out some of the guesswork and the risks of making a bad hire. Modify any of our [sample job descriptions](#) to fit your needs and team structure.

# Promoting cross-functional collaboration

Legal can be viewed as a bottleneck where things slow down. Effective legal ops functions will work to reverse these effects by closely collaborating with other stakeholders in the business, strategically planning ways to be as efficient as possible. Examples may include implementing operational changes to make sales processes and contract reviews move along more quickly and smoothly. Expect legal operations to be involved with:

## Finance

Legal operations works in-step with finance to implement or optimize billing processes that consolidates invoice and spend data to:

- Prepare month and year-end budgets
- Report on the status of finances to stakeholders
- Provide reliable accrual data for more predictability into spend
- Ensure compliance with financial requirements and Sox

Legal operations will also look for potential opportunities to integrate the technologies that these departments use. One example might be connecting a legal department's e-Billing solution with finance's AP solution for efficient information sharing and increased spend transparency between departments.

**When it comes to collaborating with finance and accounting, spend management is such a valuable asset. They are always looking for explanations into spend and more accurate budget forecasts. Prove your value with data that offers deeper insight into how you manage your budget.**

Consider the difference between these hypothetical report highlights:

### Original Version:

"In Q3, we increased our legal spend by 11% due to an increase in outside vendor spend. This report includes a breakdown of spend by vendor."

### Revised Version:

"In Q3, we increased our legal spend by 11% due to an increase in outside vendor spend. This report shows the breakdown of spend by vendor. We have highlighted vendors that have agreed to move to AFAs in Q4, which will allow us to more accurately forecast budget needs. We have also updated our billing guidelines to reduce minimum billing increments to .1 instead of .25. We estimate this will reduce hourly invoices by 60% in Q4."

Both of these summaries start by admitting you overspent your budget by 11%. However, the second example uses data-backed explanations of how you intend to improve budget forecasts and reduce spend in Q4. By going to finance and accounting with details and solutions, you can improve overall collaboration.

## Human resources (HR)

Because the relationship between a company and its employees is one of the most regulated and litigated, human resources and legal operations frequently work together. Legal operations takes on the role of strategic advisor to the HR department and provides advice on employment law issues including hiring, visa sponsorships, terminations, and benefits. Legal operations may take on additional responsibilities such as developing and implementing compliance projects, conducting training programs on employee regulated matters like employment law updates, discipline, and document preparation, and reviewing and providing mentorship on drafting and developing HR policies and procedures.

Successful in-house legal departments also prioritize continuous learning and invest in their staff through educational programs. Legal operations supports this initiative by partnering with HR to assist with professional development (i.e. planning CLE and training programs), facilitate the performance evaluation process, and support salary administration.

## Sales

With research by the [International Association for Contract & Commercial Management](#) revealing that poor contract management costs companies an average of nine percent of their annual revenue, optimizing internal processes and accelerating the sales lifecycle is a top priority for both sales departments and legal operations.

Implementing technology like contract management and e-signature software can increase collaboration and cross-functional collaboration between departments, creating process efficiencies that reduce the duration of the sales lifecycle. Legal operations may take on this project head on, discussing requirements with all involved stakeholders, conducting product evaluations, implementing the selected solution, and training new users.

## Engineering

Legal operations should act as the interface between the organization's legal department and engineering team. To meet long-term business goals, legal operations must collaborate with engineers as early in the innovation process as possible.

By bringing expertise on ethical considerations and legal precedent into conversations with engineering, legal operations will have a better understanding of what's coming from an innovation and technology standpoint. This creates a closer working relationship with engineering, and helps legal operations develop a comprehensive Intellectual Property (IP) portfolio, efficiently manage patents and trademarks, and mitigate risk.

## Information technology (IT)

Today's legal operations leaders think outside of the traditional strategies for managing spend and turn to technology to identify process efficiencies and opportunities to reduce spend and better enhance vendor relationships.

Legal operations will lean on IT to make sure any technology used by the legal department is in-line with the latest standards, and will continually survey the market for new and improved solutions. For any technology that is adopted, legal will provide end user training and support to ensure all departments have a clear understanding of the purpose of a specific system and maximum value is achieved.

## General administration

Many legal operations departments will interface with administrators to ensure proper management of support staff, key project initiatives, and departmental communication. Other areas that need to be addressed may include coordination of facility management, planning of departmental events, and maintaining the organization chart and vendor contacts.



## How AdRoll's legal team proactively promotes cross-functional collaboration

For Stephanie King, the General Counsel at AdRoll, and her legal team, cross-functional collaboration is paramount for efficient legal operations. Like many legal departments, AdRoll's legal team works closely with finance, human resources, facilities, and numerous groups throughout their organization. Building process efficiencies isn't only contained to legal, it's an objective that must extend to each corner of the organization.

To build and strengthen the relationship that legal has with other departments across the company, the AdRoll legal team focuses on:

- 1. Leveraging tools already used by the company.** Today's vast options for technology create a "system overload" for users interested in leveraging technology for automation, newfound efficiencies, and data collection. To increase adoption and strengthen collaboration across departments, the legal team at AdRoll first looks to leverage tools that the company is already using, adapting them to their legal process. How a tool connects with other tools is another priority. This helps create integrated processes across multiple departments to facilitate the flow of information from one group to the next.
- 2. Creating an open door communication policy.** Despite being a terrifying tool for lawyers, the legal department at AdRoll adopted Slack, an instant messaging platform that was already used by a large majority of the company. By creating an open and public channel for all employees to ask legal-related questions, they were able to provide more insight into the goals legal is trying to achieve while also facilitating conversations and educating other departments throughout the organization. They've even seen business stakeholders join the conversation, demonstrating the reach of legal knowledge throughout the organization and support for the function.
- 3. Looping in other departments early and often.** When departments don't communicate with one another, problems arise. For AdRoll, a non-existent accrual process was making it impossible for finance to close the books and resulted in unreliable legal spend reporting for legal. When it came time to select an e-Billing system, Stephanie went straight to finance to understand pain points and develop a system for how the two departments would communicate and share information to develop a process that would help them get ahead of potential issues.

**"There's never an issue that only pertains to legal. You can't just sit at your desk and research a case in hopes that the answer will magically appear. You must *always* be thinking about how to work cross-functionally."**

Stephanie King, General Counsel, AdRoll

To learn more about AdRoll's legal operations journey with e-Billing, [download the case study.](#)

# Supporting legal operations and ensuring long-term success

Making the decision to move forward with a legal operations hire or department is the first step in creating a best-in-class legal operations function. You'll also need to put new processes in place and prepare the organization for what the legal operations team will do and which activities they'll support.

## Have a change management plan ready

People are inherently resistant to change, whether they're aware of it or not, and often expect better outputs for the same inputs. When introducing a new legal operations role or department to the organization, keeping change management top of mind is critical for long-term success.

**The COVID-19 crisis continues to impact industries around the world, and legal is no exception. But in the face of tightened budgets and new remote work environments, legal ops is adapting the way departments function and how they prove their value. Legal operations professionals are being called upon to effect robust change management strategies that will ensure their departments operate as an efficient and productive business unit.**

While your legal department understands the purpose, goals, and outcomes of introducing legal operations, the function will only succeed when the entire organization understands how it will fit into the company's culture and current processes, and expected results are clearly defined and communicated. Start by creating and sharing a cohesive vision for how legal operations will drive operational excellence in both the legal department and for other key stakeholders in the business through streamlined processes, new technologies, and cross-functional collaboration.

**Mary O'Carroll, legal operations veteran, shares her own experience around change management from her former role at Google and how the position was seen within the organization.**

"One of the biggest lessons learned is how much culture factors into success in this role. The culture of the company – and the working style of the GC and the head of legal ops – has to be really closely aligned. What I mean by that is I don't think that I would be successful in this role at a different company with a different culture, or perhaps someone who's really successful at a company with a different culture might not be as successful here."

## Set clear expectations

Managing the expectations of the legal department as well as the organization as a whole needs to be a top priority in order to ensure acceptance of the new function. Sharing clear outcomes to expect helps to paint legal operations as a group that will make things better and more efficient, rather than creating bureaucracy, process, rules, dashboards, and the like.

## Implement an e-Billing program

Data transparency and efficiency are focus areas that didn't exist within legal departments years ago, but have become key initiatives in today's modern landscape because technology like e-Billing makes it easier to expose process efficiencies and transparency into legal spend.

Empower your new legal operations professional to step in and make changes right away. Let them make recommendations as far as technology and what e-Billing tool they would recommend implementing for the department based on their evaluation of current resources and future needs.

Not only will an e-Billing solution allow them to execute against their job responsibilities, it's a product that helps justify the cost of a new legal operations department. Once you can expose where each dollar of outside counsel spend is going, you can identify additional cost savings or revenue opportunities through analysis of timekeeper rates, which firms produce the best value for a given project, and billing guideline enforcement.

### **Connie Brenton, CLOC founder and former Chairman of the Board, relays the importance of e-Billing for legal departments in an interview with Legaltech News.**

"e-Billing is the first and most fundamental technology that goes into a legal organization. If you are starting up a group, or if you're coming into a group, you need to be able to understand where your funds are being spent. Fiscal responsibility is at the top of the list, and it's always the first technology that goes in before any other technology."

# Expanding responsibilities

Legal operations is still a relatively young field. Like all young things in their growing phases, the field is turbulent and fraught with changes, both fast and slow. You'll probably see many functions come and go, but out of all the ones that have come so far, there are a few who are here to stay.

## Environmental, social, and governance concerns

As concerns over sustainability, climate change, and social justice grow, ESG, or environmental, social, and governance is **emerging as a corporate priority**. In a **study by Thompson Hine LLP**, about half of the 134 in-house counsels and senior executives at publicly traded and privately held companies surveyed have a strategy for reporting their environmental, social and corporate governance performance to regulators and shareholders. Another third, or 34%, plan to implement ESG reporting strategies in the next one to two years.

ESG, an evaluation of a company's conscientiousness for social and environmental factors, is not an unsurprising development by any means even if it started from **almost nothing in the early 90s**.

### Environment concerns include:

- Climate change
- Sustainability

### Governance concerns include:

- Management structure
- Employee relations
- Executive and employee compensation
- Business ethics

### Social concerns include:

- Diversity, equity, and inclusion
- Human rights
- Animal welfare
- Local communities

As companies increase their commitment to sustainability and responsible business, so too will the involvement of the legal department. Instead of just managing social, ethical, and environmental issues, general counsel and in-house legal teams are now becoming **proactively involved in mitigating ESG risks and opportunities in business, operational policies, and market strategies**.

**Sumi Trombley, a senior consultant of UpLevel Operations, a consulting firm for in-house legal departments, understands that general counsel have misgivings on the long-term impact of ESG initiatives.**

"Traditionally, legal teams have been tasked with identifying risks, so it's not surprising that GCs naturally tend to be worried about legal or regulatory risks with new or non-traditional corporate initiatives. As the role of GC shifts from risk adviser to strategic business partner, my hope is that the 72% of GCs that believe ESG initiatives will improve the bottom line will begin to move away from risk management and look across the organization (including legal) for strategic ways to incorporate ESG projects."



## Diversity, equity, and inclusion initiatives

Diversity is often viewed as a social responsibility that makes the world a better place, but businesses that see it as little more than a mechanism for performative progress are missing out. An ongoing [McKinsey study](#) proves workplace diversity is a force for innovation and increased profitability for businesses. More recently, [McKinsey](#) found that “diverse companies are more likely to financially outperform their peers” by up to 36%.

[61% of legal departments](#) rank implementing a diversity and inclusion program as a high priority in 2021. In fact, diversity, equity, and inclusion ranks as the top priority for legal departments in 2021.

And while more law firms and in-house legal teams are starting to prioritize diversity, equity, and inclusion (DEI) by hiring more diverse candidates, an excerpt on [Racism](#) – and even the American Bar Association – recently described the legal profession as the “least diverse of any profession.” One glaring example is the case of Asian American lawyers who represent more than 10% of graduates in top law schools yet remain the least likely group to be promoted to management in the United States, [according to Harvard Business Review](#).

However, diversity in legal departments shouldn't start and end at hiring. In addition to job opportunities, it's important to create inclusive policies and environments for marginalized legal professionals so they can thrive in the legal industry and contribute to innovation, profitability, and growth.

### Here are some steps you can take to drive change:

1. Educate your employees against bias
2. Mentor minority law students and juniors
3. Don't leave candidate selection to AI that may discriminate
4. Enforce billing guidelines that cater to DEI for your vendors
  - Companies like [Microsoft](#), [Facebook](#), and [Hewlett Packard](#) have already established diversity and inclusion programs to hold their vendors accountable.

## Keeping up with technology: automation and artificial intelligence

As legal budgets shrink, the [interest in automation and use of artificial intelligence \(AI\) grows](#). Leaning on technology to take care of low-value, manual tasks is a great way to make a strained legal budget go a lot further. In fact, [96% of legal departments](#) rank “automate legal processes” as a medium or high priority. Unsurprisingly, 88% also rank “implement new technology solution” at the same level of importance.

A [Deloitte report](#) found that automation has led to an “overall increase of approximately 80,000 [jobs], most of which are higher skilled and better paid.” It's not a far stretch to say AI will follow in automation's footsteps and provide better-paying jobs for your strategic skills.

[69% of CLOs believe the use of AI will accelerate](#). In the legal industry, AI is often used as a convenient shorthand for various processes, including natural language processing (NLP) and machine learning. Because legal is such a text-heavy industry, NLP can be extremely valuable. Legal ops can rely on NLP to read through lengthy documents, such as contracts, and turn them into structured data. Then, the data can be used as machine learning inputs.

Just as machine learning can analyze your past purchases to recommend new products, it can review legal documents and make recommendations accordingly. For example, you can use a combination of NLP and machine learning to review legal briefs and provide recommendations and predictions. In 2017, [Bloomberg reported](#) that software completed work that normally took lawyers 360,000 hours to complete in seconds. Similarly, a [New York Times report](#) revealed that AI-powered software immediately found a case relevant to a matter an attorney was working on, whereas it took 10 hours for the attorney to find it himself.

**40% of legal ops teams** have either partially implemented or plan to implement the use of AI in their legal work in 2021. AI isn't going to replace your legal team, but legal teams who don't use AI could easily be replaced by those who do.

### **Additional use cases of AI in legal include:**

1. Risk-scoring of sales contracts for enterprise software companies
2. Routing lease agreements for approval for a property management company
3. Predicting outcomes of litigation for litigation financing companies
4. Reviewing legal bills for compliance with your billing guidelines especially for law firms that bill hourly

# Conclusion

Legal operations is, and will continue to be, a fundamental piece of any successful legal department. If you are hiring your first legal operations leader, expanding your legal team, or looking for new ways to make your current team more efficient, leverage this guide to build a strong legal operations function that acts as a strategic partner to your general counsel and supports every department within your organization. By investing the time to carefully lay the foundation for legal operations, your legal department will benefit from long-term process efficiencies, modern technologies to eliminate manual work, data-driven decision making, and so much more.



# About SimpleLegal

SimpleLegal provides a modern legal operations management platform that streamlines the way corporate legal departments manage their matters, track and interpret spend, and collaborate with vendors and law firms. SimpleLegal combines e-Billing and spend management, matter management, vendor management, and reporting and analytics into one comprehensive application to optimize legal operations and the management of the entire legal department.

**For more information visit:** [www.simplelegal.com](http://www.simplelegal.com)