



Legal Tech: The Essential Role of Legal Departments in Data Governance

Information Governance

Law Department Management

Technology, Privacy, and eCommerce



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I recently spoke with a friend, let's call her Sarah, a general counsel in a large organization, who has selected members of her legal team to specialize in data-related issues. She's not alone. The more in-house legal department leaders I speak with, the more I hear about the growing need for legal data expertise to navigate the increasingly complex world of data governance and compliance.

Sarah explained that the ever-growing amount of data generated and collected by her organization eventually led her to dedicate a team of legal data experts to handle all the many legal implications of data management. Here's why:

The digital age drives lawyers into data governance and compliance roles.

The digital age is driving lawyers directly into the data governance and compliance arenas to act as protectors who prevent legal issues from arising.

"There's so much data," Sarah told me. "From operational data to customer information and employee records, companies collect and store vast amounts of data. And with new regulations like [GDPR and CCPA](#), we need a specialized team that understands the many legal requirements around data management, privacy, and security."



A company's primary goal in collecting and analyzing data is to make better business decisions. Artwork by leungchopan / Shutterstock.com

For most technologies, data is an input, output, or both. A company's primary goal in collecting and analyzing data is to make better business decisions, but some processes for data collection, use, and storage raise legal and ethical concerns.

Company leaders turn to their legal department to ensure every department adopts best practices and meets industry standards. Plus, data mapping has become a prerequisite to answering many legal questions. Likewise, more and more legal and compliance conversations revolve around data governance issues.

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As a result, lawyers must learn about the overall management of company data, including its availability, usability, integrity, and security, to understand and adhere to the rules, regulations, and requirements that govern data handling.

Legal data team roles and responsibilities

Legal departments are carving out specialized legal data teams to centralize and streamline their efforts surrounding data. Data team members may:

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- Build an understanding of the company-wide use of technologies with data-driven capabilities, such as those that collect, standardize, and leverage existing data.
 - Help standardize procedures for collecting, processing, tagging, and archiving data across company systems.
 - Hold an essential role in setting goals, implementing policies, determining effective key performance indicators, and promoting a culture of continual improvement.

A dedicated legal data team brings the legal know-how to proactively guide others through data mapping, developing policies and procedures, and conducting risk assessments.

Leverage your existing legal staff's technological expertise.

Data governance and compliance requirements cut across nearly every business area, including HR, marketing, sales, IT, finance, accounting, and operations. They can involve many issues, old, and new, like privacy, security, AI, ethics, blockchain, cryptocurrencies, and virtual reality. Hiring an individual lawyer to cover each area is neither practical nor cost-effective.

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Leverage your existing legal staff's expertise instead. Select from those best suited to build a multidisciplinary team of lawyers that strives to develop comprehensive data solutions. Your legal data team will collaborate with many others, including:

- Technologists, such as data scientists, who can help them fully engage in technical conversations.
- IT teams, developers, and records management professionals who can aid in developing and coding specific data management solutions.
- IT team members to advise on company data architecture, data modeling, and data warehousing efforts.
- Business leaders and other internal stakeholders to identify opportunities for data-driven insights and solutions.

Sarah said, "Our lawyers work closely with IT and other departments to ensure we collect data ethically and use it in ways aligned with company goals and values. Through our legal data team's efforts, everyone works from the same playbook, leading to consistent and standardized data management practices across our organization."

Legal data specialists hone in on risks and opportunities.

Another upside to having a team that engages with varying viewpoints is how it can promote innovation and creativity. Because a cross-functional team draws input from many perspectives, its members can spot data-related initiatives that prioritize larger company goals.

"It's not just about compliance," Sarah explained. "Our legal data team also helps us identify potential risks and opportunities related to data, and we can take advantage of more data in new ways to make more informed decisions."

As Sarah and I talked, it became clear that creating a legal data team gives your legal department the concentrated knowledge and expertise to handle increasingly sophisticated data governance and compliance challenges.

Take advantage of your current legal team's knowledge and foster an environment that emphasizes cooperation, consistency, and creativity. This is how you can better assist your organization in complying with regulations, upholding ethical standards, and realizing the full potential of the data it collects.

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Mack is also an award-winning (such as the prestigious ACC 2018 Top 10 30-Somethings and ABA 2022 Women of Legal Tech) general counsel, operations professional, startup advisor, public speaker, adjunct professor, and entrepreneur. She co-founded SunLaw, an organization dedicated to preparing women in-house attorneys to become general counsels and legal leaders, and WISE to help female law firm partners become rainmakers.

She has authored numerous books, including *Get on Board: Earning Your Ticket to a Corporate Board Seat*, *Fundamentals of Smart Contract Security and Blockchain Value: Transforming Business Models, Society, and Communities*. She is working on her next books: *Visual IQ for Lawyers* (ABA 2024), *The Rise of Product Lawyers: An Analytical Framework to Systematically Advise Your Clients Throughout the Product Lifecycle* (Globe Law and Business 2024), and *Legal Operations in the Age of AI and Data* (Globe Law and Business 2024).