What Spend/Matter Metrics Can We Track?

- % of legal spend to revenue

- Internal v. external spend

- Budget to actual

- Spend with specific firms

- Budget & accrual accuracy from OC

- OC savings by firm (YOY)

- Year-over-year trends
  - Which BUs are driving OC spend
  - Types & volume of matters going to OC vs managed by in-house counsel or ALSP

- RFP v non-RFP firm spend/utilization

- Low-cost firm usage

- Spend by task codes, practice area, business unit and geography

- Firm rates & staffing:
  - Timekeeper rate increases over time (by timekeeper type)
  - Timekeeper utilization (by timekeeper type)

- AFA usage and adherence to AFA or % of deviation from AFA

- Diversity: specifically, who is getting the origination on cases and at what level

- Litigation exposure

- Cost per matter/matter type

- Unit (i.e., hourly) matter costs

- Quality and outcomes

- Matter cycle time

- Matter complexity; # of high-risk/reputational risk matters

- Total cost of resolution

- Communications/timeliness

- Administration/adherence to guidelines

- Is OC keeping their promises on rebates?

- Total settlements & reserves

- Lessons learned

- Other external spend

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What Contracting Metrics Should Be Tracked?

- Open matters (by attorney)

- Types of agreement (to see which are most common agreements worked on:
  - TCV, GBU, region/country and complexity (L, M, H)

- Time to close a matter/cycle time
  - Turn-around-Time

- Key dates - pricing, cancellations, key provisions

- Closed matters (by attorney)

- Rating of experience
  - E.g., CRM sends follow-up e-mail to the client for feedback on the experience

- Volume/contract type, workload (by resource)

- Agreements that "never close"
  - E.g. , look at the open matters and see which ones we end up closing – that will show where we might "waste our time" on matters that never close)

- LSO – Legal Services Outsourcing
  - If an LSO is used, how many procurement contracts do they handle on a monthly basis? What type? What region?

- % of "standard" versus negotiated
  - If they are standard, atty's should not be doing

- Provisional "hot spots"
  - Potential candidates for language/policy revisions

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What Contracting Metrics Should Be Tracked?

- Contract Cycle Time (Aging) Insights:
  - Total contract cycle time monthly
  - # of contracts by aging days (i.e., how many contracts had a cycle time of 0-1 days; 2-3 days; 4-5 days; >30 days)
  - Aging cycle time by contract entry type
    - Approve & store
    - Approve, eSign & store
    - eSign & store
- Total value of contracts (active)
- Total # of contracts pending contract approval
- Total # of contracts pending signature

- # of contracts expiring in 60/90/120 days
- Contract expiration type
  - i.e. evergreen, single date, life of product, etc.
- # of contracts on litigation hold
- # of contracts that have been terminated (vs. expired)
- # of contracts that deviate from standard payment terms
- Contracts by hierarchy (parent vs. child)
- Contracts by deal/business owner
- # of contracts by country

4

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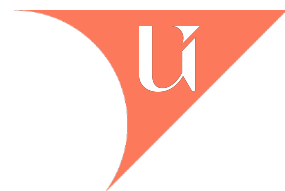
What IP Metrics Can We Track?

- Time spent per employee innovating

- Cost to support innovation initiatives (i.e. inventor incentives, contests, tools, staff, etc.)

- Number of inventions generated

- Time to complete (i.e., efficiency of) the invention disclosure process

- Patent application costs

- Quality of invention disclosures (number of iterations; prosecution costs; rate of issuance)

- Revenue generated from sales of products using patented assets

- Revenue opportunity generated from licensing

- Patent annuity expenses compared with revenue performance per jurisdiction

- Paralegal and related administrative expenses for internal intellectual property team

- Cost of tools and technology used to manage intellectual property legal processes

- Costs of outside intellectual property counsel compared with results

- Time to complete each step of the intellectual property process

- Labor and resource utilization at each stage

- Drop off rate of an intellectual property asset's progression (and associated costs)

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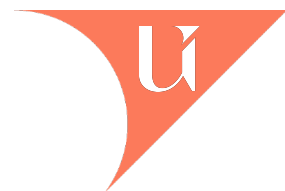
What Privacy Metrics Can We Track?

- Average privacy document "age"

- Number of days between on-boarding and completion of basic privacy and security training

- Number of privacy risks that are outstanding after allocated mitigation period

- Number of completed privacy assessments

- Number of incidents tracked by origin; by organizational unit; by project; by security level

- Mean time to initiate response to an incident

- Mean time to complete response to an incident

- Percentage of organizational budget dedicated to privacy

- Percentage of privacy personnel with recognized privacy certifications

- Percentage of staff receiving privacy training

- Average cost of an incident

- Percentage of "high-sensitivity" solutions with encryption, anonymization or pseudonymization capabilities

- Percentage of "high-sensitivity" solutions with monitored audit trails

UpLevel Ops
Take Legal to the Next Level

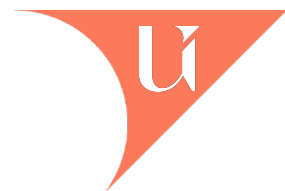# What AI Metrics Can We Track?

Governance & Risk

• % of GAI use cases approved through formal governance

• % of GAI-related policy violations

• % of incidents tied to misuse or hallucination

• Risk assessment score per AI tool or use case

• Time to identify and mitigate AI-related compliance issues

• % of GAI outputs reviewed by humans before client delivery

Productivity & Efficiency

• Time saved per matter using GAI

• Reduction in time to draft standard documents

• Average cycle time: GAI-assisted vs traditional workflows

• Volume of AI-assisted work products per quarter

• % of legal work assisted by GAI

Adoption & Usage

• User adoption rate by team/BU

• Number of use cases in active deployment

• Number of custom AI tools created by team

• GAI training completion rate

• Prompts submitted/month per platform

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What AI Metrics Can We Track?

Data Privacy & Security

• % of GAI tools with DPAs in place

• % of privacy/security issues tied to GAI

• Completeness of GAI audit logs

• Compliance of GAI tools with encryption/retention policies

Spend Management

• GAI licensing costs vs realized ROI

• Reduction in external counsel spend due to GAI

• Cost savings per matter type from GAI use

• Cost per GAI document/request

Quality & Outcomes

• Accuracy rate of GAI-generated outputs

• % of outputs requiring rework

• Client satisfaction with GAI-influenced deliverables

• Favorable outcomes supported by GAI

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What Other Metrics Can We Track?

Matter
- Total matters
- Matter types (YOY)
- Matters by location and/or BU
- Matters by practice group
- Average time to resolve

Headcount/Staffing
- Open reqs, location, practice group
- No. of admin, attorney, legal professional, & paralegal (YOY)
- % of total employees by location
- % of total employees by practice group
- Attrition rates
- Allocation of workload
- Diversity Statistics

Ethics & Compliance
- Total matters
- Matter types (YOY)
- Matters by location and/or BU
- Matters by practice group
- Reporting method used
- Root cause
- % of E&C matters found to have substance
- Resolution cycle time

Miscellaneous
- # of client trainings performed
- Client feedback

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What KPIs Should We Use?

Matter/Spend

- Favorable outcomes
- Total legal spend as a % of revenue
- Invoice reduction spend
- Total settlements/judgments paid

Risk/Ethics & Compliance

- Risk mitigation
- Cost of unanticipated risk
- Cost avoidance
- Number of internal trainings & litigation cost reduction
- Number of legal, regulatory, legislative, & environmental updates
- Litigation risk assessment report
- Non-regulatory fines/penalties

Headcount/Staffing

- Internal staff workload
- Diversity

Miscellaneous

- Internal customer satisfaction
- Strengthen vendor relations
- Contract compliance and standard terms

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