

Briefing

December 2019/
January 2020

SMARTER LEGAL BUSINESS MANAGEMENT

TEI LINER

Some best bits from **Briefing** TEI – transformation, efficiency, innovation

GO SHAPE

Jeff Langlands at BT Enterprise on a change of responsibilities

BRAIN EVENT

Does work to increase cognitive diversity lead to measurable results?



Delivery of the decade

2020 ahoy – so we finally get to see the fully settled shape of the law firm of the future, right?

INDUSTRY ANALYSIS

Future perfection?

Chris Cartrett, executive vice president, Aderant, outlines the core capabilities he believes will really create competitive advantage for law firms from the year 2020

It's somewhat serendipitous that we're now talking about the law firm of 2020. Looking back at recent years, it seems as though every industry has had its own version of a '2020 vision' and, as technology leaders, we're prone to constantly looking toward the future. At Aderant, we introduced the concept 'Your Firm 2020' about four years ago. In a nutshell, it's the things your firm's technology must enable it to do in order to be successful in 2020 and beyond.

At the time, we predicted that four main concepts would be essential: automation, mobility, collaboration and cybersecurity. As we reach this landmark point in time, I think it's safe to say these concepts have played out pretty much as we predicted.

According to Altman Weil's Law firms in transition 2019 survey, 48% of respondents reported using technology to automate previously manual tasks in the quest to increase efficiency. In the same survey, 63.3% of respondents cited changes to when and where they work, therefore necessitating mobile access to tools and information.

Our own market research in recent years – the annual Business of law and legal technology survey – revealed that 57% of respondents use a mobile device for something as simple as time entry. In addition, 47% said the types of people with whom

they collaborate inside a law firm now is significantly different to the situation five years ago. Finally, in the year 2017–18 57% of legal professionals considered cybersecurity to be among the top challenges facing their firm.

Although our predictions have, for the most part, unfolded accurately, we're not going to sit back and say we told you so. On the contrary, we're once again looking ahead to the next five years and the future of legal technology. The way we develop our products and navigate the years ahead is always done with an eye on what clients and employees are going to demand from their law firms. We predict that three main concepts will play out over the next five years: business-to-business collaboration, the adaptive experience and cloud adoption.

Collaboration stations

Until now, the notion of external collaboration has mostly centered on document sharing, but at Aderant we see a major expansion of this as a way for law firms to better serve their clients. Imagine a single, secure portal that can track and interact with outside counsel, in real time. Think how case status, and reporting on a matter and its budget would satisfy a client's demand for transparency. Consider the ability to collaborate with third-party vendors to serve clients in arbitrations and negotiations, and likewise to provide the vendor



with payment status information.

A great example of business-to-business collaboration occurred recently with the expansion of Heathrow Airport. This high-profile and complex infrastructure project was considered too large for one law firm to handle on their own, so a blended legal team from Bryan Cave Leighton Paisner, Pinsent Masons and Heathrow's in-house legal function developed a collaborative decision portal in which all aspects of the matter were available to all parties.

This project was recognised in the Legal Week innovation awards. While it's considered innovative right now, in five years we believe this

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sort of capability will be a minimum barrier to entry when it comes to winning legal work from new leading clients, as well as crucial to retaining the clients you currently have.

Adapt and thrive

Let me give you a personal anecdote to illustrate the vivid ways in which approaches to technology and problem-solving are already changing everyday life. I was watching my son do his homework, and he had his laptop in front of him. Instead of going to a search engine when he got stuck, he simply said “Hey, Siri...”. When I have a similar issue at work, I still tend to type my inquiry into a search engine. While the problem-solving is essentially the same exercise, the process is different.

To put it another way, the adaptive experience is akin to the consumerisation of business technology. Voice interface is on the verge of being able to understand and process a conversation

from a conference call. If another meeting is necessary, it will automatically analyse and coordinate the schedules of all parties and suggest a time when everyone is available. But voice interaction is just the tip of the proverbial iceberg. Think of it more like your legal technology adapting to your preferences and anticipating your needs. Think about the gains in efficiency this will bring about, and the amount of (billable) time it could mean, translating to revenue and profit.

Imagine opening a new matter and the software is already surfacing what you need, such as relevant research, best practices, documents and who the firm’s experts are on the subject, based on past experiences. Think how great it would be to have technology that could accurately forecast expected time, cost and profitability for the new matter based on previous precedents.

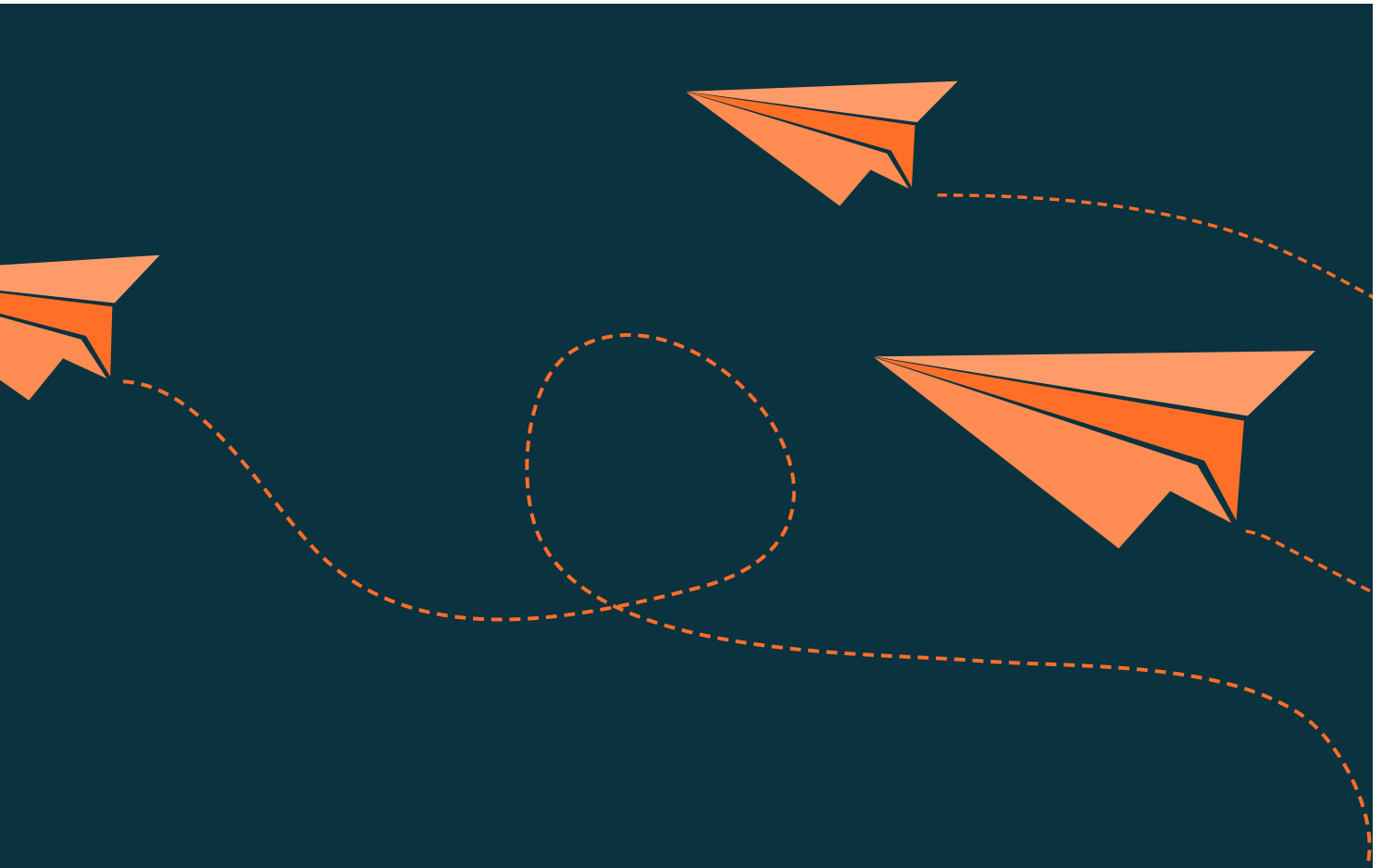
There’s a whole host of other things the adaptive experience will affect – from time entry and expenses to dynamically writing rules to avert invoice rejection. Until recently, these capabilities have been lumped into the quagmire that is normally termed ‘artificial intelligence’ (AI) and, while technically speaking it may very well be AI, we see it more as technology that adapts – and where users enjoy the adaptive experience.

Cloud horizons

At Aderant we define the cloud simply as ‘on someone else’s server’. As with most new technology, when the cloud first became mainstream there was an inherent distrust of the idea of critical systems and confidential data off the premises.

Our research has found that only 2% of firms are completely in the cloud, but almost all firms have some cloud capabilities such as file-sharing, storage or email. As for their main software system, 9% said they are already cloud-based, and 18% said they were planning to move to the cloud within the next six to 18 months. At the other end of the spectrum, 37% said their firm would not be moving to the cloud in the foreseeable future, often citing “partner resistance” as the reason.

We see this changing in the next few years for one simple reason – money. In most cases, the



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cloud is less expensive than hosting on-premises. When partners come to fully realise the costs associated with servers and hardware upgrades, maintaining a large IT staff, the space needed for servers, and even the utility costs of cooling a server room, they are going to reconsider. Of

course, reducing operating costs speaks directly to partner profits.

However, perhaps the biggest obstacle to overcome will be around security. The irony is that the cloud today is more secure than hosting your system on-premises. Clients have come to realise that their law firms can't match the security and expertise of cloud providers such as Amazon, Microsoft or Google. Therefore, clients are going to demand that their firm moves to the cloud for security reasons. Firms will have no choice but to comply if they want to remain competitive for new and existing business.

The future of legal technology matters because it offers a strategic advantage. Gains in efficiency, even if incremental, can make a huge difference – not just to the bottom line, but also in creating a culture that attracts and retains the best talent and the best clients. When we introduced Your Firm 2020 four years ago, it seemed like such a long way off. Now that 2020 is here, we need to remind ourselves that 2025 will be here in the blink of an eye, too. ▀