A GUIDE TO
HOW THE LEGAL
SECTOR CAN
ADOPT AI TO
ENHANCE THE
CLIENT EXPERIENCE





#### INTRODUCTION

Numerous industries are leveraging the artificial intelligence advancements to automate and eliminate manual and redundant processes.

Al can potentially automate high volume procedures, such as electronic discovery, due diligence, legal research, and document drafting, significantly enhancing and boosting the overall client experience.

However, a <u>recent survey</u> found that a majority are yet to tap into the vast potential of AI technologies and innovations.

For example, a survey revealed that <u>77% of in-house legal teams</u> don't use artificial intelligence. Moreover, at <u>least 90% of the respondents</u> said they do not know whether their law firms leverage AI capabilities for specific purposes.

More than half stated they are not interested in utilising Al.

Although the survey results are surprising given that most industries are racing to adopt AI, <u>a different survey</u> showed that most legal professionals fear the technology may replace them.

Specifically, the research showed that more than <u>80% of law firms are reluctant</u> to adopt newer technologies in fear that this would permanently replace human professionals or reduce the need for legal experts like paralegals and lawyers.

The legal sector prefers to follow rather than lead in adopting emerging innovative technologies.

Despite this, adopting AI technologies can help firms automate specific processes that undoubtedly result in an enhanced client experience.





#### **ALL IN THE LEGAL PRACTICE**

Al technological companies are constantly researching and developing autonomous technologies that can manage laborious processes across different industries to enhance client experience through improved accuracy and speed.

Al innovations and capabilities play a vital role in supporting client's and lawyer's' tasks alike. As a result, the increased interest in leveraging artificial intelligence in law has the capacity to transform the legal profession.

Essentially, law firms are utilising AI to close the work of litigators, legal researchers, and paralegals.

In addition, law firms looking to improve client experience in the AI era are continuously researching and assessing where AI solutions can augment daily workflows.

Al and other technologies are enabling machines to take on various tasks that many used to think required human lawyers, and that's not plateauing. It seems to be happening at quite a rate.

**Richard Susskind** 

Some of the potential applications include assisting lawyers in conducting research and due diligence, leveraging AI data analytics to provide in-depth insights, and automating legal processes.

According to <u>Richard Susskind</u>, a <u>respected UK thinker</u> on the intersection of legal professions with technology, these AI trends and developments will continue growing. "AI and other technologies are enabling machines to take on various tasks that many used to think required human lawyers, and that's not plateauing. It seems to be happening at quite a rate," Susskind notes.

Additional applications of AI in the legal include document automation, analysing intellectual properties to draw insights, and electronic billings.

## HOW IS AI TRANSFORMING THE LEGAL INDUSTRY?

The legal industry is conservative as far as new technologies are concerned.

However, the legal landscape has changed rapidly as law firms implement digital tools to modernise their operations and simplify complex tasks.

In this regard, the application of AI continues to transform and revolutionise the way legal professionals practice law.

While most people perceive AI as a new and emerging technology, individuals have dreamt of how law firms can harness computer capabilities in legal matters for centuries.

For example, <u>G.W. Leibniz</u>, a <u>German attorney in the late 1600s</u>, <u>envisioned</u> how lawyers could partner with AI and accurately described AI's possible advantages to law firms today.

"It is unworthy of excellent men to lose hours like slaves in the labour of calculation which could safely be relegated to anyone else if machines were used."



That said, AI-based applications and software permit law firms to provide an enhanced client experience by automating manual, redundant, and lower-level processes.

In turn, this frees more time for legal professionals to focus on sophisticated analysis and concentrate on fostering client interactions.

More importantly, AI capabilities greatly enhance a lawyer's ability to research, analyse, and serve their clients, enabling law firms to provide an improved client experience.

In this regard, some of the already established law firms are adopting AI tools and technologies to strengthen how lawyers and other professionals serve clients.

For example, in an <u>International Legal Technology Association's (ILTA) 2018 technology survey</u>, 100% of law companies with at least 700 lawyers have deployed or are exploring the use of AI technologies.

Concerning an AI-augmented employee workforce, the primary determinant factor is a firm's objectives about using artificial intelligence and machine learning.

Unsurprisingly, larger law organisations are channelling a significant number of investments on AI applications due to the huge ROI resulting from the extensive data stores they can mine and analyse.

Furthermore, law firms gain access to resources that provide the freedom to explore new opportunities and utilise the latest trends in their clients' cases.

Some of the available AI-based tools provide sophisticated capabilities like automated contract analysis, developing litigation strategies, and machine learning platforms.





Additional insights from the <u>ILTA survey showed that only 27% of medium-sized</u> companies (150 to 349 lawyers) have no interest in exploring AI technologies, compared to only 13% of large law firms (350-699 lawyers).

Moreover, while responding to a question about the technology advancement that will significantly change the use of technology in the legal profession, nearly a third of the participants mentioned artificial intelligence and machine learning. Thus, this demonstrates a clear recognition that AI will be a significant component of successful legal strategies.

In conclusion, AI-powered solutions will see the legal industry automate numerous aspects to support an enhanced client experience.

A recent<u>report by the University of Oxford</u> reveals that AI will not replace human lawyers in contrast to popular opinion. Instead, AI takes over the automation of specific tasks through automated software like AI-enabled contract analysis software enabling a lawyer to focus on higher value tasks

In addition, they will have increased capacity to complete other tasks that can't be automated, implying an enhanced experience for clients.

Also, Lawyer's find additional time to concentrate on tasks like client interaction and bespoke roles, resulting in a higher competitive advantage.

Additional insights from the report include:

- Al assists Legal professionals in being more efficient, acquiring high-value skills, and working with a more diverse group.
- Additionally, AI technologies facilitate a radical shift in how law firms develop governance policies and implement business models.
- Approximately 50% of attorneys in England and Wales said they use at least one type of Al-powered law technology, but use case deployments vary significantly.



#### 1. Facilitating Legal Research

Lawyers have utilised text retrieval strategies to perform legal research for many years.

Adopting AI enhances traditional legal research methods to enable legal professionals to research more quickly.

Using traditional methods to search applicable case laws, for instance, can be time-consuming and tedious.

In addition, performing a search using general terms may return thousands of possible case results, requiring legal professionals to spend time refining and narrowing the results.

On the other hand, AI enhances legal research since it continuously learns what a lawyer requires and subsequently provides.



AI WILL NOT REPLACE
HUMAN LAWYERS IN
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SPECIFIC TASKS
THROUGH AUTOMATED
SOFTWARE LIKE AIENABLED CONTRACT
ANALYSIS SOFTWARE.



Al builds its knowledge consistently and uses the information to narrow the search scope, resulting in tailored results. Thus, instead of thousands of possible law cases with precedents relevant to an ongoing case, Al-enabled software returns a handful of highly-relevant cases.

Al software can continue searching after returning the initial query, a promising aspect of researching a client's case round the clock.

#### 2. Automated Contract Management

Many solicitors manage vast amounts of contracts creating scope for human error, especially when managing documents using manual approaches.

Luckily, automated contract management through artificial intelligence provides lawyers with efficient and fast solutions for organising, tracking, and negotiating new contracts.

In addition, AI-powered contract management solutions collect data continuously to assist lawyers in concluding, creating strategies to be used in negotiating new contracts, and discovering deeper insights into the terms of a contract.

In addition, AI can assist lawyers in predicting the time another party would require to accept and approve a new contract.

Accurate timing of a contract acceptance and approval can significantly impact a company's overall business strategies.

In particular, using AI solutions can provide Lawyer's with accurate estimations, from initial contract development to approval and closure. Other than accurate predictions, AI provides detailed insights to assist organisations and their lawyers in assessing a contract's value, which in turn speeds up the entire contract management process.



#### 3. Reviewing Litigation Documents

A common factor among all lawyers is the vast amount of paperwork that must be reviewed and evaluated for every single case.

Even some of the smallest and simplest legal cases involve a large number of reports, communications, and documents that must be reviewed and validated within the assigned time.

Legal professionals are responsible for reviewing the available materials to search for supporting evidence for a given case.

Luckily, electronic evidence technologies based on AI can simplify and speed up the document review process.

Electronic discovery software leverages AI algorithms to learn and build knowledge of how a given law firm reviews and evaluates litigation documents.

For example, the AI software may learn the relevant topics, terms, other criteria used to sort and review documents.

Based on this knowledge, an AI-based electronic discovery software knows where to look, what to look for, as well as suggest vital documents that may contain relevant content or areas of interest to a given case.

In this regard, AI solves two common challenges in building a case— a lot of time taken when reviewing legal documents using manual approaches and the costs associated with hiring associates and paralegals.

For example, consider a company that receives thousands of documents as part of discovery in ongoing litigation. The company's in-house team would require nearly a hundred personnel to review the documents for several days.

On the contrary, the company's team may specify terms of interest and feed them to an Al document review solution.

The solution can scan thousands of legal documents within seconds and recommend the relevant materials for building a strong case.

Therefore, the company would incur a fraction of the required costs involved in legal personnel for a manual document review process.

#### 4. Automated Due Diligence

Lawyers use AI as an invaluable tool for helping them to manage huge workloads and serve and protect their clients' best interests.

This is by taking lesser time to review relevant documents with enhanced accuracy.

Of course, due diligence varies according to a case's depth and breadth.

However, the bottom line is that acquiring the necessary documents, accurate data, communications, and other essential information is time-consuming and tedious.

Additionally, lawyers must painstakingly review the assembled documents to search for evidence that makes their cases stronger.

Luckily, lawyers can utilise automated due diligence by using or customising AI software to search the available documents and extract the relevant key points.

#### 5. Predicting Litigation Outcomes

Lawyers often find it hard to answer client questions like,

'Is this case winnable if it goes to trial?'

'Is it advisable to agree to a settlement for this case instead of going to trial?' 'How much should we pay as a reasonable settlement?'

As a result, most Lawyer's use their years of experience and knowledge of the presiding judge or opposing arguments to provide their clients with the most accurate answers.

On the other hand, artificial intelligence can enable a more accurate prediction of the outcome of ongoing litigation.

Specifically, AI can leverage advanced analytics to analyse past cases that have similar facts to an ongoing case and provide accurate statistical analysis to predict present litigations accurately.

Therefore, AI tools help lawyers accurately predict possible case outcomes enabling them to advise their clients confidently.

However, some law firms may be reluctant to adopt AI due to doubts about whether it can accurately predict litigation outcomes.

Despite this, a London law firm predicted the outcomes of personal injury litigations for more than a year by using the data of at least 600 cases. Also, artificial intelligence has proven to be more accurate than human experts in predicting Supreme Court cases' outcomes.



# ENHANCING THE CLIENT EXPERIENCE USING AI

In the legal industry the adoption of new technologies, particularly automation, machine learning and AI, is facilitating law firms to identify effective ways of acquiring new business and providing clients with increased value.

As such, Al advancements serve as a catalyst for developing new business models and enabling law firms to learn from their external landscapes and adapt to client needs to remain competitive.

Additionally, AI tools can assist law firms in spearheading the transformation of lawyer-client interactions in a lucrative and financially viable approach.

Nevertheless, although artificial intelligence can potentially impact various aspects of a legal case and a firm's business model, it all essentially depends on a company's structure, resources, and the processes used to create value for clients.

For instance, <u>a recent report</u> researching the technological innovations in the legal sector found that technologies, such as AI, automation, and document assembly, will expectedly disrupt a firm's processes.

Al technological advancements will profoundly impact how law firms create enhanced legal services, implement viable ways for engaging and interacting with clients to provide them with an enhanced experience and challenge the current economic models and structures.

Some AI-based applications and software, such as natural language processing tools, are already impacting how law firms go about discovering, reviewing contracts, and predicting litigation outcomes.



However, contrary to popular belief, the adoption of AI tools are expected to be evolutionary, implying that they augment legal professionals rather than supplant them.

For instance, AI tools like NLPs can assist lawyers in spending no more than 5% of their time reviewing legal documents since they enable automated e-discovery, thus eliminating the need for manual, labour-intensive review processes.

Besides, AI tools can augment a lawyer's work by helping them to exercise reasoned judgement during case evaluations.

As such, by enhancing efficiency and reducing the time required to complete labour-intensive tasks, AI can assist law firms in accomplishing a greater deal in a much shorter time.

Thus, AI assists firms in broadening their specialisation areas and applying the skills to provide their clients with satisfactory experience.

## AUTOMATING YOUR WORK LOAD THROUGH CLOUD INFASTRUCTURE

Hosting your on-premise IT infrastructure results in challenges like an inability to scale, reduced security, and lack of computing power required to automate repetitive and tedious processes.

Moreover, experts predict that more and more work will be remote or hybrid in the coming years. This creates challenges that may prevent law firms from competing effectively in the legal sector.

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