

The Elusive Cost Savings of Insourcing Legal Work

Law Department Management



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In the ever-evolving landscape of corporate legal departments, conventional wisdom has long held that insourcing legal work is a surefire way to contain costs. However, until now, this belief has largely been based on anecdotal evidence and high-level estimations.

As savvy legal operations leaders and discerning general counsel, we know that intuition isn't enough — we need hard data to drive truly strategic decisions.

Challenging the status quo

ACC's **new research** examines the simplistic notion that "more in-house equals more savings" across the board. By analyzing a robust dataset from hundreds of corporate law departments, we've uncovered a nuanced reality that demands attention.

Contrary to popular belief, our initial broad-stroke analysis revealed no discernible correlation between overall insourcing rates and total legal spend. This challenges the long-held assumption that insourcing inherently drives cost savings.

Digging deeper with precision

However, when we refined our focus to seven specific — often high-cost — legal work areas, we uncovered a game-changing insight: Departments that predominantly handle these seven work areas in-house report significantly lower total legal expenditures:

- Legal research
- Labor and employment
- Due diligence
- Litigation case/project management
- Discovery (data collection)
- Discovery (data processing/hosting)
- Intellectual property services

The magnitude of these savings is staggering:

- **For small enterprises:** Up to 55-percent reduction in legal spend for a US$100 million company
- **Even for larger enterprises:** Cost savings of more than 20 percent persist even among US$20 billion companies

For detailed breakdowns of the data across work areas and company size, download the full report today: **How Shifting Legal Work In-house Drives Cost Savings: A Quantitative Analysis**

Strategic implications for legal leaders

In-house counsel should consider the following steps for their legal departments:

1. **Targeted insourcing:** Focus on bringing these seven high-impact areas in-house for maximum financial returns.
2. **Data-driven advocacy:** Use these quantitative insights to justify strategic in-house growth and demonstrate tangible value to the C-suite.
3. **Optimized hybrid models:** Build efficient portfolios that leverage in-house expertise for cost-effective execution while judiciously engaging outside counsel for specialized needs.

Learn more from trusted experts and industry peers: At the 2025 ACC Annual Meeting, join more than 2,000 legal professionals from around the globe to discuss the most pressing issues in law department management and legal operations. **Register yourself — or your team — today!**

While the broad concept of insourcing as a universal cost-saving solution may be oversimplified, our analysis proves its power when applied strategically. For forward-thinking general counsel and legal operations leaders, the imperative is clear: precision-driven insourcing of critical, high-value work types is not just a trend — it's a data-backed mandate for achieving significant and sustainable financial efficiencies.

Take the next step

Ready to revolutionize your legal department's cost structure with precision-driven insourcing? Download the full report: **How Shifting Legal Work In-house Drives Cost Savings: A Quantitative Analysis**

Arm yourself with the granular insights and empirical evidence you need to optimize your legal spend and maximize value for your organization.

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

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