



Chris Ratcliffe/Bloomberg

Legal Departments Lag in IT Investment

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As in-house legal departments face growing C-suite pressure to be more involved with corporate strategy, many general counsel find they lack the technology needed to move their departments beyond repetitive tasks.

“Pressure is being put on legal teams to do more, but the budget has not necessarily caught up with new technology investments,” said Piet Hein Meeter, global managing director of Deloitte Legal. With the research firm Oxford Economics, Deloitte recently surveyed roughly 300 in-house legal teams, across nine countries. They found 60 percent believe their legal function is ready to adopt technology that can carry out routine tasks. But only 56 percent of respondents thought their departments are spending enough on technology to improve efficiencies.

The imperative to invest is growing, amid a tighter regulatory environment, mass globalization of business, and accelerating tech advancements, Meeter noted. “This is resulting in increased complexity and demand from the business, which is creating an unsustainable workload for existing in-house legal departments,” he said.

Core functions can get immediate benefit from applications in the areas of e-billing, contract administration, and matter management. Further out, advances in cloud computing, software as a service, artificial intelligence, and blockchain will play increasingly important roles across legal departments.

“These technologies can increase operational efficiency and add measurable value by changing the way legal services are delivered and will open tangible insights and dashboard visualization across the enterprise,” Meeter said. Meanwhile, legal departments face the ongoing expectation of doing more with fewer resources. In this environment, making a persuasive case for greater technology investment begins with a well-defined proposal.

“As the in-house legal function moves from being a legal expert and risk mitigator to a business enabler, developing a business case and articulating the need for technology investment to the C-suite will be critical,” Meeter said. Legal departments must also be clear on which technology is worth pursuing, amid a surfeit of options.

“The key is to remember that it does not start with technology, it starts with strategy,” Meeter said. “GCs should identify their business objectives, and define the key pain points they are trying to solve for. Only once those pain points are defined can GCs determine which technology will best suit their needs.”