

Empowering In-House Legal Teams

Technology Solutions for Modern Challenges

A look at the rising pressures facing in-house legal teams — and how the right strategy and tools can make all the difference.

It's a seemingly unending challenge for corporate legal departments:

How can we bring more work in-house to improve efficiencies and manage costs, yet not overwhelm and exhaust in-house counsel in the process?

While the challenge of "doing more with less" has existed for decades, today's business environment is increasing the pressures.

These pressures are coming from multiple directions. Among them, general counsel and chief legal officers are grappling with a complex regulatory environment: According to PwC, managing legal and regulatory risk requirements around issues such as cyber disclosure, supply chain issues, tax transparency, and environmental impact are among the [top issues facing legal department leaders in 2025](#). Consider the recent U.S. Supreme Court ruling in *Loper Bright v. Raimondo*, which overturned the decades-old *Chevron* doctrine and ended a long-standing deference to the rulings of federal agencies. That ruling creates doubt on how companies should deal with regulations and increases the burden on legal departments. At the same time, outside counsel rates continue to rise.

Workloads are not only expected to increase due to changing regulations. Mergers and Acquisition (M&A) and litigation are other anticipated factors. According to a recent report [by Goldman Sachs](#), "The M&A market is steadily gaining strength." [The 2025 Annual Litigation Trends Survey](#) by Norton Rose Fulbright found that nearly half of corporate counsel anticipate that the number of lawsuits and regulatory investigations impacting their organizations will increase this year.

At the same time, paying outside counsel for all this legal work is becoming increasingly expensive. [The Thomson Reuters Institute's Law firm rates in 2024](#) report found that through the mid-year point, so-called worked rates (or the rates clients agree to pay to engage a law firm on a new matter) grew by an average of 6.5% compared to last year. That compares to a growth rate of less than 5% as recently as 2022.

The obvious answer may seem to bring more work in-house. And many legal departments see that as an ideal or goal. However, for many legal departments, their own budgets represent the biggest hurdle. Indeed, more than half of legal departments expect budgets to continue to remain flat or be cut (according to the [Thomson Reuters Institute's 2024 Legal Department Operations Index report](#)). And trying to add more work without more staffing leads to burned-out, frustrated in-house counsel.



The key is finding ways to increase bandwidth without adding headcount or driving in-house lawyers to the brink.

So, how can legal department leaders manage these competing priorities?

How can this be avoided?

The key is finding ways to increase bandwidth without adding headcount or driving in-house lawyers to the brink. That's where the right technology can make all the difference by allowing lawyers to do more. Smart, targeted AI tools can relieve some of the burdens on in-house lawyers. Aligned with legal-specific document management systems, those tools can empower legal to respond to corporate digital transformation mandates and AI initiatives (especially important for public companies that have made pronouncements and commitments to shareholders in this regard).

It's important to understand the business case for moving work in-house, the barriers to doing so, and how to find the right mix of work and technology to achieve optimum results without losing lawyers.



The Business Case for Bringing Work In-House

Most law departments are trying to manage through the expectation to “do more with less” by bringing more work in-house. According to the [17th Annual Law Department Operations Survey](#), created by Blickstein Group in collaboration with FTI Consulting, law departments indicate that in light of their budget mix, the best way to reduce cost is to bring work in-house—the survey found that three out of four law departments are actively trying to cut costs by doing so.

The cost savings of using in-house counsel rather than outside lawyers are compelling. The median billing rate for a mid-level associate at a Big Law firm is \$597 an hour, according to Wolters Kluwers’ [Real Rate Report](#). According to the [Barker Gilmore Comp Report](#), that compares to the total compensation for men in a senior counsel level of \$283,000, which breaks down to approximately \$157 an hour.

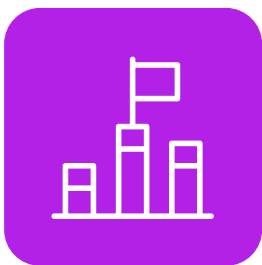
Mid-level Big Law associate

\$597 /hr

Senior in-house counsel

\$157 /hr

There are other benefits to bringing work in-house beyond budgetary considerations.



Greater Efficiencies

In-house counsel can often do work more efficiently and productively than outside counsel because of the lack of the traditional hierarchy model that continues to exist at law firms.



Deeper Insights

While most outside counsel understand their clients' business issues, in-house counsel are more likely to see all the nuances, understand any potential pitfalls, and frame actions within the company strategy.



More Control

When work is being completed in-house, it's far easier for legal departments to exert more control and better influence processes and timelines than for work that has been sent to law firms.



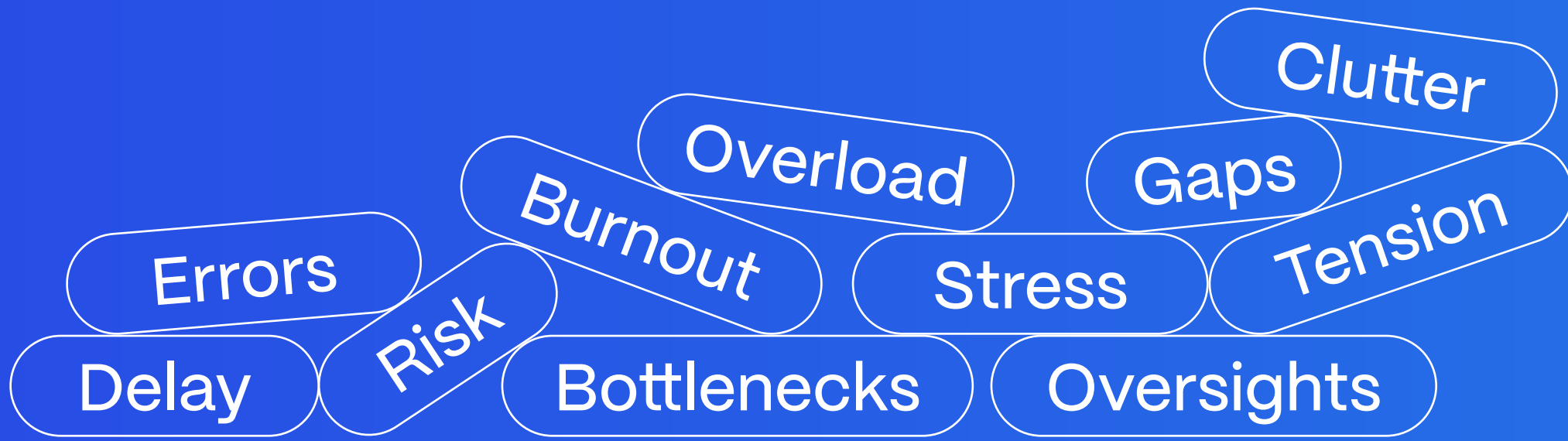
Strategic Budget Deployment

By moving work in-house, legal departments can save outside counsel budget for more complex, specialized, or strategic work.

The Challenges of Bringing

More

Work In-House



Despite the benefits, it must be considered that simply moving more work in-house also means many corporate legal department lawyers are feeling overworked, which leads to greater risks of attrition. According to just one of a number of recent reports, the [2024 In-House Counsel Survey Report](#) by Axiom, 97% of in-house lawyers report job stress and burnout, and 58% are actively searching or are open to a new position.

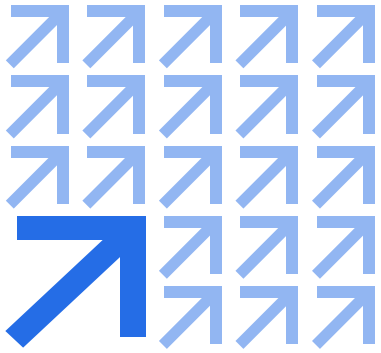
When weighing whether to bring more matters in-house, it's important to understand that not all work can or should be handled by corporate legal department lawyers. A great deal of a company's work requires knowledge and experience that does not (and often doesn't need to) exist inside the law department. This type of specialized work belongs to law firms.

Other considerations must also be considered when work has been moved in-house. Identifying what "overflow" is rather than "strategic" work is not always easy. Another stumbling block is the faith corporate legal departments have in their law firms, which is often rightly placed. There are also generally accepted norms about the type of work that goes to law firms and why. These habits need to be reassessed and potentially broken down.

Overworked Teams

97% of in-house lawyers report stress and burnout

58% considering new positions
(Axiom, 2024)



How to Create Bandwidth, Not Just More Work

With so many different factors, the entire process may seem overwhelming. So, where to start? A good place to begin is determining the type and amount of work that can be better managed in-house. Legal department professionals can begin by examining legal bills, where AI could help.

Another critical step is conducting a risk assessment of the organization's legal matters. Law firms are often the best option for particular matters or types of work. They may have better expertise or processes that mitigate risk more effectively.

Next, it's time to consider leveraging technology and improving processes to decrease their overall workloads, not increase them without providing the tools to manage that increase.

The key is finding the right tools and resources to make work more efficient and free up time and internal resources, not just adding another program to learn or process to follow.

One solution that can play a significant role is a modern, intelligent document management system (DMS). Many legal department lawyers and staff spend much of their time trying to locate files or unknowingly recreating documents that someone else in the department has already created. Even saving an hour of an in-house lawyer's time by allowing them to quickly find the information they need can save hundreds of dollars over having a law firm lawyer do the same work.

1 Optimize Internal Processes.

The first value proposition of this approach is to optimize internal processes. This will allow legal departments and business people, where appropriate, to:

1. Save time categorizing and finding work products through better organization
2. Build workflows that increase efficiencies
3. Allow for easier sharing and collaboration, both inside and outside the organization



Reuse & Repurpose Work Product.

The second value proposition is to reuse and repurpose work product. That creates time savings and greater consistency, which in turn reduces risk. This involves:

1. Identifying relevant work product
2. Leveraging AI and playbooks to revise documents in ways that are appropriate for each situation
3. Using tools such as ndMAX to create legal documents on the fly

Create Workflows.

And the third value proposition is to create workflows. For example, automatically building a playbook against which to evaluate a contract written on third-party paper. This involves:

1. Identifying similar agreements already sitting in the DMS
2. Using them as exemplars to automatically turn them into an internal playbook
3. Using AI to recommend negotiation points in the proposed agreement

The world is changing rapidly as globalization proliferates and the legal and regulatory landscape evolves.

This presents an opportunity for legal department heads to think about how they work with and utilize their law firms and in-house attorneys.

Legal departments can find real value by sending work to law firms that allow outside counsel to look around corners and spend more energy helping the company achieve its strategic objectives — rather than using hourly associates and partners to complete tasks that can be capably managed in-house. Law firms have always been great partners to legal departments — and bringing the right work in-house with the right processes and technologies not only allows in-house lawyers to do more work on their own but also allows their firms to deliver even more value.



Leading the Way to Digital Transformation

Adopting intelligent tools like an AI-enhanced DMS isn't optional anymore — **it's essential.**

Many public companies have recently been making pronouncements about these types of initiatives in the press or earnings and shareholder updates. Starbucks is committed to [strengthening its digital approach](#). Along with its app and rewards program for customers, Starbucks has recently announced new partnerships, including one with Microsoft, to "extend through collaboration in its innovation lab to marry industry-leading generative AI capabilities..."

In a quarterly earnings call last August, Walmart President and CEO Doug McMillon reported that the retail giant uses large language models (LLMs) to create or improve more than 850 million pieces of data in its product catalog. According to [an article in Modern Retail](#), McMillon said the company is looking for tangible ways to use GenAI to improve the experience for its customers and associates. "Without generative AI, this work would have required nearly 100 times the current headcount to complete in the same amount of time," he said.

As more and more C-suite executives look to drive digital transformation throughout their organizations, law departments are in no way immune. General counsel will face new expectations, including embracing these tools to be good corporate citizens. Leveraging Intelligent DMS can allow corporate legal departments to check that box and realize significant value, allowing legal departments to easily stay in line with this (often nebulous) corporate initiative.



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How NetDocuments Can Help



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