

Abstract, flowing, and overlapping lines in shades of purple, blue, green, and yellow, creating a dynamic, futuristic background.

AI: The new wave of legal services

GC views on AI and legal tech

AI and legal tech: a client-led evolution

Dominic Carman

We live in a time of unprecedented change. Emerging technologies are redefining the world: blockchain, augmented reality, virtual reality, the internet of things, drones, driverless cars and 3D printing. In the provision of legal services, arguably the most significant emerging technology is artificial intelligence (AI), not least because of the benefits that it promises to deliver in cost and efficiency for law firms, alternative service providers and their clients. Much discussed and written about, yet still at the embryonic stage, AI is seen by many as the key instrument of change. It overlaps with the related, but different themes of disruption and innovation. All have become buzzwords, overused in myriad contexts and sometimes misused by journalists and commentators.

To provide greater clarity and determine more precisely what clients really think, 15 general counsel have been interviewed at length about their current and potential use of technology. Beyond its effect on the way they work, this report seeks to address what they think of AI, the opportunities and challenges it presents, and how it may ultimately shape their expectations of the law firms they instruct. Because AI is in a



Executive Summary

- GCs recognise that an AI revolution has begun, but they are not yet participants
- Very few GCs are testing or implementing AI systems
- Many GCs are cautious in advocating new technology (AI or not) unless there is a clearly proven tangible benefit to their operation and efficiency
- The use of technology in many in-house departments is uneven across the organisation – from country to country and function to function
- Because in-house teams are cost centres not profit centres, investment in new IT can be hard to justify internally
- Among those at the forefront of innovation are the major telecoms companies
- The use of self-service tools, or lawbots, is being developed to save time and create efficiencies
- GCs in the US are more enthused by the potential of AI than in other regions
- Some GCs believe the right type of AI has a place and will have a long-lasting and increasing place in their legal departments
- Other GCs are sceptical about the current practical benefits of AI systems to their operation
- GCs would like a more proactive stance from law firms in sharing the potential benefits of AI – through testing, implementation and cost saving
- Those at the heart of developing new legal technology should stop overestimating where AI is today; the lawyers and general counsel most affected by it should stop underestimating where it will be tomorrow.



dynamic state of flux, with tangible effects that could be felt much faster or more widely than is currently anticipated, the analysis that follows avoids absolute certainty in forecasting what lies ahead. Instead, it offers a global snapshot of what is happening for clients now and what they believe may happen in the future — although no one can predict with real certainty, even if some might like to suggest otherwise.

Where are they now?

According to Mark Chandler, general counsel at Cisco: “The legal world is one of the last vestiges of the medieval guild system to survive into the 21st century and that means there’s a lot of opportunity for constructive innovation.” If technology spearheads that innovation, how are other GCs heeding his advice?

“In the transformation of the delivery of legal services, technology is a critical ingredient,” says Alan Konevsky, group head of strategic initiatives counsel at MasterCard. “Whether from the perspective of analytics, equipping our lawyers with access to better knowledge tools, cataloguing our contracts and other information in a way that is helpful, or from a perspective of using artificial or augmented intelligence tools to extract information in a way that extracts and processes information and provides analytics that are meaningful — and before wasn’t really achievable — it’s a significant part of the evolution of what we do.”

Sharyn Ch’ang, global counsel innovation and technology at PwC in Hong Kong, concurs: “Technology for us, as with any business, is important because of globalisation, the competitive edge it can provide and the benefits it can deliver: we are on the cusp of a continual technology revolution.”

Although such perspectives may resonate with general counsel everywhere, the reality for most of them is that they are not yet full participants in that revolution. “It is a major issue that we are struggling with,” says Wai Zee, general counsel for WeWork Asia Pacific. “It’s a new way of functioning and we just don’t have the bandwidth to switch gears. As a company, we are growing at an exponential scale, and building a huge team to develop technology that is relevant for this industry.”

Zee is unimpressed by the argument that technology does not replace staff, but greatly extends their capabilities. “We are indeed on the cusp of revolutionary changes,” he says. “But the issue with technology, especially in the legal field, is the interplay between productivity and the impact upon human resources. Efficiency and productivity must be demonstrated first before the desired reduction in the workforce can be implemented.”

Technology creates fear for some, as Claire Debney, director of legal strategy at Shire explains: “People need to feel emotionally



“To some, technology can seem very cruel, very cold and distant: something that might take their job”

Claire Debney, Director of Legal Strategy, Shire

Interviewees

Mohammed Zain Ajaz	General Counsel and Head of Professional Services	National Grid
Ricardo Anzaldua	Special Counsel to the CEO	MetLife
Chris Aujard	General Counsel Consumer Services	Co-op
Jeremy Barton	General Counsel	KPMG
Maaïke de Bie	Group General Counsel	Royal Mail
Struan Britland	Director Legal Operations and Corporate Legal Team	ARM
Sharyn Ch'ang	Global and Asia Counsel	PwC Hong Kong
Claire Debney	Director of Legal Strategy	Shire
Martin Felli	Chief Legal Officer, Chief Compliance Officer	JDA Software
Chris Fowler	General Counsel TSO and COO	BT Legal, Governance and Compliance
Richard Given	General Counsel	10x Banking
Alan Konevsky	Group Head, Strategic Initiatives Counsel	MasterCard
Kerry Phillip	Legal Director	Vodafone Global Enterprise
Mick Sheehy	General Counsel Finance and Strategy	Telstra Australia
Wai Zee	General Counsel	WeWork Asia

connected to what they are doing. To some, technology can seem very cruel, very cold and distant: something that might take their job.”

A common practical issue, suggests Maaïke de Bie, group general counsel at Royal Mail, is that “the legal department is not the most important part of the business to make investment in technology: you need to be able to demonstrate what the return on investment will be”. Chris Aujard, general counsel consumer services at Co-op, develops the point: “I’ve done a lot of interim GC work in the last few years, coming into organisations that are going through a period of change. The unifying feature of many legal functions is that they have fairly skinny budgets when it comes to infrastructure or IT spend.”

There is scepticism too about the notion that, even where budgets do allow, investment in better technology can provide a panacea for every structural problem and therefore guarantee progress. “This whole piece about technology,” says Mohammed Zain Ajaz, general counsel and global head of operations at National Grid, “Companies need to fix their people and their processes and then go and buy technology; instead they buy technology and they don’t fix their problems.

“That’s one of the things that law firms may have done wrong as well: they’re buying technology, but they don’t know how to

use it on their processes. Meanwhile, a lot of legal tech providers are selling concepts and products, but we haven't got a lot of case studies of their successful usage. In the short term, AI is going to be more painful than beneficial. However, I'm trying to be one of the early adopters and grow with the technology."

What have they got?

For many multinationals, practical impediments exist because of their scale and structure. Ricardo Anzaldúa, special counsel to the CEO of Metlife, recently stepped down as the insurer's general counsel, a role that saw him oversee a team of 325 lawyers, 100 support staff and a 600-person compliance team. "Like many in-house departments, the use of technology is uneven across the organisation from country to country and function to function," he says. "Incorporating technology is not just a question of flipping a switch. There's a lot of planning and infrastructure investment that has to happen anytime you change the way that an operational function works."

"We have the technologies that are expected and customary within the legal function: file management and time management systems. But the integration of technology – the substantive work that lawyers and compliance people do – is still at the initial stages. That's true across the profession."

Cambridge-based ARM, which employs over 5,000 people globally in more than 20 countries, is "in the middle of the transformation curve in the legal team", says Struan Britland, director of its legal operations. In addition to ARM's ubiquitous use of straightforward software such as Office 365, this includes moving to more specialist platforms such as Thomson Reuters' Contract Express, which Britland describes as "quite a fundamental future platform for us", adding: "The game changer is that we simplify the contract drafting process to enable others in the company to do that for themselves."

Royal Mail is taking a similar path: "We are rolling out Contract Express within our function, which is very much a self-help tool," says de Bie. "This is all part of delivering legal services differently, moving away from demand-led to supply-led. We are trying to empower the business to make certain decisions themselves without having to go through legal and doing that with training FAQs, but also trying to give them self-help tools."

Debney is another fan: "When we deployed Contract Express (at Reckitt Benckiser), we had them build us a compliance add-on to the contract building software, so all contracts went through a basic compliance check. One of biggest challenges is there are lots of providers out there, so trying to sort through what is right for you is difficult. I know the bigger providers have lots of systems, but even their own systems aren't joined up, and that frustrates me."

Typical of legal departments in large organisations that are not yet as cutting edge as they might like, is KPMG. "Our current use of technology in my internal legal team is not as advanced as you

might imagine," says general counsel, Jeremy Barton. "We use fairly standard file management and sharing systems based around SharePoint. We also use an older bespoke system for the management of our litigation claims. We use the firm's overall system for things like time recording and bill approval systems, but we don't have e-billing with law firms: I'm not looking to rush into that."

"The thing about reviewing technology in a legal function is that not only do you have to look at what the market has, but also you have to look at what your existing organisation has," he adds. "Finding the hidden treasures of technology in the business which might be applicable to yourselves is quite interesting, especially in a large organisation like KPMG."

Barton envisages putting in place more sophisticated technology around contract lifecycle management. Elsewhere, he uses a classic off-the-shelf tool “where our KPMG customer relations management sits, that has a functionality for document repository”. He adds: “In fact, I wasn’t aware that there was that functionality within the CRM system. Once we realised it was there, that was a quick win in terms of a small innovation in how we manage access to our document repository in a way that keeps it close to the business stakeholders.”

Telecoms innovation

Among those at the forefront of innovation are the major telecoms companies. At British Telecom, general counsel Chris Fowler has innovated by deploying “primarily a combination of internally developed systems using SharePoint for document assembly, governance approvals and regulatory clearances, and third-party applications from service providers which help us manage our demand, deal with work allocation and allow us to understand how efficiently and quickly work is being done both internally and externally by our third-party vendors”.

Fowler has also introduced a tool to enable BT’s business development teams to identify the licensing provisions for different projects. “The business teams are happier because they can get their answers through a self-help tool and the internal team is happier as they are not bogged down with repeat manual exercises,” he says. “Technology isn’t an end in itself, it’s only as good as the level of configuration and consideration of the possible options.”

After a comprehensive review of available options, Vodafone’s Global Enterprise legal team is halfway through a five-year programme to transform the operations of its legal team. Legal director Kerry Phillip says: “We have focused on getting the right work done in the right place by the right people – this has included using offshore teams (a law firm in India as well as Vodafone’s Budapest shared service centre) for low complexity work.”

But the “most effective” element has been implementing a contract lifecycle management platform, says Phillip. “It has taken some time to put this system in place, but will be worth it.

If you want the automation to be successful you have to do a lot of basic housekeeping first – decent contractual templates, guidance notes, playbooks and taxonomy – otherwise you just automate problems. We’ve updated and improved the full end-to-end contracting process, right from workflow through to a single repository and reporting. With over 3,500 internal business users, having this system in place will radically change the way we contract for our customers.”



“Technology isn’t an end in itself, it’s only as good as the level of configuration and consideration of the possible options”

Chris Fowler, General Counsel, British Telecom



In Australia, Telstra has devised a two-tier innovation programme.

“One is a technology agnostic problem-solving forum, where we use design thinking to try and solve problems that we’re struggling to solve through technology,” says general counsel finance and strategy Mick Sheehy.



“We also have a technology strategy or roadmap. Its focus is on digital engagement, a portal to work between our clients and legal: self-service tools, matter management, document management and knowledge management. It’s then about extracting data from each of those areas so that we can then produce dashboards that enable us to make data-driven decisions.”

Telstra’s self-service tools are built on automated work flows. “We’re looking to configure our Office 365 in a SharePoint environment,” says Sheehy. In addition, Telstra will be moving to full engagement with Brightflag for invoice review and is trialling analytics products such as MS MyAnalytics to see what data can be extracted from its legal workforce without having to do timesheets. They are also testing workflow automation software.

Arizona-based JDA Software uses “a gamut of technology”, says chief legal and compliance officer Martin Felli, whose legal team is spread across multiple jurisdictions. These include Salesforce: “a crucial tool to intake deals and transactions”; Secure-Mate: “an automated anti-bribery/corruption compliance tool”; Legal Tracker: “for external counsel spend and tracking”; Adobe Sign: “to process contracts, an extremely important tool in a very dispersed global practice”; VendorSAFE: “as a background check for third-party independent contractors that provide services to us”; and Workday: “a crucial tool that we use for processing employee contractor matters, and for coordinating and collaborating within the team”.

Beyond external systems, JDA has also adapted MS OneDrive Office 365 and SharePoint Online to create an internally branded bespoke tool: MyLegal. Felli explains: “We looked for a technology that can flex. It’s a comprehensive, one-stop shop for almost all things legal — a resource portal for the internal legal team, but also a tool that we use to provide self-service to our business clients. It’s become extremely useful in collaborating internally and externally. We have contact databases, templates, forms, draft documents and embedded videos for guidance. It gives us the ability to provide advice and counsel online.”

From these diverse experiences, general counsel are manifestly committed to doing many different things: using, and sometimes adapting, external software and systems appropriate to the needs of their legal operations and developing internal self-help systems for their wider businesses. Rarely is this AI in any conventional sense of the term. More often it is the intelligent deployment of

“We are not expecting a big bang sort of overnight change. It’s going to be slow and incremental”

Mick Sheehy, General Counsel Finance and Strategy,
Telstra Australia



newly acquired platforms, the augmentation of existing ones to suit individual requirements, or the creation of bespoke internal systems.

Why AI?

AI means different things to different people: settling on a single definition to suit everyone is impossible. In part, individual views are shaped by where they sit on the spectrum of what it may herald, from technological utopia to dystopia. As self-proclaimed technophiles, the GCs interviewed are nevertheless pragmatists, keen to see tangible evidence of the much-heralded benefits.

Notably, the three US interviewees for this report are the most upbeat about AI's potential and importance. Anzaldua outlines what AI will mean for legal practice: "It's very, very exciting. To think that the repetitive activity, the activity that really amounts to looking things up and incorporating them into a contract or a brief, all of the things that are really not creative human thinking will be done by machines, is a very exciting prospect."

Felli says: "We're still a long way from AI truly taking over the substantive elements of what the legal team does. But we believe that AI will complement, and will be extremely important in helping us maintain lower cost of the legal service, while providing higher value service to the customer by taking commoditised work off the table. Being in technology, we have our eyes and ears out for the right type of AI. We think it has a place, and will have a long-lasting and ever-increasing place, in legal departments."

For GCs everywhere, Konesvsky offers a more personal view about AI's place in their in-house operation: "You won't be able to survive and compete unless you partner with technology. AI is one piece of it so that's really the future. Those who excel are going to be those who partner with technology in a truly meaningful and symbiotic way, individually and organisationally, and use that to juice up their skills."

Many GCs are excited by the long-term potential of AI, even if budgets invariably do not allow them to invest in the latest emergent technology. To suggest that GCs are unexcited by the long-term potential of AI would be wrong. "To be able to adopt some of these technologies, you have to have the ROI built in to make it cost efficient to do it," adds Felli.

Perhaps more significantly, among those that do have resources, are some who remain unimpressed by what they have seen so far. "There's been a whole host of vendors that have been banging down my door," says Wai Zee. "I would be very excited to accept them if the result was what they promised. What I have seen is that they will get you 70%-75% of the way there, but it's never a product that's usable without a significant amount of additional hours in tailored implementation."

A preferred option therefore is leaving it to legal service providers to take the initiative, or, as Aujard puts it: "Innovation will come first from those with the most money." Others, however, are actively testing different AI systems for use in historic contracts, or



in the automation of new contracts. “It’s very early days, but we’re looking at a couple of other things we should probably have, such as AI-driven contract review,” says Britland.

The companies most often mentioned are RAVN (now part of iManage), Kira, Luminance and Seal. But for every GC who says they are either exploring or testing new platforms and applications, almost none confirm that they are already being applied in their legal function. “We’re at the tip of the iceberg in terms of proper utilisation or realisation of the benefits of AI,” says Ch’ang. “We are not yet using AI in connection with the contract lifecycle management, but we’ll have a platform that is AI ready,” adds Phillip.

Karen Jacks, IT director at Bird & Bird, summarises the buyer’s dilemma in choosing AI products: “You have to identify the challenge and then find the provider to help you address that challenge. You can’t just go and buy a product, it’s not a product that you can buy and install, then click, and say: we’ve done AI.”

The potential of what AI might deliver polarises opinion and provokes much comment. Among the different views, cynicism often prevails. Foremost among them is de Bie, who believes that for Royal Mail, “getting the investment in technology and rolling out AI platforms just doesn’t make sense and would never be high on our priority list”. She continues: “We’ve had all these tenders come to us: they all have lovely tools that are all-singing, all-dancing, and are going to make our lives easier.

“But when you then need to implement them, it is a lot of investment in time, resources and budget. And then the output is not necessarily there. So a lot of in-house functions are therefore not running away with lots of technology, unless they work for a technology company and they develop it in-house. I don’t see AI taking away whole swathes of lawyers. It will be very interesting; I wish I had that crystal ball.”

Debney takes up the theme: “AI has considerable applicability to lawyers and the in-house community, but I suspect that most in-house lawyers and legal teams aren’t even off starting base with the basics. It doesn’t really have any resonance for what we do (yet) for most of us.”

A member of Corporate Legal Operations Consortium (CLOC), Debney explains: “We are a growing group of people who like and understand this stuff,” she explains. “Most people I speak to are still sticking things in SharePoint and that’s about it, or have an NDA builder.”

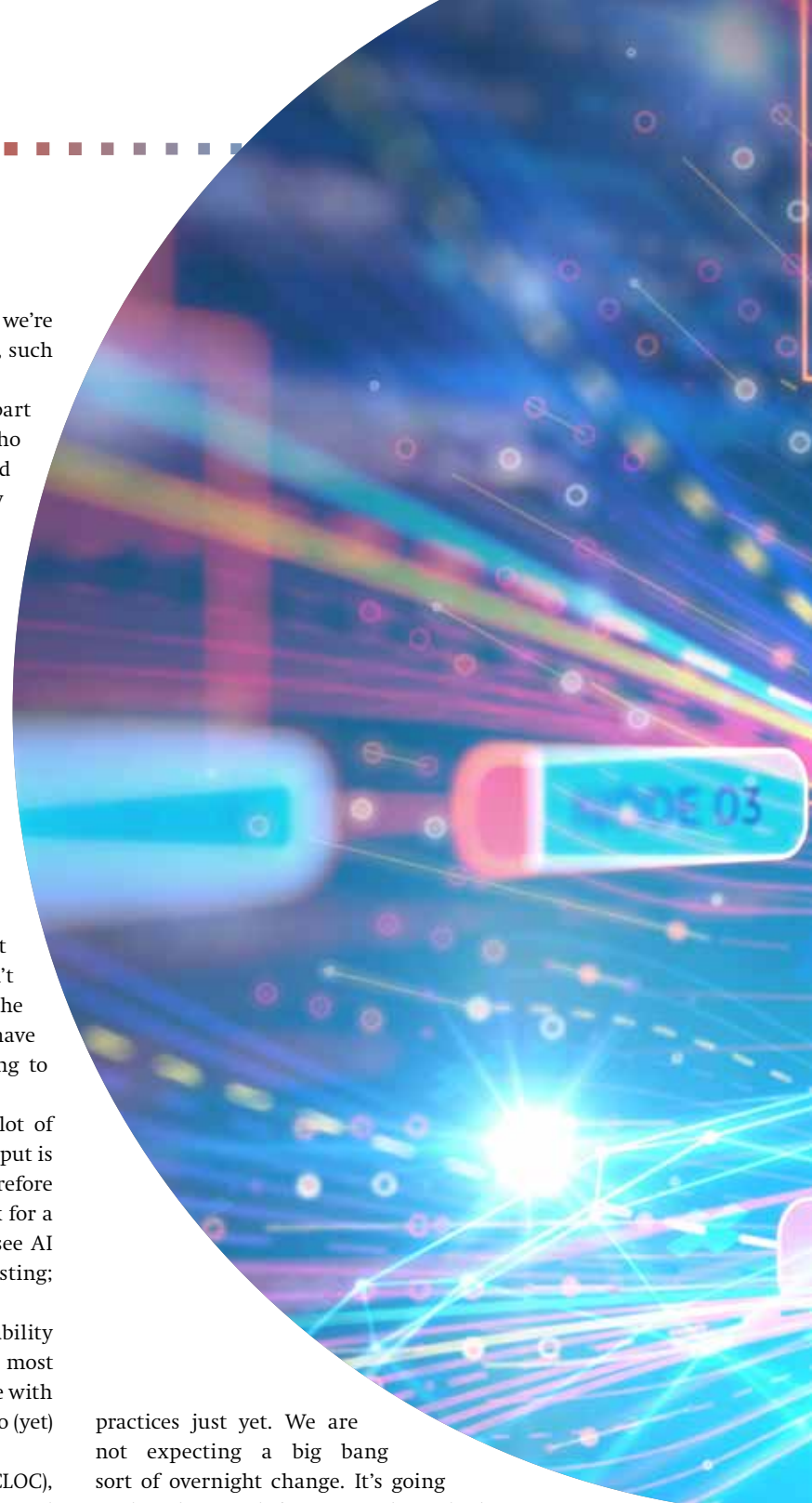
Fellow CLOC members, BT and Telstra, express more nuanced sentiments. “In the legal market, AI is still relatively embryonic,” says BT’s Fowler, “which can make it confusing and off-putting for the faint hearted. We’re no different from other sectors, it’s just that we are at different levels of adoption and maturity of use.”

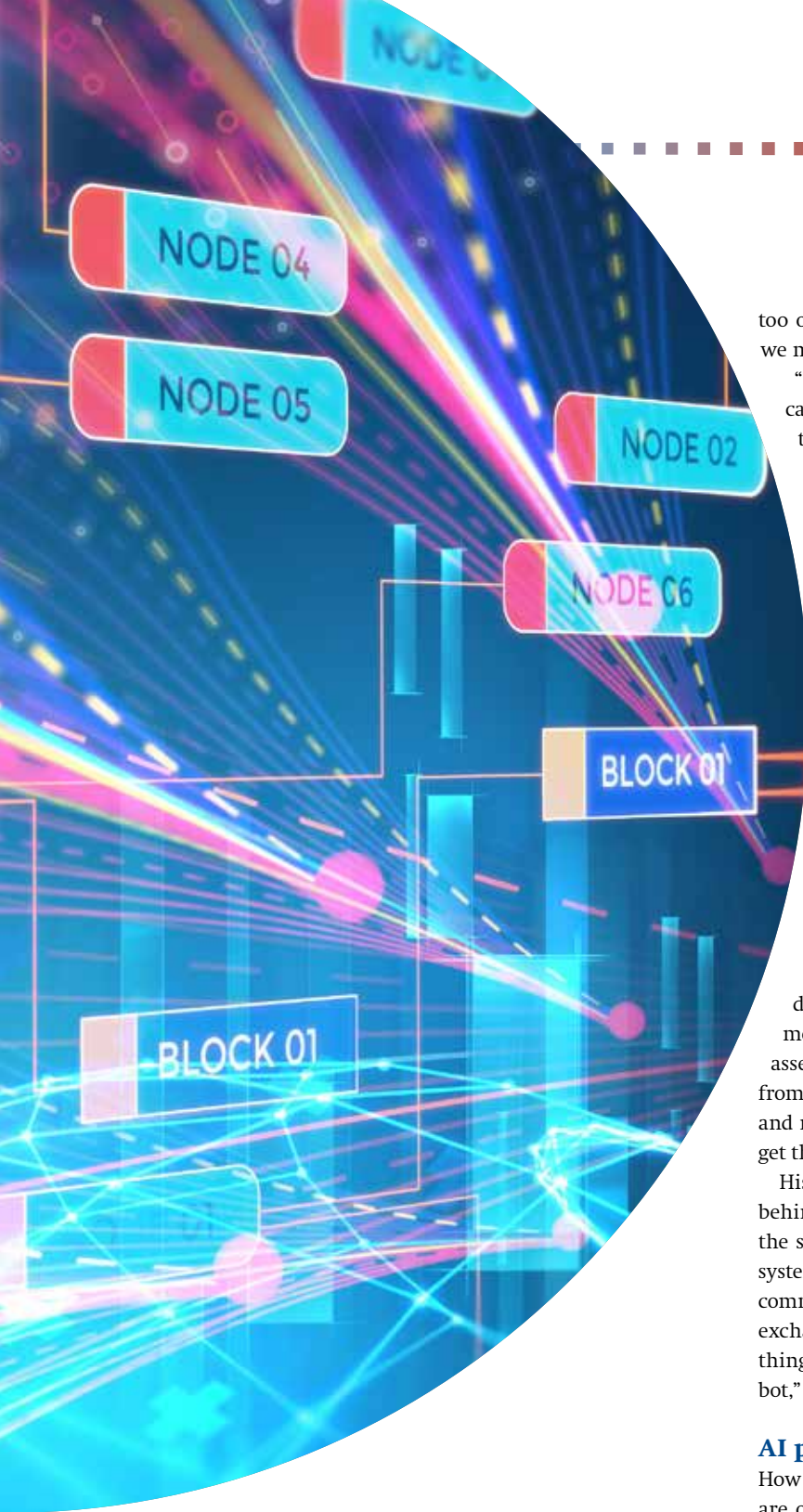
At Telstra, Sheehy adds: “We’ve been following AI closely and we’re not convinced it’s going to drive wholesale change to our

practices just yet. We are not expecting a big bang sort of overnight change. It’s going to be slow and incremental, and then cumulatively over time become more meaningful.”

Telstra is already using AI, albeit in a limited context: “It’s an NDA tool which we put a lot of work into as the first self-service product for our clients,” says Sheehy. “It’s terrific. Gets rave reviews. Enables our clients to create an NDA very quickly and have it pre-signed using DocuSign.”

Elsewhere, Richard Given, general counsel at 10x Banking, offers a further note of caution: “I’m a self-confessed technophile. I think there is huge potential for technology to do great things. So I really want this to be true, but the pragmatist in me says that





too often the conversation is: let's use the term AI and therefore we must be at the cutting edge.

"Too often nonsense is being talked," Given adds. "In many cases, AI is just good software. What people mean by AI is that they have got processing power and data collected in a way that enables effective algorithmic analysis, including machine learning. They are just calling it AI as an upsell. Often it is no more than just teaching a system to behave in a particular way. People talk about AI being able to do deals between two companies and eliminate negotiation. However, if both companies articulate their minimum requirements on day one, there is often no overlap. What the lawyers do is help develop a level of trust through negotiations to create that overlap. That is a people skill that AI can't deliver, at least not yet."

Given's blunt assessment arguably separates AI reality from the hype. Although his analysis may burst the bubbles of those who are prone to hyperbole in describing the attributes of some systems and processes, it does not diminish AI's longer-term potential.

Barton, who has "a dialogue with many providers", is very clear on AI's future role within KPMG's legal function. "There are three particular uses that I'm very interested in. The first is document automation. In certain types of documents, if you're moving from using templates to using some automated document assembly, AI can then be used in learning from your experience and from your databases of best practice around particular provisions and negotiations of particular provisions — you can leverage AI to get the best possible automated document assembled."

His second area is in knowhow. "In the same way that AI is used behind the scenes in many search engines, it can be used behind the scenes in an internal legal function's knowledge management system." His third is to have an internal lawyer bot. "Basic communications with the business which end up being email exchanges to members of my team, answering questions about things, can in due course be replaced by an automated computer bot," he suggests.

AI partnerships

How then do GCs see themselves partnering with AI? Law firms are one of the most obvious AI partnerships for general counsel.

As an example of how this relationship can be leveraged, Ajaz at National Grid explains: "Because our legal function does not have a huge IT budget, we've had to innovate. One thing we did was a tech survey of our law firms — an audit — where we asked them: 'Tell us all the technology that you've got. If you're not currently using it on our work, how are you going to use it on our work?' That has given us some leverage around things that we couldn't ordinarily buy: there are some AI opportunities in that space."



"AI can be used behind the scenes in an internal legal function's knowledge management system"

Jeremy Barton, General Counsel, KPMG



Anzaldua believes that “law firms are not good innovators in the AI space — their reaction is generally a little bit Luddite”. He adds: “They feel like there may be a way for them as a profession to resist this because they can’t imagine how we are going to train lawyers if repetitive tasks get reduced to a technological function.”



He suggests: “AI will supplant a lot of what we hire law firms to do. In many cases, when we hire an outside law firm, we do so because we don’t have the internal resources to manage the matter. The evolution of AI to enable many repetitive tasks to get completed will really supplant a lot of the second-level activity that we outsource to outside law firms that we’ll be able to do internally.”

However, Barton argues that AI will be a catalyst for law firms and GCs to work more closely together: “We pay law firms too much for doing basic research. I have a vision for some form of collaboration between in-house functions across industries to contribute and build knowledge. What’s going to change is the nature of collaboration with law firms. You could easily envisage getting to a stage where the only law firms you really want to deal with, as in-house counsel or general counsel, are those who share a platform with you, or are prepared to use your platform so that your collaboration is supported by technology that is common between you and the law firm.”

Debney agrees. “Law firms should be more collaborative in their use of technology,” she says. “When they look at the client relationship, you have your relationship partner and your regular review. Technology is a big add you can bring to the table if your general counsel and their team are interested. Not everyone will be, but how do we know if we are going to be interested, when we’re not given the chance to know that it exists?”

Likewise, Sheehy is upbeat on the potential for collaboration with law firms and with GCs at other companies. “There’s a great opportunity for us to collaborate as we train machines to read basic legal agreements,” he says. “That makes a lot of economic sense rather than a legal department like Telstra, or any other individual legal department, doing this journey by themselves. I’m optimistic that it will remove a lot of stuff that does not need to be done by smart, highly paid, highly trained humans and it will be really meaningful over time.”

At PwC, Ch’ang offers a different view. “I don’t see AI affecting our relationship with law firms dramatically, particularly given the nature of the work that we would outsource,” she says. “But as in-house counsel, we do need to pay attention to what law firms are doing in the technology space generally: a number of them are dabbling in or getting quite serious with startups, or experimenting with emerging technologies to improve their own efficiencies and

“Many law firms have begun to use automation or AI and are now starting to offer services to their clients”

Kerry Phillip, Legal Director, Vodafone

their delivery of services to clients. Once we understand what firms have to offer and the additional benefits they can deliver to us, that will be a factor in selecting which firms we retain.”

On the issue of law firms sharing the benefits of AI, Phillip says: “Many law firms have begun to use automation or AI and are now starting to offer services to their clients.” Some law firms receive praise from interviewees for their proactive stance towards clients in sharing resources and ideas, as do alternative service providers.

Among other providers testing and implementing AI solutions, the big four accounting firms stand out. “They tend to be more experimental with technology than law firms,” says Felli.

“Some law firms are a bit behind where they should be,” adds Britland. “As a business we use consultancy firms — they’ve been very aggressive in trying to get more involved on the legal side. They add to that by saying: ‘We’ve deployed AI-driven contract review, and we’ll make it available to you.’”

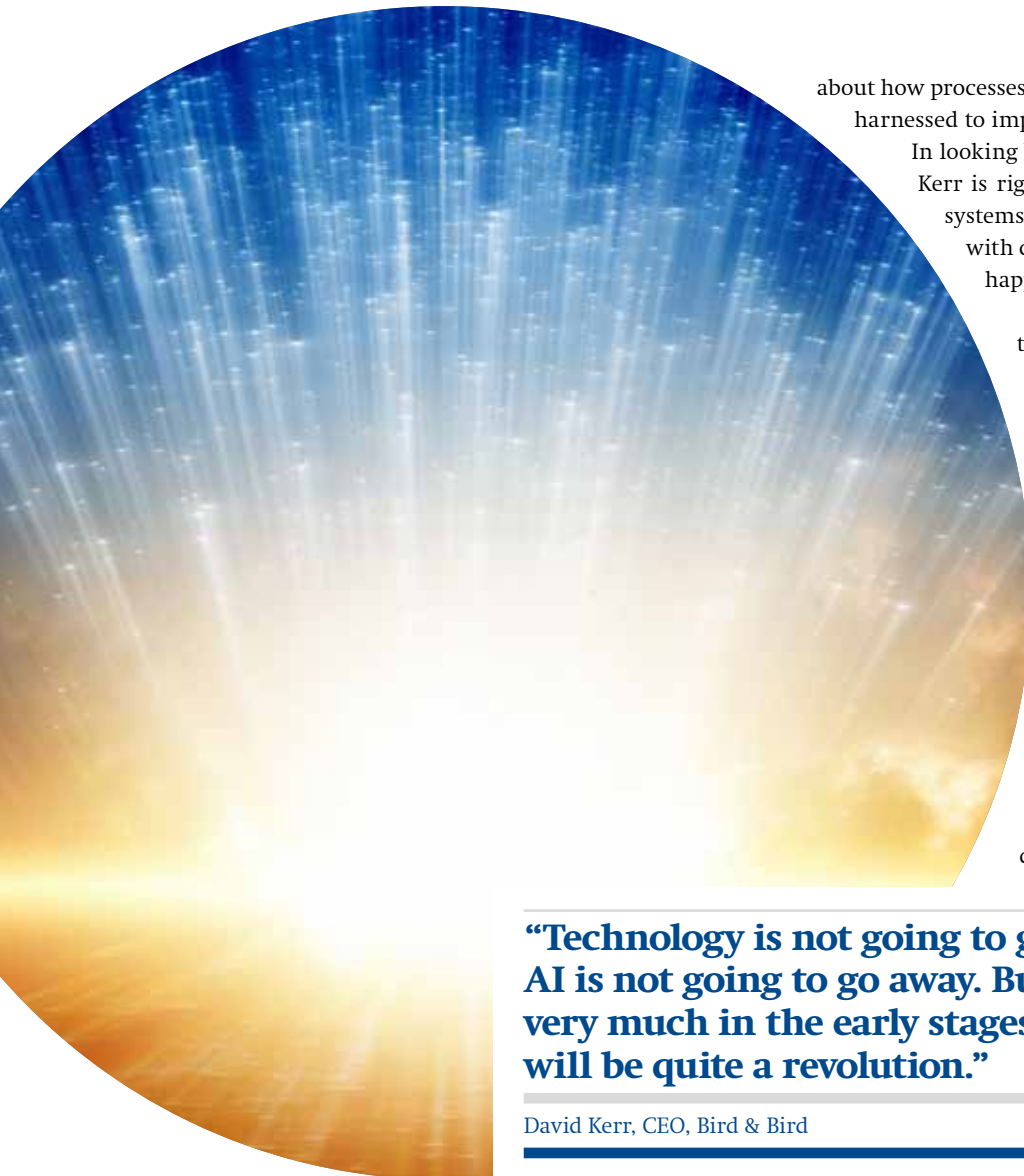
But elsewhere, many GCs have yet to feel any tangible benefit. “I haven’t had any law firm come to me to say: we have invested in this particular technology, this is how it’s going to be used to help you and what used to cost you £100 before is now going to be £80,” says de Bie. “Whereas I have had plenty of developers, such as RAVN, come to me and do exactly that.” Aujard adds: “The great hope of AI is to reduce the dependency on people even further. As a consumer, I haven’t seen the price of my legal services drop because a particular firm has deployed a particular type of technology.”

The reality is that law firms already using AI systems, like GCs, are doing so on some form of pilot basis. “We monitor the marketplace, get involved in perhaps rather more pilot projects than other firms, and then move in quite decisively once we can see which way the market is going and how we can benefit from the use of technology,” says Roger Bickerstaff, partner at Bird & Bird.

Consequently, in terms of mainstream service delivery to clients, AI is not having that much of an impact yet. “In the next few years we will start to see some form of reasonably significant impact coming out of AI on the profession,” he adds. “We’re always keen to be towards the leading edge of using technology. Law firms making use of AI will inevitably share the benefits of that with clients. They want us to be moving down the AI route, but they want us to do it in a way which doesn’t cause them a lot of hassle, where they have to take onboard a lot of new systems in order to do it.”

Final thoughts

Law is an evolutionary profession subject to revolutionary change. How lawyers come to terms with the full impact of the new technology leading that revolution remains to be seen. But while those at the heart of developing new legal technology should arguably stop overestimating where AI is today, the lawyers and general counsel most affected by it should also stop underestimating where it will be tomorrow.



about how processes can improve, and how the technology can be harnessed to improve the overall service to the client.”

In looking back at the development of past technologies, Kerr is right to conclude that most of the world’s best systems and services have been built in collaboration with clients. General counsel certainly want that to happen as a norm in the future.

It is also evident that lawyers generally tend to struggle with change. Previous generations, however, have seen even bigger changes: the invention and proliferation of the computer, the arrival of email and much faster communications. Lawyers have always adapted to cope in whatever Brave New World they found themselves working.

There will be many challenges ahead, but these should be seen as a source of opportunity rather than fear. Not only should it make the job of being a lawyer inherently more interesting, but it will create also an opportunity for lawyers to show they are more relevant to the business of the client.

Many business people view what lawyers do as being in a black box that they cannot

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David Kerr, CEO, Bird & Bird



“Technology is not going to go away, AI is not going to go away,” says David Kerr, CEO of Bird & Bird. “But we are very much in the early stages of what will be quite a revolution.” The real challenge, he adds, “is the need for lawyers, whether they are in-house or external, not just to see this as a technology phase, but as a catalyst to improve their ways of working: a process of methodology in sync with technology, rather than just relying on technology as an end in itself.”

Kerr believes that law firms have got “a big responsibility” and the idea that a law firm can simply “build a wonderful system or service in isolation is just nuts”. He recognises that “the very best of innovation is going to be found in collaboration with clients”, and explains: “We need to focus on the challenge of assisting clients in delivering those efficiencies of working; choosing the best technology, designing it, but also helping with what we know

understand. AI will open that box, demonstrating the value of what they do and their relevance to business. Harnessed in the right way, internal lawyers and external law firms will be better able to demonstrate value to the business client — something they have always struggled to do. There will be better reports, better risk analysis, better analytics and better explanations of value, which are easier to understand. In a word: transparency.

Scary headlines about AI certainly make for good copy and attract readers, but they do not necessarily tell the truth or present a balanced picture. Those who worry that technology will destroy jobs should look at what happened with previous technology revolutions: jobs changed and evolved but they did not necessarily disappear, while many new jobs were created. The future of every lawyer will be shaped by AI in the years ahead. In embracing what it provides, the opportunities should heavily outweigh the challenges.



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