

**PRESS RELEASE** 

## Legal Departments Expect More Than 40% of Their Work to Involve Legal Technology in Next 5 Years A new pan-European Survey on building the modern, digitised legal department from Wolters Kluwer & European Company Lawyer Association (ECLA)

(21 April 2020) – The digital transformation of legal departments is at an intriguing stage. The *Legal Departments in a Digital Era* Survey from Wolters Kluwer and ECLA found that a considerable proportion of legal departments across Europe acknowledge the need to improve multiple aspects of organization, processes and management of legal departments. However, when assessing maturity levels and determining urgent needs for improvement, it becomes evident that although legal departments in Europe have started embracing the digital transformation journey, more needs to be done before the function is truly transformed.

"As legal departments historically function from a "never change a running system" perspective, we are still at the early stages with introducing new-age approaches in-house. However, as shown by this survey, enthusiasm is high across Europe, with corporate lawyers expecting considerable changes in how legal work can be done" says Jonathan Marsh, President of the European Company Lawyers Association (ECLA) and Vice President, International General Counsel, Total Marketing & Services.

The Legal Departments in a Digital Era Survey included quantitative interviews with approximately 400 company lawyers from across five European countries: Germany, Netherlands, France, Spain and Belgium to examine how legal departments have progressed in terms of their digital transformation and what the main hurdles are which they are currently facing. The Survey focused on positioning of legal departments in their organization, priorities in legal departments, digital strategies, organization & budget and practical experience with legal technology.

Detailed findings are available in the study report, which can be downloaded at: <a href="https://ecla.eu/digitalera/">https://ecla.eu/digitalera/</a>

Key findings of the *Legal Departments in a Digital Era Survey* include:

- Positioning: 76% of legal departments across Europe are integrated closely within the organization, whereas 24% act as external law firms within their respective organizations.
- Current priorities: Collaboration tools have already been improved by 47% of European legal departments, followed by document management at 35% and demonstrating departmental value at 34%. Process structuring and information management are planned to be improved by almost half of legal departments.
- Digital strategies: 47% of legal departments in Europe have already established a digital strategy, with an additional 20% currently considering it. However, only 33% of digital strategies have specific goals and a timeline for achieving milestones.
- Digital budgets: Even though 67% of legal departments are working with digital strategies, only 33% of those strategies have an established budget. Budgets vary significantly, but the majority of those legal departments that have an established budget currently operate with budgets up to € 100,000.

Legal technology in use: 60% of legal departments have already improved their shared data repositories. Data privacy management tools are currently implemented in 33% of legal departments across Europe. Legal technology solutions such as contract lifecycle management, data privacy management, legal matter management, e-signature and legal spend management are expected to experience an accelerated adoption in the next 5 years.

"The Survey indicates the necessity of having a clear digital strategy and implementation plan for your legal department. Selecting, introducing, and successfully using technology highly depends on understanding the optimal way to run legal activities in one's specific organization. Only when the digital strategy is aligned with the overall strategy and driven by the priorities of the legal department, can the value of the output be maximized," says Giulietta Lemmi, Managing Director Wolters Kluwer Legal & Regulatory Global Legal Software Unit.

## Strong support for the lawyer of tomorrow, including accelerated adoption of legal technology

The *Legal Departments in a Digital Era* Survey also examined where support for a digital strategy within the organization came from. From C-level executives to legal department members of all levels to the IT departments - support for the transformation of the legal department exists throughout the company. There are high expectations: 63% of the surveyed participants anticipate that between 40% and 80% of their daily work will involve legal technology in the next five years.

In addition to the *Survey* findings, the *Legal Departments in a Digital Era* study report also includes insights from legal industry experts from the five surveyed European regions.

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## About European Company Lawyers Association (ECLA)

European Company Lawyers Association (ECLA) is the umbrella organisation for 21 company lawyer associations in Europe and represents the common interests of 68,000 company lawyers in Europe. During the past 30+ years, ECLA has gained recognition as the leading representative of European company lawyers' associations and their individual members. In this unrivalled position, ECLA has established a platform to respond to and exercise influence on the European in-house corporate counsel network, European organisations, and policy making bodies.

## **About Wolters Kluwer**

Wolters Kluwer's Legal Software unit, part of the group's Legal & Regulatory division, is a global leading provider of innovative and practical software solutions for corporate legal departments and law firms, including *Legisway* and *Kleos*. Its cloud-based and on-premise portfolio of solutions is developed side by side with customers, enabling legal professionals to increase efficiency, performance and mitigate risk. State of the art, ISO-certified technology and teams of experts ensure the highest security and quality of service for more than 100,000 legal professionals across nine countries in Europe and the US.

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