

WHAT WE SAW IN 2022

LAWYER EXPECTATIONS SET ON FLEXIBILITY

We saw a couple of workforce trends collide – the Great Resignation from 2021 met the “quiet quitting” trend of 2022. These two forces maintained the spotlight on our relationship with work. While the tight labour supply is showing signs of easing, the expectation of employees are not changing – they want flexibility and autonomy. This led to a decreased tolerance of “greedy jobs”.



RISK MANAGEMENT WAS FRONT AND CENTRE

Our report showed that the top strategic concern for 68% of GCs globally was ensuring that risk is appropriately managed. We also saw that many GCs reported to be highly-valued by their organisation by virtue of their ability to identify real risks. Progressive legal and risk functions are using tech and data to better monitor, triage and assess the risks to their business.



GREATER CORPORATE SCRUTINY OF ESG

Media outlets and regulators around the world have begun more closely scrutinising ESG claims by companies, particularly focusing on potential “green-washing”. Further, the regulations around ESG have firmed up in many jurisdictions and uncertainty around enforcement has narrowed.



STRATEGIC VALUE LIMITED BY BAU WORK

The challenge of managing the volume of *business as usual* work coming into the legal department sharpened. We saw 60% of GCs struggling to prioritise their large volumes of work. Many factors fed into this demand: a growing compliance landscape, legal tools lagging behind business processes, staff attrition and disengagement, new types of legal work and more. This rising BAU demand deepened the challenge for GCs to add value.



TOP THOUGHT LEADERSHIP OF 2022

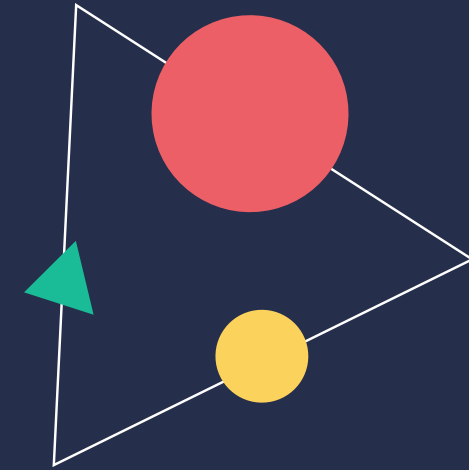
10 MOST POPULAR LOD + SYKE INSIGHTS

- [Risky Busyness – LOD’s global survey](#)
- [Legal Analytics – where do I start?](#)
- [How in-house lawyers can better communicate with the business](#)
- [Using data to boost the value of in-house legal teams](#)
- [Building resilience for lawyers](#)
- [Making the business case for CLM](#)
- [Legal project and portfolio management](#)
- [Wellness for lawyers](#)
- [How to boost your legal team with interim lawyers](#)
- [Implementing CLM by setting your north star](#)

LEADING EXTERNAL COMMENTARY

- [Chief Legal Officers Survey \(ACC\)](#)
- [2022 Top Priorities for Legal, Compliance and Privacy \(Gartner\)](#)
- [2022 State of Corporate Law Departments \(Thomson Reuters\)](#)
- [Legal businesses branch out to meet demand \(Financial Times\)](#)
- [Future Ready Lawyer 2022 \(Wolters Kluwer\)](#)

5 PREDICTIONS FOR 2023



1. HIGH DEMAND FOR JUNIOR LAWYERS IN MOST MARKETS

Last year we predicted a tight labour supply, a prediction that came true in all major legal markets. In 2023, supply may loosen at the top end, but we expect to see continued and even greater demand for paralegals and junior lawyers.



2. CYBERSECURITY AND DATA PRIVACY TAKE CENTRE STAGE

The rising threat of corporate data hacking will continue and legal teams will work much closer with their organisation tech and infosec teams. Legal departments will need to review data compliance and ensure preparedness for data breaches. Cyber incident simulations will grow in popularity.



3. CLM BECOMES UNAVOIDABLE

GCs will grow tired of murky contractual oversight and CLM projects will find their way to the top of their list. Businesses will demand easier to use contracts and GCs may run concurrent projects to simplify and harmonise templates, alongside implementing CLM. At-hand contract data will enable GCs to shed light on demand and in real-time.



4. DIRECT ENTRY INTO IN-HOUSE LEGAL BROADENS THE FIELD

New pathways of entry into the legal profession will mature and direct to in-house legal work will grow in popularity in a few markets, the UK in particular. This will be good news for both GCs and aspiring junior lawyers – not such good news for law firms. Wider entry should lead to greater inclusivity.



5. TIGHTER PURSE STRINGS DRIVE DATA INSIGHTS

Facing a gloomy global economic outlook, in-house teams across most sectors will find less budget than last year. The need to demonstrate ROI will force GCs to boost their reporting to the board and start tracking key activities that feed directly into data dashboards.

HEAR FROM LOD AND SYKE'S NETWORK OF EXTERNAL EXPERTS

"I think we're likely to see increasing conversations – and some pretty tough ones at that – on lawyers, including in-housers, as professional enablers. My sense is this will be both about things we've already seen discussed (like the ongoing broad topic of business and human rights) but also some doubling down and greater focus on the role of lawyers in facilitating and worsening climate change."

Prof Steven Vaughan,

Professor of Law and Professional Ethics, UCL



"As AI software gets better and gains broader adoption in law departments, there will be increasing demand to hire legal engineers to train and supervise the software."

Gabe Teninbaum,

Professor at Suffolk University Law School, and CEO of SpacedRepetition.com



"In 2023, the ongoing pressure on legal tech company valuations and the need to show real growth in revenue generation to investors will finally create the conditions where several legal tech startups that have been 'treading water' will go under or seek 'rescue via acquisition'. This will be a real pity, and I have huge sympathy for the founders, but it is perhaps necessary for the legal tech market to rationalise itself and for true value to be ascertained in what remains a highly congested sector packed with dozens of small, slow-growth businesses."

Richard Tromans,

Founder, Artificial Lawyer



"Allied Legal Professionals cemented their place in the legal ecosystem in 2022. Legal operations professionals continued to lead the charge with data analysts, project managers and knowledge managers close behind. In 2023, we'll see industry standards and more micro-credentialing emerge to support them!"

Terri Mottershead,

Executive Director, Centre for Legal Innovation at the College of Law



"I think time constraints will be the biggest hurdle for in-house lawyers to overcome in the next 12 months. Whether a recession hits or not, many businesses will be looking to tighten belts, and law departments may see themselves with even less budget than before, which could result in more work being kept in-house than being farmed out to external providers, thereby meaning more to undertake day-to-day. Corporate counsel are well-versed at doing more with less, of course, but – with so much happening in the world around us – managing one's time in dealing with such a workload could be onerous."

Jerome Doraisamy,

Editor, Lawyers Weekly

