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## More Work To Move In-House As Cos. Continue To Cut Costs

By **Kali Hays**

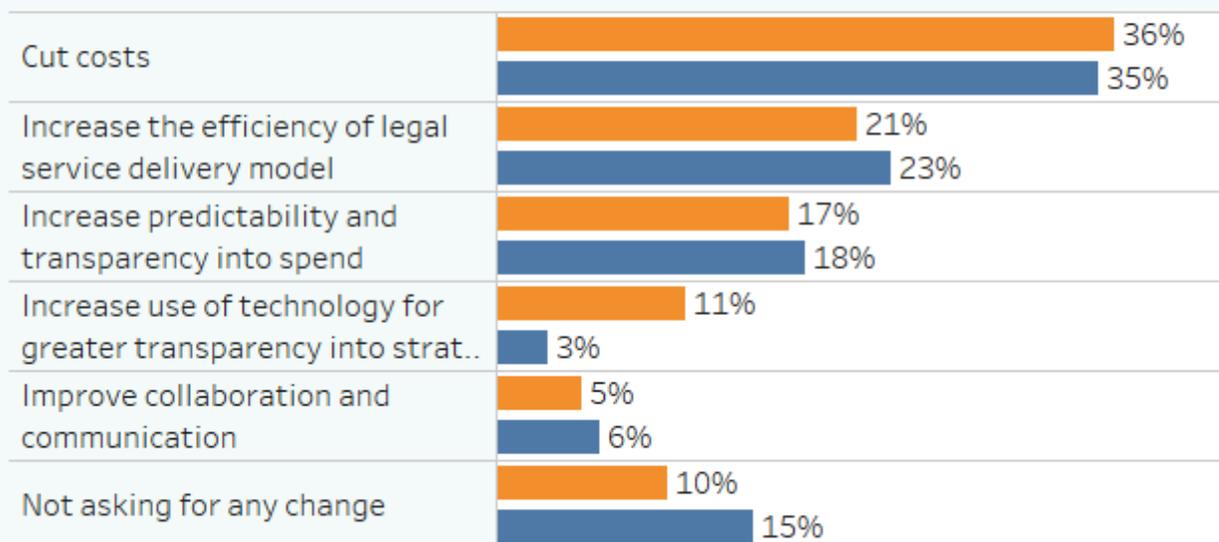
Law360, Chicago (December 16, 2016, 8:24 PM EST) -- As corporate legal departments continue to strive for efficiency and cost cutting, the traditional work of outside counsel is becoming increasingly expendable, and with ever-improving legal technology, more and more legal work is expected to be brought back in-house, according to a new report.

In a survey of about 250 legal professionals in firms and corporations released Thursday by Texas-based legal technology developer Liquid Litigation, nearly 70 percent of people on both sides of the legal divide said increasing efficiency was their top concern going into the new year, but in-house attorneys plan to do so by keeping more work to themselves.

While goals of efficiency and **cost cutting** have been top of mind to corporate attorneys for some time now, the survey said law firms have been largely "reactive" when faced with the prospect of losing clients.

### Like-Minded Thinking

**Companies** and **law firms** are mostly aligned in what they expect corporate legal departments to see as goals for outside counsel. Decreasing costs and increasing efficiencies top both their lists.



Source: Liquid Litigation

Lately firms are starting to take a more proactive approach, mainly through the use of technology to streamline work for corporations, according to Liquid Litigation, but in-house departments still see room for improvement.

"If law firms can figure out how to reduce some inefficiencies caused by the complexity of systems they use, they will be better equipped to meet the demands of their customers, while increasing their profitability," Liquid Litigation CEO Cas Campaigne said in a statement.

Something corporations want most is more budget predictability and more communication from outside attorneys when they're handling something. Currently, 33 percent of firms only communicate with in-house attorneys once or twice a month and about 80 percent either only track budgeting communications by email or not at all.

Such a level of communication is in contrast to 75 percent of firms surveyed reporting that they use between four and nine different legal systems to meet the "daily needs" of their work.

"Talking about efficiency in the abstract isn't enough," Casey Flaherty, a former in-house attorney who founded Procertas, a technology assessment company, said in a Thursday statement. "Corporations want measurable efficiencies and tractable savings without compromising quality. Many law firms struggle to meet these mandates. Buying technology is different from using technology is different from using technology well."

But even though surveyed firms said providing greater budgeting and predictability, increased proactive communication and cutting repetitive case management will be the areas of "greatest change" for them in 2017, in-house counsel still have their own ideas on how to improve legal work.

Chief among them is keeping more work in-house, which more than 40 percent of surveyed counsel plan to do in 2017, while close to that number also plan to increase their own work efficiency through technology improvements and streamlining their process.

--Additional reporting by Aebera Coe. Editing by Bruce Goldman.

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