LEGAL PROCESS OUTSOURCING · PHILIPPINES

Discovery, delivered: the executive economics of legal process outsourcing to the Philippines.

An analysis of legal-operations cost structure, the supervision boundary, privilege-safe delivery, and vendor-selection discipline for law firms, ALSPs, and corporate legal departments sourcing in the Philippines.

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ABOUT THIS SERIES

The volumes in this series are working documents, not thought leadership: the cost stacks, benchmark tables, and provider-field analyses in each are the same instruments PITON-Global uses inside live client engagements, published so that any executive can hold their sourcing process — whoever runs it — to the standard the evidence supports.

THE PITON-GLOBAL LEADERSHIP TEAM

About the authors

John Maczynski

Chief Executive Officer

John's authority comes from tenure on the demanding side of the outsourcing contract: over thirty years commissioning and governing offshore programs for large American enterprises, where the vendor's promises were his problem when they failed. He now applies that operator's rigor exclusively for buyers, leading each PITON-Global engagement himself — requirements, search, RFP, negotiation, launch — with the simple standard that no provider reaches a client shortlist on trust.

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More than twenty years of building and steering Philippine delivery organizations — across regulated industries where documentation, accuracy, and confidentiality decide everything — have made Ralf the practice's resident authority on what the country's providers can genuinely carry. Resident in Manila throughout, he maintains the provider dossiers, cost curves, and diligence protocols this series draws on, refreshed engagement by engagement rather than survey by survey.

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PITON Global

ABOUT PITON-GLOBAL

PITON-Global's practice is intentionally one-sided: since 2001 the firm has advised only the organizations buying Philippine outsourcing services, never those selling them — an alignment that has earned it both a distinguished client roster and a shelf of industry honors. Its working capital is knowledge: a continuously verified map of the country's thousand-plus providers, built across hundreds of engagements, that lets it separate demonstrated capability from marketing in days rather than months. Companies including Tripadvisor, TSYS, Garmin, HealthPartners, Yetipay, Workrise, and Norman Disney & Young have relied on that knowledge to build their Philippine operations.

SECTION 01

Executive summary

-66%	98.6%	41%	6.3×
Blended fully-loaded cost vs. US onshore legal support	Audited contract-abstraction accuracy, vetted providers	Intake-to-signed-retainer conversion (vs. ~28% baseline)	First-year ROI, reconstructed firm case (Section 6)

Legal organizations sell judgment but spend on process. Behind every billed hour and every settled matter sits a mass of structured work — intake screening, document review, contract abstraction, docketing, records chasing, filing preparation — performed at professional-services cost by people hired for something better. Law firms feel it as associate burnout and write-offs; corporate departments feel it as outside-counsel spend on work no client should pay firm rates for; plaintiff firms feel it most direct of all, as signed cases lost to a phone that rang unanswered at 9 p.m.

The Philippines is quietly excellent at this work. It offers a large English-fluent talent pool trained in a legal system built on American foundations, thousands of law graduates and licensed attorneys available for supervised support roles, and two decades of LPO delivery for US firms and ALSPs. What it requires — and what this volume supplies — is the same discipline every regulated vertical in this series demands: a boundary drawn correctly (here, unauthorized practice of law and privilege), and a provider field sorted by evidence. Five findings frame the analysis:

1. **The economics are the steepest in this series.** Legal support carries the widest onshore wage premium of any back-office discipline, so the offshore delta runs 63-68% by role — and for firms billing recovered associate time back to matters, the arbitrage double-counts in their favor.

2. **Intake is revenue, not reception.** For consumer-facing firms, the intake desk is the sales floor: 24/7 answer, empathetic screening, and same-call retainer packaging move conversion by double digits. It is the single highest-ROI function in legal outsourcing.

3. **The UPL boundary is an architecture, not an obstacle.** Support work moves under US-attorney supervision; legal judgment, advice, and court appearances do not move at all. Programs that document that split — task by task, in the SOW — operate for years without incident; programs that improvise it deserve their outcomes.

4 **Privilege survives distance; it does not survive sloppiness.** Confidentiality agreements, conflicts screening, access architecture, and training records are what protect privilege in an offshore model — all verifiable in diligence, none visible on a rate card.

5 **The qualified field is the narrowest yet.** Of 1,000+ Philippine operations, PITON-Global's mapping confirms genuine legal-support depth — attorney-supervised delivery structures, conflicts and confidentiality machinery, verifiable firm references — at roughly fifteen. Everything in Section 5 exists to find them.

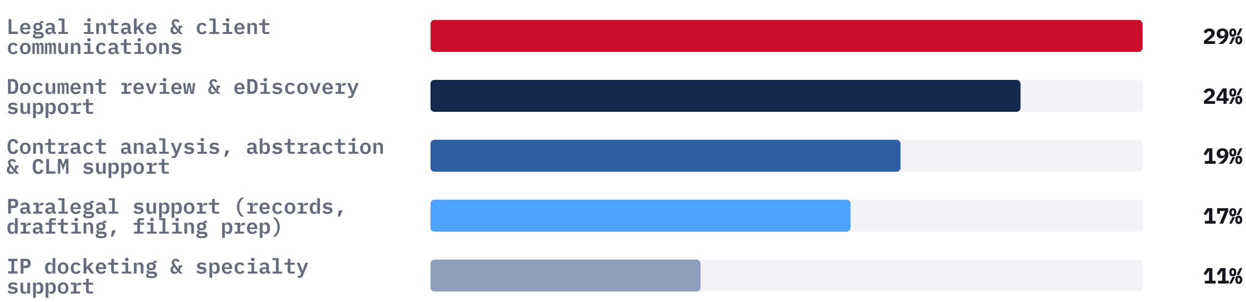
The intended reader is a managing partner, firm COO, legal-operations director, or general counsel weighing a first Philippine program or scaling one. Sections 2–4 supply the evidence; sections 5–7, the method and the proof.

SECTION 02

The billable-hour trap: where legal-operations cost hides, and what moves

Legal work sorts cleanly along one axis: does the task require a licensed judgment, or does it feed one? Figure 1 maps the outsourced work mix across PITON-Global's legal engagement base — all of it on the "feeds one" side of the line, all of it delivered under US-attorney supervision.

FIG. 1 — OUTSOURCED LEGAL WORK MIX (SHARE OF VOLUME, ENGAGEMENT BASE 2024–26)



Source: PITON-Global legal engagement base, 2024–26 — law firms, ALSPs, and corporate legal departments.

Each family carries its own economics. **Intake** is a revenue function priced like a cost center — Section 6 shows what happens when it is staffed 24/7 by trained, empathetic screeners. **Document review** is the volume workhorse, where Philippine teams pair TAR/AI-assisted culling with human relevance and privilege screening at throughput rates onshore contract attorneys cannot price against. **Contract work** — abstraction, clause extraction, playbook-driven first-pass markup — feeds corporate departments and CLM migrations. **Paralegal support** absorbs the records chasing, medical-record summarization, and filing preparation that consume onshore staff. **Docketing** is small, specialized, and unforgiving — 99.5% accuracy against statutory deadlines is the entry standard.

The Philippine advantage in this vertical is educational as much as economic: the country's law schools teach a system substantially derived from US law, in English, and graduate far more lawyers than its domestic market absorbs. Vetted LPO floors are therefore staffed with law graduates and licensed Philippine attorneys doing supervised support work — a talent depth no other offshore destination offers at scale, and the reason accuracy benchmarks in Section 4 sit where they do.

SECTION 03

The supervision boundary: UPL, privilege, and confidentiality done right

Legal outsourcing operates under a settled professional-responsibility framework: US bar guidance permits offshore legal support when a licensed attorney supervises the work, the client is protected, and confidentiality holds. The boundary below is how PITON-Global draws that framework into an operating design.

FIG. 2 — THE SUPERVISION BOUNDARY

MOVES — UNDER US-ATTORNEY SUPERVISION

- ✓ Intake screening & client communications on approved scripts
- ✓ First-pass document review for relevance & privilege flags
- ✓ Contract abstraction & playbook-driven first-pass markup
- ✓ Drafting support from templates; cite-checking; records work
- ✓ Docketing, filing preparation, case-management upkeep

STAYS — LICENSED US JUDGMENT ONLY

- ✕ Legal advice to clients, in any channel, however phrased
- ✕ Final privilege calls and production decisions
- ✕ Signing pleadings; court appearances; negotiation authority
- ✕ Fee agreements and settlement recommendations
- ✕ Anything a bar would call the practice of law

Framework per ABA Formal Op. 08-451 and state analogues; the split is documented task-by-task in the SOW and audited quarterly.

Privilege and confidentiality follow the same logic: they are protected by machinery, verified in diligence. The machinery has five parts — written confidentiality undertakings at the individual level; conflicts screening before any matter touches the floor; matter-walled access architecture with immutable logs; clean-room physical zones for sensitive matters; and training records that prove the team knows what privilege is and how it is lost. Every element is inspectable in Step 4 of the framework, and the inspection report becomes part of the client's own professional-responsibility file — the same evidence pattern this series documented for bank examiners and HIPAA auditors, translated into the language of the bar.

SECTION 04

Cost and performance: role-band

economics and top-tier benchmarks

TABLE 1 — FULLY-LOADED COST PER PRODUCTIVE HOUR BY ROLE BAND (US$, 2026)

US ONSHORE / HR · MANILA VETTED / HR

Role band	US	MANILA	Difference
Legal intake specialist (24/7-capable)	$30.40	$11.20	−63%
Paralegal / contract analyst (law-graduate bench)	$41.80	$14.60	−65%
Supervised reviewer (licensed PH attorney) vs. US contract attorney	$62.00	$19.80	−68%
Blended 40-seat firm program	$43.20	$14.90	−66%

Basis: PITON-Global legal engagement pricing 2025–26; fully loaded and net of shrinkage, as defined in Methodology & notes.

TABLE 2 — LEGAL OPERATING BENCHMARKS, VETTED VS. BASELINE (2025–26)			
METRIC	VETTED TOP TIER	BASELINE	EXECUTIVE READING
Intake-to-signed-retainer conversion	**41%**	~28%	The sales floor, professionally run
After-hours answer rate	**97%**	voicemail	Cases signed while competitors sleep
Contract-abstraction accuracy (audited)	**98.6%**	~95%	CLM data you can actually query
Review throughput vs. onshore contract attorneys	**+40%**	reference	Deadlines met at a third of the cost
IP docketing accuracy	**99.5%**	~98%	Statutory deadlines have no cure period
Annual attrition, legal programs	**16–24%**	35–50%	Matter knowledge stays in seat

Source: PITON-Global legal engagement data 2025–26; baseline = client pre-engagement and onshore/commodity-offshore averages.

The benchmark machinery is the series standard — calibrated QA, certification gates, tenure economics (legal programs run the lowest attrition of any vertical PITON-Global tracks; law graduates value the work) — with one legal-specific engine: **the supervision loop**. Vetted providers build attorney feedback into daily production: overturn rates on review calls, markup acceptance rates on contracts, and script-adherence scores on intake all flow back into training weekly. The loop is what turns a cheap team into a good one, and its absence is what Step 5's diligence most often exposes.

SECTION 05

Sourcing discipline: the 7-Step Vendor Vetting Framework, applied to legal work

Legal work compresses the funnel harder than any vertical in this series: the field that survives capability screening is small, and the confidentiality audit cuts it again. A representative firm search:

FIG. 3 — THE 7-STEP FRAMEWORK AS A LEGAL FUNNEL			
	STEP	WHAT IT ELIMINATES IN A LEGAL SEARCH	FIELD REMAINING
1	**Requirements definition**	Undrawn boundaries: fixes the supervision split task-by-task, volumes, systems (CMS, review platforms, CLM), language of the SOW a bar would bless	1,000+
2	**Market mapping**	Providers with no legal delivery unit — call centers with a "legal intake" slide, generalists with no law-graduate bench	~40
3	**Capability screening**	No attorney-supervised delivery structure, no comparable practice-area experience, no review-platform or CLM fluency	~18
4	**Compliance & confidentiality audit**	Weak privilege machinery: conflicts screening, matter walls, individual undertakings, clean-room zones, training records — all inspected on the floor	~10
5	**Operational diligence**	Supervision loops that exist on paper only; overturn rates nobody measures; firm references that go quiet when asked about deadlines	5–8
6	**Competitive RFP & negotiation**	Rate games; finalists bid per productive hour (or per matter/document where volumes support it) with accuracy- and conversion-linked credits	2–3
7	**Transition & launch governance**	Supervision decay after go-live: PITON-Global stays embedded buyer-side to certified steady state, then hands over on documented criteria	1

Field-remaining counts represent a mid-market legal search (15–60 seats), PITON-Global engagements 2024–26.

The guarantees stand as everywhere in the practice. **Vendor neutrality:** no capacity sold, no placement economics taken — the shortlist answers to evidence and nothing else. **Right-sizing:** a 40-seat firm program disappears inside a mega-BPO; the framework surfaces legal-specialist providers for whom the firm is a marquee client and the supervision loop a daily discipline. Five to eight best-qualified providers in this narrow field, delivered within 48–72 hours, free to the buyer, competing through a fully transparent, fair, comprehensive, and highly competitive RFP.

SECTION 06 · ANONYMIZED CASE STUDY

The phone that started answering: a 40-seat plaintiff-firm program, reconstructed

Engagement LP-029 is a US plaintiff personal-injury firm group — five offices, roughly 90 attorneys — spending heavily on advertising that rang phones nobody answered after 6 p.m. Intake conversion sat at 27%; paralegals spent their days chasing medical records; a mass-tort docket had created a document-review backlog the firm was quoting out to onshore contract attorneys at $58 an hour. The managing partner's brief was blunt: "We buy the calls. Stop wasting them." Identifying details are anonymized under NDA.

SELECTION (WEEKS 0–7)

Requirements fixed a 40-seat scope — 16 intake (24/7, English and Spanish), 14 supervised document review, 10 paralegal support (records, medical summarization, filing prep) — with the supervision boundary documented task-by-task and the firm's attorneys named as supervisors of record. Mapping yielded 36 credible claimants; legal-practice screening left 15; the confidentiality audit left 9. Diligence produced a shortlist of 6. A Manila legal-services specialist won at $14.90 blended, with conversion- and accuracy-linked credits.

TRANSITION (WEEKS 8–22)

Intake launched first behind a two-week shadow period, scripts approved by the firm's ethics partner. The review pod certified in on a closed matter before touching the mass-tort docket; the backlog cleared in nine weeks. Weekly supervision metrics — overturn rates, script adherence, records-turnaround — ran from day one. PITON-Global chaired buyer-side governance to certified steady state in month 6, then handed over on documented criteria.

TABLE 3 — LP-029 FIRST-YEAR VALUE BUILD-UP (US$)		
VALUE COMPONENT	YEAR 1	BASIS
Labor & contract-attorney arbitrage	$2.12M	75k productive hrs × ($43.20 – $14.90), incl. review previously quoted at $58/hr
Intake conversion lift (27%→40%)	$0.51M	Incremental signed retainers × average case contribution, discounted for maturation
Backlog cleared — deadline exposure retired	$0.24M	Contract-attorney run-rate avoided + sanction/extension costs eliminated
Attorney & paralegal time returned to billable work	$0.14M	Measured records/admin hours redeployed, conservatively valued
Gross value created	**$3.01M**	
Less: engagement & transition costs	($0.48M)	Transition, shadow periods, script & ethics review, governance overlay; advisory fee $0 (provider-paid model)
Net value ÷ cost = first-year ROI	6.3×	$3.01M ÷ $0.48M

Figures rounded; revenue effects conservatively factored. Method in Methodology & notes.

Seventy percent arbitrage, thirty percent operational value — the series ratio, holding once more. The intake lift alone repaid the engagement's entire cost, and it existed only because Step 1 treated intake as a revenue function with scripts an ethics partner approved, and Step 5 screened for providers who measured conversion rather than answer time. The firm's shorthand at handover deserves quoting: "Our best marketing decision was operational."

SECTION 07

The executive playbook: privilege-first governance for the first 180 days

Legal programs are governed for two audiences at once: the operation and the bar. The sequence below serves both — client in command, advisor ensuring the record would satisfy the most skeptical ethics partner in the building.

DAYS 0–30

Draw the boundary, wire the walls

Document the supervision split task-by-task in the SOW, with named supervising attorneys. Execute individual confidentiality undertakings; run conflicts screening; wire matter-walled access with immutable logs before any file moves. Put intake scripts through ethics review before the first call.

DAYS 30–90

Shadow, certify, then take volume

Run intake in shadow before it runs live; certify review pods on closed matters before open ones. Instrument the supervision loop from day one — overturn rates, markup acceptance, script adherence — and review it weekly with the supervising attorneys, not just the vendor.

DAYS 90–180

Turn quality into throughput

With overturn rates stable, expand scope up the value ladder — summarization, first-pass markup, specialty support — each addition certified like the first. Deploy AI-assisted culling and drafting where volume concentrates, always inside the supervision loop. Certify steady state; hand over on dated criteria; keep the quarterly boundary audit.

THE FIVE FAILURE MODES WE ARE HIRED TO PREVENT

Letting the boundary be defined by habit instead of the SOW · skipping conflicts screening because the vendor "handles that" · buying intake as reception instead of revenue · measuring review by documents-per-hour with no overturn tracking · discovering at a deposition that the training records don't exist. Every one is a selection- or design-stage fix.

The legal profession has always separated judgment from process; legal outsourcing merely prices the separation honestly. Done with discipline, the Philippine model returns 66% of support cost to the firm, answers the phone at the hour cases are won, and clears review queues at accuracy the onshore market cannot staff — all inside a supervision architecture the bar has blessed for nearly two decades. Fifteen providers can genuinely deliver it. The method in these pages is how they are found, and the fully transparent, fair, comprehensive, and highly competitive RFP is how their best terms are won.

METHODOLOGY & NOTES

How the numbers were built

Operating benchmarks (intake conversion, after-hours answer rate, abstraction accuracy, review throughput, docketing accuracy, attrition) derive from PITON-Global legal engagements active 2025–26, measured on provider case-management, review-platform, and QA systems, validated in client governance. Baselines combine client pre-engagement data with onshore and commodity-offshore averages.

Cost figures are fully-loaded costs per productive hour by role band — wages, benefits and statutory charges, facilities, technology and security stack, supervision and QA overhead, attrition-driven recruiting and ramp — net of shrinkage. The US contract-attorney comparator reflects prevailing agency rates for staff review, all-in. Manila figures reflect 2025–26 engagement pricing.

The case study (LP-029) is anonymized under NDA; office counts, dockets, and volumes are generalized, figures rounded. Value factors are conservative: intake lift counts incremental signed retainers at average case contribution with a maturation discount; backlog value counts only the avoided contract-attorney run-rate and documented deadline costs; redeployed time is valued at cost, not billing rates. ROI = net first-year value ÷ all engagement-related client costs. PITON-Global's advisory fee is provider-paid and appears at $0 in the client cost base; neutrality safeguards are documented at piton-global.com.

Professional-responsibility context reflects ABA Formal Opinion 08-451 and state analogues on outsourcing under attorney supervision; nothing in this paper is legal advice, and program designs should be reviewed by the client's own ethics counsel. Market context draws on IBPAP reporting and PITON-Global's proprietary provider mapping (1,000+ operations; legal capabilities re-verified August 2026).

Which legal-support providers belong on your shortlist?

Thirty minutes with John will tell you. Free to buyers, strictly vendor-neutral — a privilege-vetted shortlist within two to three business days.

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