

## Thoughts on the future of legal services

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### 1. Legal services – the status quo

Change is a constant in the legal profession. To stay ahead in a fast-developing world, it is key to proactively embrace change. One such change is digital transformation, which has led to an increased use of automation, AI and machine learning in the legal practice over the last decade. The underlying motivation is not to respond to any “gap of lost humans” in reaction to the Great Recession of 2008 or COVID-19, as the provocation paper suggests. Instead, the purpose of using these technologies is to add maximum value for clients by (I) improving the way legal services are provided through enhanced efficiency and client experience – for example, by streamlining processes such as due diligence, document review and creation, or legal and regulatory analyses, amongst others to support transactions, investigations, or mass claims – and (II) enabling new solutions to solve problems that are unsolvable without technology, which may be co-created with clients in dedicated R&D centres. Freshfields Bruckhaus Deringer (*FBD*) has a track record of successfully implementing these principles in practice, with its global internal innovation spaces (I) “Freshfields Hub” and (II) “Freshfields Lab” as cornerstones.

While technologies are on the rise, they do not replace people. People are at the heart of the legal profession – due to their understanding of businesses and markets, ability to build and cultivate trusted relationships, teamworking skills, communication and negotiation competences, as well as creative thinking. A modern legal practice, therefore, combines the power of people, processes and technology in an integrated approach which FBD calls “connected innovation”, built upon multidisciplinary teams and agility. It differentiates between tasks that are best (i) performed by lawyers – including complex structural and legal analyses –, (ii) carried out by other practitioners such as project managers, process specialists, engineers, technicians, data scientists or designers, and (iii) executed by technological means, with flexible approaches to resourcing and pricing.

### 2. The future of legal services – selected projections

The provocation paper argues that in the next ten years, up to 80% of legal work will be automated. Whilst innovation – of various kinds and including automation – in the legal sector will definitely further increase, it seems challenging to measure the exact degree of automation, especially because non-automated work (by people) and automated work (by technology) cannot easily be compared both input-wise and output-wise. They will go hand in hand, and the extent to which automation will be used will vary depending on factors such as the demands of specific clients. Similarly, the appropriate set-up of in-house legal departments hinges on clients’ business needs.

Big Law will still accomplish the wide range of tasks (i) to (iii) set out above going forward. Global law firms will continue to assist clients in achieving their most difficult goals – with excellent people, teamwork across functions, practices and jurisdictions, as well as the capability to serve clients through tailored solutions based on innovative legal, commercial and technological thinking as key foundations.

To support the technological transformation of the legal practice, it would be enriching if the legal education was further expanded to comprise additional courses on technological foundations (which the University of St. Gallen does already very well). However, legal education should stay broad and the focus on fostering core skills of lawyers – described earlier – should be maintained, since these skills will be decisive for the role of lawyers in legal services also in the future.