Ctrl+Alt+Delete

Will technology render the traditional lawyer redundant? In our latest round table with McCann FitzGerald, innovation experts and legal technologists debate the future of law **ALEX NOVARESE**

ith alternative legal services arms at Global 100 law firms in full swing, and innovation and technology experts striving to make those firms relevant and responsive to the demands of increasingly valueconscious clients, it is fair to say the future is now.

But the traditional role of the lawyer is perhaps facing its biggest existential crisis now as those new demands challenge what legal practice means today. Will the lawyer of 2030 render the celebrated black-letter technicians and swashbuckling dealmakers obsolete?

With this in mind, *Legal Business* teamed up with Irish leader McCann FitzGerald to ask upcoming lawyers and alternative legal services providers at some of today's strongest law firms how they can future-proof that success over the coming decade.

Alex Novarese, Legal Business: How easy is it to get the partners and veterans at major law firms on board with technology?

Isabel Parker, Freshfields Bruckhaus Deringer: Technology is now essential to legal 'front office' delivery. This means that the traditional law firm separation between fee-earners and business services is disappearing, with far-reaching implications for the traditional law firm pyramid.

Law firms are also waking up to the value of data to inform their business and client strategies, and to make them more cost effective and efficient. The law firms that are successful in exploiting their historic and future data (without spending multimillions on creating data lakes) will lead the market.

Law firms are also starting to recognise that truly innovative companies listen to their customers, rather than dictating to them. User design workshops in collaboration with the client and regular client feedback will become increasingly important.

Caoimhe Mackle, Herbert Smith Freehills: I have seen a huge change, particularly in the last six to 12 months. They are all embracing it, asking for information to share with their clients and asking my colleagues to attend pitches. It is more now about trying to collaborate with them to help them to win work. They know they can use alternative legal services in terms of pitching for work and pricing, and we can help them explain to clients where the efficiencies come from. There is also a huge shift in what clients know, for example, about predictive coding. I have been invited to talk to clients externally about predictive coding: what it is, where we have used it, how we have been able to make efficiencies – and actually they are interested in stats on those efficiencies.

Alex Novarese: Should lawyers learn to code? I would have thought the answer is: 'Absolutely not.'

Karyn Harty, McCann FitzGerald: Lawyers will from a regulatory perspective be expected to be much more conversant with technology. There is something about understanding the lingo and understanding what the technology does. I do not think you need to be able to code to be able to do that. If you look at what has happened in the US, there are now regulatory standards requiring lawyers to be technically competent. They have to understand technology. That is bound to come in here in a few years' time.

Tom Quoroll, Linklaters: But we will need people or new roles that are at the intersection. We need people who have those skills, being both a lawyer understanding the law and being able to get some way towards translating that into something somebody can code.

Gráinne Bryan, McCann FitzGerald: To be able to do that you have to understand the law, so you still have to be a very good lawyer and you still need to understand the technology. You need the two of those to understand ultimately what the output needs to be to get the best result.

Ross Mullane, McCann FitzGerald: From a cost benefit perspective, I don't think that learning specific coding languages is of use to most lawyers. Before learning to code we must ask ourselves: 'To what end?' Why make significant time commitments learning to code if we are not going to use those skills in our daily practice? A better investment of lawyers' time is in familiarising themselves with more general principles of computer science. If you can pick up 80% of the fundamentals in 20% of the time it takes to become expert in a specific area, then that's a much better return in my view.

Libby Jackson, Herbert Smith Freehills: Clients' understanding of technology solutions is deepening, and they now expect them to be at the heart of our offering to drive efficiencies

In association with McCann FitzGerald

Karyn Harty, McCann FitzGerald

'People say a big law firm will go from 2,000 to 1,000 lawyers because everything else can be done by machines. I do not see how that is plausible.' Jamie Whalebone, Freshfields



► and deliver value. The regulatory landscape surrounding the legal profession is likely to drive this as well. A prime example is the recent proposal of a pilot scheme, recommended by the Disclosure Working Group, which aims to streamline disclosure exercises and further encourage the use of technology-assisted review in appropriate cases.

Clients want their lawyers to focus on tasks that make best use of their creativity, judgement, empathy and strategic thinking, with the more routine tasks undertaken by technology or other market players, as appropriate.

Tom Quoroll: Client pressure is the key in making partners think: 'I have to gen up about this.' But it is a bit simplistic to say: 'Oh, these old partners do not really get it.' Many senior leaders are now some of the most clued up and there are new people who are coming into the firm who are not really interested in technology and do not get it, or have bought into an old model of what the business model of the firm is going to be like.

Alex Novarese: Widening it out a little bit, what are the key trends that people see or the most

profound changes that are already impacting on the business and provision of law?

Karyn Harty: We are seeing much more diversity generally within law firms. You are seeing more women becoming senior partners, certainly in the Irish market. That has led to slightly different perspectives on what the role of a lawyer is.

The generation coming up through, both male and female, have a slightly different perspective on what they want from a career. That is making us all rethink, and that is one of the big drivers of change because it is down to this point about retention and holding on to people. How can you keep hold of people in circumstances where they perceive that being a senior partner involves selling your soul and not seeing your family ever again?

Tom Quoroll: How do you think that has impacted the role of lawyers?

Karen Harty: As an example, there was always a view that you would give your life to a transaction. Let us say it was a six-week transaction: you would not see daylight until it was done. Everybody on the team would just throw themselves at it. There was an idea that you could split the role, like a job share, in the context of a transaction, but people thought that was wholly unrealistic. There is an increasing appreciation that you can resource projects better in a way that does not necessarily involve people giving up their entire lives and allows for things like job sharing. I would say that we are in the very embryonic stages, but when you get those kinds of shifts through the profession it does actually have a significant impact.

Jamie Whalebone, Freshfields Bruckhaus

Deringer: We are seeing that clients do not necessarily look at one law firm for an engagement. They will look at the best way to resource every aspect of that matter, transaction or litigation. That has sort of crept up on people. Everyone was aware that these models were evolving and that certain types of work, like contract management, might be hived off because you can ringfence it and define it as a product so it could be outsourced somewhere.

Caoimhe Mackle: Sometimes a lot of that is being driven by procurement teams. You are not always dealing with the instructing legal team or the in-house legal team. We have seen clients recently, where their first question is often: 'What efficiencies have you made this year? What are the statistics? What money have you saved us?' Generally we are referring to the use of technology and talking about that, but certainly there has been a shift that decisions within corporates are not only being made by legal teams, unlike the traditional model.

Alex Novarese: If you look forward ten, 15 or 20 years, will we need far fewer lawyers in the legal industry?

Jamie Whalebone: There is a lot of talk to that effect. Yes, there might be a bit of repurposing slightly, but I just see that as lawyers getting even more business savvy, if you will, and focusing more on the client relationship or really understanding how the business at the client works.

Some people are saying that a big law firm will go from 2,000 lawyers to 1,000 lawyers because everything else can be done by machines. I just do not see how that is plausible. How that does that add value to the client? If everything is done by machines, there is no room for interpretation and the advice you can probably only give as a human with five, six or ten years' experience in your respective field.



Caoimhe Mackle, Herbert Smith Freehills: Corporate decisions are no longer just made by legal teams



Tom Quoroll, Linklaters: If the less interesting work is automated, will people develop the skills they need?

Alex Novarese: I am not necessarily suggesting that the profession halves in size, but it has been growing at 4% a year for the last 40 years. What happens if you now only need 75% of the lawyers you had?

Caoimhe Mackle: The size of matters may be smaller, but potentially there will be more work in total. Clients are deterred from litigation, particularly because of the cost of disclosure. If AI is used in the way it is intended, we may see a rise in litigation, although volumes may be reduced. We expect to see tech-enabled reduction in volumes of data, with our alternative legal services teams continuing to play a key role for clients.

Gráinne Bryan: Bringing different services to the market and adjusting your price point allows you to go to a wider audience and bring the firm's expertise outside of your traditional corporate client. It also allows you to go international. It brings opportunity and with that it brings employment. To your point, you need bigger teams and you need to be doing a lot more work. Instead of doing one project for three or four months, you will have numerous projects of two weeks. You might just have four or five people on those projects. You are combining the teams you have with the technology, but it allows you to do more work. I certainly do not see an impact on the volume of people in teams.

Tom Quoroll: One of the common challenges we get on the training side though is if you replace a lot of what is perceived as less interesting work with technology, do people actually develop the skills they need to be those lawyers at the tenyear end who are still adding value alongside the technology? The perception of a lot of the lawyers I work with is that that experience comes from doing this work – going through pages and pages of contracts, and distilling the issues.

Karyn Harty: Ten years ago, if you were a litigation associate, a fair chunk of your workload would be reviewing discovery documents. That changed because technology provided us mechanisms where we did not have to have associates who were expensive doing that work. But associates are still busy. They are possibly better at what they do, because they no longer have to spend hours doing incredibly boring discovery review. They are still involved in discovery, but they are involved in it in a supervisory capacity or in a strategic capacity where they are making decisions around privilege or thorny issues of commercial sensitivity. I hear about this a lot: it is almost like you have to be 'blooded' by spending three years of your life in a filing cabinet going through documents. I do not buy that.

Alex Novarese: How do people feel that conventional law firms are standing up against New Law models?

Ross Mullane: The new law models have some great ideas, but they don't necessarily have the resources to be able to implement. The more established practices are in a position where, if they were to embrace what new law practices are trying to achieve and implement it in their business, they could be really effective.

Karyn Harty: Most firms are not doing this. Most firms are struggling with innovation. There are a few factors. One is the fear factor: the fear that we are cannibalising ourselves. A second thing is risk. A lot of lawyers are very focused on risk, and if you are too focused on risk you will never innovate because you will never get beyond it, so nothing new ever happens. There is a sense of denial in the profession about that.

Caoimhe Mackle: The alternative legal services model at HSF is discussed at almost



'Combining teams with the technology allows you to do more work. I do not see an impact on the volume of people in teams.'
Gráinne Bryan, McCann FitzGerald

▶ all pitches now. There is a lot of work we have won that is down to having our model. You have to be willing to innovate if you are going to keep the clients coming. They have to report to their boards or procurement departments. The main selling point for us against other service providers is that we will sell to clients that we are a practice group within HSF being innovative. We still have the same quality, the same brand assurance. The front-line legal teams and the other practice groups are involved. Clients like the fact it is an integrated service. Our partners would say that it is easier to manage an in-house team than an outsourced team, and it is cheaper for the client. Clients are listening to that.

Karyn Harty: Sune, is there this same pattern of shared services or alternative legal services models in the Danish market?

Sune Høyer, Kromann Reumert: Yes, there is. As you said before, you would be hiring people other than just lawyers. That is something we are definitely also seeing. This is to integrate all of these tech ideas. Yes, fewer lawyers and more project managers and legal techsavvy people. Generally a lot of things are changing, not only on the tech side. We want to see ourselves more as business consultants. Obviously, the tech side plays into that.

Alex Novarese: What is the legal business of 2030 going to look like?

Isabel Parker: Thank you for your query. Our clientbot will provide a full answer, in the format you have specified, supported by data insights, within the next 30 minutes.

Sune Høyer: It is going to look exactly the same as today.

Libby Jackson: Fundamentally, the law firm of 2030 will be tasked with the same goal as the law firm of 2018 – to provide the best advice and efficient legal service to clients. What will be different is the manner in which that goal is achieved – we will likely all work in a more agile way, make greater use of technology (particularly for routine tasks), have more diverse teams from a range of technical backgrounds and partner more closely with our clients.

Jamie Whalebone: For us it is about new roles, new training programmes, differentiating the client experience and different lawyer journeys as they go through the ranks. It is slightly repurposing. It is just about new roles to bring some of these hybrid skillsets and additional training for some of the lawyers.

Gráinne Bryan: There will be greater involvement in the law firm. We will be more involved in the business and going to the pitches. We will be engaged with clients; we will have our own client base outside of the traditional law firm's client base.

Ross Mullane: There will be many multidisciplinary teams seeking to collaborate with clients through the use of technology and flexible resourcing. Lawyers will come equipped with artificial intelligence and data analytics tools as the basis for their legal advice. Intelligent, user-centered design will help deliver a new wave of digital legal services and flexible working arrangements will be the norm.

Tom Quoroll: I hope there is more flexibility as well. We have talked about having multiple roles, but it will be less clear what people's roles are. At the moment, as a lawyer I have a very defined identity. One of the challenges for lawyers will be that you do not have that same certainty about what exactly your role is anymore, and it will overlap: the people, the technology, the project managers and the business advisers. It will become less defined, and that brings its opportunities as well as challenges to people's own sense of identity.

Alex Novarese: It is a shift in identity in some ways, is it not? It is hard to explain to your mum what you actually do.

Tom Quoroll: That is already the case; I am in structured finance. What we do not want to lose is that sense of integrity. There is something different

about the lawyer as an adviser. They are a trusted person. That loss of identity puts that at risk. We all need to be on our guard.

Jamie Whalebone: Legal expertise is not going to go away. We should not undermine the need to have proper training in the law. That is fundamentally what your clients come to you for. If they want a consultancy for other aspects, they go to a consultancy. Even coming at this as a legal technologist, I think that area is going to grow hugely, but I still honestly say that that is ultimately the reason they come to you and that will still be preserved.

Gráinne Bryan: The quality output will still be there, because of that.

Jamie Whalebone: Yes, it has to be. LB

alex.novarese@legalease.co.uk

'We want to see ourselves more as business consultants. The tech side plays into that.' Sune Høyer, Kromann Reumert



THE PANELLISTS

- Gráinne Bryan chief executive legal technology solutions, *McCann FitzGerald*
- **Karyn Harty** Partner, *McCann FitzGerald*
- **Sune Høyer** Attorney, Kromann Reumert
- Libby Jackson Global head of practice alternative legal services, *Herbert Smith Freehills*
- **Caoimhe Mackle** Solicitor, Herbert Smith Freehills
- **Ross Mullane** Trainee solicitor, *McCann FitzGerald*
- Isabel Parker Chief legal innovation officer, Freshfields Bruckhaus Deringer
- **Tom Quoroll** Managing associate, *Linklaters*
- Jamie Whalebone Senior manager legal technology, Freshfields Bruckhaus Deringer
- Alex Novarese Editor-in-chief, Legal Business

