

Legal Tech Trends 2024

8 EXPERT OPINIONS



Deloitte.



ReedSmith



schönherr





Jorn Vanysacker

Founder and Co-CEO, Henschman

Hi there!

At kitchen tables, workplaces, bars, and various media outlets around the globe AI has been a hot topic. I think it's fair to say 'the hype got real in 2023'. I must admit that all this buzz is quite contagious. So, in scoop, I present to you my 90's AI yearbook photo.



A few months ago, I had [a really interesting talk with Hanna Canning](#), Head of Legal Tech and Knowledge Management at DLA Piper in Sweden, a full-service international law firm with a strong Nordic presence. What she said stuck with me: "You don't become innovative because you buy a tool, no matter how easy the tool is to implement. **You still need to look at the problem you're solving and why you're doing it. If you have a clear use case, you'll see an immediate return of adapting your process.** It'll be a no-brainer."

"In the realm of AI, context-awareness is the secret sauce for providing relevant and meaningful services."

Take Large Language Models (LLM), such as the popular ChatGPT, for instance. They are excellent word predictors, but what they lack is context. If you ask ChatGPT to write a contract based on specific input, it will write clauses that make sense, but you can't be sure your firm's tone of voice or preferences are reflected due to a lack of understanding of the data or legal context. So will it be applicable just like it is in a real situation? Unlikely. Just like the shirt you see me wearing in my yearbook picture... I would never have worn something so horrific back in the day! Again, lack of context...

Is AI fatigue looming in 2024 and will we see a survival of the fittest when it comes to AI tools, or will the daggering speed at which new tools are popping like mushrooms continue - and even develop themselves, like some dare to say)?

The central question is clear: what problems are we trying to solve, what specific use cases might apply, and which tech is best suited to solve them?

To keep you fresh, energized, and fueled with ideas, we asked a bunch of legal experts within our network what they see happening in the legal world regarding tech, what purpose legal tech should serve, and what they believe the ideal legal tech stack in 2024 (and beyond) looks like.

Curious to discover whether they bought a ticket for the hype train, or if they are suffering from AI fatigue?

Enjoy the read,

Cheers,

Jorn

Contents



Cheryl Wilson Griffin
CEO at Legal Tech Consultants / p4



Andrei Salajan
Head of Legal Tech and Digitalisation at
Schoenherr Attorneys at Law / p13



Haley Sylvester
Private Client and Trusts & Estates
Associate at Pryor Cashman / p7



Anaïs De Boule
Director at Deloitte & Scale-up
Ecosystem Lead Deloitte Belgium / p16



Peter Duffy
Founder & Legal Tech Innovation
Consultant at Titans / p9



Friederike Wilde-Detmering
Senior Associate at
Reed Smith LL / p18



Katherine Crowley
Legal Director, PDL at
Womble Bond Dickinson / p11



Jeffrey Pfeifer
Chief Product Officer at
LexisNexis Canada, UK, and USA / p20



legal tech
CONSULTANTS

Cheryl Wilson Griffin

CEO at Legal Tech Consultants

At the end of every year, we stare into the abyss and try to predict what's to come. And usually, I avoid such efforts like the plague. But this year, I believe something is truly different. This year, I believe we are entering the Golden Age of Legal Tech.

“This year, I believe we are entering the Golden Age of Legal Tech”

Let's not kid ourselves. We've been fooled before by such exciting declarations of big changes and a prosperous future before. Some of us have grown a little bitter about it. Let me tell you why this time it's different. Whether the rapid change we experienced was a direct result of the global pandemic of 2020 or whether the pandemic simply delivered to us the inevitable on an expedited timeline, four transformations specific to the legal industry have laid the foundation for the Golden Age of Legal Tech. First, **money**. Unprecedented outside investment and valuations have brought new talent from more advanced industries into legal tech.

During a 9-month period in 2021, over \$1 billion was invested into legal tech, and even in an unpredictable year like 2023, a surprising \$700 million was invested.

Second, broad acceptance of Cloud computing by legal. Our industry has been desperately holding onto two primary excuses for prohibiting cloud-based technologies: 1) client mandates, most commonly arising from financial institutions, and 2) security. Now that most of the large financial institutions have integrated cloud into their strategic business objectives, even the most conservative law firms are easing their bans on using cloud-based solutions when they're the right fit. **We should also thank Microsoft for incentivizing (aka forcing) customers to move to the cloud** by ending support on antiquated systems and services and putting all their best new tech exclusively in the cloud.

Third, changing attitudes. You only need to watch the evening news in the U.S. for a few minutes to see an example of the changing attitudes towards work, how it's valued, and what it should be about.

The new generation of professionals is forcing companies everywhere, but particularly large law firms, to reconsider “the way we’ve always done things.” And where they don’t see change, they are leaving in numbers we’ve never seen before. It’s simply not a viable option to ignore them.

Finally, technology! This past year we have seen some of the most exciting technological developments throughout a generation. . Also, the legal industry has been using some elements of AI like machine learning and predictive analytics for years, but when OpenAI made its powerful AI-powered bot available to most of the world for free in March 2023, it changed everything. Even my 70-something Dad asked me to explain ChatGPT to him over the summer. But it’s not only the AI. Our ability to process mass volumes of data is growing at a breakneck pace.. One example: Google announced in July that it had created a new quantum computer that is 241 million times more powerful than the previous version. Finally, but no less significant, APIs and integration have become so commonplace that they’ve made the systems you buy exponentially more valuable because they’re infinitely easier to connect.

“The future of legal technology is data”

Now that I’ve convinced you we’re entering the Golden Age of Legal Tech, I’ll share with you my solitary prediction. The future of legal technology is data.

Sounds a bit simplistic. But stick with me. Until recently, we’ve only been able to get value from structured data – think about forced formatting in forms you fill out online (e.g., dates, email addresses, phone

numbers) when you think about structured data. This is information that is stored in a database and is the source data for your monthly profitability and utilization reports, for example. This is useful stuff when you have it, but it can be expensive to build and maintain these kinds of datasets, especially for a law firm. **But what if you could get value from your unstructured data in a similar way?** It’s estimated that 80% of any enterprise’s data is unstructured, meaning it’s not part of a database and has no formal data model – think ‘native files’ like that contract you just finished writing or that huge Document Management System (DMS) you save documents on every day. **How valuable is your DMS to you today? How often does it give you insights into your practice or your client’s industry today? Tomorrow, it might.**

“It’s estimated that 80% of any enterprise’s data is unstructured”

Now let me really blow your mind. What if, as a law firm, you could automate the building of your response to a client’s Request for Proposal? **What if you could use the external data on past win rates from your Lexis or Thomson Reuters subscriptions and combine that with internal data from your timekeeping system to easily collect and share information about the firm’s experience in this industry or on these types of matters?** And what if you could use technology to write the first draft of the document, based on your writing style and preferences? The ability to combine internal and external, public and private datasets will provide you with the types of insights we previously thought were reserved for soothsayers like Nostradamus.

Now let me take you beyond the pale. What if you combined unstructured internal data, like the narratives in your litigation time entries, with structured external data, like Litigation Analytics from your Westlaw subscription? You would be overlaying your firm's work with the court calendar as well as with case outcomes. Put some internal predictive analytics behind that data and the things you'd be able to tell your clients about their next trial will blow your mind. This is where we're going.

We're already starting to see new tech emerging that's designed to generate new ways of getting value from your data. For example, [PreDiscovered](#) (preparing for commercial release) will reduce significantly duplicative review costs associated with the same company documents being produced for multiple matters. [Streamline.ai](#) eliminates siloes between the corporate legal department and the business lines, transforming unstructured data and requests into automated workflows and approvals. [Darrow.ai](#) sifts through public databases and

combines that data with its own proprietary data points to predict outcomes and identify new opportunities for high-impact litigation. Tools like [Patented.ai](#) are bringing together public patent databases, your data, and their tech to spot infringement more effectively than a human.

It's these four major changes I've outlined above – the influx of money, the acceptance of Cloud computing, the changing attitudes, and the overnight advancements in technology – that make these dreams possible. Now it's up to our friends in the legal tech world to go out and make our dreams a reality. Welcome to the Golden Age of Legal Tech. I'm excited to be here.



 PRYOR CASHMAN

Haley Sylvester

Private Client and Trusts & Estates
Associate at Pryor Cashman

The legal profession, often characterized by a reverence for tradition and resistance to change, is at the cusp of a technological revolution that promises the potential to reshape the profession. Artificial intelligence (AI), particularly in the form of chatbots, has begun to infiltrate the legal realm, and its impact is already profound — both on lawyers’ practices and on their psyches. Even as we may turn to chatbots and other AI in our times of need, many lawyers seem apprehensive.

“The impact of AI is already profound — both on lawyers’ practices and on their psyches”

Instead, we should be excited. If this technological revolution is navigated correctly, it has the potential to handily **enhance the services we provide our clients and increase access to high-quality legal representation.**

One of the most compelling benefits of AI in the legal field is increased efficiency. Mundane, time-consuming tasks such as

document review or statutory legal research can be handled – with remarkable accuracy – in a fraction of the time required by human attorneys. This streamlining not only reduces the costs associated with legal services but also allows lawyers to focus on higher-value tasks like strategizing, negotiation, and advocacy. **For clients, this means quicker and more affordable legal services, democratizing access to representation, and making top-tier legal assistance available to a broader swath of society.** Failing to consistently and responsibly adopt the new technologies that would allow for these improvements is to fail both our current and potential clients.

Of course, the impact of AI on the legal profession is not without its critics. Skeptics argue that AI’s rise may lead to a reduction in the demand for legal jobs, particularly those centered around routine, repetitive tasks. While it is true that some roles may evolve or diminish in number, **AI should be viewed as a tool that complements, rather than replaces, human legal professionals.** AI can serve as an invaluable assistant, freeing up lawyers to focus on the more intricate and strategic aspects of our work.

“The value a lawyer provides to her client is not in finding and conveying a clear-cut yes or no answer to a legal question”

Indeed, the value a lawyer provides to her client is not in finding and conveying a clear-cut yes or no answer to a legal question, but in the framing of the issue, deep analysis of options, articulation of risk and strategic advice, and guidance throughout any implementation process. **If new tools allow attorneys to spend more of their time on these value-additive — and distinctly human — interactions, both lawyer and client are better off.** AI-powered chatbots are much more akin to an online legal research resource — which revolutionized the industry by allowing lawyers to search for terms, shepardize cases, or find clauses in statutes in a matter of minutes (versus hours of manual page turning in enormous books located somewhere much less convenient than your laptop) — than to a

robot that could entirely replace us. **These chatbots are here to help, and lawyers should embrace the aid. We owe it to our clients** to responsibly use any tools at our disposal that would produce higher-quality legal service — particularly when it also cuts the cost.

“These chatbots are here to help, and lawyers should embrace the aid. We owe it to our clients”

I am confident that the services I provide my clients cannot be replicated by an algorithm-powered chatbot; however, the services I provide — and the speed and cost at which I provide them — can certainly be improved by such a bot. In fact, when faced with multiple demands and constant time pressure, I turned to AI for a first draft of this piece. Although few of the words generated by the bot remain in my final draft, the helpful starting point provided the boost I needed to much more efficiently complete the task. I am not threatened; I am grateful.

“I am not threatened; I am grateful”



TITANS

Peter Duffy

Founder & Legal Tech Innovation
Consultant at Titans

Technology progresses rapidly, but the reality of large law firm procurement cycles means the tech stacks remain broadly similar each year. If 2023 was the year of bumper generative AI hype, in 2024, as **firms become familiar with its strengths and limitations**, I expect the excitement will shift to focus on very specific use cases. Firms will accept that rather than being a magic wand, it is another tool in the tech kit. Like other technology, they must scope its application appropriately, assess the commercials, and prioritise driving user adoption for suitable use cases.

Although some of the more innovative firms have started building their own internal Generative AI products, in 2024, I think law firms will predominantly access large language models as add-ons within their existing technology stack or through Microsoft Copilot.

It will be curious to see how products that apply LLMs more generically across multiple use cases will compare to point solutions applying LLMs to very specific legal use cases. Time will tell!

“I expect the excitement will shift to focus on very specific use cases”

Large law firms have many products in their technology stack for their various practice groups and business support functions. **We could easily list forty, but I’ll focus on what I think are the top four for 2024.** Many firms already have these tools but often struggle to fully embed and scale them, with low adoption rates hurting their return on investment for their existing licenses.

1. Document Automation

It has existed for decades, yet many firms still face challenges driving adoption and lack internal automation processes and strategies to scale. Interest in Generative AI and the subsequent learning of its limitations has led to a huge spike in appreciation for document automation, and we'll continue to see a large uptick in firms assessing their current products and approaches.

2. Client Portals

As firms look to enhance the client experience and differentiate through their digital offerings, there will be greater emphasis on customised portals to receive client requests, collaborate, and visualise work progress. Interest will continue to grow in enabling clients to self-serve and access additional products or legal services within a firm's client portal.

3. Word Drafting Assistants

Lawyers spend most of their time in Word, which is unlikely to change anytime soon! Word plugins that ease all aspects of the drafting process, whether that be document formatting, repair, proofreading, review, comparison, or clause-level drafting, will continue to grow in popularity.

4. Microsoft 365 Suite & Copilot

I predict greater usage of the breadth of tools in the Microsoft suite, including Power Automate, Sharepoint, and various Azure AI services. Any firms investing in Copilot licenses will be further incentivised to keep their data in the Microsoft world, leverage products across the Microsoft suite, and ensure legal practitioners can embed it throughout their workflows.



Katherine Crowley

Legal Director, PDL at
Womble Bond Dickinson

Do I need to talk about anything other than the transformational qualities of AI?

Yes! And why? Because although AI is rocking the legal tech world, and it's even grabbing the attention of lawyers like nothing that's gone before it, the fundamental considerations of choosing a legal stack remain true.

Start with the problem, not the solution

Who doesn't like shopping? Whether you have a thing for clothes, cushions, or candles in your personal life, shopping is fun. With AI driving some really exciting platforms, it's tempting to take the same approach to legal tech. But shiny new tech solutions are of no use unless they solve your identified problems. No one has an unlimited tech budget or bored technologists waiting for work, so buying tech to solve identified problems has to remain at the front and centre of all purchasing decisions. You don't want to end up with a tech stack that is the equivalent of an over-stuffed wardrobe: so many clothes but nothing to wear.

"AI is rocking the legal tech world, and it's even grabbing the attention of lawyers like nothing that's gone before it"

Law firms are full of lawyers

I'm stating the obvious, aren't I? Bear with me. As the average size of a law firm continues to grow and procuring and deploying legal tech is now recognised as something that is best driven by specialists, direct connection with the ultimate consumers - the lawyers - can be lost.

Lawyers are busy, stressed people. They want easy-to-access and easy-to-use solutions. If there are too many buttons, they are not going to find the time or inclination to put on a fancy legal tech coat.

The most successful tools at Womble Bond Dickinson are no-code solutions that offer simplicity, a clean design, and limited clicks. A piece with too many frills and bows won't be given favourite outfit status. Always put yourself in the shoes of the lawyers, and they will thank you for choosing a plain style they can wear easily.

Integration really matters

No one wants to wear socks that don't match. Integrating everything in your tech stack is just as important and, until recently, has been surprisingly hard to deliver. iManage is the preferred document management system for most law firms, and it will be considered by most as an operational staple rather than legal tech. So why do I want to put it in my tech stack?

Lawyers analyse documents, so how they are moved about will always be key to the success of a legal tech solution. iManage Cloud is turbo-charging integration. Ignore it at your peril.

AI is everywhere in my wardrobe

I may not have opened with AI, but it has to feature in any legal tech stack. Let's be honest. We (and our clients) are all enthralled by the possibilities offered by AI, and generative AI in particular. Who isn't dazzled by the speed of delivery of ChatGPT? However, finding the truly best ways to harness its immense capabilities will take time, resources, and experimentation.

"Building your own model may not always be the right thing for your law firm"

In the meantime, many of our existing tech suppliers have considerable AI expertise already. They have been quick to incorporate generative AI into their solutions while many law firms are still in investigative mode. **Although announcements of innovative in-house uses of generative AI flood LinkedIn on a daily basis, building your own model may not always be the right thing for your law firm.** There will be as many (quiet) wardrobe malfunctions as success stories when it comes to putting AI to work. Explore all the options with an open mind, including whether a third-party provider can deliver a strong solution for any particular problem.

A legal stack is all about building a practical wardrobe that is the right fit for your lawyers and the right fit for your legal tech team and its resources. AI is clearly set to disrupt the legal world, but remember that you still need to shop for your humans.



schoenherr

Andrei Salajan

Head of Legal Tech and Digitalisation at
Schoenherr Attorneys at Law

A golden opportunity for legal tech

What a ride it's been for legal tech and digitalisation in 2023! Generative AI took the world by storm. Everyone was surprised by the launch of ChatGPT and by the new capabilities of generative large language models (LLMs). From doomsday scenarios and fear of mass layoffs to valid concerns around how this technology will impact our society, how it needs to be contained and regulated and everything in between, the star of the show was AI.

Before diving into what this means for legal tech and sharing a potential forecast and thoughts for 2024, let's take a moment and think about how we got here.

From our perspective at Schoenherr, a leading law firm in Austria with a strong international footprint and 15 offices in the CEE/SEE region, innovation and collaboration were always at the forefront and an important pillar of our core values.

Constant change: from cloud to seasoned legal tech solutions to generative AI

The innovation journey for the past few years has been exciting, but one tends to

forget that two or three years ago we were still debating regulations allowing law firms to use cloud solutions. These discussions are still relevant in some of our jurisdictions to this day, even if on a sentimental level.

For most firms and for our clients, these developments were heavily influenced and fast-tracked by two events: (i) the mass adoption of Microsoft Teams and, depending on the jurisdiction, alternative collaboration and communication solutions during the COVID-19 pandemic; and (ii) new LLMs and generative AI. The importance of these milestones cannot be overstated. They can be huge momentum drivers for our own digitalisation projects and innovation.

Whirlwind incoming

When ChatGPT landed in late 2022 and we saw the sheer number of new users engaging with this technology, we knew we were witnessing another pivotal moment. We wanted to quickly understand the new capabilities of generative AI technology and how it differs from what has come before it. At the same time, we were already thinking about how to leverage this in workflows and legal tech products for our firms and clients.

“Data will start to play a different role for our clients and in law firms”

We also tend to forget that AI has been part of the legal tech scene for the past four plus years, either in document review or as part of bespoke solutions designed to extract and process data to automate workflows around management of high document volumes (for example as part of mass claim proceedings). The expectations for the accuracy and capabilities of AI in these solutions were very high, often disproportionately so. This led to solutions being quickly dismissed or ending up as part of a legal tech portfolio but rarely used by many law firms.

A new era of AI or back to backup plans?

I am ever an optimist when it comes to legal tech, change, and adoption. This helps, as, to be frank, the legal tech journey is often slow and sometimes bumpy. This challenge together with impressive and inspiring colleagues in this domain keeps me going and highly motivated. I genuinely think that we are at a turning point and that based on current technological developments and the adoption of AI in so many other domains, true innovation in law firms is a matter of when and not if.

“We will need to spend a lot of time training our colleagues to understand the capabilities and limitations of new LLM models”

But, a skeptic might say, what happens if the challenges of AI outweigh the opportunities and advantages? In our industry, we always like to have a backup plan. We also tend to be risk-averse, especially with regard to technology. So what happens if AI does not reshape the legal industry as quickly as some might think or hope? Well, if that is the case, I guess it's safe to say that it will remain a momentum driver as it has been so far in 2023 and for all the projects that just kickstarted this year. It will also be a substantial multiplier factor for other technologies used in legal tech that will become more accessible and relevant for reshaping current workflows and the way we offer legal advice.

So, to sum up, these are some of my predictions for 2024:

- We will need to spend a lot of time training our colleagues to understand the capabilities and limitations of new LLM models.
- The momentum in legal tech and innovation will continue and will be leveraged to drive other initiatives besides

AI. We will see a constant push in areas like document automation, as well as improvement and innovation related to many critical workflows like document review, contract lifecycle management, know-how management, and so on.

- Data will start to play a different role for our clients and in law firms. We will see several trends and initiatives aimed at cleaning up our DMS and preparing relevant data for AI use cases and workflows.
- We will potentially see a trend in leveraging existing solutions and capabilities, for example, Microsoft Azure and Power Apps/Automate. For legal tech and digitalization teams in law firms, it will be a challenge but also an exciting journey to find a balance between multiple key streams:
 - keeping track of meaningful AI developments and new products;
 - focusing on existing products that are part of the portfolio and are gaining new features as vendors are deploying AI within their solutions;
 - investing time in training and adopting initiatives to make sure everyone is prepared for the incoming change.

- Finally, I think we will see a shift in legal services, with technology starting to play a more important role as part of the solution for legal issues that involve increasingly higher volumes of structured data or as part of legal service delivery to streamline workflows and increase collaboration. Law firms are developing more capabilities in advising clients on not just legal matters but also related legal tech and implementation projects. AI will surely be at the forefront of this, but we are seeing more and more clients and their in-house departments reaching out to us for insight and support related to any kind of legal tech and digitalisation projects.



Deloitte.

Anaïs De Boulle

Director at Deloitte & Scale-up Ecosystem Lead
Deloitte Belgium

In recent years, the legal industry has undergone a digital transformation, driven by the emergence of legal technology (legal tech) solutions. Their use helps automate tasks, streamline workflows, and improve various aspects of legal work, most importantly the quality.

What I find most refreshing, however, is that the introduction of technology enables legal service providers to offer new and improved services that meet the changing needs and expectations of clients. This helps legal players differentiate themselves from their competitors. A much-needed transition after years of stagnation and uniformity.

In many ways, the legal sector can be considered a red ocean that has maintained a rather conservative approach. So indeed it can especially take advantage of this wave of innovation to reinvent and refrain from becoming a commodity. The tendency of becoming a commodity is supported by a phenomenon that occurs all too often: clients end up finding their way to a lawyer solely because of the need for legal assistance or circumstances that call for urgent representation. Only to discover that

much of this market is positioning itself in a similar manner, clinging to a traditional value proposition.

“Legaltech can be the segway for a clearly articulated USP and thus blue ocean strategy”

While in fact, **the evolving market dynamics and changing client challenges of today offer so many opportunities to differentiate and innovate.** Legaltech can be the segway for a clearly articulated USP and thus blue ocean strategy. It can create new opportunities and value for both providers and clients, through the reduction of costs, increase of efficiency, improvement of quality, and expanded access to legal support. All this is to finally transform legal from a cost-center and blocking factor to a business-enabling process embracing speed and transparency, which should hold a place in the daily business of every company.

Obviously, not all legal providers are at the center of this red ocean. Complex, high-

stakes litigation, sophisticated transactions, or highly specialized legal advice remain susceptible to commoditization. These are often known as legal boutiques or niche teams. Consequently, such unique players often enjoy an exceptional status and brand attractiveness with an accordingly effect on the market (and pricing). Hence, in such case, the need to tap into innovation - on top of their already specialized capabilities - is often less required. **Yet, all too often, these unique qualities remain attached to only one or certain individuals within the organization and rarely can be linked to the entire workforce of the organization or firm.** It takes a legal professional to realize this. One way to beat such risk of low sustainability making it unfit to serve clients at a large scale, could be through the adoption of AI-powered legal tech. This can introduce the ability to leverage and augment the capabilities of certain individuals to the broader organization, only to the benefit of more clients and the market.

“Adoption of AI-powered legal tech can introduce the ability to leverage and augment the capabilities of certain individuals to the broader organization”

As such, I consider myself a strong believer of the fact that every single player within the legal industry should embrace innovation to stay relevant and thrive in the market of today. For that, they should grasp this momentum to introduce legal tech.

There is however one thing that worries me and is most likely not an easy one to mitigate: the challenge that legal tech presents in the

training and development of our young legal experts. Because of the automation of certain tasks, young professionals have less opportunity to develop critical skills that are essential for building a strong legal foundation: such as research, drafting, and analysis. This can result in lower proficiency when it comes to evaluating the credibility and relevance of sources and facts. The same goes for understanding the underlying why and its legal principles, where they might miss out on the critical aspect of comprehending the employment of certain strategies or arguments. Lastly, it might also lead to an overreliance on automation and limited soft skills development (while interpersonal and soft skills are vital in client relationships, negotiation, and effective communication).

This is in addition to the fact that our young professionals are used to having technology at their fingertips and often work from home in today's hybrid office.

Thus, while remaining fully convinced that an accelerated technology drive within the legal ecosystem is necessary to create new market spaces and an uncontested value enhancing a competitive edge, a thoughtful integration should at all times be kept in mind. This is to ensure a well-rounded education for our future legal professionals to prepare them for the multifaceted demands of the profession. This is all the more in the world of today, which is undergoing changes and challenges at an unseen speed.

The views and opinions expressed in this article are those of the author and do not necessarily reflect the official policy or position of Deloitte.



ReedSmith

Friederike Wilde-Detmering

Senior Associate at Reed Smith LLP

In the ever-evolving landscape of law, where tradition meets innovation, LegalTech is poised to continue to play an increasingly influential role in 2024. With an eye on the horizon, I am pretty sure that the legal profession is on the cusp of a digital revolution that promises to redefine the way lawyers work. While the rise of LegalTech may seem intimidating, I believe it won't replace us lawyers. Instead, it's more and more becoming our steadfast ally, making our work more efficient, reducing groundwork, and offering economic benefits to our clients.

Embracing the Future, Embracing Efficiency

The legal field has always been notorious for its voluminous paperwork, arduous research, and labyrinthine processes. Not to forget about lengthy, complicated texts that no one understands (not even other lawyers): In 2024, with AI getting more and more sophisticated, LegalTech will continue to be a game-changer, helping lawyers optimize their practice in several ways:

1. Document Automation and Management:

With document automation tools, creating contracts, briefs, and legal documents may become more streamlined and less hassle (who hasn't been hating the job when searching for something "I'm sure I have drafted in the past"?).

2. Artificial Intelligence in Research:

AI-driven legal research platforms may save countless hours, sifting through case law and precedents.

3. Predictive Analytics:

LegalTech may harness the power of data analytics to estimate case outcomes and risks, helping lawyers (and their clients) to make informed, data-driven decisions."

4. Cybersecurity and Data Protection:

With increasing threats in the digital realm, LegalTech – if set up accordingly – may play a pivotal role in safeguarding sensitive client information. In any case, confidential information, and the focus on security will be paramount.

The Human Element in Legal Practice

While LegalTech is poised to transform the legal profession, it's essential to remember that it's a tool, not a replacement for human expertise. Here's why lawyers will remain indispensable:

- 1. Strategic Thinking:** LegalTech can analyze data, but it's humans who will formulate the winning strategies and risk-based decisions.
- 2. Ethical Considerations:** Legal matters often require nuanced ethical decisions, which require human judgment, empathy, and an understanding of the client's unique circumstances. AI is lacking respective competencies.
- 3. Complex Negotiations:** High-stakes negotiations and mediations often hinge on human interactions and intuitive insights, aspects that LegalTech cannot replicate.

4. Advocacy and Persuasion: Effective courtroom advocacy involves the art of persuasion, a uniquely human trait. As Aristotle's "Rhetoric" has taught us, this skill cannot be automated.

5. Adaptability and Creativity: Legal practice frequently presents novel and unprecedented challenges. Lawyers' adaptability and creative problem-solving skills are irreplaceable.

In conclusion, LegalTech is not the adversary many fear. It will make us more efficient, reduce the tedium of groundwork (with the downside of having less suitable work to train trainee lawyers, I have to add and admit), and provide cost-effective solutions for our clients. Yet, it will be our uniquely human qualities – strategic thinking, ethical considerations, complex negotiations, advocacy, adaptability, and creativity – that will continue to set us apart.



Jeffrey Pfeifer

Chief Product Officer at LexisNexis
Canada, UK, and USA

As an observer and builder of legal technology solutions for more than 30 years, it is apparent to me that **we are at a unique point in time for law**. Never before has there been a more direct connection between a new technology and what lawyers do on a daily basis. One year ago, few were talking about generative AI outside of Silicon Valley and today, every law firm board and in-house counsel department is prioritizing a strategic review of its value to the organization.

Generative AI, a burgeoning category of technology development that promises significant improvements to productivity, work efficiency, and work quality is now at the forefront of every legal technology discussion. By now, you have likely read about anticipated productivity gains from generative AI. Organizations from Stanford to MIT and [Boston Consulting Group](#) have all forecast double-digit improvements in professional work.

From my experience, these **projected gains are exciting but far from guaranteed**. In fact, leading organizations are focusing on the technology investments needed to prepare for a future workplace that leverages generative AI. In recent years, much has been written about deliberately building

an organization as an “AI factory”, a phrase coined by [Karim Lakhani, Harvard Business School](#).

At LexisNexis, we have been working to transform our organization to become an AI factory, an organization focused on the forward-looking investments needed to leverage the benefits of a new generation of technologies. That earlier investment allowed us to move quickly in generative AI, culminating in the recent launch of Lexis+ AI.

“Prioritize a deliberate focus on four things: cloud investment, internal technology infrastructure design, content and data system modernization, and commitment to human resource skill development”

Legal organizations are prime candidates to be AI factories as they possess important prerequisites for success: large data repositories, demand for content creation, and unique domain knowledge requirements.

However, for law firms and in-house legal departments to become successful in AI implementation, I would prioritize a deliberate focus on four things: cloud investment, internal technology infrastructure design, content and data system modernization, and commitment to human resource skill development.

1. Cloud: While the trend to cloud has been undeniable, a large portion of the legal market still views cloud as an application centered choice. Going forward, cloud management of data will be central to all successful AI implementations due to the needed compute capacity. Firms that are behind in this journey are likely to face significant challenges in adopting new-generation technology.

2. Infrastructure: Law firms have historically deployed systems with little interconnection. Successful AI focus requires deliberate investment in cloud-centered technology where data is accessible with appropriate security and privacy controls. Recent market studies suggest a surprisingly large number of firms still operating on older-generation Microsoft technology as one example. On a go-forward basis, organization

investment in the latest generation technology – especially for mission-critical data – will be essential in the generative AI space. If you are not on Microsoft 365, your organization will be disadvantaged. If you lack data storage in a commercial cloud, you are likely to struggle with newer-generation technology.

3. Data: The true asset of any legal organization is its work product. Yet much of this data lacks basic structure, meta-data tagging, and curation. Or, where data is structured and tagged, I've seen limited mining of the markup. Near term, most generative AI solutions in knowledge industries are powered by connection to unique, well-structured proprietary content. Why? Because this data ensures high-quality generative AI output. Again, access to this data in a cloud-first infrastructure is required and should be an area of focus. As firms and in-house teams re-examine knowledge management strategies, thought should also be given to the identification of high-quality sample data in work-product collections. This data is critical to the development of the best generative AI answers and legal document drafts.

4. Skill Development: Our journey suggests a need to significantly upskill your team. For more than 10 years, our organization has been identifying the skills needed to compete in a future AI-first world. And while some skills are obvious (e.g., data science, data engineering, cloud development operations) others are not. Prompt education for lawyers, prompt template building, data sampling, and quality scoring are all areas where leading organizations are investing.

And finally, I would be remiss if I did not emphasize a focus on use cases for AI. Broadly, we are seeing an emphasis on mundane, repetitive tasks. Email drafting, summarization document classification, and memo development are a few examples.

“An AI-focused organization has a clear focus on the objectives of their tests and looks for early, repeatable wins.”

Leading organizations I am working with are starting with small, well-defined use cases. They are experimenting with time-boxed projects and learning where AI adds actual value. They are leveraging the skills of third parties and commercial AI solution providers. They are, most importantly, leaning into their unique areas of advantage – content, work product, and knowledge. An AI-focused organization has a clear focus on the objectives of its tests and looks for early, repeatable wins.

In one year, where will the legal industry be with generative AI? My sense is that we will see the near-ubiquitous deployment of AI capabilities, and we will likely wonder how these tasks could have been performed manually in the past. Many products and services widely in use today are likely to be enhanced with AI, creating an opportunity to learn the technology through familiar experiences.

And while it is unlikely that AI is likely to replace lawyers, it is likely true that **lawyers who leverage AI will have an advantage over those who do not.**



Dunya

Unlock the knowledge of all the
lawyers in your organisation

Get in touch: dunya@henchman.io
www.henchman.io

