# The Future Lawyer in a Digitally Disrupted Age

Enoch Chan - 23 Oct 2018

The 21st century is often described in terms of being a 'technological revolution'.

Our society lives among the midst of great technological change — advances in the digital arena have greatly streamlined and simplified the role of businesses in the modern age. The significant cost reductions, broadened market exposure and opportunities that technology has to offer have resulted in revolutionary changes in the way that companies and the professional services industry conduct business.



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As we enter the beginnings of a <u>fourth industrial revolution</u>, we find some of these changes integrated into the role of the legal practitioner, fundamentally altering the profession and how it is regulated.

<u>Artificially intelligent lawyers</u>, <u>DIY law</u>, <u>mobile apps for disputing parking fines</u> — these represent only a modest cross-section of some of the changes that have permeated the legal sphere in recent years.

As with all change, questions inevitably arise as to whether the future of the legal profession is viable? Is it able to adapt and sustain itself? In what ways does technology aid or hinder the role of the future lawyer?

#### A Fully Integrated Network Society?

The digital era can be distinctly characterised by its high level of interconnectedness. The internet, in particular, has played a pivotal role in the convergence of the digital and physical worlds, bringing together individuals and resources to a common meeting point. The past decade alone, has seen the number of internet users more than triple to an estimated 3.2 billion users at the end of 2015.[1]

Technological innovation has opened entirely new dimensions in the operation of legal practice, effectively removing lawyers from the constraints of their home jurisdictions and into the work of complex multi-jurisdictional disputes and cross border issues. Globalisation has profound impacts on the law as a profession, affecting the way that lawyers interact with each other and conduct business.

Naturally, a fully integrated, interconnected society demands a degree of cultural understanding and awareness of legal differences in country-specific regulations. Being a global lawyer in the modern sense is very much a balancing act between tactful cultural understanding and digital capability.

#### Global Issues in Technology and the Law

#### 1. The demise of traditional legal practice?

In 1997, Harvard Business School professor Clayton Christensen <u>introduced</u> the concept of 'disruptive innovation' — the potential for 'cheaper, simpler, smaller, and...more convenient' products to displace the existing market and value network.[2]

Disruptive innovation in in the digital age is common — notable modern day examples include the disruption of physical consumer retailing through <u>online shopping</u> and <u>Uber</u> in the traditional taxi industry. [3] Similarly, without exception, the legal sector is not immune to such developments in the digital sphere.



Digital disruption has meant that traditional law firms that once dominated the industry must now compete with a whole host of other emerging competitors. In particular, the rise of legal startups and 'DIY law', such as <u>Lawdingo</u> and <u>Rocket Lawyer</u>, offering cheaper, more efficient, and transparent solutions to clients, have placed unprecedented pressure on attorneys to develop more competitive services to maintain relevance in the market.

One of the biggest challenges for the lawyer today is being able to adapt quickly enough with the introduction of new technologies. A particular concern for many traditional law firms is that the 'brick-and-mortar' structure may translate into an inability to adapt with the changing industry. [4] In part, increasing technological disruption has signalled the need for continuous upskilling of the modern lawyer wishing to stay relevant in the industry.

This has been continually reflected in the introduction of technology in the legal education curriculum. In an effort to consolidate student's knowledge of technology and the law, many law schools now emphasise digital capability, such as by requiring students to create prototypes and apps centred around legal issues, or teaching students to code using Python language. [5] While not considered an essential skill for a lawyer, there has been increasing pressure on lawyers to have some understanding of coding and programming languages. Notably, 2016 Australian Law Firm of the Year, Gilbert + Tobin Lawyers ran a series of workshops for its lawyers and clients, teaching them how to code and design apps and smart contracts. [6] Recognising the emergence of new technologies such as blockchain and the need for lawyers to adapt to these innovations has placed Gilbert + Tobin in technological

forefront of the legal sector, having also hosted a variety of other technological-centred events, including a legal 'hackathon'.[7]

Modern lawyers are expected to develop a larger skillset and practice in a wider range of legal matters than ever before — from negotiating between telecommunications companies, to advocating for media rights and digital privacy. Technology is placing substantial pressure on the lawyer today to provide cheaper, more efficient services and compete against the more digitally capable firm. For traditional, 'brick-and-mortar' firms, this may pose a significant threat, but the beginning of this era may also signify untapped potential for newer, more innovative legal startups to advance into unchartered territory.

## 2. Bridging the justice gap

Law is too important to be left to lawyers alone.[8]

In spite of the challenges and disruptions that a more digitally connected economy may bring to the profession, legal tech is playing a pivotal role in helping both local and international communities and individuals gain access to the law.

More individuals are now able to seek affordable legal advice and justice through means of online research, forums and websites than ever before. Search engines and legal databases, such as Lexis Nexis, are able to quickly return millions of indexed results and filter relevant cases and legal judgements via complex algorithms. As knowledge becomes more readily available, individuals are subsequently better informed of the law and more likely to resolve legal disputes without the costs associated with traditional justice.

Email, Skype and other technologies are now frequently used to aid service delivery in Australian Community Legal Centres. [9] Youthlaw, Victoria's specialist youth-oriented CLC, provides free legal services, advocacy, information and educational resources via its online website and mobile guide, <a href="Streetsmart">Streetsmart</a>. Similarly, Casey Cardinia CLC and Peninsula CLC provide legal advice for individuals seeking help in family violence matters, via award winning free mobile app, <a href="Ask Someone">Ask Someone</a>. By utilising mobile apps and websites as platforms to distribute legal information, isolated individuals are given an alternative from seeking traditional face to face support.

The modern lawyer, must not only accustom themselves with technology at a local level, but apply these skills broadly, in a global context — new legal tech companies, notably, US startups, <u>LegalZoom</u> and <u>RocketLawyer</u> now allow individuals to draft and access

standardised legal documents without the costs involved with hiring an attorney. <u>LawyerQuote</u>, a service described as the legal spin-off of Webjet, allows for instant fixed-fee quote comparisons between leading Australian law firms.

While digital technologies can potentially be accessed anywhere in the world, different regulations and laws are in place in each jurisdiction, which may affect the use of the digital technology across jurisdictions. For example, China and North Korea are governed by firewalls and internet censorship. [10] The global lawyer will understand the limitations of using technology across jurisdictions and adopt suitable solutions to overcome cultural barriers.

Another issue that has been brought to attention by critics is that, while DIY legal services can offer deep discounts for individuals, these services are often inadequate and can create even greater legal costs further on. A <u>study</u> conducted by Consumer Reports magazine in September 2012 found that while using services such as LegalZoom and Rocket Lawyer made an individual better off than drafting documents by themselves, document services typically are not specific enough to tailor to the needs of the average person. It was noted that, in many cases, use of DIY legal websites could actually lead to "unintended results". [11]

Overall, law tech is helping untapped overseas communities and minorities access to the law. Virtual legal practice is a phenomenon that is quickly gaining popularity, allowing clients and lawyers to access shared documents and information through a secure portal simply by being connected to the internet. [12]

International law firms are able to service clients overseas, with the help of technology such as online, or virtual services. <u>Bird & Bird</u> is law firm that services clients through its 28 offices located across Europe, the Middle East and Asia and other parts of the world. Part of Bird & Birds' operations include a team of lawyers with expertise in advising on legal matters in <u>Africa</u> — including advising on corporate transactions such as M&A and joint ventures, as well as in dispute resolution and arbitration.

### 3. Technology as replacement for the lawyer?

'The most prosperous law practices in 2020 will be those that use Artificial Intelligence' [13]

More recently, developments in artificial intelligence have seen the emergence of online robot lawyers, programmed to assist in a range of functions within law firms and help unrepresented parties in litigation.

ROSS Intelligence, "the world's first artificially intelligent attorney", has been assisting law firm BakerHostetler with conducting legal research in bankruptcy cases. [14] Utilising Watson AI technology developed by IBM, ROSS creates value for the firm by sorting through thousands of case materials and documents to develop legal hypotheses and fine-tuned answers to legal issues. ROSS is programmed to learn over time and produce improved search results and performance through its "machine learning" interface, which allows it to "learn" from prior information that it has gathered.[15]

Similarly, professional services firm, <u>Thomas Reuters</u>, is also looking at integrating artificially intelligent technologies into its legal operations. Reuters announced a collaboration with IBM to utilise Watson AI to analyse complex data sets and improve efficiency and decision making for its clients.[16]

While <u>increased accuracy</u>, <u>efficiency and access</u> are among some of the benefits reaped by integrating artificially intelligent, advanced technologies into legal practice, it remains a deeply concerning possibility to many that the use of automated technologies could threaten jobs in the legal market. Use of intelligent robots in law firms, now capable of conducting legal research, such as ROSS, potentially take away legal researcher roles otherwise typically held by newly-graduated lawyers; similarly, DIY law websites, software and virtualisation of tasks slowly cut away at the jobs of paralegals.

However, even with these concerns, many legal experts argue that the role of a lawyer could never truly be replaced. Many believe technology to supplement legal work, rather than replace it. President of the Law Society Jonathan Smithers pointed out that while robots could generate findings and sort through relevant precedent and legislation, they are incapable of many <u>softer skills</u> that make up the role of a lawyer — including the ability to make persuasive argument, given context, individual client circumstance and human experience. Moreover, AI systems lack the essential trust building and empathetic qualities central to a healthy lawyer-client relationship.[17]

As University of Michigan Law School professor, Dan Linna <u>argues</u>, newer technologies only replace "relatively structured and repetitive tasks", whereas the bulk of the legal profession would still rely on the work of real lawyers. [18]

#### Can issues of Law Tech be resolved?

GlobalX Legal Solutions CEO, Peter Maloney, once <u>identified</u> resistance to change as being a significant hindrance to law firms in the face of digital transformation. Individuals often resist

change when they fail to perceive any immediate benefit or believe that it will require a significant amount of work. [19]

While lawyers are relatively unlikely to be replaced anytime soon, problems could potentially arise if the legal profession fail to adapt and embrace the benefits reaped from technological advancement. While resistance to change is normal, it could result in significant setbacks in the practice of law, if these issues are not rectified.

As <u>noted</u> by Maloney, many businesses operate under the assumption that enterprise systems are a complex, non-feasible option for smaller, budget-tight firms, without realising that these tools can be accessed cheaply through cloud based technologies and software solutions. [20] Essentially, this means that firms are not realising the competitive advantages and benefits of implementing these systems and bypassing opportunities for improvement. For practising firms, it is advisable to research and keep up to date with changes in the tech sector, and continually identify new and creative ways to integrate technology into the workplace to fully utilise its benefits.

Resolving issues of technology and the law start with an open mindset and willingness to adapt and embrace the changes in our digitally interconnected society. Despite all the issues we have raised for discussion in this paper, it remains clear that the benefits of utilising technology in legal practice outweigh any potential costs.

Arguably, automated services do not eliminate jobs, but complement legal work, allowing lawyers to reduce time spent on repetitive, low value tasks and instead focus on achieving quality in the work that clients truly value. Outsourcing work via automation and digital networks creates more time for lawyers to pursue specialised legal work, and will help particularly, small firms, in creating a point of difference in their services. Technology breaks down barriers for poor and marginalised communities to achieve access to the law, whether through mobile apps, websites or online resources or virtual practice. Finally, technology fosters innovation and encourages legal startups to tailor creative solutions to consumers of legal services in streamlined, efficient processes and by applying breakthrough tools, such as e-discovery and digital databases.

What next for the global lawyer?



The global lawyer today must interpret legal issues from a new perspective, keeping an open mind and considering the newer, untapped possibilities that convergence of the law with technology now bring. The modern lawyer must be receptive to new concepts, and eager to continually learn and upskill as newer digital tools and technologies permeate the legal sphere.

Digital innovation has effectively removed the restraints of jurisdiction and geography in legal practice, allowing lawyers from all over the world to connect. Naturally, the lawyer today is expected to be open to working in teams and to possess a degree of cultural competency in their interactions with clients and professionals from culturally diverse contexts. With the rise of cloud, data sharing and other connective technologies, the emphasis on collaboration between lawyers and networking is becoming increasingly crucial to the structure of the profession. [21]

Law firms are increasingly reconsidering firm structure and rejecting the traditional law firm business model in favour of the newer, more innovative, tech-oriented firm. As George Beaton, author of "Remaking Law Firms: Why and How", notes: the traditional law firm and business model is one that is becoming increasingly outdated, and there has been a recent move towards a more "client-centric, more efficient, and more agile" system. [22]

Professor Richard Susskind, recommends in his book, <u>Tomorrow's Lawyers</u>, young aspiring lawyers themselves, take active initiative in learning about and updating their tech skills. "...It will be important in law as elsewhere for young aspiring professionals to be entirely familiar with the potential and the limitations of online service in their areas", says Susskind. [23]

Technology, if utilised to one's advantage, may open up a world of opportunity for the global lawyer to tap into a new market for legal services, and dramatically improve quality, speed and access of services, while cutting workplace inefficiencies and costs. At the end of the day, it all boils down to one variable — those firms embracing technological changes equip themselves with a competitive advantage and a chance to thrive, whereas those that do not will find themselves increasingly lagging behind in a market that demands otherwise.

As global, and digitally capable lawyers, we need to embrace the changes emerging in our industry, and start integrating technology into our work practices and processes, to create the solutions and results that our clients' want.

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