

Chief Legal Officers 2017 Survey

Association of Corporate Counsel
2017

OBJECTIVE:

The survey aims to get insight on the business priorities, career satisfaction, organizational processes, outside counsel and vendor management, budget and spending, staffing, compensation, and a variety of new topics. In addition, the report aims to highlight plans and historical trends in hiring, staffing, and budgeting.

METHODS USED:

This survey opened on Sept. 26 and closed on Nov. 3, 2016. A total of 1,139 lawyers participated with 1,096 responses included in this analysis; 75 percent (851) of respondents were ACC members, and 25 percent were non-members. Among members, a total of 7,640 GC and Chief Legal Officers (CLO) members were invited to complete the survey for a response rate of 11 percent.

KEY FINDINGS:

- A significant proportion of CLOs report that a regulator has targeted their organization in the past two years (28 percent). Twenty-three percent say their company experienced a data breach during this time, and 17 percent have been targeted by a patent troll or NPE.
- Ethics and compliance remain the top issue for CLOs. 74 percent rate ethics and compliance as somewhat or very important in the next 12 months, up 3 percentage points from last year (71 percent).
- Thirty-one percent of CLOs reported that they terminated at least one law firm or outside counsel relationship for underperforming in 2016. Forty-six percent report that they either definitely (10 percent) or may (36 percent) terminate a law firm or outside counsel relationship with the intent to hire a new firm to perform the same work in 2017.
- On average, 24 percent of the law department budget is spent on litigation. Those in the top 5 percent spend as much as 80 percent of their budget on litigation. Generally, the larger a department's budget, the greater the percentage of that budget is spent on litigation.

CONCLUSION:

The importance of policy changes in an organization is dependent upon several factors such as, geopolitical events, regulations, among others, in which the CLO must take into account when creating plans to enter a new market, adjusting insurance policies, and revising policies that promote employee safety.

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