A BOARD GUIDE

Legal Operations

Running the Legal Function Like a Business

The people, process, technology, and data that make a legal and compliance function efficient, measurable, and aligned to the business

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WHY IT MATTERS

Legal Has Become an Operating Function

Globalization and technology turned the legal department into a business to be run

- **More than advice.** Legal's role now spans risk management, vendor and spend management, technology, and data—not just counsel.
- **Cost and value are visible.** Boards and CFOs expect the legal function to manage its budget and show the value it delivers.
- **Consistency at scale.** A defined operating model lets a global function work the same way across matters and markets.
- **Measurable maturity.** Like compliance, legal operations can be assessed on a maturity model—and improved deliberately.

IN ONE LINE

Legal operations is how a legal function delivers ***more value, at lower cost, with less risk—*** and can prove it.

Eight Domains of Legal Operations

A complete function manages each of these deliberately

Legal Department Support

Aligning legal’s services to the business it serves.

Outside Counsel & Vendors

Selecting, managing, and measuring external providers.

Matter Management

Intake, triage, and tracking of legal work end to end.

Spend & Budget

Forecasting, e-billing, and cost transparency.

Legal Technology

The systems that make legal scale.

Document & Knowledge

Capturing, storing, and reusing legal know-how.

Metrics & Reporting

Measuring performance and reporting to leadership.

Litigation Management

Running disputes from hold to resolution.

THE BIGGEST LEVER

Outside Counsel & Spend

Most legal budgets are dominated by external spend—so manage it like procurement

MANAGING OUTSIDE COUNSEL

- A preferred-firm panel with clear criteria
- Billing guidelines and rate discipline
- Alternative fee arrangements where they fit
- Scorecards that measure cost, quality, and outcomes

MANAGING SPEND

- Matter budgets set and tracked up front
- E-billing review against the guidelines
- Accruals so finance sees what's coming
- Cost transparency by matter, firm, and type

THE ENABLER

Legal Technology & Data

The systems that turn a busy department into a measurable function

Matter management

One source of truth for every matter, owner, and status.

Contract lifecycle

Templates, workflow, and a searchable repository for agreements.

E-billing & analytics

Automated invoice review and spend analytics.

Knowledge & AI

Knowledge management and AI-assisted research, review, and drafting.

A CORE WORKSTREAM

Managing Litigation

From the first notice to the board update—run disputes on a process

1 Intake & Triage
Log every claim; assess exposure and priority

2 Legal Hold
Issue and track preservation of evidence

3 Staff & Budget
Assign counsel; set strategy and a budget

4 Manage
Drive the matter; control cost and risk

5 Report
Brief leadership and the board on significant matters

Don't forget the hold. A timely, well-documented legal hold is both good practice and a defense—missing it can become its own problem.

Measuring the Function

A maturity model and a few honest metrics turn effort into evidence

Initial	Repeatable	Defined	Managed	Optimized

Assess each domain on the same five-level scale—then target the next step.

- **Cost.** Total legal spend, outside-counsel spend, and cost per matter or per type.
- **Cycle time.** How long matters and contracts take from intake to close.
- **Risk & outcomes.** Litigation exposure, results against budget, and recoveries.
- **Demand.** Matter volume and mix—so resourcing follows the work.

FOR THE BOARD

Why Legal Operations Belongs on the Board's Radar

A well-run legal function is a control, a cost center to optimize, and a source of insight

Cost discipline

Legal and litigation spend is material—and manageable with the right model.

Risk visibility

Matter and litigation reporting gives the board an early read on exposure.

Efficiency & value

Technology and process free lawyers to focus on the highest-value work.

Evidence of a well-run function

Metrics and maturity show the board the function is managed, not just busy.

QUESTIONS TO ASK

Five Questions for the General Counsel

How a board can test whether the legal function is well run

Do we have an operating model?

A defined set of legal-ops domains—or an ad hoc department?

How mature is each domain?

An honest rating today, and the gaps it reveals.

Are we managing outside spend?

Panels, guidelines, budgets, and scorecards in place?

What do the metrics say?

Cost, cycle time, and outcomes—reported, not anecdotal.

And the real test: *could the GC show the board what legal costs, what it delivers, and how it is improving?*