# CUTTING THROUGH THE **I.T.
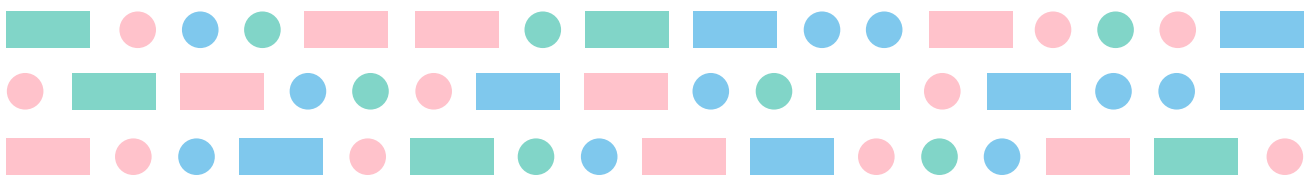
Decoding the legal tech market

An **L O D** *In Collaboration* report by Ron Friedmann

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# INTRODUCTION

FOMO, or fear of missing out, is a constant presence in our hyper-connected world. You only need to take a peek at your LinkedIn feed to see a wall of awards (congrats, you deserve it), glamorous presentations (great job – looks just like a Ted talk), humble brags about offices (wow, your stationery looks fab) and announcements about innovation (how did they manage to put that in place?).

It's easy to end up in a tailspin of anxiety.

Technology is no different. Where do you get started, what should you be focused on, and how do you keep up with the rest of the pack?

If we believe the tech sector, software always works perfectly. Users cause whatever problems that may exist. And by that logic, all legal industry tech should be perfect and generate big gains. The two quotes below from recent client listening sessions, however, do make you pause.

*"They [tech suppliers] keep pushing AI and other technology to me. I don't need it and don't know how to use it."*
**GC GLOBAL TELCO**

*"We can't implement bleeding edge, I can't even introduce simple as it won't interact well with my systems."*
**GC GLOBAL RESOURCES**

They illustrate the challenge that we all face (not just legal) when it comes to implementing technology.  How do you make real, tangible innovation come to life and not just invest in the shiny new thing because you think you must?

And that is the theme of this "In Collaboration report".  We're really pleased to be able to work with Ron and get his view from the sharp end of legal technology. It's a very comforting read.

I think we're all realising that we are in the same boat: technology is not the silver bullet and often the less glamorous but "delightfully analogue" hard yards are more essential (keep focused on the user, process, adoption and communications). With this in mind, Ron's checklist of 7 areas that we all need to think about, is a vital primer.

**Nigel Rea/James Kenney**
LOD

# FEEL BEHIND ON LEGAL TECH? YOU ARE NOT ALONE

Hardly a day goes by without a legal publication headline announcing legal market disruption caused by legal tech, artificial intelligence (AI), or innovation. You could easily believe that law practice has become fully digital. However, what does that actually mean? Just saying "fully digital" – which eludes clear definition – illustrates both the overblown promises and lack of clarity about where the legal market is today with legal technology.

With all the hype, many lawyers, legal operations staff, and other legal market professionals may fear that they have lagged in licensing or using technology. Yes, some should worry. For example, if you still run Windows XP or rely exclusively on MS Word track changes to compare documents, you are way too far behind. Despite the press, however, most lawyers today work similarly to how they did 10 or even 20 years ago.

Lawyers spend much of their day talking to clients, advising by email, researching facts or law, or drafting formal documents. With some exceptions, the tools supporting these core functions have improved only incrementally over the years.
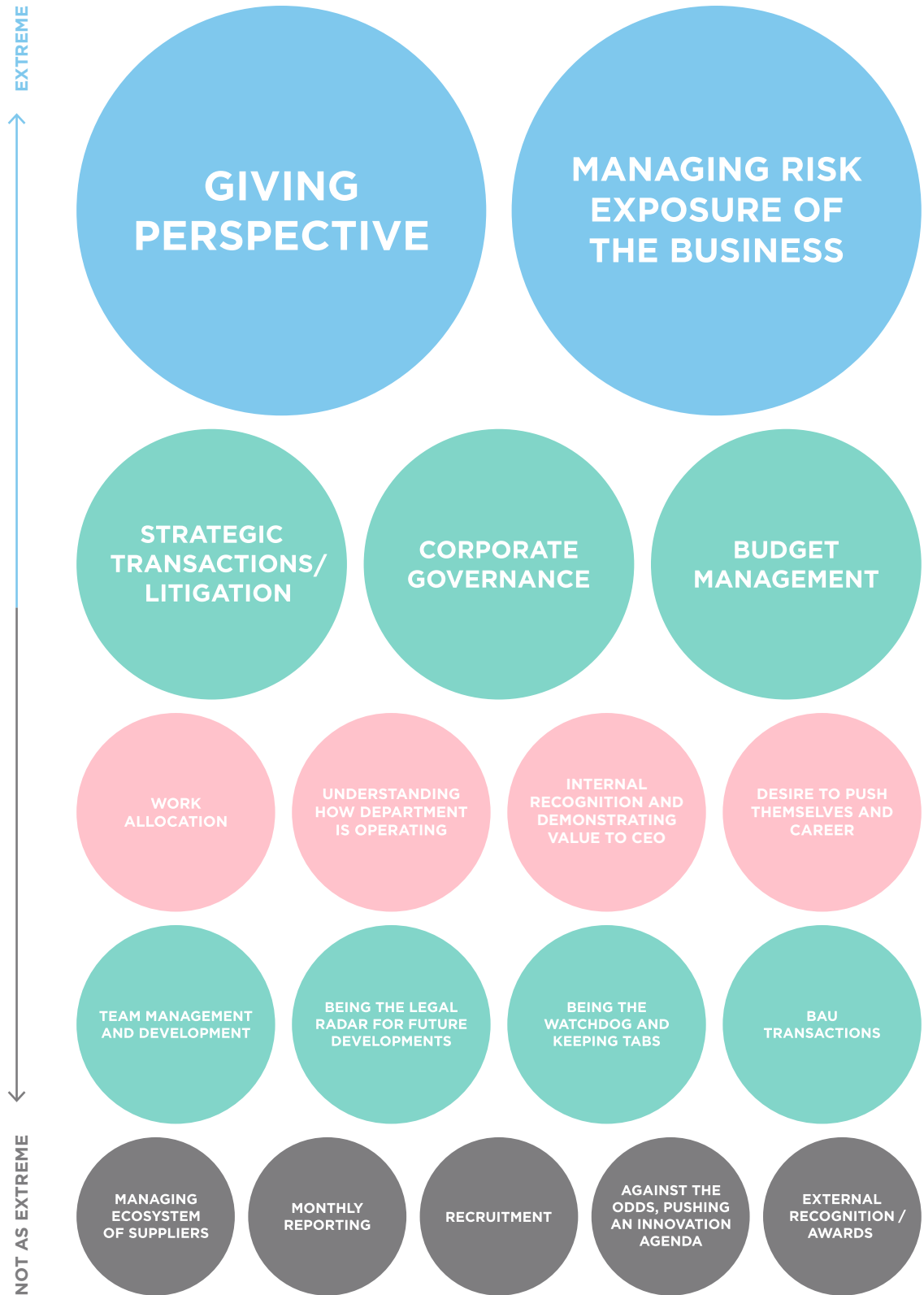
Two exceptions stand out: AI for document review in discovery and due diligence, and data analytics for more effective legal research. Many tools accelerate the review of documents in eDisclosure and contracts in due diligence. Yet even these tools are far from universally adopted. Similarly, a relatively new class of advanced analytics of published law, tools that can improve strategies and outcomes, have had limited uptake. Even if all lawyers used these tools when they should and could, it is easy to overstate the impact. The bulk of what most lawyers do most of the time has changed little.

These facts, of course, do not justify inaction. There is much room for improvement – more on that below. But if you think most lawyers and law departments have made big changes, you are wrong.

In key client conversations that LOD has carried out over the past 12 months, many GCs did not even mention legal tech as something on their daily radar, or if they did, it was a very low priority for them in their day-to-day jobs.

# WHAT ARE THE KEY PROBLEMS THAT GCS FACE?

**EXTREME**

**NOT AS EXTREME**

**GIVING PERSPECTIVE**

**MANAGING RISK EXPOSURE OF THE BUSINESS**

**STRATEGIC TRANSACTIONS/ LITIGATION**

**CORPORATE GOVERNANCE**

**BUDGET MANAGEMENT**

**WORK ALLOCATION**

**UNDERSTANDING HOW DEPARTMENT IS OPERATING**

**INTERNAL RECOGNITION AND DEMONSTRATING VALUE TO CEO**

**DESIRE TO PUSH THEMSELVES AND CAREER**

**TEAM MANAGEMENT AND DEVELOPMENT**

**BEING THE LEGAL RADAR FOR FUTURE DEVELOPMENTS**

**BEING THE WATCHDOG AND KEEPING TABS**

**BAU TRANSACTIONS**

**MANAGING ECOSYSTEM OF SUPPLIERS**

**MONTHLY REPORTING**

**RECRUITMENT**

**AGAINST THE ODDS, PUSHING AN INNOVATION AGENDA**

**EXTERNAL RECOGNITION / AWARDS**

SOURCE: LOD KEY CLIENT INSIGHT, 2017

So why, all the noise? Several factors explain why we see so much hype now about legal tech: the advent of many start-ups, some quite successful; big rounds of funding for some of these players; and pressure from the board and clients to do more with less. At the same time, in our personal lives, we read mainstream media reports about industry after industry being disrupted by technology, such as the rapid rise of high-quality streaming video entertainment. These developments seem to create expectations that everything is changing all at once. But is that really true?

# CHANGE IS HARD, AND NOT JUST FOR LAWYERS

Despite the rapid pace of change today, we do not live in the first period of tech innovation. The legal market has experienced waves of technology. Examples include personal computers, local area networks, the Internet, email, social media, and cloud computing. To be sure, these generated headlines in their day. But they did not lead to the fear of being left behind that appears common today.

Acquiring technology, whether an incremental upgrade or revolutionary new product, has an impact only if it changes how lawyers and staff work and those changes create efficiency or effectiveness benefits. Many in the legal market, however, overlook the part about changing how they work. Put more bluntly, too many lawyers think that "just pressing a button" will improve things. But as much as they might wish it, there is no "magic wand" that creates gain without pain. Improving efficiency and effectiveness with any new technology requires real changes in how lawyers work.

And the part about changing is the biggest challenge. For any technology, new or old, to have an impact, people must adopt it. Proponents of change must have a plan to gain that adoption. And the most important element of adoption is answering the question "What's in it for me?" Too often, we expect lawyers to change when there is no obvious personal benefit. This should not be surprising. Consider how few people change even when their lives depend on it. Doctors advise those who suffer a mild heart attack to change their

diet and exercise more. Yet many do not. If people fail to change to improve the quality of, or prolong, their own life, why would we expect them to change how they work?

We live and work in an era with many "shiny new objects". The abundance today of new tech and new services obscures what really happens in law practice. Lawyers don't like to change how they work. The proof? Many lawyers still don't know how to use their old toys.

Consider briefly these examples of the challenges three mature legal technologies face with gaining adoption:

- Document automation offers lower cost and less risk in generating frequently used documents. This type of software has been available for over 40 years. This self-service system generates final documents for clients and good first drafts for lawyers. To gain these benefits, however, legal experts must build the system. A lawyer must develop both well-crafted clauses and logic to tie them together. Unless you make that automation someone's day job, it won't get done. There is another, subtler barrier here: each lawyer thinks their own personal version of a document is the best. Why give up a personal favourite? With the right planning, you can solve these problems, but it takes time, effort, and money.

- Contract lifecycle management (CLM) software illustrates a different challenge: change across an organisation. CLM offers many benefits: for example, the ability to easily find executed versions and manage rights and obligations. To achieve these benefits, however, multiple stakeholders – the law department, procurement, finance, sales, and business managers – must change what they do. The company benefits if all stakeholders adopt and use the system. But many individual stakeholders suffer

personally; that is, they have to change what they do, which takes time and effort, and they personally see little benefit from that effort. That is why, perhaps, CLM has limited uptake.

- Proper use of the Microsoft Office Suite and PDF tools. Sadly, even the oldest software suffers from poor adoption. Audits a few years ago revealed, rather publicly, that most lawyers lack basic skills in the software they use most often. If lawyers don't take the time to learn how to work faster and smarter on tools they use daily, why would we expect them to adopt shiny new toys?

Many barriers make change management and adoption difficult. If there is one common thread, though, it is that many people tout the benefits of tech but few explain the costs required to achieve those benefits.

# UNDERSTANDING AND CLASSIFYING THE ADOPTION CHALLENGE: KNOW THE PROBLEM TO SOLVE

You cannot answer "What's in it for me?" unless you have a clear problem you want to solve. Lawyers certainly should relate to this statement. Law school emphasises writing a clearly formulated question prior to conducting legal research. Similarly, you must formulate a clear "problem" before you start.

Does saying "We need to produce documents faster" state a clear problem? No. Many approaches might solve that problem. For example, consider document automation and improved MS Word skills.  Either would help with the problem. So too would improving lawyers' typing or digital dictation skills. This grab bag of solution options illustrates that a broadly stated problem has many solutions.

The current legal tech hype has induced lazy thinking about problem statements. Too many legal professionals jump to conclusions: buy AI to "solve contracts"; get a deal-closing platform to close deals more quickly; achieve better outcomes by subscribing to a legal analytics service; upgrade our document management system to make it work better. Any of these can work if you know the problem you need to solve and have a plan for adoption.

# A FRAMEWORK
# FOR CONSIDERING PROBLEMS TO SOLVE

The good – and the bad - news is that lawyers have many problems from which to choose! You will find it helpful to have a systematic way to think about the problem you want to solve. A way that helps you both define the problem and scope the magnitude and type of change. The two-by-two grid below illustrates one such approach.

## PAST + PENDING CHANGES
## ILLUSTRATE A TYPOLOGY

INSTITUTIONAL

COLLABORATIVE SOFTWARE

DOCUMENT MANAGEMENT

PREDICTIVE CODING

EMAIL

AUTOMATED CRM

LEGAL PROCESS OUTSOURCING

MOBILITY

DOCUMENT ASSEMBLY

WORD PROCESSING

SPREADSHEETS

INDIVIDUAL

ENABLING ← → TRANSFORMATIVE

SOURCE: R. FRIEDMANN, 2018

Both axes and scales show relative position. A numbered scale is deliberately absent: relative ordering counts here, not precision. The X-axis (horizontal) shows the impact of technology, from enabling to transformative. The Y-axis (vertical) shows the scope of the problem, from individual to institutional.

Enabling tech typically solves a discrete and narrow problem. Changes here typically affect a narrow slice of tasks and work.

Examples of discrete problems to solve include:

- Enable work on the go

- Standardise documents

- Find precedents more easily

- Determine if law firm invoices comply with billing guidelines.

Discrete does not include vague problems such as "make us less busy" or "be more efficient". Discrete does not necessarily mean easy to solve. For example, we have already discussed the challenges of document automation – this requires someone whose job is automating. That means budget, finding the right person, and planning for adoption.

In contrast, transformative tech typically solves bigger problems in ways that significantly depart from the status quo. These changes typically affect a much wider slice of tasks and work. Read this to mean difficult!

Examples of broad problems that require transformation include:

- Contract lifecycle management (discussed earlier)
- Data-driven approaches to selecting and managing outside counsel
- Reducing email volume in favour of collaboration tools
- Practising preventive law.

You must also consider whether the problem you want to solve is more focused on individuals or a significant portion of the institution. Individual problems tend to be easier to tackle. You can find individuals who have specific problems and they can make the change on their own. Examples from the early days of technology include word processing and spreadsheets. Back in the 1980s and 1990s, lawyers could decide to use either type of software; neither required everyone in a law department or firm to change at once. In the 1990s, the Internet was in this class. Some lawyers could use it with great benefit, but not all lawyers had to do so. More recently, mobile computing fit in to this category. Lawyers could decide to buy a smartphone or tablet and use it without others having to. (Today, because of security concerns, mobility has become more of an institutional challenge.)

Institutional problems tend to be harder to solve. These require whole departments or organisations to change. CLM, illustrates this well: gaining the benefits requires changes across the organisation. Another example is computer assisted review in eDisclosure. This technology fundamentally changes how lawyers review documents. Instead of a human reviewing every document (or digital file), software does a first pass-assessment. This means that

throughput goes way up and the review cost per document way down. But gaining these benefits requires a whole team, if not a whole organisation, to decide to change. In fact, it's even worse because the courts also have to agree to the change!

# PRACTICAL IMPLICATIONS: START WITH A WISELY CHOSEN PROBLEM, NOT WITH TECHNOLOGY

As you consider this model and the examples, note that they focus on problems, not on specific technologies. The point is, start with a problem, not a technology.

In conversations LOD has recently had with their GC and in-house clients, there is a great deal of similarity in what people consider prevents them from doing a good job and what they feel are the things that will lead to legal utopia.

# PAINS
## WHAT STOPS GCS FROM DOING A GOOD JOB?

TIME-POOR AND UNABLE TO PRIORITISE STRATEGIC

FIREFIGHTING INSTEAD OF BEING ABLE TO BE THOUGHTFUL

FINDING OUT ABOUT PROPOSED CHANGES TOO LATE SO I END UP AS A BLOCKER

YEAR-ON-YEAR BUDGET CHALLENGES

I'VE GOT AN IDEA. HOW DO I GET STARTED

DEMONSTRATING VALUE THROUGH DATA

UNDERSTANDING BEST BALANCE OF MY ECOSYSTEM

I DON'T KNOW WHAT BEST PRACTICE IS

GETTING BUDGET FOR NEW SPEND

TEAM DOESN'T UNDERSTAND THEIR ROLE – BLINKERED BY DAY-TO-DAY

NO CENTRALISED DATA ALLOWING US TO MAKE DECISIONS IN TIME

INTERACTION WITH LOCAL LAW

NO CENTRALISED DOCUMENTS

BUSINESS DOESN'T UNDERSTAND HOW TO ENGAGE LEGAL

NO CONSISTENT WAY OF DOING THINGS

RECRUITING IN OUR OWN IMAGE – UNCLEAR OF NEW TYPES OF ROLES

**SOURCE: LOD KEY CLIENT INSIGHT, 2017**

# GAINS
## WHAT WOULD MAKE A DIFFERENCE?

MORE TIME FOR STRATEGIC ADVICE

VISIBILITY ACROSS MY ECOSYSTEM

LEGAL SEEN AS AN ENABLER

AVOID NEEDLESS ADMIN

MORE TIME TO DO THE STUFF THAT WILL FURTHER MY CAREER

IDENTIFY AND DELIVER LOW-HANGING FRUIT

CONFIDENCE IN KNOWING WHAT IS OUT THERE AND WHAT MY OPTIONS ARE

LOW ATTRITION RATE AND A HAPPY TEAM

I'M IN CONTROL OF THE SITUATION AND BUDGET

HITTING BUDGET THROUGH RIGHT OPERATIONAL BUDGET

SPEED AND AGILITY IN BRINGING IDEAS TO LIFE

SELF SERVICE ENABLED AND TRUSTED

IMPLEMENTED OPERATIONAL BEST PRACTICE

LACK OF DISRUPTION WHEN THEY "DO NEW"

CONSISTENT PROCESSES LEADING TO LOWER RISK

GENUINE LIKEABLE TRUSTED TEAM (INCLUDING SUPPLIERS)

MONEY AND INVESTMENT FROM THOSE IN CHARGE

SOURCE: LOD KEY CLIENT INSIGHT, 2017

What, then, are the main issues facing GCs? It is important to take the time to go through this process to define the things that are causing you the most pain and, conversely, those things where you could generate the most gain.

Here are the key factors to cover when you start to pull your list together:

- Consider whether you are aiming high, for transformation, or lower, for enablement. There is no right or wrong answer – the key is to correctly understand which you are doing so you can plan appropriately.

- If you focus on the individual end of the spectrum, be sure that enough individuals have the problem to make it worth solving.

- If you focus on institutional change, then make sure you line up stakeholders in all the relevant parts of the organisation – and have a way to keep them engaged throughout the project.

# MOST PROBLEMS REQUIRE MORE THAN JUST TECHNOLOGY TO SOLVE

The "press the button to solve my problem" and "magic wand" temptations loom large in the legal market. Too many lawyers and managers view licensing new software as an easy fix, a quick win. But it's usually not. When solving a problem, here are the questions you need to ask. These questions are the big ones, designed to frame the problem, not to address every detail. And these questions also allow you to check that technology is the right answer for your problem.

## 1. CONFIRM THE PROBLEM STATEMENT

If saying that you must confirm the problem statement seems repetitive, that's by design. Too often, organisations start on a path to acquire new technology before they have clearly defined the problem they want to solve. Let your problem definition sit for a period of time and then revisit it before acting.

## 2. DETERMINE THE SOLUTION ELEMENTS

The overused phrase **"*people, process, and technology*"** holds some truth in solving most problems. At minimum, it should serve as a reminder that technology is rarely the only element of a solution. This phrase, however, does not sufficiently emphasise other solution elements, which can include culture, incentives, economics, collaboration across

organisational boundaries, customer buy-in, budgeting, and many other factors. The closer your problem lies to transformative and to institutional, the bigger the role these other factors play.

### 3. MAKE SURE YOU REALLY NEED NEW TECHNOLOGY

Carefully consider the technology element of any proposed solution. More specifically, decide if you really need new technology. Many individuals and organisations fail to consider how already-in-place technology could solve the problem. Even if your existing tech is not a 100% fit, if it is an 80% fit, is that good enough? Of course, the answer will depend on many factors.

### 4. BE PREPARED TO REDESIGN WORKFLOWS AND PROCESSES

Many problems have a big process component. For example, acquiring enterprise legal management software will affect many aspects of how law departments select, manage, and work with outside counsel. It's in the transformative category. As such, it will affect how many lawyers and staff work. Make sure you understand how roles will change and plan for this. Even narrower solutions, such as automating due diligence reviews may affect who loads documents to a system or how lawyers review contracts. Almost any new technology you license today will have process implications. Even repurposing old technology may raise process change challenges.

*"We can't implement bleeding edge, I can't even introduce simple as it won't interact well with my systems."*
**GC GLOBAL ENERGY**

*"They [tech suppliers] keep pushing AI and other technology to me. I don't need it and don't know how to use it."*
**GC GLOBAL TELCO**

*"We are spending real money on it, doing all the development in-house, and it is delivering.
We are using it for procurement and compliance with a vendor off the shelf and other solutions.
We believe we have as good a capability as what law firms are trying to sell to us."*
**GC GLOBAL ENERGY**

*"We don't want any tech that's inherently tied to a service; we want to retain the decision-making.
It needs to fit with other tech that we have in place."*
**GC GLOBAL LEISURE**

"

## 5. PILOT AT MINIMUM, GO AGILE IF POSSIBLE

As you develop a solution, you must pilot it with small groups of users. That is key to obtaining feedback and making adjustments. It is also necessary to ensure that the technology, and any back-end integrations, work properly. And finally, if a pilot goes well, you will likely also identify champions who can support a broader roll-out.

Agile and minimum viable product (MVP) have become very popular approaches to solution design. Books have been written about both. The short version is that Agile means regularly releasing incremental improvements and engaging continuously with users. MVP means rolling out a product with the minimum features necessary to solve the core problem, then adding more over time. The goal is to accelerate time to roll-out while sustaining active user involvement and feedback.

## 6. CONSIDER YOUR CONTENT STRATEGY

If your problem relates to the practice of substantive law, remember that many such problems revolve around creating and keeping current legal content. Your problem may present as a challenge that sounds technological, for example:

**"***If only we could find our past precedents, then drafting new ones would be easier. So let's buy a specialised search tool to find documents.***"**

Modern search software is amazing but it can only find what you have – it can't create something from nothing. If the issue is having good precedents, the problem has, at minimum, elements that require vetting that precedent and keeping it up to date. Technology can help with that process but it cannot be a substitute for

the legal subject matter expertise required to create, vet, or update high-value content. Another example is expert systems, which can provide self-service to clients for defined legal questions. The challenge here is more about access to legal subject matter experts for their know-how than it is about technology.

## 7. DEVELOP A DATA STRATEGY

If your problem relates to managing a law department or law firm, you need good data to inform your decisions. Technology plays a big role in analysing and visualising but it won't automatically create or cleanup the key data your need. As law practice management grows in sophistication, more and more decisions must be informed by relevant and accurate data. Collecting that data, in the right way, is the first step. Too many lawyers and even some legal operations professionals assume technology automatically solves data problems. It does not. If you lack the data you need, you have to establish a way to collect it. If you have the data you need, it likely needs to be cleaned up prior to analysis. And you need to start with a clear vision of what data you need – and why. A good question to ask before collecting any new data is:

**"***How will having this data potentially change decisions I make?***"**

# BEYOND SOLUTION DESIGN – ADOPTION PLANNING

As discussed earlier, many changes – technology or otherwise – in law departments and law firms fail because users do not adopt the new approach. What can you do to improve the odds that a change will stick? The answer usually requires a mix of top-down command and bottom-up personal benefits.

To answer the question posed at the outset, "What's in it for me?", any tech change should make lawyers' work easier. In an ideal world, the change would elicit the same reaction that Starbucks coffee and the first iPhone did: I want one of those. But in the real world, that's hard to achieve. At minimum, most changes involve a learning curve and many lawyers won't believe the promised benefits warrant the upfront effort. Smart organisations "seed the market" with champions, respected practitioners, who have the vision to see the value, do the work to achieve it, and then are willing to become change advocates.

This "bottom-up" approach may not suffice. It may also be necessary to have top-down commands and incentives. Sometimes, change will only happen when management makes it clear that adoption is mandatory. This may require flipping the proverbial switch so that a new system is the

only option. Or it may require making adoption a part of performance evaluations.

Whatever your strategy, make sure it includes a communication plan. Smart organisations begin the change planning and adoption process very early in the process. When considering a big change, they start by talking to multiple users, individually or in groups, about their requirements and how they work. In fact, some legal teams "over-interview". That is, they hold more discussions than are substantively required to understand requirements. The process of engaging stakeholders early is part of a strategy to gain support for change. By listening to different groups, they begin to develop a stake in the outcome. Or at least their level of resistance to change goes down.

Then, throughout the process of deployment, the project owners should communicate regularly, preparing affected individuals and groups for the planned change. Attention is often the most precious asset in any organisation. Though it can be very hard to get stakeholders to pay attention, it is critical to try. It may even require walking around to personally engage with key opinion leaders.

Part of communication is enlisting the right people to communicate. A common strategy is to release a new process or technology slowly. (Pilots are often necessary in any event to ensure the new approach works as planned and as expected.) With a slow release, the proponent of change can often develop winning war stories and champions. If respected practitioners and leaders talk positively about a new approach, that helps enormously with winning over the rank and file.

# BUILD THE RIGHT FOUNDATION FOR NEW TECHNOLOGY AND CHANGE

You can go through all of these steps and still fail. Technology and change management do not happen by themselves. Organisations need people whose jobs focus on new technology, process changes, content, and adoption planning.

Law firms have had IT departments for 30 years. Since then, many have added other departments – knowledge management, pricing, legal project management, and innovation – that play a role in selecting and using technology and in helping with adoption planning. Law firms also have budgets to acquire software, training services, and consulting to support planning and managing change.

Many in-house legal teams, in contrast, have few resources to support new legal tech and change. The rapid growth of legal operations professionals may help to change this limitation. But legal ops professionals appear to be pulled in many directions, and only some will make technology a priority. To acquire, deploy, and ensure adoption of new tech may require adding resources.

# HOW CAN LEGAL OPS WORK?

"

> "We see a need for external advisors to help us to implement and project-manage continuous improvement/operational excellence projects. We do not have the internal capacity or expertise."
>
> **GC GLOBAL CONGLOMERATE**

> "We need to get better at the more methodical stuff (developing playbooks, knowledge management, data processing, process design, and better access to business information). Suppliers can help if they find a way to help us become the legal team we want to be."
>
> **GC GLOBAL TELCO**

*"We can see the value of legal operations professionals – people who are tech and financially aware who can advise on tech solutions and legal process options, who can project manage and who can assist with measuring the value of the legal team. We think we will need one [for legal]."*

**GC GLOBAL CONGLOMERATE**

*"We see a time in the future when we will need our external legal suppliers to help us increase efficiency, but we haven't really worked out how yet."*

**GC GLOBAL TELCO**

*"I think another challenge is that companies are going to have to find people within their teams who can focus much more on legal operations and data. For example, data gathering, data reporting, improving access to management information, etc. I would predict an absolute explosion in this area and finding people who can come on board and help with that sort of thing."*

**GC GLOBAL TELCO**

**SOURCE: LOD KEY CLIENT INSIGHT, 2017**

Another helpful ingredient is lawyer time and attention. In many organisations, lawyers feel that IT does things *to* them rather than *for* them. To avoid this problem, it helps to have lawyers who contribute to planning and evaluating software. Moreover, lawyers play a critical role in creating and/or vetting both substantive legal content and data to manage practices. Some forward-thinking law firms now offer billable hour credit for lawyers who contribute to tech or innovation. Most in-house counsel do not have billable targets to meet, yet still find it hard to engage on tech or innovation.

# UNDERSTANDING YOUR OPTIONS: KEEPING UP WITH TECHNOLOGY

Building a foundation as described earlier is not a one-off activity. Tech keeps changing and the foundations require constant work.

Legal tech, though much overhyped, does offer much to improve law practice and legal management. Taking advantage of legal tech requires moving beyond the hype. It requires starting with a focus on specific problems to solve.

In the past few years, funding has flowed to legal start-ups. It seems new ones appear almost daily. At the same time, well-established legal software companies regularly announce upgrades, some minor, some generational. And in recent years, open source software has gained some traction in the legal market with a few more adventurous – or perhaps just better funded – corporations and firms now experimenting with open source AI tools.

While keeping up with legal tech developments makes sense, it's a big mistake to buy new tech without a clear problem to solve. And don't expect that tech alone is a solution. Almost any new tech you can name needs to be accompanied by changes in process. And, as important, you need to have a clear plan to foster adoption.

Though this may entail some hard work, if you define the problem carefully, if you plan appropriately, legal tech can boost the value your organisation provides to your clients.

And remember, legal tech is a journey not a destination.

# CONCLUSION

*"Change is hard, and not just for lawyers"* – this is the section header earlier in this report, but it could equally serve as the title for this whole report.

It's easy to write off the legal industry as one that struggles with technology, but real change is hard, across all sectors. Ron's report tackles this head-on and his simple, practical advice is relevant across industries. So, wherever you sit on the technology "hype (it won't help me) vs. hope (it's the future)" spectrum, Ron's key checklist to guide your thinking is a great place to start:

- Be clear about the problem you are trying to solve.

- Determine your solution elements and embrace the analogue (process, people, change management, communications).

- Take small steps towards the end goal, think Agile (regularly releasing incremental improvements and engaging continuously with users), think minimum viable product (rolling out a product with the minimum features necessary to solve the core problem).

You can also be sure that your own internal business teams, IT, Finance, Product, Sales, and HR, are all probably having similar conversations (how do we drive technology innovation and where do we start?) and have a similar challenge to the ones legal face.

The clients we work with who are most successful in implementing change are those that have clarity about

the problem they are solving and have a collaborative approach to solving it, having shared it with their internal teams as well as their supplier ecosystems.  After all, a problem shared is a problem halved, and as an industry we need to talk more, rather than just listen to yet another pitch that will 'revolutionise' your world.

At LOD we're ready to have that conversation.

## RON FRIEDMANN

Ron Friedmann improves law practice efficiency with knowledge management, artificial intelligence, legal project management, outsourcing, process improvement, and practice technologies. A graduate of NYU Law, Ron has three decades of legal market experience.

Most recently, as a Fireman & Company partner, Ron advised law firms and law departments on strategic, law practice efficiency, technology, and operations issues. Prior legal market positions include executive team member at Integreon, CIO at Mintz Levin CIO, head of practice support at Wilmer Cutler (now Wilmer Hale), and director at Jnana (the predecessor company to Neota Logic).

Ron is a Fellow and former Trustee of the College of Law Practice Management, founder and organizer of the Washington DC large law firm knowledge management group, and co-organizer of the leading annual private legal KM Summit.

## NIGEL REA

As Service Development Director at LOD, Nigel ensures that we remain laser focused in evolving our services to meet the changing needs of our clients.

Having spent his career in consulting, law and legal technology, Nigel feels that all of these disciplines need to come together to meet the challenges our clients face right now. Nigel leads the development of the LOD Designed Solutions service lines and builds the alliances and partnerships that are needed to make them thrive.

## JAMES KENNEY

James is responsible for all things Designed Solutions focussed in APAC.

Starting life in the world of tech, where James headed up the BD team for Law in Order and Nikec, James has also worked in recruitment for a number of years in both Sydney and London and is perfectly placed to understand the pressures placed on clients when resourcing their teams.

# L O D

Over the past decade, we've transformed the way in which lawyers, consultants and legal teams work. Today, we're one of the largest and fastest growing flexible legal service providers, continuing to lead the market we created and completing hundreds of assignments with the world's leading companies and law firms.

Winning numerous awards along the way, LOD is continually recognised for creating different and better ways of working for both lawyers and legal teams.

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| Brisbane | Munich |
| +617 3221 2906 | +49 (0)89 2153 9889 1 |
| Dubai | New York |
| +971 4 4019968 | +1 (203) 451 1735 |
| Hong Kong | Perth |
| +852 2996 7300 | +618 6380 7600 |
| London | Singapore |
| +44 20 3642 0000 | +65 6326 0200 |
| Melbourne | Sydney |
| +61 3 9639 1733 | +612 8014 5110 |

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