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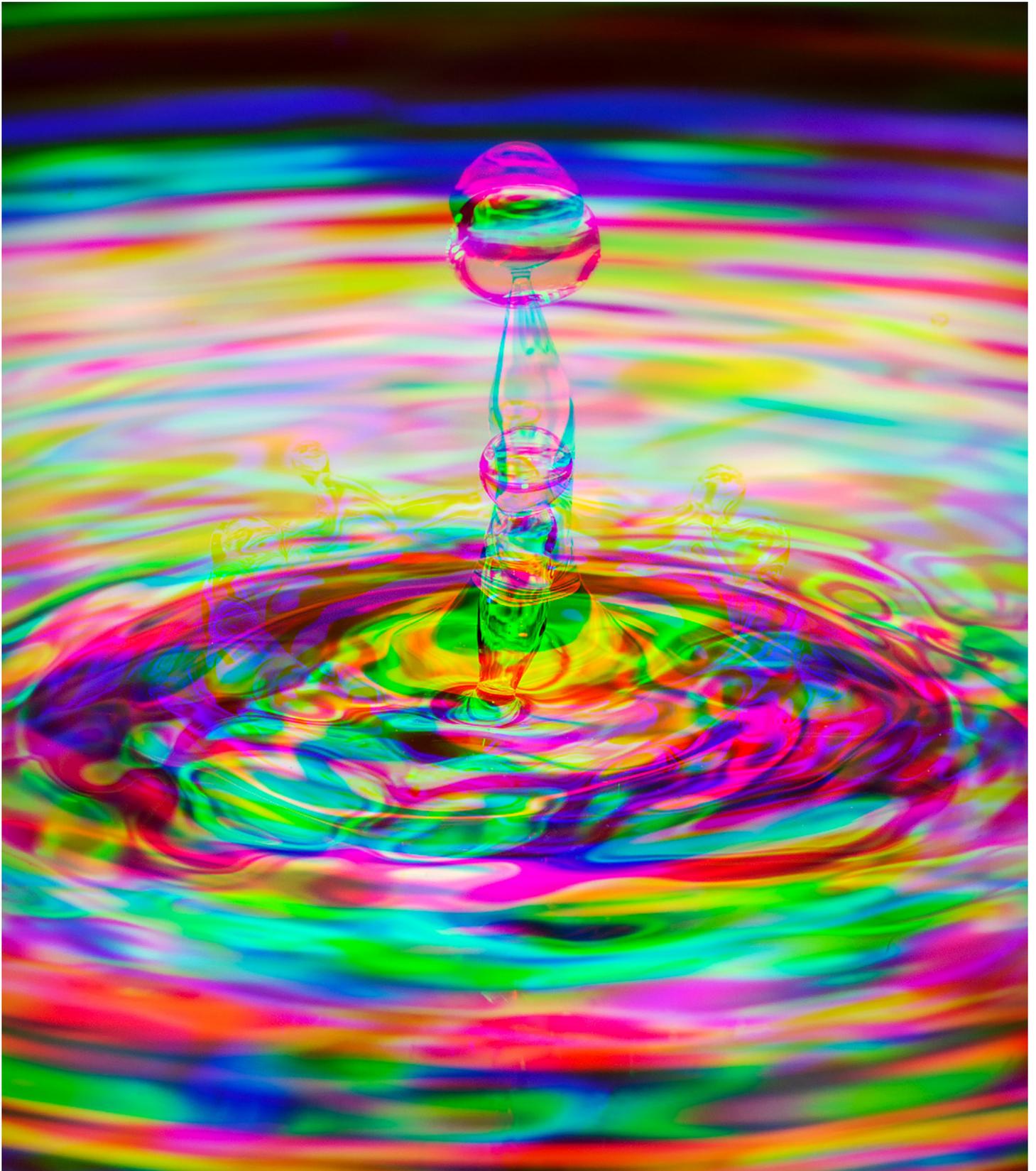
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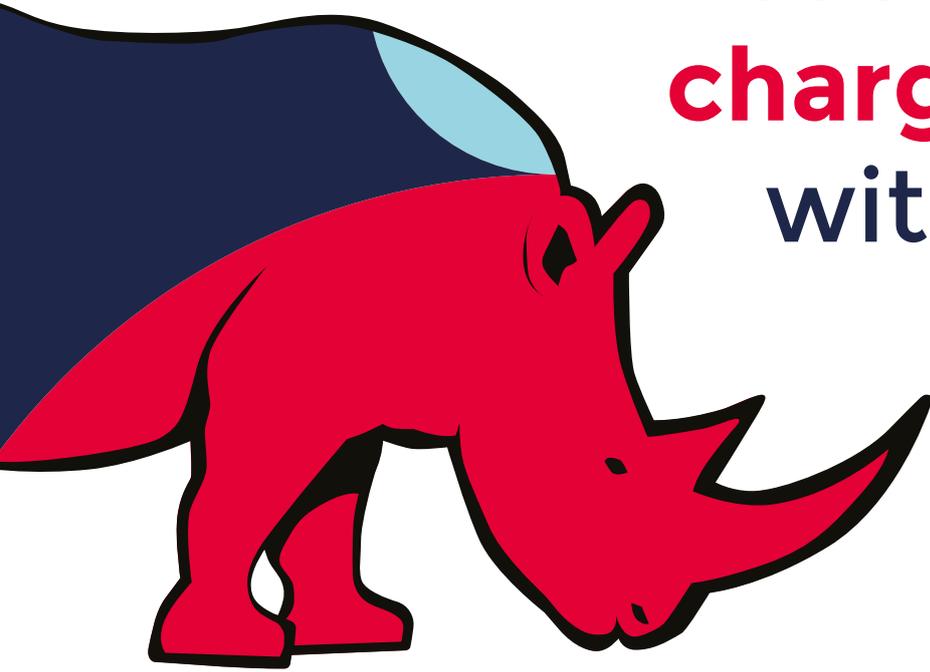
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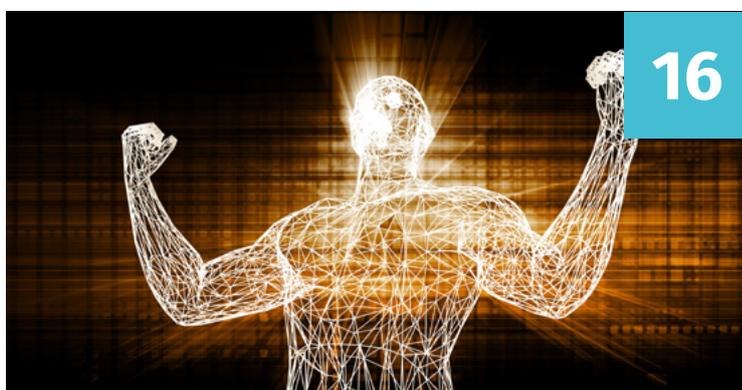


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# LEGAL IT TODAY

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## You're a good lawyer!

But sometimes, when you least expect it, you find yourself thinking about what it took to get here. And most of all, what it took was time. As far back as you can remember, you've been building this career. Doing this work.

You didn't become a partner overnight – it took your entire professional life to get to this chair, this office. On a road that seems to stretch back forever. So much of your life has been spent in this room, or another room just like it.

All those late nights. It sounds romantic, and exciting, but it means yet another box of crappy takeout for dinner, coming home exhausted again, and looking at your children while they sleep instead of talking to them.

It was especially tough in the summer. Those beautiful, warm quiet nights, when the day was over, but there was still daylight, and time to take a walk, or have a glass of wine, or talk to someone you hadn't seen for a long time. The whole world seemed to slow down a little, relax a little. Why couldn't you have done just a little more of that?

### **When did your life turn into this struggle with filing, tracking, keeping up?**

There was just so much to do. It never ended. And so much of it was just mundane stuff. While your family, and life in general, moved on without you, you were up late preparing prebills, or sorting through emails, or just dealing with the endless flow of paperwork.

### **Still, you can't help but think about the time.**

It's not ever coming back. You can't make any more of it. What you did with it was your choice. You had your reasons, and you weren't treated unfairly.

### **But where did all that time go?**

And the actual legal work wasn't the issue. There always was, and always will be, something deeply satisfying about practicing law. But you never had any idea about all the paper-pushing. The time-keeping. The endless, grinding work of keeping track of everything. Some day it won't matter, but now you still have to invest an increasingly precious, and rare, time into it.

You look forward, and you see, in your darker moments, an endless line of timesheets, stretching into a vanishing point you can't see, but know is there.

### **If only there was help with this. Something that would help you save all this time.**

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# EDITOR'S NOTE



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## WELCOME TO **ISSUE 25** OF LEGAL IT TODAY!

I hope 2019 is treating you well so far.

Over many years in the UK, no high-profile public figures were really prepared to make the case for EU membership. One prime minister decided to hold a referendum on the issue as a purely tactical move to make it go away. Another has proved to be completely incapable of building a consensus for meaningful negotiations.

There can be little doubt that the UK's current predicament is the result of multiple catastrophic failures of leadership. These failures have led many people to lose faith in the political process.

The International Legal Technology Association (ILTA) has also had a few leadership issues in recent years. However, unlike the UK—currently on the verge of asking the EU if it can delay Brexit while it has yet another crack at figuring out what it wants—it seems like these are now a thing of the past.

The appointment of Joy Heath Rush as chief executive officer is a promising first step towards restoring ILTA members' faith in the organisation. The outlook for ILTA seems a lot brighter than it did a year ago.

You can read an in-depth interview with Joy in this issue of Legal IT Today. She will also be speaking at Lexpo'19, our legal innovation event. As I write this, there are just 20 days to go until everything kicks off in Amsterdam. If you are going, I look forward to seeing you there and I hope you have a great Lexperience.

Many of the other excellent people who feature in this issue also have leadership on their minds. Jenny Jones, for example, makes the point that leadership behaviour has to role model and drive the culture that an organisation needs.

Ginevra Saylor's bid to drive innovation at Gowling WLG involves working closely with the executive leadership team. And Ari Kaplan notes that leadership support is one of the most important factors, if not the most important, in driving the adoption of contract analytics.

Some of this may seem obvious, but effective leadership should never be taken for granted. The last three years in the UK show that when it's not there, you really, really notice.

I hope you enjoy Legal IT Today. As ever, we aim to share ideas and opinions across the global legal IT community and stimulate discussion. Please get in touch with feedback and suggestions for topics, features and images. It is always good to hear from you. See you at Lexpo!

**Jonathan Watson**  
Editor

# NEW CEO TO LEAD ILTA INTO A JOYFUL FUTURE

BY JEFFREY BRANDT



Ahead of her appearance at Lexpo'19, Joy Heath Rush speaks to Legal IT Today.

In February, the International Legal Technology Association (ILTA) confirmed Joy Heath Rush as its new CEO. This was a role she had assumed on an interim basis in October 2018.

ILTA had been through some seriously rocky times as it transitioned from the leadership of long term executive director Randi Mayes to that of CEO

Dan Liutikas. Dan officially joined ILTA in April 2017 and the next 16 months would prove tumultuous for him and the membership of the organization. They were so tumultuous, in fact, that a portion of the membership actively petitioned the ILTA board of directors for his removal. Dan's departure was announced in late August 2018.



I had the pleasure of interviewing the ‘mother of ILTA’ Randi Mayes when she was about to retire (see LITT#15) and asked her what needed to be part of ‘Randi 2.0’ and what advice she had for her successor. ‘Love what you’ll be a part of creating,’ she said. ‘Love and respect the extraordinary spirit and culture of the organization. This is not just a job. It really is a passionate commitment. And I hope the new person will have that level of passion and commitment. Like in most things, it’s finding that perfect balance.’

Having known Joy for more years than either of us would care to admit, I think she fits Randi’s criteria perfectly. I sat down (virtually) with Joy recently and asked her how her appointment would change ILTA and her life.

**Listen. Listen. Listen.**

When Joy joined the troubled organization as interim CEO, she announced that her first priority was to listen. And without question, she says, the main thing she heard about from staff, members, volunteers and business partners was their ‘tremendous

passion for, love for and devotion to the organization’. There is just something about ILTA that’s special, she says. ‘It’s something that’s different. It’s something that transcends what other organizations are able to do. And it creates this tremendous emotional attachment.’

The second key message she heard was that people want to understand where they fit as the organization changes. People in non-traditional roles, such as consultants or press, were using the term ‘volunteer’ and asking how they could get involved with and contribute more to ILTA. They also wanted to know where ILTA stands in the legal ecosystem and what they could do to make sure they were serving all the citizens of ‘ILTA land’.

One ILTA member spoke to Joy about ‘knock-your-socks-off programming’. People love the content ILTA produces—the magazines, the podcast, the webinars and conferences—but they want even more. ‘They want more technical depth, more dynamic presentations and more diversity represented,’ she says. ‘People are hungry for ILTA to take things to the next level.’

*ILTA needs to be more agile—which means operationally excellent and more data-driven*

**Getting to know Joy**

Joy brings a diversity of experience to her role as CEO. She previously worked in law firms and has been an ILTA member and an ILTA volunteer. As a volunteer, she held many significant positions, including board member and president. Her last role before becoming CEO was as a vendor to the legal market with many ILTA speaking engagements.

Most people know Joy’s a hugger, but there are some other things you may not know about her:

- She is a ‘non-traditional’ drag race aficionado!
- She trained for the US Foreign Service and has a Bachelor of Science in Foreign Service from Georgetown University. If life had taken a different turn for her in college, she says, she could have ended up in the diplomatic service. Arguably those diplomatic skills have been put to good use engaging lawyers over the years and when she took over at ILTA!
- She studied voice for five years (as you can tell if you have ever heard her sing).
- She is a huge American Civil War buff and is especially interested in understanding the part that geography plays in battles. She believes strongly in ‘getting the lay of the land’.

Joy’s key influences include the faculty at Georgetown—especially those who taught her ‘the power of brevity,’ she says. From Rob Rubenstein, one of her first bosses at Sidley, she learned that ‘sometimes you have to settle for less than your best if it’s the best that you can do with what you have’ and that ‘good business involves treating people well’. Another major inspiration was the objective and deliberate management style of Judi Flournoy, her predecessor as president of ILTA. She has also learned a great deal from people who persevere through adversity and from her family. Her husband’s life of service—in Vietnam, as a volunteer fireman and working in a hospice—had a big impact on her. Evidently so, since she married him!

**The role of ILTA CEO**

What is Joy’s biggest challenge as ILTA CEO? ‘Having enough hours in the day,’ she says, only half joking. She wants to do as much as she can, as quickly as she can, to get the association to the

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'next level'. Joy estimates that she is spending four-plus hours a day just on the listening part of her job. 'To listen properly, to give people the amount of time they want, and to pick out the things that are "actionable"—that takes time.'

Her second biggest challenge is 'getting her arms around the things that have changed'. While she has already been involved in ILTA in many different roles, many of those roles are different now, and as a business partner, her view of the organization was very different. She has to work to understand the newer volunteer structures and the modern operation's needs, and to get to know the staff and new members and volunteers. Joy says she inherited a 'pretty fantastic staff' and she has 'made a few pretty fantastic new hires'.



## International Legal Technology Association

### *In the future, lawyers will be in all kinds of roles they may not be in today*

Joy thinks the volunteer structure is the most significant difference at ILTA compared to the organisation she used to know. As she learned to master that structure, she learned to love it. 'The fact that there are so many volunteer roles accommodating so many people's schedules and talents and skillsets—it allows people to contribute to the organization in the way that makes the most sense for them and which is easiest for them to support with their work schedule. There are more volunteers than ever. It's fantastic!' According to her, 'it feels like all the experiences of my work life wrapped into one have led me to this point'.

#### **Life in ILTA land**

When I ask Joy what most members of ILTA may not know about the organization, she mentions its advocacy role. 'I don't think they know how much advocacy has been involved in the ILTA mission over the years,' she says. 'It is an important part of ILTA's history.'

Joy sees organizations like CLOC, ALT, LegalTech, ABA Techshow and others as affiliates rather than competitors. 'It takes a village to raise a lawyer,' she says, stealing and paraphrasing a line used by Hillary Clinton. It takes all kinds of professionals, including finance, IT, marketing and HR to make a law firm operate. 'While the undercurrents of technology are everywhere, you have different people in different roles with different needs and hopefully all these organizations can complement each other

and in appropriate cases, work together to improve support for the practice of law,' she says. 'There are so many people who have a stake in ILTA's success, and that includes the affiliate organizations.'

On the subject of the Association of Legal Technologists (ALT), the group that was created as a result of the issues ILTA was experiencing under Liutikas, Joy said she enjoyed it. She attended the first conference as a business partner and the second as ILTA's interim CEO. Smaller networking groups can offer some unique advantages, she says. Joy compliments the ALT on its subgroup of young professionals and says she wants to connect with them to help expand and bring more young professionals into the industry and to make sure that their unique needs on how they learn, on how they consume information, are met.

### **DID YOU KNOW?**

*Joy's first job out of college was a temporary office job as a 'gofer' for a shared services company. They were bugging her to go off to a word processing training class and she kept saying no. She figured that if she went, she'd be terrible at it and get fired. Eventually she ran out of excuses and ended up attending. She came back telling her boss: 'this is the best thing ever!' That was the beginning. She did word processing for law firms in that shared space and the rest, as they say, is history.*

#### **The future**

Asked about changes to the legal vertical market, Joy says there are three big buckets. The first is consolidation. Law firms, business partners and clients are all consolidating and it is getting more and more difficult for smaller companies to compete. All organizations are striving to be more data-driven. That in turn, impacts the decision-making parameters and how services and products are procured, priced and delivered.

## People are hungry for ILTA to take things to the next level

According to Joy, the second bucket relates to changing business models, which she says is different to consolidation. 'It includes governance models,' she says. There are some law firms in the UK and Australia who are getting ready to be publicly traded. Joy realizes there is resistance to this in the US, but thinks that may fade if people decide those new capitalization levels are required to grow and compete and acquire new technology. The competition from the Big Four and their extensive list of audit clients isn't to be taken lightly. As everyone knows, the easiest way to get more business is to look to an existing client.

Understanding the changing role of the lawyer is the last bucket. 'Look at all the lawyers who are in knowledge management or the eDiscovery space,' she says. 'There are going to be more lawyer roles that don't necessarily involve being on the associate or partner tracks. They can be data scientists, or legal project managers, or they can be in innovation roles.' Making things better and providing greater differentiation is going to require people who have knowledge of the law and of the practice. 'Lawyers will be in all kinds of roles they may not be in today.'

### ILTA in 2019 and beyond

Looking ahead to the future, Joy says the listening cannot stop. It's all about understanding the 'yin and yang' of ILTA, 'knowing what to change and what not to change.' Joy doesn't have many buttons to push, but telling her 'because we've always done it that way' is the way to push all of them at once!

That said, advocating 'change for change's sake' is not great either. Knowing what you can't change is critical. Joy says that in ILTA's case, you don't want to mess with the volunteer spirit,

the community of trust or the sharing of information. 'It's critical to ILTA,' she says.

So what can change? Joy says she wants to 'tackle diversity and inclusion at all levels' from gender to roles within an organization. Lots of our worlds are evolving and ILTA needs to evolve with

them and provide training and skillsets. 'ILTA needs to be more agile—which means operationally excellent and more data-driven.'

When I ask Joy about rebuilding trust with the membership, she says 'rebuild' is a difficult word for her as she spent the last five years on the business partner side, not as a member. She's heard a lot, but didn't experience any loss of trust first hand. As a business partner, she noticed room for improvement on the vendor side and she's brought that insight to the organization. 'What I think is always going to be true, whether you start from a place of trust or a place of distrust, is that it's very easy to change that dynamic in a negative way,' she says. 'Mistrust can become deeper mistrust. Trust can become mistrust.' Her answer



# ILTACON 2019

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## WHAT'S YOUR FAVORITE TECH?

Joy describes herself as 'not so much a tech nerd as a faux technologist'. Her Android-powered Samsung smartphone and her Fitbit are rarely far from her side. On the software side, oddly enough, she mentions her mobile banking app, and she counts the LinkedIn and ILTA Connected Communities apps as other indispensable tools. As a huge movie buff, she has to have the ticketing app Fandango and of course, the NHRA (National Hot Rod Association, for the uninitiated) app for the live streaming of drag races.

*It feels like all the experiences of my work life wrapped into one have led me to this point*

One of the next opportunities to meet Joy will be at Lexpo'19 in Amsterdam. She is very excited about attending and speaking. 'There has always been a lot of innovation coming out of firms in the Netherlands,' she says, and she is glad to have the opportunity to access them and bring ILTA to them.

I think the membership is very relieved to have Joy on board. When I asked other members what they thought of Joy's appointment, I couldn't find anyone with anything negative to say. 'Joy is a fantastic pick,' says Scott Rolf, chief information officer at Tucker Ellis. 'Having served in roles on both the membership and vendor sides, she understands the organization very well. As a former volunteer, she appreciates the unique culture ILTA brings and I expect the organization to thrive under her leadership.'

Joy understands that members volunteer 'for the experience, the camaraderie and the joy of helping, not to provide free labor disguised as servant leadership,' adds Kevin Sullivan, director of technology at Cohen & Grigsby.

ILTA is in good hands and back on track!

*Jeffrey Brandt works as the Chief Information Officer at Jackson Kelly PLLC in Charleston, West Virginia. Jeff is also the Editor of the popular PinHawk Legal Technology Digest (a daily aggregated newsletter with a circulation of about 16,000 legal and technology professionals), a respected thought leader in the legal technology community and frequent educational speaker at regional and national user, trade shows and industry conferences.*

to improving or maintaining trust is transparency and communication.

Complacency is the biggest challenge for ILTA going forward, Joy says. ILTA has had a very strong brand for a very long time, but 'we can't rest on our laurels. We have to keep being relevant. We need to be delivering the right services in the right way at the right level of quality to meet the needs of all the citizens of ILTA land'.

### What's next on the horizon for ILTA?

Joy wants to make sure ILTA staff know what success looks like. They are striving for operational excellence. They are making sure that there are no second-class citizens in ILTA land—that everyone feels valued. They are working hard on putting the 'international' back into ILTA. She wants to make sure the tremendous enthusiasm and value of those members residing outside North America is highlighted and their experience is improved. Better volunteer development is also on her list, not only as volunteers but in their chosen careers as well. She says we'll see ILTA being more visible this year as it improves its networking with other organizations.





# ALIGNING LAW DEPARTMENT PRACTICES WITH PERCEPTIONS OF CONTRACT AI

BY ARI KAPLAN

A new survey from Ari Kaplan Advisors suggests that executive support for Contract AI is strong and that usage is expected to grow.



 Lexpo Speaker

As the use of artificial intelligence in corporate law departments grows, it is critical to align the perception of the technology with its practical application. For that reason, Seal Software engaged Ari Kaplan Advisors, a legal industry consultancy, to interview 30 professionals from large corporations to provide a realistic perspective on their challenges and triumphs. All but one of the respondents were lawyers. Sixty-three per cent were with organizations

that had more than \$5 billion in revenue and 73% worked at companies with more than 5,000 employees.

The resulting report—Understanding Legal AI From the Inside Out: A Benchmarking Report Identifying How Corporate Legal Departments Perceive and Apply Contract Analytics—offers direct insights from decision-makers on usage, trends, applications and developments. Among many compelling conclusions was the overwhelming

finding that the legal team in every organization represented in this report exercises influence over the adoption and deployment of this technology.

That influence has made a material impact, with 37% of the respondents reporting that they are currently using artificial intelligence for analysis and review of contracts and agreements (Contract AI) and 50% of them expecting their spending on Contract AI to increase in 2019. Of the respondents who do not use Contract AI, 58% have considered doing so. These statistics reflect an imminent period of growth that is likely to reshape the trajectory of this sector.

### **Users of Contract AI report overwhelming executive support**

91% of the respondents who are using Contract AI and 79% of non-users reported that they have executive support. 'You will not get the old school resistance about its practical application, but they want to see hard data supporting the potential results; that said, they are convinced that AI can help us do things faster, cheaper, and better,' said one respondent. 'You can get the meeting because they believe in AI, but you had better back it up with support to persuade them to release the money,' the individual added.

### **Contract AI has positive momentum**

64% of those using Contract AI rated their prior use of it as a one out of five. Not a single respondent rated their organization's use of Contract AI in the coming year a one on that same scale. In fact, 64% rated their use of Contract AI in



the next year a four or five. 'To the extent there is AI that is relevant to what we do, we have a mandate from the top down to use and implement data analytics and AI,' noted one participant. 'We are really hoping to be much more proactive,' added another.

### **A majority of non-users of Contract AI are considering it**

58% of the respondents who do not use Contract AI have considered doing so and 32% of those respondents who are not using Contract AI have considered a proof of concept. 'It has been discussed in connection with the company's growth strategy,' said one participant. 'I cannot see how it is not

on the immediate horizon, but it is just a matter of budget and standardization,' added another. 47% of respondents who are not currently using Contract AI rated the likelihood that their organization will use it in the coming year at a three or more out of five.

### **Contract AI is being deployed in a diverse array of areas**

91% of the respondents who use Contract AI identified risk and sourcing/contract management as the functions that are most likely to apply this technology to their work, followed by compliance, the business units and procurement at 82%. 'We use it in the analysis of distribution contracts, which represent about 20% of the contracts we evaluate annually, but our goal is to roll it out worldwide,' said one participant. 'We use it to help the procurement team extract information in M&A transactions and to support the integration of newly acquired businesses generally,' added another.

Additional applications include:

- Leveraging AI to answer questions from management and other stakeholders.
- Using natural language search to identify provisions in a contract.
- Evaluating third-party supplier documents that are required or prohibited by regulation.
- Identifying legal risks in the form of clauses in contracts on the sell side

*The fear is that you will end up with the proverbial treadmill in your bedroom that you don't use and hang clothes on*



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so that when the company sells its products to its customers, it uses Contract AI to help its attorneys analyze those contracts for risks.

Many of the participants highlighted how quickly Contract AI enhances their ability to identify inconsistencies in their agreements, automates some element of their review and helps them manage mergers and acquisitions more effectively. They emphasized the increased speed with which they can perform these tasks and additional intelligence they gather about their entire universe of data.

'Anticipatory contracting is where you will be able to see insights and wield them towards a more digitized service,' explained one participant. 'We apply the technology during the negotiation stage to influence the discussion based on prior agreements and post negotiations to ensure compliance with updated regulations,

such as anti-money laundering laws and Brexit,' added another.

### **Greater understanding of contract AI is likely to increase adoption**

Those who are not currently using Contract AI were either unfamiliar with its value, studying the costs and the benefits or waiting for their existing contracts management technology to become more popular within their organizations before supplementing it with AI. Some were also sensitive to the need for cross-departmental coordination or budgeting, which was a challenge for them. 'The fear is that you will end up with the proverbial treadmill in your bedroom that you don't use and hang clothes on,' noted one respondent.

As familiarity increases and use cases become more common, additional organizations are likely to test the application of Contract AI on their documents. The changing nature of corporate and legal department

leadership is also shifting the conversation to foster an honest dialogue about how corporate legal departments perceive and practically apply contract analytics in a broad range of matters. This new research confirms that executive support for Contract AI is strong, that usage is expected to grow, and that as more professionals learn how to effectively leverage it, it could become ubiquitous in enterprise transactions.

*Legal industry analyst Ari Kaplan is the principal of Ari Kaplan Advisors ([www.AriKaplanAdvisors.com](http://www.AriKaplanAdvisors.com)). He produces a range of market research, serves as a ghostwriter for legal tech companies and law firms and speaks at industry events. You can download a free copy of 'Understanding Legal AI From the Inside Out: A Benchmarking Report Identifying How Corporate Legal Departments Perceive and Apply Contract Analytics' at <http://bit.ly/2N1A3y4>*

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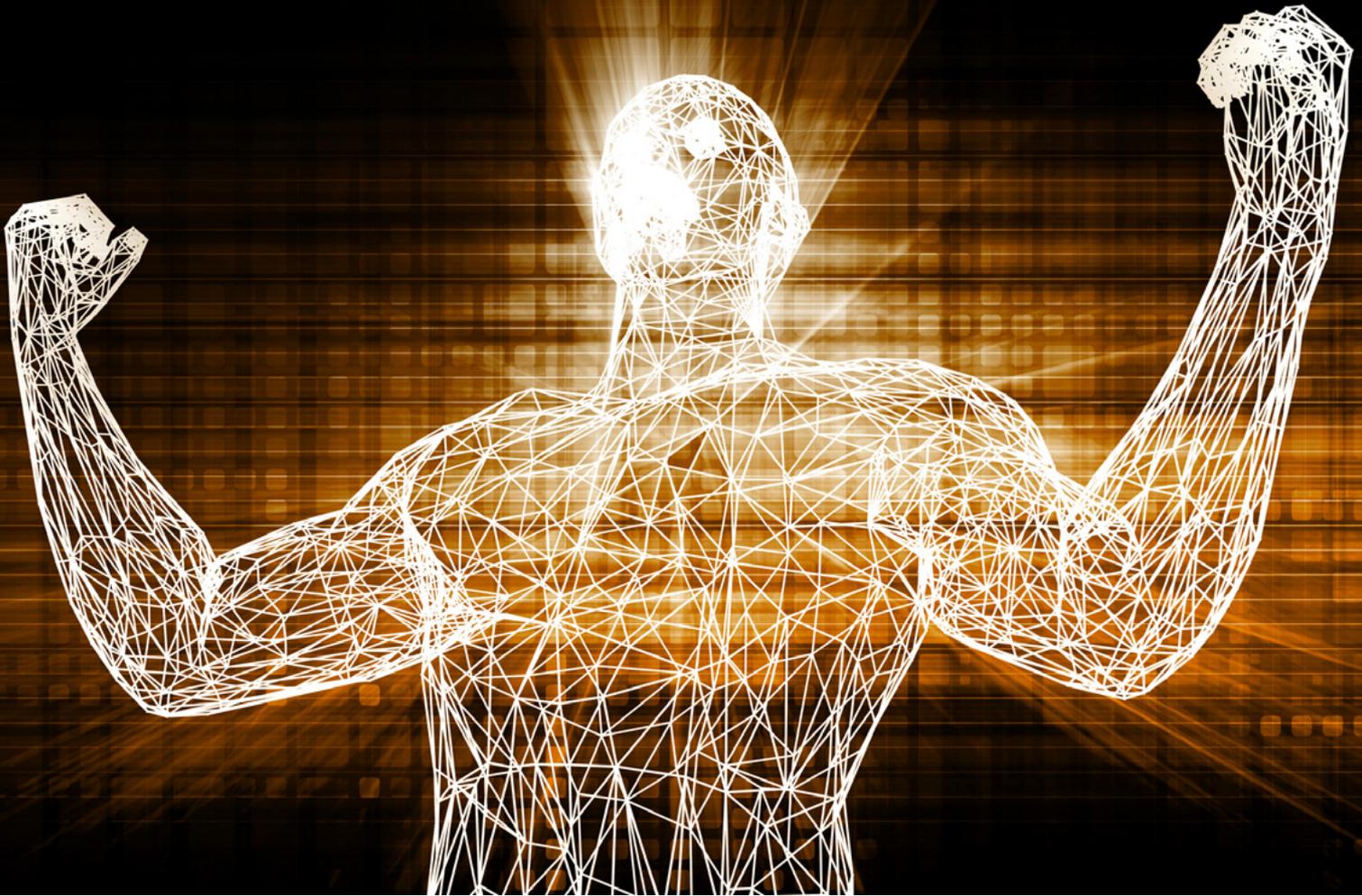


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# TECHNOLOGY DRIVEN DISRUPTION CAN BE A POSITIVE

BY JENNY JONES



 **Lexpo Speaker**

Technology driven disruption can be good for organisations, if they can use it to develop and are prepared to continually learn and adapt.

It's said that change is the only constant in life. At the intersection of technology and work, where new technologies are continually creating markets and redefining ways of working, this is certainly true. Organisations which are alert to changes embrace them and adapt. But this means managing the disruption that inevitably accompanies it.

The problem is that yesterday's organisational structures and cultural values and behaviours are not all conducive to the more dynamic environments which are now needed to accommodate new technologies and promote innovation.

The problems many organisations face today are inherent in the philosophy

underlying the model promoted at the beginning of the last century by Frederick Winslow Taylor. He believed that workers' tasks should be well defined, measured, and controlled.

With the objective of making people as consistent, reliable and efficient as the machines they supported, managers came to regard employees as little more than another factor of production. As companies grew, senior management tended to focus on defining strategy and introducing layers of management and systems to retain control over the frontline.

But times change. Leaders must make a cultural shift away from outdated systems and structures and empower and engage their staff. The skills and aptitudes of each member of the organisation need to be harnessed to drive the organisation forward.

This is not to deprive organisations of processes and procedures. But it is to redefine them to be more supportive of, rather than a hindrance to, a culture focusing on their people. A culture that can support the new digital age.

While business has always tried to move with the times and adapt to new technology, the need to transform significantly has not been there. The difference now is the speed of change. Technology is an enabler and organisations need to learn to use it to best effect, and quickly. The people who operate the technology, and their ability to communicate with each other, are the key to a business.



Part of the challenge for organisations is to evaluate which new technologies and advancements they are ready for and—most importantly—which ones their customers are ready for. Difficulties in introducing technology often lie in organisations looking for innovation for the sake of it rather than for what it can deliver internally and what best serves the customer. This is where the knowledge and capabilities of the frontline can be most useful.

To promote and harness the best innovative environments, organisations need individuals to be able to 'bring themselves to work' and not be the compliant, robotic procedure followers that were once sought.

It is difficult to change a culture when organisations are uncertain what their

culture actually is. They need a means of assessing their culture objectively, rather than relying on 'gut feel'. They need to articulate what their strengths are and have an awareness of their negative attributes. They need to know what sort of people are working for them and what different cultures exist across their business.

Values drive behaviours and positive values allow us to live authentically, to add to the greater good and to build connections. Key values for innovation will include collaboration, team working, creativity, curiosity and empowerment, which can sit alongside other values such as accountability, integrity and commitment to keeping a balance and ensuring good governance.

When leaders rely on their instincts to manage culture, there is a danger that even when there appear to be good behaviours, some individuals may let their fears govern their decisions when the pressure is on. Negative values arise from people's fears and anxieties about not being able to meet their needs, and these lead to potentially limiting values such as caution, control, bureaucracy and being liked, which hold people and innovation back.

Once organisations have understood what they have in terms of these values and behaviours, then they can start to manage their culture and empower the frontline to lead the way to revolutionise their business offering. They may find

*To promote and harness the best innovative environments, organisations need individuals to be able to 'bring themselves to work' and not be the compliant, robotic procedure followers that were once sought*



that their employees, who have been toeing the corporate line and dutifully doing what senior management expect them to do, actually have an abundance of creativity, humour and other personal values that are conducive to an innovative environment.

One outcome of good cultural health is greater connectivity. This is important in the formation of strategic partnerships, which is one of the ways organisations are responding to the speed of market changes and their need to drive growth. Teaming up with other organisations can help both parties reduce costs, be more flexible and minimise risk.

There are analytics available which can help measure organisational culture and give great insights into the culture of an

organisation and who its people really are. We use a values-based assessment that is mapped against actual performance metrics. It can identify the causes of desired (and undesired) behaviours and recognise and unleash potential and possible blind spots holding people back. This approach enables a firm to align its purpose, people, values and processes in an informed way. Culture will be the new capital competitive frontier and there are innovative ways to manage it.

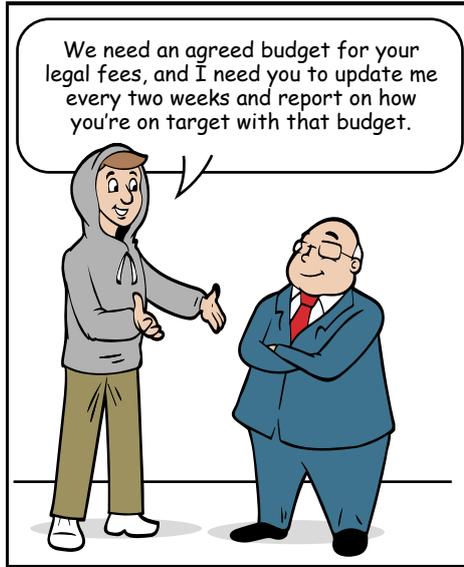
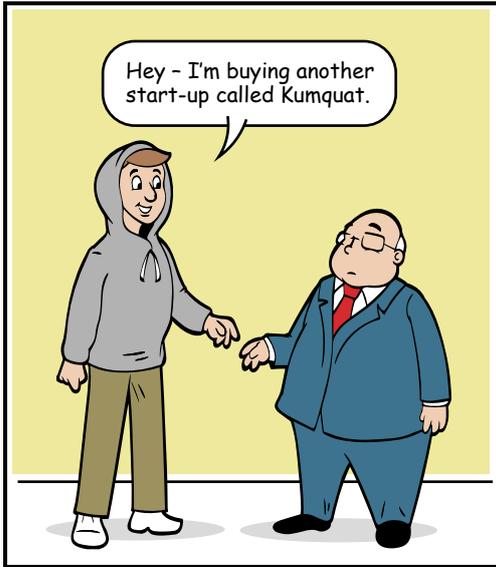
Technology driven disruption can be a positive, if an organisation uses it to develop and is prepared to continually learn and adapt. It is important for leadership behaviour to role model and drive the culture that the organisation needs. Just changing systems will not be enough. Leadership behaviour and

performance management are the two primary drivers for cultural change. The better the culture, the more agile and resilient the business will be. We do not know what the future brings, but we can prepare for it. After all, change is a constant.

*Jenny Jones FCA is a co-founder of Metis, where she uses tangible culture metrics to focus on converting organisational culture into a competitive advantage. With 25 years' experience in senior management, including eight years at leading legal sector consultants Jomati and seven years at Linklaters, Jenny advises international organisations on strategic mergers, profitability, culture and change management.*

# HOODIE GUY & THE LAW FIRM

## 1. Monitoring the Budget



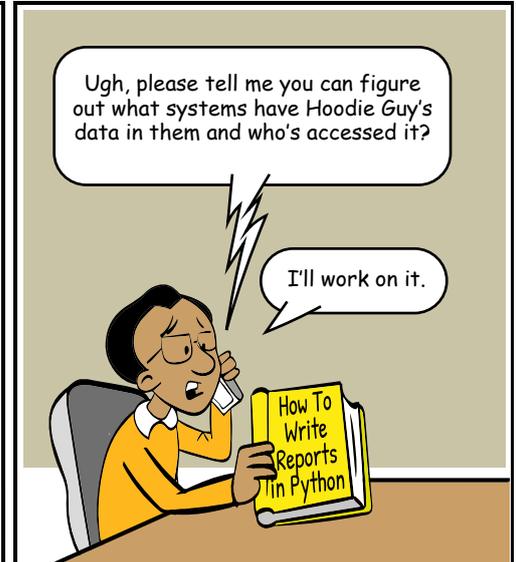
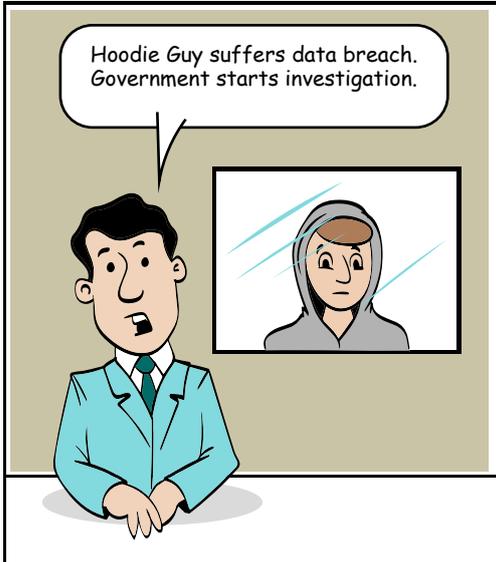
## 2. Data Access



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## 3. Data Breach



# PRACTICE VENTURING IS THE WAY TO FUTURE-PROOF A PRACTICE GROUP

BY JOSH KUBICKI



Gaining a competitive advantage requires more than incremental or isolated attempts to improve—it demands a holistic approach.

Competition in legal occurs at the practice and sector level, not at the firm or organizational level. So while overall 2018 will be viewed as an 'up' year for #biglaw, many practice areas are underperforming and under stress. Assessing firm performance only at the firm aggregate level masks many (many) strategic and performance challenges within the portfolio of practices they house.

But these practice groups are not simply legal practices. When looked at critically, each of these groups and teams are actually businesses in and of themselves. Yes, these distinct practice groups and specialty teams are in essence real businesses. They possess all the elements of a complete business model. To be clear, some are more mature and sophisticated than others.

As such, law firms are housing dozens, if not hundreds, of small to large businesses.

While attempts to remove waste and gain efficiencies have been explored and implemented to some degree, lawyers are realizing that this is simply not enough. Labor arbitrage by itself is seldom sufficient. Technology is often purchased in a vacuum, with the buyer too often skipping over the necessary work that would help ensure a meaningful impact. Also, tech is only partially integrated into systems and behavior, leaving it grossly underutilized and often ultimately ignored.

### **Rise of captive NewLaw and alternative legal service providers (ALSPs)**

Many of these practice areas are becoming more challenging to compete and remain profitable in as competition increases, price pressures mount, new providers emerge and client demands intensify and change. While there are still many practice areas that can operate within the more traditional platform of a law firm, more and more firms are facing pressure to respond to market changes by augmenting or completely overhauling certain practice group business models. This is creating significant structural, cultural, and financial stress within firms as they struggle to operate the existing business platform while exploring, testing and launching new models.

‘Given the challenges firms will face in a market where competition is likely to remain fierce, pricing pressure will remain and costs are likely to rise, firms are likely to make changes to their business model to focus on growth and efficiency,’ says the 2019 Citi Hildebrandt Private Client Advisory. ‘As mentioned earlier, in addition to investing more in the practices that they are best known for, and that deliver the greatest profits, they tell us that they are addressing underperforming practices and offices. Driven to become more efficient, they tell us that they will introduce more alternatives to traditional leverage and look to use more technology... Above all else, many have told us that the biggest changes to their business models will be a shift in how they approach the delivery of legal services based even more from the mindset of the client, solving their complex business issues within defined budgets, using alternative pricing, project management and emerging technologies [emphasis added].’

In short, law firm leaders are beginning to understand that to compete and win, they have to begin to reengineer, not just add laterals. This is leading to the growing trend of partners experimenting with new types of service and business models, or in other words, captive ALSP-like models. This is not a new phenomenon, but it is growing and will accelerate quickly.

Outside of legal, exploring new business models is a recognized way for mature companies to renew their competitive advantage. Companies explore new value propositions, enter new segments, reshape the value chain and experiment with alternative revenue models—all in search of a different logic for value creation and capture. This is often referred to as corporate venturing, intrapreneurship or corporate startup initiative.

The drive of firm practice leaders and practitioners to stay competitive or gain an advantage is what is driving the real innovation (often #unsexy and rarely reported on) within legal. These are the lawyers who ‘get it’ or are close to ‘getting it’... the ‘it’ in this case being the fact that technology, process, talent and client experience are all levers they can pull to reengineer their practice or redesign it completely. And to what end? More clients, more money, more growth and more security.

What happens, though, when the appetite for a practice group to change or grow begins to stress the current law firm platform they are on? What are the options? All too often, both firm leadership and the practice group take the path of least resistance. That is to die slowly on the vine and all that entails. While still uncommon, there is a growing number of lawyers who want to part ways with this apathetic approach. They want to take action. They want to both evolve and grow as well as assess what platform elements they will need.

Right now, there is no formula for doing either. These types of decisions are typically made ad hoc or with limited views of the market and limited appreciation of the demands on the practice and law firm business models. Relying on too many hunches and not enough rigor, these businesses and firms are limited in their clarity and options set.

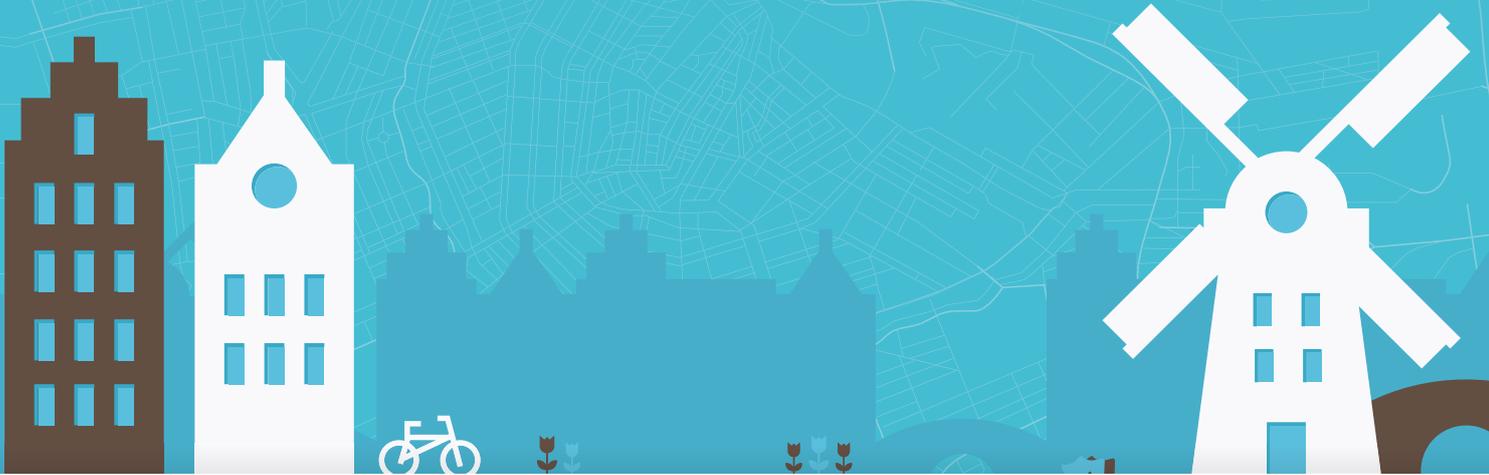
Practice venturing is the method for addressing these challenges with clarity of need and confidence for growth.

### **Practice venturing**

Practice venturing is designing a new business model through the process of discovering, testing, validating and launching (and perhaps buying

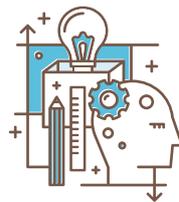


# THE LEGAL INNOVATION EVENT **Lexpo** 2019



## Collaboration

Collaboration is key, not only between lawyers and their clients, but also between the professional experts working in different practice areas. Partners might recognize the need to change, but their buy-in doesn't always translate to a change in behavior. At Lexpo'19 we explore different perspectives and let key stakeholders take the stage!



## Differentiation

Innovative legaltech solutions are hitting the market at an ever-increasing rate, thereby facilitating the creation of level playing fields for all involved parties. How can law firms differentiate themselves to demonstrate competitive advantage to their clients? There will be multiple sessions at Lexpo'19 that will help formulating your strategy.



## Valuation

What is legal advice really worth to clients? Does the means of delivery affect the value? How to work out the right price on the right deal? Can pricing and client service strategies help to differentiate a law firm from its competitors? How to define what customer-focused really means. And how can technology play a role? At Lexpo'19 prominent subject matter experts will share their views.



## Cyber Security

The news is full of stories about law firm hacks and ransomware victims. Cybersecurity remains a top priority for law firms, the reality is often disappointing: expensive security projects that do not necessarily offer a return on investment tend to be pretty unpopular with CIOs! At Lexpo'19, we won't just stress the importance of cybersecurity—we'll try to find ways of improving security while keeping everyone happy.

## LEXPO - LEGAL INNOVATION WITHOUT THE HYPE

In just three years, **Lexpo** has become the number one event in Continental Europe when it comes to the latest trends in legal innovation. Internationally renowned speakers will discuss topics that are high on the agenda in every law firm and in-house legal department. Visit [Lexpo.com](http://Lexpo.com) for more information.

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[www.lexpo.com](http://www.lexpo.com)

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## Outside of legal, exploring new business models is a recognized way for mature companies to renew their competitive advantage

or selling) a new strategy and value proposition, a new market or customer segment, and a new business model. This is not to be confused with adding expertise to an existing practice to extend reach or increase capacity. It is about reengineering a practice to better address client needs and opportunities. When done completely, something is created that is often new and departs from the traditional legal service model.

Practice venturing does bend (and sometimes break) the law firm business model. That is because practice venturing happens inside the incumbent firm. As noted earlier, all of its systems, operations and business practices are designed to serve the status quo. This is not a bad thing. It is in fact evidence of a mature and successful business. However, it does mean that to succeed at practice venturing, the groups not only need to focus on validating their changing business but also have to focus on organization-wide adoption of their changing business. This creates stress, dissonance, confusion and often outright hostility toward the practice group.

Our research and experience show that there are several dilemmas that the firm and the practice face, such as:

- How to measure using non-traditional means and metrics (the CFO dilemma)
- How to brand and market avoiding brand confusion/dilution (the CMO dilemma)
- How to staff/compensate/reward (the Incentive dilemma)
- How to market internally (the Antibody dilemma)
- How to manage (the Survival and Sustainability dilemma)
- How to test and validate (the 'Hurry Up!' dilemma)

- The role of digital (the Shiny Object dilemma)
- How to navigate ethics and professional responsibilities (the Regulatory dilemma)

To sum up, every practice venture faces a two-pronged challenge. The first is the (re)design challenge. This is the process of searching for a new, repeatable and scalable business (practice) model that better addresses or takes advantage of market/client conditions. It requires partners to work long hours outside their normal duties, and make many pivots, to identify the market fit, validate the business and articulate a winning business model that can then be repeated and scaled. Most lawyers are inexperienced in this process and therefore struggle through it, often only doing part of the work, failing in the change management of firm leaders and business functions, missing the mark on strategy or abandoning it outright.

The second is the organizational challenge. This is just as challenging as—perhaps even more challenging than—the (re)design challenge. And it must be faced in parallel to it. The venture must obtain the permissions, protection, resources and so on needed to launch the initiative and then must work to retain that support over time as conflicts (political, operational, strategic) arise (which they always do). This too is often overlooked or simply overwhelms partners and leads to the organization failing to adopt change.

While these challenges can be complex and generate vast amounts of unnecessary stress, they must be addressed. Avoiding them, in our experience, always leads to failure. This

can be through the buildup of animosity and hostility to such a degree that relationships are ruined and debilitating. Or more often, there is a tendency only to tackle these challenges partially, only addressing low-hanging fruit, while ignoring the hard stuff like sacred cows, performance and operational analysis, accountability and decision rights and opportunity sizing.

### Conclusion

Avoiding a practice venturing approach may be faster and easier, but it leads to marginal gains or outright failure, providing only a temporary relief. Gaining a competitive advantage requires more than incremental or isolated attempts to improve. It demands a more holistic approach, not because the process of practice venturing is sacred, but because to properly and meaningfully address the market challenge/opportunity, a recombination of talent, technology, process and experience (as in client/partner/employee experience) must be made.

That is why the ALSPs and Big4 are making a dent in the market. It is not about their technology, their talent, the way they operate and work or how they interact with clients and among themselves. It is about all four of these things and how they combine them. And the simple fact is that most law firms and legal teams are missing this. In truth, many law firms are outright ignoring it. But in-house is paying close attention.

*Josh Kubicki is Co-founder and Business Designer for Bold Duck Studio, a strategic design company that helps future-proof B2B services. He is a former Chief Strategy Officer in BigLaw, has worked in Verizon's general counsel office and helped launch and advise dozens of legal startups. Over the last 20 years, Josh has merged his experience in design thinking, lean six sigma and strategy execution to build services and products for business and legal teams. He excels at creating design-driven growth and development strategies and pin-pointing organizations' competitive advantages. He is a lawyer by training and an intrapreneur by experience.*



# PRACTICAL AI CAN TRANSFORM HOW LAWYERS WORK

BY PETER WALLQVIST



Practical AI is not an ‘either/or’ proposition—it’s about humans and AI working together.

Competition between AI and lawyers is constantly in the news, and if we were to believe everything we read, we might even think that hiring ‘robots,’ rather than human lawyers, for legal work such as due diligence, contract risk and other processes was a better option.

While of course this isn’t entirely the case, software infused with AI capabilities

has an important role to play in today’s law firms. These software applications are a prime example of ‘practical AI’—AI that is available today for augmenting or automating manual processes and carrying out specific tasks, helping firms increase efficiency, improve productivity and mitigate risk.

These AI software applications, when properly trained, can enable lawyers to

*Eventually AI will be just something that's there, available for lawyers whenever they need it, ready to enhance or streamline whatever task needs doing*

complete projects faster and at lower cost, deliver more valuable insights to clients and create entirely new services. They can even make work more enjoyable for lawyers by taking some of the tedious 'grunt work' off their plates.

This is the promise of practical AI—and it will transform the way lawyers work.

**Myth vs. reality**

Before we take a closer look at how practical AI is typically applied and some of the benefits it provides, let's dispel some myths surrounding the adoption of AI within the legal sphere. One of the most common misperceptions is that 'adopting AI' means 'replacing humans with robots'.

To be clear: there's no AI currently deployable that can perform a lawyer's job. On any given day, a lawyer uses legal judgment, reason, communication skills and a host of other talents. AI, by comparison, can really only handle a relatively small subset of tasks in very specific domains.

AI won't be taking a lawyer's job anytime soon. What it can do, however, is make people more effective at their jobs—and make their average workday more pleasant. This is because the subset of tasks that AI is really good at tends to include very time-consuming, arduous work that humans would be happy to have some assistance with.

Think here of document review. A law firm might have scores of documents filed away within its document

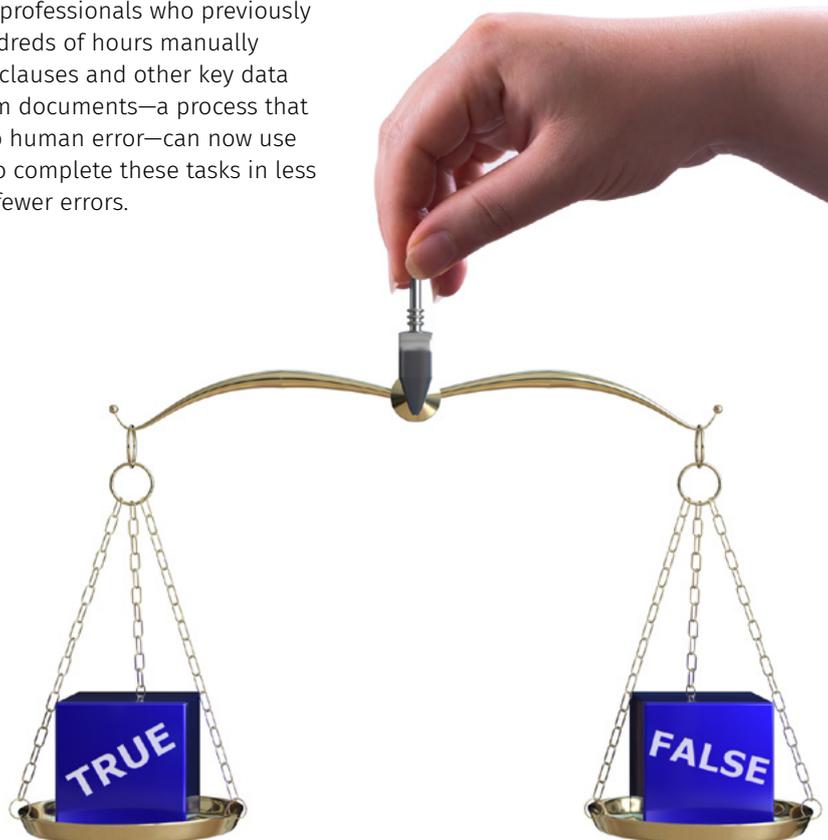
management system—anything from loan agreements and share purchase agreements to employment contracts and other types of legal documents. Practical AI software can help review thousands of documents in a fraction of the time it would take a human; it can interpret and understand the contents of the documents; and it can classify and categorise each document appropriately.

Better yet, once a document has been properly classified, practical AI can be used to extract specific pieces of information from it. Law firm associates and other professionals who previously spent hundreds of hours manually extracting clauses and other key data points from documents—a process that is prone to human error—can now use software to complete these tasks in less time with fewer errors.

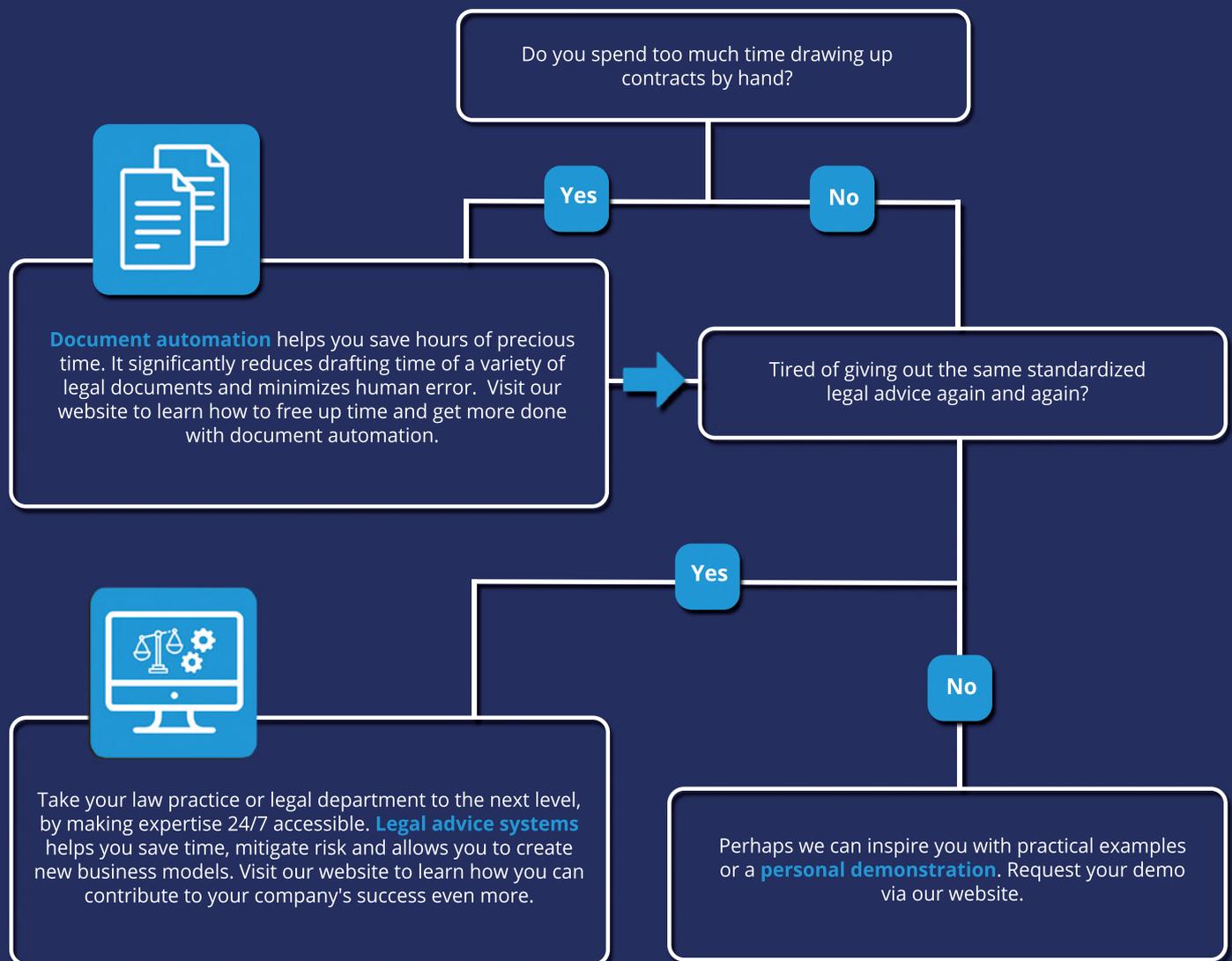
These capabilities aren't just useful for law firms that want to do a better job of tapping into their existing knowledge base and leveraging their historical work product: they're also tremendously useful for client-facing activities like due diligence work in a variety of practice areas.

Whereas before it might have only been feasible for a law firm to review a small subset of available documents in advance of a merger—say, 30% of the available employment contracts—practical AI removes the time and cost barriers, making 100% coverage an achievable option. In this way, law firms can offer a higher quality of service to their clients, reducing the client's overall risk, while reducing the time and cost of performing the task.

Practical AI can also transform the way law firms identify expertise within the firm. Rather than sending out a mass email across the organisation asking if anyone's an expert on a particular topic, or executing a keyword search across a firm's biographies, lawyers can let AI do the heavy lifting of finding an expert by using already existing data to feed its algorithms.



# Automating knowledge adds value.



Practical AI does this by finding and analysing documents found on disparate systems across a law firm and using authorship and other data embedded in those documents to determine who in the firm has expertise on a specific subject. In doing so, the software algorithms identify subject matter experts based on implicit information and behavior and automatically surface the best candidates for providing valuable insights on a given topic.

### Humans and AI together

Upon learning about these common applications of practical AI, some perfectly reasonable questions arise. What if the AI misses something? How do I know if the software algorithm is doing a proper job or not? Can I really delegate such an important task to a piece of software instead of a human?

That's the beauty of practical AI: it's not an 'either/or' proposition. It's about humans and AI working together. Think of it as the 'human-machine partnership'.

Machine learning models are at the heart of practical AI, and as the name suggests, it means that humans should be working side-by-side with the software throughout, helping it 'learn'. Feeding the model data on an ongoing basis—thus 'training' it—ensures that the software is continually learning and becoming more accurate.

The balance between human and machine in this 'human-machine partnership' will naturally adjust over time. The first time a law firm tackles a document review project, for example, perhaps only 70% of the work will be performed automatically by the software, with the remainder done by the human. But with each similar project that comes along, the software can handle more of the work. The machine learning model improves its accuracy as more data is fed into it, until eventually the human can fully delegate the task to the software and then serve in a 'supervisory' role, verifying that the results are accurate once the software algorithms have completed their work.

The law firms that succeed with practical AI are those who recognise that machine learning is an iterative process, and that it requires the ongoing participation of



the human lawyers. Those firms who take a 'set it and forget it' approach to their initial projects will be less successful in their efforts, and less able to reap the benefits of practical AI.

### The next level

Once a firm has used practical AI for a while and become comfortable with it, it can start thinking of ways to use it more strategically. Accomplishing laborious tasks more efficiently and with less cost is no small matter, but it is only the beginning of how firms can benefit from practical AI.

The next step for firms is to understand that they can use those same process improvements that practical AI enables as a business development tool. Rather than offering the same services they've always offered—but with lower cost and quicker speed—firms are now empowered to come up with entirely new service offerings, to enter new markets and to go after business that previously wasn't available to them.

A firm that has harnessed practical AI to develop an avoidable litigation robot for insurance companies, for example, might see how these same efficiencies could be applied to other markets. Likewise for the firm that has developed

a way to review thousands of real estate leases in a scalable manner. The ability to offer these types of innovative new service offerings serves as a powerful differentiator and competitive advantage in the legal market.

While practical AI has already started to transform how lawyers work, the transformation will truly be complete once AI reaches a level of ubiquity where lawyers don't even have to think about AI or search it out in the course of their working day. Instead, AI will just be something that's there, available for them whenever they need it, ready to enhance or streamline whatever task needs doing.

As practical AI solutions continue to gain momentum and touch more aspects of lawyers' daily lives, that day might be closer than we realise.

*Peter Wallqvist is Vice President of Strategy at iManage RAVN, where he is responsible for positioning new and enhanced practical AI solutions that empower professionals to increase efficiency, improve productivity and mitigate risk. Peter was co-founder of the AI company RAVN Systems, which iManage acquired in 2017.*

# WHAT IS A DIRECTOR OF INNOVATION PROGRAMS?



BY JOE DAVIS



In the second of our series of articles examining new job titles in legal, we explain the role of director of innovation programs.

**W**hen Ginevra Saylor talks about her new role as director of innovation programs for Gowling WLG, she borrows the idea of ‘delighting customers’ from consumer-facing technology companies like Apple. ‘It’s exciting to be exploring ways that we can really delight our clients, which I don’t think is something that lawyers were thinking of doing 100 years ago,’ she says.

Gowling’s roots date back at least that far, and it has now grown to over 1,400

legal professionals with offices in 18 cities across Canada, the UK, Europe, the Middle East and Asia.

Saylor, who works out of the Toronto office, started her career as a practising lawyer before moving into knowledge management about 20 years ago. In the last few years, she has seen a change in the nature of client requests. ‘My work started to shift to more client-facing solutions—ways of delivering our services differently that would be more appealing to clients—and so it really took on this

innovation focus,’ she says. ‘And I soon realized that was the part of my job that was exciting me the most.’

When the opportunity arose to join Gowling in a newly created role, it was a natural fit. Working closely with the executive leadership team, Saylor has been tasked with creating a framework and processes around innovation. ‘Even though the whole idea of structure and discipline and pragmatism seems at odds with the concept of innovation,’ she says, ‘innovation tends to go nowhere if you don’t have all those features around it.’

**Innovating around the client’s needs**  
Some lawyers, however, are still getting

## I think lawyers get it. They do want to excite their clients

used to the idea of innovation. Aligning them is a key part of Saylor's challenge. 'Lawyers generally know that clients are demanding a different approach to legal services delivery, but shifting away from familiar practice models can be uncomfortable,' she says. 'When they realize clients really mean it, and that there's a team of people who understand and can offer solutions, my experience has been that lawyers get excited and involved because they see the potential to really satisfy their clients' needs.'

She offers one example where clients need information at their fingertips to make critical decisions as they work, based on a relatively contained area of the law requiring deep expertise to walk through the relevant factors that must be considered. 'In the past, we typically would have created a manual, either in a physical binder or in more recent years in digital format,' she says. 'Either way, it was a long document that presented what action to take in the case of different circumstances, jurisdictions, timing and other factors.'

Instead of this, Gowling has now developed an application where its clients can click on an applicable scenario and get a succinct answer, with the ability to drill deeper and read more, Saylor explains. 'When lawyers see that, and see how a client reacts, they get really excited. They start to see potential and they start to come up with ideas of their own. That's been my experience—it's been really positive. I think lawyers get it. They do want to excite their clients.'

As deliverables change, the teams that create those deliverables are likely to

change too. Saylor foresees teams made up of both lawyers and non-lawyers. 'These mixed teams are going to be handed a matter, and they're going to view that matter as a problem to be solved, and they're going to marshal their resources to solve that problem,' she says. 'I think it would be good for that mixed team to sit down with a client—not just one person, but a group of people from the client—to determine collaboratively what the deliverable should be. It's funny—we rarely, as lawyers, offer anything better. We feel that if we do what the client asks and we do it well, then we've succeeded. Maybe there's something better we could do.'

### The right environment for innovation

Innovation requires flexibility, agility, and moving fast on a good idea, Saylor says, and her experience is the bigger the organization, the harder it is to see a good idea and just go with it. 'There tends to be more bureaucracy to go through,' she says. 'On the other hand, diverse groups are really important for innovation, so it's harder to innovate if you're by yourself or with four other people who are exactly like you. So the ideal scenario would be small groups that come together within a large organization and are given the ability to act on something very quickly. I think that's what most large firms are trying to achieve and that is the framework we are building at Gowling. We're trying to build that core that can see a good idea, pitch it, and then deliver on it in a short timeframe.'

Even once the team size and structure are in place, firms will still need to incentivize those teams properly. 'I think

an organization that is really interested in creating an innovation culture has to recognize what things are conducive to innovation, and demonstrate that the organization's people not only will not be penalized for challenging the status quo and asking provocative questions, but also will actually be rewarded for it,' Saylor says. 'I think a lot of places have gotten to the point where people feel they're not going to be penalized, but I'm not sure people feel like the rewards are there yet. That said, firms are beginning to build in rewards for innovative ideas through points systems and gamification.' She also points to firms offering attorneys credits towards billable hours and bonuses tied to innovation projects. 'I think we're getting there,' she says.

The discipline of legal innovation is still evolving. 'I think all of us are kind of wondering what's going to happen in the next few years because things are changing so quickly,' Saylor says. 'It's hard to predict how fast this is all going to happen now, especially with AI and machine learning. It's going to be hard for us to keep up with it, and I think clients are in the same position, so they're going to be putting a lot of pressure on all their professionals and people who support them—not just lawyers. I think in the next 5-10 years, clients are going to be asking for things that are really different. There are going to be whole new areas of law that we have to figure out. We're going to start doing a lot of different work that is unfamiliar. And that's what excites me—I want to be one of the people who figures out what that is.'

*Joe Davis has spent 20 years in legal technology, and is a member of ILTA's Program Planning Council. A frequent speaker and author on artificial intelligence and enterprise content management, Joe has led applications teams at several law firms and recently completed a multi-year consulting engagement with a large corporate legal department. Prior to his IT career, Joe was a teacher, an entrepreneur and a DJ in a flea market. Contact him at [joe@josephpdavis.com](mailto:joe@josephpdavis.com)*



# IT'S GREAT WHEN ALL THE HARD WORK FINALLY PAYS OFF

Our Legaltech Legend for this issue is **Gabriella Isturiz, co-founder and president of Bellefield Systems.**

#### How and when did you get involved in the legaltech sector?

I started my legaltech career and legaltech entrepreneur journey in 1998, working for a law firm as the director of development, applications and support. One of my biggest challenges in that position was to figure out how to enable the firm to respond to the increase in demand for electronic billing (e-billing) from corporate clients and insurance companies. That led me to co-found eBillingHub with Daniel Garcia. After a few years,

eBillingHub became the leading e-billing solution for law firms worldwide and was acquired by Thomson Reuters Elite. Right after that, we founded Bellefield's iTimeKeep, the #1 mobile and everywhere time entry solution in legal.

#### What has surprised you the most about our industry?

What has surprised me most about the legal industry is the huge number of opportunities to develop solutions and high-quality technologies to enhance the working lives of lawyers and law firm staff. With eBillingHub, we brought to market the first fully SaaS (Software as a Service) solution—before it was even called that! At the time, it was known as an ASP (application service provider), before Salesforce.com popularized the term SaaS.

**What advice would you give to a legaltech newbie?**

My advice to a legaltech newbie would be to enjoy the ride and to learn and absorb as much as he/she can from mentors, peers and his/her own learning and research. The amount of collegiality, knowledge and expertise amassed among legaltech professionals, I believe, is pretty unique to this industry. I like to say that once you get into legal technology, it is pretty hard to get out, so make the most of it and become a precious asset.

**When have you been most satisfied in your life and why?**

I have been most satisfied in my life when all the hard work has paid off. This applies to my life as a professional, as a mother, as a wife and as an entrepreneur. I was born and raised in Caracas, Venezuela, and 23 years ago I decided to leave everything behind and move to the United States to study for a master's degree and seek better opportunities for myself. Starting a new life in a new country where I knew no one and could barely speak the language was an intense challenge and I needed to work harder than everyone else to overcome those handicaps. Fast forward to today, and all that effort has paid off in more ways than I could ever imagine.

**What do you consider to be your best achievement in your professional life, and why?**

Given that over 90% of tech startups fail, the best achievement in my professional life is becoming a successful serial entrepreneur. Being the founder of two successful legal technology companies has given me the opportunity to add value and help to solve some of the most challenging areas in legal practice management, such as electronic billing and time entry. Through this amazing journey, I have gotten to know wonderful people, had great mentors and, more importantly, developed great friendships with employees, clients and partners.

**Is there anything (non-legaltech) you would like to learn more about, and why?**

Of course! Everything else :)

*Once you get into legal technology, it is pretty hard to get out, so make the most of it and become a precious asset*



I have a bucket list of the things I want to devote more time to learning, and in that bucket, you will find art, music, painting and becoming a yoga instructor. I believe that life is about continual learning and improvement.

**Tell us two facts and one lie about yourself, in random order...**

- I've lived in four countries
- I'm a classical music freak
- I've never downloaded a Netflix movie

**How do you spend your time when you are not working?**

Being a business owner takes up a lot of my time, and when I'm not working, I like to spend time at home with my family, reading and going to the gym. I also like to travel, so I'm always trying to find time to plan where we are going to go next.

**What is your favourite quote, and why?**

'We are what we repeatedly do. Excellence, then, is not an act, but a habit.' This quote (attributed to Aristotle) describes how I see life and gives me the inspiration to continue my constant search for excellence.

**What question should we ask our next Legaltech Legend?**

What is that 'thing' in your professional career that if you had the opportunity, you would do all over again?

**Where do you see yourself in ten years' time?**

*[This is the question from our previous Legaltech Legend, Dan Wales]*

Thanks Dan for this great question. Over the years, I have gotten to know Dan better, and I have a lot of respect and admiration for what he has built and accomplished as an entrepreneur.

In ten years' time, I see myself founding my third or fourth company and helping young entrepreneurs so they can achieve their dreams too.



# DECONSTRUCTING AI-BASED APPLICATIONS IN LAW FIRMS

BY ARUP DAS



 **Lexpo Speaker**

**A**rtificial intelligence (AI) is designed to handle massive amounts of data and, in fact, works best when there's a rich field of data available. Therefore, data-driven AI solutions are key to answering the question of how law firms should efficiently and effectively manage their growing data. AI tools, however, are not one-size-fits-all technologies. Before implementing AI-based solutions, law firms need to understand the differences between the various technologies on the market and the impact they have on day-to-day firm operations.

#### **How AI-based solutions address data concerns**

As law firms become more data-driven and look to adopt AI-based solutions, they need to first understand how AI can help their practices. Successful AI-based solutions depend not only on large amounts of data, but on good quality data as well.

The pressure to incorporate innovation and data-driven tools into legal practice largely comes from clients. Clients are increasingly efficient in how they utilize law firm services, and in turn, they expect firms to be more efficient if they want to retain client business. Maximum efficiency comes from being able to quickly analyze massive amounts of data, and AI-based solutions can perform that analysis at speeds that humans cannot. The goal is to choose data-driven solutions that focus on the specific needs of your particular business and leverage your data to give your clients the best and most effective service possible.

As technology has fully integrated itself into nearly every aspect of legal practice, law firms are finding themselves in possession of large and ever-growing volumes of data. It's crucial that law firms figure out how to manage that data and use it to benefit the firm.

#### **Choosing an execution strategy: bespoke vs. off-the-shelf solutions**

When looking to implement AI-based solutions, law firms can choose between developing solutions from the ground up or acquiring existing solutions. Each approach has its pros and cons, and the right strategy will differ from firm to firm.

Bespoke solutions have the advantage of being tailored to the needs of your particular firm and are highly scalable going forward. As they are being created, the developer will focus on your specific data and what you hope to gain by incorporating the solutions into your practice. While bespoke solutions can be time-consuming and expensive to create, the upfront cost and implementation can have long-lasting results as these solutions incorporate your business know-how and can be scaled to increase productivity and eliminate costs.

Off-the-shelf AI solutions, on the other hand, are typically faster and easier to implement. They already come with all the integrations you'll need to get up and running, though they offer limited scalability after they're in place. They also tend to be cheaper to implement. However, their internal algorithms will be designed to serve the industry as a whole, rather than targeted to your specific needs, leading to a greater potential for uncertainty and risk. You need to be sure that they truly work with your infrastructure and processes.

There is also a third option: a combination of both bespoke and off-the-shelf solutions. A hybrid approach allows you to blend the benefits of the two types, relying on standardized solutions for issues suited to them and creating applications for matters that require tailor-made solutions to address your firm's needs adequately. While a hybrid approach will involve a lot of work to find the right balance and solutions, if successful, you can enjoy the best of both worlds.

#### **Understanding data-driven legal solutions**

Before you implement AI-based applications, it's important to understand the various components and factors that go into data-driven solutions and what differentiates the available options.

#### **Client-facing vs. internal AI solutions**

Different solutions serve very different purposes in the day-to-day functioning of a law firm. Some are designed to interact with clients, while others exist solely to improve the law firm's internal functions.

Client-facing AI solutions are meant to improve your client service and provide clients with a superior user experience. Common examples include portals and dashboards created to allow clients the ability to access information in real time and stay informed of case developments without having to wait for their attorneys

*With the right strategy, AI-based applications can be the answer to using your data to its fullest to improve your operations and better serve your clients*



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to have a free moment to provide updates or answer questions. These are the types of innovations that clients are increasingly expecting to see from firms and will help you remain competitive in today's modern legal market.

Internal AI solutions boost efficiency in the firm's internal processes and workflows. These applications harness the power of the firm's data to eliminate unnecessary human labor, saving both time and cost. One example of an internal solution is a bot that performs routine administrative tasks simply by applying algorithms and formulas to data, freeing up staff to focus on more valuable work.

### **The data hub**

Extracting all your data and information from the various places where it's currently being stored and consolidating it into a single repository are crucial to understanding what you have. By unifying your data from disparate firm systems into a centralized data hub, you can better glean useful insights from that data and share them with various teams and individuals across your firm. Only with an organized, consolidated data hub can your various users access all the information they need to do their jobs most effectively. Amassing your data in one place also allows for quicker and more accurate analysis when addressing crucial client questions or business development matters.

### **Incorporating external data**

Your data hub should house not only all your valuable internal data, but also relevant external data that can enhance your firm's intelligence capabilities. External data, such as information on your clients' activities and trends in the marketplace, is valuable for identifying new revenue-generating opportunities both with your current clients and with potential new clients. By harnessing your AI power to address and monitor external

market data, you can boost your ability to grow current business, identify new sources of revenue, increase firm profits and gain a competitive edge.

### **Managing risk through total cost of ownership and IP rights**

Incorporating AI-based solutions isn't without risk, and it's important to understand how to manage that risk. One way to manage risk is to understand the total cost of ownership of your various solutions and your data hub. While the initial costs to implement solutions may be clear, there's a lot more that goes into the total cost of those solutions. Numerous costs will arise post-purchase, including the costs of installing, rolling out, hosting, using, upgrading and maintaining your solutions. Often, these after-purchase costs can exceed the cost of the initial purchase. Understanding the total cost of operation is crucial to making the right purchasing decision and accurately analyzing your risks and benefits.

Implementing AI-based applications with the help of vendors also has intellectual property implications. When you work with vendors to create bespoke solutions or use your data as part of a solution's machine learning process, proprietary issues arise as to the IP rights associated with the technologies and data inputs. Before you implement any solution, you should understand your rights and, if possible, consider licenses or agreements that will transfer any applicable IP rights from the vendor to you.

### **Increasing the likelihood of adoption**

New AI-based solutions are only valuable if your employees actually use them. Developing effective solutions means prototyping them and incorporating feedback from people who will use them. Doing so goes a long way toward creating solutions that will be quickly adopted and seamlessly integrated into your workflows.

Another important factor for ensuring widespread adoption is training. If users don't know how to employ your new solutions, they'll never become integrated into your firm culture. Training must be tailored to the specific user groups—lawyers, for example, may not use applications in the same way that support staff do. When users understand why data-driven solutions are being implemented and how AI can improve their day-to-day work, they'll not only be quicker to adopt new solutions, but can also serve as proponents to users who may be more resistant. The ultimate result will be widespread adoption and a firm culture that embraces AI-based solutions.

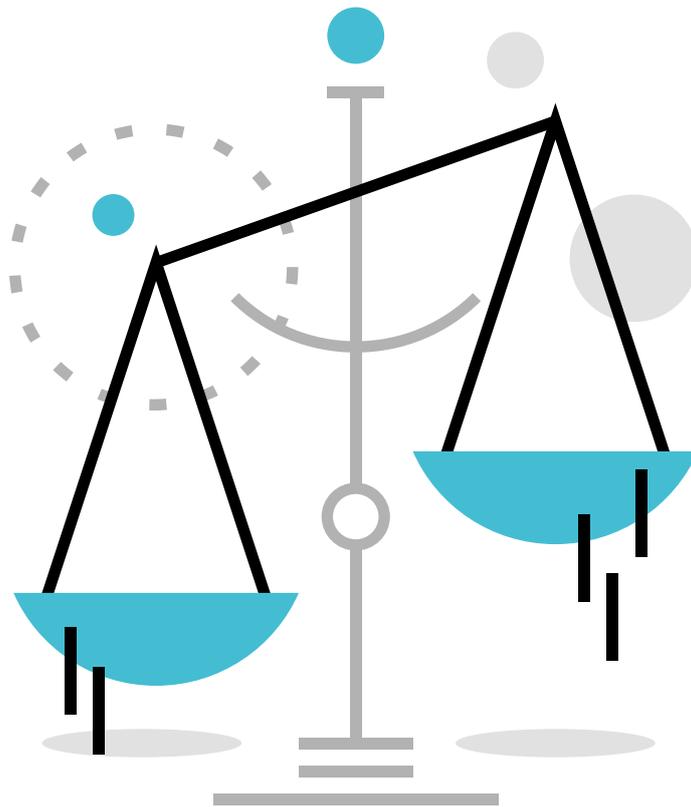
### **Measuring success through metrics**

The only way to truly measure the success of your chosen solution is by monitoring key performance indicators (KPIs). AI-based applications are not one-size-fits-all solutions, so it's important to have specific goals you want them to address. The effectiveness of your data-driven solutions will be determined by how well they're meeting those goals. By establishing KPIs and monitoring your solutions to ensure that they meet those benchmarks, you'll know that the applications you've implemented are actually achieving the goals you initially laid out and solving the problems you need to solve.

Determining the best way to handle your growing universe of data and implementing the right AI-based applications depends on understanding how data-driven solutions work and the benefits you're hoping to achieve by implementing them. With the right strategy, AI-based applications can be the answer to using your data to its fullest to improve your operations and better serve your clients.

*Arup Das is the Founder and Chief Executive Officer of New York-based Alphaserve Technologies, a digital transformation advisory and managed services technology service provider to legal, financial, healthcare and global multinationals. Recently, Mr. Das won ILTA's Thought Leader of the Year award and Alphaserve was named in the inaugural list of AI Leaders by the National Law Journal.*

# THE VERDICT



## ADVICE FOR **LEGAL CONFERENCE** ORGANISERS

In February, Bill Henderson, editor of Legal Evolution and Professor of Law at Indiana University Maurer School of Law, shared his thoughts about the state of legal conferences. After attending Inspire.legal, he wondered how every other event he ever attended compared. His article included a not so flattering grouping of major legal conferences,

indicating that there is much that can be improved. With this in mind, we asked our panel of experts: how would you reboot the legal industry events space? What is your favourite conference feature, wish list or other recommendation to move legal conferences out of the lower left hand corner of the chart drawn up by Henderson?


**TJ Johnson**

Strategy Director  
Olenick

- Why does the conference exist?
- Who is the real target audience, and are the right constituents across the legal/technology ecosystem involved?
- How are the conference and the session content designed?
- Is it the right balance of connections and content?
- Are the right speakers/facilitator presenting in the right session format, for the right audience, at the right level, in the right amount of time, in the right space?
- Is it worth MY time?

As a consumer of many, many, many varied conferences and the former strategic director for ILTACON, these are the questions I ask when evaluating any conference vying for my participation. Understanding why the conference exists, and who it caters to, is key—a conference for members of a peer association has target audiences who find as much value in the connections they make as in the content. Legal technology trade shows and bar association events for lawyers have other target audiences.

A successful conference has a clear vision, understands its consumers, is developed to meet their needs and communicates clearly what it is so ALL constituents understand the value to them. It also evolves the right amount each year based on participant input and knowing where it sits on the spectrum of innovation/experimentation and tradition. Those that push too hard for change may break—my rule is no more than 20% of NEW each year. Those that sit still... well let's just say

nothing I've ever been involved with sat still for five minutes.

Conference design is an art as well as a science. Done well, the right people strategize and plan the overall experience for each participant group leading up to the event, onsite and the takeaways after, so the whole puzzle fits together, or at least the next number of moves are set in the game.

A note on conference session formats: a talking heads panel is exactly the right delivery method for some types of content and some audiences. The most successful conference has a balance of myriad session formats with multiple perspectives and is designed to meet the needs of the specific audience and content. When there are problems to be solved, you need more interaction (workshop/unconference/bar camp); when you are working together to develop something new, you need interaction and instruction with a mix of working groups; when you have new and challenging concepts to share, you need to hear from experts; and when you have stories to share, you need case studies and panels. The more time spent on getting all this right, the more value the conference will have.

In the end, as a consumer of conferences, my mission is to ask the questions that help me determine which conference is right for me; provide input to the organizers or get involved to help improve the experience where that is possible; and vote with my feet.

*I've attended many events, and while I do remember some keynote speakers through the years, the most valuable things I've taken away and continue to benefit from are the contacts I made through networking*

*Peggy Wechsler, ILTA*


**Ben Weinberger**

Vice President of Solutions  
*Prospereware*

Most legal technology events today deliver either: (1) buzzword regurgitation (innovation or hackathon, anyone?) or (2) repetition of projects past (finance this, CRM that, DMS what?). They seem designed solely to extract cash from vendors, or sometimes attendees.

That's not to say that none has value—educational events such as ILTA LegalSEC offer security professionals exposure to issues and solutions. However, if the goal is to help advance the practice of law, events will only succeed when lawyers who are leading firms interact with those implementing the projects (the admin teams). Partners don't attend because of perceptions and the need to meet revenue targets. Firms need to incentivize partner participation if they want to change.

Events should offer CLE credits and include clients (general counsel and legal operations), vendors and admin teams. Everyone would benefit. Furthermore, they should be run as not-for-profits to reduce the barriers to entry for start-ups and the self-employed, bringing together a true cross-section of people and ideas.

Perhaps the ideal organizer for such an event could be an educational institution—Bill Henderson should pitch my idea to Indiana University! I'd even offer to help. It would provide exposure for the university and a chance to lead the way.


**Peggy Wechsler**

Independent Consultant / Former  
Strategic Relationships Director  
*ILTA*

Education is still key and the main reason attendees get approval to attend. You must pique people's interest by offering expert speakers and evocative topics. But networking is my favorite feature! Networking, to me, means time following (or during) a presentation when the attendees discuss the topic in more detail one-on-one, or in small groups, talking about their personal experiences and so on. I'm not talking about elaborate social events—just time for more in-depth personal discussions.

How would I reboot the legal industry events space? The secret sauce for events is still to identify your target audience and understand their needs (not always their wants). Something to consider in identifying your audience is the level of diversity. The current trend is to be inclusive, broadening the audience to include partners, firm management, different IT professionals, strategic business partners, non-legal IT professionals and so on. This adds to the value of networking.

There's still the challenge of how to deliver the end product. Again, education is key. But there are so many ways to consume education today while not having to leave your office. Webinars are more sophisticated while podcasts and TED talks on any topic are available online. Virtual reality events will be in real time soon. In-person events need to offer something unique that attendees can't get virtually—and that's finding more ways to enhance networking opportunities while continuing to offer expert speakers on timely topics who inspire further discussions.

I like the 'unconference' format Mr. Henderson mentions in his article. Having someone with topic expertise kick off an interactive session gets people engaged and kicks off long-term networking.

I've attended many events, and while I do remember some keynote speakers through the years, the most valuable things I've taken away and continue to benefit from are the contacts I made through networking.


**Jason Plant**

Enterprise and Solutions  
Architecture Manager  
*DLA Piper*

I sat in a conference this week and as I listened to someone from outside legal talk about how legal needs to innovate, I started wondering if this was the case for other industries too. I suspect so. And this is the one thing I would change for all legal industry events—stop talking about us being a unique problem and start talking about how we can make our businesses better. Let's stop beating ourselves up and start improving ourselves.

The best panels I have seen talk about real-world problem-solving examples, while the worst simply echo the usual law firm laggard soundbites. This happens more in the interactive roundtable events as people's questions tease out the

information, but it can happen on talking head panels if the conferences design for it. Good conferences tend to provide a mixture of people from all levels of firms talking about real problems and solutions, while bad ones gravitate to established conference voices or vendor presenters.

Ultimately as a conference attendee I want to speak to and hear from people who have had or are dealing with the issues I have. I want to learn from them, to bounce ideas off them and see how they approached things. What worked and what didn't. I'm more interested in conferences that facilitate this—whatever the format.


**Ron Friedmann**

Chief Knowledge &  
Information Officer  
*LAC Group*

Make clear the purpose of a conference upfront. That sounds simple but too few conference organizers distinguish between exchanging information among peers, educating the audience or persuading the audience.

Many conferences intend to persuade the audience. In my experience, only some peers need persuasion. It's the practicing lawyers and law firm and law department lawyer managers whom we must persuade about change. And for the most part, they do not attend conferences intended to persuade. It would be great to get them to attend, but how realistic is that?

Looking back at the decade since the 2008-10 economic crash, much has

changed in the legal market. We've seen big changes in legal support functions such as pricing, legal project management, knowledge management and marketing. We've also seen some changes in service delivery such as delegating to lower cost labor, deploying more technology and delivering some services digitally. And finally, look at the rapid rise of legal operations in corporations. Encouraging and supporting these trends with a focus on incremental and doable change, rather than discussing disruption or innovation for their own sake, would be a great step to take.



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