

Provocation Paper for Convo 4

Two significant events appear to have accelerated change in the legal profession and practice: the Great Recession of 2008 and COVID-19. Both had huge impacts on the use of humans, namely to reduce their numbers to contain costs. Filling the gap of lost humans is automation, machine learning, AI and possibly blockchain. Or, as some say, we are entering the fourth industrial revolution where technology takes over an increasing number of tasks.

The impact on the legal profession is being felt if resisted by many traditional lawyers. But the change is inescapable and more importantly the pace of change has increased tremendously. Some have managed to incorporate this change and others haven't. We are seeing a super premier league of big global law firms emerging which contain huge portfolios of skills from legal to technological to process management to legal engineering. Alongside this league are the Big Four professional service firms (now beyond accounting) which are creating one-stop shops for business clients. Also proliferating are the other ALSPs or Law Companies, offering corporate buyers everything from unbundled legal services to operating a whole law department under contract.

Below the super league and the New Law entrants confusion and fear reign. These groups of lawyers attempt to hide behind regulation as a barrier to change. And many of the law schools are aligned with them. Why are these changes important and does it matter that many lawyers are fearful of change?

Let's project into the future.

In the next 10 years up to 80% of legal work will be automated and performed by AI, smart contracts and the like.

Corporate legal departments will be staffed overwhelmingly by legal technicians and legal engineers with appropriate technologies.

Legal pricing will be transparent with the effective disappearance of hourly billing.

Big law will grow bigger through M&A with the super league far apart from the rest of legal practice. It will contain legal and technological skills.

ALSPs will take 50% of the market, leaving 20% to law firms and 30% to corporate law departments.

Legal education will go in two different directions: one is to hew to the traditional, and the other is to embrace the moves to technology and expand the range of courses and credentials to match. Whichever direction is chosen the role played by distance learning will radically expand. A significant number of the traditional schools may well not survive.

Legal services for individuals will largely be provided through technology following models developed by Donotpay.com, Legal Zoom, DivorceOnline, and others. This will be matched by equivalent technological moves by government so that virtually all legal issues, including disputes, will be resolvable online or through technology.

The demands for access to justice will increasingly put strains on the existing systems. Broad adoption of technology may help satisfy some of the needs but will require major resource allocation.