Gartner Top
2022 Legal Tech
Predictions
Guide for General Counsel
and Legal Leaders
2022 saw a record level of venture capital inflows into legal technology, topping $1 billion for the first time.

That flurry of activity has contributed to increasing hype and noise in these markets, making it more difficult for general counsel to pursue solutions that could help address persistently high workloads and rising levels of exhaustion among their teams.

General counsel should keep track of these innovations and their likely impact to guide the future digital ambitions for their teams.
In the course of researching technology innovations and vendor markets, as well as trends among corporate law departments, Gartner experts with over 100 years of combined experience have identified the following 5 predictions that general counsel and their teams must address as part of their technology strategies.

1. Expanding legal tech portfolios
2. Rising analytics capabilities in CLM solutions
3. Keeping “humans-in-the-loop” in AI
4. Advancing ESG with TPRM investments
5. Shifting focus of compliance controls
No. 1: Expanding legal tech portfolios

By 2025, large organizations will require relationships with 4+ legal tech vendors.

Greater Complexity in the Legal Tech Stack

Despite significant M&A activity, new entrants continue to emerge in legal tech markets. No single vendor provides all the legal software most organizations need, much less on anything like a single platform.

Rather than waiting (or hoping) for the market to produce a single leading option, general counsel must lead their teams to develop a complete and cohesive legal technology strategy focused on their own unique needs.
Approximately 25% of leading contract life cycle management (CLM) vendors have capabilities that allow them to scan and interpret legacy contracts and third-party paper, with vendors recently increasing capabilities in these areas.

General counsel should carefully weigh the benefits and drawbacks of pursuing separate investments in artificial intelligence (AI) for contracts vs. tapping into capabilities in a more foundational workflow-oriented CLM solution.
No. 3: Keeping “humans-in-the-loop” in AI

By 2025, “human-in-the-loop” solutions that combine staffing and software will comprise 30% of all new automation offerings.

Many of the most promising AI opportunities for corporate legal teams remain hampered by human capital needs in a solution’s design, model training, and exception handling.

Gartner expects the market to respond by offering more “human-in-the-loop” solutions, which general counsel will need to evaluate alongside traditional service or technology providers.
By 2025, legal and compliance oversight of ESG strategy and disclosures will drive new investments in TPRM solutions at 50% of organizations.

Environmental, social and governance (ESG) concerns have grown significantly, as has the effort required to amass large quantities of data for reporting, particularly from third parties.

As third-party risk management (TPRM) solutions increasingly offer capabilities to capture some of this data in the course of due diligence and monitoring efforts, general counsel should consider how TPRM solutions can contribute to their ESG responsibilities.
Many compliance leaders are dissatisfied with their training program’s effectiveness. While less frequently used, embedded controls can reduce noncompliance by nearly 60%.

With few turnkey solutions in the market, chief compliance officers must consider the activities where embedded controls could reduce employee burden and identify existing solutions (e.g., in finance, in supply chain) that could be configured to support those efforts.
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Legal and Compliance Tech

Analytics and Decision Making

Technology Strategy and Implementation

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