

# 2015 Legal Department Priorities

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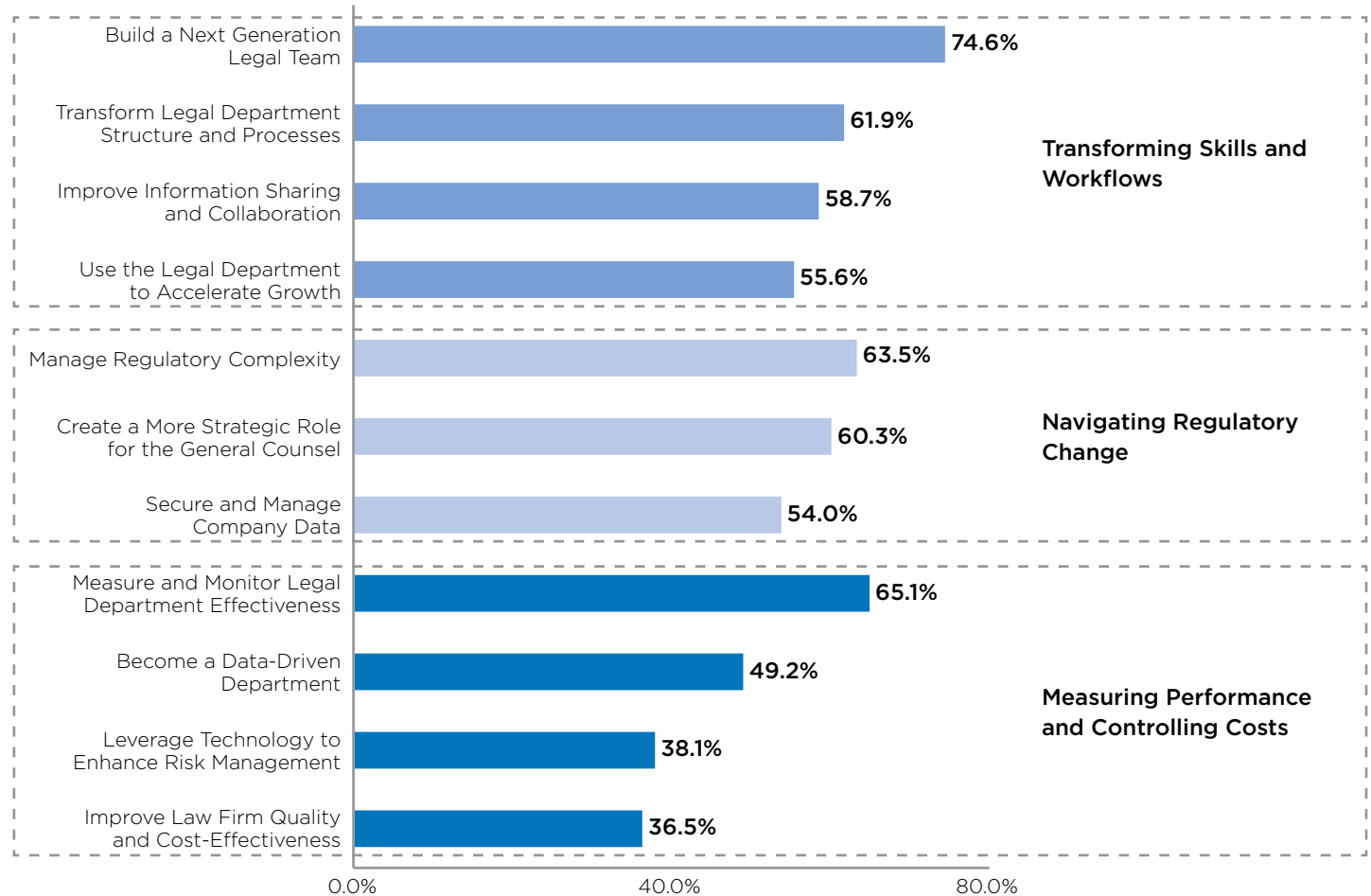
## Preview Report

Faced with growing demand and scarce resources, general counsel want to transform how they staff and manage legal work.

- Many department management issues present a greater challenge than substantive issues—even hot topics such as privacy.
- Legal risks are highest on executives' radar as they push to meet high growth expectations.
- Legal teams are struggling to connect with a growing range of business decision makers at the middle management level, 75% of whom believe Legal is too hard to work with.

## GENERAL COUNSEL HOPE TO TRANSFORM THE LEGAL DEPARTMENT

Top 11 Legal Challenges for 2015, as Reported by General Counsel  
Ranked by Percentage Rating Challenge Priority as High or Very High<sup>a</sup>



n = 63.

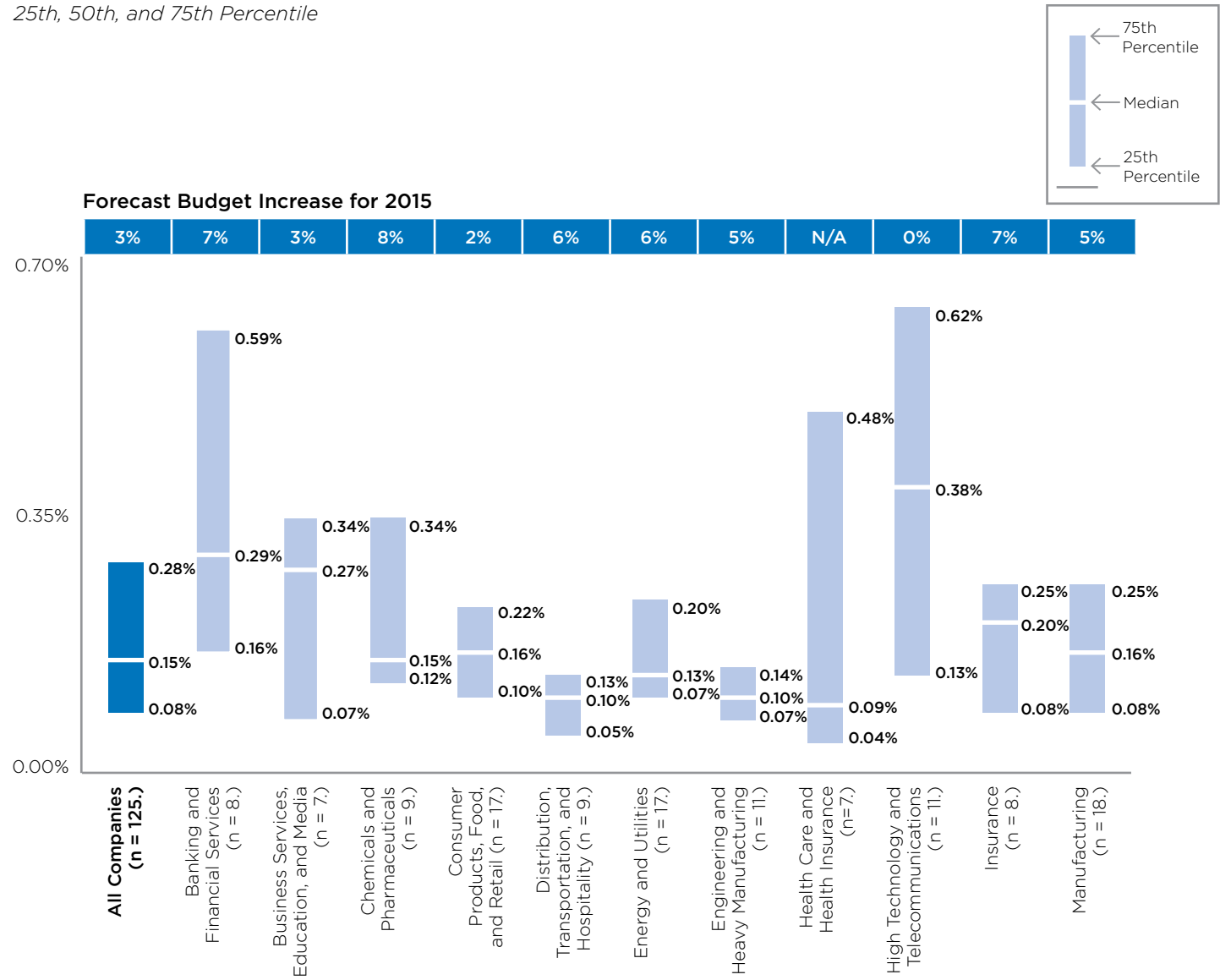
Source: CEB 2015 Annual Membership Poll.

<sup>a</sup> On a scale ranging from 1 (very low) to 5 (very high).

The average legal department expects less than a 3% budget increase for 2015, lagging behind the pace of most companies' growth; fewer than one-third plan to add head count.

## MODEST BUDGET INCREASES EXPECTED

In-House Legal Expenses as a Percentage of Revenue, by Industry  
25th, 50th, and 75th Percentile



n = 124.

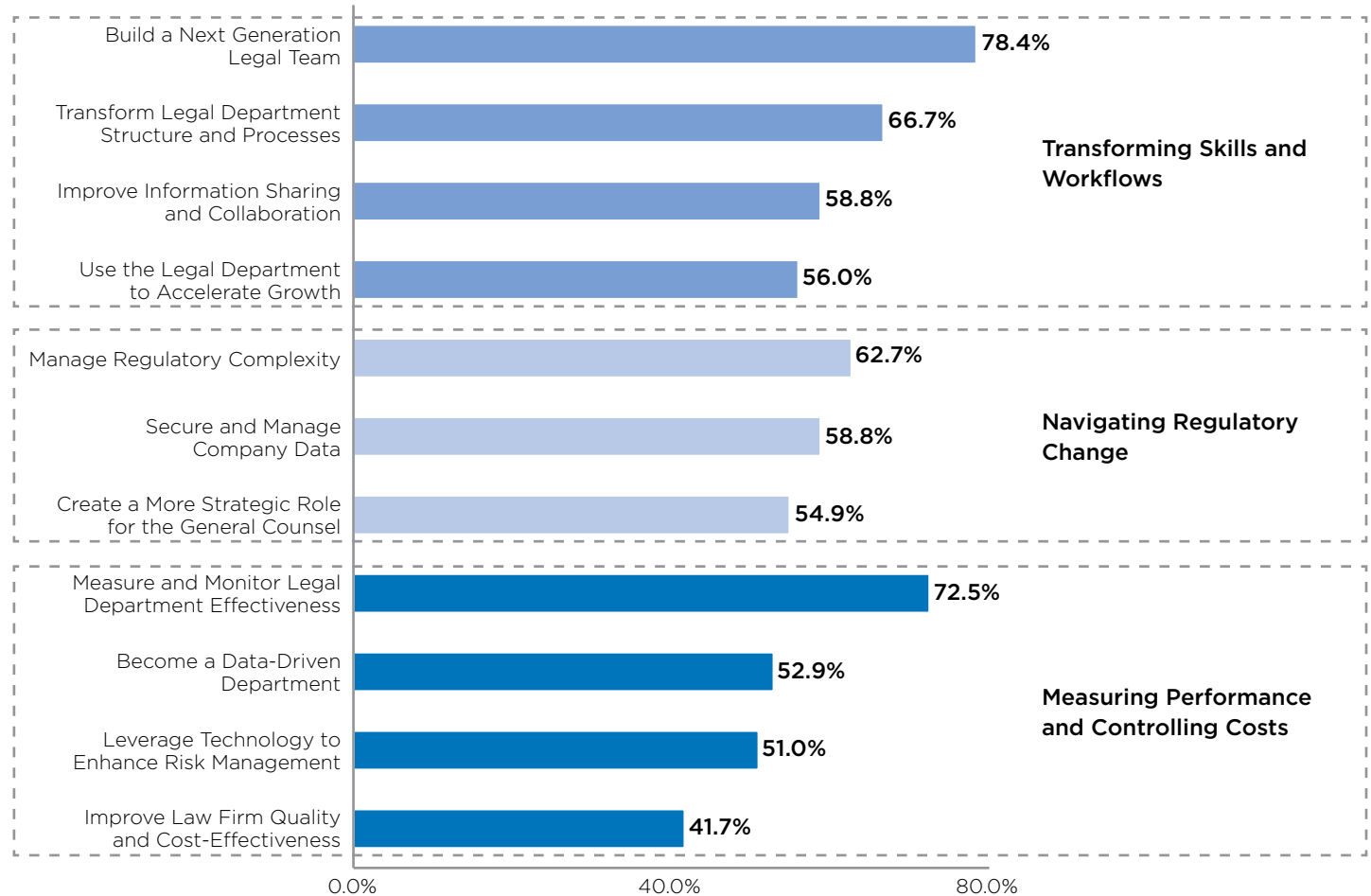
Source: CEB analysis.

Legal teams share general counsel's focus on management challenges and are even more focused on metrics and talent management.

## LEGAL TEAMS SHARE A MANAGEMENT FOCUS

Top 11 Legal Challenges for 2015, as Reported by Legal Teams

*Ranked by Percentage Rating Challenge Priority as High or Very High<sup>a</sup>*



n = 51.

Source: CEB 2015 Annual Membership Poll.

<sup>a</sup> On a scale ranging from 1 (very low) to 5 (very high).

# WHAT YOU MIGHT HAVE MISSED IN 2014

## Transforming Skills and Workflows

- We defined a new strategy—Building Legal IQ—to ensure legal advice reaches the right business decisions.
- We identified innovative risk assessment, service delivery, and training techniques to build Legal IQ.
- We identified the critical capabilities of key legal technology systems.
- We pinpointed the skills in-house lawyers need to get to the next level.
- We surfaced the drivers of legal staff engagement and the reasons lawyers become disengaged.
- We published a member's guidelines to help lawyers write without legalese.
- We shared a member's template for rolling out a new contracting process.
- We showed you how Luxottica simplified contract management.

## Navigating Regulatory Change

- We launched a new product focused on the specific needs of heads of Privacy: the CEB Data Privacy Leadership Council.
- We partnered with DLA Piper to publish an analysis of privacy rules in over 70 countries.
- We taught heads of Compliance how to build a more forward-looking, predictive monitoring program.

## Measuring Performance and Controlling Costs

- We provided over 160 members with a one-page benchmark dashboard for budget meetings.
- We identified the three true drivers of legal spending and launched our TruePeer™ benchmarks.
- We published benchmarks for law firm rates and staffing models in over 25 practice areas.
- We identified hundreds of legal department metrics and the most commonly reported ones.
- We created a step-by-step toolkit to implement metrics in your department.

# SUPPORTING GENERAL COUNSEL AND LEGAL TEAMS IN 2015



## Building Action Plans to Transform Legal Department Workflows

- Tailored action plans to improve your core legal department processes (e.g., contracts, litigation, financial management, talent development) based on assessment and benchmarking of your current approach, using the new Legal Department Process Maturity Diagnostic



## Accelerating Implementation with Practical Toolkits, Guides, and Workshops

- Toolkits, guides, and templates to help you implement changes to your workflows, starting with implementing our new strategy for legal risk management: Building Legal IQ
  - Embedding Legal Guidance into Business Workflows Toolkit (December 2014)
  - Legal Risk Checklists for Business Functions (January 2015)
  - Legal Roadshow Presentation Templates (March 2015)
- New workshops on managing law firms for maximum value, helping general counsel and their direct reports develop an action plan to improve the quality and cost-effectiveness of work from external law firms
- Ready-to-present metrics dashboards for reporting on legal department budget, performance, and law firm cost-effectiveness relative to peer companies
- More opportunities to attend workshops on contract management and revitalizing records management



## Forging Closer Connections Between Peers

- Continuation of our specific workstreams and cohort meetings for legal operations managers and heads of Litigation
- New semimonthly paper created by our senior advisors that briefs general counsel on applying CEB's latest insights from across the executive suite to the general counsel's role

To dive deeper into the full report and learn more about how CEB can help your department address its top priorities in 2015, contact us at [LRCProductMarketing@executiveboard.com](mailto:LRCProductMarketing@executiveboard.com).