

# THE SYMBIOTIC RELATIONSHIP BETWEEN LAWYER AND LEGAL TECH

08 October 2018 | Johannesburg

Legal Briefings - By **Lloyd Langenhoven, Senior Lawyer**

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Legal professionals at all stages of their careers need to understand and appreciate the impacts (both positive and negative) that legal technology can and will have on their career.

Gone are the days when firms can dismiss the integration of legal technology within their firm as a non-essential and “futuristic” endeavour. Well-known legal services like LexisNexis and JutaStat are examples of where legal technology has already become infused with legal practice. In addition, those specialising in M&A will appreciate the legal technology behind virtual data rooms.

Legal students should also take note, as you are well placed in the age of freely accessible information to be able to imagine the future legal landscape and to craft a sustainable and fulfilling career path. A lawyer who is adept at coding could well be a prized commodity in the law firm of the future.

Technology can be defined as “the application of scientific knowledge for practical purposes, especially in industry”. We have already entered a stage where legal knowledge (both substantive and procedural) and increasingly lower-cost and effective technology are being combined. We can thank the 4th industrial revolution for this. Legal technology has developed in leaps and bounds recently as a result of, amongst others, increased investment and access to artificial intelligence (“AI”). AI has presented itself in many forms in the legal sector and a common example is the application of machine learning. This, combined with traditional legal knowledge, has led to the development of state-of-the-art legal technology and legal applications. It has become increasingly important in large-scale legal projects to be able to deliver a service to clients in as low-cost, effective and professional manner as possible. It is for this reason that the advantages that accompany legal technology should be harnessed and continuously developed by both legal professionals and technologists. Legal professionals (of all experience levels) working for clients (of all levels of sophistication) have a lot to gain if they can successfully exploit the advantages of legal technology.

## PROS AND CONS OF LEGAL TECHNOLOGY

I am a strong advocate of the integration between legal technology and traditional legal knowledge and some of the reasons are:

1. **Management and study of large data sets** – across various practice areas, including disputes and commercial/corporate, the speed and efficiency at which AI-backed technology can work is of great assistance. Products in the legal sector can now provide a high-level analysis of hundreds of contracts in a matter of minutes. This analysis can be sliced in many ways to further allow legal professionals and clients to assess the contracts, identify key trends (or anomalies) across a large document set and gain invaluable insight.
2. **The efficient use of resources** – legal professionals are, contrary to popular opinion, human, and as such, can only work at an optimal level for so long. Huge teams of legal professionals are no longer required to hurriedly analyse contracts for days (or weeks) on end before they can provide advice to their client with the backing of hard data. Legal technology deploys AI to trawl through the contracts at an impressive speed and to identify pre-selected areas of focus. Some products integrate pre-created precedent clauses into their technology (machine learning). This then allows the application to assess the contract and point the legal professional to the relevant clauses. In an increasingly complex world, awash with verbose legal documents, the time and money that this initial analysis provides should not be underestimated. With a reduction in rote and repetitive work, the legal professional's time will be freed up to focus on the more complex aspects of their work, which is where legal professionals must always remain vigilant and devote a considerable amount of their time.
3. **Increased risk management** – in large-scale work streams, there is always the risk that issues (both material and immaterial) will be missed in amongst the plethora of documentation. With the assistance of AI, legal professionals are now afforded the additional security of knowing that human error will play less of a role in their work. Legal technology tracks and analyses documents in an almost infinite number of ways and replaces manual tracking systems of the past (annotated data room indexes, excel spread sheets, anyone?). In-house lawyers can also take advantage of these systems, to assess the contractual and legal risk for their company in a live scenario. This will, hopefully, increase the likelihood of timely and appropriate legal preventative work.
4. **Greater transparency for the client** – legal technology of the most basic form already allows clients to have a snapshot of their legal fees and the progress being made by their counsel. Leading products offer further insight for the client and service providers have not ignored the value that concise, informative and graphical representations add to the overall experience for a client when instructing a legal professional. Clients can now access the same data points that the legal professionals have sight of and legal service providers have already begun integrating their existing internal systems with external product offerings. Clients are now better able to assess the performance of their legal counsel against various key performance indicators, such as work and review rates and utilisation of resources of differing billable rates to ensure cost control for the client.
5. **Cross-integration of legal technology & 'off the shelf' readiness** – as mentioned above, new and old legal technology are capable of being combined. The advantage in this, for both legal professionals and clients, is that their first experience with new legal

technology will not be a completely unfamiliar experience and this reduces the initial learning curve. Precedent clause templates, such as force majeure or change of control, can be compared with ease across vast document sets. Senior legal professionals no longer require their candidate attorneys to attend a crash course in commercial contracts before these document sets can be analysed successfully. Machine learning AI is ready to go at any time of the day (or night) without the need to be up skilled for standard review tasks. In times of intense pressure and tight deadlines, this is a life-saver.

However, legal technology is not without its flaws, which include:

1. **Overly-complex applications** – ironically, the development in legal technology can, in some cases, result in an over-engineering of the processes to be used. This, in combination with the new “language” the users of the application will be required to understand, can deter legal professionals and clients alike from making the jump from the old world into the new world. I believe that this can be remedied, at least in the long term, by introducing these applications into part of University legal studies, as these are essentially sophisticated research tools to be used in legal practise.
2. **Additional costs** – as with all young and developing industries, the legal technology currently available remains unaffordable for a large portion of the legal industry. Fortunately, a large portion of legal technology can be accessed online, and as such, a decent internet connection is all that one requires. Fortunately, there is no need for hardware upgrades, which can be costly and are required frequently. With increased competition for legal work and reduced profitability for some, I believe that this hurdle, even if quite small, will unfortunately be the ultimate deal breaker for legal professionals who already run a tight budget and the old way of doing things will remain the flavour of the day. Some will ask “Why reinvent the wheel?”
3. **An effective bridge between technical and legal expertise is essential** – some legal technology cannot simply be plugged-in and played (for example, predictive coding based technology). As such, institutions looking to implement legal technology into their work over the long term will need to develop this internal knowledge. This will require substantial non-chargeable hours to be spent by the leaders of the organisations and will require commitment (of time, as well as money) to a long-term goal to ensure that the integration is ultimately successful.

## **WILL IT REPLACE LEGAL PROFESSIONALS?**

You cannot blame today’s legal students for thinking that their roles as future legal professionals are becoming less relevant in light of the increased automation of legal work.

One would be hard-pressed to argue that there is no merit in this belief. However, in the increasingly complex legal and real world, where volumes of data are only increasing exponentially as we move away from hard copy documents, the augmentation of legal professionals with an automated legal process is essential to enable them to more efficiently extract the relevant from the ever-increasing irrelevant so they can add true value, analysing information that clients actually care about. Large-scale legal matters are prone to excessive administrative burdens and the advantages that legal technology presents in this regard must be exploited.

The benefits offered by legal technology are just that – benefits. There is a tendency to consider legal technology as the silver-bullet to all the inefficiencies and high costs that accompany legal advice. The critical thinking and market experience developed by legal professionals throughout their careers cannot be translated into an application, at least not without some degree of human intervention and monitoring. It is for this reason that legal professionals will never be replaced in their entirety. There is however a possibility that some of the tasks that routinely require huge teams of legal professionals to do them today could, in 10 years' time, be done by a handful (or one!) legal professional, suitably armed and trained in how to best use the latest technology (discovery proceedings and exercises have already shown this trend).

## **CONCLUSION**

The [4<sup>th</sup> industrial revolution](#) continues to change the way we live and do things. It is misguided to think that the legal profession is immune to the affects of the revolution and can continue to operate in isolation. Embracing the change is a challenge, but as all forward thinking legal professionals will know, challenges also bring opportunity with them.

As stated earlier, legal professionals cannot be replaced in their entirety by legal technology, but some tasks and work will simply be more efficient when the legal professional is augmented by AI.

Continued and efficient success for the legal profession, on both a macro and micro scale, lies in the ability of the profession to foster a symbiotic relationship between legal technology, client's expectations and traditional legal knowledge. The future looks bright and exciting for the legal profession and it is about time our professional dusted the cobwebs off and donned a new, futuristic suit.

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## ABOUT THE AUTHORS

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