

# 2022 In-House Legal Tech Report

How the Pandemic helped shape a Legal Tech revolution

Exclusive insights into legal tech adoption brought to you by **contractworks** An Onit Product



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#### Introduction

The relationship between in-house legal teams and technology is changing. While corporate legal departments are still trying to shake the reputation of being slow to modernize, adapt, and adopt new technology, a recent study commissioned by ContractWorks paints a very different picture of today's modern legal professionals.

This major new study, carried out by international research agency Censuswide, reveals key trends from 350 in-house legal professionals from the United States and the United Kingdom. General counsel, in-house lawyers, and other members of the legal department share insight on the lasting impacts of the Covid–19 Pandemic on the legal workforce and their personal experiences and preferences about work style, legal technologies, and their employers.







Research shows that legal tech adoption is on the rise, and that when in-house lawyers adopt the right solutions, the results can be transformative for both the business and the individual.

Legal tech is empowering in-house teams to streamline processes and workflows, work more efficiently, and become more productive in their roles, which is ultimately leading to higher levels of job satisfaction.

Solving challenges with technology, however, isn't always a straightforward process. The study shows that implementing and adopting new technology remains an obstacle for some legal professionals, and widely failed tech implementation projects can have repercussions that go beyond simply not being able to automate manual work.

The good news is that by working with your team to plan out the tech adoption process from evaluation to implementation, you'll significantly improve the chances of recognizing value from new tech quickly.

#### The 2022 In-house Legal Tech Report uses data from this study to expand on:

- The Pandemic's impact on the in-house legal community
- Recent trends in legal tech adoption and usage by corporate legal teams
- The positive impacts of legal technology and the fallout when tech adoption projects fall short
- The keys to ensuring a happy and productive legal team
- How to get legal tech right and recognize value as quickly as possible

### 01 | Remote Work and Accelerated Legal Tech Adoption

Before the events of 2020, the adoption of legal technology was undoubtedly on the rise. But it was the onset of the Covid-19 Pandemic – and the seismic shifts it prompted in the way we work – that truly catapulted even the slowest to adopt in-house teams into the age of 'must-have' legal tech, and most have not looked back.

The sections below explore how legal teams adapted during the Pandemic, and how this challenging time expedited tech adoption roadmaps for businesses everywhere.

#### A Sudden Shift

Perhaps the single biggest change in-house lawyers had to navigate over the past few years was the sudden shift to remote working: more than half (51%) of legal professionals surveyed worked from home at least part of the time during the height of the pandemic.



For in-house lawyers tasked with establishing the infrastructure for remote work, streamlining internal processes quickly became a top priority. By adopting technology, legal teams working both on-site and remotely continued to move contracts and other revenue-generating initiatives forward in an efficient, safe, and compliant manner.

According to all 350 participants in the ContractWorks study, this immediate need fast-tracked the adoption of legal technology, with more than half (57%) stating that their team's legal tech adoption was accelerated by at least three years.



The shift to remote work forced teams to make fast, strategic choices about which legal tech solutions were the most valuable, had the most flexibility, and offered the highest return on investment (ROI) – wherever their people were working. Contract management, matter management, electronic signature, and e-billing were all areas tackled by in-house teams with technology during the pandemic: for each area, at least a third of respondents indicated their teams had adopted new solutions.



#### Legal Tech and Remote Working: Here to Stay

As the initial shock of the Pandemic has subsided, the transition to a remote/hybrid workforce and the widespread adoption of legal technologies are creating a paradigm shift in the way legal teams operate – and how and where they want to work.

While just under half of the in-house legal professionals surveyed are now back in an office environment full-time, two-thirds would prefer to work from home. That means the majority of corporate legal teams are no longer taking advantage of the productivity and lifestyle benefits of remote working that were highlighted in the study. For many organizations, the effective adoption of the right legal tech solutions may hold the keys to unlocking the potential of a fuller program of remote working – and a more satisfied group of employees.



The solutions that were quickly adopted by so many organizations during the Pandemic seem to be just the start for the in-house legal community: every respondent in the study is still looking to adopt new solutions, as lawyers and legal operations executives plot the next steps in their tech transformation journeys.



For many in-house legal professionals, technology has the potential not only to improve productivity, but to build the legal team's reputation as innovative collaborators — all whilst maintaining the flexibility of working remotely at a rate not seen before.

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When legal teams successfully adopt tech solutions designed to address their specific challenges, and they involve the right people along the way, the result is typically a happier, more productive department. When teams rush into adopting technology without proper planning and focus, there are greater opportunities for missteps, which can cause serious problems for everyone involved.

The following sections dig into the research on the positives of successful tech adoption projects – and the fallout that stems from adopting the wrong solutions.

#### When Tech Adoption Goes Right

How new technology has helped

Adopting technology helps in-house lawyers and legal professionals automate and streamline manual tasks so they have more time to focus on high-value work. New technology also makes it easier for Legal to collaborate with other departments throughout the organization, and improves access and visibility into critical documents, matters, and more. In turn, <u>Legal becomes a better business partner by reducing turnaround times and increasing responsiveness.</u>

But this new research proves that the benefits of adopting legal tech extend far beyond the aforementioned efficiencies. The in-house legal professionals surveyed said that successful adoption of legal technology creates happier, more productive employees who can move the business forward at a rate that is not possible without technology.

Looking specifically at contract management software (the most heavily adopted legal tech during the Pandemic), nearly half of legal professionals who adopted it (46%) reported that it made their day-to-day job more enjoyable, 38% said it improved their work-life balance, and 38% also noted that it resulted in fewer mistakes. All of these directly influence a legal professional's job satisfaction and engagement, which lead to increased productivity, greater confidence and happiness, and higher employee retention rates.

Contract management software	<b>46%</b> Made my day-to-day job more enjoyable	<b>38%</b> Improved work/life balance	<b>38%</b> Resulted in fewer mistakes/less human error
Software Matter	45% Automated some mundane tasks	<b>39%</b> Increased productivity	<b>37%</b> Improved work/life balance
Electronic signature	<b>38%</b> Made my day-to-day job more enjoyable	<b>39%</b> Increased productivity	<b>39%</b> Improved work/life balance
<b>E-billing</b> software	<b>38%</b> Automated some mundane tasks	<b>37%</b> Increased productivity	<b>38%</b> Improved work/life balance

#### When Tech Adoption Falls Short

When new technology projects go according to plan, there are remarkable benefits for members of an in-house legal department. The challenge is that when tech adoption projects fail to meet expectations, the fallout can be significant.

This new research shows that unfortunately, failed tech adoption is not uncommon (the good news is that it's avoidable). In fact, three out of four lawyers have experienced a failed tech adoption project, and nine out of ten have struggled with technology solutions implemented by their employers.



What's causing these challenges with new technology? A combination of limited budgets, a lack of time to dedicate to evaluating, selecting, and implementing software, and concerns around managing change can cause speedbumps for teams early in the adoption process.

And with the legal tech sector exploding with thousands of solutions – from enterprise systems that do everything to point solutions for every part of the legal process – it's easy to understand why some in-house teams facing pressure to modernize are overwhelmed. In other words, many projects fail before they ever get started.



For those whose tech adoption projects didn't produce satisfactory results, there are a few key factors getting in the way of success: lengthy implementation processes, overly complicated software, technology unfit for purpose, and resistance to change.

Dealing with lengthy implementation processes and overly complex software is such a critical issue because it prevents teams from actually using the solution they just invested time and financial resources to acquire — which also prevents a timely ROI. This further highlights the importance of putting in the time during the research and evaluation stages to choose the right solution and avoid the issues that can derail tech adoption projects.



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While technology struggles prove to harm productivity and performance, they also negatively impact employee happiness and job satisfaction and create distrust in corporate leadership. Of the respondents who said they had struggled with new technologies before (89%), nearly 30% revealed it had made them doubt their employer knew what was best for the business, and more than one in four said they considered or are considering leaving the company.



The good news is that vendors are listening, and a new trend in the legal tech space is emerging. More vendors are developing user-friendly, quick-to-implement, and purpose-built solutions that enhance operational efficiency, making legal tech adoption blunders less frequent. While there are a lot of solutions on the market, research proves that once you find the technology you need, the results are overwhelmingly positive for both the individuals on your team and the greater organization.

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### 03 | How to Set Yourself Up for Success

The study reveals that legal tech adoption is on the rise and that in-house teams have big plans to introduce solutions that streamline processes, increase productivity, and create a more flexible work environment.

To ensure successful tech adoption and take advantage of the many benefits listed above, it is imperative that you go in with a plan.

#### Here are a few things you can do to achieve your tech adoption goals:



Involve your users and stakeholders in the conversation. Understanding the needs of the people using the systems should always be a priority and is critical to maintaining a satisfied legal staff.



Make sure the solutions you're considering are the right ones to solve your key problems. Product fit should never be overlooked, so if you think there's a solution that more closely aligns with your key challenges, you're probably right.



Work together with your team to define what successful implementation and adoption look like. Communicate openly and set expectations around change management, so team members are aligned throughout the implementation process.



Rather than focusing on lists of features, have in-depth conversations with vendors, schedule demos, and try the product before making a final decision whenever possible. Every vendor says their product is easy to use, but the best test is to try the software yourself.

When all of these things are considered, and appropriately executed, legal teams will realize the full benefits of adopting legal technology. Some of those benefits are game-changers for in-house lawyers, including the ability to spend more time on high-value work and maintain a better work-life balance. And for legal professionals looking for greater flexibility and control over the way they work, time-saving legal technology is the most straightforward way to accomplish that vision.

# About Contractworks

ContractWorks, an Onit product, is the fast and affordable way to sign, store, monitor, and report on your contracts from anywhere. ContractWorks helps inhouse legal teams improve contract access and visibility, whether working in one office or spread around the world. With a secure, centralized repository and advanced search functionality, everyone on your team can find any contract or contract details in seconds — including key dates, clauses, obligations, and more.

Businesses choose ContractWorks over other solutions because it helps you quickly take control of your contracts and offers a user-friendly interface, short implementation process, and highly rated customer support team. Starting at \$700/month for unlimited users, ContractWorks makes contract management software accessible to businesses of all sizes.

ContractWorks has offices in Santa Barbara, California and London, UK and is part of SecureDocs, an Onit company.

Schedule a demo today to learn more about ContractWorks Contract Management Software, TechBreakthrough's 2021 LegalTech Solution of the Year.