

WHAT WILL LAW FIRMS LOOK LIKE IN 2049?

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Legal Briefings - By **Mark Rigotti, CEO**

Mark Rigotti looks back over 30 years in law and predicts the changes to come in the next three decades.

Predicting the future can be a tall order, especially for lawyers that are trained to follow precedent when dispensing advice. The political and economic events of recent years have been hard to foresee and the ongoing impact of President Donald Trump and Brexit will make 2019 no less volatile or easier to navigate.

Yet one of the certainties about leading a global organisation is that change is going to happen. What guides me every day at Herbert Smith Freehills is the idea that tomorrow will not be the same as today. The pace of technological advance means our people need to be more responsive than ever in understanding innovation and how it can improve the service we offer our clients.

Sometimes the future fails to deliver. A group of futurologists consulted in 1989 are still waiting for the UK's north-south economic divide to disappear, the three-day week - and everyone to be wearing jumpsuits...

But even if the timing is sometimes off and some predictions are wilder than others, we can sense the direction in which technology is carrying us. So much money is being invested in [driverless vehicles](#), it is no surprise their proliferation in 30 years' time is a common expectation. A bigger leap of faith is the nanotechnology foreshadowed in *The Matrix* movies that could link microchipped humans to the cloud so we can download whatever information is relevant to us. And longer working lives seem unavoidable if advances in healthcare mean that disease can be diagnosed remotely before symptoms show themselves.

In looking forward 30 years to what lawyers in the early years of their careers today will encounter, I think back over the same timeframe to my first day at the firm in 1988.

The first stop on my introductory tour was to see Ms Wickenden, the librarian, who kept vast reams of information at her fingertips. Then I looked in on the huge mainframe computer humming away in an air-conditioned room with its own power source. My third and final stop was to see the fax room, where 42 fax machines were transmitting and receiving documents non-stop. Fast forward 30 years and there are no libraries, no mainframes, no fax machines.

SO WHAT WILL LAW FIRMS LOOK LIKE IN 2049?

We have some clues today, particularly how a lawyer's role will change. As well as keeping on top of their technical area of specialism, they will have to strengthen their broader range of skills to maintain the mantle of trusted business adviser. We already see that with the wider set of professionals we have in helping to serve clients roles, including project managers, technology specialists and pricing experts in our legal operations team.

Technology is doing away with the paper trail and much more commodity work will be standardised or outsourced. [Artificial intelligence](#) is simplifying data discovery so that we can spend more time collaborating with our clients. First-touch interface will be handled and perhaps mediated by virtual helpers.

Some transactional practices – such as conveyancing, licensing technology, equity raising – are likely to change as technology creates new, more efficient marketplaces on which our clients transact business.

In its place, lawyers will do what they have always done and hunt out the next wave of economic change, which could come from tougher international regulators, the emerging laws that will govern big data and privacy, climate change-induced developments and the global clients already rising in Asia.

Another big shift will be lawyers' approach to risk and return. I can see a time when law firms become more willing to use their balance sheets and set up their own 'in-house' funds to help finance claims. Larger funding requirements may lead to the stockmarket listing of several of the largest firms – creating the side-benefit of share options to tie in the brightest and best.

These trends are unlikely to lead to a one-size-fits-all model. Despite the questions being asked about the scale of some of the accounting firms, I think law firms are a long way off reaching their size limits. More growth and mergers are a given for those with global aspirations. The accounting firms aspire to grow their legal practices, so competition is not going to lessen. But there is still space for boutique specialists – startups with no legacy costs. There will be more of these that, along with client needs, will force the larger firms to look again at their efficiency.

What will not change 30 years from now is that success is heavily anchored on the clients and the talent that each firm can attract, retain and build sustainable relationships with.

Will my vision prove to be right? Come and ask me in 2049. Despite the unpredictability that 2019 will bring, I know that the future for the forward-thinking law firms starts here.

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