



2023

Outside Counsel Satisfaction Survey

Key Survey Findings

Table of Contents



Demographic Summary of Survey Participants	3
How Satisfied Are In-House Counsel with Their Legal Service Providers?	4
What Do In-House Counsel Value Most in Their Outside Counsel?	5
How Can Law Firms Strengthen Their Relationships with Clients?	6
What Can Law Firms Do to Improve Client Service?	7
How Do Clients Want Their Law Firms to Communicate With Them?	8
What Kinds of Marketing Tactics Resonate Most With In-House Counsel?	9
Trends and Insights from Client Feedback on Law Firm-Sponsored Events	10
Which Lawyers Would In-House Counsel Recommend to Others?	11



Geographic Areas Represented

The majority of survey respondents work in major metropolitan areas. Notably, New York led the survey's respondents, underscoring its status as a bustling legal and business hub. Los Angeles and Chicago followed, reflecting their significant mark

ets for legal services. Dallas and San Francisco also show a substantial presence, hinting at the importance of these cities in the legal landscape. Other notable cities include Boston, San Diego and Washington DC, suggesting these regions have active markets in which law firms may need to pay attention.

Fewer responses came from cities like Miami, Atlanta, Denver, Austin, Salt Lake City, Seattle and Portland, which might indicate a more dispersed client base in these areas.

Overall, the geographic distribution of the survey participants offers valuable insights into where law firms could focus their client service efforts and market development strategies.



Industries Represented

The respondents represent a diverse range of industries, with the most notable sectors (in order) being financial services, technology, healthcare, manufacturing, education and nonprofit organizations.

These industries collectively make up a significant percentage of the respondent pool. In addition, the real estate, cybersecurity, entertainment/gaming, legal services, advertising/marketing and construction industries are also well-represented.



Company Size

The survey results reflect the diverse range of company sizes among respondents. The majority of participants work for companies with significant workforces, with approximately 44% of respondents representing organizations with over 10,000 employees.

In contrast, smaller companies with 501 to 1,000 employees constitute around 16% of the sample. Additionally, there is a notable presence of mid-sized companies with 1,001 to 5,000 employees, making up about 22% of the respondents.

Smaller enterprises with 201 to 500 employees and 50 to 200 employees account for approximately 11% and 13% of the responses, respectively.

Finally, there is a smaller but significant group of respondents from very small companies with fewer than 10 employees, representing around 3% of the sample.

These results demonstrate the wide spectrum of company sizes represented in the survey, highlighting the diversity of legal departments across various organizational structures and scales.



Size of Legal Department

The survey provides insights into the size of law departments among the respondents. The data reveals a wide range of department sizes, with the majority being relatively small.

Approximately 37% of respondents have law departments consisting of 1 to 5 individuals, indicating a prevalence of smaller legal teams.

On the other hand, a notable percentage (about 17%) have larger departments with 20 or more members, suggesting diversity in the scale of legal operations.

The data showcases the varying sizes of law departments within the legal community, highlighting the need for legal solutions and advice tailored to both smaller and larger teams.



Size of Legal Budget

The survey reveals a wide range of outside counsel budgets among respondents' companies.

Approximately 43% of companies allocate an annual budget of \$1 million to \$5 million for outside counsel, indicating a significant proportion of respondents with substantial legal expenditure.

Additionally, around 28% of companies have budgets ranging from \$100,000 to \$500,000, while 17% allocate budgets between \$500,000 and \$1 million.

Smaller budgets of less than \$100,000 are common among approximately 11% of respondents' companies.

How Satisfied Are In-House Counsel with Their Legal Service Providers?



The survey results indicate a generally positive level of satisfaction with outside counsel among the respondents.

Most scores are clustered around the 7 to 9 range on a scale of 1 to 10, suggesting that clients are quite satisfied but see room for improvement.

High scores of 10 are notable and reflect exceptional satisfaction with some outside counsels' performance, indicating that there are instances where expectations are not only met but exceeded.

However, the presence of scores on the lower end, including a 0, 3 and several in the 4 to 6 range, highlights that there are areas where outside counsel may need to address concerns or gaps in service.

The variance in satisfaction levels presents an opportunity for law firms to inquire further about client expectations and areas where they can enhance their service delivery.

What Do In-House Counsel Value Most in Their Outside Counsel?



In the current competitive landscape, In-House Connect's survey highlights what clients value when selecting outside counsel.

Key factors include specific legal expertise, prompt and clear communication, and the value of previous working relationships.

Clients also weigh cost-effectiveness, firm reputation and peer recommendations heavily in their decision-making process. Law firms must adapt and align their services with these client priorities to not just meet but exceed expectations and establish themselves as leaders in legal services.

This strategic alignment is crucial for law firms aiming to secure and maintain a robust client base.

How Can Law Firms Strengthen Their Relationships with Clients?



In-house counsel are seeking law firms that go beyond the baseline of legal expertise. They value firms that invest time in understanding the intricacies of their business, including their industry, products/services and the decision-making dynamics within the company. This deep dive into the client's world enables outside counsel to provide advice that's not only legally sound but also commercially astute and tailored to the client's specific context.

Communication stands out as a non-negotiable. Regular updates, preferably on at least a monthly basis, help keep in-house counsel informed and involved. Clarity on costs and alternative fee arrangements are also high on the agenda, with a call for transparency and a move away from the traditional billable hour where possible. Being seen as cost-effective, without compromising on quality or outcomes, is crucial.

In-house counsel appreciate when outside counsel makes them look good. This means providing practical solutions and straightforward answers, avoiding over-lawyered responses and delivering advice that helps the business assess and manage risk effectively.



Professional development opportunities such as CLE webinars can also serve as a platform for law firms to showcase their expertise and provide real value back to their clients. Tailored newsletters and updates on industry-specific topics can help firms stay top of mind.

Personal relationships still count for a lot. In-house counsel value firms that take the initiative to maintain contact, offer no-charge briefings on relevant topics and show genuine interest in their business.

Dinners, events and thoughtful gestures can contribute significantly to building and maintaining these relationships. In summary, in-house counsel are calling for outside firms to be more proactive, responsive and aligned with their business needs.

They desire partnerships where outside counsel acts as an extension of their in-house team, demonstrating a clear understanding of their business and industry, providing pragmatic and cost-effective legal solutions and establishing a personal connection that fosters trust and reliability.

What Can Law Firms Do to Improve Client Service?



The survey results indicate a strong desire for law firms to enhance their service offerings, communication and billing practices.

Clients wish that law firms would provide more free Continuing Legal Education (CLE) opportunities, seek expedient resolution to matters and offer alternative fee models.

A key theme is the need for law firms to align their services with the business needs of their clients, emphasizing practical advice over theoretical risks, and ensuring communication is proactive and responsive.

Here are some ideas for how law firms can be more client-centric based on survey responses.

1. Offer value-added services such as free CLEs and host webinars and calls discussing trends and updates relevant to clients' businesses.
2. Adopt alternative fee arrangements and provide discounts to foster cost-effectiveness.
3. Improve transparency and reasonableness in billing, and review bills for reductions based on the scope of work.



4. Enhance responsiveness, ensuring they are available in emergencies and proactive in communication about matters and updates.

5. Ensure advice is business-oriented, understanding clients' industries and strategies.

6. Manage client relationships better by being proactive, checking in regularly and offering practical advice.

7. Embrace modern collaboration technology and provide regular updates using efficient methods.

Adopting these steps would likely lead to stronger client-law firm relationships and a better understanding of clients' needs and expectations.

How Do Clients Want Their Law Firms to Communicate With Them?



The survey results indicate that clients have diverse preferences for communication methods with their legal departments. The most common communication channels preferred by clients include:

- **Email:** Email communication is highly favored by clients, with many respondents mentioning it as their preferred mode of communication. It offers a written record and asynchronous communication.
- **Phone Calls:** Phone calls remain a popular choice for clients, allowing for direct and immediate conversations, which can be useful for urgent matters.
- **Video Calls:** Video calls, particularly for face-to-face discussions, are mentioned by several clients, highlighting the importance of visual communication.
- **In-Person Meetings:** In-person meetings, although less frequent in some cases, are still valued by clients, especially for crucial discussions or negotiations.
- **Text Messages:** Text messages are mentioned as a communication preference by some clients, indicating a preference for quick and concise updates.



- **Teams/Slack or Other Chats:** Collaborative platforms like Teams and Slack are mentioned as preferred channels for some clients, emphasizing the importance of real-time team communication.
- **Other:** Some clients have unique preferences, such as using matter management tools for updates or a combination of live correspondence and written communication based on sensitivity and urgency.

It's important for legal departments to be flexible and responsive to their clients' communication preferences, as each client may have different needs and expectations.

A multi-channel approach, where legal departments are equipped to communicate effectively through various means, can enhance client satisfaction and collaboration.

What Kinds of Marketing Tactics Resonate Most With In-House Counsel?



Effective Marketing Strategies for In-House Counsel

In-house counsel plays a pivotal role in shaping the legal strategies and decisions within an organization. Understanding the marketing tactics that resonate most with these legal professionals is key to establishing strong client relationships and providing valuable services.

Based on survey responses, we identified the following top 10 strategies that consistently engage and inform in-house counsel:

Email Newsletters: In-house counsel consistently value email newsletters as an effective communication channel.

Topical Webinars: Hosting webinars on relevant legal topics is highly regarded for keeping in-house counsel engaged and informed.

Industry Reports and Whitepapers: Providing industry-specific reports and whitepapers are seen as valuable resources for in-house counsel.

Legal Updates and Client Alerts: Keeping clients informed about relevant legal changes through updates and alerts is of utmost importance.



Effective Marketing Strategies for In-House Counsel cont'd

Event Invitations: Invitations to webinars and in-person events are appreciated ways to engage in-house counsel.

Case Studies: Case studies are considered valuable for showcasing legal expertise and success stories.

Personalized Pitches: While personalized pitches have a role, they are not consistently mentioned as a top choice.

Client Dinners and Lunch & Learn Presentations: These activities have value but are not as frequently mentioned.

Industry Trends: Industry trends are relevant but not consistently prioritized by in-house counsel.

Other Preferences: Preferences in this category vary widely and are not specified in the provided data.

These insights suggest that email newsletters, topical webinars, industry reports, legal updates and event invitations should be emphasized in client communication strategies.



Personalized approaches and case studies can also be beneficial, but their effectiveness may vary depending on the specific preferences of in-house counsel.

Trends and Insights from Client Feedback on Law Firm- Sponsored Events



1. **Positive Reception:** The majority of clients have attended law firm-sponsored events, indicating that such events are common in the legal industry. This suggests that law firms are actively engaging with their clients through these events

2. **Varied Usefulness:** Clients have diverse opinions regarding the usefulness of these events. While some find them extremely useful, others rate them as moderately or somewhat useful. This variation suggests that the effectiveness of these events may depend on factors such as content and relevance to the client's needs.

3. **Relationship Building:** A significant number of clients perceive these events as an opportunity to establish and strengthen relationships with the law firm. This highlights the importance of client engagement and relationship-building as a goal of these events.

4. **Mixed Feedback:** Some clients rate these events as not very useful or not useful at all. This indicates that not all events meet the expectations of clients, and there may be room for improvement in event planning and content.



5. Importance of Content: The perceived usefulness of these events may be closely tied to the content presented. Clients are more likely to find events valuable when they offer insights into the firm's capabilities or address topics relevant to their legal needs.

6. Potential for Improvement: Law firms can use client feedback to enhance the design and execution of future events. Tailoring events to meet specific client interests and needs may lead to higher satisfaction and perceived usefulness.

7. Role in Client Engagement: Law firm-sponsored events play a role in client engagement strategies. Clients who find these events useful are likely to have a more positive perception of the firm and may be more inclined to collaborate in the future.

8. Room for Innovation: The feedback suggests that there is potential for innovation in the types of events offered. Exploring new formats, technologies or topics may lead to increased engagement and client satisfaction.

In conclusion, law firm-sponsored events are a common practice in the legal industry and have the potential to be valuable for both clients and law firms.



However, their effectiveness varies, and there is an opportunity for firms to improve event planning, content and customization to better meet client expectations and strengthen relationships.

Which Lawyers Would In- House Counsel Recommend to Others?



In response to the question of which law firms and law firm partners they would recommend to other in-house counsel, survey participants provided a diverse set of recommendations.

Here are some key insights and trends from the responses:

- 1. Diversity of Recommendations:** In-house counsel recommended a wide range of law firms and individual attorneys, reflecting the diversity of legal needs across industries and practice areas. This suggests that the choice of legal counsel often depends on the specific legal issue at hand.
- 2. Individual Attorney Recommendations:** Many respondents emphasized specific lawyers within law firms rather than recommending entire firms. This highlights the importance of building personal relationships with attorneys who excel in particular practice areas.
- 3. Specialization Matters:** Several recommendations were made based on the expertise of lawyers in specific areas of law, such as employment and labor law, intellectual property and corporate law. This underscores the significance of specialized knowledge in legal representation.



4. Flexibility and Personal Attention: Some respondents mentioned smaller firms that offer flexible rates and personal attention as preferred choices. This indicates that personalized service and cost-effectiveness are valued qualities.

5. In-House Counsel as Referral Sources: In-house counsel are valuable referral sources for law firms and individual attorneys. Their recommendations can significantly impact the choice of legal representation for other companies and organizations.

6. Non-Disclosure and No Response: A few respondents chose not to disclose their recommendations or provided a response indicating they were not prepared to give recommendations in a survey. This may be due to confidentiality or other reasons.

Overall, the survey responses highlight the importance of building strong relationships between in-house counsel and external legal partners. Recommendations are often based on the specific needs of the organization and the trust established with individual attorneys.

Understanding Client Priorities: What Matters Most When Hiring Outside Counsel



Clients today are more discerning than ever when selecting outside counsel. In-House Connect's recent survey of in-house counsel explored the priorities clients consider essential in making their choice.

Understanding these can significantly enhance how law firms position themselves in the competitive legal market. Here are the key factors clients look for:

1. Expertise in the Specific Area: Clients prioritize deep knowledge and experience in the relevant legal field. They seek assurance that they will receive the highest standard of legal advice and representation tailored to their specific needs.

2. Responsiveness and Communication: Effective communication is crucial. Clients appreciate when lawyers are accessible, respond promptly and can break down complex legal issues into comprehensible language. It's about creating a dialogue that is both informative and understandable.

3. Previous Working Relationship: A proven track record of successful collaboration can significantly influence a client's choice. The trust and rapport developed from previous engagements often lead to repeat business and long-term partnerships.



4. **Cost-Effectiveness:** In an era of budget consciousness, clients look for value without compromising quality. They want assurance that the legal services they are paying for are efficient and outcome focused.

5. **Firm's Reputation:** A firm's market reputation often precedes it. Clients consider a law firm's standing in the legal community as indicative of its reliability, expertise and service quality.

6. **Recommendations from Peers:** Endorsements from respected individuals or businesses can heavily sway a client's decision. A recommendation acts as a trust seal, affirming the firm's competence and credibility.

These factors are not isolated but interrelated, creating a comprehensive framework for client decision-making. Law firms that wish to attract and retain clients must not only understand these priorities but also clearly demonstrate their capability and commitment in these areas.

By aligning their services, communication, and client management strategies with these priorities, firms can position themselves as the go-to choice for legal representation. This is about more than just meeting expectations; it's about exceeding them and setting a new standard for legal services.