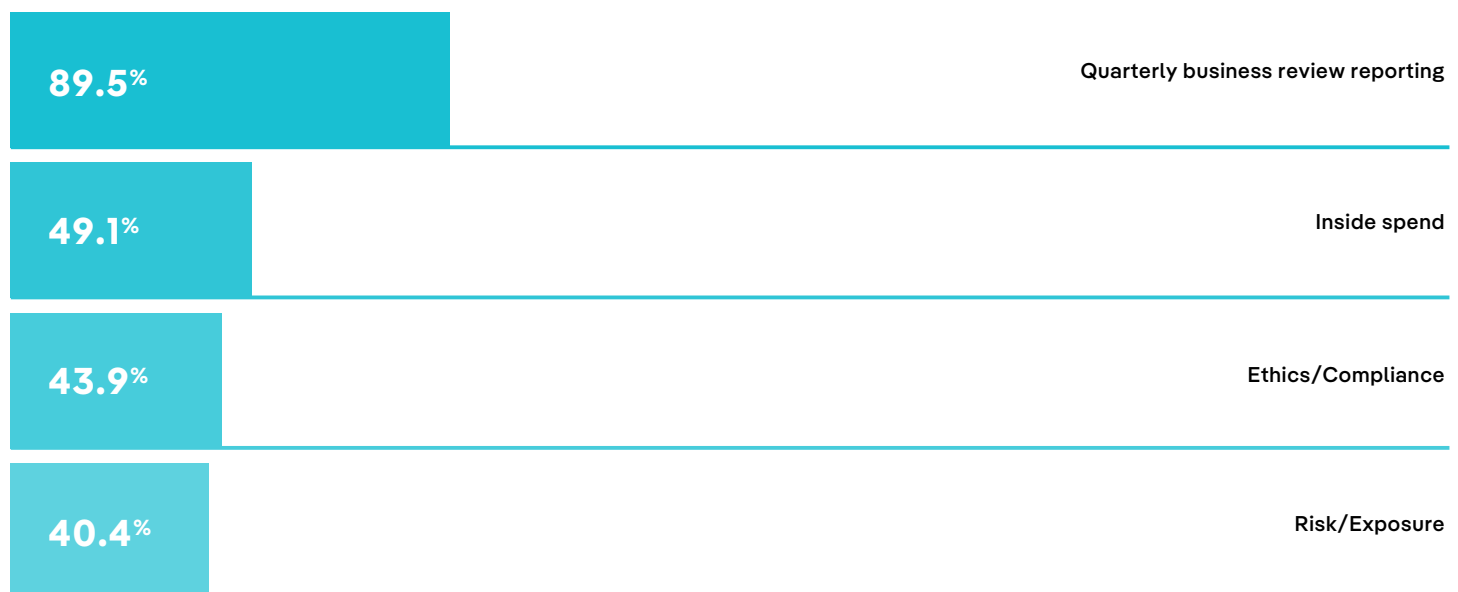# THREE KEY DATA POINTS LEGAL OPS NEED TO TRACK

Today's legal operations professionals are leveraging contractual data for legal and other departments, and driving enterprise impact, like quicker time to signature and increased revenue. And perhaps the best evidence of their interest in contract data analysis can be found in the Blickstein Group's **14th Annual Law Department Operations (LDO) Survey**. In it, respondents revealed the contract lifecycle management (CLM) information they track and value, along with the usual business benchmarks.

Some of their responses, highlighted in this document, illustrate the importance of having the *most* accurate legal data available — and using the *right* legal technology to achieve that end.

01. TRADITIONAL BUSINESS METRICS

In the 2021 LDO Survey, 89.5% of respondents reported they are concerned with quarterly business review reporting, in general. Meanwhile, only 49.1% track inside spend, 43.9% keep close tabs on ethics and compliance, and 40.4% are ever mindful of legal risk and exposure. But a growing number of respondents aim to increase their metrics tracking with the support of technology.
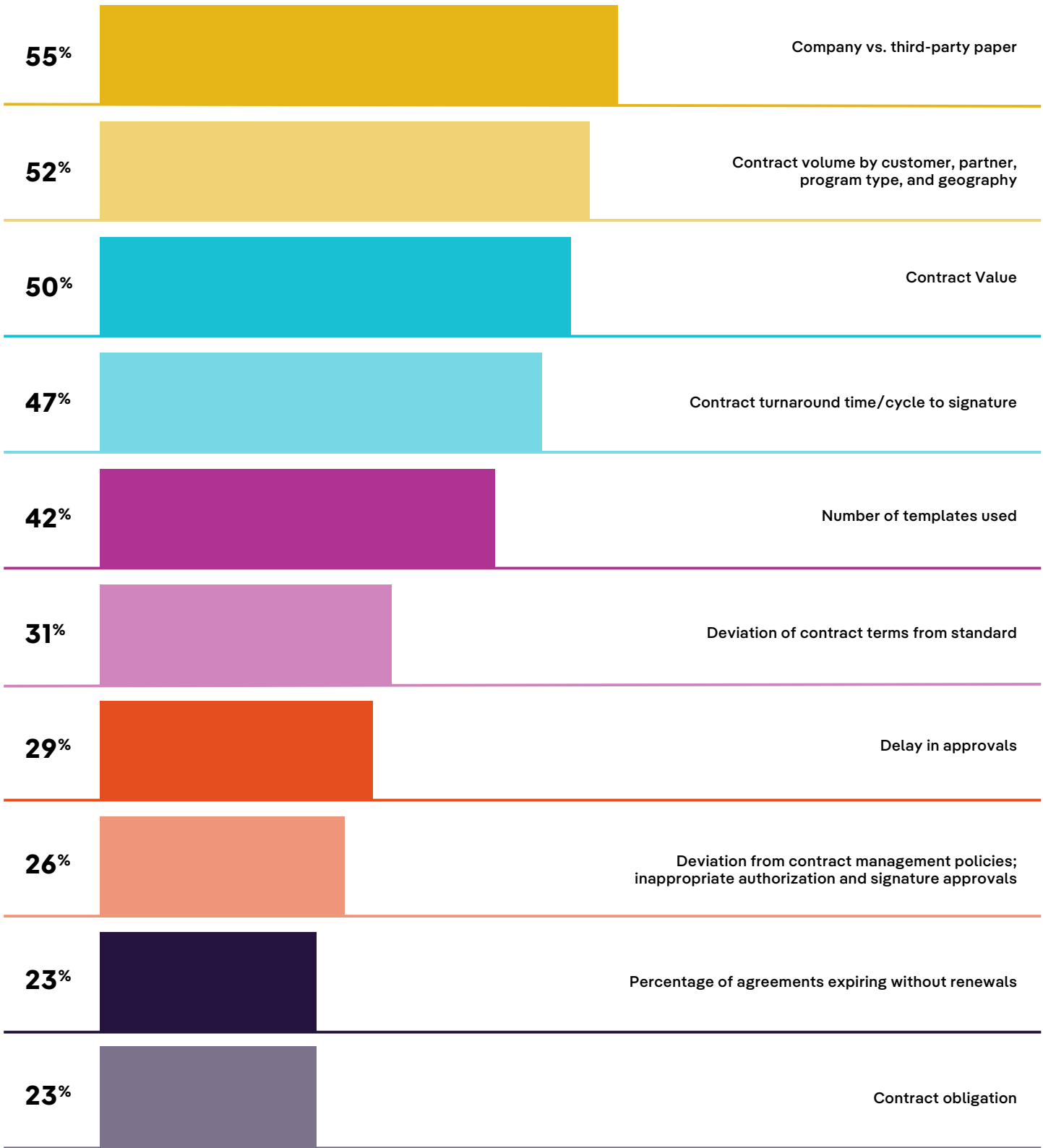
Which of the following metrics do you track?

89.5%	Quarterly business review reporting
49.1%	Inside spend
43.9%	Ethics/Compliance
40.4%	Risk/Exposure

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02. CONTRACT LIFECYCLE MANAGEMENT DATA

LDO Survey respondents also said they currently track CLM data for multiple departments. In particular, 55% said they track company versus third-party paper — just 3% more than those who said they keep tabs on contract volume by customer, partner, program type, and geography, and 5% more than those who said they are concerned with contract value.
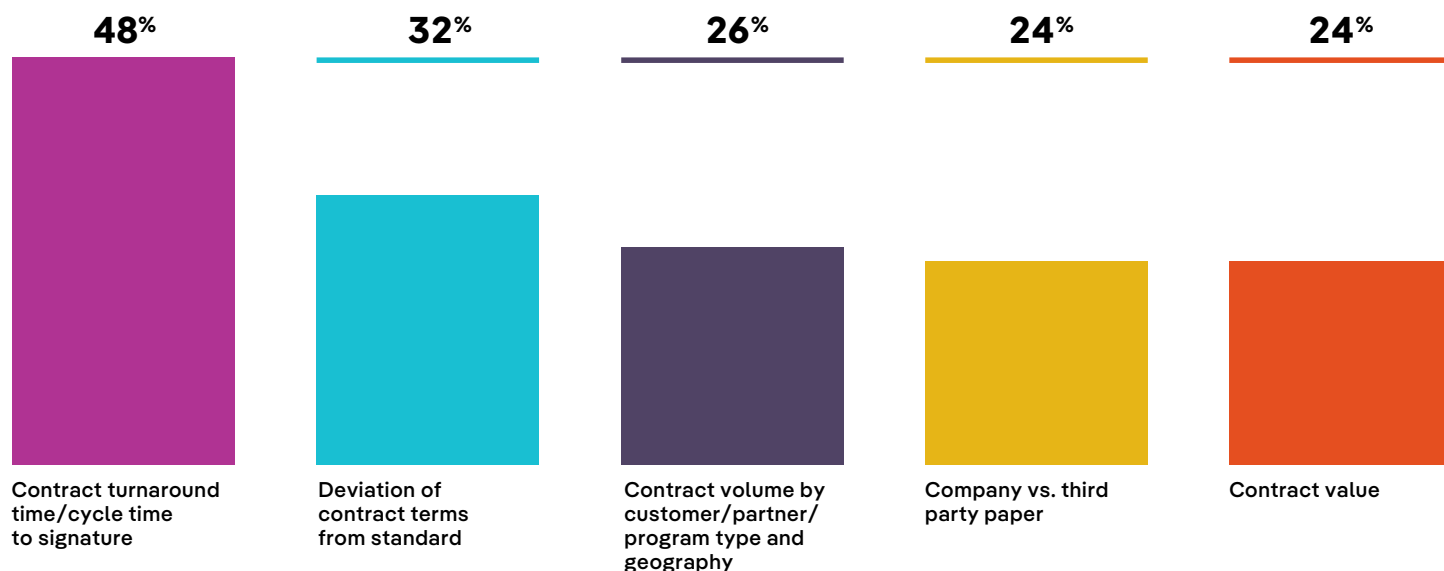
With regard to your CLM processes, what data do you currently track?

%	Category
55%	Company vs. third-party paper
52%	Contract volume by customer, partner, program type, and geography
50%	Contract Value
47%	Contract turnaround time/cycle to signature
42%	Number of templates used
31%	Deviation of contract terms from standard
29%	Delay in approvals
26%	Deviation from contract management policies; inappropriate authorization and signature approvals
23%	Percentage of agreements expiring without renewals
23%	Contract obligation

Valuable Contract Lifecycle Management Data

Today's agreements are invariably complicated, which means they tend to take longer to process. As a result, 48% of LDO Survey respondents indicated they view contract turnaround time — or the average number of days in a contract lifecycle — as the most valuable CLM data. Because it alerts legal ops professionals to increasing contract risks — and the corrective action needed — deviation of contract terms is considered to be an important data point, too (32%). So is the total value of the contracts being managed (24%). In fact, the value of agreements is considered to be one of the biggest factors determining organizations' financial growth.

With regard to your CLM processes, which data do you value most?

48%	32%	26%	24%	24%

Contract turnaround time/cycle time to signature

Deviation of contract terms from standard

Contract volume by customer/partner/program type and geography

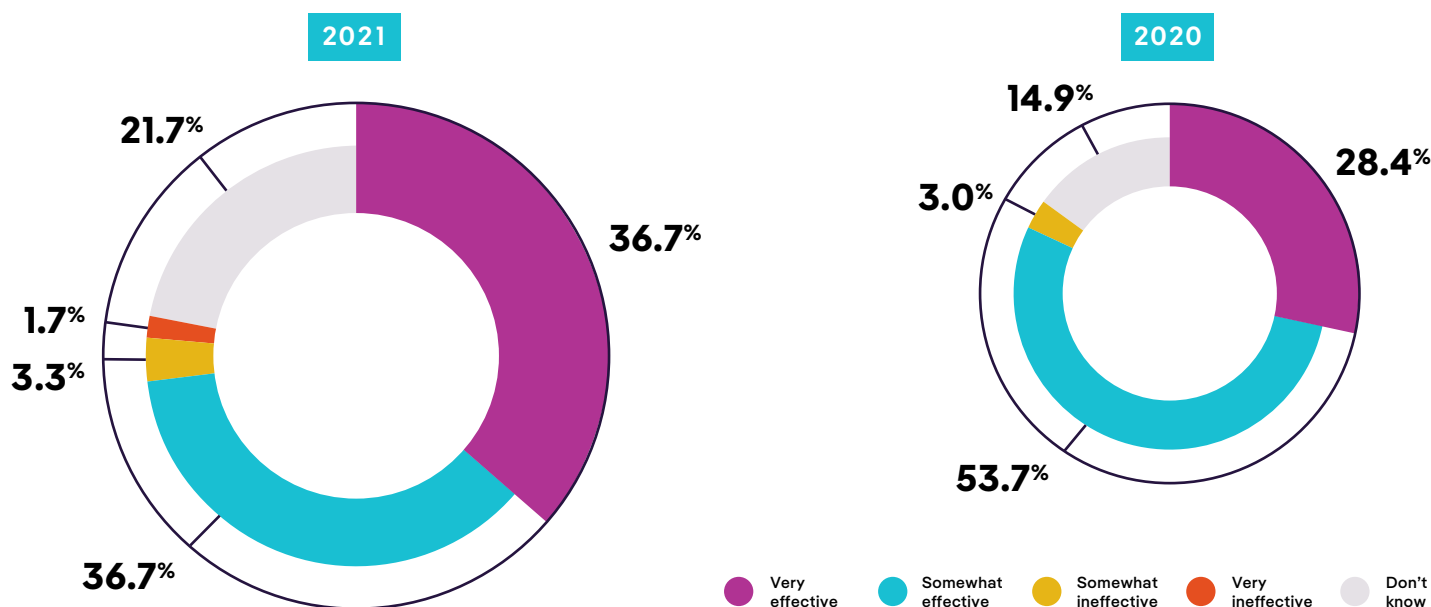Company vs. third party paper

Contract value

*Survey participants were allowed to select the three most valuable pieces of data in their responses.

03. OUTSIDE COUNSEL RELIABILITY STATISTICS

Insightful data analytics are considered crucial for companies' growth, competitiveness, and success. But between 2020 and 2021, the number of LDO Survey respondents who described their outside law firm as being "very effective" at data protection only increased from 28.4% to 36.7%. Meanwhile, those who described their firm as being "somewhat effective" at the same decreased from 53.7% to 36.7%.

How effective is your outside law firm's protection of your data?

2021

- 36.7%
- 36.7%
- 3.3%
- 1.7%
- 21.7%

2020

- 28.4%
- 53.7%
- 3.0%
- 14.9%

Legend:
- Very effective
- Somewhat effective
- Somewhat ineffective
- Very ineffective
- Don't know

CONCLUSION

Judging by the 2021 LDO Survey results, then, it is clear that law department operations desire more contractual data than ever before. In fact, in recent years, reporting requests have increased drastically, along with the need to extract critical contract information. But those who use AI-based contract data analytics — offered by secure and reliable legal platforms — are better able to gain real-time insights into their agreements. They can then determine overall contract performance and understand their contractual relationships. They can define short- and long-term business goals, and come up with effective strategies to help legal and other departments reach their highest potential.

You can see more results from the 2021 Law Department Operations Survey in the report, "*Navigating in the Era of Doing More With Less*." And to learn how to view the contract lifecycle management (CLM) market — and choose your own legal platform — **REQUEST A COPY OF OUR LATEST GUIDE**.

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