The Legal Metrics Mandate: Why GenAI Is Forcing a Shift from Cost Tracking to Business Impact

Law Department Management

Technology, Privacy, and eCommerce

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Corporate legal departments are at an inflection point. CEOs want faster decision-making. CFOs want predictable spend. Boards want measurable risk reduction. Yet most legal teams still lack the data to demonstrate their full strategic impact.

ACC's latest report, The Role of Generative AI in Proving Corporate Law Department Value, produced in partnership with Everlaw, shows the issue isn't ambition; it's infrastructure. Legal teams overwhelmingly want to show value, but most are still tracking only cost.

GenAI is now accelerating a fundamental evolution: from cost-based metrics to value-driven performance reporting.

ACC Members: Download the full report.

The metrics gap: Legal tracks cost, not impact

The survey reveals that legal teams are excellent at measuring fiscal responsibility, but far less equipped to quantify business impact.

While the majority of teams today measure outside counsel spend (83 percent), billing rates (54

percent), and internal legal spend (52 percent), far fewer measure outside counsel performance (12 percent), efficiency gains from technology (12 percent), or Legal's impact on business outcomes (9 percent).

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For smaller organizations under one billion dollars in revenue, the data gap is even wider. More than one-fifth (22 percent) do not track metrics at all. And many small legal teams operate without dedicated legal operations support, matter management systems, or formal reporting infrastructure. As ACC's new playbook for small law departments highlights, data often lives in email inboxes, shared drives, and invoices — not structured systems.

The result: Legal teams naturally default to cost metrics — a reasonable response to being viewed as cost centers — but cost alone can't show the full impact legal delivers. GenAI can help illuminate that broader organizational impact, at scale.

Empower your legal department with generative AI. Download **Leveraging GenAI for Business Impact: A Playbook for Small Law Departments**

GenAI makes value visible — if legal is ready

Legal leaders overwhelmingly believe GenAI can help shift this perception. Nearly all respondents (96 percent) say GenAI can or potentially can help them demonstrate value to the business.

The most important benefits go well beyond speed:

- Strategic insights from legal data: 44 percent
- Improved compliance and governance oversight: 42 percent
- Quantifiable cost savings: 40 percent

GenAI is more than an automation tool. It can connect previously siloed data, surface patterns, and produce performance insights legal teams could never generate manually. For smaller teams especially, GenAI acts as a force multiplier — turning unstructured data like emails, PDFs, and invoices into measurable performance insights without requiring new systems or additional headcount.

Examples of what becomes possible:

- Spend relative to outcomes
- Cycle-time improvements by matter type

- Predictive litigation forecasting
- Outside counsel performance scoring
- AI-supported trend analysis across matters, contracts, or investigations

This is the language CEOs and CFOs speak: productivity, predictability, and accelerated business performance — not hours, rates, and invoices.

But the barriers are structural, not strategic

Legal leaders are not resisting change. They simply lack the operational foundation required to support advanced reporting.

Top obstacles include:

- Lack of time or resources: 57 percent
- Data scattered across systems: 50 percent
- Insufficient tools for automation: 43 percent
- Difficulty aligning metrics with business priorities: 29 percent

The takeaway: CLOs understand what they *want* to measure. But without unified data, they cannot generate the insights the business is asking for.

Participate in the **ACC 2026 Law Department Management Benchmarking Survey**. This is a unique annual opportunity to gain the data-driven insights necessary to measure your department's performance against industry peers.

By contributing your data, you'll receive **exclusive access to an interactive dashboard of the results in June 2026**, allowing you to view the results across industry and company revenue.

All responses are kept strictly confidential. All data is reported in the aggregate. For your secure survey link, email research@acc.com. Please submit responses by **April 17, 2026**.

The new legal metrics framework

To evolve from cost center to strategic partner, legal teams must adopt a new measurement mindset — one built around value, not volume. Shift your metrics from “how much” to “how well.”

1. Process improvements and efficiency

- Cycle time by matter type (reduced bottlenecks)
- Time-to-resolution trends
- Contract turnaround times

2. Quality and outcomes

- Outcomes relative to cost
- Forecasting accuracy
- Outside counsel performance scoring

3. Business acceleration

- Time-to-market indicators
- Deal velocity improvements
- Cross-functional alignment metrics

4. Risk mitigation

- Reduction in repeat matters
- Governance and compliance indicators
- AI-assisted risk trend identification

GenAI has the potential to enhance each of these four categories by enabling deeper analysis, automated data extraction, and faster reporting.

What in-house counsel should do now

Set the strategic mandate

Redefine success in collaboration with the CEO, executive team, and the board. Cost control remains essential, but value metrics — risk reduction, business speed, predictive accuracy — must move to the forefront.

Fund the infrastructure

GenAI requires centralized, clean, structured data. Partner with IT and finance to modernize legal data systems and connect siloed platforms.

Empower legal operations

Legal ops is the modernization engine. Support them with the tools, training, and authority to build AI-ready workflows and reporting frameworks.

Learn how leading legal departments are implementing AI in their legal operations at the **2026 ACC Legal Ops Con** | April 20-22, 2026 | Chicago, IL, USA

Start with 3-5 high-impact metrics

Small teams don’t need comprehensive dashboards. Focus on a handful of metrics — such as matter cycle time, cost avoidance from insourcing, and risk-weighted spend — that quickly demonstrate value and build from there.

Tell a better story to the business

Today, roughly two-thirds (67 percent) of legal teams report metrics to the CEO or executive team, but only about one-eighth (12 percent) regularly report to business units. Expand the audience. Share insights that show how legal accelerates — not slows — the business.

The value-centric legal department is here

The report's strongest message is clear: GenAI will not replace lawyers, but it will transform how legal value is measured and communicated.

Legal teams that embrace value-based metrics will elevate their influence, secure resources, and play a more central role in shaping business strategy. Those that do not risk remaining trapped in the cost-center narrative.

In-house counsel now have an opportunity to look at GenAI beyond its use as a workflow tool, and instead to leverage it for making Legal's strategic value visible.

Join ACC for more research and insights!

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Dr. Blake Garcia is the Senior Director of Research and Business Intelligence at the Association of Corporate Counsel (ACC), where he spearheads the growth and management of ACC's research department. Over the past 10 years, Dr. Garcia has transformed ACC's research capabilities from a limited member surveying unit into a multifaceted, full-service data hub that empowers the in-house legal community. He has led numerous high-impact international surveys and developed data-driven resources, products, and services that equip in-house counsel and legal operations professionals with the insights they need to make strategic business decisions.

Dr. Garcia has published several peer-reviewed articles in scientific journals applying statistical and experimental methodologies and has taught several college courses on quantitative research in the social sciences. He has a Ph.D. in political science from Texas A&M University and a B.A. in international politics from The Pennsylvania State University.

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Mauro began his journalism career at Atlantic Media's political magazine, National Journal, and covered two presidential election cycles at The Hill newspaper, where he helped launch Hill.TV. His

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