

One small step for man

The increasing sophistication of clients, along with pricing pressures, may prove to be the mother of innovation in legal technology, says **Paul Longhurst**



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Writing an article on how technology will be used within the legal sector in the future could be a bit of a poisoned chalice. As Bill Gates once said: "We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next ten," so there's much to be avoided.

That said, there is a good deal of activity in the sector just now as confidence gently pokes its head above the parapet of the downturn and firms look to recover from under investment in IT and other support services. But how much of this activity is about merely catching up rather than surging ahead?

Merger mania

The number of mergers is having an impact here with large numbers planned, underway or recently completed (according to the *Law Society Gazette*, there were 28 deals in 2013 involving at least one top-100 UK firm or firms that have entered the top 100 following a merger, and 26 in 2012, and the trend shows no signs of abating).

More often than not, mergers soak up vast amounts of energy joining the constituent organisations together, which results in tactical projects (and bun fights) rather than considering what could be gained from missing out some of these interim steps and going straight to the

strategic solutions that could really help post-merger firms to thrive.

All of this consolidation tends to stifle the change which might otherwise happen with these firms, and potentially sets them back against the very competitors that they were hoping to eclipse and which are able to focus on improvements.

However, there are many firms for whom the path ahead is clear of mergers and where innovation is being allowed to influence IT project planning and budgets (or at least what we see as innovation, because in reality much of what we label that way in legal is already standard fare in other sectors and even in some law firms). We are seeing firms embracing newer technologies and approaches.

Hosted or cloud computing, long admired and much discussed, is now routinely used to liberate expensive building space and to free up operational staff who, in some cases, are able to be used more effectively and profitably. There are regulations, risks and restrictions which need to be carefully considered, but these needn't stop progress (see below).

Mobility has been a requirement on just about every project I've seen over the last couple of years without the true needs and benefits being articulated. Thankfully, this is now starting to see the light of day, as device-agnostic computing, where lawyers are actually able to hook into their

firm's infrastructure from tablets and phones previously reserved for personal use, for example, Clash of Clans, Minecraft – you know the score.

Fresh thinking

But innovation doesn't have to be about identifying bleeding-edge technologies and then finding the question to fit that particular answer. The best innovations often come from simply looking at things differently – we call it 'fresh thinking'.

This is what an increasing number of firms are doing with their legal processes, and I don't just mean the traditional high-volume, low-margin work that has been the staple diet of case-management vendors for at least two decades (although there is still room for innovation here as discussed below). The real innovation for legal processes is in the review of niche work previously thought to be the preserve of artisans and, in some instances, although it is by no means a prerequisite, the application of technology to provide consistency, reduce inefficiency, increase profitability and the like.

These reviews can help the lawyers to think about their work and their clients in different ways to those that have been established and evolved over decades without sacrificing the values that are the hallmark of each firm... although some values may need to be challenged, especially if they are not aligned to those of the client.

It may be that some newer technologies or approaches only work when combined with innovative thinking. For example, the use of hosting or cloud technologies appears to be fraught with all sorts of reputational and risk issues when you are a law firm with a duty of care for the information you hold for a variety of clients.

The bogie men trotted out to scare lawyers off change include data protection and, in the US, the Patriot Act, but what in reality could a law firm do to stop its on-site data being sequestered by a government body?

And why do so many firms think they are better at managing hardware than specialist companies which have invested £millions in state-of-the-art facilities to run and protect their customers' equipment?

A concession to some of these facts could result in a different way of thinking about the problem – possibly ensuring that systems and data could be available even if a copy is seized.

So, looking at Bill Gates's underestimated changes of the next ten years, maybe the real innovations here could include the application of technology to those parts of the legal process that will benefit from it most.

Just this month, the *Daily Telegraph* reported on an artificial intelligence system called Amelia that

learns both from the written word and from observing its human counterparts to take on roles previously associated with highly trained individuals working within a limited framework of reference such as IT support desks.

Imagine this as part of a legal triage system, as an online PI support assistant or a case handler, while recognising where experience enables lawyers to differentiate themselves from the rest of the field. Or consider the awful term 'big data' which refers to the observation of distinct patterns in large volumes of data.

This might not find an immediate application in the relatively limited data of niche matters, but volume matters could present a whole new opportunity to spot those cases where effort and costs could be saved to the client's benefit which, in turn, could reward the bravest law firms with more work (yes, at lower rates but overall more profit, given the increased quantity).

First steps

It could (should?) also be that true mobility is delivered, securely, to lawyers via any number of devices where the device and the data are entirely disaggregated. That is to say that a firm's data and applications could exist independently of the end user's devices until required in the same way that so many of us now access music, and increasingly video, via streaming rather than downloading.

This would not need to be the giant leap that it currently appears, but rather an evolution following on from a number of logical steps that include the hosting or cloud computing points made above, along with the use of tools like Citrix.

So, should we expect all of these innovations within the next two years? No, but ten years? Well, consider what was news in 2004 – an online application was launched that, in the intervening decade, has introduced millions (to date, 1.32bn) to the wonders of social media as Facebook took its first steps.

However, I see the biggest innovations coming from a change in the approach of law firms to the ways in which technology can assist their lawyers, allowing them to unlock the potential of IT in more meaningful ways.

This will require a major change in thinking from lawyers who, as a group, are often deeply suspicious of technology, and maybe ABSs will provide the catalyst here as they start to introduce competition unfettered by traditional partnership structures and conservatism.

In-house teams are also applying pressure by looking at a broader range of products and services rather than simply deferring to their existing panel firms – this increasing sophistication of clients, allied with pricing pressures, may prove to be the mother of innovation in this arena. **SJ**



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