

# Measuring Legal Tech ROI

On its face, ROI seems pretty straightforward – a basic math equation that determines the ratio between an investment's profit and its cost. But with legal technology, this can get a little nebulous: Your department deals in time, not in widgets, according to a **blog post** on the website of Xakia.

“Perhaps that’s why 74 percent of law firms in the U.K. don’t even try to calculate the ROI of their legal technology projects, according to a March 2018 report by Lexis Nexis,” Xakia said in the post. “While no similar statistic was available for corporate legal departments, we’d make the educated guess that the majority aren’t monitoring their legal tech return – despite the fact that, as a recent Association of Legal Administration presentation put it, ‘ROI is the only technology acronym that matters.’”

“Indeed, ROI is the language of the C-suite, and it’s imperative for in-house lawyers to show fluency. (Recall that one-third of CEOs and directors rank “controlling legal spend” as a top-three priority for law department performance.) You need to know your ROI to demonstrate that you are a good steward of company resources, to test and validate your decision-making, and to inform future projects in your legal technology roadmap.”

**Read the article.**