Robin AI

General Counsel
Report

2023

Executive Summary

The modern General Counsel faces a unique set of challenges, which are explored in this 2023 General Counsel Report. GCs are faced with the challenge of increased workloads, limited resource within their teams, and the need to turnaround work faster than ever before. Technology holds the key to unlocking more bandwidth and velocity in their legal teams, and this is explored in more detail in this report.

To gain greater insight into the day-to-day operations of their legal teams, short and long-term priorities and how GCs aim to solve their many challenges, we conducted in-depth research through a comprehensive survey of 100 General Counsels in the US, engaging with a diverse range of perspectives across various sectors including Tech, Finance, Retail, Education, Automotive, Media and more.

In order to establish the positions of GCs on a range of contemporary issues and potential solutions, the survey explored a number of topics, such as:

- breakdowns of technology spend in legal budgets
- current levels of legal technology adoption and its effectiveness
- approaches to investigating applications of LLMs for their legal teams
- identifying the most pressing day-to-day challenges facing their teams
- ensuring the long-term success of their corporate legal department

Approach to AI

The growing number of applications of large language models (LLMs) for legal and AI-powered technology that can be leveraged to support legal teams with routine work has caught the attention of the GCs surveyed. To date, GCs have applied an understandably cautious approach to this emerging technology, though we are starting to see signs that point to a growing shift in attitudes towards AI.

Legacy Legal Technology

The product category of Contract Lifecycle Management (CLM) is well-understood, though the benefits of such technology are not clearly communicated by those surveyed. Adoption of CLM remains comparatively limited, with respondents citing concerns over ROI and implementation. Whilst there's a clear appetite to leverage technology to drive efficiency and productivity in their legal teams, GCs have often not yet found the right technology. AI-native tools might be the answer to solving ongoing challenges in legal teams that have yet to be solved by the legacy CLM providers.

By presenting the findings and research carried out to create this report, the intention is to provide GCs at leading businesses with insight into the challenges and opportunities faced by their peers.

Key findings:

- A desire to bridge the gap - GCs want to use technology to drive efficiency in teams and to free up bandwidth to focus on strategic projects.
- CLMs aren't cutting it - legacy CLMs aren't meeting the needs of the modern GC and don't deliver strong ROI.
- A fresh approach to problem-solving - building iterative approaches to problem-solving is more important than trying to buy "all or nothing" solutions.

CLMs: low adoption and limited effectiveness

CLMs have been marketed as the most prominent technology solution available to meet the needs of in-house legal teams for the last 10-15 years.
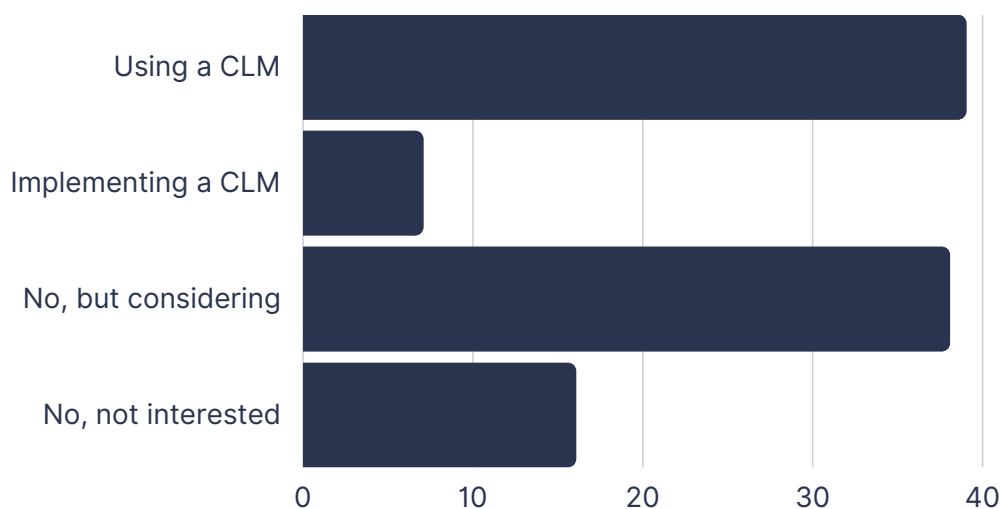Yet the data demonstrates that whilst 39% of respondents are currently using a CLM, only an additional 7% are in the process of implementing one, bringing the **total adoption of CLMs amongst those surveyed to 46%**.

Of the 39 respondents who were using a CLM in their team, further insight was sought into their evaluation of the value of the CLMs that they had implemented.
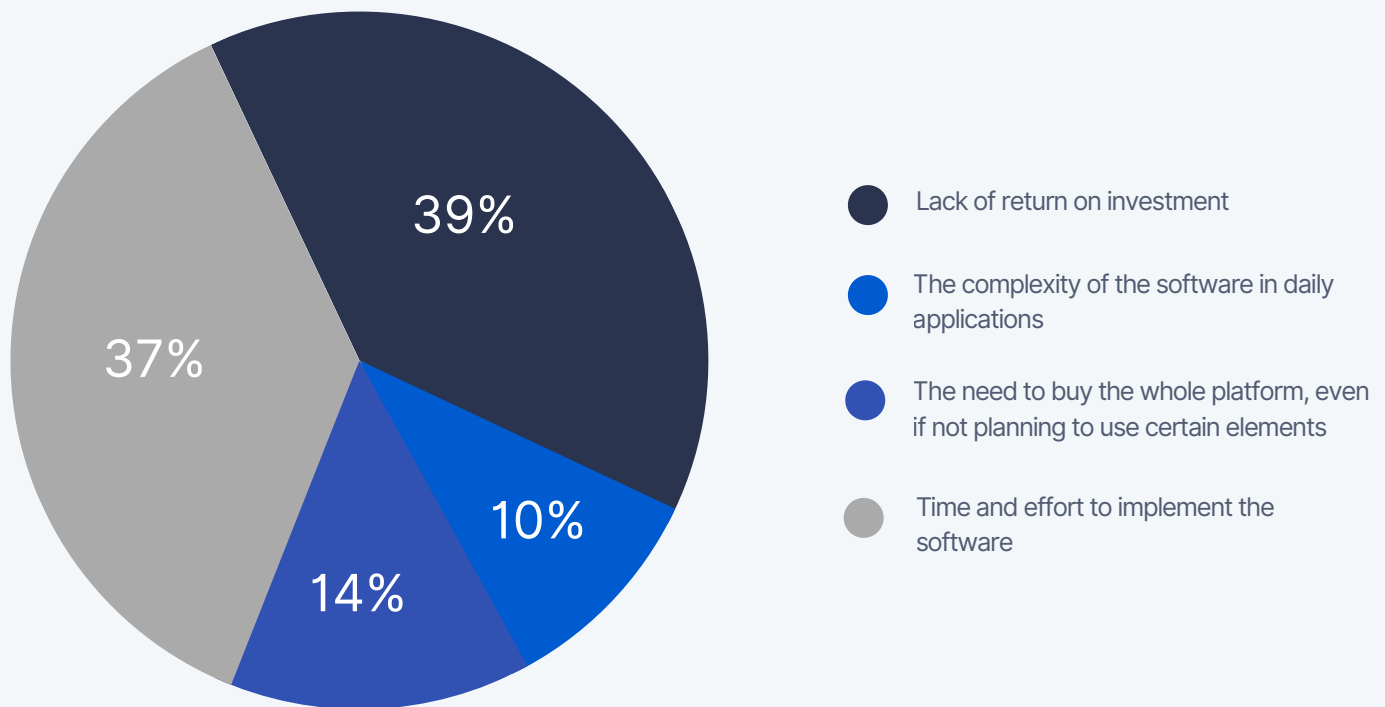The most striking conclusion is that for this particular question, the majority of the respondents sat in the middle between **somewhat helpful - and somewhat unhelpful.**

In order to understand why the general feeling from GCs was lukewarm at best, respondents were asked about the main drawbacks of CLMs. Unsurprisingly, the two most common answers were the **lack of return on investment (39%)** and the time and effort it takes to implement the software (37%).

Whilst time and money are undoubtedly the key considerations for GCs, it's important that the remaining 24% of respondents recognised the technological limitations of CLMs.

Category	Value
Using a CLM	~39
Implementing a CLM	~7
No, but considering	~38
No, not interested	~16

0   10   20   30   40

Drawbacks of CLMs

39% — Lack of return on investment

10% — The complexity of the software in daily applications

14% — The need to buy the whole platform, even if not planning to use certain elements

37% — Time and effort to implement the software

Analysis

Our findings suggest that CLMs continue to have limited penetration of in-house legal teams because they're fundamentally unsuited to what the majority of GCs need to solve their challenges.

As CLMs are enterprise in nature and tend to come in a "one-size-fits-all" package, where **implementation is a complex, time-consuming and resource-intensive exercise**.

Whilst this might be an achievable undertaking for larger in-house legal teams with more comprehensive needs and the budgets to match, for the majority of legal teams, this approach won't enable them to solve their discrete day-to-day challenges in a cost-effective, iterative way, which is much better suited to their resources and requirements.

By commanding prohibitive costs and considerable internal resources whilst consistently failing to realise value for money and quickly deliver the results they need, CLMs have created a considerable **market opportunity for AI-native and intuitive technology that will demonstrate a high impact** on the day-to-day work of legal teams.

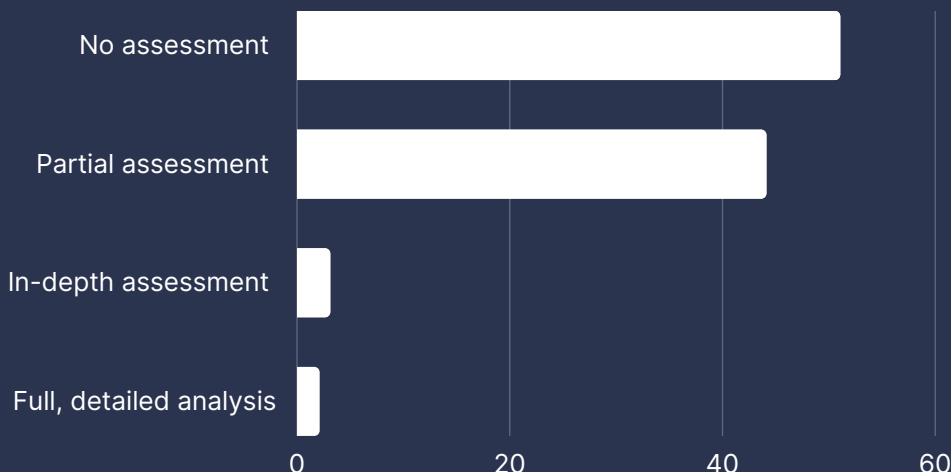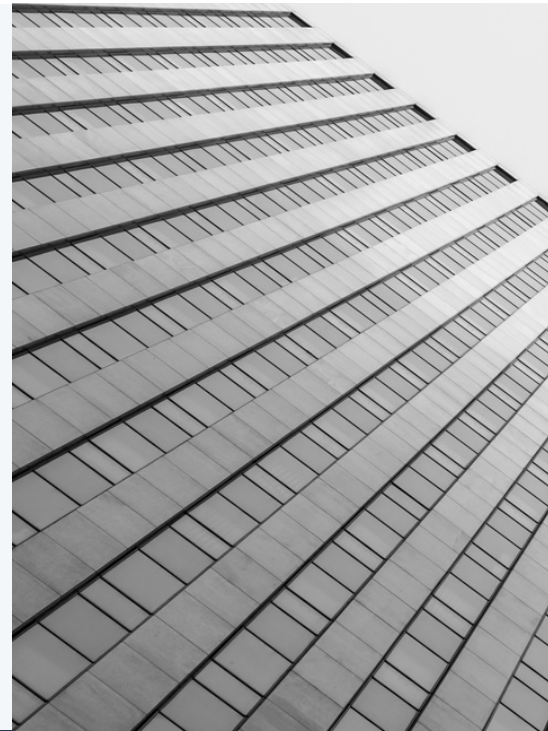# AI: exciting new avenues and applications to explore

Despite the rapidly developing capabilities of AI capturing global attention in 2023, our survey found that the overwhelming majority of GCs have not yet explored the potential applications for LLMs and generative AI to solve their day-to-day challenges. **95% of respondents** had either not carried out an assessment on applications of LLMs for legal, or had only performed a light touch exploration of capabilities.
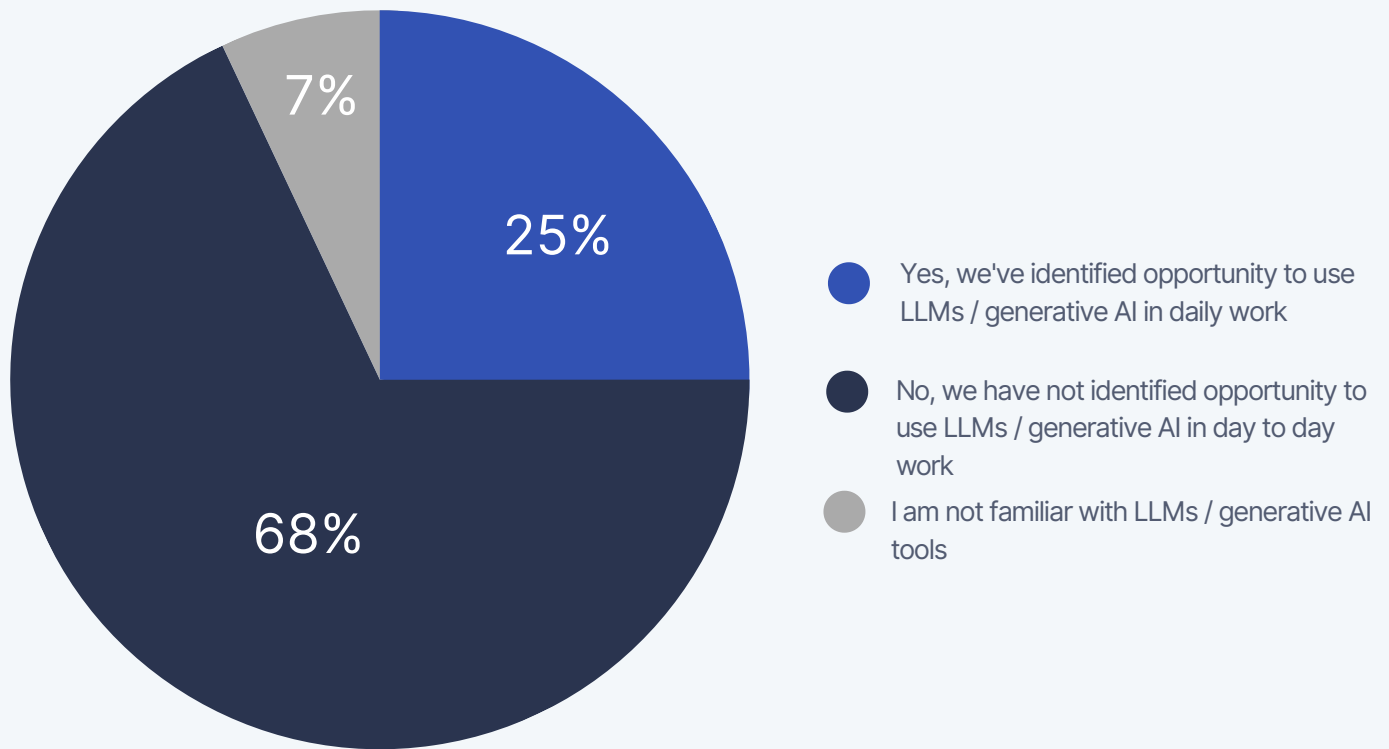
Identifying opportunities

Given the limited exploration and assessment of the applications of LLM for legal, it makes sense that **68% of respondents have not yet identified an opportunity to use LLMs** or generative AI in their day-to-day work.
A quarter of respondents have identified an opportunity to apply LLMs and generative AI to use cases in their legal teams. Considering the low completion of assessments, there's an opportunity for GCs to convert awareness about potential applications to a formal understanding of how this new technology might help their legal team.

Have you assessed using LLMs / generative AI in your team?

Category	Value
No assessment	51
Partial assessment	44
In-depth assessment	2
Full, detailed analysis	1

0   20   40   60

Opportunities for AI

25%

68%

7%

● Yes, we've identified opportunity to use LLMs / generative AI in daily work

● No, we have not identified opportunity to use LLMs / generative AI in day to day work

● I am not familiar with LLMs / generative AI tools

Solving challenges with AI
GCs were asked to quantify the amount of time their legal teams usually spend on routine contract review, and though it was quite mixed, the data indicated that the majority of legal teams spend **31-40% of their time** on this task - a sizeable portion of the day-to-day work in legal teams.

Over 80% of GCs surveyed stated that their legal teams are spending at least 20% of their time on routine contract review.

Percentage of time on routine contract review

Percentage	Count
0 - 10%	5
11 - 20%	13
21 - 30%	21
31 - 40%	23
41 - 50%	15
51 - 60%	11
61 - 70%	10
71 - 80%	1
80% +	1
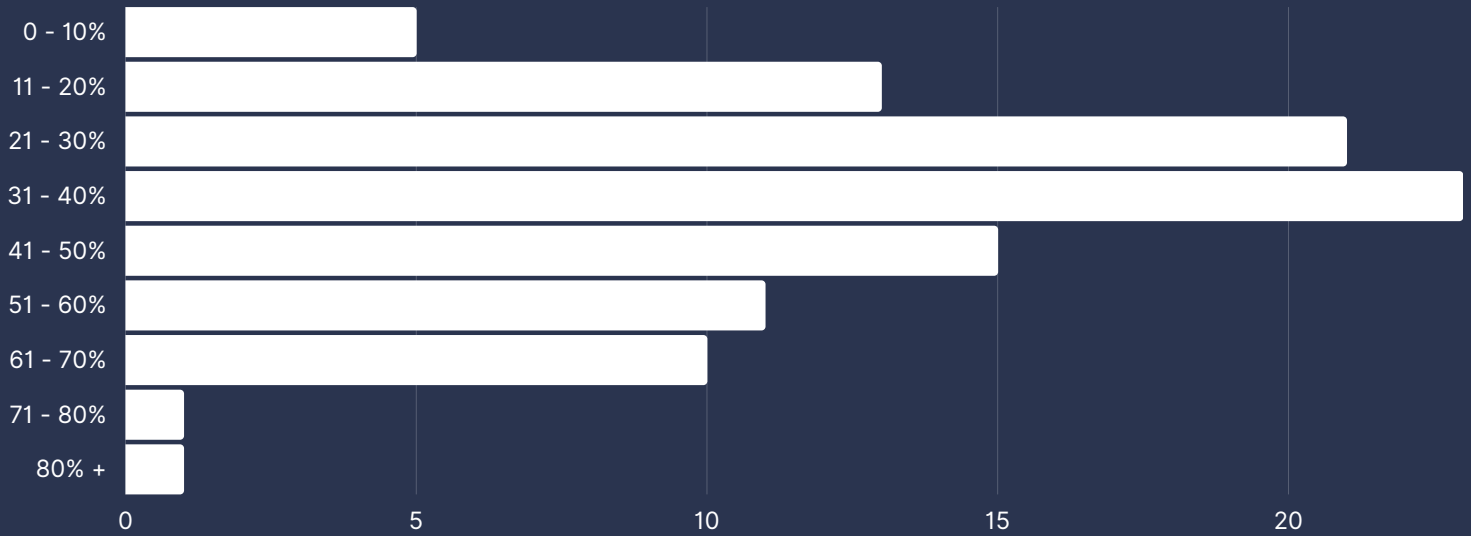
It's clear that work is consuming a large amount of time and bandwidth across the board at legal teams, with **close to a quarter of teams spending more than 50% of their time** on this task.

Combining this data with the appetite for most GCs to have a more strategic relationship with the business, indicates an opportunity space for leveraging technology that accelerates this process and frees up teams to focus on other priorities, which ranged from managing special projects and complex contracts.

Analysis
Time spent by legal teams on routine contract reviews is high and prevents focus on strategic priorities. This is low-hanging fruit for GCs who are looking for tactical and iterative improvements they can make to team efficiency and a more balanced workflow.

There are a number of AI-native tools that harness the **power of LLMs and generative AI to accelerate routine contract review processes** - these are already enabling legal teams to free up time to focus on other important business priorities.
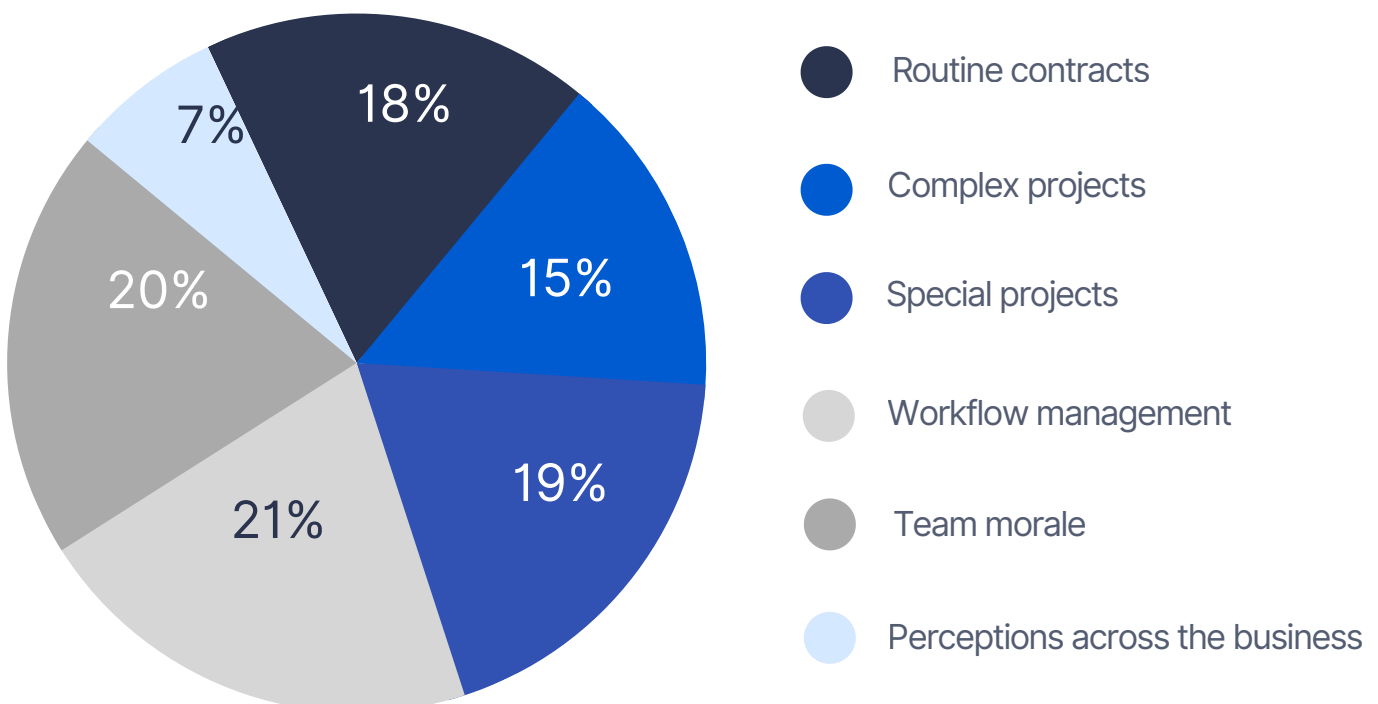
GCs have an opportunity to take a proactive approach to understanding more about the opportunities presented by developments in AI. The long-term success of the legal department is likely to be heavily influenced by the wider legal team's ability to **unlock time and resources** to devote to other business tasks.
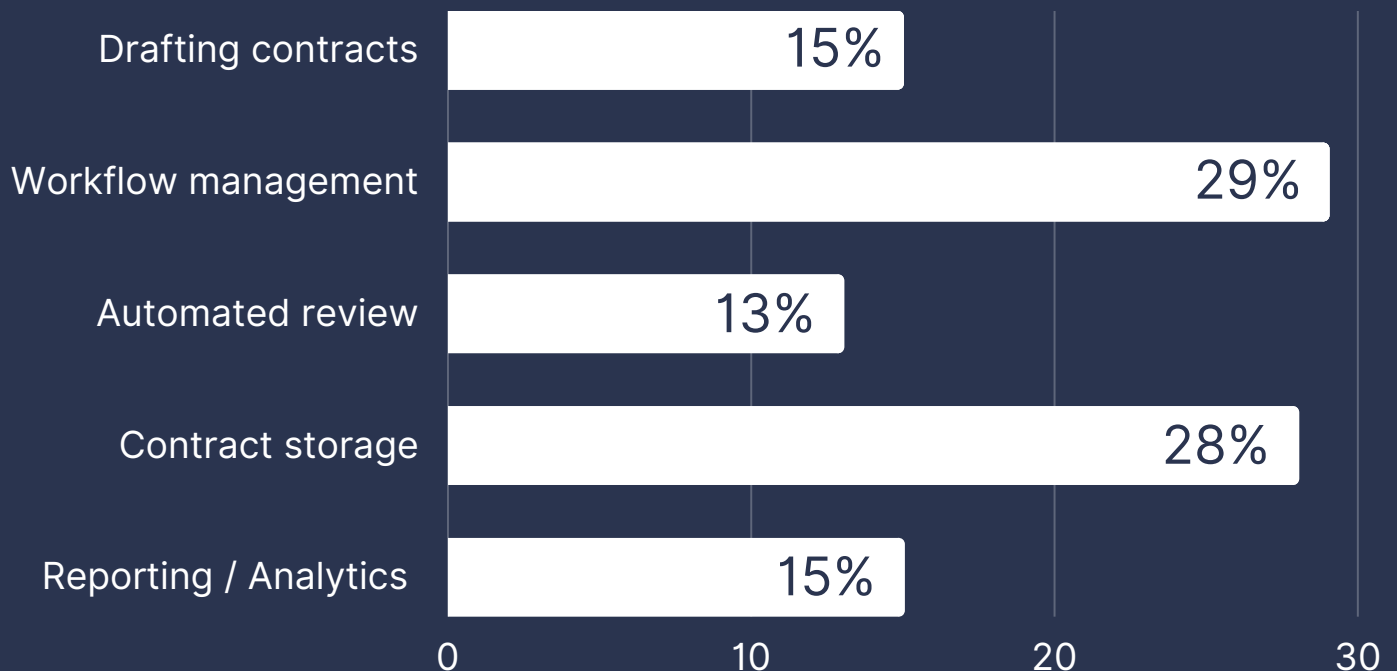
Day-to-day challenges are diverse

GCs are grappling with different business challenges from low team morale to the relationship with the wider business - and that is reflected in the data. It's also clear that finding sustainable solutions to business challenges will be heavily influenced by the **role that technology can play to optimise processes** and free up time for their teams.

GCs see their legal teams struggling with different issues: the biggest struggle was **workflow management (21%)**, closely followed by morale (20%), special projects (19%), routine contracts (18%), complex contracts (15%) and finally perception across the business (7%)

Legend:
- Routine contracts
- Complex projects
- Special projects
- Workflow management
- Team morale
- Perceptions across the business

Pie chart values: 18%, 15%, 19%, 21%, 20%, 7%

Challenges identified to solve with tech

Drafting contracts — 15%

Workflow management — 29%

Automated review — 13%

Contract storage — 28%

Reporting / Analytics — 15%

(x-axis: 0, 10, 20, 30)

GCs were asked what the main challenge was that they'd like a CLM to solve.

The majority of respondents at 64% answered that the challenge to solve with a CLM was **establishing a single source of truth/centralised view of contracts**.

The second biggest challenge that GCs wanted a CLM to solve was the accelerated review and editing of contracts at 19%.

Analysis

The data gathered points to a well-understood challenge that legal teams face - namely having a centralised view of all the contracts across the business. It's likely that **organising this contract data is the first stepping stone to solving other challenges in the legal team** - like being able to review contracts faster. By having access to previous language used in contracts, and better visibility of positions used historically through access to a single source of truth of contract data, it is logical to seek to solve this problem first.

This further validates the need for an iterative approach when it comes to deploying technology to solve business challenges - step one is ensuring that legal teams have access to everything that they need in one place.
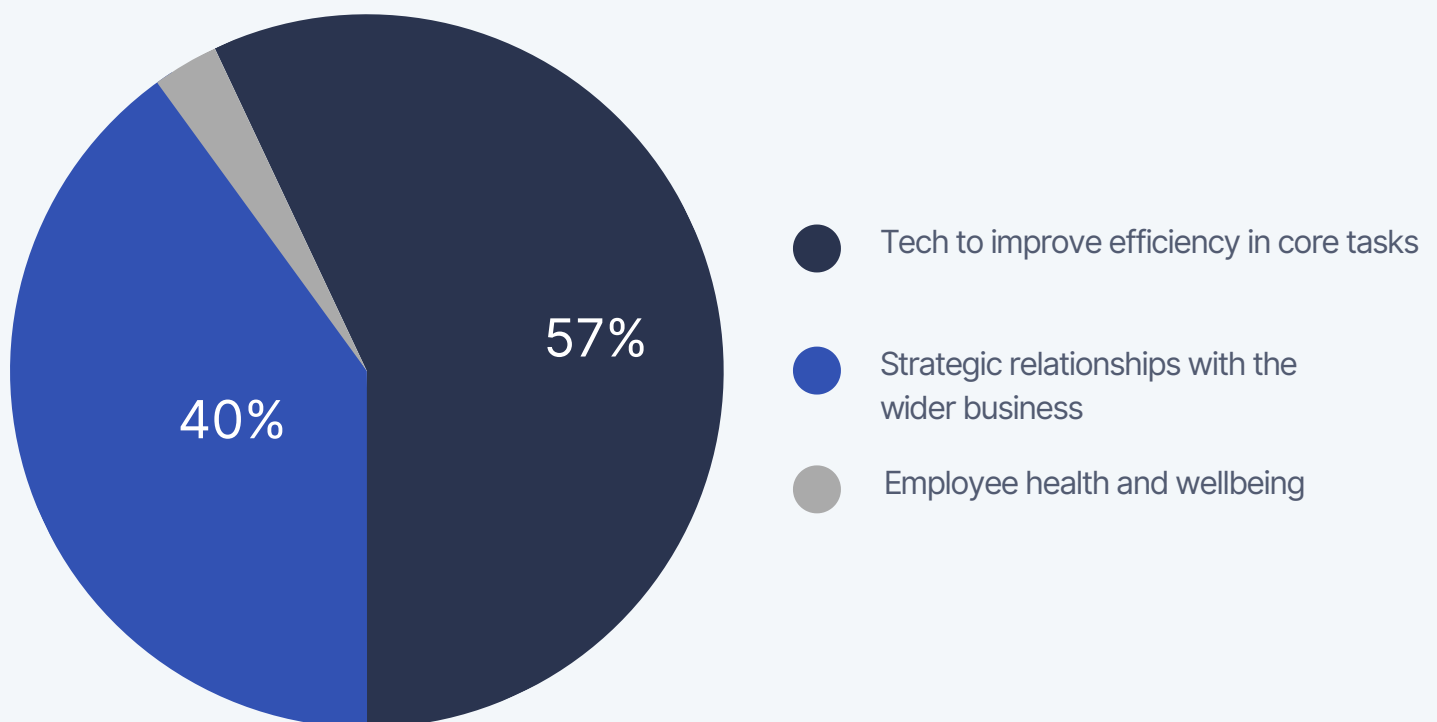
It's not clear that CLMs provide the approach that GCs need to develop an iterative approach - an "all or nothing" system and time-consuming implementation make it a difficult process to embark on. New **AI technology to enable a powerful search of contract repositories** might be a better place for GCs to start when thinking about the optimisation of processes.
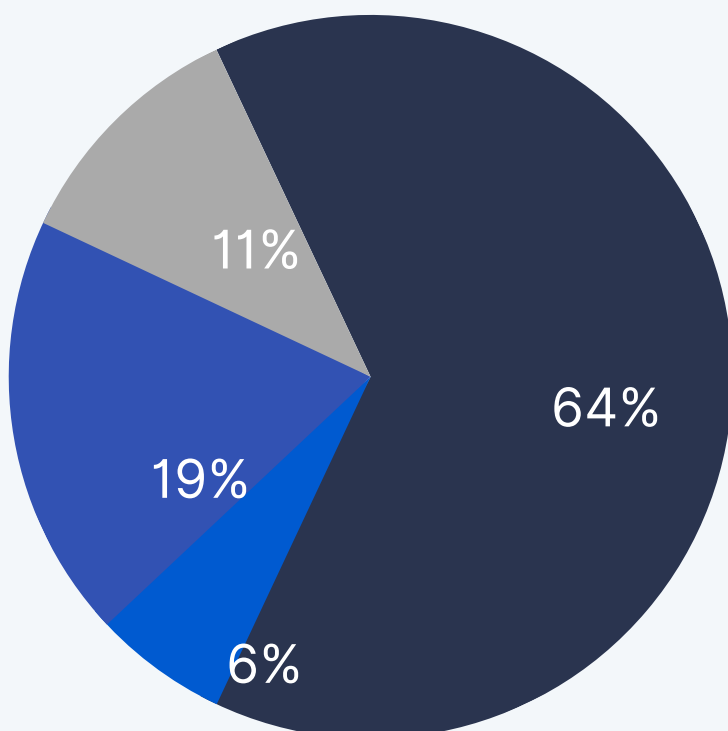
The main challenge that GCs would want a CLM to solve in their legal teams

- Single source of truth / centralised view
- Ability to see journey of a contract through different lifecycle stages
- Accelerated review and editing of contracts (e.g. 'risk rating'/ issue identification, automated markups)
- Streamlined authorisation and approvals workflows

64%
19%
6%
11%

Legal department long term success

57%

40%

- Tech to improve efficiency in core tasks

- Strategic relationships with the wider business

- Employee health and wellbeing

GCs were asked about the most important consideration for the long-term success of their department, and a significant number of respondents (40%) indicated their top priority was the strategic relationship with the wider business. As uncovered previously, the amount of time spent on tasks like contract review (with the majority spending 30-40% on this task) is likely to have an impact on the time required to strengthen relationships across the wider business.

The overall majority of answers at **57% focused on the use of technology to improve efficiency and productivity** across core tasks like contract review and managing workflow. The focus on the better use of technology in teams mirrors what is seen across the board in businesses - focusing on the opportunity that creates greater efficiency and enables teams to do more that can be unlocked through harnessing technology.

Tech spend and price points

GC were asked what percentage of their total legal budget was being spent on technology. Over 90% of respondents answered that their tech spend is anywhere between 0-20% of their whole budget. Given the focus of GCs on leveraging technology to optimise the long-term success of their legal department, it's likely that this figure will rise.

Total budgets for in-house legal teams varied considerably, with 40% of GCs surveyed having a total budget of between **$1M and $5M**.

Spend on technology as a percentage of overall legal department budget
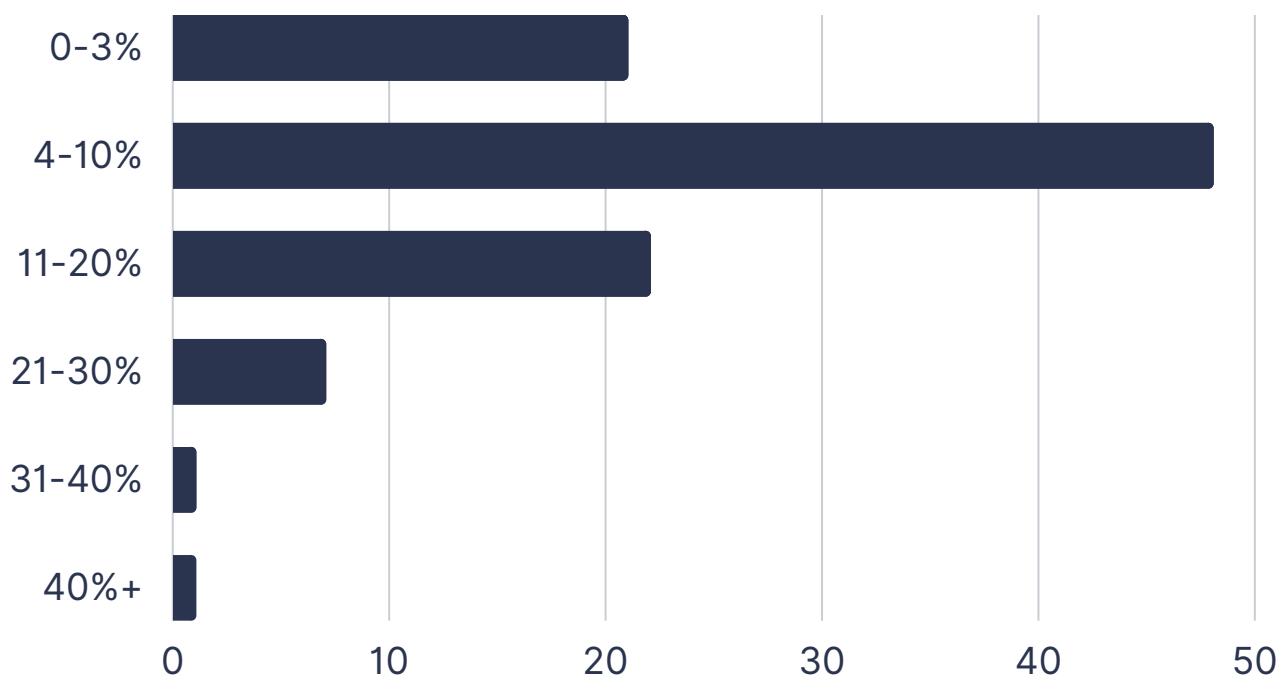
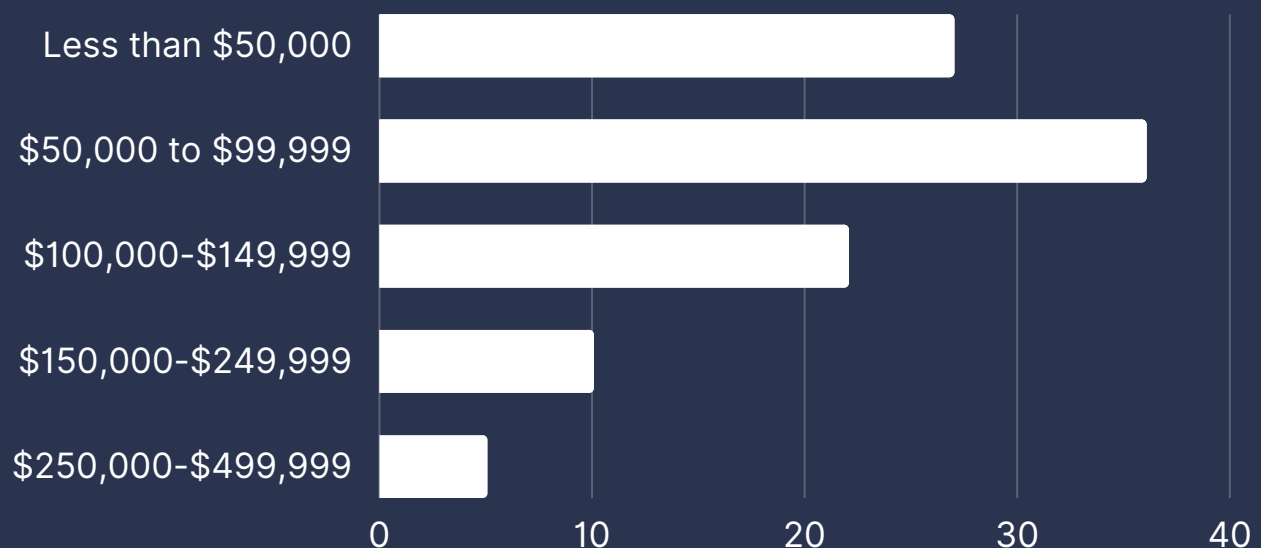GCs were asked to share information about the top factors that influenced their decision-making processes.

The quality of the technology, which included **accuracy and consistency**, was determined to be a more important decision making factor than the time saved or the speed unlocked through the legal technology.

Top factor for GCs when selecting legal tech

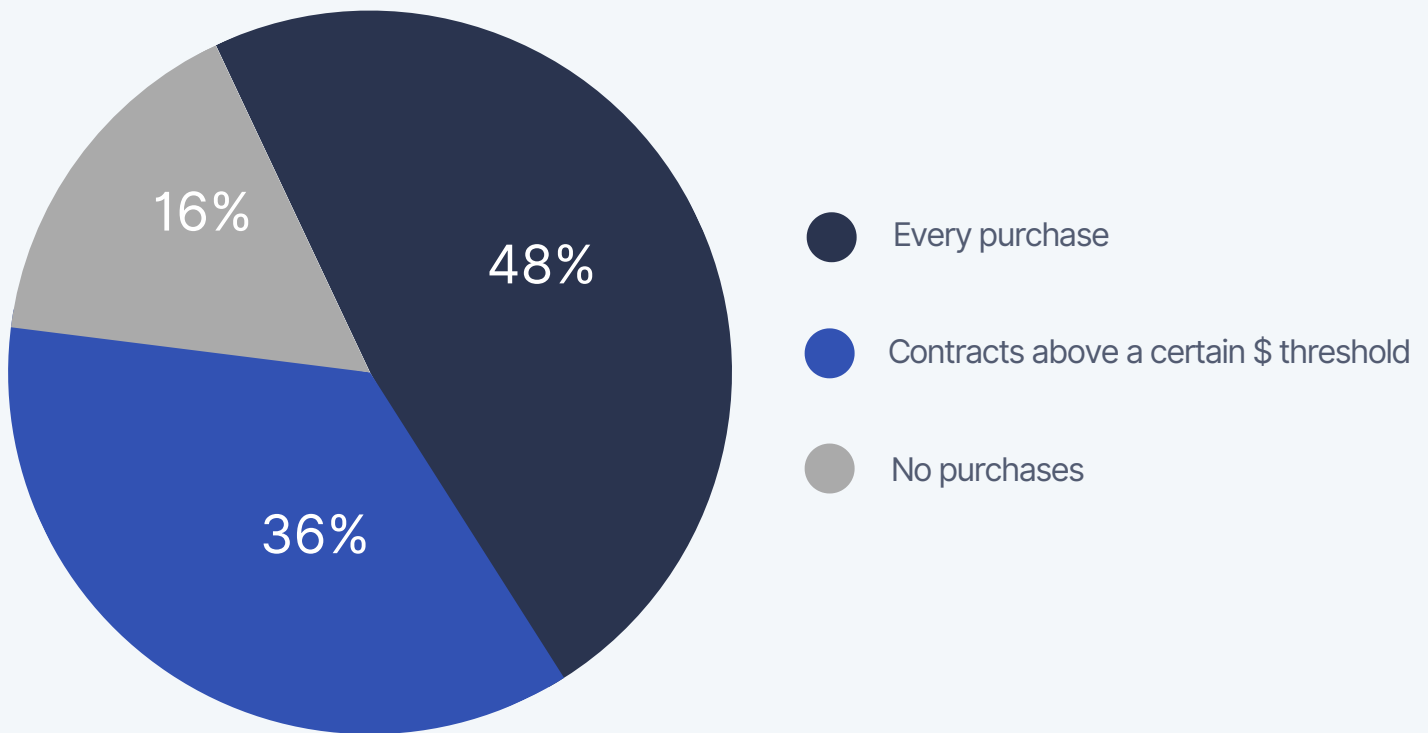| Quality / Accuracy	Speed / Time Saved
~78	~22
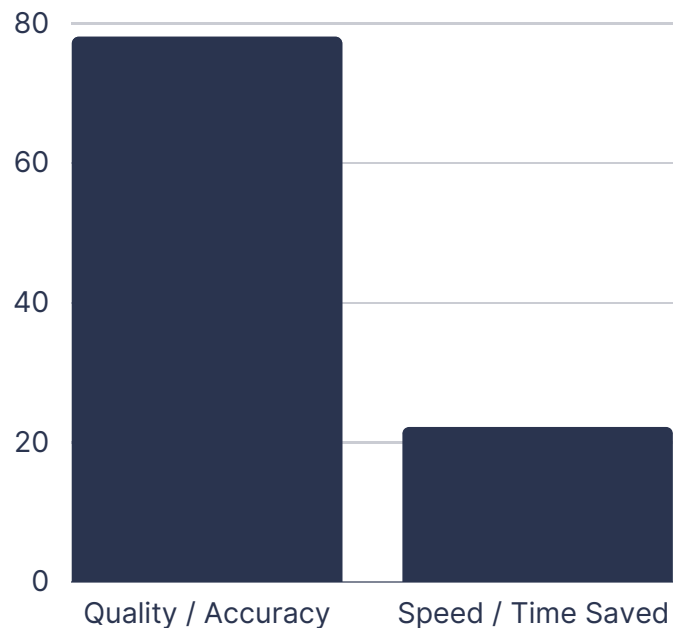
When asked about the cost of technology that would represent a strong return on investment for GCs, those legal teams spending the most time on contract review were the most willing to pay between **$150,000 and $500,000 for AI-assisted technology** that enabled teams to work 80% faster on average.

The responses indicate for just over a third of legal teams, the appropriate price point for software that enabled faster contract review using AI was between $50,000-$99,999.

Price range	Value
Less than $50,000	~27
$50,000 to $99,999	~36
$100,000-$149,999	~22
$150,000-$249,999	~10
$250,000-$499,999	~5

Procurement involvement in tech buying process

- Every purchase
- Contracts above a certain $ threshold
- No purchases

48%

36%

16%

GCs reported there was a centralised procurement team involved in the tech buying process, with 48% of respondents answering that the procurement team was involved with every purchase, then 36% for purchases over a certain price threshold and the remaining 16% said they were involved in no purchases at all.

This data showing that **84% of GCs will need to involve procurement teams** in some or all of their technology purchases underlines the need to have a clear picture of the ROI when considering new technology opportunities.

Analysis
Given the huge leaps in technology in the last 12 months, it comes as no surprise that technology comes top of the list when it comes to opportunities for GCs to shore up the long-term success of their legal department.

Whilst technology can help GCs to free up time to dedicate to being a critical part of the overall business strategy, there are also knock-on benefits for their wider team - enabling their legal teams to have a better work/life balance and to improve team morale and job satisfaction at a time when there's pressure to deliver fast results with minimal resource.

Ultimately, the price of software is dictated by the value that it adds to the business. CLMs, with their high price points, have struggled to capture the market. Looking to the future, it will be interesting to see how a new era of technology, which has the scope to deliver dramatic results, will shape the decisions that GCs make on technology spend.

Summary

The report illustrates the extent to which GCs are exploring the critical impact that technology will have on the long-term success of their corporate legal department. With a step-by-step and strategic approach to solving challenges in their teams, GCs see the opportunity to free up their teams from the routine work to enable them to focus on high-value, strategic tasks.

The data indicates that GCs haven't found legacy technology like CLMs to be high value for their teams, reflected in the low adoption rate and the drawbacks identified by GCs. There is clear caution demonstrated by GCs when considering CLMs due to considerations about the time, resources and expense required to implement these "all or nothing" technology solutions.

LLMs and generative AI products that are uniquely fine-tuned to the requirements of in-house legal teams present a new opportunity to solve problems for GCs in a step-by-step way that can deliver immediate impact. Many of the day-to-day challenges identified by GCs in this report are well-suited to be solved using new technology, from accelerating routine contract review to locating important data buried in contracts.

What next?

As the majority of GCs have yet to carry out in-depth assessments of how LLMs and generative AI might empower their teams, there is a great opportunity to explore AI-native products that can deliver dramatic and fast impact for a fraction of the cost of legacy CLMs.

100

**GENERAL COUNSELS
ACROSS 28 STATES**

45

**DETAILED QUESTIONS
ABOUT THEIR TEAMS**

Background on the research

Research for this report was conducted by Robin AI in June and July 2023. The purpose of the research was to gain a deep understanding of the priorities of General Counsels in the US, the challenges faced by their teams, and their approach to technology.

General Counsels from 28 states across the US participated in the research, answering over 45 detailed questions about their departments. GCs across different industries including Finance, Education, Healthcare, Manufacturing, Construction, Real Estate, Food and Drink, Retail and E-commerce, and Entertainment formed the participant group for this study.

45% of respondents had an in-house legal team of 2 to 5 qualified lawyers, and 59% of respondents had at least 1 dedicated Legal Operations professional within their team. The median annual legal budget of the GCs surveyed was $1M - $5M. This included staffing, operations and technology spending.

Robin AI

Robin AI is a legal technology company and a leader in legal AI that was founded in 2019.

Used by in-house legal teams at hundreds of businesses globally, Robin AI's contract copilot is used to accelerate contract negotiations and to find information buried in contracts.

Robin AI combines the power of legal expertise, proprietary machine learning models and generative AI.

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