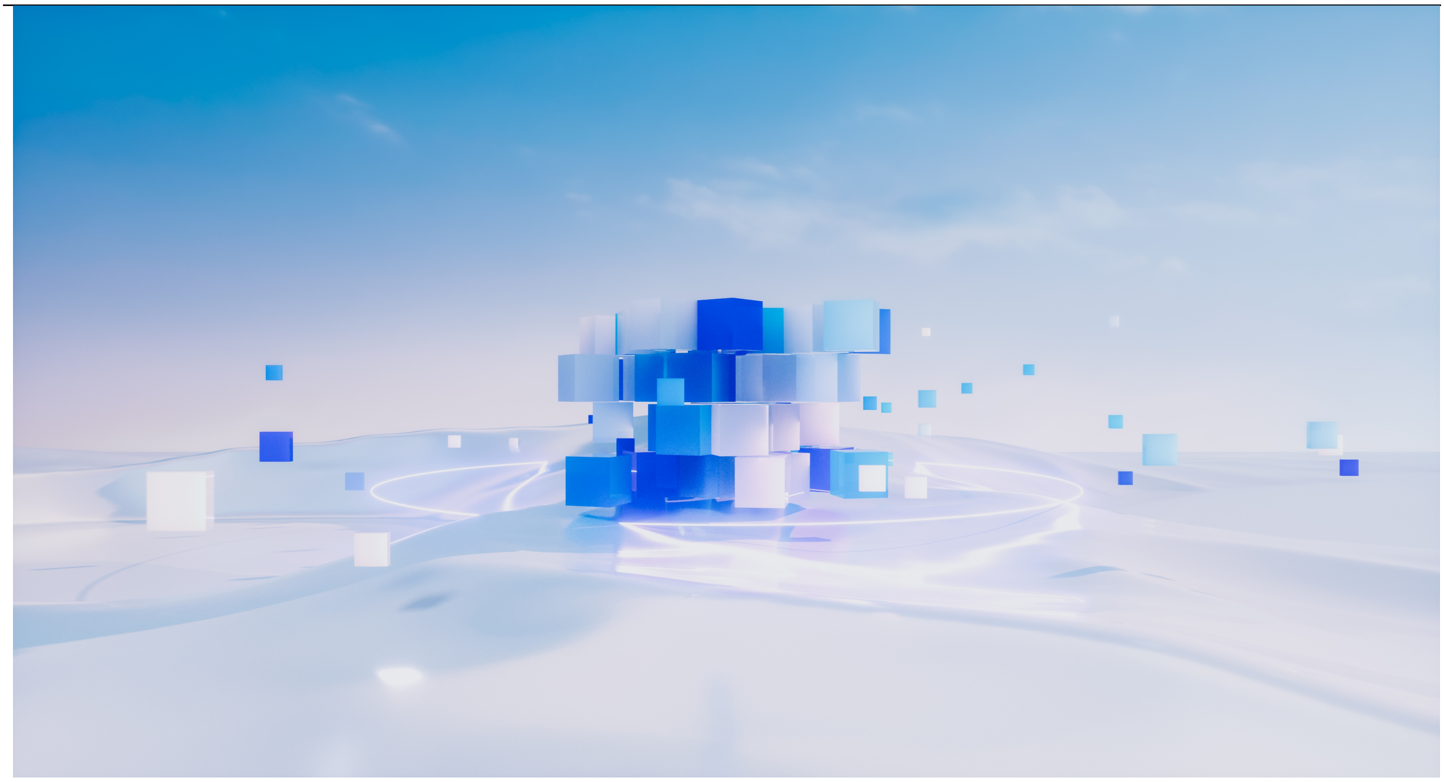
Is Your Legal Team’s Data Infrastructure AI-Ready?

Law Department Management

Technology, Privacy, and eCommerce



Banner artwork by mim.girl / *Shutterstock.com*

Legal departments are accelerating their adoption of generative AI, but most are discovering the same truth: without the right data foundations, even the most advanced AI tools can't deliver meaningful insights. ACC's report, The Role of Generative AI in Proving Corporate Law Department Value, produced in partnership with Everlaw, has made this reality unmistakably clear.

While legal teams are eager to move beyond cost tracking and into value demonstration, a significant infrastructure gap continues to hold them back.

ACC Members: Download the full report.

GenAI is ready — but legal data is not

Legal leaders overwhelmingly believe that generative AI can help them demonstrate value to the business. In fact, 96 percent say GenAI can or potentially can enhance the legal department's ability to show its impact.

But AI doesn't work in a vacuum. It relies on structured, centralized, high-quality data — something most legal teams lack today.

Top obstacles to metrics tracking include:

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

The issue isn't a lack of strategic alignment. It's the fragmented, manual, labor-intensive way data flows through the legal function.

The hidden cost of scattered systems

Most legal data lives in disconnected platforms — e-billing, matter management, CLM, document repositories, ticketing systems, email, etc. These systems rarely speak to each other, which prevents AI from generating the kinds of insights legal leaders increasingly need.

This fragmentation is why legal departments continue to track primarily cost metrics rather than performance or outcome metrics. Today:

- Outside counsel spend is tracked by 83 percent of teams,
- But only 28 percent track time to resolution,
- Only 12 percent track outside counsel performance,
- And only 9 percent track impact on business outcomes.

Without unified, structured data, GenAI can automate tasks, but it can't answer the questions that matter most to CEOs, CFOs, and boards.

> The challenge is not a lack of strategic direction; it's the operational burden created by fragmented data.

The risk: AI adoption stalls before it creates value

GenAI adoption is rising quickly. But without foundational improvements to data infrastructure, legal teams will experience several predictable challenges:

1. Incomplete or inaccurate insights

AI models fed inconsistent or siloed data produce unreliable outputs, undermining trust and slowing adoption.

2. Limited ability to move beyond efficiency use cases

Most legal teams start with automation (e.g., drafting, summarizing, contract review), but plateau here because data readiness isn't sufficient for advanced analytics.

3. Inability to deliver the business metrics executives expect

Executives want visibility into cycle time, risk trends, forecasting accuracy, and outside counsel ROI —

metrics AI *can* produce, but only when legal data is connected and clean.

4. Resource drain on legal operations

Legal ops teams spend disproportionate time manually pulling data from multiple systems, leaving less time for strategic reporting, governance, and transformation.

The report notes this clearly: The challenge is not a lack of strategic direction; it's the operational burden created by fragmented data.

Get exclusive insights, use cases, guidance, and more in the
ACC AI Center of Excellence for In-house Counsel

The opportunity: Build a data-ready legal department

To unlock the full potential of GenAI, legal teams must focus on data readiness as a strategic priority, not an IT afterthought.

A modern legal data foundation requires:

- A centralized source of truth for spend, matters, and documents
- System integrations that reduce manual reporting
- Clear taxonomy and data governance standards
- Automated data cleanup and normalization practices
- Cross-functional alignment with IT, finance, and compliance

When these foundational elements are in place, AI can deliver higher-value insights, not just task automation.

What in-house counsel should do now

1. Treat data infrastructure as a strategic investment

GenAI is only as strong as the data underneath it. In-house counsel should champion funding for data integration, system modernization, and cross-platform connectivity.

2. Empower legal operations as the data and AI owners

Legal ops teams understand the day-to-day reality of legal data. Equip them with the tools, training, and authority to build and maintain a unified data environment.

3. Prioritize value-focused AI use cases

Start with AI projects that require better data, not just better automation. Examples include:

- Outside counsel performance scoring
- Trend analysis across litigation portfolios
- Negotiation-ready billing insights
- Predictive forecasting for matter budgets

These use cases produce the metrics CEOs and CFOs value most.

4. Build governance before scaling AI

A responsible AI framework — covering data security, prompt standards, auditability, and model selection — creates confidence and accelerates adoption.

AI success starts long before AI adoption

The ACC–Everlaw findings highlight what many legal leaders already sense: The future of legal value hinges on data integration, not just AI engines.

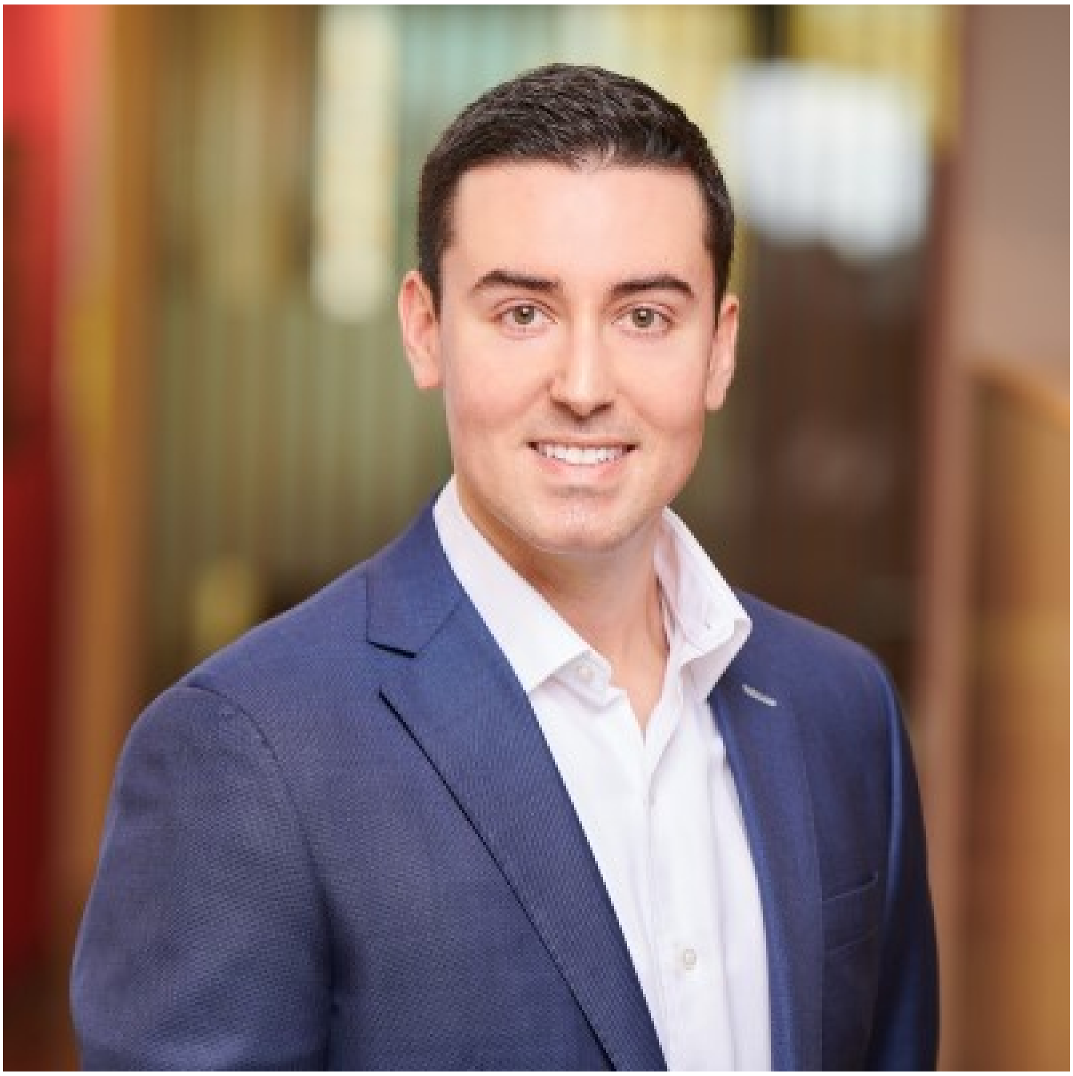
GenAI will transform how legal teams work, but only if organizations build the infrastructure to support it. Legal departments that invest now in clean, connected, governed data will be positioned to unlock strategic, high-value outcomes that elevate legal's role across the enterprise.

Those that don't may see AI adoption stall at the surface — stuck in automation, unable to deliver the insights that define modern legal leadership.

[Join ACC for more AI insights!]

This article was developed with the assistance of Generative AI.

Blake E. Garcia, PhD



Senior Director of Research and Business Intelligence

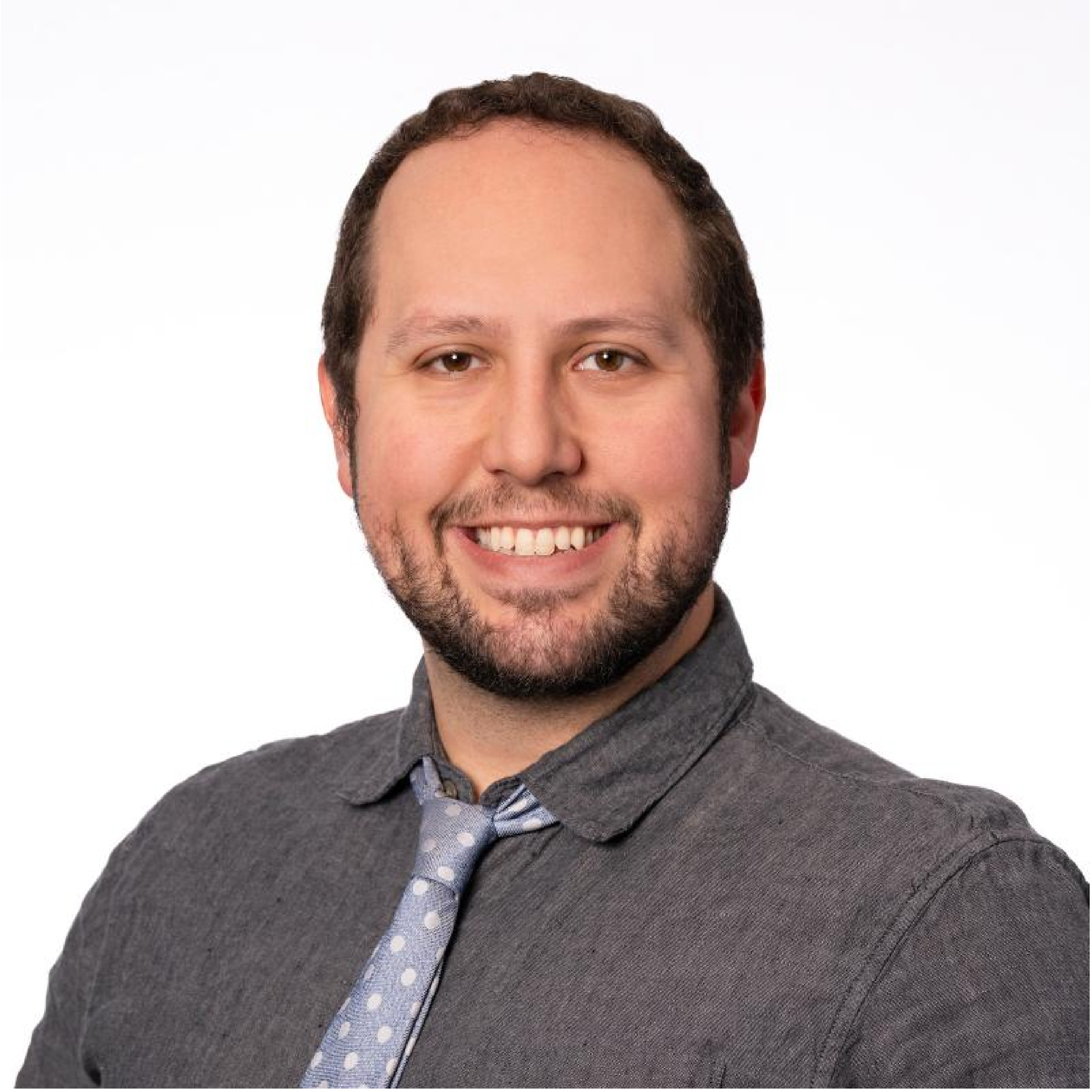
Association of Corporate Counsel

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.

Connect on LinkedIn

Mauro Whiteman



Senior Manager, Editorial & Digital Content

Association of Corporate Counsel

Mauro Whiteman is the Senior Manager of Editorial and Digital Content at the Association of Corporate Counsel, overseeing articles for the *Corporate Counsel Now*. Prior to joining ACC, he oversaw editorial content at SHRM, the Society for Human Resource Management.

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 background is in international relations, comparative religion, and the intersection of politics, culture, and business.