

2026 GLOBAL IN-HOUSE TALENT REPORT

The Hidden Legal Talent Crisis

and how to solve it

Half of in-house legal staff are job searching. Departments that leverage ALSPs to manage workload can reduce turnover risk by 50%.



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Key Insights

Teams Using ALSPs Cut Turnover Risk in Half & Solve the Hidden Talent Crisis

Our global study of 544 in-house legal professionals reveals a striking finding: teams that use ALSPs cut their attrition risk among active job seekers in half. Why? Because they're happier and under less pressure. With 97% of respondents struggling to hire quality talent, 95% finding it difficult to staff multidisciplinary projects, and 78% facing rising workloads and complexity, ALSPs offer the flexibility and expertise that ease pressure, strengthen

A Perfect Storm for Increased Pressure and Burnout

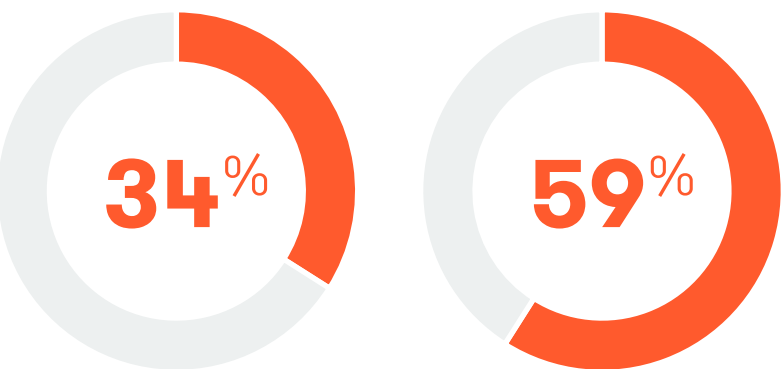
Factors driving in-house team pressure:



Dramatic Pressure Reduction

Teams using ALSPs report much less pressure.

Pressure Rate, ALSP Users Pressure Rate, Non-ALSP Users

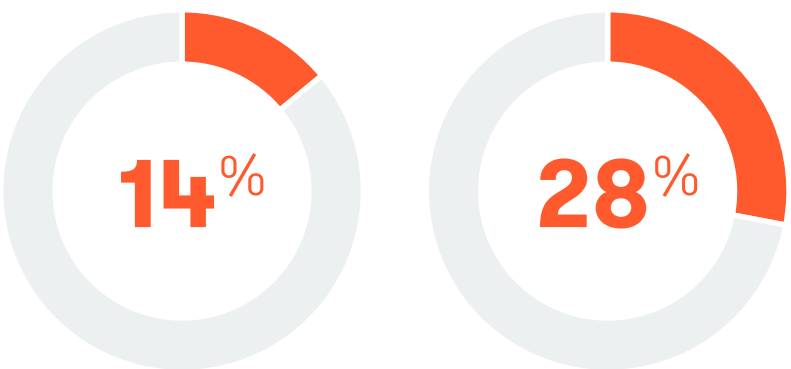


ALSPs are the “X Factor” for happier, more productive teams.

Strong Retention Boost

Teams using ALSPs cut active job searching in half.

Turnover risk among ALSP users Turnover risk among Non-ALSP users

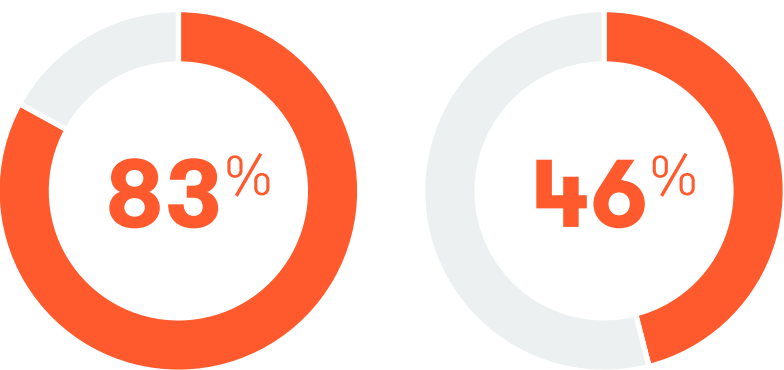


ALSPs are the “X Factor” for slashing turnover risk.

Employee Surveys Mask Talent Crisis

Looks good on paper.

Job Satisfaction Rate Still Job Hunting

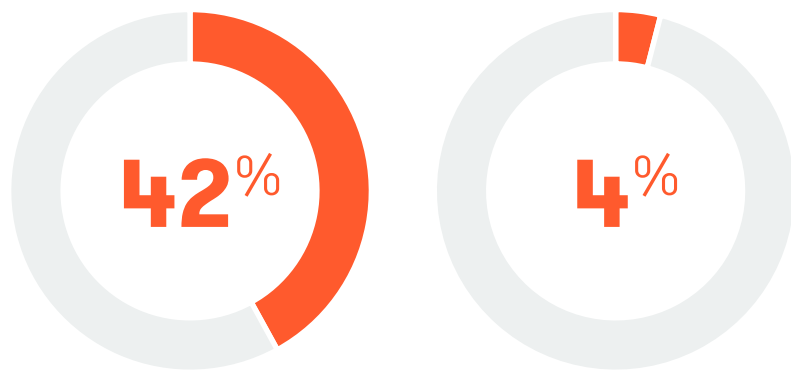


High satisfaction doesn't mean high retention.

Pressure Is the Culprit

Pressure levels predict job-seeking behavior.

Job seekers, high pressure Job seekers, low pressure



Professionals under stress are 10x more likely to actively job search.

EXECUTIVE SUMMARY

The Hidden Retention Fix: ALSP-Enabled Teams Cut Flight Risk by 50%

In-house legal teams are facing the perfect storm: 97% say it's hard to hire great talent, 95% struggle to staff multidisciplinary projects, and 77% report that both workload and complexity are on the rise. Yet only a third describe themselves as understaffed—suggesting the real issue isn't headcount, it's fit. Teams are staffed, but often with the wrong mix of talent for today's demands.

Against this backdrop, the data reveals one striking difference: departments that partner with Alternative Legal Service Providers (ALSPs) experience 50% less flight risk. Why? Because these teams are happier and under less pressure. With ALSPs providing flexible bandwidth, multidisciplinary expertise, and AI-enabled support, leaders can finally ease the strain on their teams—and keep their best people right where they belong.

These findings come from the 2026 Axiom Global In-House Talent Study, a comprehensive survey of 544 in-house legal professionals across eight countries and organizations ranging from \$100 million to over \$50 billion in annual revenue.

The ALSP Retention Advantage

Departments leveraging ALSPs fundamentally transform workplace dynamics and retention outcomes. Teams using ALSPs report only 14% actively job hunting, compared to 28% without ALSP support—a 50% reduction in talent flight risk that stems directly from reduced pressure and improved team morale.

Over half of organizations now depend on ALSPs to manage workloads, rating them the most effective resource solution. This effectiveness stems from ALSPs' ability to provide elasticity to scale for peaks without long-term commitments, immediate multidisciplinary expertise, cost efficiency capturing **50-70% better** value per dollar, and pressure relief

by handling overflow without burning out core teams. Modern ALSPs combine senior talent with AI-enabled solutions, allowing teams to expand capabilities without adding permanent headcount.

The Business Case

Research by the Society for Human Resource Management (SHRM) and legal industry analyses indicate that replacing a senior legal professional typically costs **50-200%** of annual salary (conservatively)—translating to **\$300,000-\$500,000** in hiring and onboarding costs for positions at this level, plus **six to 12 months** of reduced effectiveness while the new hire reaches full productivity. Losing one senior attorney can exceed \$500,000—and repeated turnover compounds annually.

Compare this to strategic ALSP partnerships that prevent turnover before it happens, provide immediate access to senior talent, enable complex projects driving business value, offer AI-enabled solutions amplifying capabilities, and provide the opportunity to test new talent before deciding if you want to convert them. Rather than absorbing costs of institutional knowledge loss, organizations can invest proactively in flexible resources that make retention possible.

Research Impact

The 2026 Axiom Global In-House Talent Study offers benchmarking data and actionable insights for legal and business leaders seeking to build sustainable, high-performing departments. The findings reveal that traditional satisfaction metrics overlook the real issue: even happy lawyers leave when workloads become unmanageable. The solution lies in strategic partnerships that combine flexibility, specialized expertise, and AI-enabled support to keep teams engaged, effective, and future-ready.

METHODOLOGY

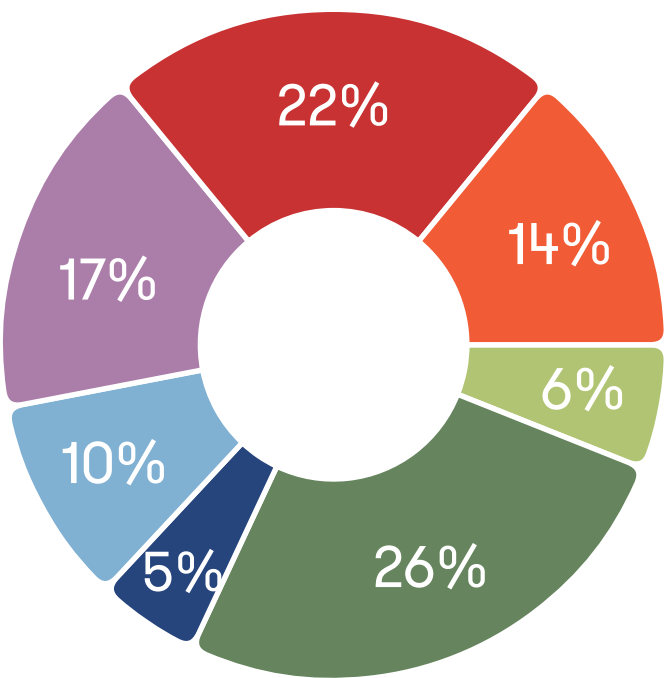
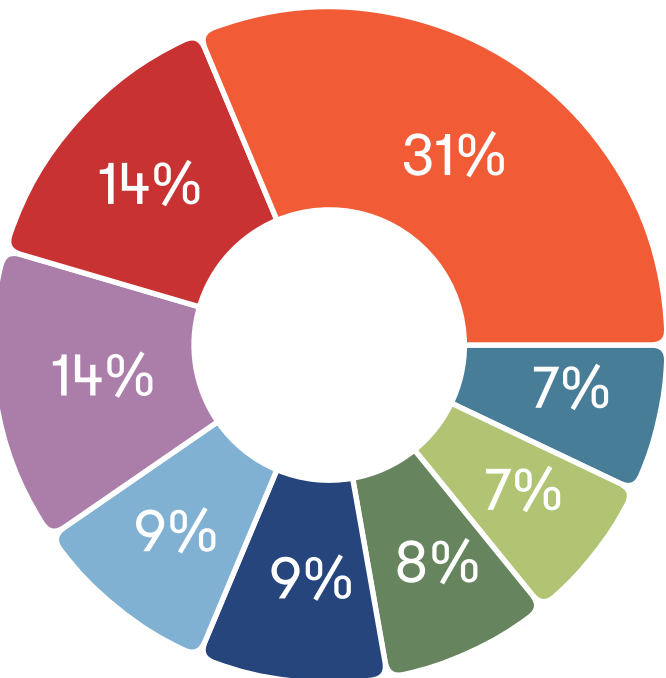
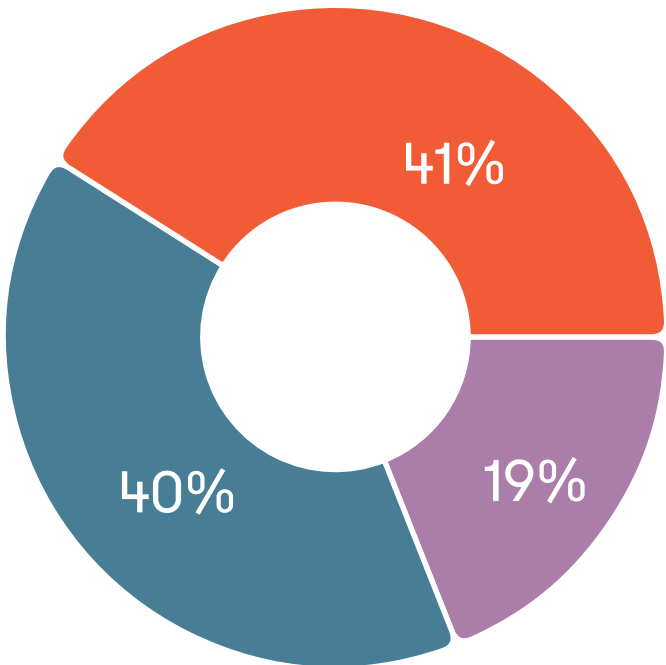
Profile of Respondents

This survey was conducted online by InsightDynamo on behalf of Axiom from July through September 2025, among 544 in-house legal professionals across eight countries representing companies with annual revenues of \$100M or higher, with 59% of respondents from companies with revenue of \$1B or more.

53% of respondents held senior leadership roles within their departments while 47% held staff roles.

Data are tested for statistical significance at a 95% confidence interval.

Note: Percentages may not sum to 100% due to rounding or allowing multiple responses within a given question.



Company Revenue

- \$100 million to under \$1 billion
- \$1 billion to under \$5 billion
- \$5 billion or more

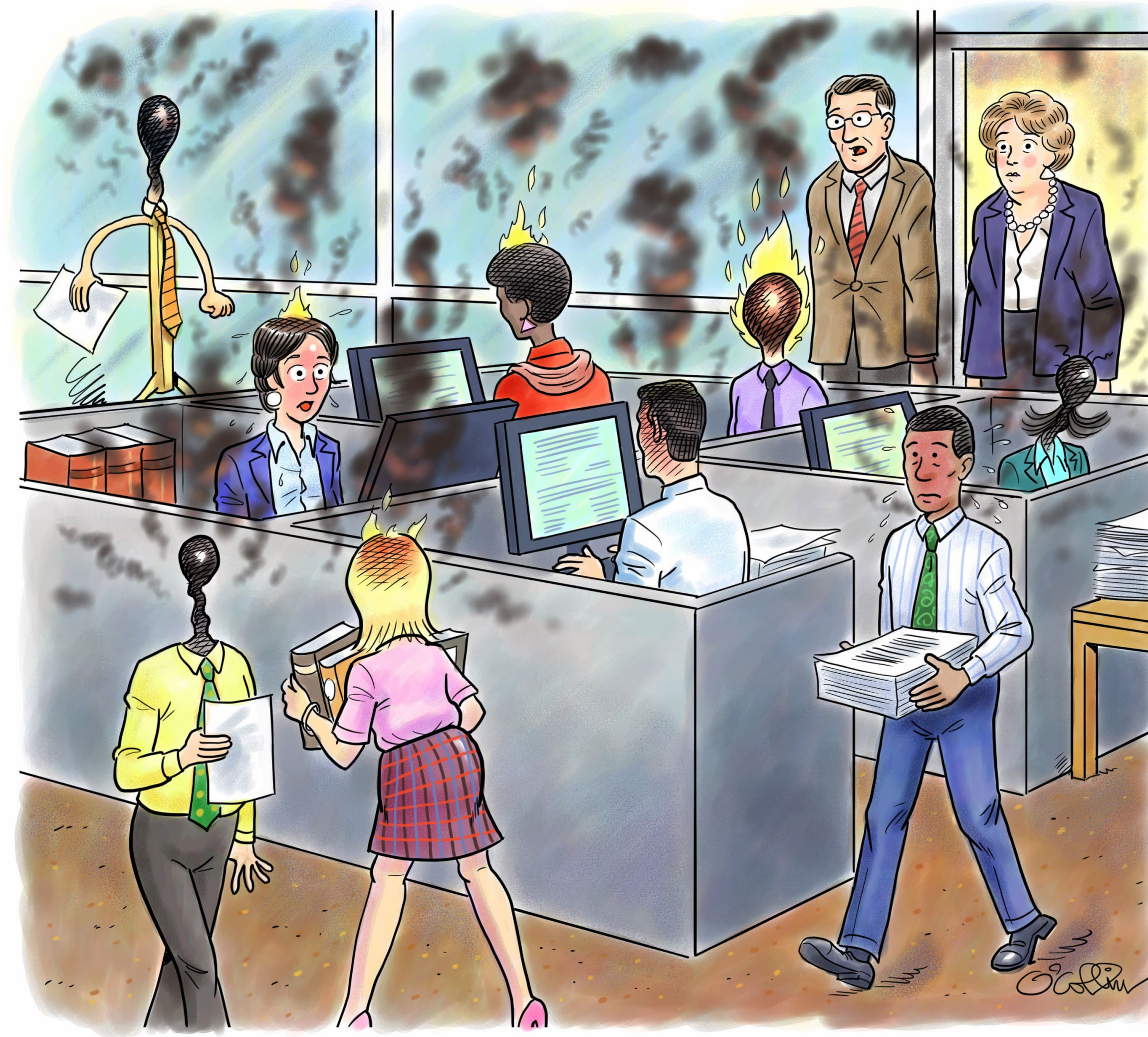
Geography

- United States
- Germany
- United Kingdom
- Australia
- Canada
- Switzerland
- Singapore
- Hong Kong

Professional Titles

- Chief Legal Officer
- General Counsel
- Deputy General Counsel
- Associate General Counsel
- Assistant General Counsel
- Sr. Counsel/Counsel/Atty
- Legal Operations

MOTION TO LAUGH



“ I think burnout is becoming a real problem. ”

INSIDE IN-HOUSE LEGAL TALENT

The Hidden Force Driving Legal Talent Out the Door



KEY FINDINGS

The Retention Challenge: High Satisfaction Masks Flight Risk

The survey exposes a clear gap between satisfaction and retention. On paper, in-house legal professionals seem content—over 80% report high job satisfaction, and nearly all feel fairly compensated. Yet beneath those positive numbers lies a growing retention problem.

Legal professionals face unprecedented pressure from multiple directions—97% report difficulty hiring talent, 95% struggle with multidisciplinary projects, and 77% face both increased workload and complexity. This perfect storm is driving nearly half of all in-house staff to seek new positions. Professionals experiencing the highest pressure levels are ten times more likely to be actively job searching.

Most revealing: 56% considering a move would choose law firms over other in-house positions, signaling that in-house legal is now as demanding as private practice—without always providing the resources needed to succeed.

83%

of in-house legal staff report high job satisfaction



98%

of in-house legal staff feel they are compensated fairly



83%

face pressures driving job-seeking



10×

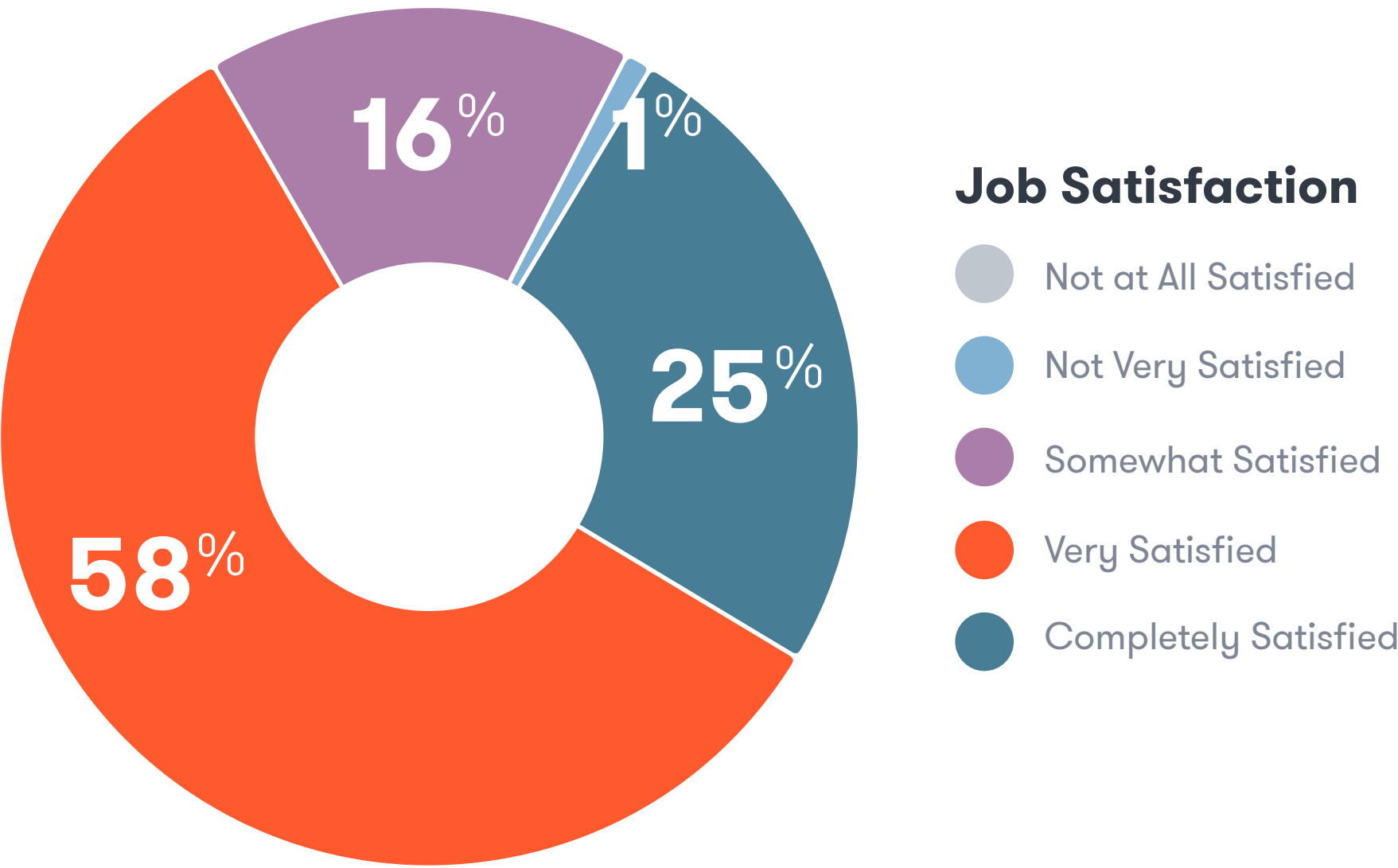
In-house team members under pressure are 10× more likely to actively search for a new job



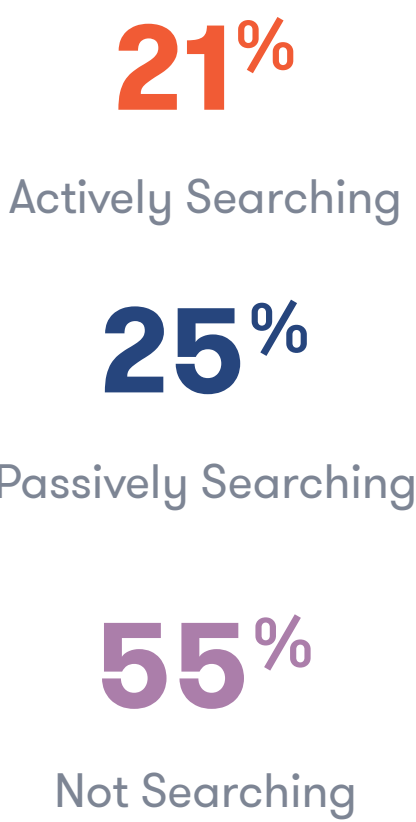
KEY FINDINGS

The Disconnect

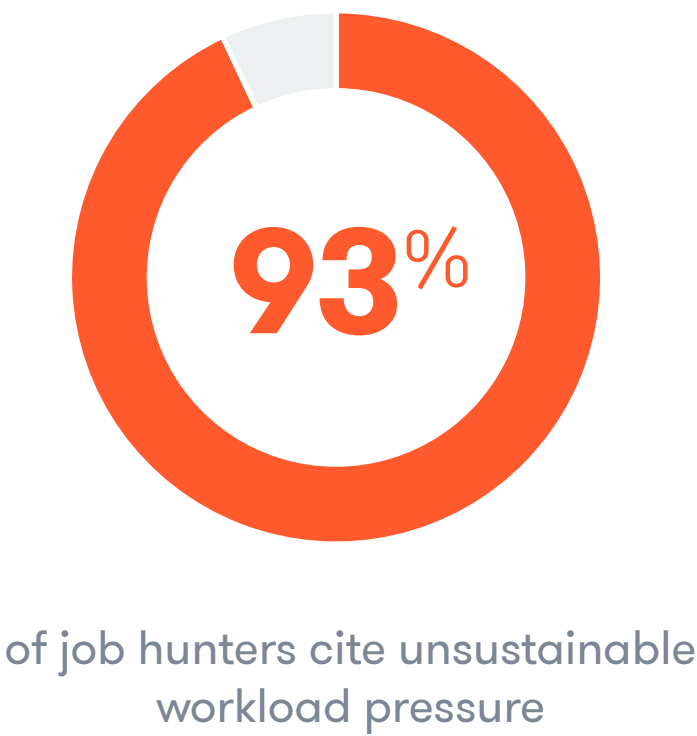
Forty-six percent are already job searching, revealing satisfaction and compensation as poor retention predictors. Pressure, it appears, is the key indicator for job-seeking action. Furthermore, only 21% would take another in-house position with the rest leaving for law firms, ALSPs, or leaving the legal field altogether, reflecting dissatisfaction with corporate legal environments.



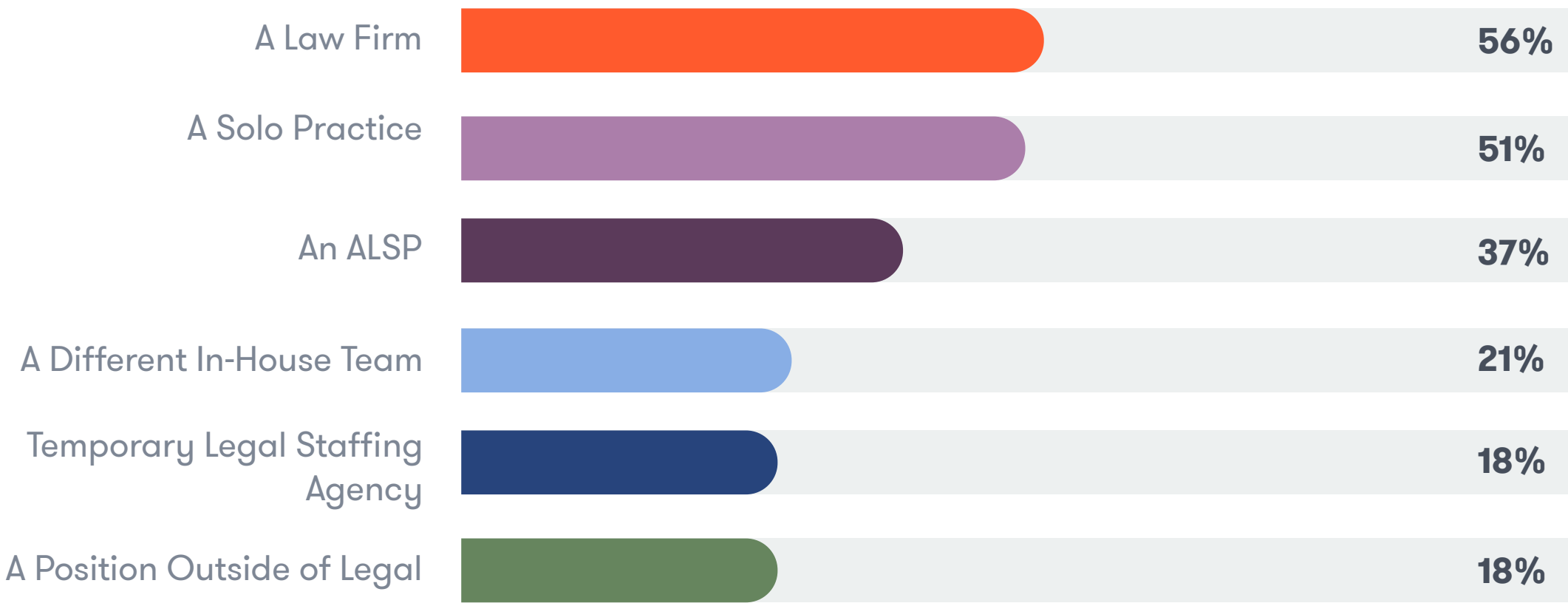
Who Is Job Hunting?



Pressure Drives Job Hunting



Where would you look for a new position?



RETENTION CATALYST

Building Sustainable Teams Through Strategic Partnership



TRANSFORMING WORKPLACE DYNAMICS

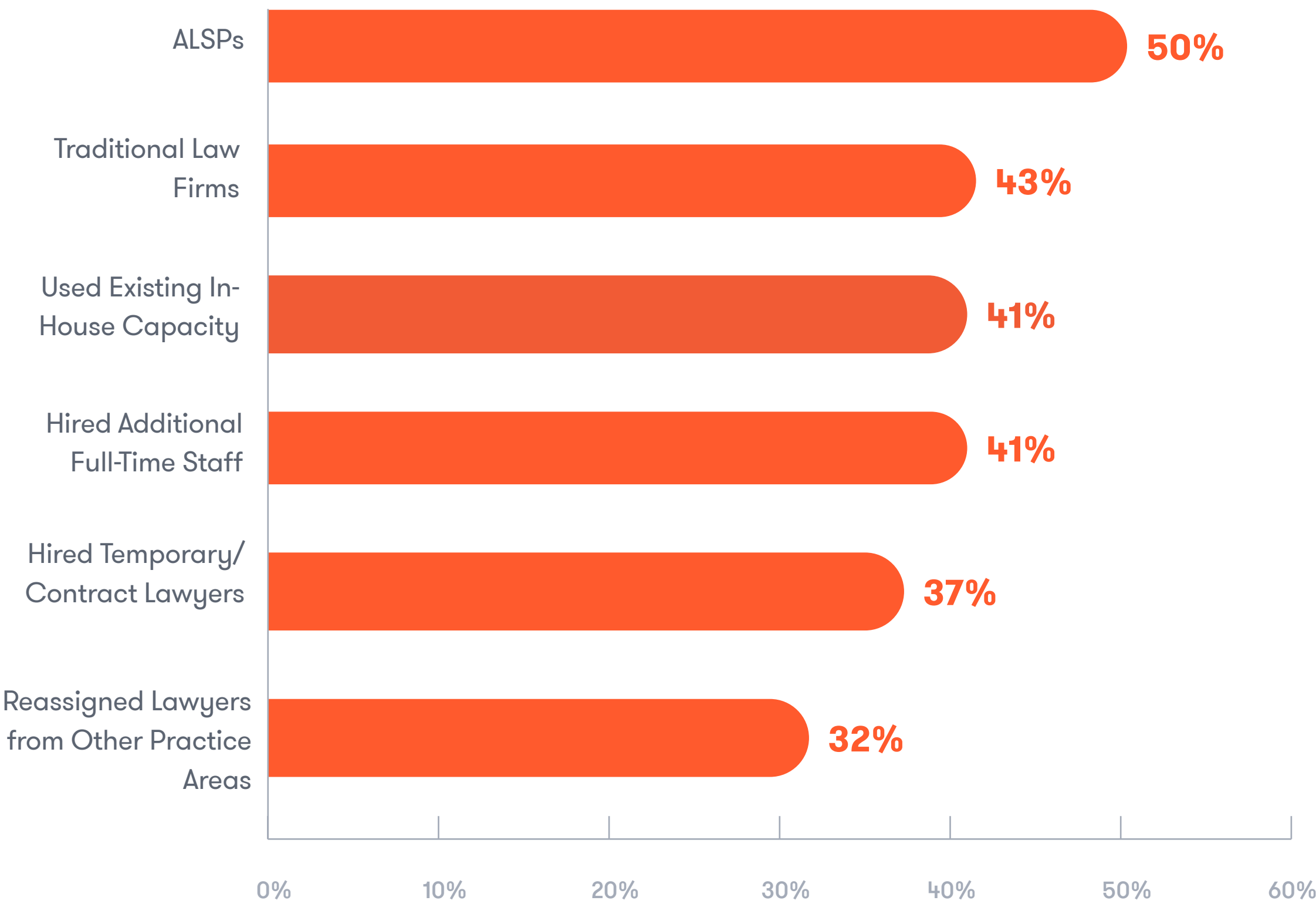
ALSPs Address Workload & Resource Challenges

The data highlights the positive impact of ALSPs on organizational health. Departments using ALSPs don't just perform better—they fundamentally transform their workplace dynamics, creating environments where professionals thrive instead of merely survive.

ALSPs are used by half of organizations to manage their workloads and are rated as the most effective of available solutions; higher than hiring more or reassigning existing staff, higher than using law firms, and higher than using staffing agency temps or contract lawyers.

The benefits of using ALSPs go beyond secondments, gap fills, maternity leaves, and contract review. It's the ability to rapidly scale complex projects, capturing up to 50-70% better value for every budget dollar (or more when AI-enabled attorneys are used), and deep experience working with in-house teams across practice areas.

Tools and Tactics Used to Handle Workload and Resource Challenges

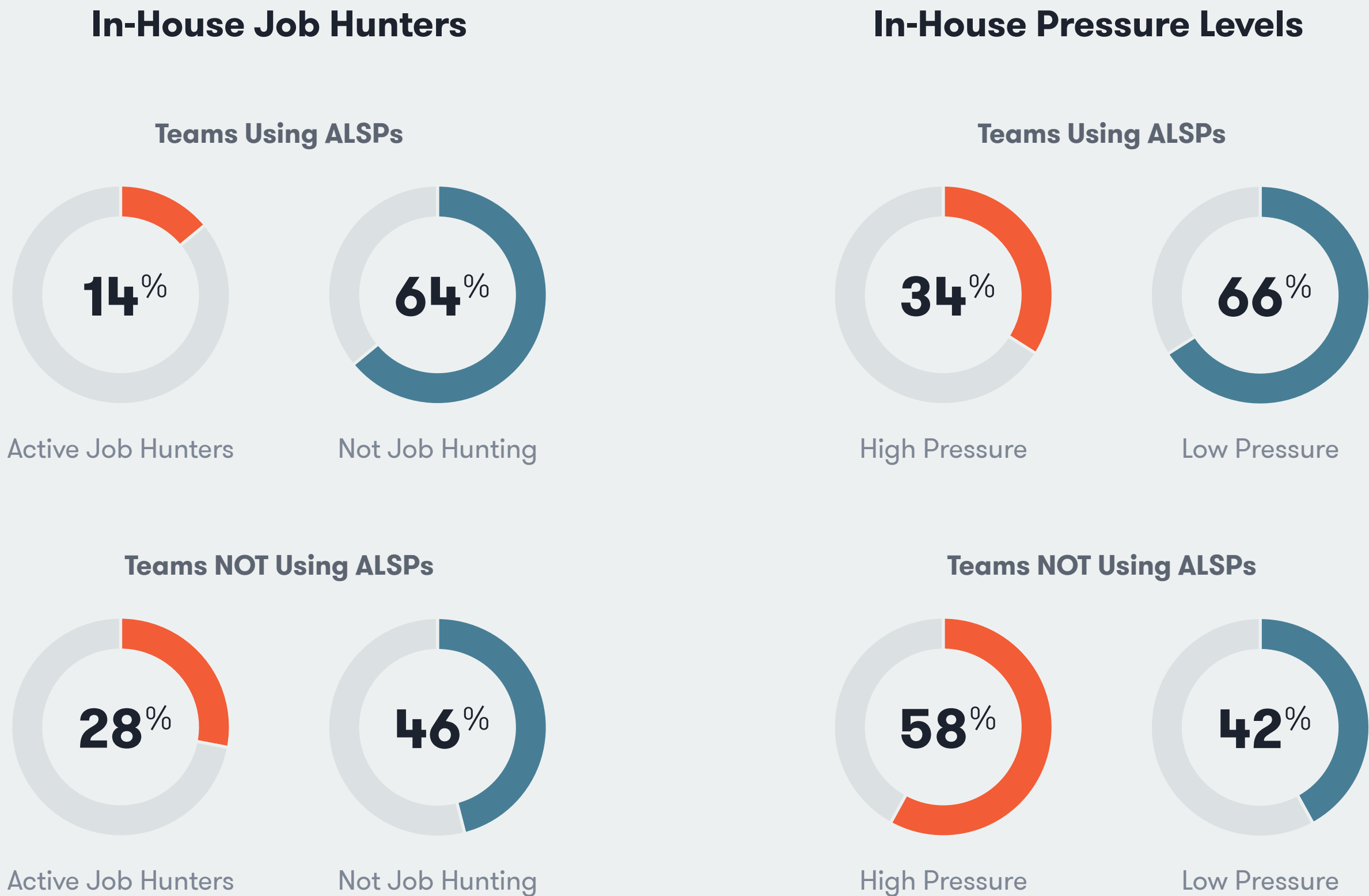


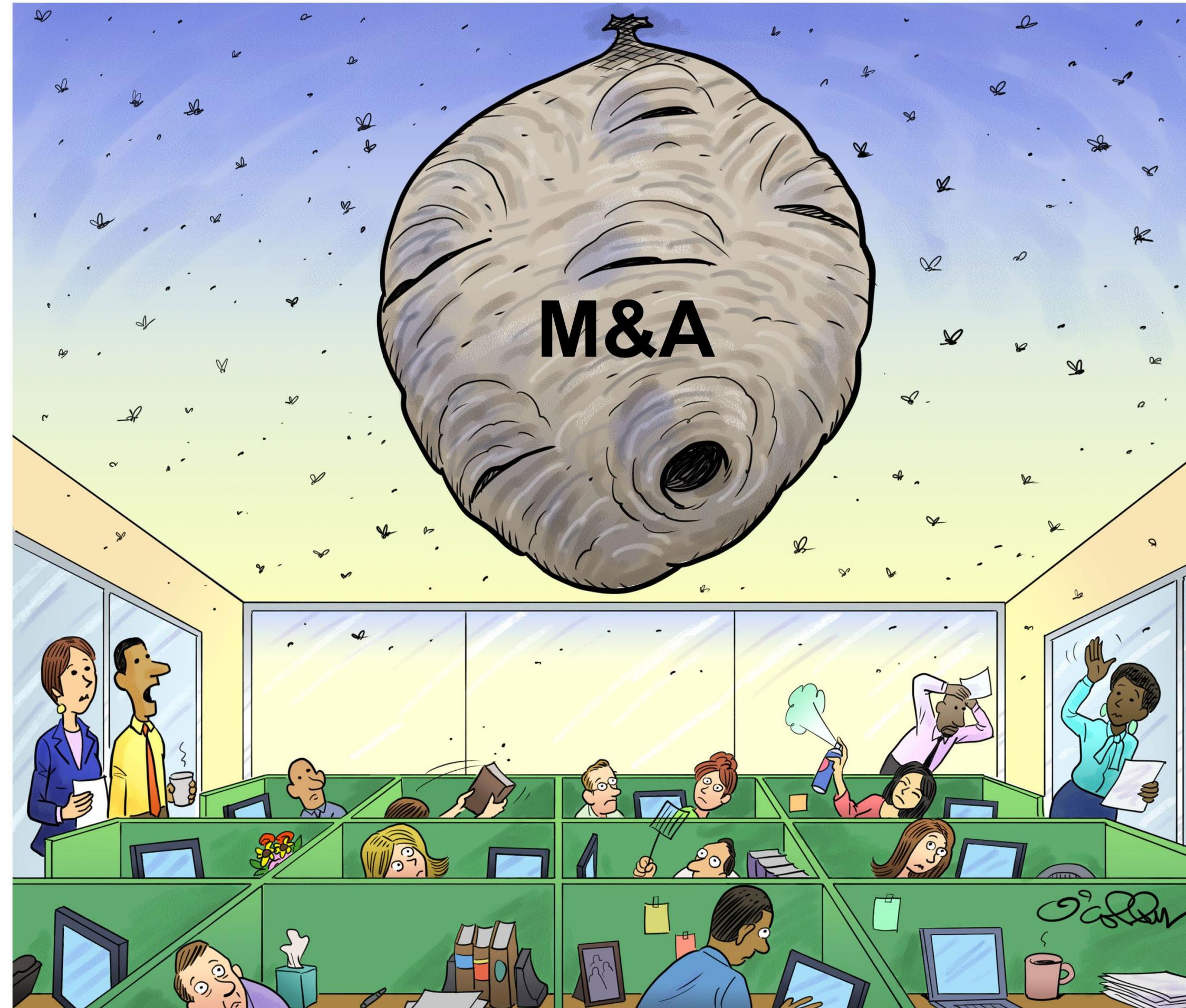
The ALSP Advantage: 50% Reduction in Job Seeking

The data show that in-house teams leveraging ALSPs achieve significantly better retention outcomes. These teams are happier, more engaged, and report only 14% actively job hunting, compared to 28% in teams without ALSP support—a 50% reduction in turnover risk that directly impacts the bottom line.

Organizations not using ALSPs face twice the rate of active job seeking and far fewer fully engaged employees (46% vs. 64%), leading to higher hiring costs, loss of institutional knowledge, and reduced team effectiveness.

ALSPs Reduce Pressure, Burnout, and Attrition





“We’ve decided to put a hornet’s nest in the middle of the office to help the team quickly get into the right frame of mind.”

WORLDWIDE IN-HOUSE LEGAL RETENTION

The Rising Attrition Challenge: A Shared Global Reality



The Rising Attrition Challenge: A Shared Global Reality

The connection between in-house pressure and job seeking is consistent globally, with most regions reporting four to nearly six of every 10 employees—in some cases more than half their teams—experiencing enough pressure on a consistent basis to consider or start job hunting.

Australia faces the most acute retention crisis among these eight markets, with 57% of legal professionals reporting high pressure and 28% actively job searching—the highest turnover risk in the group. Only 35% report they’re not searching, signaling that nearly two-thirds of Australian in-house teams are either looking or vulnerable to competitive offers.

Singapore shows a troubling pressure-to-retention gap: While 43% experience high pressure (below the global average), 25% are actively job searching and only 35% report they’re not looking—**suggesting that even moderate pressure translates to significant flight risk in Singapore’s competitive legal market.**

The United States mirrors global patterns almost exactly—45% high pressure, 17% actively searching, and 62% not searching—making U.S. data a reliable proxy for worldwide legal department challenges, and validating that this retention crisis transcends regional boundaries.

Region	HIGH PRESSURE	ACTIVELY SEARCHING	NOT SEARCHING
 Australia	57%	28%	35%
 Canada	51%	26%	59%
 Germany	57%	32%	39%
 Hong Kong	42%	19%	69%
 Singapore	43%	25%	35%
 Switzerland	27%	2%	93%
 United Kingdom	45%	19%	45%
 United States	45%	17%	62%

Bold = Highest in Category

PRESSURE POINTS

A Perfect Storm: More
Work. Fewer People. Higher
Turnover.



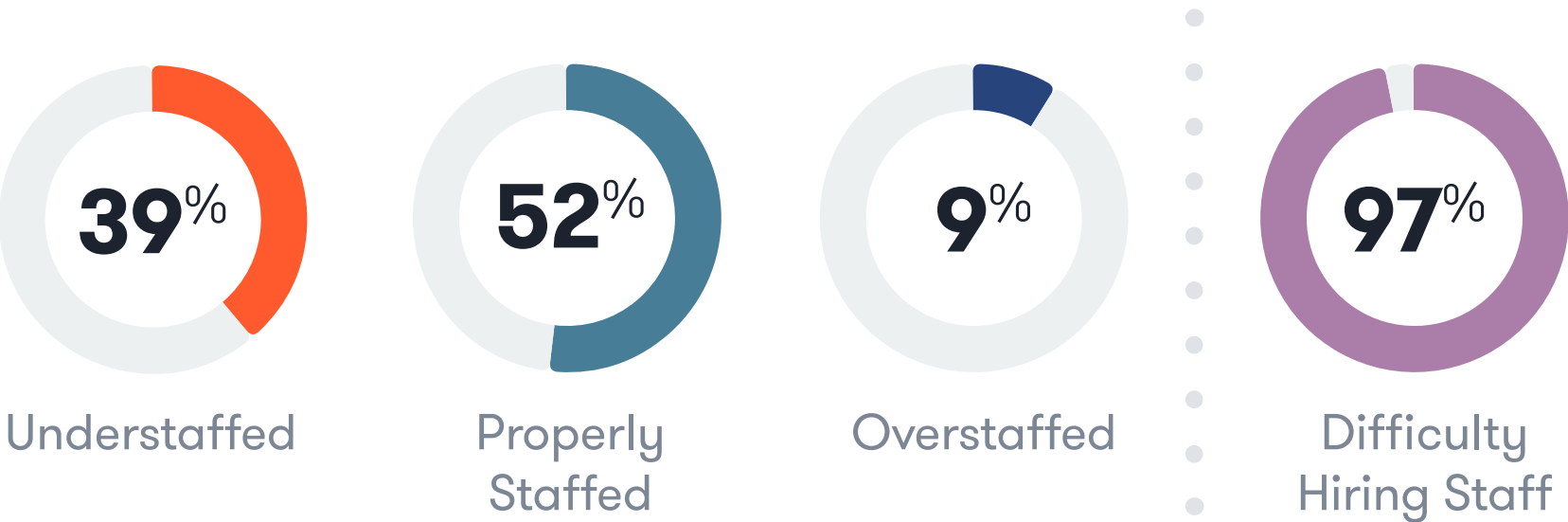
PRESSURE POINTS

A Perfect Storm

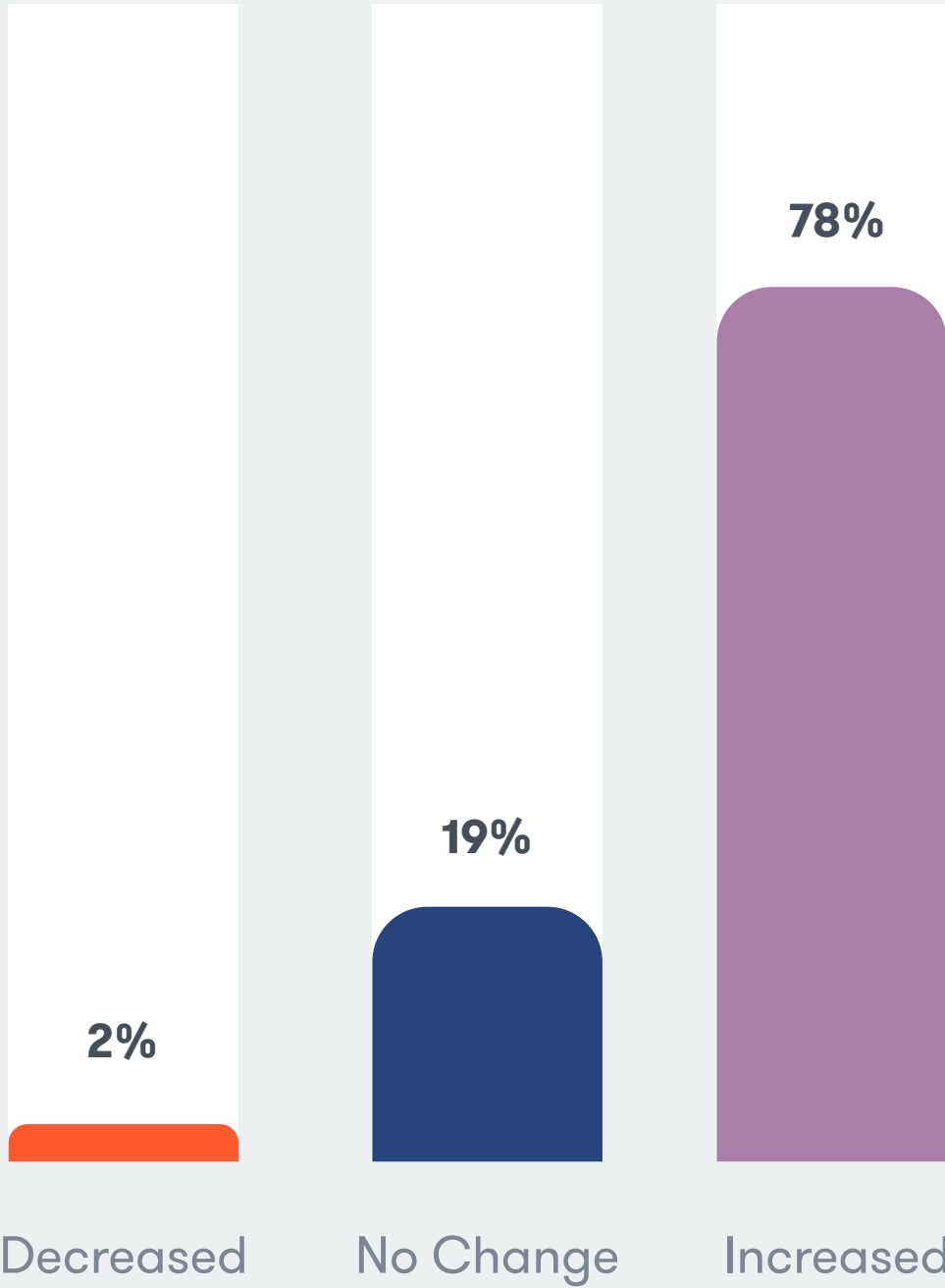
Knowing stress is the principal driver of staff turnover risk isn't enough. Legal leaders need to identify the causes. Almost eight in 10 in-house leaders report the volume of legal matters they handle has increased in the past 12 months. Complexity has also risen, with nearly all respondents reporting an increase in projects requiring multi-disciplinary teams.

Nearly all in-house leaders report difficulty hiring the right attorneys, with more than a third reporting their departments are understaffed. Combine increased volume, rising complexity, and a need for more multi-disciplinary teams with short-staffed in-house teams, and you have a recipe for turnover risk and potentially disaster.

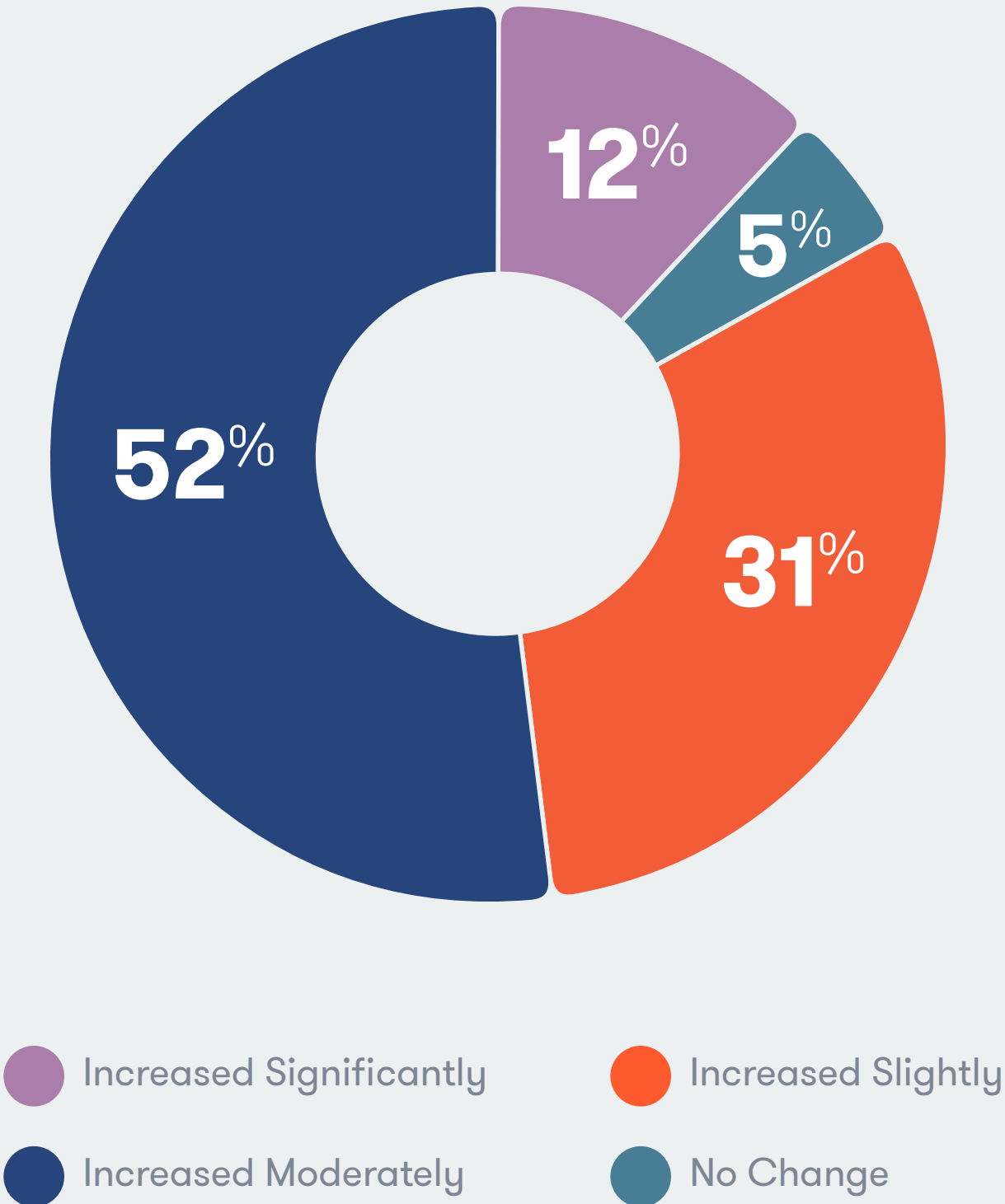
Staffing Issues



Project Volume



Projects Requiring Multi-Disciplinary Teams



DIGITAL ANXIETY

AI Angst Adds Pressure, Hinders Productivity Gains



DIGITAL ANXIETY

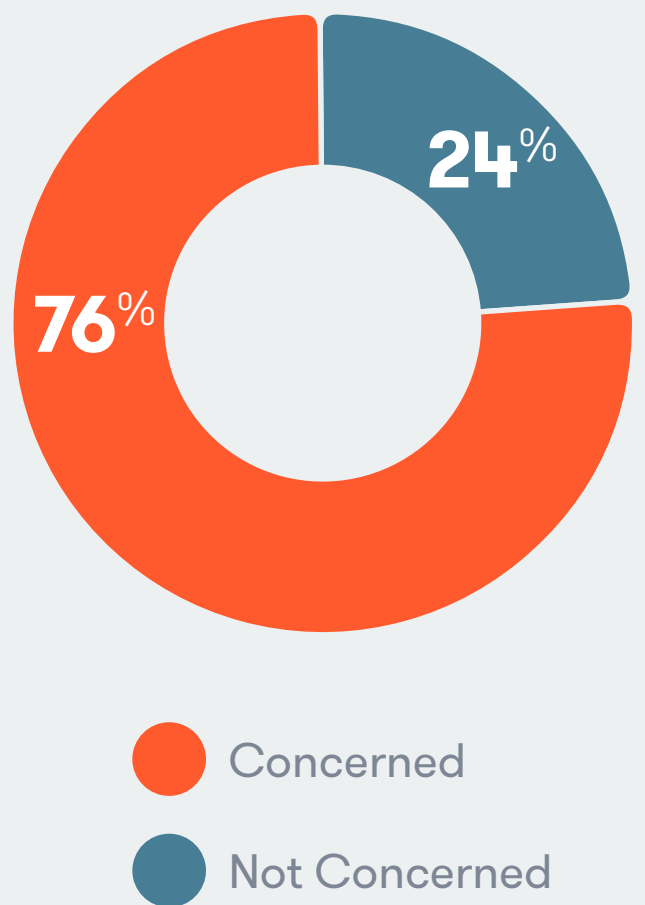
AI Angst Adds Pressure, Hinders Productivity Gains

The legal profession continues rapid adoption of AI, with near-universal weekly usage driving measurable productivity gains. However, this technological shift brings with it anxiety about job displacement, creating tension between accelerating innovation and team members’ perceptions about their career security. **76% of legal professionals are concerned that AI will lead to job displacements.**

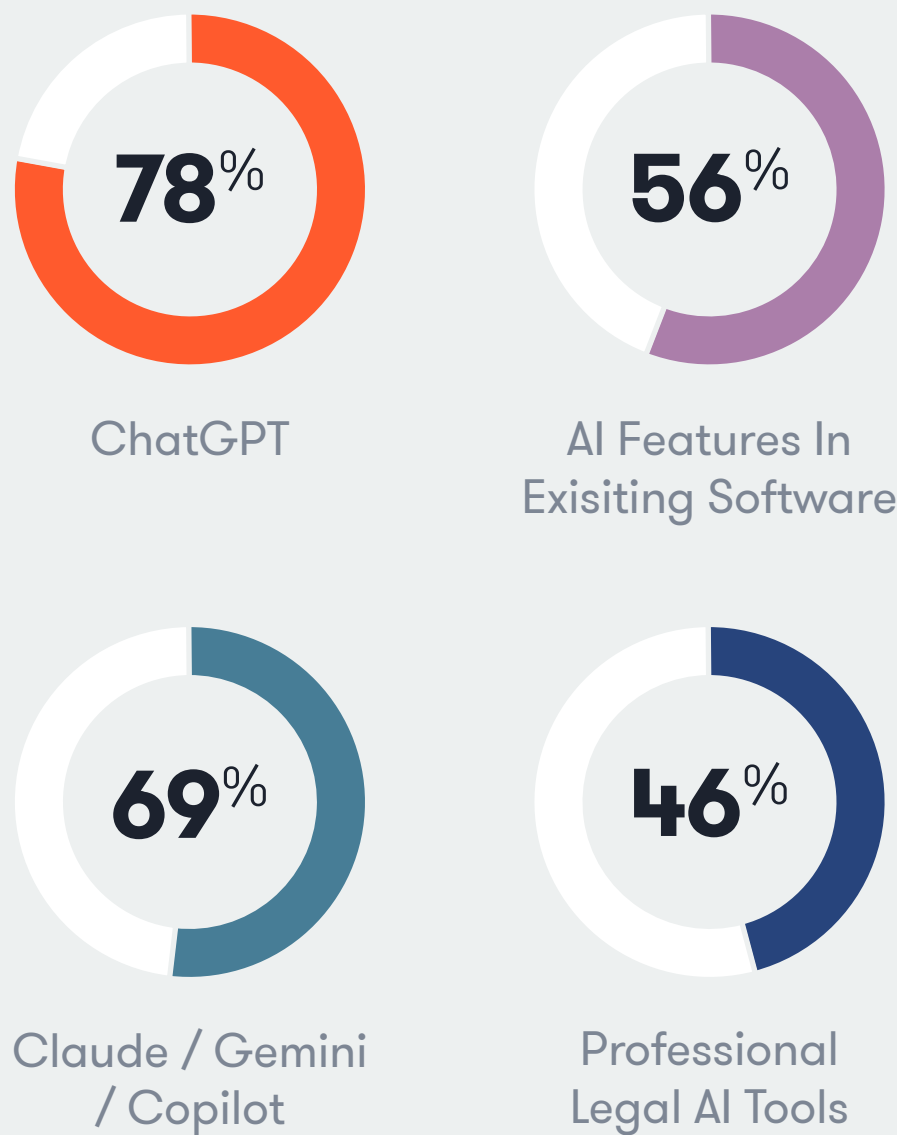
AI usage is now standard, with nearly half of legal professionals using AI tools daily. The productivity impact is substantial: 93% report AI makes them “somewhat” to “significantly” more productive. This represents explosive growth from 2024, when only 54% reported familiarity with AI tools.

[Our comprehensive 2025 AI study](#) revealed similar patterns: 89% of in-house legal teams increased AI usage, with ChatGPT adoption reaching 42% and professional legal AI tools gaining traction. However, both studies expose the same critical vulnerability: while 93% report productivity gains, the 76% concerned about job displacement face inadequate support systems. Fewer than 40% of teams have implemented basic safeguards like usage policies or staff training.

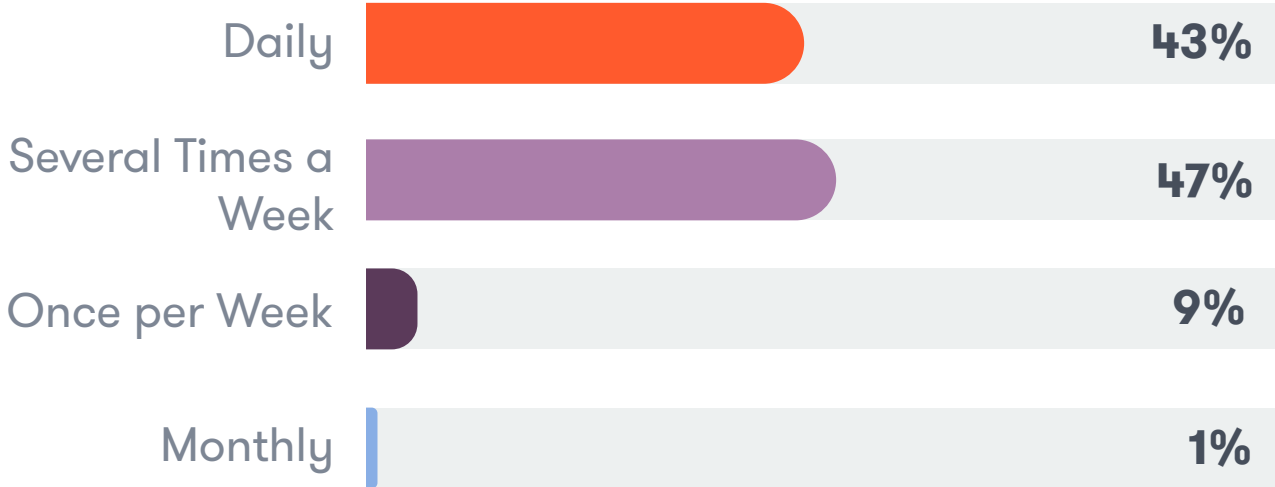
AI Displacement Risk



AI Tools Used



AI Usage Frequency



AI Productivity Impact



SURFACE HARMONY

C-Suite, Managers, and Staff Clash on Priorities

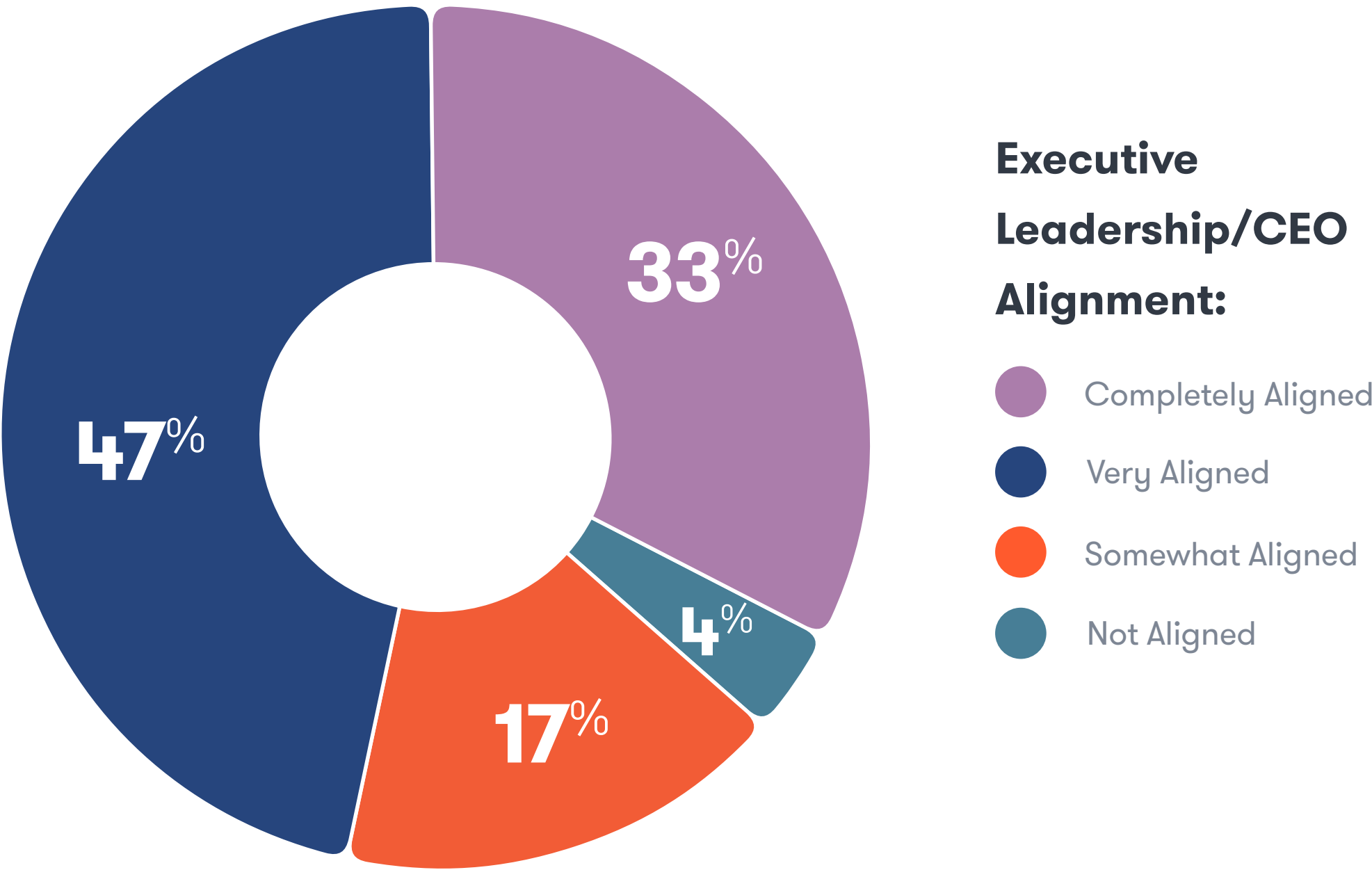


C-Suite, Managers, and Staff Clash on Priorities

While most respondents report strong alignment between legal and executive leadership (CEO/C-suite), four in 10 in-house legal staff experience tension with department leadership, despite seemingly positive professional relationships. This disconnect between reported satisfaction and actual operational friction represents a key vulnerability in retention strategies.

The disconnect reveals fundamentally different diagnoses of the same problem. Managers point to execution issues—40% blame “poor communication and coordination between team members” as the primary efficiency killer. But their staff see a different culprit: 48% cite “too much time spent on administrative tasks” and 43% report “unclear work prioritization” as the real obstacle to effectiveness.

This isn’t just a difference of opinion—it’s a clash over what needs fixing. Managers see team dysfunction, staff see structural burdens. Managers want better collaboration, staff want clearer direction and less bureaucracy. Until leadership bridges this perception gap, day-to-day friction will continue driving the pressure that pushes talent out the door.



CONCLUSION

Teams that make broader use of ALSPs aren't just managing resources differently or better. They're creating a sustainable competitive advantage—retaining staff, preventing the loss of top talent, and preserving costly institutional knowledge—by strategically reducing staff workloads and pressure while optimizing their budgets to boot.

The data shows that higher talent satisfaction, lower stress, and higher retention correlate with ALSP adoption. While organizations struggle with satisfaction- and engagement-based retention strategies, departments that leverage ALSPs over-index positively across all operational dimensions: legal AI implementation, use, and scale; flexible capacity management; access to specialized expertise; cost reductions vs. law firms; and acceleration of workforce development. These departments aren't just managing resources differently—they're creating fundamentally more satisfying workplace environments that top performers don't want to leave.

The research reveals four transformational insights:

1. Satisfaction Metrics Are Misleading

Departments that measure employee satisfaction while ignoring operational pressure have 10x the flight risk of departments that address the root causes of attrition. Stop measuring smiles. Start eliminating the operational conditions that elevate turnover risk.

2. Use of ALSPs Has a Material Impact on Retention

While departments struggle with hiring (97% find it difficult) and law firms prove only partially effective for resourcing needs (83% say firms aren't a complete solution), ALSPs uniquely address the underlying issues that drive job seeking. They flex with workload spikes, they bring specialized expertise

on-demand, and they handle routine work that ultimately burns out permanent staff. The result: Departments that use ALSPs see a 50% reduction in job hunting activity.

3. AI Accelerates Productivity But Amplifies Anxiety

While 93% report AI makes them more productive, 76% fear it will replace them within five years. Success requires pairing AI technology with ALSP support to rapidly enable AI-suitable work while protecting core team roles and reducing displacement anxiety. It also requires enabling the team to stretch its budget by avoiding major financial commitments to a rapidly shifting array of AI vendors.

4. Surface Harmony Masks Operational Chaos

Strong C-suite alignment means little when 40% of staff disagree with managers over daily basics. The disconnect is telling. Managers blame “poor communication” (40%) for departmental inefficiency while staff point to “administrative burden” (48%) and “unclear priorities” (43%). Excellence requires fixing ground-level operational friction that creates the pressure driving exits.

In a market where 70% believe they must change employers to advance their careers (up from 57% in 2024), creating an environment where top talent chooses to stay isn't simply good HR practice—it's a competitive necessity.

ADDITIONAL READING

Resources

Thank you for downloading this report. We hope it offers useful guidance for your team. Here, you'll find additional resources to help you amplify your team's success. Feel free to share the link to this report with your colleagues and counterparts, as each referral helps us connect with more legal leaders who value evidence-based insights and want to receive our latest research.

We're committed to addressing the topics that matter most to you. Have research ideas or feedback to share? Please contact:



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How Axiom Can Help

Axiom puts the industry's highest quality in-house legal talent at your fingertips.

GET STARTED WITH AXIOM

We are your one-stop shop for secondments, specialized advice, projects, Tech+Talent, and the industry's first fully digital talent marketplace.

We can help you scale your team's capacity, accelerate and de-risk your use of AI, and improve work-life balance on your team with world-class talent across 16 practice areas and 32 industries including legal ops, tech-enabled talent, and AI legal specialists—all at **rates up to 50% less than national law firms**.

In fact, nine out of ten clients report Axiom's talent meets or surpasses their expectations, 99% of clients say Axiom's lawyers are as talented or

even superior to their counterparts at traditional law firms, and 75% of the Fortune 100 now place their trust in Axiom.

For 25 years, Axiom has been by your side, a shock absorber for your team on matters large and small, helping you succeed at the pace of change—including helping you quickly and safely tap the power of legal AI.

Contact us to learn how we can support your team's agility, capacity, and long-term success.



2026 Global In-House Talent Report

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Axiom can help your legal departments do more for less.

Axiom invented the alternative legal services industry 25 years ago and now serves more than 3,500 legal departments globally, including 75% of the Fortune 100 who place their trust in Axiom, with 99% client satisfaction.

Axiom gives small, mid-market, and enterprise clients a single trusted provider who can deliver a full spectrum of legal solutions and services across more than a dozen practice areas and all major industries at rates up to 50% less than national law firms.

**Learn how Axiom can help your legal departments
do more for less.**

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