

#### The 9 biggest challenges facing in-house lawyers in 2025

(and how to tackle them)





#### Introduction

We partnered with Nomio to conduct in-depth research, engaging directly with General Counsels, Fractional GCs, Heads of Legal, and professionals working closely with in-house legal teams across a wide range of UK organisations. Through these conversations, we've uncovered the key challenges the legal profession is expected to face in 2025.

Rather than run an anonymous survey and collect aggregate data, we've aimed to uncover the human stories and real experiences of the in-house folks actually doing the job. So, you won't find agglomerated statistics in this report (after all, the average height between an elephant and a mouse is useless), but what you will find is all the important stuff, like what makes in-house lawyers tick, and what keeps them up at night.

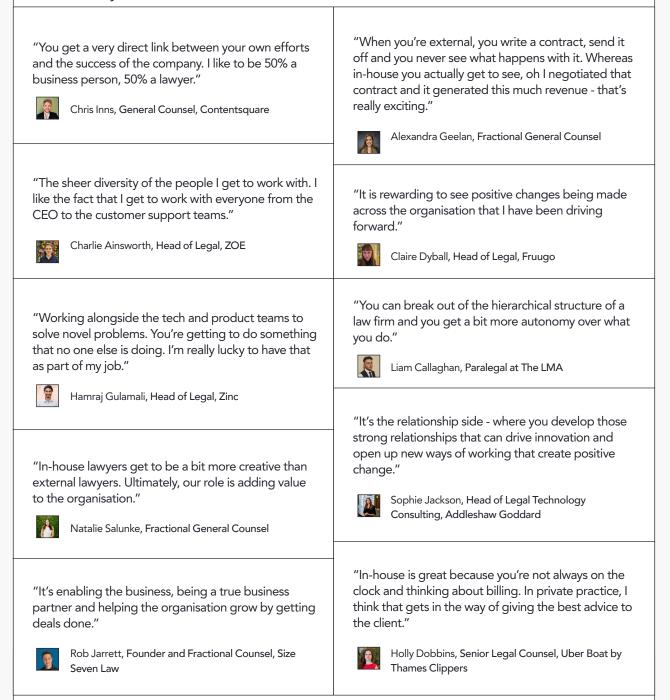
By compiling these insights into nine key challenges, we aim to help inhouse lawyers be prepared for the year ahead. But we don't just talk about the problems; we're hashing out the solutions, too! While many of the issues faced by in-house lawyers are not new, they have been steadily growing in intensity, which is why it's so important to start tackling them.



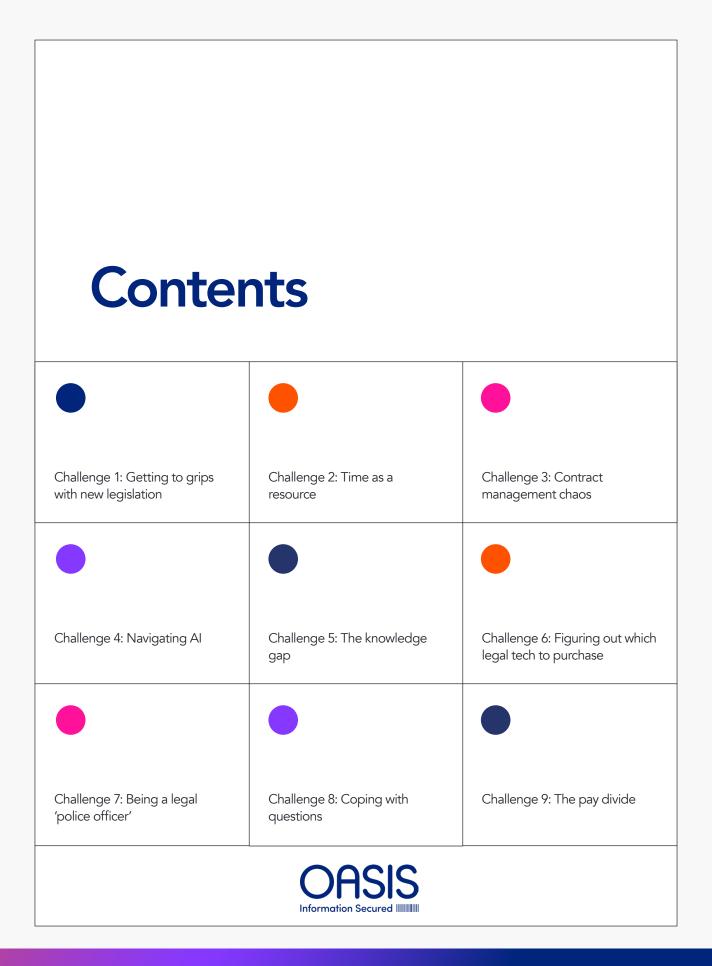
# We're ready to tackle 2025's challenges!

Despite its challenges, being an in-house lawyer is still one of the most rewarding roles in an organisation. We asked you what you most enjoy

about your work...







### Getting to grips with new legislation



Whether you work for a B2B or consumer-facing business, in-house lawyers will have to get to grips with a raft of new laws in 2025.

The change in the UK government has brought a shake-up of existing legislation, while EU directives like the Corporate Sustainability Due Diligence Directive and the Digital Markets Act require firms to address compliance.

Charlie Ainsworth, Head of Legal at personalised nutrition app ZOE, says changes in regulation are coming in thick and fast: "There's an avalanche of consumer legislation coming in 2025. There are changes to employment law, and the data protection regime is going to be overhauled for the fourth time. That affects us."

"It's a constant struggle for small in-house teams that have a lot of specific niche areas to get their heads around."

Charlie Ainsworth, Head of Legal, ZOE

Another reason in-house lawyers are having to master new regulatory frameworks is the rapid adoption of artificial intelligence by businesses. "What's happening in the AI space is moving so quickly," says Sophie Jackson, Head of Legal Technology Consulting at Addleshaw Goddard. "For many, trying to keep on top of all those changes is challenging when you're busy firefighting the day to day."



Claire Dyball, Head of Legal at cross-border marketplace Fruugo, adds that it's not only understanding and navigating the multiple layers of evolving legislation that's a challenge for in-house lawyers, there is also the pressure to quickly disseminate knowledge throughout their organisations to drive engagement and preparation.

"The eCommerce landscape has become heavily regulated, and legal teams in global businesses have to expeditiously understand and prepare for seismic EU, UK and rest of world legislative changes," she says. "Legal teams must then educate the business, work with company executives to obtain 'buy-in' and then with Product and Software Engineering teams to adapt, create and prepare new business processes at speed to ensure compliance."

#### The solution: Legal databases

Keeping up to date with changing legislation is made easier by resources such as Thomson Reuters' Practical Law and LexisNexis Practical Guidance. These resource tools cover the gamut of practice areas and offer legal updates and accurate guidance for lawyers.

As Hamraj Gulamali, Head of Legal at HR software provider Zinc, says: "Being able to log on to a central database like Practical Law and then just have everything at your disposal, it changes how much time you have to spend doing something. It has a big impact on the way we operate."

# Time as a resource



#### 79%

of corporate law departments report an increase in the volume of legal matters their department is handling

For most in-house lawyers there just aren't enough hours in the day.

According to Thomson Reuters Institute's recently released <u>2024 Legal</u> <u>Department Operations Index</u> (LDO), 79% of corporate law departments report an increase in the volume of legal matters their department is handling. It's a problem that's been compounded by flat or declining headcounts (reported by two-thirds of respondents).

Zinc's Hamraj Gulamali says 'time as a resource' has become a big issue in the in-house community.

#### "There's not enough time to do the things that you want in the timescale."

Hamraj Gulamali, Head of Legal, Zinc

"You start to do the maths, and you can quickly work out that if you want to achieve something by the end of H1 2025, then either you need to resource it effectively - so we need to hire more people - or other things have to be deprioritised."



While it's a struggle, Fractional General Counsel Natalie Salunke says having to do more with less is not unique to the in-house community: "That's anywhere in the world, it's called efficiency, it's called improvement. There's always that pressure to do that. And so you've got to be innovative. That's why being a lawyer now, in-house or anywhere, isn't just about being on top of the law; it's about the delivery of legal services as well."

#### The solution: Time-saving tech

Automating repetitive tasks and streamlining processes should be a key focus for in-house legal departments in 2025. Building the right tech stack can free up time spent on administrative work so in-house lawyers can focus on what they're really skilled at – advising and collaborating with the business.

Fractional GC Natalie Salunke recommends exploring tools that integrate AI: "AI can save me time on low-value tasks. For example, if I'm trying to come up with language for an email, if I've got something in front of me, I can top and tail it and scribble bits out and make it better."

"Ultimately, I'd rather my time be used for higher value, more interesting work."

Natalie Salunke, Fractional General Counsel

#### Contract management chaos



#### Managing contracts sounds simple, but many in-house lawyers find themselves drowning in them.

Especially in start-ups, contracts can be a total mess - filed in different folders, with inconsistent naming conventions, and no way to keep track of amendments or expiry dates.

"It's one of those things that falls by the wayside," says ZOE's Charlie Ainsworth. "Until you get an in-house lawyer in place who comes in and says, where is everything? And you find it's quite scattered."

It's not only locating contracts that poses a challenge; Rob Jarrett, Founder and Fractional Counsel at Size Seven Law, adds that finding information within them can be a nightmare. "Lawyers get lots of questions about existing contracts, not necessarily legal questions," he says.

"The lawyer then has to dig out the contract, read through it in its entirety, figure out the answer to that question, report it back, and you get a lot of those all the time."

Rob Jarrett, Founder and Fractional Counsel at Size Seven Law



Even when a system is in place, the data is often unreliable, says Chris Inns, General Counsel at analytics company Contentsquare.

"The challenge I've always had with any sort of CLM with a contract repository attached is that the information is never accurate."

Chris Inns, General Counsel, Contentsquare

"Because we have multiple systems talking to it, any information in there about dates or the commercial elements of the deal is usually garbage."

Aside from being frustrating, this can have negative consequences for in-house lawyers and their businesses, with key dates and contractual deadlines easily getting missed.



# The solution: A dedicated contract repository

A dedicated contract repository like OASIS Contract IQ offers much more than a single source of truth for contracts. It prevents the expensive mistakes, missed opportunities, and hidden risks that arise from companies not knowing what's in their contracts.

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		Searching: Agreen	Searching: Agreements Timeline Clauses						
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	Title	Labels	Counterparty	Active Status		Active Date	Initial Term	Initial Term Expiry Date	Auto-Rene
-14	Apex - Cloud Indirect Tax Services Offering Terms	IT Services Software	Apex, Inc	Active		15 December 2022	No Value	No Value	Yes
-40	Apex - Cloud Indirect Tax Services Order	Software	Apex, Inc	Active		7 June 2023	3 years	No Value	Yes
-39	Apex - Cloud Indirect Tax Services Order	Software	Apex, Inc	Active		15 December 2022	3 years and 1 month	No Value	Yes
-22	Apex - Master Torms	Software	Apex, Inc	Active		20 December 2022	10 years	20 December 2032 $\sim$	No
-38	Apex - Statement of Work (Implementation)	Software	Apex, Inc	Active		1 January 2023	No Value	No Value	No Value
-17	Bright New Landscapes - Master Services Agreement	Consultancy	Bright New Landscapes Limited	Expired		5 October 2022	1 year, 2 months and 26 days $-\Sigma$	31 December 2023	No
0-05	Clever Technologies - Master Services Agreement	Software	Clever Technologies Limited	Active		1 July 2022	3 years	No Value	No
0-23	CloudPulse Innovations - Master Services Agreement	Commercial Software	CloudPulse Innovations	Expired		12 February 2020	3 years	No Value	No
-42	CloudPulse Innovations - SOW (Implementation)	Commercial Software	CloudPulse Innovations	Expired		2 April 2022	2 years	2 April 2024 🛛 🖂	No
0-41	CloudPulse Innovations - SOW (Search, Merchandising and Insights)	Commercial Software	CloudPulse Innovations	Active		26 June 2020	12 months	No Value	Yes
0-43	CloudPulse Innovations - SOW (Training)	Commercial Software	CloudPulse Innevations	Expired		28 August 2020	14 months	No Value	No
0-16	Digital Warehouse - Master Services Agreement	Software	Digital Warehouse Limited	Terminated		3 March 2020	3 years	No Value	No
0-13	EventFlaw - Services Agreement	Marketing	Event/Flow Inc	Active		4 November 2021	36 months	No Value	Yes
-18	Fame - Master Services Agreement	Marketing Software	Fame Limited	Active		1 September 2023	6 months	No Value	Yes
-04	Genesis International - Supplier Agreement	Recruitment	Genesis International	Expired		24 November 2022	24 months	24 November 2024 💦 💈	No
-01	Grapes Republic (UK) - Master Services Agreement	Merchandise	Grapes Republic (UK) Limited	Expired		2 November 2017	3 years	No Value	No
0-05	Impala - Master Terms + Order	Software	Impala Limited	Expired		14 June 2023	1 year	14 June 2024	No

Critically, it also removes a vast amount of admin, reducing the time in-house legal teams spend managing their contracts, allowing them to focus on high-value work.

"I think a contract repository is such a basic need for a legal team."

Charlotte Horne, Group Legal Director, Secret Escapes

### **Navigating Al**



Artificial intelligence seems to offer risk and reward in equal measure.

One challenge for time-poor in-house lawyers who want to utilise AI to increase their productivity is knowing what tasks can be safely offloaded.

Fruugo's Claire Dyball says that while her team are embracing AI tools to proactively assist with platform content moderation and compliance, she is still exploring how AI could assist Legal beyond basic case management: "AI cannot yet help us with commercially sensitive and nuanced business initiatives, and the documentation that is required to support such projects."

ZOE's Charlie Ainsworth echoes this view: "We've got our own deployment of ChatGPT and that is useful for sense-checking your own advice or quick bits of research"

"I don't feel particularly comfortable to put anything remotely sensitive or confidential into ChatGPT. It only really works for stuff that's quite generic."

Charlie Ainsworth, Head of Legal, Zoe



Contentsquare's Chris Inns agrees AI has major limitations: "AI can't negotiate and that's the true art - that's the value lawyers bring to a business. AI can supplement that but only in the way that sending an email instead of sending a letter helps."

But Zinc's Hamraj Gulamali believes in-house lawyers must figure out how to use AI more extensively - or risk being left behind. "You need to figure out how you can incorporate it into your role in three to five years' time," he says. "You're going to be asked in your future interview processes, where were you and how did you implement it? You've got to make sure you're keeping up to date with it."

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Hamraj Gulamali, Head of Legal, Zinc



# The solution: Al-human hybrid model

Al can be transformative for in-house lawyers, helping them claw back valuable time, but it's never going to replace them. Al can quickly fall down if it encounters something it hasn't seen before, and it cannot interpret subtleties within clauses like a human lawyer can. For this reason, it's wise to choose Al tech providers that take a human-first approach.

At OASIS Contract IQ, for example, we've never been dependent on AI to get the job done. Rather than spreading ourselves thin across everywhere that AI could be applied, we apply it to only the places where it's most potent, leaving our expert, in-house team of Document Programmers to focus on the parts that humans are great at.

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# The knowledge gap



While AI will undoubtedly help in-house lawyers to manage their workloads in 2025, some believe it also represents a growing threat to the profession.

By automating tasks such as contract drafting and reviews, junior lawyers will miss a large - and essential - part of their education.

"I think Law potentially has a big issue coming in six or seven years," says Fractional GC Alexandra Geelan. "Where we will have replaced rote contract reviews and contract drafting that we would normally get juniors to do with an Al tool. And then we won't have any mid-lawyers, five-year lawyers because we haven't trained any of them properly."

Holly Dobbins, Senior Legal Counsel at Uber Boat by Thames Clippers, agrees that machine learning could quickly lead to a knowledge gap:

#### "I get frustrated when I see paralegals using AI to jump over the acquisition of knowledge stage."

Holly Dobbins, Senior Legal Counsel, Uber Boat by Thames Clippers

"Meaning that the time that I would have spent on the training contract, forcing my brain to move into this next stage of learning, the AI takes that away."



Even trainee lawyers themselves can see the risks associated with fasttracking through the basics. Paralegal Liam Callaghan, who works for the Loan Market Association, says: "People have been quite wary of automating tasks for juniors and I'm actually sympathetic to that view because it's only by going through the nuts and bolts that you're really learning about it. There's a bit of a trade off between how much you learn and the reduction of human error through automation."

But while foundational skills may be lost, an upside is that lawyers in the future may be able to focus on developing more specialised expertise. "I cannot see AI replacing lawyers full stop," says Dobbins. "But I do think it will make us more productive. And, therefore, perhaps there will be fewer roles because the lawyers who remain can focus on the higher level functioning."

## The solution: Establish Al guidelines

While AI remains in a relatively nascent stage of development - and the potential for error still exists - it's too soon for junior lawyers to relinquish an elementary education. GCs and Heads of Legal can ensure juniors develop the skills they need by establishing guidelines for the use of AI among paralegals.

However, if you're going to implement restrictions on AI tools, you'll need to provide alternative support to junior lawyers for tasks like contract reviews. One plus point is that - with AI at their disposal - senior lawyers can free up time for supervising trainees.

### Figuring out which legal tech to purchase



### \$35.6B

By 2027, the legal tech market is set to reach \$35.6 billion US dollars in value

#### There are already more than 9,000 legal tech companies globally.

It's no wonder, then, that in-house legal departments are struggling to decide which tools to invest in.

"It's noisier than I've ever seen," says Addleshaw Goddard's Sophie Jackson. "Trying to figure out what solution in the market might be the right fit is one of the biggest challenges"

#### "Sales hype can easily lead teams down a path that doesn't best suit their needs."

Sophie Jackson, Head of Legal Technology Consulting, Addleshaw Goddard

But while selecting the tools that will deliver the best ROI might pose a challenge, actually securing the budget to buy them is yet another.



#### 46%

Of respondents said their legal department technology budget was flat (Source LDO index)

According to the LDO index, nearly half of respondents said their legal department technology budget was flat, and 9% said their technology budget had actually decreased.

Getting budget approval for new tools can be tough, especially when many of them come with a hefty price tag. Fractional General Counsel Alexandra Geelan, says: "I don't think it's really understood that lawyers need bespoke tech, that they don't have all the expertise for everything."

Fellow fractional GC Natalie Salunke advises doing your own individual analysis of the cost benefit.

"You've got to take a step back and, like procuring any software in an organisation, you have to write what your requirements are, what you're trying to do."

Natalie Salunke, Fractional General Counsel

"And then you've got to see how much of those requirements are met by different providers professing to do those things. It's a learning piece."



# The solution: In-house lawyer communities

While the tech market is saturated, the cream of the crop (tools that are worth more than their annual subscription fees) will rise to the top. Review sites like G2, Capterra, and Gartner can give a quick indication of what's trending - but they don't tell the full story because these platforms can be pay-to-play. The majority of all reviews are 5-star. Would you trust a hotel star rating if the vast majority of hotels out there were rated 5-star? Probably not.

A better place to look for impartial recommendations is in-house lawyer communities, such as <u>Crafty Counsel</u>, <u>Legal Geek</u>, and <u>Juro</u>. Here, you can find out what your peers are using, and also join demos by tech vendors. There are also in-person events - <u>Legal Tech Buyers' Club</u>, which is run by Crafty Counsel, is designed to help in-house legal get better acquainted with the best legal tech solutions on the market.

### Being a legal 'police officer'



Being an in-house lawyer is a balancing act - on the one hand you've got to help the company meet its commercial objectives, and on the other you've got a duty to protect it from harm.

This can sometimes put you at loggerheads with other departments. For example, when Sales wants to fast track a contract with unreasonable terms so they can hit target, or Marketing wants to make a legally-dubious product claim. In a role where every word matters, it's hard to find a balance.

"Sometimes your job is to be a police officer and say, 'no, you can't do it like that, but you can do it like this'."

Holly Dobbins, Senior Legal Counsel, Uber Boat by Thames Clippers

"And it's quite a difficult thing because the business doesn't understand the regulatory obligations of an in-house solicitor and, frankly, they don't care a lot of the time because where's the fallout for them?"

As Holly rightly points out, it's the lawyer who takes the flak for legal mistakes. And it's not just disciplinary action from the business that they face; in-house counsel can be targeted for criminal prosecution stemming from government investigations. As a result, corporate lawyers may find themselves torn between their corporate obligations and the risks they may face as individuals.



Contentsquare's Chris Inns adds that it's challenging getting people to understand that an in-house lawyer works for the good of the company. "People sometimes forget what the company means. It's not the CEO, it's not the CFO, it's not the sales reps, it's the company as an entity, and, if it was a public company, it would be the shareholders.

#### "You've got to take a bird's eye view of what's happening and serve multiple masters."

Chris Inns, General Counsel, Contentsquare

# The solution: Establish a value proposition

The misconception of in-house legal teams as blockers rather than enablers often arises due to a misalignment around expectations and differing agendas. The sales team can't understand why you're not as focused on generating income for the business as they are. They don't know what the possible ramifications are if you fail to cross the t's and dot the i's.

A way to tackle this is by establishing a clear value proposition detailing what the legal department is there to do and why. A value proposition allows you to communicate the importance of your role in protecting the business from litigation and lay out the risks involved. With this document, you can set clear boundaries and also manage expectations around timescales. You can further help stakeholders to understand your objectives by reporting on the legal department's KPIs.

# Coping with questions



According to the Association of Corporate Counsel, lawyers represent 0.33% of the company employees in a representative organisation, implying that each lawyer supports about 300 employees.

Consequently, as an in-house lawyer, you might feel as if you're dealing with a constant stream of queries from the business. The biggest frustration is that the bulk of questions that land on a lawyer's desk are not actually legal questions.

"It used to feel like being in a doctor's surgery, where you just have a constant queue of people."

Sophie Jackson, Head of Legal Technology Consulting, Addleshaw Goddard

"The driver behind the questions was a need for re-assurance on approach not any legal analysis, or strategic thinking. I would often get the same question in different forms from different people across the business and it was a balance between being helpful and empowering them"

### 1 in 300

On average, an in-house lawyer supports about 300 employees.



Rob Jarrett of Size Seven Law says it's just too easy to take advantage of in-house lawyers: "Legal often has to deal with things that aren't even their responsibility just because they're seen as a knowledgeable, personable team to go to. And lawyers generally want to help people out as well. So even if it's something not owned by Legal, if someone asks about it, you'll help them, you'll direct them to it, you'll find it for them, you'll explain it to them."

Paralegal Liam Callaghan believes another contributing factor is that in-house lawyers are viewed as a free resource. "The legal team might be getting involved in things that they shouldn't necessarily be getting involved in."

"But when you're in-house, you're not charging for it so it gives people a bit more free reign to ask lots of questions."

Liam Callaghan, Paralegal, The Loan Market Association

"Anytime someone picks up a piece of paper, it's assumed that the legal team should read it."



## The solution: Let the business self-serve

Empowering the business to be more self-sufficient is central to freeing yourself from the daily barrage of questions. With the right tools and support, there are plenty of tasks that can be done without legal input, such as order forms, statements of work, renewal documents, NDAs, and low-value contracts.

Look at implementing pre-execution tools such as <u>Juro</u> to help automate a bunch of processes for other teams, like creating and negotiating contracts. On the post-execution side, a solution like OASIS Contract IQ can give stakeholders access to their contracts so that they can easily answer questions they'd otherwise go to legal with.

"A lot of people will go to OASIS Contract IQ now instead of coming to legal which is a huge reduction of our workload and time."

Emilie Franklin, Senior Legal Counsel at Modaxo

### The pay divide



The salary gap between private practice lawyers and in-house lawyers appears to be getting larger with every year.

And with 2025 likely to be no exception, it's only going to get harder to attract talent to in-house roles.

Following a decade of above inflation increases, Newly-Qualified (NQ) lawyers can now expect to enter one of the Magic Circle law firms on a six figure salary. In comparison, an in-house Head of Legal role is worth around £120,000, and a GC role about £150,000.

"Already you can see how a newly qualified lawyer in a law firm is never going to be able to hold a position at a junior level in an organisation," says Fractional GC Natalie Salunke.

"We can't hire private practice lawyers anymore because we can't afford them. Their earning expectations are going to be too high."

Natalie Salunke, Fractional General Counsel

#### £120ĸ

An in-house Head of Legal role is worth around £120,000, and a GC role about £150,000.

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Meanwhile, the in-house salary ceiling leaves senior lawyers with few options. They either accept being significantly underpaid compared to their private practice peers or seek out a higher paid position. But with senior in-house roles increasingly being offered to cheaper, more junior talent, finding new opportunities is another challenge. According to Salunke, this perfect storm will fuel diversification of the legal profession.

"I think there's going to be more and more types of lawyers," she says. "There will be more legal operational professionals, more legal technologists, more consultants, and more people doing particular things like eDiscovery or things that a full service law firm might not be able to do very well."

#### The solution: Fractional working

Senior in-house lawyers who are unhappy with their remuneration can boost their earnings - and embrace invigorating new challenges - by pursuing a fractional model of employment. This means working part-time for multiple employers, offering your expertise to companies that need specialised talent but can't afford, or don't have enough work for, a full-time hire.

"I think that a lot of in-house general counsels have been falling out of love with it because perhaps they've been working for employers that don't really value them," says Salunke.

"Fractional working is an attractive model because it's more lucrative and the work is more varied."

Natalie Salunke, Fractional General Counsel



#### In conclusion

One common theme that underlies these nine challenges is the relentless workload in-house lawyers must contend with. Because of the day-to-day slog, lawyers are frequently unable to take the step back that's required to start creating a more streamlined and efficient legal function.

As a result, the biggest challenge for 2025 will simply be carving out the time to make changes.

The solutions to in-house issues exist - we just need to start putting the right tech in place. By carefully selecting blocks to add to their tech stack, legal teams can lessen the burden and free up time. This, in turn, provides greater ability to optimise processes. It's a virtuous circle that, ultimately, will allow lawyers to spend less time stressed-out and more time focusing on the high-value work only they can do.