

Bridging the Divide: Optimizing Legal Department Performance through Legal Ops, AI, and In-House Collaboration

This report explores current insights into some of the crucial aspects of the corporate legal ops team and the profession itself. These insights can help corporate legal and legal ops leaders understand how to achieve better alignment on shared challenges; improve collaboration around jobs to be done; and capitalize on the immense potential of AI, legal tech innovation, and legal ops as a function to help ensure the success of the entire legal department.

- ✓ Budgeting and resourcing strategies
- ✓ Legal technology adoption
- ✓ AI policies and usage
- ✓ In-house legal team tensions
- ✓ Implementation influence
- ✓ Career satisfaction and job hunting

The Axiom logo is displayed in orange lowercase letters within a white circle. The letter 'i' in 'axiom' has a small orange dot above it.

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A national study of 200 legal operations professionals—100 from companies with annual revenue of \$250M to \$1B, and 100 from companies with an annual revenue of more than \$1B—conducted by Wakefield Research and commissioned by Axiom.



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EXECUTIVE SUMMARY

Legal Ops at the Crossroads

Navigating the Intersection of AI, Technology and Talent Adoption, and Cross-Team Dynamics

It's no surprise that our study of 200 U.S. in-house legal operations teams, conducted by Wakefield Research and commissioned by Axiom, found artificial intelligence (AI) is fast becoming an integral part of the modern lawyer's toolkit. The reason: AI can transform traditional workflows and enable legal pros to focus on higher-value strategic work. Done well, AI can drive higher productivity for the team and more rewarding work for the teammates.

But while there's a growing desire for and reliance on AI tools among legal professionals today, our research also found unhealthy power dynamics in play between in-house and legal ops leaders, hampering the ability of in-house teams to assess, budget, roll out, and de-risk the use of AI and other productivity-enhancing solutions and services in their organizations.

Tension between legal leaders and their teams is contributing to a misalignment of goals and resources between legal ops and legal team lawyers. This can reduce legal ops job satisfaction, increase legal ops attrition, and ultimately prevent the in-house team from meeting its objectives—beyond the raw ambition to capitalize on the power of AI.

Budgetary Squeeze or Surprise?

In what probably *will* be a surprise, the research found good news on the budgeting front. Legal ops budgets are showing modest growth and while the increase is small, it represents positive movement and respondents are optimistic about further budget growth in the future. This runs counter to what [previous research](#) found for GCs' in-house budgets overall.

That said, optimism about budgets is moderated by ongoing concerns, including job dissatisfaction and high turnover rates among legal ops professionals. These issues stem from unclear role definitions and significant power imbalances (unhealthy power dynamics again!), along with overlapping skills and expertise that lead to clashes of opinions in the decision-making process. This tension is even more prevalent among legal ops team members who are not licensed lawyers, as they are frequently left out of the decision-making process, especially when it concerns the adoption of new technologies. This should raise alarm bells among GCs given the multifaceted and mission-critical role legal ops increasingly plays in new technology adoption. Legal ops professionals typically spearhead technological innovation in legal departments and should function as an essential link between the legal teams' needs and the legal solutions and services available in the market.

A Collaboration Conundrum

Acquisition of AI tools is a priority for in-house legal teams; however, there is considerable institutional resistance to the technology. While most legal ops professionals surveyed said they hold influence, they reported a persistent struggle implementing new technologies due to a lack of leadership buy-in and ingrained resistance to change. This opposition is more notable considering only a minority of organizations have established AI tools and policies, exposing them to significant risks associated with unmanaged, maverick AI deployments.

Indeed, ineffective collaboration on internal decision-making, coupled with weak collaboration among external solutions and services partners (such as ALSPs and law firms), emerges as a consistent theme in the survey. The performance of legal teams is significantly enhanced, respondents said, when in-house legal, legal ops teams, and their legal services providers are working as equals when evaluating, implementing, or using performance-enhancing solutions and services.

Speaking of which, legal departments overall continue to face budget, staffing, and recruitment challenges. While they often turn to ALSPs and law firms to help them address those challenges, the legal ops professionals surveyed reported that collaborating with law firms specifically was inefficient overall, requiring an inordinate amount of time to manage their law firm partners.

In fact, excessive time spent managing law firms was respondents' biggest concern around how they deal with capacity, complexity, and resourcing issues—adding to their stress and job dissatisfaction. Legal ops pros said they want a stronger hand in finding and hiring external partners, for the process

itself to be less time-consuming and difficult (for example, faster and/or digital on-demand access to legal talent), and legal talent that understands how to collaborate effectively and efficiently within a corporate in-house team.

Legal Team Unity for the Win

To truly own in-house operations, drive innovation, improve efficiency, and execute change management successfully, legal ops leaders must be equal partners with their in-house lawyer colleagues in the relevant decision-making processes that involve technology and talent solutions and services.

They also need resourcing partners (such as [Axiom](#)) who can ensure a level of collaboration, knowledge, and in-house experience equivalent to that of an actual member of the in-house team; and who can support the organization's transition to trustworthy, AI-enabled workflows to drive legal team innovation, efficiency, and job satisfaction.

Those are the challenges and opportunities this national survey explored and the insights that can help spell success or failure for the legal department's goals overall. They also illustrate the increasingly important role AI and legal tech are playing or soon will be playing on today's in-house teams, and the importance of recognizing—and dealing with—the power dynamics preventing many legal ops teams from succeeding in their missions.

Clear AI policies. Robust leadership support. Effective interdisciplinary collaboration. Those are the GC's keys to unleashing and harnessing the power and potential of AI, tech, and talent in corporate legal settings today.

Key Findings

Budgetary and Team Growth

83% saw a budget increase last year

94% expect the legal operations department to grow in the next two years

Interdepartmental Tension

41% said tension or conflicts often or always arise between the legal team and legal operations team due to power dynamics or decision-making authority

13% said they feel they play a crucial role in department decisions

Tech Decisions: Influence and Resistance to Change

58% said difficulties in implementing new tools are due to a lack of leadership buy-in or team resistance to change

95% said the department's in-house lawyers and paralegals are not completely open to making changes based on their feedback

AI Adoption and Policies

99% said barriers prevent them from adopting more AI tools and techniques

37% reported their organizations have policies in place for AI use

3% of the AI tools legal teams use have been explicitly approved for use by their legal department

Top Resourcing Concerns

1. Spending too much time managing law firms
2. Not having the right amount of staffing bandwidth
3. Spending too much time managing other external resources

100% of legal ops professionals said there's at least one problem with law firms making them an ineffective solution

INTRODUCTION

First, the Good News: Legal Ops Budgets and Teams Are Growing

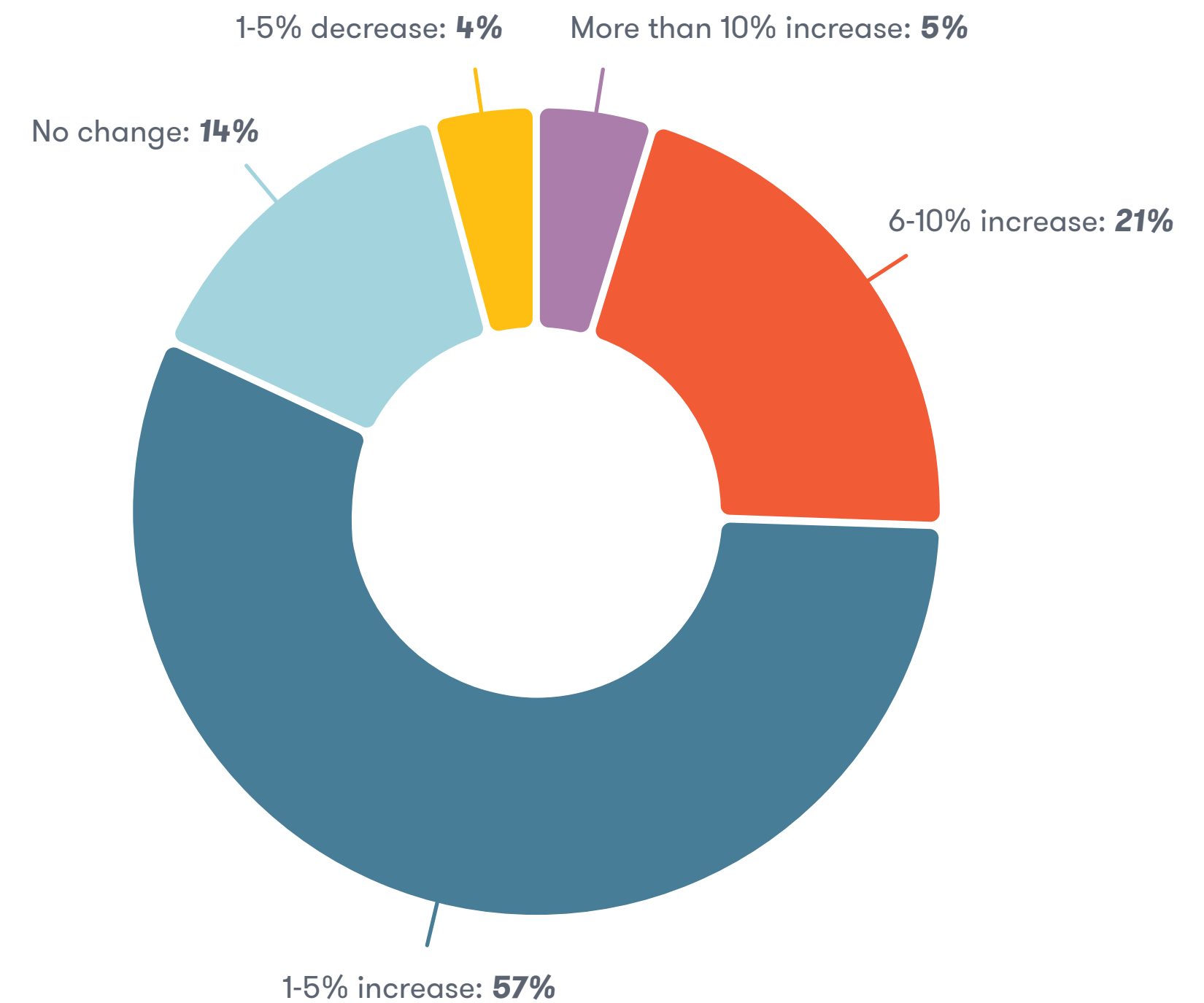
While 96% of legal departments faced **budget cuts** and hiring freezes in the past year, investment in legal ops appears to have dodged that fate. Most respondents reported a modest budget increase, and better still, they anticipate that will continue. This could be interpreted as reflective of the rising importance of legal ops as a crucial in-house partner, especially in light of the growing role of AI in law and in contrast to declining legal team budgets overall.

83%

of legal operations professionals saw a budget increase last year, with an average increase of 5%.

81% anticipate another increase in the next budgeting cycle, with the average increase predicted to be 6%.

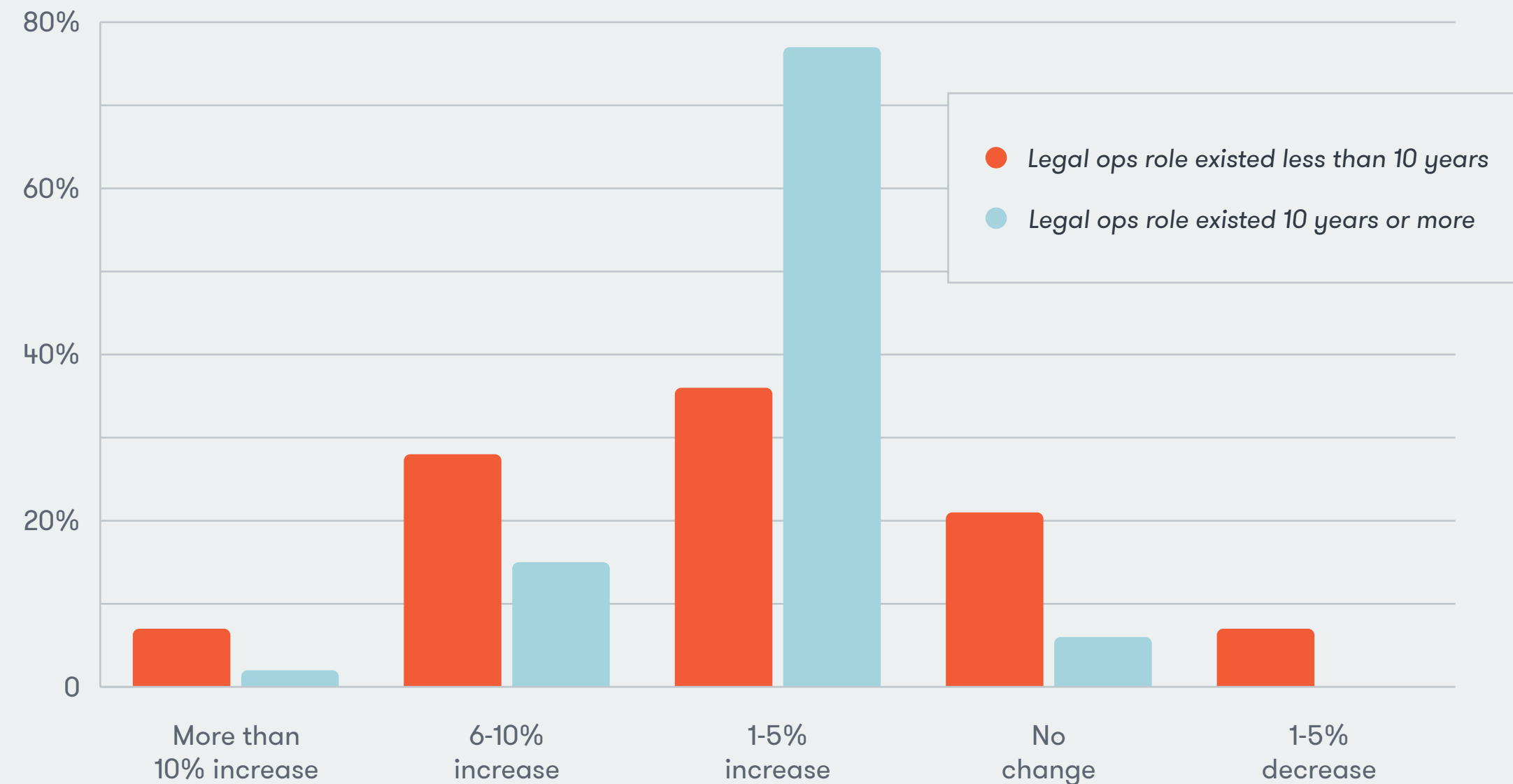
Legal operations budget growth over the past year:



Note: All decimals in this report are rounded to the nearest percentage point, which may result in numeric totals that sum to slightly more or slightly less than 100%.

Interestingly, 77% of organizations with legal ops teams established for 10 years or more reported a slight (1-5%) budget increase in the past year, nearly all (94%) of those organizations increased budgets overall, and less than 5% reported reducing their budget at all.

Legal operations budget growth over the past year based on length of the role’s existence within the organization:

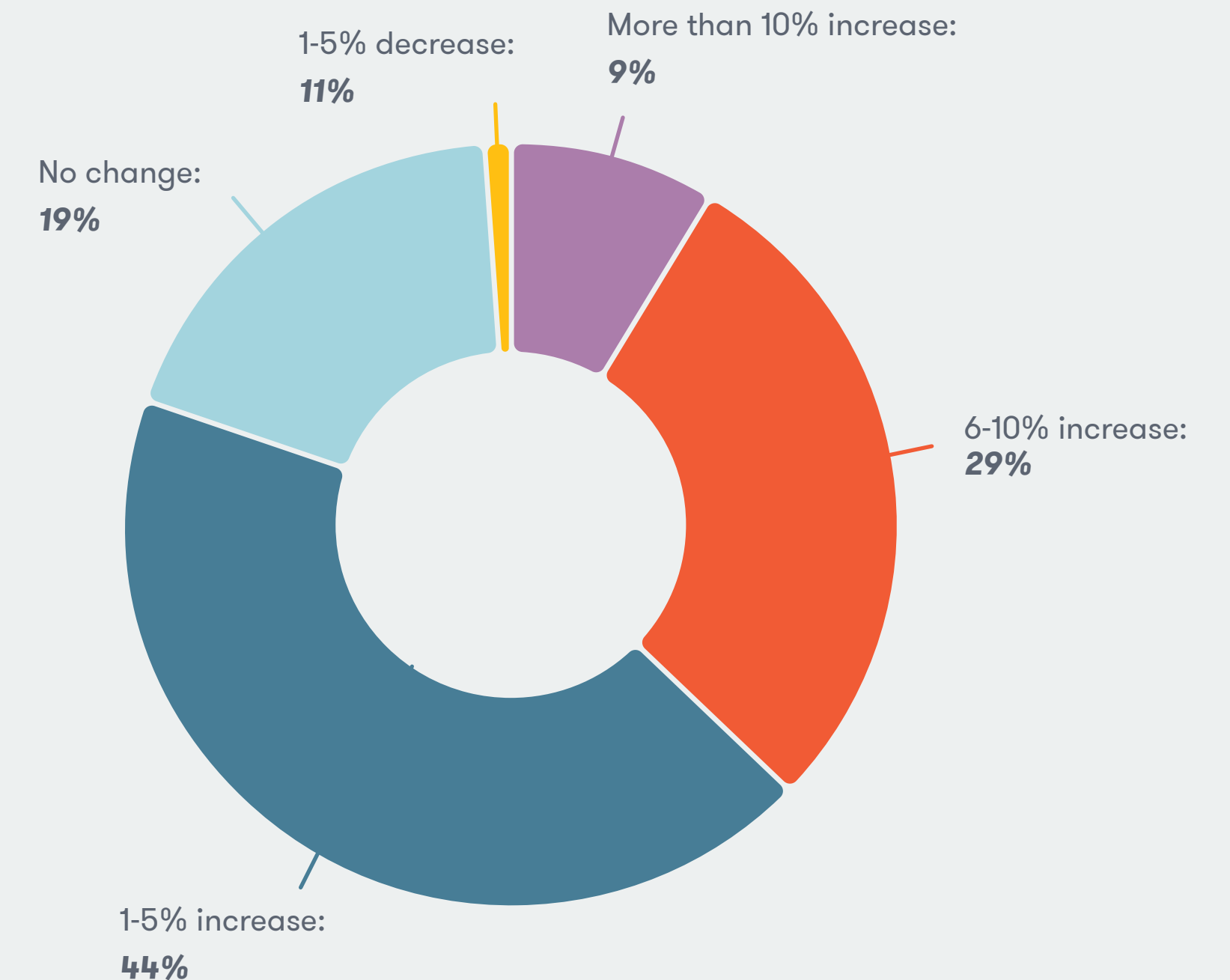


Budgets ticked up at 77% of organizations where the legal ops function was more recently established compared to 94% among teams established for longer. More than a third (36%) increased their budgets slightly, another third

increased their budgets more assertively (35%), while more than a quarter (28%) kept their budgets flat or cut them slightly. Overall, more than a third saw an increase of 6% or more.

This more aggressive budgeting stance overall could reflect the value in-house teams are recognizing or anticipating from their legal ops functions, as well as the need to invest in legal ops to respond to a myriad opportunities offered by AI and other tech and talent integrations.

Anticipation of legal operations budget growth during the next budgeting cycle:



Underscoring increased interest and investment in legal ops, the vast majority (94%) of legal ops professionals reported they anticipate growth in their departments over the next two years. Close to half (48%) predict moderate to significant growth over this time.

Anticipation of growth of the legal operations team over the next two years:



While the majority of respondents said they expect departmental growth over the next two years, three in five (59%) legal ops professionals at larger organizations said they anticipate moderate to significant growth, compared to only 37% (or about two out of five) of those in companies with less revenue. This anticipated team growth is certainly one reason why 89% of respondents at larger companies anticipate an increase in the next budgeting cycle.

89% of large revenue organizations anticipate another increase in the next budgeting cycle compared to 73% of smaller revenue.

Anticipation of growth of the legal operations team over the next two years based on the revenue of the organization:



There is one burning budget question: If most GCs reported budget cuts to in-house teams overall, how is it that most legal ops respondents surveyed are reporting increases, modest or otherwise? One distinct possibility is that GCs have and will continue to shift resource allocation to better support legal ops, as their organizations recognize the importance of investing in AI and legal tech—initiatives most often owned and implemented by legal ops.

MISALIGNMENT AND DISUNITY

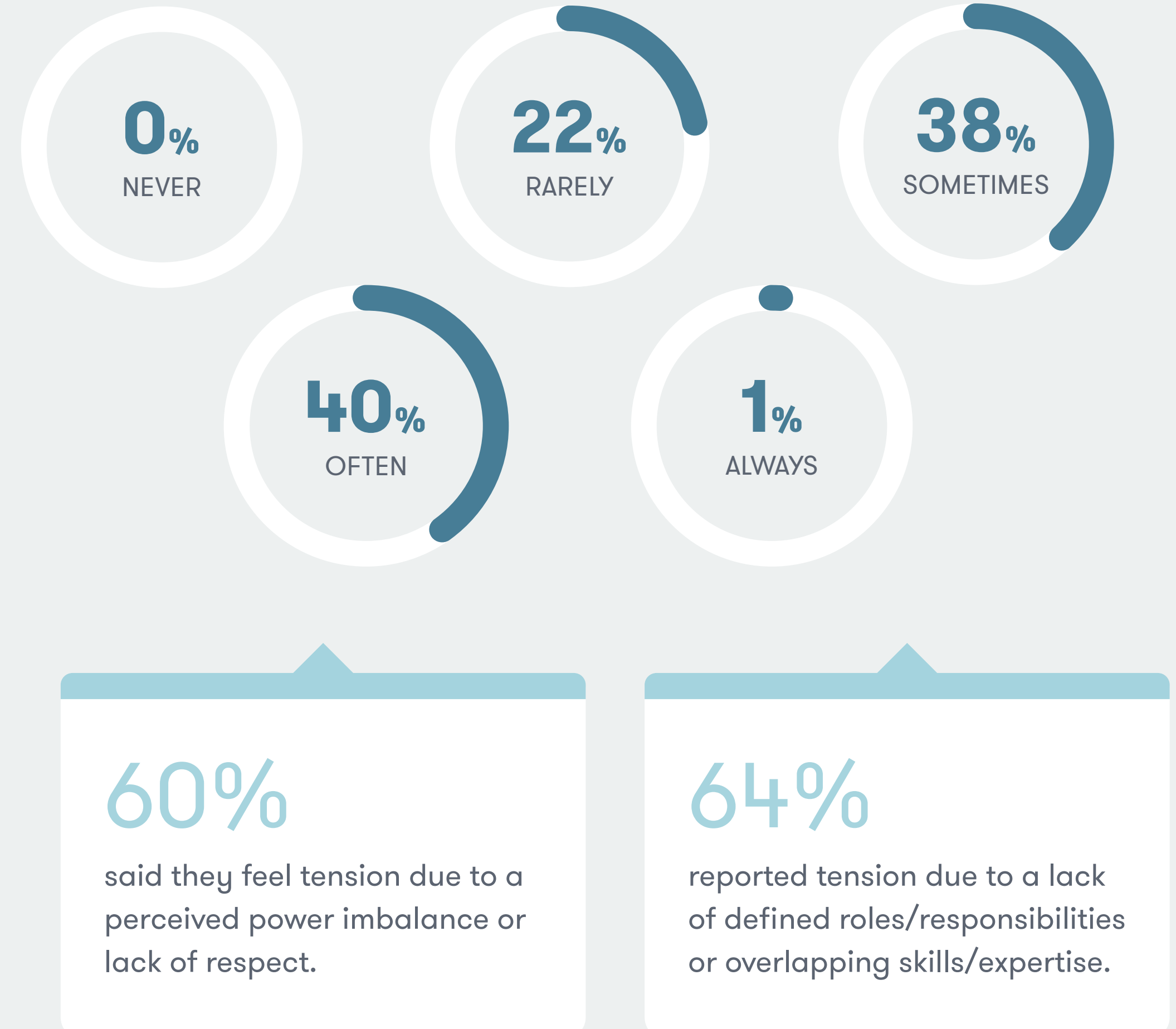
Now the Bad News: Departmental Tension Is Hampering Success

Then there's the elephant in the room—something many attorneys, paralegals, and other legal professionals will agree has long been the case among legal organizations: power dynamics and office politics fuel disunity between lawyers and non-lawyers and the in-house and legal ops teams writ large.

This disunity also exists within the legal ops teams, again, between lawyers and non-lawyers. It's not hard to see how this can lower job satisfaction, increase attrition, and ultimately prevent teams from functioning well and meeting their goals.

And it is an elephant-sized problem. All (100%) legal operations professionals who responded to the survey reported they experience tension or conflicts between their legal and legal operations teams due to power dynamics or decision-making authority. Four out of 10 (41%) indicated this dysfunction occurs often. The primary sources of tension? A perceived power imbalance or lack of respect, leaving legal ops professionals feeling undervalued.

How often do tension or conflicts arise between the legal team and legal operations team due to power dynamics or decision-making authority?



The primary sources of tension or conflict between the legal team and legal operations team*:



*Asked to select up to five

ONLY
13%

of legal ops professionals said they feel they play a crucial role in department decisions.

#1
REASON

legal ops professionals are stressed or burned out in their role? **Difficult colleagues or office politics.**

AI AND TECHNOLOGY ADOPTION

Technology Decisions: Influence and Resistance to Change

One of the primary reasons organizations establish legal operations teams is to lead innovation, integration, and implementation of legal technology solutions that can enhance the productivity, efficiency, and effectiveness of the in-house team.

And yet, despite that mandate, many legal ops professionals surveyed said they face a lack of leadership buy-in or resistance to change that slows or prevents legal tech innovation, integration, and implementation.




More than half (59%) of legal ops respondents said they hold a decision-making role or are part of a team that does, while the rest (42%) said they have some influence over technology purchases. In the end, 100% of legal ops professionals reported being involved in some way in the technology purchase process.

Legal Ops Lawyers Hold More Influence

However, even though both are part of the legal ops team, those who are actively licensed lawyers reported having a higher level of influence on decisions compared to their non-lawyer peers.

More than two-thirds (69%) of licensed lawyers on the legal ops team said they were at least part of the team that makes decisions compared to 49% of legal ops team members who aren't lawyers. When it comes to being the primary decision maker for decisions related to new technology for the legal department, 12% of legal ops lawyers wielded this power **compared to 0% of non-lawyers on the same team**. Clearly, the weight of influence in technology-purchasing decisions is cause for misalignment for legal ops professionals who aren't lawyers.

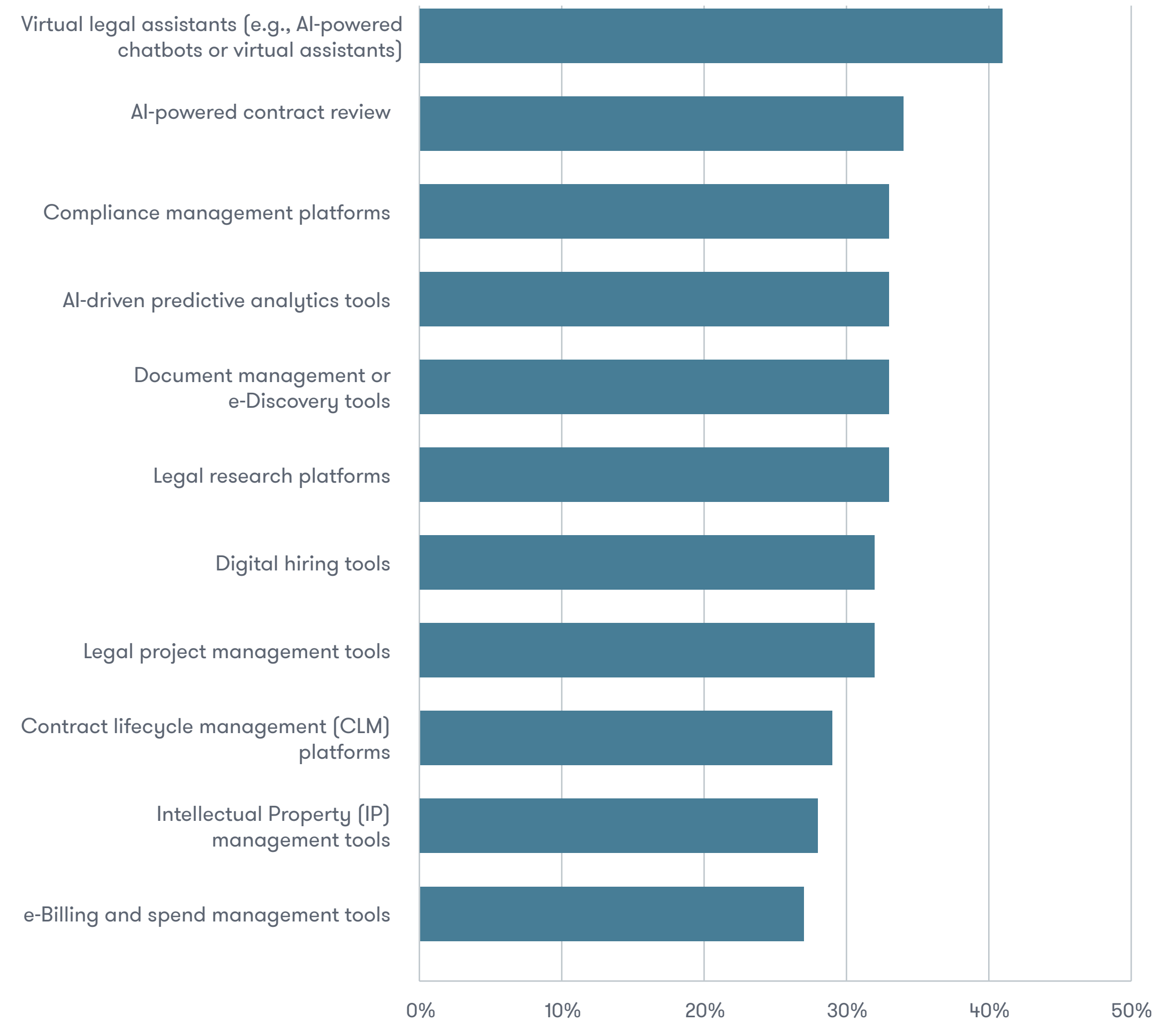
Which of the following best describes your role in making decisions related to new technology for the legal department?

	LICENSED LAWYER	NON-LAWYER
 I AM THE PRIMARY DECISION MAKER	12%	0%
 I AM PART OF A TEAM THAT MAKES THESE DECISIONS	57%	49%
 I HAVE INFLUENCE OVER THESE DECISIONS	31%	51%

Purchasing Plans Prioritize AI Technology

All respondents (100%) said they plan to purchase or implement new legal technology within the next two years, with AI-infused tools among the top considerations. AI-powered virtual legal assistants and contract review lead the pack.

Which of the following tools and technologies do you plan to purchase or implement for the legal department in the next 2 years?



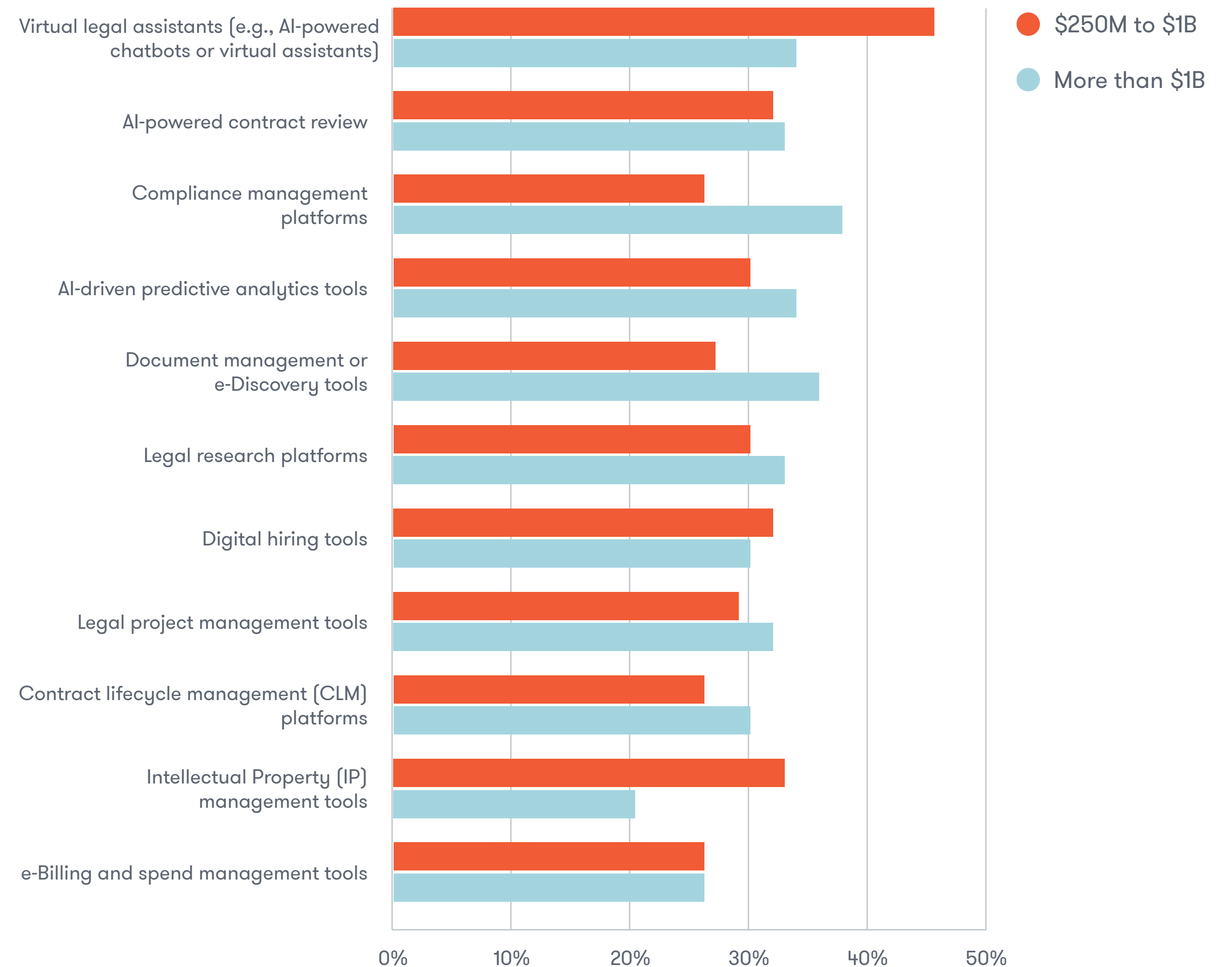
Legal ops respondents from companies with lower revenue are more likely to be eyeing virtual legal assistants or intellectual property management tools in the next two years. Legal ops respondents at companies with higher revenue more commonly reported targeting compliance management platforms, document management or e-discovery tools, and AI-driven predictive analytics tools.

But Resistance, Lack of Buy-In, and Low Influence Slow Adoption of New Resources

Legal teams are evenly split on the amount of influence legal ops has over the acquisition of new technology and other resources. A slim majority of respondents (52%) said their legal ops department had “substantial” or “considerable” influence over in-house legal department decisions, while 49% reported “moderate” or “minimal” influence—which is concerning, given legal ops’ mandate to lead innovation, integration, and implementation of legal technology solutions.

Which of the following tools and technologies do you plan to purchase or implement for the legal department in the next 2 years?

(Based on the revenue of the organization.)



Who Among the Legal Ops Team, Exactly, is Wielding that Influence?

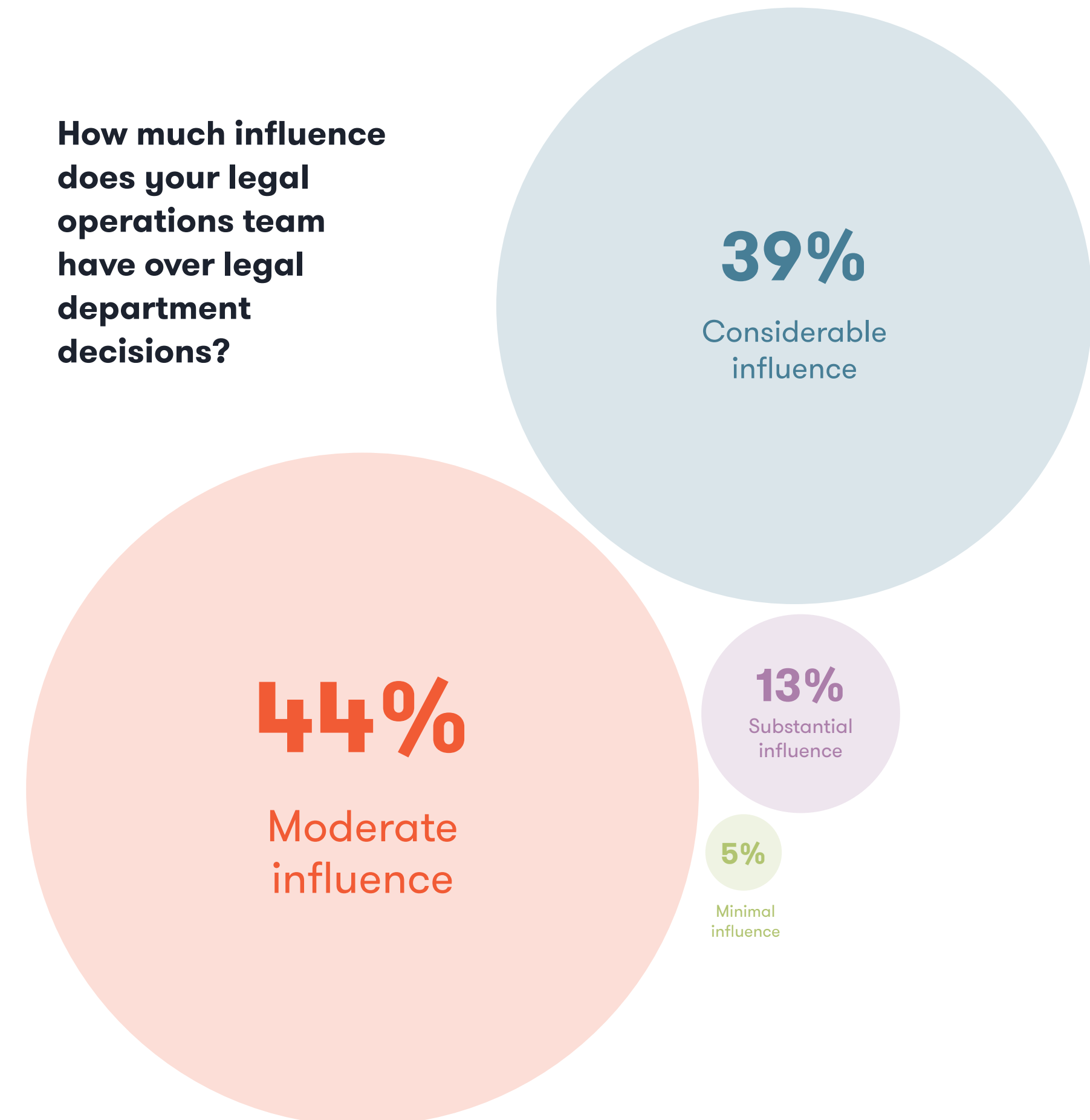
The majority (67%) of legal ops pros responding felt they personally had only “some” or just “a little” influence over driving change among their legal department peers. Fewer than a third (28%) felt they personally had “a lot” of influence over in-house lawyers’ and paralegals’ decisions regarding change. And **just 5% reported the department’s in-house lawyers and paralegals were completely open to making changes based on their feedback and decisions.**

Lastly, and perhaps most troubling, a substantial 58% of legal ops respondents pointed to a lack of team leadership’s buy-in or team resistance to change as barriers to implementing new resources or tools. Only about a third (29%) pointed to budget constraints as a factor.

Could unhealthy power dynamics be in play here, too? It’s hard to say but could be inferred based on legal ops’ sentiment about their influence coupled with who on the organization has decision-making power. That said, correlation does not mean causation.

Individually, the top three AI and legal tech implementation hurdles include concerns about data security (42%), integration challenges (38%), and a talent shortage (38%). [The need for lawyers and legal professionals with specific or varied AI experience](#) has never been greater and is intensifying by the day.

How much influence does your legal operations team have over legal department decisions?



Most commonly reported barriers to introducing new resources into the legal department:

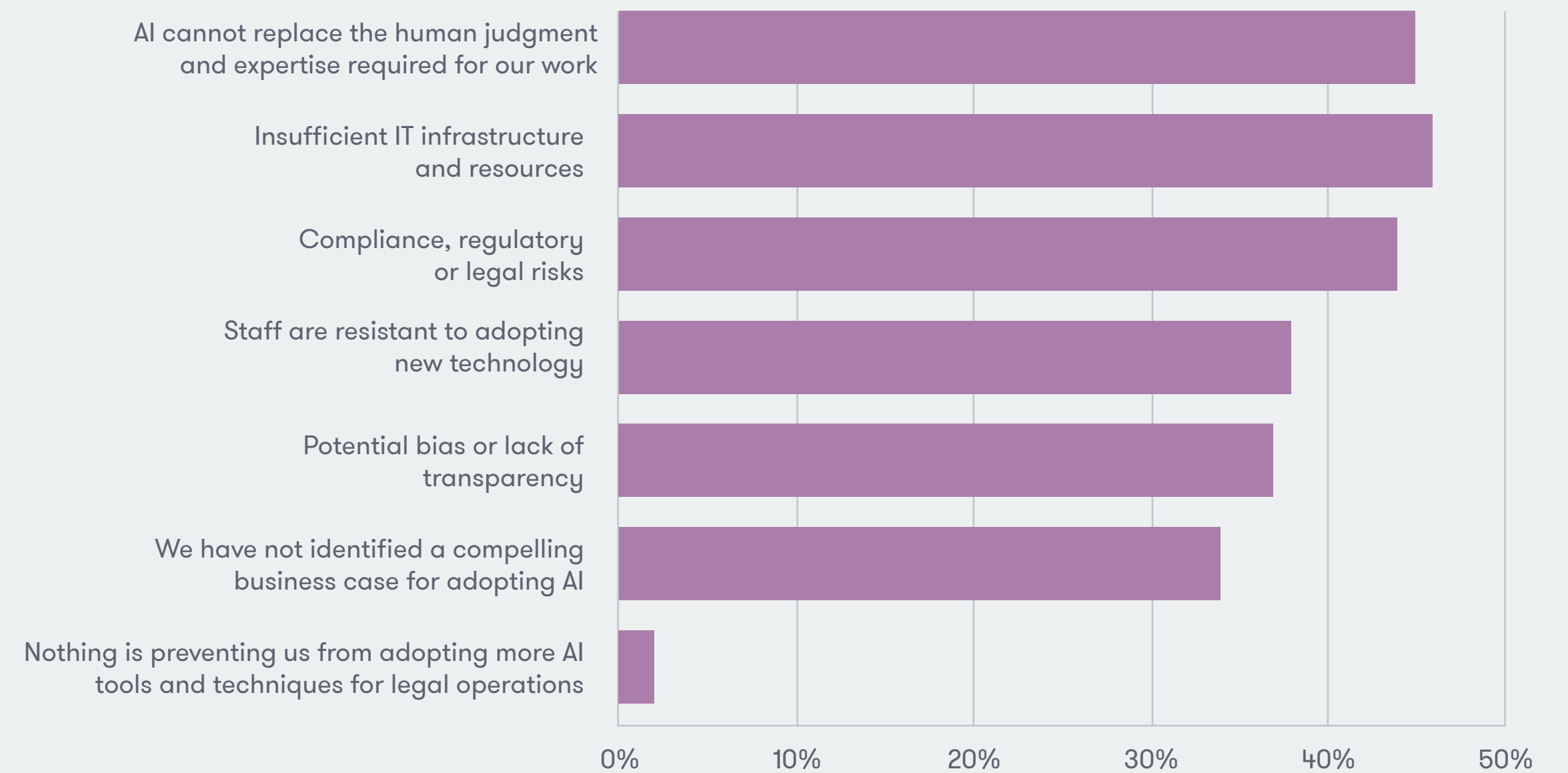
1. Data security and privacy concerns
2. Integration challenges with existing tools
3. Shortage of talent with the technical skills and expertise
4. Insufficient time for training and support
5. Insufficient resources for training and support
6. Lack of buy-in from leadership
7. Team members' resistance to change
8. Budget constraints

**ONLY
5%**

of legal ops reported that outside of their department leadership, their in-house lawyers and paralegals were completely open to making changes based on their feedback and decisions.

When it comes to adopting new technology specifically related to AI, only 2% of legal ops pros said nothing was preventing them from adopting more AI tools and techniques for legal operations. Almost half (45%) of all respondents agreed a) AI can't replace human judgment and expertise for their work, and b) their organization lacked insufficient IT infrastructure and resources. Unsurprisingly, concerns about compliance, regulatory, or legal risks were also at play.

What, if anything, is preventing your organization from adopting, or adopting more, AI tools and techniques for legal operations?*



*Asked to select all that apply

AI Adoption and Policies—or the Lack Thereof

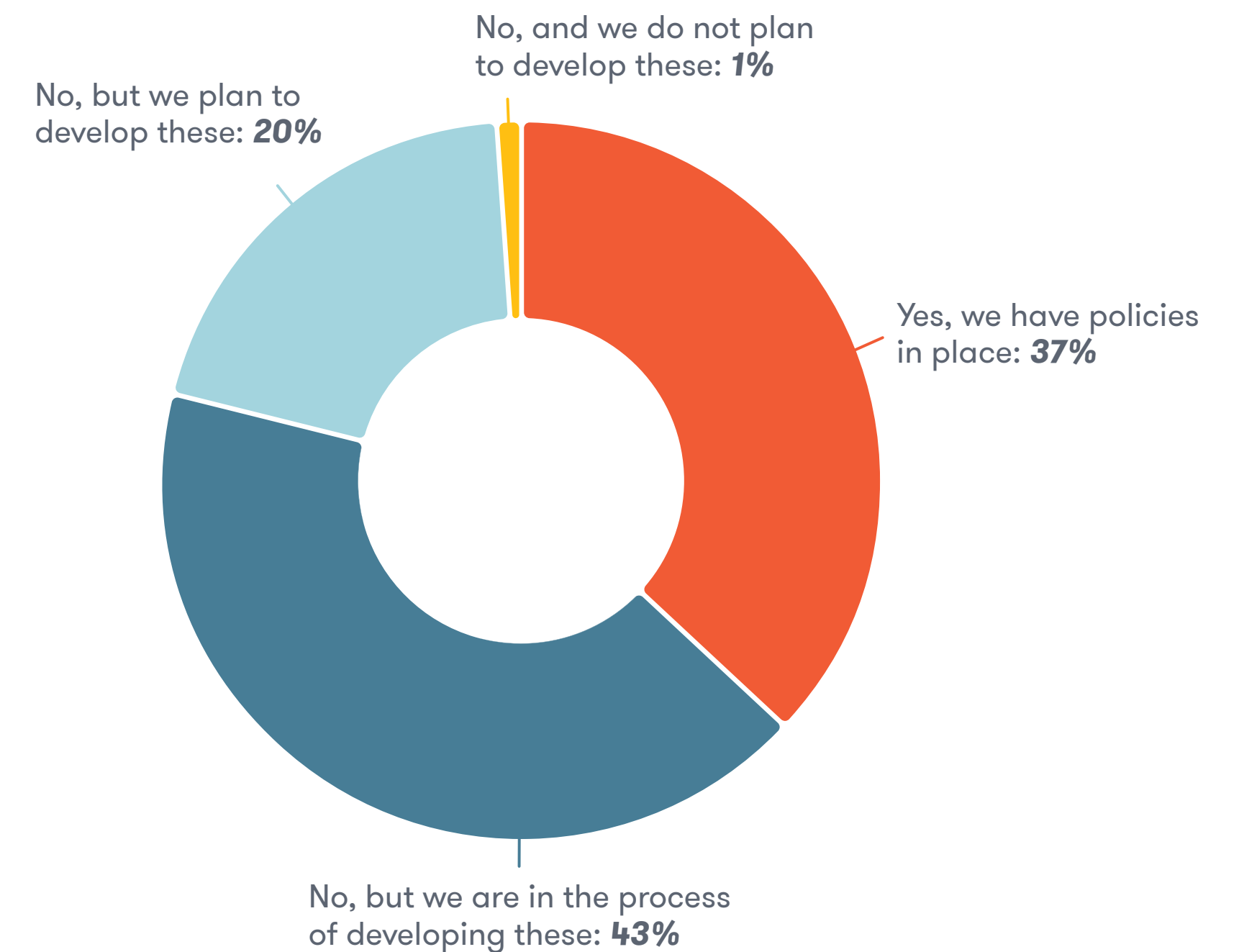
AI-infused tools are among the top “plan to purchase” considerations among legal ops teams, and nearly all (96%) legal ops respondents reported AI tools are in use among their legal teams.

But here’s a head-scratcher: Two-thirds of respondents (64%) reported their organizations lack AI policies, despite having lawyers and non-lawyers alike using AI (including, most likely, high-risk [from a legal ops perspective], free or low-cost, consumer-grade LLM generative AI tools such as ChatGPT).

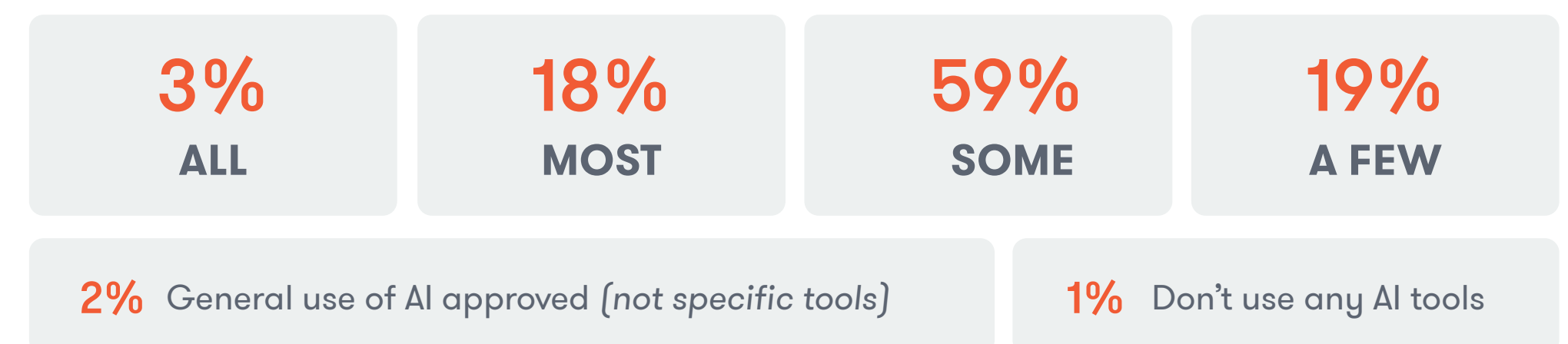
A meager 3% of legal ops respondents reported that “all” of the AI tools their legal teams are using have been approved for use by their legal department. This substantial lack of policy design and implementation, coupled with spotty review and approval of AI tools in use, should ring alarm bells industry-wide, as it obviously poses a significant risk for the majority of legal organizations responding.

If almost half (44%) of respondents said they were prevented from adopting more AI tools for legal operations due to the legal risks related to compliance and regulatory issues, GCs should be extremely concerned that almost as many (41%) were planning to acquire AI-enhanced tools such as contract review or predictive analytics. Even the most prestigious AI legal [research tools](#) have been prone to hallucinations, which open up any organization to risk.

Does your organization have policies in place for AI use?



How many of the AI tools your legal team or legal operations team uses have been explicitly approved for use by your legal department?



COLLABORATION PRIORITIES AND METRICS

In-House Legal and Legal Ops Alignment: The #1 KPI

Every legal ops team has goals. Mature legal ops teams have KPIs: Key Performance Indicators. To state the obvious, KPIs provide legal ops teams with quantifiable metrics to measure success, drive continuous improvement, align activities with organizational goals, and demonstrate the tangible value of legal ops to the legal team and the broader business.

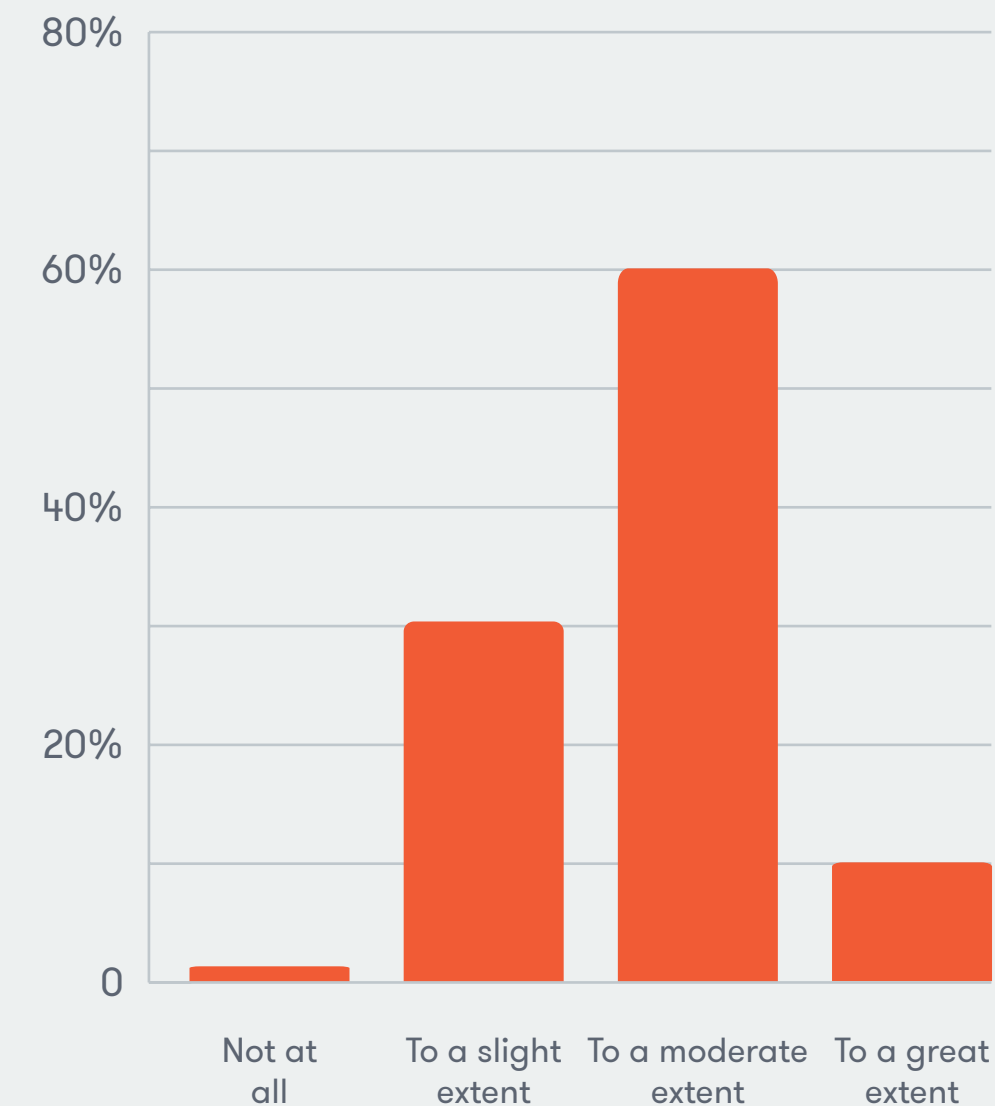
Done well, tracking legal ops KPIs can provide data insights that enable better planning, more informed data-driven decisions, and improved resource allocation. But there's one KPI that even the youngest legal ops team can start working on today and that all legal teams should consider their #1 KPI; the KPI that has downstream influence on all the others.

It's in-house legal and legal ops alignment. As noted earlier, 100% of legal operations professionals who responded to the survey reported experiencing tension or conflicts between their legal and legal ops teams due to power dynamics or decision-making authority; 41% said this dysfunction occurs often.

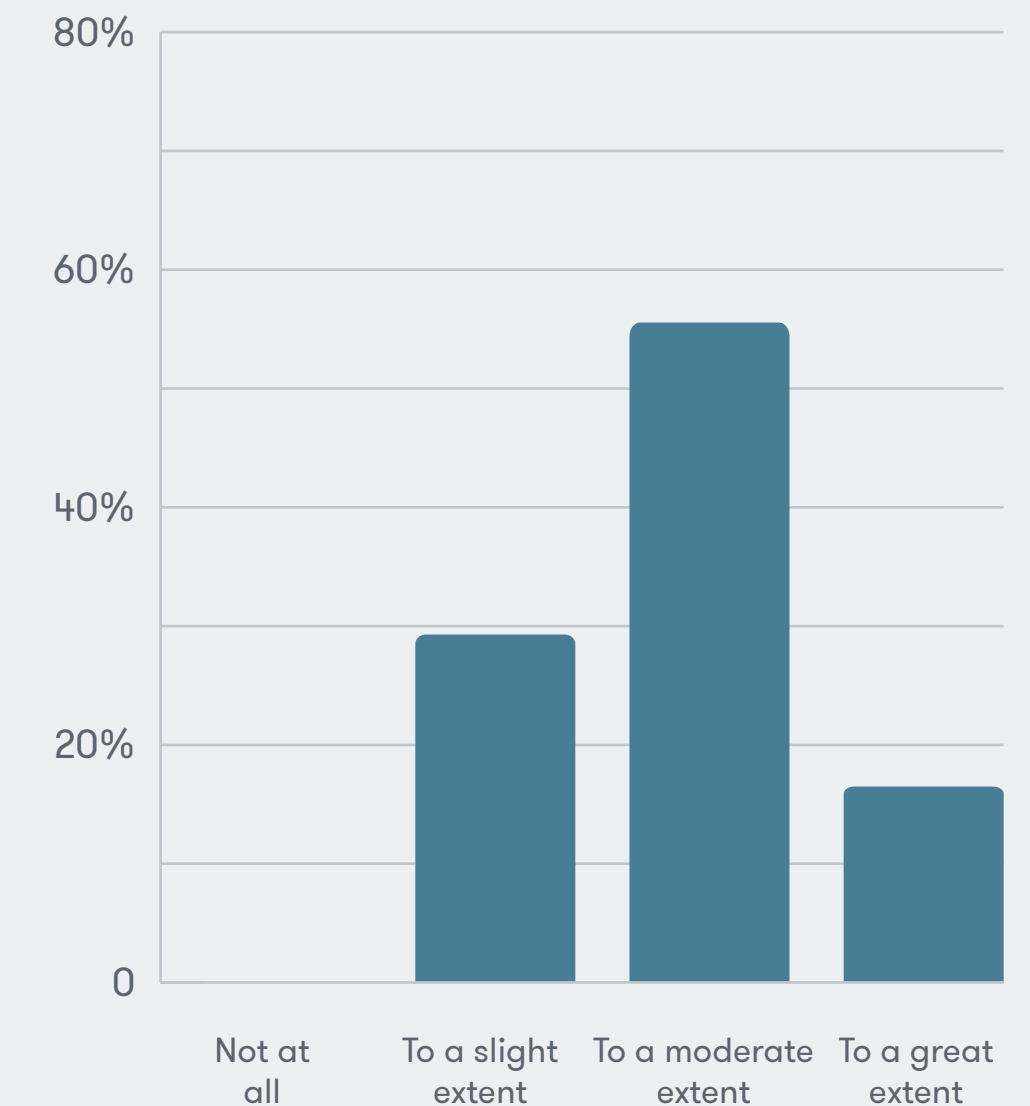
That's not alignment, and legal teams know it. Most legal ops respondents said their organizations recognize the need for better collaboration. That aligned (no pun intended) with the study's findings around unhealthy power dynamics:

nearly all respondents (99%) said bridging gaps between in-house and legal operations teams would improve their organizations' performance.

To what extent would bridging the gaps between the in-house leadership and the legal operations team improve overall organizational performance?



How well does your organization foster a culture of collaboration and respect between the legal team and legal operations team?



All respondents said their organization seeks in some way to foster a culture of collaboration and respect between the legal team and legal operations team, but only 17% felt it was to a great extent, and about a third (29%) said those efforts were only to a slight extent.

So how can a team improve and measure alignment as a single KPI? By establishing clear, shared objectives and regularly communicating expectations. This process starts with collaborative goal-setting exercises that involve both teams, ensuring everyone understands the department's priorities and how their roles contribute to these goals.

Implementing a project management system can help track progress and identify areas where collaboration is succeeding or needs improvement. Regular cross-functional meetings can foster better understanding of each team's challenges and capabilities.

To measure improvement, teams can agree on a few KPIs—such as project completion rates, response times to internal clients, or satisfaction scores from other departments—and roll them up into a single “alignment” KPI. Tracking the number and quality of joint initiatives and successful cross-team projects can provide tangible evidence of improved collaboration.

By tracking the alignment KPI and other key metrics and adjusting strategies accordingly, in-house legal and legal ops teams can create more cohesive, efficient, effective—and ideally, non-toxic—legal departments that outperform.

No KPI Stands Alone

Beyond solving for the elephant in the room by making alignment a key metric, how are legal ops teams defining success today? Almost half (45%) of all respondents said their team's success was measured by improved compliance with internal policies and external regulations. Other commonly reported metrics included collaboration with business units and completion of projects.

Collaboration Priorities Shift Based on the Kind of Legal Ops Team

Alignment as a KPI goes beyond helping legal teams work better together, ease or eliminate negative power dynamics, and improve job satisfaction and performance. Across the board, an average of about 40% of legal ops respondents said they'll be prioritizing internal, inter-departmental, cross-business, and external collaborations this year.

While that includes improving alignment between the legal operations and in-house legal departments, there's a modestly stronger emphasis (about 10%) on improving legal department collaboration with non-legal business units and managing outside legal service providers.

Top five collaboration-focused tasks prioritized this year:

1. Aligning legal operations and other departments
2. Legal department collaboration with business units
3. Managing outside providers
4. Establishing law firm or external partner panels
5. Collaboration between legal operations and the legal team

But drilling into those averages by organizational maturity reveals a different story. Among teams with a 10-year or greater track record, there's significantly more emphasis (36% vs. 21%) on improving internal team dynamics (that is, collaboration between legal ops and the legal team overall), improving alignment with non-legal departments (46% vs. 37%), and managing outside legal service providers (49% vs. 32%).

Put another way, managing outside legal service providers is the top priority among the most mature legal ops teams in the study, while it's among the two lowest collaboration priorities (the other being improving internal team dynamics) among less mature teams.

49%

of established legal ops teams will be prioritizing the management of outside providers as their collaboration-focused goal this year.

This picture changes again when looking at legal ops teams by company revenue as opposed to maturity. At organizations with revenue between \$250 million and \$1 billion, managing outside service providers stands out as the area of alignment most commonly targeted (43%) for better collaboration.

Companies with revenue above \$1 billion are more likely to be focusing on external collaborations as opposed to internal legal team dynamics. On average, 43% of legal ops respondents reported prioritizing aligning the legal ops team with other departments, the legal team overall to other business units, establishing law firm or external partner panels, and managing outside providers. Clocking in at just 23% of respondents: Improving collaboration between legal ops and the legal team.

It could be argued these results underscore the elephant-sized problem of unhealthy power dynamics between the legal and legal ops teams. When 100% of legal operations respondents report tension or conflicts between their legal and legal operations teams and four in 10 report this impairment occurs often, it's not surprising that collaboration between legal ops and the legal team is not the top priority among both smaller or larger teams and smaller or larger companies.

46%

of legal ops teams from larger-revenue organizations will be prioritizing the alignment of legal ops and other departments as their collaboration-focused goal this year.

THE RESOURCING CONUNDRUM

Resourcing: What's the Answer?

Despite growing budgets and headcounts, legal ops professionals will continue to struggle with managing internal and external resources for the in-house legal team overall. Suddenly, specialized help is needed. Or a large project arrives with a bang. Or gaps, temporary or permanent, materialize on the legal ops or greater in-house team. And when one or more high-quality legal professional is needed, it's not uncommon for that need to be urgent.

So where does a legal ops team turn for help? Competition and innovation among legal service providers means there are myriad options today, [from online legal talent marketplaces](#) to [ALSPs](#) to law firms of all shapes and sizes—big law, national, traditional, and non-traditional firms (such as [Axiom's affiliated Arizona-based law firm, Axiom Advice & Counsel](#))—as well as corporate HR departments and traditional recruiters.

Despite that, [earlier research](#) found legal department leaders overwhelmingly (97%) resorted to law firms last year, even amid rate hikes averaging 9% in 2024, with the [latest data](#) showing 86% of large firms in the U.S. and U.K. increasing billing rates once again over the next 12 months. It's probably safe to say that big law, traditional, and national law firms are often the most costly option for secondments, outsourcing everyday legal matters, or large projects.

Their high hourly rates aren't the only cost. There's also the soft cost of the time and energy required to manage outside law firms and other legal partners, which reduces team efficiency, a legal ops KPI. Almost half (47%) of legal ops respondents said they spend too much time managing law firms, making that the #1 reported drain on resources. That was followed by 43% of respondents who said they didn't have the appropriate amount of staffing bandwidth to begin with.

What are the core resourcing-related problems, if any, preventing your legal department from doing its job effectively?

1. We spend too much time managing law firms
2. We don't have the appropriate amount of staffing bandwidth
3. We spend too much time managing other external resources
4. We spend too much time hiring/firing the right talent
5. We spend too much time hiring/firing the right partners
6. We don't have the right legal expertise on the team
7. We don't have the right legal expertise on the team
8. We don't have the right non-legal expertise (e.g., AI, tech) on the team

For those under-resourced teams, the performance hit from devoting excessive time to legal partner management stings even more. Regardless of whether resources are low, modest, or high, efficiency is a KPI that legal ops respondents said their teams were being held accountable for. A focus on cutting back the level of oversight law firms and other outside legal services partners need is a potentially potent way to improve efficiency.

Priorities: Law Firms and Legal Ops Are out of Sync

A deeper exploration of legal ops sentiment around working with law firms revealed a host of other challenges hampering legal ops efficiency, beyond the time required to manage law firms. Legal ops respondents cited a lack of data-driven quality control, status reports, and project dashboards; inability to work with their in-house teams and partners; and a lack of institutional knowledge and business prioritization as principal issues they encountered with law firms.

These and the rest of the problems respondents reported underscore why legal ops teams should think twice before reflexively engaging a big law, traditional, or national law firm to address resourcing or other requirements for everyday legal work. Again, alternatives to consider include [ALSPs](#), [legal talent marketplaces](#), and [non-traditional law firms](#).

What are the core problems that could make using a law firm not an effective solution for your department's resourcing challenges?

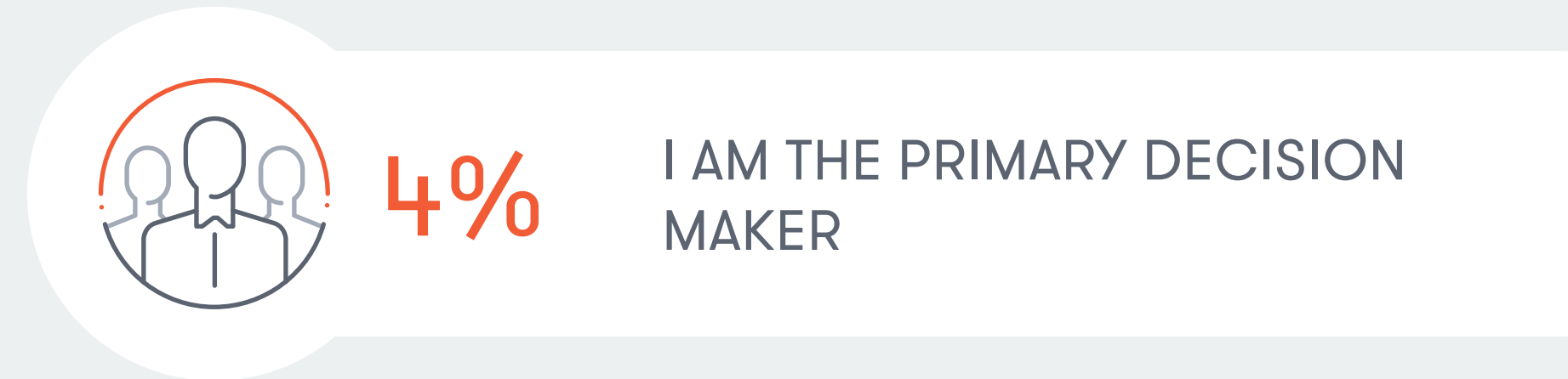
1. Lack of data-driven quality control, status reports, project dashboards
2. Inability to work with our in-house employees or consulting partners
3. Lack of institutional knowledge
4. Law firms don't prioritize our business
5. Lack of commercial/business acumen
6. Law firms give conceptual legal advice, and we need practical advice
7. Lengthy onboarding process
8. Administrative management takes too much time
9. Lower quality talent (use of less experienced first-year associates)
10. Too expensive

GCs and Legal Ops Aligned on Staffing Challenges

When it comes to evaluating team resources and departmental effectiveness, the research found legal operations respondents shared the same outlook as [GCs surveyed earlier this year](#)—and it's not pretty. Almost half of GCs (41%) and legal operations professionals (43%) indicated their organizations' legal departments do not have the appropriate staffing levels and bandwidth to do their jobs effectively.

Worse, both groups reported difficulty with legal department retention and staffing, with 61% of GCs reporting a moderate to significant increase in turnover in the past year and 49% of legal ops respondents reporting their legal departments struggle with retention. When it comes to hiring legal talent, a scant 4% of legal ops professionals are the primary decision-makers. However, collaboration around hiring external talent appears to be high, with only 2% of legal ops team members reporting they had no decision-making authority over hiring external legal talent. Most decisions (51%) were made by a team that included one or more legal ops team members, and 44% reported they influenced such decisions. In essence, nearly all (98%) legal ops teams are involved to a greater or lesser degree in the decision-making.

Which of the following best describes your role in making decisions related to hiring external legal talent, such as law firms or legal service providers?



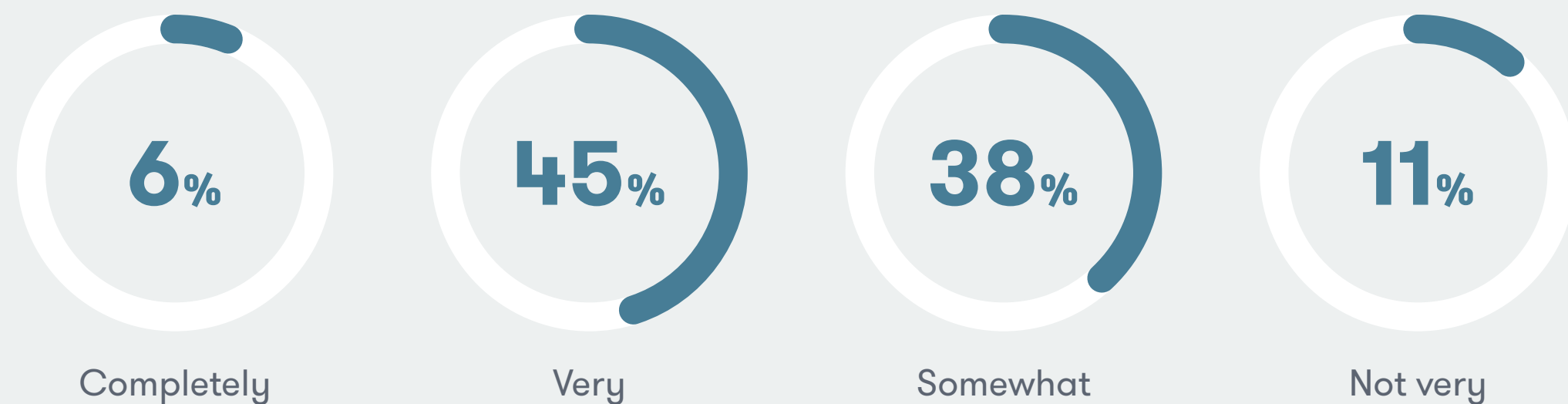
2% are not involved in these decisions

ATTRITION RISKS

Impact on Career Growth and Job Satisfaction

Despite reporting resourcing challenges and tension between and within teams, most legal ops careerists seem to love what they do. A majority (51%) reported being completely or very satisfied with their jobs. The flip side: That means the rest are only somewhat or not very satisfied with their roles, potentially making the other half of respondents a flight risk.

How satisfied are you in your current position?

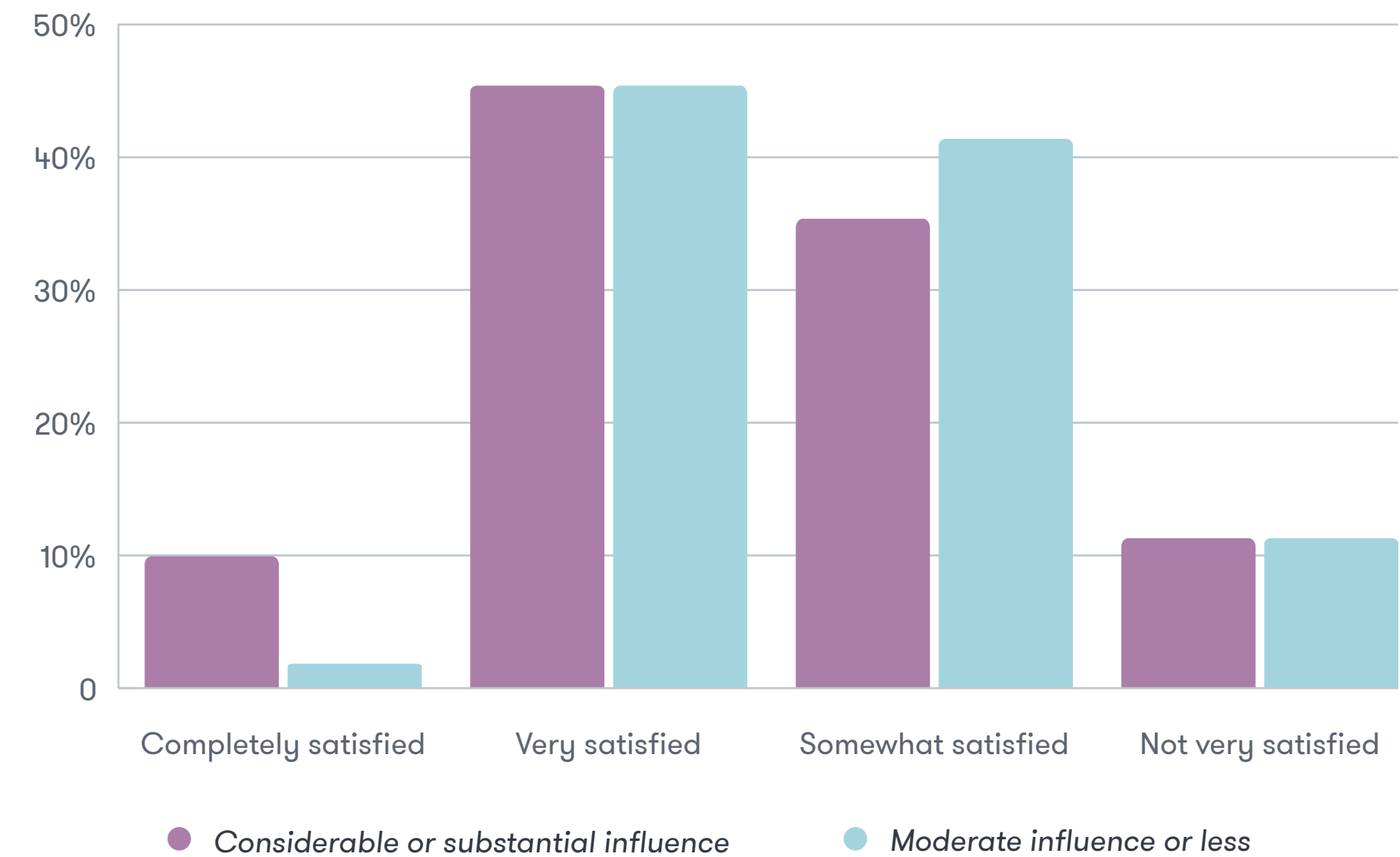


Highlighting the positive impact collaboration can have on a team (or, conversely, the negative impact of unhealthy power dynamics), respondents

who said they were part of a team that had greater influence over legal department decisions tended to report significantly higher “complete” job satisfaction (10% vs. 2%), bumping the total of legal ops pros who are completely or very satisfied to 55%.

How satisfied are you in your current position?

(Based on level of influence over legal department decisions.)

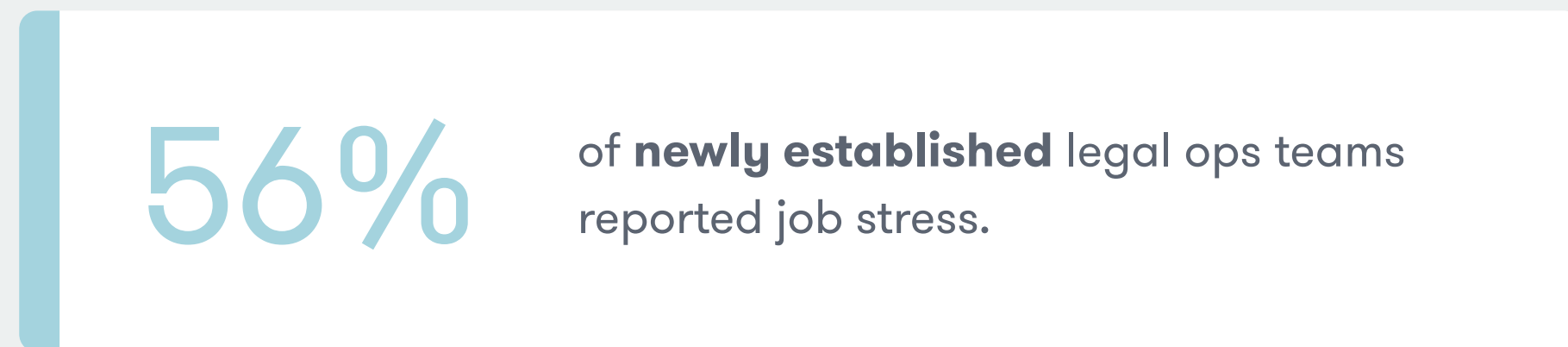
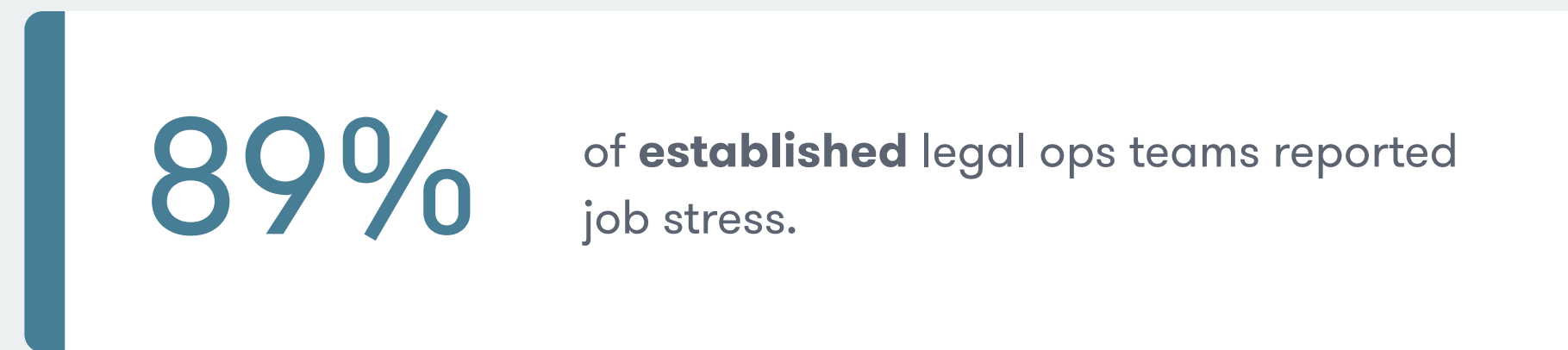


But being satisfied doesn't mean they're not stressed, worn out, or worse, burning out—a workplace dynamic that can, sustained over time, flip the script on job satisfaction. Despite more than half reporting high satisfaction rates with their role, almost a third (32%) of legal ops pros reported extremely or very high stress and burnout levels.

How stressed or burned out do you feel in your current role?



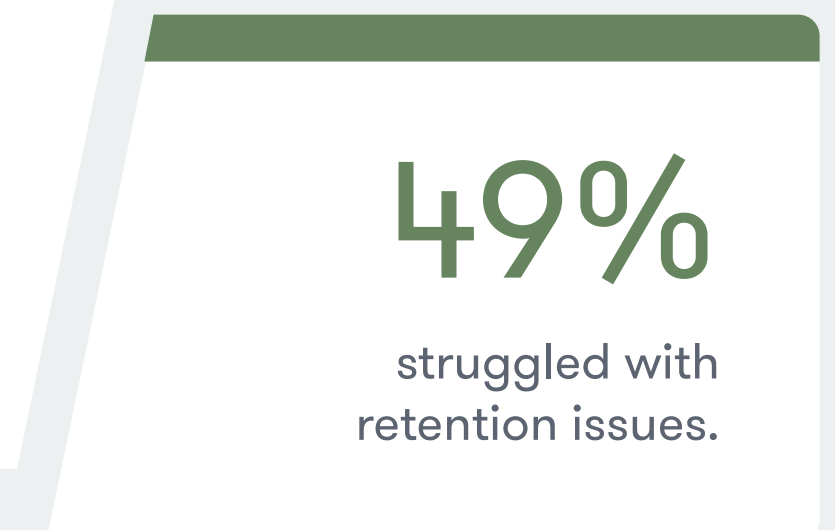
That said, workplace stress and burnout intensity appeared lower (56%) among those newer to their legal ops roles, while those who have been in the profession for 10 years or more almost unanimously (89%) reported high-stress levels.



Top five factors contributing to stress and burnout:

1. Difficult colleagues or office politics
2. Exposure to sensitive or emotionally charged legal matters
3. Unmanageable workload or long hours
4. Job insecurity and uncertainty
5. Pressure of overseeing external legal services and controlling costs

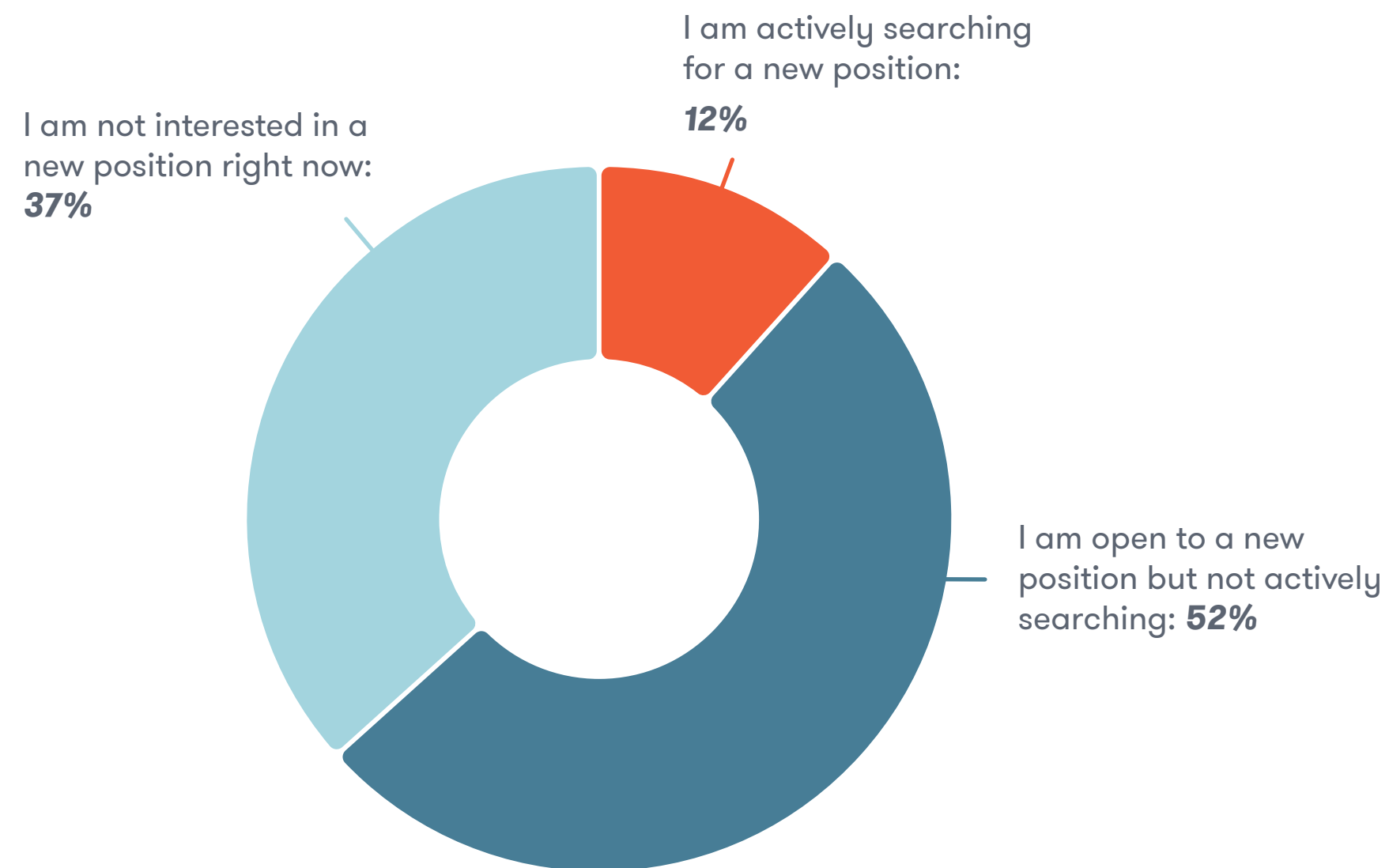
It's not hard to imagine that feelings of stress and burnout are taking a toll and contributing to the retention problems many legal ops teams are facing, despite claims of job satisfaction. Just under half (49%) of respondents said their teams struggle with retention or that it's a significant problem.



Legal Ops Are on the Move

It's easy to see why about half of respondents are struggling with retention. Two out of three (64%) respondents said they were open to a new role or actively searching. The temperature rises among legal leaders at larger organizations, where seven out of 10 (70%) legal leaders are open to a new position, compared to 57% of those in smaller organizations.

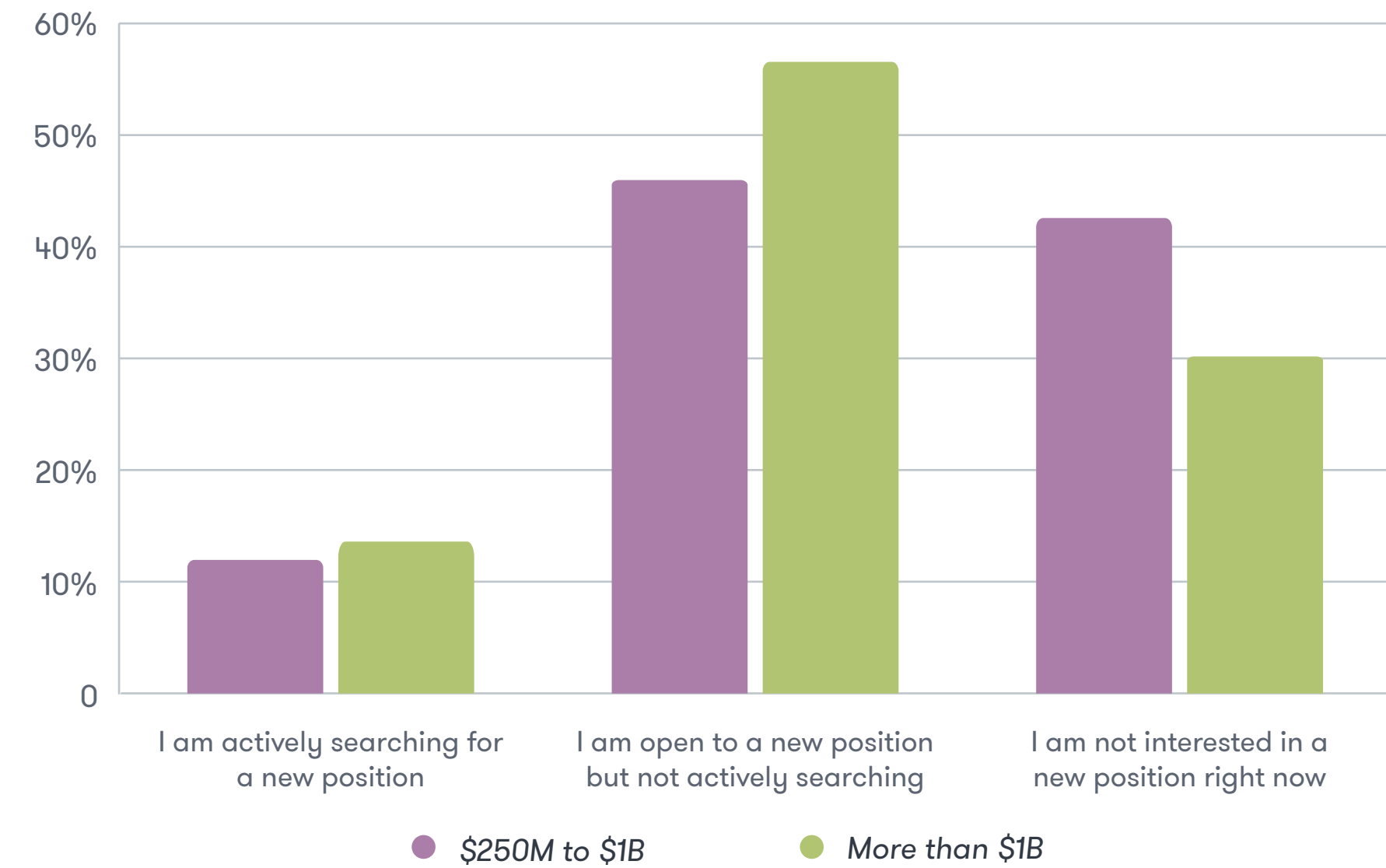
Which best describes your current job search status?



It's conceivable that the industry could see a wave of attrition once the global macroeconomy improves, and legal ops leaders who are at risk decide the time is right to make a change.

Which best describes your current job search status?

(Based on the revenue of the organization.)



CONCLUSION

Legal Operations: Key to the Legal Department Success

The legal operations function is instrumental in propelling legal departments into becoming technologically innovative partners to their businesses. Savvy legal leaders recognize the immense value of this function and are increasingly investing in legal operations and technology. These investments are pivotal not just for enhancing the efficiencies of the department and organization at large, but also for mitigating risks associated with the integration of new technologies like AI.

The challenges highlighted in this report underscore the urgent need to embrace the next generation of legal services. By adopting a tech-savvy, AI-enhanced approach, legal ops can effectively match project needs with high-quality legal professionals, whether in-house or external, thereby optimizing annual budgets and significantly reducing the risk of burnout and attrition within teams.

In times when legal staffing poses a significant challenge, legal operations teams are crucial in enhancing the operational effectiveness of legal departments. To overcome these hiring challenges, legal department leaders and legal ops professionals are increasingly turning towards modern solutions to identify and collaborate with the right external partners.

How Axiom Can Help

What does this modern solution look like? Having pioneered the ALSP industry 24 years ago, Axiom remains at the forefront. We understand the pain points of today's legal departments and are dedicated to helping in-house teams [keep pace with change and digitally transform](#)—including legal ops, the team typically at the forefront of digital transformation initiatives.

Our commitment to innovation and alignment with market demands ensures that we continue to offer in-house legal teams the industry's highest-quality talent and [broadest array of in-house solutions and law firm services](#). We empower today's overworked, overwhelmed, and under-budgeted legal leaders by helping them transition legal matters and law firm work into a more cost-effective, low-risk framework. [Our AI-powered processes streamline](#) both immediate and long-term legal needs for enterprises and SMBs alike.

By helping legal leaders close gaps in their legal team, get personalized counsel, tackle large projects, or engage full representation across [14 practice areas](#), [31 industries](#), and eight global regions, Axiom is setting new standards for alternative legal services, giving in-house and legal ops department leaders what they need, when they need it, at rates 25% to 50% below equivalent law firms.

Visit AxiomLaw.com and see how we can help you and your team do more for less.

BACKGROUND OF THE LEGAL OPERATIONS PROFESSIONAL

Research Demographics and Methodology

The legal operations role is complex, as professionals in various positions aren't necessarily lawyers or even hail from the legal profession. In fact, only about one-half of legal operations professionals surveyed were licensed lawyers. Those newer to legal operations were less likely to be licensed lawyers than their more tenured counterparts, suggesting a possible shift underway in the credentials legal ops staff will hold as the field progresses.



Legal ops is a young discipline when compared to the history of in-house legal departments. The majority (59%) of respondents indicated their legal operations team had been around for 10 years or less. Contrast that to the

corporate legal department itself, which has roots that go back to the late 19th century, took hold over the latter half of the 20th century, and is now a nearly ubiquitous corporate function.

How many years has the legal operations role existed at your current company?

LESS THAN 1 YEAR	1%
1-5 YEARS	20%
6-10 YEARS	38%
11-15 YEARS	21%
16-20 YEARS	13%
MORE THAN 20 YEARS	3%
I HAVE NO IDEA	6%

What industries are legal ops professionals coming from?

Obviously, legal ops pros who are licensed lawyers have a background in legal. Industries where non-lawyers in legal ops hail from are diverse and include human resources, finance, and communications. A little more than one-fifth of lawyers and non-lawyers have no background outside of the legal operations function.

Do you have a background in any of the following functions in previous roles?	LICENSED LAWYER	NON-LAWYER
LEGAL	70%	16%
HUMAN RESOURCES	1%	17%
FINANCE	2%	14%
COMMUNICATION	2%	13%
RESEARCH/DEVELOPMENT	3%	10%
MARKETING/BUSINESS DEVELOPMENT	-	10%
INFORMATION TECHNOLOGY (IT)	1%	7%
INVENTORY/LOGISTICS	-	5%
SALES	-	4%
NO BACKGROUND IN ANY FUNCTIONS OUTSIDE LEGAL OPERATIONS	24%	27%

Legal Department Team Structure

Legal ops respondents overwhelmingly (90%) said they report to the in-house legal department leaders, indicating their organization falls in the centralized legal department structure. This is promising news as many CEOs and CFOs are attracted to decentralized organizational structures, which means all legal staff report to regional heads, business unit heads, or other non-legal functional heads. As [a previous Axiom study found](#), GCs ideally want the legal staff to report to the legal department or a hybrid structure (where most legal staff fall under the GC). The organizations that are embracing legal operations understand that the legal department is the best home for these operationally efficient professionals.

The average size of the legal ops team tends to be about half of the number of the legal department lawyers and paralegals, and approximately 28% of the legal department staff in its entirety for smaller revenue organizations, compared to 22% of larger organizations.

Average makeup of a legal team:

SMALLER REVENUE (\$250M-\$1B)

- 5 lawyers
- 5 paralegals
- 5 legal ops
- 3 other staff

LARGER REVENUE (\$1B+)

- 10 lawyers
- 9 paralegals
- 7 legal ops
- 6 other staff

Methodology

The Axiom Legal Ops Survey was conducted by Wakefield Research (www.wakefieldresearch.com) among 200 U.S. legal operations professionals at companies with a minimum of \$250 million in annual revenue, between May 22nd and June 2nd, 2024, using an email invitation and an online survey. Quotas were set for 100 with an annual revenue of \$250M to \$1B and 100 with an annual revenue of more than \$1B.

About Axiom

Axiom is where high-caliber legal talent meets full-service law firm work. We invented the alternative legal services industry 24 years ago and now serve more than 1,500 legal departments globally, including 68% of the Fortune 100, with 95% client satisfaction. Axiom gives small, mid-market, and enterprise clients a single trusted provider who can deliver a full spectrum of legal solutions and services across more than a dozen practice areas and all major industries at rates up to 50% less than national law firms. To learn how Axiom can help your legal departments do more for less, visit axiowlaw.com. To learn how Axiom can help your legal departments do more for less, visit axiowlaw.com.