

The Total Economic Impact™ Of LexisNexis Lexis+ AI For Corporate Legal Departments

Cost Savings And Business Benefits Enabled By Lexis+ AI For Corporate
Legal Departments

A FORRESTER TOTAL ECONOMIC IMPACT STUDY
COMMISSIONED BY LEXISNEXIS, JUNE 2025



Table Of Contents

Executive Summary	3
The LexisNexis Lexis+ AI For Corporate Legal Departments Customer Journey	14
Analysis Of Benefits	19
Analysis Of Costs	34
Financial Summary	38

Consulting Team:

Casey Sirotnak

ABOUT FORRESTER CONSULTING

Forrester provides independent and objective research-based consulting to help leaders deliver key outcomes. Fueled by our customer-obsessed research, Forrester's seasoned consultants partner with leaders to execute their specific priorities using a unique engagement model that ensures lasting impact. For more information, visit forrester.com/consulting.

© Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies.

Executive Summary

Corporate legal departments aim to leverage automation and generative AI (genAI) technology across their legal, compliance, and knowledge management workflows to become more efficient and effective in serving their internal clients. However, legal departments face specific challenges that require trusted underlying content and a business partner to support a secure approach to genAI adoption. Forrester research reveals that when genAI first arrived on the scene, trust in the accuracy of output was low, which limited adoption of genAI solutions.¹ Additionally, a Forrester survey shows that enterprise AI decision-makers see data privacy and security concerns as the greatest barrier to widespread adoption of genAI.² Corporate legal leaders interviewed for this study said their departments looked to Lexis+ AI to enhance workforce agility, elevate decision-making, and drive innovations that deliver operational efficiencies and meaningful value to internal client and the larger organization while meeting both accuracy and security standards.

[Lexis+ AI](#) is a legal research, drafting, and insights solution that combines a genAI assistant with LexisNexis content. Lexis+ AI enables users across corporate legal departments, including paralegals and attorneys, to benefit from conversational search, legal drafting, and document summarization and analysis functionality in the protected environment of the LexisNexis ecosystem. As a result, workflows that previously bogged down attorneys and legal staff can be streamlined to enable more time to focus on delivering higher-quality and more valuable work for the organization and ultimately reduce or avoid costly outside counsel fees.

LexisNexis commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Lexis+ AI.³ The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Lexis+ AI on their organizations. This study is focused on the genAI capabilities of Lexis+ AI prior to the integration of the agentic AI assistant LexisNexis Protégé in January 2025.



Return on investment (ROI)

284%



Net present value

\$910K

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed four decision-makers with experience using and deploying Lexis+ AI. For the purposes of this study, Forrester aggregated the experiences of the interviewees and combined the results into a single [composite organization](#) that is a global enterprise organization based in North America with \$10 billion in annual revenue and a corporate legal staff of 70 attorneys and 10 paralegals. Its legal budget is 0.33% of the organization's annual revenue.

Interviewees said that prior to using Lexis+ AI, their organizations identified the need for genAI solutions to drive efficiencies, deliver better internal client experiences, and remain relevant for employees. However, their organizations struggled to identify a genAI solution that would meet both organizational objectives and the strict security and governance standards unique to the corporate legal department. They also desired to adopt a genAI solution with comprehensive functionality that would be applicable and accessible to legal staff across specialties and practice areas.

Interviewees said that with Lexis+ AI, their organizations leveraged their trusted relationships with LexisNexis as both a knowledge source and a business partner to roll out the AI assistant functionality to attorneys and paralegals alike. Key results from the investment include research and routine legal work time savings for paralegals and attorneys. Interviewees said attorneys utilize Lexis+ AI to streamline workflows for addressing legal inquiries that are burdened with administrative tasks, redirecting that time savings to higher-value work, and that increased capacity for attorneys and paralegals contributes to cost savings on outside counsel fees as the organizations take on more matters in-house. They also said paralegals benefit from efficiencies that further support an organization's increased capacity within the corporate legal department.

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **An up to 13% reduction in work handled with outside counsel.** Time savings for attorneys and the paralegals who support them enable the composite organization to focus on more valuable work and, in turn, handle more work in-house. Work handled by outside counsel includes litigation case matters, transactions or deal work, and support on legal issues that may impact the business. The reduction in work handled by external law firms, particularly transactional matters and support on legal inquiries, increases the volume of matters the organization handles internally by 5% in the first year. Over three years and with a cumulative total of 1,312 additional matters handled internally, avoided outside counsel fees total more than \$602,000 for the composite organization.
- **A 25% reduction in annual time spent advising the business on legal inquiries.** Attorneys at the composite organization with access to Lexis+ AI expedite addressing legal inquiries by accelerating research, facilitating summaries, and drafting memos to communicate those findings to various stakeholders. The attorneys spend 20% of their time on legal questions and related tasks that are impacted by Lexis+ AI. Over three years and with a cumulative total of 56 attorneys using Lexis+ AI, the time savings on addressing legal inquiries are worth more than \$574,000 to the composite organization.
- **Annual time savings of 50% for paralegals on administrative tasks.** With Lexis+ AI, the composite organization's paralegals reduce the time they spend summarizing and analyzing documents in preparation for legal work. For the impacted paralegals, 25% of their time is dedicated to case summarization and document analysis. Over three years and with a cumulative total of three paralegals using Lexis+ AI, the time savings are worth more than \$53,000 to the composite organization.

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified for this study include:

- **Improving employee experience and facilitating career growth opportunities.** Interviewees said the investment in Lexis+ AI was a necessity to enable their organizations' legal staff to effectively meet the demands of their daily jobs. While the composite organization redistributes most of the time

savings to improving capacity within the department, there are also instances in which attorneys choose to end their workday or workweek earlier to reset their work-life balance and improve their quality of life. Time savings for internal resources also enable cross-training opportunities for current employees and accelerate the onboarding process for new talent.

- **Accelerating time to better quality outputs.** Interviewees said Lexis+ AI enables users to achieve comprehensive and high-quality output sooner. Attorneys provide more thorough, timely information to internal clients and paralegals redirect their time from summarizing documents to identifying inconsistencies or issues within those documents. Additionally, interviewees said the tool is easy to use, so Forrester assumes a broad range of employees (e.g., junior associates, paralegals) at the composite organization use it. The facilitated adoption enables more resources to benefit from higher-quality outputs.
- **Achieving AI adoption goals in an accurate, safe way.** The composite organization has a corporate legal department, and it is under pressure to leverage automation and AI to provide operational efficiencies. However, unlike other departments within the composite organization, the corporate legal department has unique requirements regarding proprietary and privileged information as well as the quality of the underlying content. Lexis+ AI enables the department to meet companywide directives to adopt genAI while still meeting the information security and data requirements unique to its work in the legal space.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Fees to LexisNexis for access to Lexis+ AI.** The composite organization provides Lexis+ AI access to its user base, and this includes both underlying LexisNexis databases and AI functionality. Over three years, and for a total of 59 Lexis+ AI users, the cost of Lexis+ AI licenses total \$303,000 for the composite organization.
 - **Internal resource time spent on training and support.** Users at the composite organization complete a mandatory 2-hour training session to gain access to Lexis+ AI functionality. Additionally, business support staff spend time interfacing with LexisNexis to support change management at the organization, and this
-

includes strategically planning ongoing training sessions. Business support staff administer the initial deployment of the tool and manage its wider adoption, including identifying the most robust use cases within the corporate legal department and tracking ongoing utilization. Internal resource time spent on training and support responsibilities totals \$18,000 during the composite organization's three-year investment period.

The financial analysis that is based on the interviews found that a composite organization experiences benefits of \$1.2 million over three years versus costs of \$320,000, adding up to a net present value (NPV) of \$910,000 and an ROI of 284%.

Annual time savings for attorneys who advise the business on legal inquiries, including researching, summarizing, and communicating findings with Lexis+ AI

25%

Outside counsel spend savings impacted by Lexis+ AI in Year 3

Up to 2.18%

“The company is moving in the direction of trying to automate as much as we can to improve workflows and processes and shorten the time for delivery. One of the [objectives] we’re trying to measure is the time from request to answer and determine how quickly we can get there from a customer-experience perspective.”

SENIOR LEGAL OPERATIONS MANAGER OF LEGAL AND COMPLIANCE, INSURANCE



ROI

284%



BENEFITS PV

\$1.2M



NPV

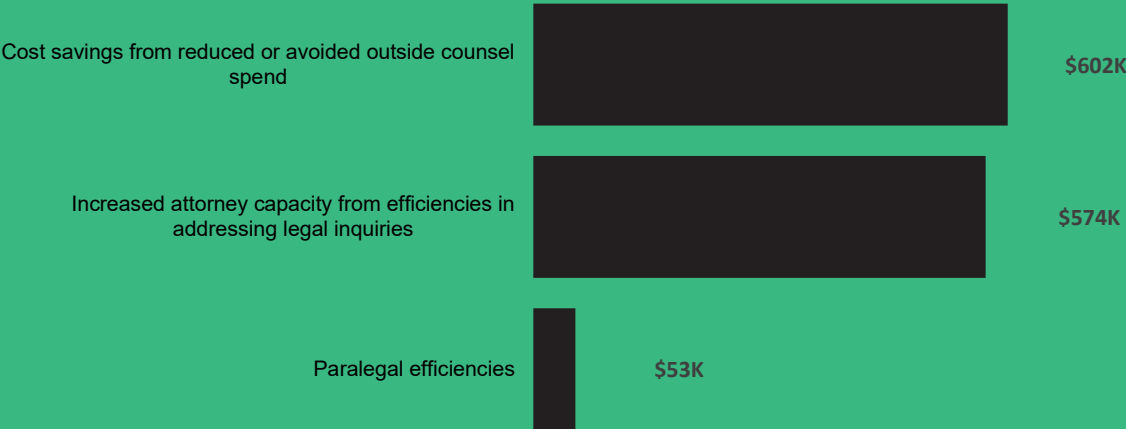
\$910K



PAYBACK

<6 months

Benefits (Three-Year)



INTERVIEW SPOTLIGHT

How Are My Peers Using Lexis+ AI?

To determine the ROI for the composite organization, Forrester analyzed the interviewee data to highlight the most common use cases and applications of Lexis+ AI functionality within their organizations. Interviewees agreed that because Lexis+ AI is a LexisNexis solution, it initially lends itself most organically to workflows for advising the organization on legal inquiries based on the same trusted foundation of case law and legal sources. However, outside of the most common and typical use cases, the interviewees' organizations explored other Lexis+ AI functionality and uses while looking forward to expanding those use cases as rapidly as the product functionality expands.

Advising the organization on legal inquiries. Interviewees said they see the core focus or application of Lexis+ AI as a tool to support workflows to advise their organizations about legal inquiries, which includes conducting legal research. Specifically, those from organizations with litigation attorneys on staff said those attorneys adopted the Lexis+ AI solution to combat the long cycle times associated with litigation casework and to mitigate the heavy research component of their writing. Some interviewees said their organization examined the cycle times of addressing legal inquiries matters as a measurement of internal client impact.

- The AVP of staff counsel operations at an insurance organization described using Lexis+ AI as having a “virtual associate or virtual paralegal that produces summaries and outlines and briefs that would allow our attorneys to operate more efficiently.”
- The VP of legal operations at a real estate organization lauded the “ask a legal question” function within Lexis+ AI as well as the tool’s ability to distill responses to a memo or email for facilitated communication. They said, “Lexis+ AI makes it really easy to ask a question, get an answer, drill down into that answer, and then reduce the findings to a document [for sharing].”
- The senior legal operations manager of legal and compliance at an insurance organization said attorneys enjoy using the natural language search capabilities due to the intuitive nature of the tool.

- The North America privacy counsel at an environmental organization emphasized the importance of receiving prompt responses to legal questions because of the rapidly evolving nature of the legal landscape. They said: “Lexis+ AI is helpful for the quick answer or summaries of laws that we might need within minutes. The research is key to what we do because there are new laws coming into place every day. And with that comes further interpretation. For example, when a new law comes in, I first identify the risks and how it can benefit or hurt the company. I then determine what the legal risks are if we take a certain action and what the fines associated with noncompliance [would be].”
- While interviewees spoke of many steps involved in research and various approaches across their legal teams and organizations, they said there were ample scenarios in which providing a swift, yet comprehensive answer was paramount.

Drafting. Interviewees said they see the drafting component of Lexis+ AI as an extension of the functionality and that, as such, their organizations used it to draft initial communications of research findings for various stakeholders. Additionally, many attorneys on the transactional side of the business interacted with highly templated documents, which interviewees said lent themselves nicely to Lexis+ AI drafting capabilities. In contrast, some interviewees said their organization used the drafting capabilities to tailor communications to specific stakeholders in an easily consumable and understandable manner to more quickly take appropriate action.

- The AVP of staff counsel operations at an insurance organization indicated their company’s legal team had not yet started using Lexis+ AI for drafting. However, they said they envision using it for memo or pleading preparation when the time to deliver is especially relevant. They said: “We envision memo preparation or pleading preparation, and [Lexis+ AI] has already shown to be very effective in getting a first draft completed to where [the attorney] can then apply some facts. Obviously, there is manual touch that’s required once that first draft is prepared, but it really gets you well on your way to having that document completed.”

- The VP of legal operations at a real estate organization agreed that the most challenging part of drafting a legal document is getting started. They said, “If you have a form that you’re plucking out of your library or if you can go to Lexis+ AI and tell it to draft something specific, you have got a start, and it saves a lot of time.” The same interviewee indicated their organization processed a large volume of legal documents (e.g., contracts, letters, client correspondence), which provided ample opportunities for efficiencies.
- The senior legal operations manager of legal and compliance at an insurance organization said the Lexis+ AI solution is a good fit for drafting contracts and adding or clarifying policy language for those contracts. They said they anticipate additional efficiencies from the drafting functionality of Lexis+ AI given the high volume of agreements their organization processes.
- The North America privacy counsel at an environmental organization indicated their company uses the Lexis+ AI drafting capabilities, and they specifically highlighted the refining feature. They said, “When you’re looking for a certain type of wording to put in pleadings or motions or memos, there’s an ability to refine it [with Lexis+ AI].”
- The North America privacy counsel at an environmental organization also contextualized the complexities associated with drafting client communications. They said attorneys have clients or stakeholders who are looking for guidance on legal matters in terms they can easily absorb and that are relevant to their specific role or function at the organization. They explained that the Lexis+ AI solution took the intended audiences for the communications into perspective when drafting: “[When I am writing legal communications], I am often using highly technical legal words that the [intended recipient of the communications] may not understand. To help facilitate understanding, Lexis+ AI can polish the word or the sentence a little bit so that it’s at a level that [the recipient] can understand, and [it] can even provide practical applications or examples to further facilitate understanding.”

Summarizing and analyzing documents. The interviewees said their organizations recognized significant value in using Lexis+ AI to summarize and analyze documents, but that they faced internal challenges in expanding access to these capabilities and promoting user adoption. Among these challenges, the use of proprietary or identifiable language in uploaded materials along with manual workarounds sometimes required the organizations to mitigate the risk of sharing potentially discernible language or information.

- The VP of legal operations at a real estate organization noted that many of their company's paralegals handle transactional work involving highly detailed and comprehensive documents, which the VP said presents an ideal use case for Lexis+ AI.
- The senior legal operations manager of legal and compliance at an insurance organization described the internal process requirement of redacting proprietary or identifiable information prior to uploading the documents to Lexis+ AI. While they said this was a necessary, yet burdensome step in their internal workflows, they also indicated attorneys still used the summarize and analyze functionality in Lexis+ AI. The interviewee specifically cited use of the tool in comparing external contracts against internal templates to identify exclusionary language or areas where the language required an update.

TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in Lexis+ AI.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that Lexis+ AI can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by LexisNexis and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in Lexis+ AI.

LexisNexis reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

LexisNexis provided the customer names for the interviews but did not participate in the interviews.

1. Due Dilligence

Interviewed LexisNexis stakeholders and Forrester analysts to gather data relative to Lexis+AI.

2. Interviews

Interviewed four representatives at organizations using Lexis+ AI to obtain data about costs, benefits, and risks.

3. Composite Organization

Designed a composite organization based on characteristics of the interviewees' organizations.

4. Financial Model Framework

Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.

5. Case Study

Employed four fundamental elements of TEI in modeling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

The LexisNexis Lexis+ AI For Corporate Legal Departments Customer Journey

Drivers leading to the Lexis+ AI investment for corporate legal departments

Interviews					
Role	Industry	Annual Revenue	Total Attorney Count	Supporting Staff Count	Lexis+ AI Users Count
AVP of staff counsel operations	Insurance	\$5B	115	50 onshore support staff members (e.g., paralegals, legal secretaries, trial managers)	60
VP of legal operations	Real estate	\$10B	20	17 paralegals, 10 assistants, 2 administrators	20
Senior legal operations manager of legal and compliance	Insurance	\$55B	127	13 paralegals	14
North America privacy counsel	Environmental	\$50B	30	10 paralegals	40

KEY CHALLENGES

Interviewees shared that their departments were eager to adopt genAI solutions, despite facing some common challenges, including:

- Functionality.** Interviewees said genAI tools in the legal space trend toward point solutions to support specific practice areas or case types or even to perform discrete tasks. However, given the lack of maturity of genAI in the market and the conservative environments that comprise legal departments, most of their organizations desired to implement tools with more comprehensive genAI functionality that could be adopted by attorneys of different levels and types as well as by supporting staff to influence major workflows.

- **Training.** Interviewees were cognizant of the required effort associated with the implementation of genAI tools to adequately address training and change management challenges. They explained that their departments wanted to introduce genAI in a safe way, and that it required adequate training for users of the tool who prescribed preferred applications and use cases across existing workflows.
- **Security and governance.** The VP of legal operations at a real estate organization explained how genAI adoption became more challenging when security and governance concerns were thrust upon the users. They stated: “The main attraction with Lexis+ AI is that it’s a closed system. So, we thought it was our best foray into the AI world because people wouldn’t have to worry about protecting our data. They could focus on learning how to use the AI piece and not worry about learning all the [security and governance] caveats.” The same interviewee also indicated their organization was concerned about the underlying quality of data and sources that comprise other genAI solutions. The North America privacy counsel at an environmental company corroborated this: “We have strict policies in place that say we can’t use external sources that cannot be trusted.”
- **Adoption.** The interviewees indicated their organizations’ corporate legal departments needed genAI solutions that would be cost-effective given the keen focus on delivering operational efficiencies within their departments, which were often run as cost centers. Interviewees said they viewed utilization or adoption rate as a primary driver of cost-effectiveness. The more their organizations deployed the genAI functionality to more user groups within the corporate legal departments, the higher the utilization rates were. Additionally, the interviewees said their departments needed genAI solutions to be intuitive for users to further promote adoption. They explained that the easier the tools would be to use, the better the adoption rates would be, and that these factors would justify the investment.

INVESTMENT OBJECTIVES

The interviewees’ organizations searched for a genAI solution that could:

- Enhance the productivity and effectiveness of attorneys and paralegals.
- Drive better internal client outcomes.
- Improve operational efficiencies within the corporate legal department.
- Deploy genAI safely and securely in a controlled environment.
- Enable the organization and the corporate legal department to remain attractive places to work for current employees and new talent.

After evaluating genAI solutions and capabilities from multiple vendors, the interviewees' organizations chose Lexis+ AI specifically for:

- The quality of the underlying legal content and data across the LexisNexis ecosystem.
- The breadth of functionality and application to more attorneys and paralegals by practice area and use case.
- The intuitive nature of the Lexis+ AI functionality that promotes adoption.
- The enhanced security features and simplified implementation effort that accelerate time to value.
- The strategic partnership with LexisNexis and transparency around the product roadmap.

“Our hypothesis was that we [can give] the attorneys [more cases] if we give them [Lexis+ AI] and a handful of other productivity tools, and we would not be effectively increasing their workload. In fact, their workloads might even decrease. We have a good sense that it’s working.”

AVP OF STAFF COUNSEL OPERATIONS, INSURANCE

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite organization, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the interviewees' organizations, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

- **Description of composite organization.** The composite is a global enterprise organization with a corporate legal staff based in North America. The organization generates \$10 billion in annual revenue and employs a corporate legal staff of 70 attorneys and 10 paralegals. The composite handles 7,750 total matters annually, with 47% of matters handled by internal legal staff. The remaining matters are handled with outside counsel. Given the complex nature of the matters sent to outside counsel and the risk-averse nature of the organization and the corporate legal department, the matters handled externally are usually sent to large law firms. The budget for the legal department represents 0.33% of the organization's annual revenue, and 41% of the budget is allocated to outside counsel spending. The organization does not have existing Lexis+ platform subscriptions.
- **Deployment characteristics.** The composite organization purchases individual Lexis+ AI licenses, which includes underlying LexisNexis content databases and AI functionality for the intended users. In Year 1, the organization rolls out the Lexis+ AI functionality to 10% of paralegals and 40% of attorneys. Access to the tool expands steadily during the three-year investment period to impact 30% of paralegals and 80% of attorneys by Year 3.

Legal budget savings in Year 3

1.95%

KEY ASSUMPTIONS

\$10 billion in annual revenue

70 attorneys

10 paralegals

Each attorney handles ~ 53 matters annually

Legal budget is 0.33% of the organization's annual revenue

Spends 41% of the legal budget on outside counsel spend

Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Benefits						
Ref.	Benefit	Year 1	Year 2	Year 3	Total	Present Value
Atr	Cost savings from reduced or avoided outside counsel spend	\$198,495	\$242,666	\$294,781	\$735,942	\$602,474
Btr	Increased attorney capacity from efficiencies in addressing legal inquiries	\$157,248	\$235,872	\$314,496	\$707,616	\$574,174
Ctr	Paralegal efficiencies	\$11,066	\$22,131	\$33,197	\$66,394	\$53,291
	Total benefits (risk-adjusted)	\$366,809	\$500,669	\$642,473	\$1,509,951	\$1,229,939

COST SAVINGS FROM REDUCED OR AVOIDED OUTSIDE COUNSEL SPEND

Evidence and data. The interviewees indicated that a significant objective of implementing genAI solutions within their departments was to reduce spending with outside counsel. They said that using Lexis+ AI increased their department's capacity to take on more matters internally, particularly transactional matters or support for legal inquiries. However, interviewees agreed they must exercise caution when considering which matters are appropriate to bring in-house versus those that should continue to go to external legal resources, such as complex litigation matters. They cited risk-mitigation concerns as well as the resource structure of their departments as primary factors when looking to increase the volume of matters handled internally.

- The AVP of staff counsel operations at an insurance organization said their department reduced cycle times with Lexis+ AI and that attorneys eliminated the friction associated with starting certain tasks, which improved their ability to file motions sooner. The interviewee said: "A mantra as an attorney is, 'What can I do to keep this ball rolling?' You don't want stasis. You don't want a time period on a

file when nothing is being done. And so, the sooner we can strike to get those motions filed — assuming we've got everything we need to get it prepared — the sooner we're going to reach a conclusion. [That] will reduce our cycle time."

- The same interviewee associated a reduction in cycle times within the department to the ability to further increase capacity: "That is really where Lexis+ AI comes into play since we want the attorneys to do licensed work, and we want them to do it efficiently. [With Lexis+ AI,] we have increased our average attorney caseload from approximately 53 files per attorney to 56 files per attorney [per year]."
- The same interviewee said the saved time for attorneys translated into cost savings on outside counsel spend. They stated: "The assumption is that any case that goes to [outside] counsel is going to be more expensive by virtue of a higher billable rate, but then also by virtue of the fact that the cycle time will likely be longer and more work is going to be put into that file. The incentive for [an outside] counsel attorney is the more they bill, the more money they make. But as staff counsel, we are salaried employees, and we do not have that same incentive to bill up the file."
- Regarding the type of work or matters that are appropriate to bring in-house, the VP of legal operations at a real estate firm cited extraneous legal questions and stated that even if a single question was resolved with Lexis+ AI versus going to outside counsel, the investment would pay for itself: "Every question we ask Lexis+ AI would have otherwise gone to outside counsel. In almost all cases, [attorneys] would have gone to outside counsel to confirm whatever they were able to find on [Lexis+ AI]. So, you can easily look at what [the solution] costs you per license, and you can look at what it would have cost you for even just an hour of outside counsel time. That math is easy. I look at my 20 users and I can monetize their salaries. I can monetize outside counsel's hourly rate, and I think it's a no-brainer as long as [employees] are using it. If you do one or two tasks [with Lexis+ AI], it might [pay] for your whole year [of Lexis+ AI access]."
- The North America privacy counsel at an environmental organization saw the value in reducing back-and-forth email correspondence with outside counsel or avoiding it altogether depending on the legal question at hand. They said, "[If my

organization's attorneys] get to understanding faster with internal counsel alone or even with fewer back and forth emails with outside counsel — which are billed — then we are saving on fees.”

- The senior legal operations manager of legal and compliance at an insurance organization explained that their organization sought outside counsel to mitigate or transfer some of the risk associated with decision-making or application of the legal finding. Regardless, the same interviewee said they view Lexis+ AI as a means for their organization's attorneys to obtain more specific answers to more complex and obscure matters. They said, “I am working with the assumption that those obscure matters are matters that would have automatically been sent to outside counsel [before using Lexis+ AI].” The same interviewee estimated their department spent \$800,000 on outside counsel for legal or research questions alone last year, which they said presents ample opportunity for cost savings by bringing more obscure legal questions in-house.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Before using Lexis+ AI, the composite organization handled 7,750 total matters annually, and internal resources handled 47% of those matters. As such, each attorney handled about 53 matters per year.
- The composite organization uses outside counsel for litigation case matters, transactional matters or deals, and support on legal issues that may impact the business.
- The matters brought in-house with Lexis+ AI represent legal questions that previously went to outside counsel due to a lack of internal bandwidth or prolonged communication with outside counsel regarding a legal question that was not fully formed or understood. As such, the composite organization previously billed for each of these matters to the lowest integer for external law firms at 1 hour.
- The composite organization almost exclusively works with large law firms as external counsel resources, and the billable rates range from \$670 in Year 1 to \$811 in Year 3 to reflect annual market adjustments of 10%. Most matters sent to

outside counsel regarding legal questions go to junior associates, but every third matter goes to a senior associate or partner-level associate.

Risks. Cost savings from avoided outside counsel spend may vary depending on the following:

- The volume of matters handled annually by the organization as well as the ratio of work handled by internal resources and outside counsel.
- The appetite for the organization to bring more matters in-house, which depends on the type of attorneys on staff and the level of risk or compliance controls in place.
- The types of legal matters the organization typically handles, which can inform the ability to bring work in-house and the associated savings. For example, in some cases, litigation matters are less likely to be handled in-house than transactional or legal inquiry matters.
- The avoided cost of outside counsel, which will depend on the average billable rate for matters handled by outside counsel and the hourly rate of the internal attorney.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$602,000.

Reduction in matters handled by outside counsel in Year 3

Up to 13%

“[We want to increase our attorneys’ capacity to take on more work in-house,] and the answer isn’t work harder and work longer; it’s work more efficiently and work smarter. We feel that Lexis+ AI, in addition to some other efficiency measures that we put in place, has allowed us to take on that additional intake.”

AVP OF STAFF COUNSEL OPERATIONS, INSURANCE

Cost Savings From Reduced Or Avoided Outside Counsel Spend					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Average matters handled before using Lexis+ AI	Composite	7,750	7,750	7,750
A2	Percent of matters handled internally before using Lexis+ AI	Composite	47%	47%	47%
A3	Reduction in matters handled with outside counsel with Lexis+ AI	Interviews	11%	12%	13%
A4	Additional matters handled internally with Lexis+ AI	$A1 \times A2 \times A3$	401	437	474
A5	Average time spent per matter sent to outside counsel (hours)	Composite	1	1	1
A6	Average hourly rate for outside counsel	Composite	\$670	\$737	\$811
At	Cost savings from reduced or avoided outside counsel spend	$A4 \times A5 \times (A6 - B7)$	\$220,550	\$269,629	\$327,534
	Risk adjustment	↓ 10%			
Atr	Cost savings from reduced or avoided outside counsel spend (risk-adjusted)		\$198,495	\$242,666	\$294,781
Three-year total: \$735,942			Three-year present value: \$602,474		

INCREASED ATTORNEY CAPACITY EFFICIENCIES IN ADDRESSING LEGAL INQUIRIES

Evidence and data. Interviewees noted that their organizations' attorneys can produce top-quality and effective responses to legal inquiries without the help of genAI solutions, but they recognized that performing many of the tasks associated with addressing legal inquiries (e.g., conducting research, summarizing and communicating the findings) was not the highest-value use of attorney time. But they said with Lexis+ AI, their attorneys more quickly arrive at quality findings or outcomes. They also said their organizations rely on Lexis+ AI to generate first drafts of research summaries and client communications (e.g., memos). As such, they explained that attorneys better meet internal client expectations for turnaround times and that Lexis+ AI increased their capacity to take on more work for the department.

- The senior legal operations manager of legal and compliance at an insurance organization said they view Lexis+ AI as a useful tool for addressing legal inquiries: "Attorneys are getting to an answer more quickly than they did in the previous world. Even if they must go back and double-check information, they are still getting to the answer faster."
- The same interviewee elaborated on the size and complexity of many legal inquiries for attorneys. They said: "[An attorney] may want to search for a particular legal question or subject, and they may run across 300 cases they have to filter down and try to pinpoint for relevancy. But [with Lexis+ AI], they can ask a very specific question and drill down to a handful of cases for review. So, the time that it would take for you to search through 300 cases — just trying to get to a couple that are relevant to your question — is a big, big time saver."
- The AVP of staff counsel operations at a different insurance organization described the value of accelerating time to start for attorneys when it came to legal inquiries. They indicated that Lexis+ AI eliminated barriers to starting research, which cut in half the total project timelines of 7 hours. Furthermore, the interviewee said that by accelerating the timelines for legal inquiry responses, their organization impacted broader case cycle length by minimizing the expected effort associated with the task. They explained: "It really comes down to the basic summary judgment motion that's been sitting on the corner of that

attorney's desk for three months. They do not have 7 hours to block to get to prepare a brief and do the research that is required. We felt that the Lexis+ AI tool was fundamental in shortening that time span, allowing someone to think, 'Yeah, I have time to do this today.' So, it helps with limiting procrastination by shortening the hill they need to climb to get to the point of actually filing that particular document."

- The North America privacy counsel at an environmental organization estimated that 20% of their workload became easier with Lexis+ AI. They specifically identified research workflows as those most impacted by the tool. They said: "I am no longer exhausting so much energy into thinking and writing. It's more about, 'Here is a sentence. Now give me a five-page draft on the topic.'" The interviewee said that with the time back, they became able to respond to more internal client requests or speak with officials to further improve the quality of findings.
- Regarding quality, the same interviewee described the importance of accelerating time to an answer for many attorneys. They said they see Lexis+ AI as a tool to help identify a needle in a haystack or to get to the "a-ha" moment sooner: "All lawyers are looking for the smoking gun. To get there, you must pinpoint issues in a way that you may have previously overlooked if you did your old way of searching. The good thing about [Lexis+ AI] is that it is native language, so you interact with it as if you are just talking to it."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization doles out access to Lexis+ AI at a controlled cadence over the three-year investment period, granting access to 40% of the attorneys with high utilization of the tool in Year 1. It increases attorney access to 60% in Year 2 and to 80% in Year 3.
- Of the attorney time, 20% is spent on tasks that impacted by the Lexis+ AI tool, specifically within addressing legal inquiry and research workflows.
- The average fully burdened hourly rate for an impacted attorney is \$120.
- Attorneys redirect 50% of the time savings to value-added work.

Risks. Increased attorney capacity from efficiencies in addressing legal inquiries may vary depending on the following:

- The size of the organization's legal department and the level of access granted to attorneys.
- The size, location, and industry of the organization.
- The organization's approach to addressing legal inquiry and research prior to adopting Lexis+ AI, including any solutions in place.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$574,000.

Annual time savings for attorneys when addressing legal inquiries

25%

“Attorneys are getting to an answer more quickly than they did in the previous world. Even if they must go back and double-check information, they are still getting to the answer faster.”

SENIOR LEGAL OPERATIONS MANAGER OF LEGAL AND COMPLIANCE, INSURANCE

Increased Attorney Capacity Efficiencies In Addressing Legal Inquiries					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Total attorneys (FTEs)	Composite	70	70	70
B2	Attorneys with access to Lexis+ AI	Composite	40%	60%	80%
B3	Total attorneys with access to Lexis+ AI	B1*B2	28	42	56
B4	Average percent of time spent addressing legal inquiries (e.g., conducting research, summarizing and communicating findings)	Interviews	20%	20%	20%
B5	Time savings for attorneys while addressing legal inquiries with Lexis+ AI	Interviews	25%	25%	25%
B6	Total saved attorney time with Lexis+ AI (hours)	B3*(B4*2,080)*B5	2,912	4,368	5,824
B7	Average hourly rate for an attorney	Composite	\$120	\$120	\$120
B8	Productivity recapture rate	Composite	50%	50%	50%
Bt	Increased attorney capacity from efficiencies in addressing legal inquiries	B6*B7*B8	\$174,720	\$262,080	\$349,440
	Risk adjustment	↓ 10%			
Btr	Increased attorney capacity from efficiencies in addressing legal inquiries (risk-adjusted)		\$157,248	\$235,872	\$314,496
Three-year total: \$707,616			Three-year present value: \$574,174		

PARALEGAL EFFICIENCIES

Evidence and data. Interviewees said paralegals are an important and heavily burdened resource within corporate legal departments and that Lexis+ AI assisted them with many time-consuming and rote tasks that fell into the bucket of administrative work (e.g., summarizing and analyzing documents in preparation for attorney handling). Paralegals redirected the time savings to further support the increased capacity within the legal department to improve the quality of work product and take on more matters in-house.

- The VP of legal operations at a real estate organization indicated that paralegals spend 20% to 30% of their time summarizing documents but that with Lexis+ AI,

summarizing tasks that previously took 2 to 3 hours to complete now takes half that time. They said paralegals shifted from manually summarizing large volumes of documents to allowing Lexis+ AI to generate the summaries and simply review the results and that the time savings are critical not only to increasing paralegal capacity, but also to provide these busy resources more time to focus on quality assurance, giving them the freedom to apply more creative thinking to their work. The VP said: “When you don’t have to spend so much time summarizing the documents, you are freed up to spend time on other parts of the deal. You might catch something, or you might think about something that you wouldn’t have had the bandwidth to do if you were bogged down manually summarizing things.”

- The North America privacy counsel at an environmental organization said they see the value of Lexis+ AI in supporting paralegals in their document analysis responsibilities. They explained that paralegals are the first point of contact internally for most documents, so they are often responsible for manually dissecting documents (e.g., contracts) and organizing them by topic or content type to then distribute to an attorney or resource for review. The interviewee said Lexis+ AI is a valuable tool for breaking down documents to facilitate easier digestion by their various legal experts: “Some of the contracts that we see can be 500 to 600 pages long. It can take our paralegals a long time to manually break out the contract in a way that is easy to digest for our legal experts.” The interviewee also indicated that their organization’s paralegals save 50% of the time spent on document analysis responsibilities with Lexis+ AI.
- The North America privacy counsel at an environmental organization also connected the paralegal time savings to better quality outputs. They said: “If we have a structured way of organizing a contract and we get a question about the content of that contract, a paralegal can easily identify where to find the answer. And, if it’s blank, we know that [content] is missing. And what I mean by ‘missing’ is that it wasn’t negotiated and is excluded from the contract in its current state.”

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization provides access to Lexis+ AI to an increasing number of paralegals over the three-year investment period. It gives access to 10% in Year 1, 20% in Year 2, and 30% in Year 3.
- The composite organization's paralegals spend 25% of their time on administrative tasks (e.g., summarizing documents and preparing them for legal work).
- With Lexis+ AI, the composite organization's paralegals save 50% of the time they previously spent manually summarizing and preparing documents for attorney work.
- Because the composite organization's paralegals are busy resources and have large backlogs of responsibilities, they redistribute 80% of the time savings enabled by Lexis+ AI to value-added work for the department.
- The average fully burdened hourly rate for a paralegal is \$56.

Risks. Paralegal efficiencies may vary depending on the following:

- The Lexis+ AI access the organization provides to paralegal resources.
- The number of paralegal resources within the department.
- The average time spent on administrative tasks prior to adoption of Lexis+ AI and the organization's ability to automate more of those tasks.
- The organization's size, location, and industry.

Results. To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$53,000.

Annual time savings for paralegals when performing administrative tasks

50%

ANALYSIS OF BENEFITS

Paralegal Efficiencies					
Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Total paralegals (FTEs)	Composite	10	10	10
C2	Paralegals with access to Lexis+ AI	Composite	10%	20%	30%
C3	Total paralegals who use Lexis+ AI	C1*C2	1	2	3
C4	Percent of paralegal time spent on administrative tasks impacted by Lexis+ AI (e.g., summarizing documents, analyzing documents for legal work)	Composite	25%	25%	25%
C5	Total time spent on tasks impacted by Lexis+ AI for paralegals (hours)	C3*(C4*2,080)	520	1,040	1,560
C6	Time savings for paralegals with Lexis+ AI	Interviews	50%	50%	50%
C7	Productivity recapture rate	Composite	80%	80%	80%
C8	Average fully burdened hourly rate for a paralegal	Composite	\$56	\$56	\$56
Ct	Paralegal efficiencies	C5*C6*C7*C8	\$11,648	\$23,296	\$34,944
	Risk adjustment	↓5%			
Ctr	Paralegal efficiencies (risk-adjusted)		\$11,066	\$22,131	\$33,197
Three-year total: \$66,394			Three-year present value: \$53,291		

UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- Improving employee experience and facilitating career growth opportunities.** The interviewees agreed that having genAI solutions in place to support legal staff felt like a necessary part of providing their organizations' employees with the right tools to do their jobs effectively. The VP of legal operations in real estate said, "[I assume having Lexis+ AI] would make the employee experience better because a lot of [employee] experience is about having the right tools to do the job, whether you're a chef or in the legal arena." To highlight another avenue for improving employee experience, the North

America privacy counsel at an environmental organization said they view Lexis+ AI as a time-saving tool that enables attorneys to end their workdays or workweeks sooner, thereby striking a better work-life balance.

Additionally, many of the interviewees said Lexis+ AI presents more opportunities to impact career growth for both current employees and new talent (e.g., through cross-training opportunities or by upskilling new or junior attorneys more quickly). The AVP of staff counsel operations at an insurance organization assumes that faster upskilling or onboarding of attorneys will further impact organizational capacity. They said: “If I bring on a new attorney, I want them to have Lexis+ at a minimum, but then to also consider Lexis+ AI. The assumption is that [Lexis+ AI] is going to allow those individuals to be more efficient in their work, and that it’s going to allow them to get up to a full caseload faster.”

- **Accelerating time to better quality outputs.** Interviewees said Lexis+ AI improves output quality and accelerates time to value. They expect there will be additional value in providing access to Lexis+ AI to a wider range of employees to broaden the impact of the higher-quality work. With Lexis+ AI, junior associates or paralegals got to preliminary answers or started preliminary drafts with more success than if they used solutions without AI. Additionally, the senior legal operations manager of legal and compliance at an insurance organization said they see a strong user base for Lexis+ AI in younger attorneys with less than 10 years of experience. Interviewees said that as more junior and supporting staff utilize Lexis+ AI, more resources and complete workflows will benefit from the associated efficiencies and quality outcomes.
- **Achieving AI adoption goals in an accurate, safe way.** Interviewees explained their organizations are under pressure to leverage automation and AI to provide operational efficiencies across all departments and functions. However, they said corporate legal departments — unlike other departments — have unique requirements regarding proprietary and privileged information as well as the quality of the underlying data and sources and that this adds complexity that other departments may not experience. Interviewees said Lexis+ AI meets both enterprisewide information security and privacy requirements while also meeting the unique needs of legal departments with commercial-grade private cloud infrastructure, independently trained models with siloed user sessions, customer

data encryption, and help meeting regulations like the EU's AI processing center regulations.

Interviewees said that as a result, Lexis+ AI enables their companies' corporate legal departments to meet organizationwide directives to adopt genAI. The senior legal operations manager of legal and compliance at an insurance organization stated: "We have a directive to better leverage automation and technology. Within that directive, the company as a whole is working to enhance its AI capabilities. My department is conservative when it comes to adopting technology. There was no appetite to do a big research project across all available AI tools and start a bunch of pilot programs. Instead, we are looking at existing tools that offer genAI and we are starting with Lexis+ AI, which I think has been a promising start."

"Our hypothesis is that our attorneys are capable and competent to prepare effective and case-winning briefs. [Lexis+ AI] allows our attorneys to get there sooner and with a higher level of confidence that what they've put together is comprehensive."

AVP OF STAFF COUNSEL OPERATIONS, INSURANCE

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Lexis+ AI and later realize additional uses and business opportunities, including:

- **Expanding applications and use cases.** Many interviewees said their organization is in the early days of Lexis+ AI adoption but that they are already thinking about future applications and use cases. Interviewees anticipate future impacts for their organizations by providing more access to more attorneys at different levels and by identifying more applications for the evolving Lexis+ AI functionality.

For example, the senior legal operations manager of legal and compliance in the insurance industry indicated their organization viewed paralegals as a large potential user group of Lexis+ AI because they are often responsible for the type of perfunctory tasks that can be completed more efficiently with Lexis+ AI. The manager said time savings in administrative workflows increased paralegal capacity to take on similar work in-house versus having to send it to outside counsel due to restricted capacity. They said, “We see [Lexis+ AI] as an opportunity to have paralegals do some of the rote work that we must outsource currently, such as the 50-state surveys that we are responsible for.”

Additionally, the North America privacy counsel at an environmental organization said they expect the summarize capabilities of Lexis+ AI to improve, which they believe would make the tool more applicable for larger, more complex document summaries. And the VP of legal operations at a real estate organization said change in behavior or internal process improvements are additional drivers to expand use cases or applications of Lexis+ AI. For example, they said that as their organization uses Lexis+ AI to draft more common document types, it will be able to templatize more of those drafts to further accelerate time to completion.

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in [Total Economic Impact Approach](#)).

“There is a ton of untapped potential with Lexis+ AI to create things like templates and to build our own sorts of knowledge management libraries.”

VP OF LEGAL OPERATIONS, REAL ESTATE

Analysis Of Costs

Quantified cost data as applied to the composite

Total Costs							
Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Dtr	Fees to LexisNexis for Lexis+ AI	\$0	\$82,041	\$124,476	\$166,911	\$373,428	\$302,858
Etr	Training and support	\$1,320	\$8,254	\$5,544	\$5,544	\$20,662	\$17,571
	Total costs (risk-adjusted)	\$1,320	\$90,295	\$130,020	\$172,455	\$394,090	\$320,429

FEES TO LEXISNEXIS FOR LEXIS+ AI

Evidence and data. The interviewees' organizations were not existing customers of LexisNexis, therefore, they purchased individual licenses for Lexis+ AI. Pricing may vary. Contact LexisNexis for additional details.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization provides Lexis+ AI access to individuals on a rolling basis during the three-year investment period, starting with one paralegal and 28 attorneys in Year 1. In Year 2, the organization provides licenses to a total of 2 paralegals and 42 attorneys. And in Year 3, the organization provides licenses to a total of three paralegals and 56 attorneys.
- The fees the composite organization pays to LexisNexis cover all Lexis+ AI functionality on a per-user per-month basis.

Risks. The fees to LexisNexis for Lexis+ AI will vary depending on the following:

- Whether or not the organization is a LexisNexis customer, the version of the platform in place, and the scope of deployment and access within the department.

ANALYSIS OF COSTS

- The number of users targeted for Lexis+ AI functionality.
- The underlying content that the organization purchases as part of its subscription.

Results. To account for these risks, Forrester adjusted this cost upward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$303,000.

Fees To LexisNexis For Lexis+ AI						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
Dt	Fees to LexisNexis for Lexis+ AI	(E2)*(Lexis+ AI PUPM)*12	\$0	\$71,340	\$108,240	\$145,140
	Risk adjustment	↑ 15%				
Dtr	Fees to LexisNexis for Lexis+ AI (risk-adjusted)		\$0	\$82,041	\$124,476	\$166,911
Three-year total: \$373,428			Three-year present value: \$302,858			

TRAINING AND SUPPORT

Evidence and data. Interviewees said internal resources at their organizations spent time managing the deployment of Lexis+ AI to ensure the program reached desired levels of awareness for potential users and use cases, provided prescriptive guidance for those users, and met strict internal security and governance protocols for genAI. They explained that internal resources remained engaged in subsequent years to manage deployment as their organizations granted more access to more users and to track utilization by user and functionality. Additionally, Lexis+ AI users benefitted from some level of training that was often a combination of internally led and vendor-provided training.

- The senior legal operations manager of legal and compliance at an insurance organization said users at their company required 1 hour of training before they gained access to the tool. The same interviewee said they also spend time on tool administration and deployment, which includes a monthly meeting with LexisNexis representatives to discuss training opportunities as well as additional time spent per week managing the program internally.

- The AVP of staff counsel operations at a different insurance organization said they hand-selected users for the initial deployment based on caseload and practice area to ensure Lexis+ AI functionality would be a good fit for them. The interviewee said they continue to track utilization of the tool to ensure that licenses are allocated effectively across the department.
- The VP of legal operations at a real estate organization indicated that their company also grants users with access to Lexis+ AI on a gradual basis and continues to reallocate licenses based on utilization rates. They also said users are required to participate in three 30-minute training sessions provided by the department as well as ad hoc training sessions provided by a LexisNexis consultant.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Each Lexis+ AI user at the composite organization completes a 2-hour training session to gain access to the tool. Any ongoing training is ad hoc and user-specific.
- The blended rate for users includes both attorneys and paralegals.
- The composite organization's business support resources are responsible for running the Lexis+ AI deployment program, which includes initial deployment as well as ongoing change management and training support.

Risks. Training and support costs may vary depending on the following:

- The organization's adoption of Lexis+ AI in terms of volume and resource types.
- The way the organization approaches genAI tool adoption and deployment.
- The expected rigor around training in terms of internally led initiatives and required or mandated training for users.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$18,000.

Annual training time required per user

2 hours

“[LexisNexis] has a very great trainer who we have access to. She’s been very helpful and critical in getting [users] started on Lexis+ AI.”

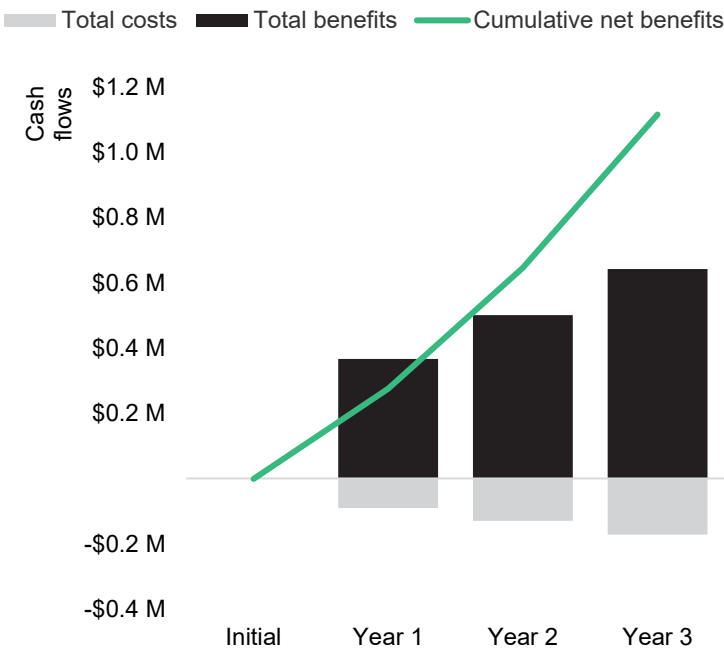
SENIOR LEGAL OPERATIONS MANAGER OF LEGAL AND COMPLIANCE, INSURANCE

Training And Support						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Training time per user (hours)	Interviews	0	2	2	2
E2	Total Lexis+ AI users	C3+B3	0	29	44	59
E3	Net new users with access to Lexis+ AI	E2- E2 _{py}	0	29	15	15
E4	Blended hourly rate for a Lexis+ AI user (rounded)	(C8+B7)/2	\$0	\$88	\$88	\$88
E5	Monthly time spent on training and implementation support per business support role (hours)	Interviews	4	4	4	4
E6	Time spent on training and implementation support (months)	Interviews	6	12	12	12
E7	Blended rate for a resource in a business support function	Composite	\$50	\$50	\$50	\$50
Et	Training and support	(E1*E3*E4)+(E5*E6*E7)	\$1,200	\$7,504	\$5,040	\$5,040
	Risk adjustment	↑10%				
Etr	Training and support (risk-adjusted)		\$1,320	\$8,254	\$5,544	\$5,544
Three-year total: \$20,662			Three-year present value: \$17,571			

Financial Summary

Consolidated Three-Year Risk-Adjusted Metrics

Cash Flow Chart (Risk-Adjusted)



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted)						
	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(\$1,320)	(\$90,295)	(\$130,020)	(\$172,455)	(\$394,090)	(\$320,429)
Total benefits	\$0	\$366,809	\$500,669	\$642,473	\$1,509,951	\$1,229,939
Net benefits	(\$1,320)	\$276,513	\$370,649	\$470,018	\$1,115,861	\$909,510
ROI						284%
Payback						<6 months

APPENDIX A: TOTAL ECONOMIC IMPACT

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

Total Economic Impact Approach

Benefits represent the value delivered to the business by the product. The TEI methodology places equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization.

Costs consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

Present Value (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

Net Present Value (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made unless other projects have higher NPVs.

Return on investment (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

Discount rate

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

Payback period

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

APPENDIX B: SUPPLEMENTAL MATERIAL

Corporate Legal Department Impact					
Ref.	Metric	Source	Year 1	Year 2	Year 3
XX1	Revenue	Composite	\$10,000,000,000	\$10,000,000,000	\$10,000,000,000
XX2	Legal budget as a percentage of company revenue	Composite	0.33%	0.33%	0.33%
XX3	Legal budget	XX1*XX2	\$33,000,000	\$33,000,000	\$33,000,000
XX4	Outside spend as a percentage of legal budget	Composite	47%	47%	47%
XX5	Outside counsel spend as a percentage of outside legal budget	Composite	87%	87%	87%
XX6	Outside counsel spend	XX3*XX4*XX5	\$13,493,700	\$13,493,700	\$13,493,700
XX7	Outside counsel spend as a percentage of legal budget	XX4*XX5	41%	41%	41%
XX8	Cost savings from avoided outside counsel spend (risk-adjusted)	Atr	\$198,495	\$242,666	\$294,781
XX9	Cost savings from increased attorney capacity (risk-adjusted)	Btr	\$157,248	\$235,872	\$314,496
XX10	Cost savings from paralegal efficiencies (risk-adjusted)	Ctr	\$11,066	\$22,131	\$33,197
XX11	Total cost savings from Lexis+ AI	SUM(XX8:XX10)	\$366,809	\$500,669	\$642,473
XX12	Legal budget savings impact of Lexis+ AI	XX11/XX3	1.11%	1.52%	1.95%
XX13	Outside counsel spend savings impact of Lexis+ AI	XX8/XX6	1.47%	1.80%	2.18%

APPENDIX C: ENDNOTES

¹ Source: Brett Kahnke, Michele Goetz, [Data Quality Is Now The Primary Factor Limiting GenAI Adoption, Forrester Blogs.](#)

² Source: [Forrester's July 2023 Artificial Intelligence Pulse Survey](#)

³ Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists solution providers in communicating their value proposition to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of business and technology initiatives to both senior management and other key stakeholders.



FORRESTER®