



**CENTRE
FOR LEGAL
INNOVATION**
THE COLLEGE OF LAW

2017 ROUNDTABLES KEY TAKEAWAYS

ARTIFICIAL INTELLIGENCE IN LEGAL PRACTICE

- ALL HYPE OR A 'NEW WORK' REALITY?

Artificial Intelligence in Legal Practice – All Hype or a ‘New Work’ Reality?

How we define AI today will not be the same

tomorrow. The definition of AI in the legal market today is being shaped within the context of increased pressure on lawyer fees, a drive towards increased efficiency of processes, systems and outputs, and increased competition. It assists, augments and automates lawyer work and expertise. It covers a vast array of different things but it is fundamentally about data and using it in different ways, most particularly for lawyers and other legal professionals, ways that add value for the benefit of clients.

The drivers for incorporating AI into legal practice are coming from within and outside the legal industry.

AI is impacting all work in all professions, the legal profession has been one of the last/slower to embrace what is a global phenomenon.

From within the legal profession, there needs to be a mindset change in law firms, a culture of continuous improvement and experimentation before AI will be fully explored or embraced.

From outside, clients have more choice to obtain legal information and advice and they will seek it out. All clients have greater access to more information.

- Corporate clients have been increasingly required to adopt more effective and efficient operations (work practices, processes and systems) within their companies and are looking for comparable, collaborative work practices from and with their outside counsel.
- Consumers may access information through the internet, social media, etc. and so come to their advisers with more questions and/or better informed.
- Government agencies like courts and government departments are going online to make filings, conflict resolution and justice more accessible.
- Millennials and future generations of workers will not categorise something as LegalTech or AI or segment their work between “machines” and “humans,” working seamlessly with tech will just be the way people do work.

Those legal providers (law firms and alternative service providers) who deliver quality services faster, cheaper and better will retain and attract clients and, the opposite is also true. The former will only be achieved with the use of technology and AI.

The main advantages of AI are increased efficiencies, increased speed of turnaround time, enhanced effectiveness, reliability, consistency, accuracy and a levelling of the playing field (scale) making it possible for firms of all sizes to compete equally. These advantages have also resulted in enhanced mitigation of risk and compliance reporting (a product of the ease with which data can be extracted and analysed), more opportunities for learning and development (e.g. law graduates will be able to learn from AI), increased access to justice (more information available to everyone in a user friendly format) and more time for lawyers to spend with clients in those areas and for those matters that require a level of legal expertise and/or humanity not yet available from AI. AI is also supporting new areas of practice like the ethical issues in AI, and consequently expanding career opportunities for junior lawyers as well as opening up new career paths for all lawyers (but not necessarily more jobs).

The main disadvantages of AI are

overblown expectations, misunderstanding what can and cannot be delivered by AI, distrust of machines versus humans resulting in less people accessing or trusting information, that it is seen as a substitute for lawyer experience, it results in lower quality work because clients (who are not lawyers) will not be able to differentiate between providers who rely heavily on AI and those that augment it with lawyer experience. There are also ongoing challenges with being able to maintain the necessarily high level data governance. All in all, AI may result in a dehumanisation of legal practice, less jobs for law graduates and the hype around it becoming more of distraction/hindrance than help.

As AI advances, there is a pressing need for lawyers to think carefully and proactively about what work they will be left to do.

It is important to first understand your clients' needs and expectations regarding the use of technology and tailor its use in your practice accordingly. For example, not all clients will want to interact with a lawyerbot or complete forms online – client needs should remain the overriding consideration in the acquisition and deployment of tech/AI.

Having noted that, AI has and will change the way lawyers work, the work they do, how it is done, where and why – these are largely positive changes for the profession. AI and technology more generally has and will continue to remove work from lawyers that they were arguably always overqualified and overpaid to do. What will be left is that lawyers will use AI and tech tools to assist them in applying their experience, judgment and arriving at creative solutions to complex problems that work within the context of a client's matter and is cognisant of all the implications that may ensue. Lawyers will be able to spend more time with clients and place even greater emphasis on personal interactions. Lawyers will also continue to be held to professional standards and ethics, providing a level of trust and confidence for clients that AI cannot, or at least not in the same way.

AI has changed the skills required of lawyers and the workforce profile.

Lawyers in law firms have always worked in a multi-disciplinary workplace but not themselves always worked across disciplines. The evolution of tech and AI in legal practice has meant that those who were once considered peripheral to the delivery of legal services and categorised as “support staff” are now increasingly integral to service delivery and may, in their own right, be fee earners. For example, the use of AI and data analytics in legal research, due diligence and discovery is an essential part of related practice areas (e.g. M&A and litigation). Where this analysis has given rise to predictions about outcomes, it has also supported the development of risk management and compliance products. Lawyers, who have not traditionally been skilled in these areas are now working collaboratively with those from other disciplines who have these skills like data analysts, software developers, programmers, etc.

Law firms looking to the future will need to know what their skill needs are, this will need to be more strategically and carefully considered than in the past. They will need to decide, for example, if they should hire hybrid lawyers (law plus another discipline like computer science) or focus on upskilling their existing workforce or hire other professionals who have the relevant skill sets and determine how all their skills will be best deployed in the firm to add value for clients. Firms will also need to consider how and where these other professionals will have opportunities to advance in their firms.



THE CENTRE FOR LEGAL INNOVATION AT THE COLLEGE OF LAW

Created by The College of Law in 2016, to act as an innovation-focused think tank, The Centre for Legal Innovation (CLI) provides a platform for thought leadership, practical research, solutions to challenges and opportunities for collaboration in the legal profession. Our focus is to support legal professionals as they navigate the disruption and new technologies transforming the legal industry.

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