



# Goal-setting for legal departments in 2025 and beyond

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A strategic framework for aligning legal priorities with business objectives in an era of unprecedented change

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In-house legal departments have a unique perspective on the operations of their companies. They sit at the intersection of risk, strategy, and execution, bringing a 360-degree view to their day-to-day work. This superpower is also part of the problem when it comes to setting goals. Unlike other functions, the legal department's contributions are often measured in problems avoided rather than revenues earned.

Measuring the value of events that “didn’t happen” is complicated. Regardless, in 2025, the expectations of in-house legal teams have never been higher. They are asked to safeguard reputation, enable business growth, and navigate unprecedented regulatory, technological, and geopolitical complexity. While the expectations are demanding, they lend themselves nicely to setting goals.

This white paper presents a framework for setting meaningful legal department goals. It highlights key themes for goal-setting, outlines practical steps to implement them, and examines emerging issues you need to address — including artificial intelligence governance, cross-border data flows, and talent retention in a remote-hybrid workplace.

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## Why goal-setting matters

Goal-setting in legal departments is more than an administrative exercise. At its best, it functions as a strategic blueprint that ties the department's daily work to the company's most important business and strategy goals. In a corporate environment, where legal teams are often seen as cost centers rather than the value creation machines they are, articulating clear goals allows general counsel to show the direct contribution of legal to growth, efficiency, and risk mitigation.

Strategic legal department goals create alignment between the legal team and the C-suite, enhancing synergy organization-wide. They provide a lens through which to measure success in a field where the output of the in-house lawyers is often intangible. These goals also serve as an internal communications tool, guiding lawyers and support staff to align their efforts with the business's key priorities. Equally important, well-defined goals enhance adaptability. In a world where litigation, regulation, and crises can emerge unexpectedly, having a structured set of priorities enables the legal department to promptly pivot without losing sight of its long-term objectives.

## Why is goal-setting hard to do?

Despite its importance, goal-setting in a legal department is uniquely challenging. Unlike revenue-generating divisions, where sales figures or production metrics clearly indicate progress, the value generated by lawyers is often intangible. Success for general counsel can mean preventing issues before they arise: avoiding lawsuits, sidestepping regulatory fines, or catching poorly structured contracts before they cause damage. This invisible value complicates measuring the legal department's impact through traditional business metrics or key performance indicators (KPIs).

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Another challenge is the reactive nature of legal work. Even meticulously planned goals can be derailed by unforeseen events such as unexpected litigation, regulatory investigations, mergers and acquisitions (M&A), large contracts, or government enforcement actions. A day in the life of an in-house lawyer often involves managing crises, requiring them to balance immediate responses with proactive strategic initiatives and other objectives.

Risk management adds another layer of complexity. Unlike insurers, who use actuarial models to quantify exposure, in-house legal teams must assess abstract risks and convert those assessments into goals that resonate with executives and boards, which is a challenging task. Success often lies in preventing risks from materializing, making goal-setting and goal-tracking nuanced tasks.

Likewise, legal teams serve a uniquely broad set of stakeholders, including HR, finance, IT, and marketing, while addressing the needs of the CEO, Board of Directors, and regulators. Balancing these competing priorities while crafting a coherent set of goals is a demanding exercise in diplomacy and strategic alignment.

Confidentiality and attorney-client privilege introduce additional challenges for legal teams. Sensitive matters such as litigation strategies, investigations, and Board-level issues cannot be widely shared. While other departments can publish goals to rally teams or showcase progress, legal departments often must keep objectives vague and discreet. This necessity can make it difficult to build internal support or showcase achievements, leading to questions like, “Why doesn’t the legal department set goals like other departments?”

The speed of legal work and regulatory change means that goals set in January risk becoming outdated by February. New laws, big deals, and large litigation can reshape the legal department’s agenda daily. The department may find that by June it has an entirely different list of tasks to focus on than it did at the start of the year. This requires flexible goal-setting that still guides the team on key priorities.

## The 2025 landscape

The latter half of 2025 provides the perfect example of the discussion above, exemplifying the dynamic environment faced by legal teams. Comparing priorities from January 2025 to the present highlights how general counsel navigate a world defined by speed, scrutiny, and systemic risk. Consider the following:

- Regulation has accelerated at a historic pace. From the EU AI Act to the SEC’s climate disclosure rules and India’s new Digital Personal Data Protection Act, governments are reshaping how businesses operate. Compliance is no longer enough; legal departments must anticipate change and build systems capable of adapting quickly.
- Geopolitical fragmentation adds another layer of complexity. Sanctions, trade restrictions, and shifting alliances create uncertainty in global supply chains. Companies that operate in multiple jurisdictions may face contradictory obligations, requiring legal departments to craft goals that emphasize both local compliance and enterprise-wide consistency.
- Cybersecurity and data issues dominate board agendas. Data breaches are now a matter of when, not if, and regulators impose strict reporting requirements. Legal departments must ensure that their goals reflect close collaboration with IT and security, recognizing that a cyber incident is both a technical failure and a legal crisis.

Technology disruption, particularly the rise of AI, is reshaping entire industries.

- Navigating environmental, social, and governance (ESG) expectations is tricky. Investors, employees, and regulators each have distinct demands regarding environmental and social performance, often presenting companies and their legal departments with conflicting expectations and legal requirements.
- Technology disruption, particularly the rise of AI, is reshaping entire industries. For legal, this creates opportunities for efficiency but also novel risks around intellectual property, liability, and compliance.
- The human dimension remains central. In a hybrid work environment, attracting and retaining talent is harder than ever. Assisting the company with the right policies and procedures for the workforce is already challenging. But lawyers in the department itself expect flexibility, meaningful work, and career growth. Legal goals must therefore address culture and development.

The above is not unique to 2025. This ever-morphing landscape is simply par for the course every year. This makes it clear that legal department goals cannot be narrow or reactive. They must be broad, holistic, and strategically aligned with the business's future.

## AI: a unique challenge for legal department goal-setting

No single development has tested legal departments more in recent years than the rise of AI. Unlike past technologies that simply automated routine tasks, AI can draft contracts, analyze case law, generate code, and even emulate legal reasoning. Agentic AI advances this further by integrating tools and systems, enabling AI-driven decision-making. This evolution creates both vast opportunities and unprecedented risks for companies and their legal teams. Here are the primary challenges posed by AI:

- **Accuracy:** AI can produce text that is highly polished but factually incorrect. If these errors creep into documents, contracts, reports, or filings, the consequences can be severe. Legal departments must set explicit goals around building safeguards, such as requiring human review of AI outputs, implementing validation processes, and tracking error rates.
- **Confidentiality:** Many AI tools rely on vast data inputs, which may inadvertently include sensitive, confidential, or privileged information. Without strict protocols, companies risk exposing trade secrets or client confidences. One goal for legal teams is to establish AI use policies that clearly define what data can be shared, how it is protected, and how confidentiality and privilege is maintained.
- **Intellectual property:** Who owns AI-generated work? Is it protectable? Could it infringe on someone else's rights? These questions are unsettled in many jurisdictions. Legal departments must develop internal frameworks for AI-related IP, advise business units on safe use, and stay ahead of litigation trends in this fast-moving area.
- **Regulatory oversight:** The EU AI Act imposes detailed obligations on companies that develop or deploy AI, while U.S. regulators are scrutinizing AI for discrimination, bias, and consumer harm. Legal teams need goals that focus on monitoring regulatory developments, designing compliance frameworks, and advising executives on the risks and opportunities of AI adoption.
- **People:** Some lawyers might feel threatened by AI or use it carelessly. Legal departments must set goals around training staff, defining acceptable use, and building a culture where AI augments human judgment rather than replaces it.

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AI is not just another technology trend. It is a transformative force that cuts across contracts, litigation, compliance, and governance. All future legal department goal-setting must treat AI as a strategic priority, ensuring that the company and their legal department harnesses benefits while mitigating risks.

## Setting goals in 2025 and beyond: the framework

The trick to goal-setting for legal departments is to focus on overarching themes rather than specific tasks. For example, setting a goal to prioritize high-dollar-value contracts that generate over \$1 million in revenue offers more strategic direction than focusing on one contract. Once you've identified the themes that align with your company's objectives and the legal department's expectations, you can populate them with specific tasks.

Moreover, the thematic approach provides flexibility, allowing you to seamlessly integrate new tasks as they inevitably appear throughout the year by associating them with the appropriate theme. Consider the following sample themes. They can be used as-is, altered to fit your specific needs, or serve as inspiration for developing themes tailored to your department:

## Legal department goals

- **Build and retain an extraordinary team.** A legal department cannot achieve its mission without talented, engaged people. Goals in this area should focus on recruiting the right candidates, developing career paths, and fostering a culture of inclusion. In a hybrid-remote work environment, investment in collaboration technology and wellness programs is essential to prevent burnout and ensure connection.
- **Meet or beat budget targets.** Legal leaders are expected to deliver high-quality service at lower cost. Goals can include staying under budget, implementing spend management systems, negotiating alternative fee arrangements, and making strategic use of alternative legal service providers. Technology, especially AI-assisted tools, can significantly reduce cost in areas such as discovery and contract review.
- **Prioritize high-value commercial agreements.** Contracts drive revenue and mitigate risk, and delays can be costly. Goals here should focus on streamlining contracting processes, creating standard playbooks, automating routine agreements, and tracking cycle times to demonstrate improvement.
- **Deliver on strategic transactions.** Whether through mergers, acquisitions, or joint ventures, growth depends on the effective execution of deals. Legal departments should set goals around establishing rapid-response M&A teams, effective due diligence, and creating post-deal integration plans that ensure compliance and cultural alignment.
- **Defend and protect the company.** Litigation, regulatory investigations, and intellectual property disputes remain constant risks. Goals here should emphasize litigation readiness, early dispute resolution, proactive IP portfolio management, and monitoring of geopolitical developments that could create liability or restrict operations.
- **Strengthen data privacy and cybersecurity readiness.** With global laws such as General Data Protection Regulation (GDPR), California Privacy Rights Act (CPRA), and India's Digital Personal Data Protection Act (DPDP) creating overlapping obligations, compliance must be coordinated across jurisdictions. Legal goals should include reviewing policies, testing incident response plans, and partnering with IT to run simulations that prepare the company for inevitable attacks.

The thematic approach offers general counsel the flexibility to align the legal department's priorities with the evolving needs of the business, regardless of whether the initial scope feels too broad or too narrow.

- **Leverage technology and legal operations excellence.** Tools like contract lifecycle management and matter management systems can transform efficiency, but only if adopted effectively. Goals in this area should focus on developing operations processes, ensuring successful deployment and training, and fostering cultural adoption. Concurrently, explore AI tools to automate lower-value tasks with a cautious yet proactive approach.
- **Enhance stakeholder engagement with legal.** Legal departments must be trusted partners to the business. Goals should include regular meetings with the C-suite and Board of Directors, creation of client satisfaction surveys, development of critical soft skills, drafting communications in a manner the business can understand and act on, and proactive communication of successes and lessons learned.
- **Continuous learning and agility.** The legal environment changes too quickly for static expertise. Goals should emphasize ongoing training on new regulations, embedding lawyers to deepen business knowledge, and initiatives that encourage them to act as business advisors, not just legal experts.

The thematic approach offers general counsel the flexibility to align the legal department's priorities with the evolving needs of the business, regardless of whether the initial scope feels too broad or too narrow. This method prevents the constraints of excessive specificity, allowing for seamless adaptation as business needs and priorities shift throughout the year.

## The process

Building themes and the initial underlying goals requires a five-step process:

1. The first step is to look back to look forward. Review the previous year's goals to identify what did and didn't work, and what metrics proved useful. Lessons learned can guide more effective goal-setting for the future.
2. The second step is to engage stakeholders. Legal goals should align with the priorities of business units, the CEO, Board of Directors, and peer functions like HR and IT. This requires active dialogue and careful listening to ensure legal objectives support broader organizational strategy.
3. The third step is to scan the horizon. Legal teams must remain attuned to external developments such as new regulations, litigation trends, technological advances, and geopolitical risks. Benchmarking against peers and conducting scenario planning ensures that goals are informed by both present realities and future possibilities.
4. The fourth step is to define SMART goals where possible — Specific, Measurable, Achievable, Relevant, and Time-bound. For example, instead of saying "improve contracting," a SMART goal would be "reduce average contract cycle time by 20 percent by the end of Q4 2025." A handful of SMART goals mixed into your themes will help the business understand and accept the theme approach.
5. The fifth step is to monitor, adjust, and communicate. Ensuring the business knows the legal department must adjust their goals over the course of the year is a critical conversation to have with the C-suite. Dashboards and regular reviews keep progress visible. Open communication within the department ensures that the team understands how individual efforts contribute to broader goals, while also allowing for course corrections as new challenges arise.

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## Applying the framework examples

Here are a few examples of how you work goals into themes:

- A technology company expanding globally needs goals prioritizing data privacy compliance, rapid contracting, and intellectual property management. By focusing on these areas, the legal department can reduce regulatory risk while enabling faster contract execution.
- A manufacturing firm facing supply chain disruptions needs goals around contract renegotiation and sanctions compliance. This allows it to avoid liability from supplier failures and fines.
- A financial services company under constant regulatory scrutiny should have goals focused on board reporting, litigation readiness, and fraud monitoring. These lead to reduced penalties, reassured regulators, and improved investor confidence.

Setting goals for the legal department is not a chore — it is a strategic discipline that signals leadership, foresight, and alignment with business imperatives. Here, in 2025 — and beyond — general counsel should expand beyond traditional risk management to embrace technology and agility as part of their core mission.

When executed effectively, goal-setting enhances legal department performance and elevates the general counsel to a strategic partner in maximizing value creation and minimizing risks for the business. Thomson Reuters® [Practical Law](#) provides comprehensive resources to help you achieve all your law department goals this year and beyond.

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