

What 2021 will look like for legal tech and innovation

Monumental change is potentially on the horizon for the legal technological sphere, but fundamentals such as collaboration, humanisation and effective client service delivery will remain key to professional success



/ Jerome Doraisamy /

Leaders across the legal technology and innovation sphere in Australia feel positive about the future, with the legal profession all but assured to not completely revert to pre-pandemic workplace conditions. With increased usage of and reliance on tech platforms and products, however, comes greater responsibility for providers to ensure their offerings are as innovative, practical and accessible not just for legal practitioners but also for their myriad and diverse clients.

Such opportunities thus consequently present numerous challenges, and Australia's legal tech and innovation has to be ready for it. To discuss the looming "new normal" in this realm, Lawyers Weekly spoke with LEAP Australia CEO Donna Broadley, LOD director Anthony Wright, Josef co-founder Sam Flynn, Inkling Legal Design founder Sara

Rayment and Accenture analyst and The Legal Forecast national board director Erika Ly.

Predictions for 2021

There's been a "significant and positive shift", Ms Ly points out, towards a greater and more serious acceptance of like online and virtual sort of programs.

"The fact that COVID-19 was a forcing mechanism for this change has meant we've had to adapt to new forms of learning and behaving through technology which have come by way of necessity – and as they say, 'necessity is the mother of invention'. I am excited that there will be more sorts of opportunities to learn because we have the gift of scalable and accessible forms of technology to deliver new education offerings," she says.

"I think about the fact that we've launched a virtual mentoring and

education program in the middle of COVID-19 and the fact that it has had such an incredible uptake of engaged and enthusiastic participants shows that we are starting to acknowledge that our social behaviours are changing – which has proved a sort of validation to virtual mediums, which perhaps previously, were seen as being subpar or inferior to the more traditional in-person ways of learning.

"For me, I think this shift is going to continue gaining momentum in 2021 and beyond."

Such shifts will mean a much more competitive landscape, Ms Rayment feels, with innovation capacity to become more transparent.

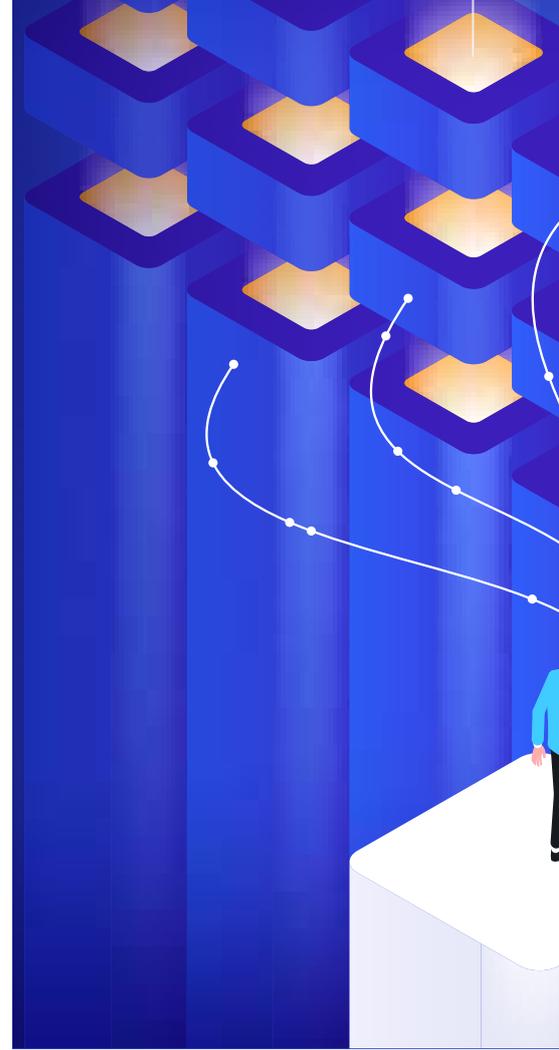
"In-house teams are actively measuring which of their external legal providers are harnessing robust solutions and those still struggling to host a videoconference.



“Other big-ticket items on the innovation agenda for 2021 will be sustainability”

Tech

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There's nowhere to hide. And it's a buyer's market. Organisations who invested in innovation pre-pandemic hold a very significant competitive advantage," she says.

"It's also happening at a speed we aren't used to in the legal industry so keeping up with competitors will be much harder. But that doesn't necessarily mean early adopters have innovated well so there's still plenty of opportunity here."

In spite of perhaps because of such competition, collaboration will become a major priority for the development of legal tech in 2021 and beyond, Ms Broadley believes.

"Tools like LEAP's integration with Zoom and Microsoft Teams or LawConnect for secure document sharing are no longer what you'd call 'nice-to-have' features. Software that integrates these collaboration tools is now a 'must-have' for firms that are serious about working from home or across multiple branches successfully," she says.

"Now that the majority of Australian firms have experienced remote working to some degree, it's likely that similar arrangements will continue and firms need to do everything they can to ensure that their teams are in the best possible position to not only communicate and collaborate with each other, but with their clients too."

Mr Flynn agrees that investment in such tools and productised legal services will be paramount in 2021 and beyond.

"Unusually, this trend is happening across the profession, from large firms to small, in-house teams to community legal centres. Why? Many of the concerns that previously blocked progress have begun to fall away. All of a sudden, we can electronically sign deeds. Court hearings are held by videoconference. So, it's no longer such a big leap to imagine lawyers providing automated legal services online," he explains.

"Other big-ticket items on the innovation agenda for 2021 will be sustainability – what happens after you get the idea? – and integrations between products, particularly as teams become more sophisticated users of the legal tech at their disposal."

What will be critical, however, is to ensure existing systems are still operating on all cylinders and that adopted platforms and processes are affordable, Mr Wright warns.

"Over the past several years, we've seen a proliferation of shiny legal tech, but we've also seen how challenging these can be to procure, deploy and embed – and ultimately drive a return on investment. So,

my top predication is a sharp trend in legal teams using common technology stacks, like Microsoft 365 or Google Suite, and configuring them to bring efficiencies and better reporting," he says.

"The other thing that I believe will change is – business owners/executives trying to save more money and, therefore, asking themselves, 'Do I really need a lawyer to look at this or can I DIY without losing control of risk?' Lawyers will have to work harder than normal to demonstrate their 'value' and why they're an important part of the organisation's value chain. This will require innovative approaches from legal, not necessarily tech-driven 'innovation.'"

Optimism about looking ahead

All interviewees espoused ardent optimism about the post-pandemic landscape for legal tech and innovation in Australia. Such a landscape will be "more flexible, creative and digital than ever before," Mr Flynn says.

"An innovation leader at a national firm recently told me they went through years of transformation in a matter of weeks. Courts have conducted virtual admissions ceremonies for new lawyers. Josef has experienced some of the fastest growth in our history since the pandemic hit. It's kind of incredible to think about how far we've come as an industry in just a few months," he muses.

The magnification of poor systems and work processes that existed pre-pandemic, Mr Wright highlights, have been exposed and will fall by the wayside.

"Legal teams are often custodians of the organisation's non-financial info, that's a huge amount of material and no person or team can manage that information flow without great systems and processes. We're already seeing a more encouraging prioritisation of information (matter, document, contract and knowledge) management systems and smarter workflows," he notes.

"Obviously, the COVID-19 pandemic has been (and still is) a severe challenge to all organisations around the world; but a positive side effect we're seeing is an acceleration in the adoption of new approaches to looking at legal service delivery – whether that's more flexible work-share arrangements, right through to effectively and efficiently organising your information and data and automating common workflows involving legal."

There have been "fast, rapid, and uncomfortable changes" that have come with changing our social behaviours and translating them online to different

technology platforms in such an intense and short period of time, Ms Ly muses.

"Certainly, there's a learning curve to the new adoption of behaviours when it comes to legal tech and innovation but the fact that we are currently in a period of discomfort is transitional," she says.

"I think that dwelling on the pessimism and thinking about our current situation are sort of myopic and I think those don't really do us any good in the long-term. I think right now it's just a little bit uncomfortable, but then again change and transition are always uncomfortable. We will all be okay at the end of the day and I do believe that legal tech and innovation will enable us to evolve in the right sort of way in due course."

However, the collective optimism must correspondingly be met with recognition that "humanising" technology will be key, Ms Rayment advises, noting that automation doesn't mean that clients will enjoy it more.

"One of the biggest disadvantages of moving online is losing the incidental communications from water cooler chats and office drop-ins to being able to observe how busy or stressed a co-worker is. Some platforms also tend to magnify digital awkwardness. A technical fumble on Zoom is like tripping over on stage. It echoes and everyone cringes," she reflects.



“So, it’s no longer such a big leap to imagine lawyers providing automated legal services online”

answer to: ‘What is the problem I’m really trying to solve with tech’. I think risk and compliance should be a major area of focus for organisations of any size. It should go beyond a mere box tick exercise and look at team culture and driving clear, documented processes,” he argues.

“The economic challenges are obvious and there will be a great focus on cost optimisation for years. That environment often can be a tough one to give yourself space to think and allow for innovation. But without continuous improvement and innovation, you’re going backwards anyway – pandemic or not.”

Ensuring that collaboration can be more inclusive will also be a hurdle to overcome, Ms Rayment adds.

“Remote working, flexible work and agile were outlier innovations pre-pandemic. Overnight they’ve become essential. There is an urgent need to re-evaluate the 9am-5pm working week to ensure our profession is as inclusive as possible with schools and childcare being impacted. It is undisputed that women suffer disadvantage disproportionately after disasters,” she says.

“The economic disaster that dovetails this pandemic has already attracted the label ‘she-cession’. While I’m quietly optimistic the profession can make these new arrangements work for parents, it won’t happen unless we plan for it. Parents, particularly those in lockdown, are dealing with what is effectively a double shift each day. Their capacity to hold this conversation is almost non-existent.”

According to Mr Flynn, keeping up with the pace of change may be overwhelming for many professionals.

“Recent changes have happened faster than anyone could have imagined. In the near-term, the challenge is to avoid burnout and to make sure that this change is sustainable,” he observes. ♦

“Adopting technology that provides avenues for informal social connection will provide valuable opportunities for meaningful interactions. From empathetic chatbots to intuitive AI, knowing when to infuse a system with humanity will be key to differentiating digital offerings. It may also save your sanity when faced with all-day Zoom meetings.”

What this ultimately means, Ms Broadley surmises, is that legal and tech professionals still have “a lot of work to do”.

“When it became evident that our clients may be working from home, we added features to our software that would make it possible for firms to work remotely with ease. With this in mind, legal tech providers will need to continue to listen to the needs of their clients and be ready to adapt their product or service in response to these rapidly evolving needs,” she posits.

“As many firms start to contemplate a degree of permanency with regard to their remote working arrangements, those in the legal tech sphere will no doubt have plenty of development work ahead as they continue to respond to this changing demand. If anything, this pandemic will encourage ongoing innovation.”

Hurdles on the horizon

While it’s important not to lose sight of tools and resources that make

collaboration between practitioners easy while working remotely, Ms Broadley espouses, tools that assist in allowing practitioners to continue to provide an exceptional level of client service shouldn’t be overlooked, she says.

“Although positive word of mouth and strong referral networks have always been a good source of business for many practitioners, this pandemic has called into question how firms will attract new business moving forward,” she notes.

“With many firms already signalling that they’ll continue to operate at least somewhat remotely, they will need to consider additional touchpoints beyond the traditional phone call or in-person meeting to secure new clients. This is what I foresee as being one of the most prominent challenges for practitioners moving forward – firms giving themselves a genuine competitive advantage that continues to bring new clients through the doors. I think one of the most undervalued ways to do this is through offering truly exceptional client service. This level of service starts with visibility by making you and your firm’s services accessible around-the-clock.”

For Mr Wright, the looming challenges involve carefully looking at data collection, storage, security and privacy.

“We also need to be really clear on the