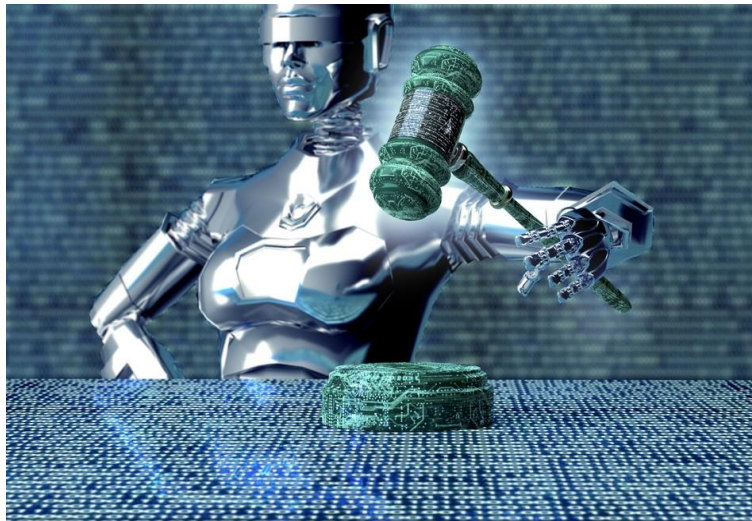


Future of Legal Services

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Reality checks on LegalTech!



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Abstract

The proposed study aims to obtain a deeper insight into how the discourse surrounding lawtech is framed, ways in which firms are responding to lawtech, and to assess its impact on the organization of legal labour. Three work-streams are identified and whilst these are informed by developments in the UK, incorporating a cross-country comparison would further strengthen the research programme with North America, Australia, Singapore, & Hong Kong the most immediate choices.

Context and Research Aims

Public discourse is dominated by ways in which lawtech is disrupting the legal services marketplace and the implications that this raises for the future of the legal profession.¹ Each day we are informed of yet another innovation or application poised to displace lawyers, undermine the profession's monopoly, and/or offer new ways of addressing the access to justice gap. Whilst media stories often exaggerate the capabilities of digital technologies and create the impression of greater adoption than is yet the case², technological advancements *are* beginning to change professional legal practice and the composition of the legal field, which now includes a whole host of new (or hitherto peripheral) actors such as 'alternative legal service providers',³ lawtech start-ups⁴ and, linked to them, investor groups. At the same as generating new markets for offering legal advice, digital technologies are potentially lowering the demand in others. Incumbent law firms are establishing innovation teams and pioneering different types of collaborative arrangements, including those with competitors – a development all the more remarkable given the intensity of firm rivalry. And whilst digital technologies offer some practitioners freedom from being caged in a law firm⁵, others are at risk of greater marginalization, thereby amplifying inequality and stratification of the profession.

Overall then, whilst lawyer ideology and the peculiarities of the legal field render the *pace* of technological change gradual and evolutionary, we seem to be on the precipice of a transformative shift in the way law is practiced. The aim of the proposed study is to gain a deeper insight into how the discourse surrounding lawtech is framed, ways in which firms are responding to lawtech, and to assess the validity of some of the claims regarding the impact of lawtech on the organization of legal labour. Three specific work-streams are identified.

Research Work-streams

1 Deconstructing the Lawtech Discourse

In December 2018⁶, the Leverhulme Centre for the Future of Intelligence and the Royal Society summarized findings from the joint endeavour – the *AI narratives project* – which examined which narratives currently influence public debates about AI, and how these portrayals might shape public perceptions of the capabilities, risks, and benefits of AI technologies. With media coverage of legal technology becoming an industry within itself, this workstream aims to use text-mining methodologies to explore the norms and values inherent within the discourse surrounding lawtech and ways in which

this might influence the actions (or inactions) of legal service providers. For instance, following sensationalist headlines predicting the displacement of (junior) lawyers, most media stories proceed by highlighting the efficiency and productivity gains associated with digital technologies; the potential of using them to reduce working hours or address practitioner well-being is non-existent. Rhetorical tactics used to manufacture a management fad and compel their take-up are also discernible.

2. Intrapreneurship & Inter-organizational Relations

To meet market demands for greater efficiency and legal-cost transparency,⁷ one way in which firms adopt new technologies is to buy and implement ‘off-the shelf’ products. Others, however, are actively involved in developing new products either for themselves, their clients, or the wider market.⁸ Indeed, the pressure or expectation for firms to become active participants in *creating* technology is a distinctive feature of the current era and this work stream therefore aims to obtain a deeper insight into the drivers of innovation, the ways in which law firms are responding to this and the challenges and opportunities that occur as a result. Regarding the drivers of innovation, the role played by clients needs further exploration; in one study client pressure is identified as “the most significant driver”⁹ of lawtech but in another, client passivity is deemed to be a source of “frustration” for leaders tasked with spearheading innovation within their legal practice.¹⁰ Turning to firms’ responses to the innovation pressure, this includes what DeStefano¹¹ terms ‘intrapreneurship’ wherein lawtech is generated internally. The recent surge in law firms establishing innovation teams and recruiting innovation heads is one manifestation of intrapreneurship yet the composition, role and function of these teams, their authority and legitimacy, and the challenges they face are all issues which have yet to be studied in depth. Inter-organizational collaborations (IoCs) is the second way in which law firms are responding to the demand/expectation to innovate. These assume a variety of forms, including partnerships with lawtech vendors, involvement in incubator programmes, and even the formation of large-multi firm consortiums. This type of co-operation is relatively novel in the legal field as intense rivalry between firms has typically precluded collaboration in the past. As such, beyond the motivations identified in press releases announcing new alliances, the way IoCs operate in practice remains a mystery. Given intrapreneurship and IoCs seem likely to proliferate, we need better insight into the genesis of such arrangements, the motivations behind them, their membership (by role and seniority), governance arrangements, challenges and benefits and, should the balance between cooperation and competition shift over time, ways in which this is managed.

3. “It gives them their lives back¹²” – The Rhetoric & Reality of Lawtech Lawyering

The question most frequently posed in discussions on the benefits and drawbacks of disruptive technology is the extent to which it will displace lawyers. Whilst this seems improbable in the foreseeable future,¹³ by focusing on practitioners’ lived experience of work, this strand of work seeks to assess the validity of some of the claims made as to how practitioners will benefit from assisted or augmented intelligence systems. A further aim is to explore the impact of lawtech on the organization

of legal labour by, for instance, tracking changes in recruitment and monitoring the development of freelance lawyering:

- a. “[Technology] means they can work as lawyers and not as administrators. It takes away a lot of the drudgery.”¹⁴ When announcing the introduction of an advanced technology, leaders of law firms often make statements which emphasize ways in which practitioners’ experience of work will greatly improve. Dominant claims are that technology will remove ‘drudgery,’ enable junior lawyers to become more involved in high-value work, and eradicate “grunt work.” Adopting a micro-perspective, we need better insight into how composite tasks performed by lawyers have changed as a result of new technologies? Which (if any) tasks have been eradicated and how is that time now utilised? Does removal of ‘grunt work’ enable junior lawyers to undertake ‘higher-value’ work? If so, how are client expectations managed; does this affect how assignments are priced, and what are the broader implications regarding firms’ business model?
- b. ““We get AI to do a bunch of things cheaply, efficiently and accurately...It leaves lawyers to do the interesting stuff”...So far, firms say, technology has not meant job losses¹⁵”. Following task automation, there is some evidence of loss of jobs amongst non-fee earning jobs in legal services, and whilst it is notable that firms virtually never acknowledge the possibility of job-losses amongst *current fee-earners*, future graduate recruitment may decline. Tracking trainee recruitment will help provide insights of the impact of lawtech on legal labour.
- c. *Autonomy or flexploitation*? Digital technologies are facilitating careers in alternative settings to that of the traditional law firm. The idea of regaining control of one’s own career and escaping the shackles of employment in a traditional law firm features strongly in recruitment campaigns of ‘network-based’ professional service firms. This strand of work seeks to explore the validity of these claims and, in particular, compare the experiences of practitioners providing on-demand advice for corporate services and those employed by alternative legal service providers delivering services to consumers.
- d. *The paradox of digital technologies*? Extant work on new technologies identifies ways in which it may be deployed to intensify work further and/or control practitioners at a distance. Discussion of lawtech tends to be focus on the benefits that technology can generate for clients, consumers, firms, and practitioners where it is claimed that it will enable them to perform their work efficiently or more effectively. Yet the downside or unintended consequences of practitioners’ use and experience of technology is rarely mentioned. This strand of work seeks to explore the extent to which digital technologies become a tool for work-intensification and/or surveillance, or whether they are discussed or employed as tools to address issues such as well-being, flexible working.

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