

WHAT WE SAW IN 2023

THE ECONOMY DROVE REACTIVITY



Nearly half of GCs around the world reported that economic conditions drove them to feel like they were constantly firefighting. The reactive posture led to further legal team issues, such as staff morale and retention. While firefighting is part of modern in-house life, real problems emerge when it becomes a chronic feature of law departments.

EFFICIENCY ROSE AS A PRIORITY



Perhaps in an effort to address the above challenge, we saw operational efficiency leap up in importance for in-house counsel at all levels. Careful thought went into the operations of in-house legal teams – ‘*what can be done by technology?*’ and ‘*what can be self-served?*’ were popular reflections by in-house leaders. Legal tech rose in share of wallet for many GCs, demonstrating the importance of tech in driving productivity gains.

COMPLIANCE CONTINUED TO PREOCCUPY



Similar to 2022, we saw boosted scrutiny of corporate compliance across most markets. Regulators were more demanding of companies in areas such as supply chain due diligence, environmental risk guidelines, data governance and much more. General Counsel found increasing compliance work coming across their desks as rising costs drove higher levels of insourcing of work.

HYPE FOR AI SKYROCKETED, THEN SOFTENED



The first half of 2023 brought a frenzy of excitement and chatter about the power and potential of generative AI. As the year progressed, the conversation evolved and matured into pragmatic applications within the legal space. For most in-house leaders, it was a matter of watching and learning – and waiting for the risks to lower.

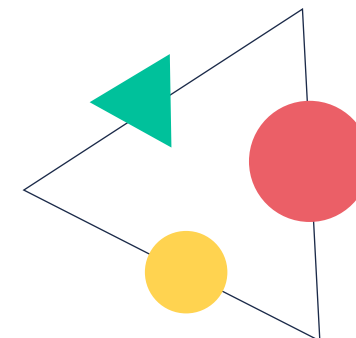
THOUGHT LEADERSHIP OF 2023

TOP 10 MOST POPULAR INSIGHTS

- [Under Pressure – 2023 global survey](#) (Report)
- [The broadening role of modern in-house counsel](#) (Article)
- [Showing the value of the legal department](#) (LODcast)
- [Unravelling AI for legal](#) (Webinar)
- [Summitting the mountain: are you ready for a GC role?](#) (Report)
- [Generative AI – part two](#) (LODcast)
- [The global state of in-house legal teams in 2023](#) (Webinar)
- [How legal teams can manage the microstress effect](#) (LODcast)
- [How to realise the value of legal ops](#) (Article)
- [Agile for legal: becoming a lean legal operations machine](#) (Report)

LEADING EXTERNAL COMMENTARY

- [Alternative Legal Services Providers 2023 Report](#) (Thomson Reuters)
- [The Future Ready Lawyer](#) (Wolters Kluwer)
- [2023 Legal Department Operations Index](#) (Thomson Reuters)
- [2023 In-house Counsel Trends Report](#) (ACC Australia & Wolters Kluwer)
- [The General Counsel Report 2023](#) (FTI Consulting)
- [2023: A Legal AI Odyssey](#) (Law.com)
- [2023 General Counsel Succession Report](#) (Barker Gilmore)
- [2023 Risk & Compliance Report](#) (Thomson Reuters)



5 PREDICTIONS FOR 2024



OUTSOURCING AS A RELIEF VALVE FOR LEADERS

We expect the rising trend of in-house leaders outsourcing workstreams to continue and accelerate in 2024. Smart-thinking GCs will shift whole tranches of work to partners in thoughtful collaborations that frees up internal bandwidth. Managed services will provide leaders with more time for strategic work and boost their reporting by adding data-driven and real-time analytics on their uplifted workstreams. More traditional relief valves, like interim lawyers, will continue to be a vital tool in the GC's arsenal.



ESG IS FRONT AND CENTRE ON THE GC AGENDA

ESG will not just be part of the business strategy; it will drive it. GCs will find themselves at the forefront of this movement – including the growing challenge of how to report on it. Mature approaches will integrate ESG principles into the daily operations. It's not about ticking a box, but embedding these values in the corporate ethos. GCs will need to focus on developing clear, actionable policies that are both legally sound and ethically grounded.



BALANCING LEAN OPERATIONS WITH VOLATILE WORKLOADS

The rising trend of lean legal teams will clash against unpredictable workloads. The challenge lies in balancing efficiency with agility, requiring a management approach that is proactive and adaptable. GCs will need to anticipate changes in workload and prepare their teams accordingly. This preparation might involve adopting flexible staffing strategies and implementing real-time matter management systems.



ARTIFICIAL INTELLIGENCE AND ETHICS COLLIDE

How do organisations safely, legally and morally use generative AI? These are questions we're only beginning to grapple with meaningfully. 2024 will see more clashes between the use of AI and proper ethical considerations. GCs will focus on AI's impacts on the business in areas such as intellectual property and data privacy.



RENEWED FOCUS ON GOOD GOVERNANCE

Governance featured prominently in news headlines worldwide at the end of 2023 with the OpenAI board saga. But far more than attention-grabbing headlines, we anticipate governance to be a central focus for many GCs in 2024. Strong governance frameworks will empower organisations to better address an array of emerging issues, such as data governance, employee relations and responding to uncertain economic conditions.

HEAR FROM OUR NETWORK OF EXTERNAL EXPERTS

“In 2024, we expect legal professionals to more proficiently unlock the value of generative artificial intelligence. Smarter collaboration is required both to use the technology and make sure it is advancing larger aims. Our research increasingly shows the potential of genAI as a collaboration partner - one you can tap into for expertise or perspectives that your team is lacking. To broaden AI’s use, colleagues from up and down the hierarchical ladder will be needed to brainstorm and carry out effective deployment.”

DR. HEIDI K. GARDNER

*Distinguished Fellow,
Harvard Law School*



“My prediction is that good governance will be the top priority for law departments in 2024. The already-flagged increased regulatory spotlight, the ongoing scourge of cybersecurity attacks, and the continuing push to up the ante on ESG matters – among other considerations – all point to an urgent need for in-house teams to get the house in order. If the authorities come knocking, businesses and organisations had better have proper governance processes in place across the board, and corporate counsel must be at the forefront of the implementation of such best practice processes.”

JEROME DORAISAMY

Editor, Lawyers Weekly



“I think 2024 will be the year when Africa emerges as a huge market for businesses based in the US, EU, China, etc. This will, in turn, mean in-house legal departments must brush up on legal and regulatory requirements for doing business in a vast number of countries. There are a lot of reasons for this dynamic including population growth, digital adoption, supply chain certainty, and a rising middle class. Africa will be the next China in terms of must-have markets and with a friendlier business environment compared to China.”

STERLING MILLER

Leading In-house Expert & Author



“Do we still remember pre-ChatGPT? In 2023, we experimented. In 2024, we’ll go deeper on the verticals – implementation, evaluation and ROI. By 2025, the ubiquitous use of generative AI and the democratisation of legal knowledge will redefine the value proposition of inhouse counsel by finally and fully supporting their role as a strategic and trusted business advisor.”

TERRI MOTTERSHEAD

*Executive Director,
Centre for Legal Innovation*



“It seems to me that ongoing debates about the place of lawyers in society will intensify, including the place and role of in-housers, including focus on lawyers shoring up the dubious practices of oligarchs and other powerful clients, on lawyers who enable corruption, and on lawyers as mouthpieces for sexual abusers (though NDAs etc). These are important rule of law questions.”

PROF STEVEN VAUGHAN

*Professor of Law and
Professional Ethics, UCL*



“2024 will be the year the world comes crashing through the gates of the legal sector. Wars in Europe and the Middle East will be joined by conflicts in east Asia and violence during and after the US presidential elections. International markets will feel the convulsions and large corporate entities will be forced to take sides, bringing new and unwelcome pressures to bear on general counsel and law firm managing partners.”

JORDAN FURLONG

Principal, Law21

