

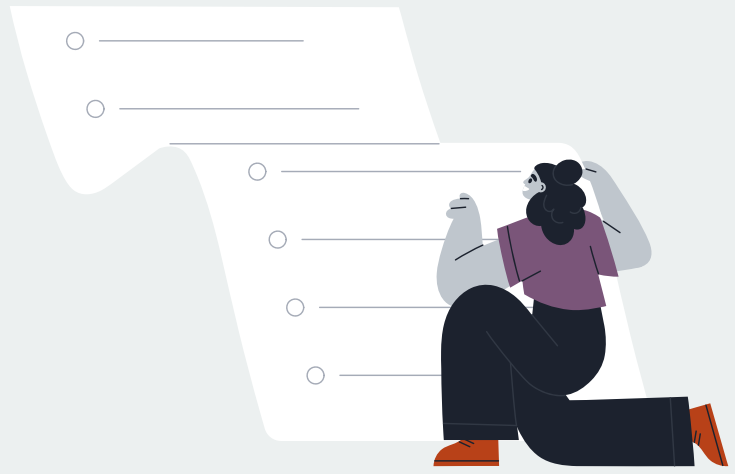
THE AXIOM SURVEY ON LEGAL DEPARTMENT ORGANIZATION

# Key Findings

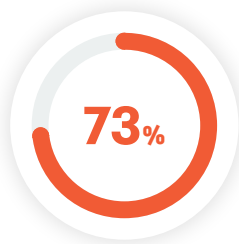
## Is my legal department structured in a manner that most effectively meets the needs of my business?

Most GCs say no, according to an Axiom and Wakefield Research survey of over 300 respondents across a range of industries regarding their legal department organizational structure.

That is not only an alarm bell for GCs, but it should also serve as a blaring siren to all C-Suite executives concerned about organizational efficacy and optimizing enterprise-wide efficiency.

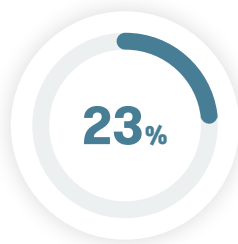


## Current Legal Department Structure



have **centralized** legal departments

All legal staff report up (via solid line) to the GC regardless of region, business unit, function, or legal practice area



have **hybrid** legal departments

Some lawyers report to business/geographic management, while other lawyers report to a centralized legal department management under the GC



have **decentralized** legal departments

All legal staff report to regional heads, business unit heads, or other non-legal functional heads, though this may include a dotted line to a centralized GC

## Structural Problems

MORE THAN  
**1/2**  
of GCs say their team is **not structured** to best suit the company's needs



A HEARTY  
**98%**  
are **planning to make changes** to their departmental structure

## The Transformation Disconnect

**73%** of GCs who say their department is set up in a way that meets their business needs have a centralized departmental structure.

**BUT ONLY 42%** of GCs say a centralized legal department is the ideal department structure to meet the needs of the business.

**Most GCs** say a hybrid legal department best meets the needs of the business.

**Yet, among those GCs** planning to make structural changes, almost two-thirds are planning to take steps to move from a fully centralized or centralized-leaning hybrid department to a decentralized or decentralized-leaning hybrid department.

### WHY ARE GCs MAKING CHANGES THEY DON'T WANT?

GCs say there are three issues at play:

1. They are beholden to the way management prefers legal department structure
2. They are trying to cater to the preferred approach of their lawyers
3. They need to become consistent with how other functional departments within the business operate

## The Real GC Wishlist

The Ideal Legal Department Structure



of GCs want a **mostly centralized department** with 15% of the team embedded into the business



of GCs want **all their staff centralized**



want **most of their team decentralized**

