

Legal Tech Law Essay



Faculty of Business and Law
Legal Technology Assignment Brief 2023/24

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Introduction

The legal field is continuously evolving with technological advancements, and the AI revolution is transforming the ways in which the industry works. In recent years, technology has gone from a puddle to a lake and now an ocean within law firms. Legal technology is the software many legal companies and professionals use to attain high-quality legal services¹. The future of legal work plays a crucial role in shaping legal research, practices, and a broad network that is vital in this evolution.

While significant changes benefit the law sector, innovation and privacy concerns are law firms' most critical challenges². This essay will primarily focus on establishing how legal technology is evolving and impacting the legal profession, considering the advantages and disadvantages of AI being adopted by law firms, how AI is helping lawyers, and what approaches lawyers need to take. Finally, the discussion will highlight AI's evolution and impact on the legal profession.

Legal technology impacting the law sector

Legal technology is the new norm, and many law companies are putting legal tech into their operations. But what is legal technology? At the elemental level, all devices and technology that help law firms interact with clients and navigate the law come under the umbrella of legal technology³. Legal departments and law firms are always looking to reduce labour-consuming costs and replace time processes with an innovative, automated, and efficient, transformative system that can help them strengthen their law business.

The changing mindset of lawyers toward technology

A notable shift was witnessed in the mindset of legal professionals during the pandemic as technology accelerated. Tech-averse judges and lawyers are now using tools like AI, chat boxes, and Zoom⁴. This change in attitude has transformed the new generation of AI technology in the legal fields as the curiosity about technology is rapidly increasing.

AI-powered chat boxes guide legal challenges and assist the legal framework, including clients who can access legal information and get personalised advice about their cases. This buzzword has revolutionised

¹ Ryan, F., Thanaraj, A. and Jones, E., 2021. The changing legal profession. In *Digital Lawyering* (pp. 368-403). Routledge.

² Brooks, C., Gherhes, C. and Vorley, T., 2020. Artificial intelligence in the legal sector: pressures and challenges of transformation. *Cambridge Journal of Regions, Economy and Society*, 13(1), pp.135-152.

³ Webb, J., 2022. Legal technology: the great disruption. *Lawyers in 21st Century Societies*, 2, pp.515-540.

⁴ Janeček, V., Williams, R. and Keep, E., 2021. Education for the provision of technologically enhanced legal services. *Computer Law & Security Review*, 40, p.105519.

law practices, and the usage of technology is developing, but there are some advantages and disadvantages of the continuing growth in law practices.

Advantages of using AI in law practices

- **Service Quality:** If working inefficiently, the legal sector will undoubtedly cause clients to question their representation. Clients do not understand the legalities of the slow progress of their cases, but thankfully, technology has improved their working experience. Legal research is now not limited to libraries, and clients are receiving more accurate services with the click of a button.
- **Extended market research:** Lawyers were very restricted due to community involvement, which often limited their reach. However, modernisation allows clients to reach out through video calls and shared drives easily. Thanks to technology, lawyers can now commute with their clients anywhere.
- **Enhanced Accuracy:** In legal practices, human errors can cause severe consequences in processing and analysing data for litigation purposes. Conversely, AI can accurately analyse multiple data and quickly validate manual tasks like data extraction and contract review. By leveraging AI Algorithms, law firms improve their insights for accuracy.

Disadvantages of using AI in law practices

- **Limited Contextual Understanding:** While AI is widely used to process analysis and data, it can be validated that it might lack a grasp of legal concepts and result in misinterpretations of legal information. Despite advancements, the chatbox may also provide information that is generic and out of the context of the legal scenarios.
- **Human Interaction:** One vital aspect of legal representation is the human interaction between the lawyer and the client. AI may reduce this interaction, which might damage the attorney-client's interpersonal relationship and affect the legal service's emotional aspect⁵.
- **Cybercrimes:** The global economy loses approximately \$ 6.1 trillion yearly on cybercrimes committed every 11 seconds. Data capture is the main target of cybercrimes, and law firms are significantly affected by it⁶. The exchange of files physically has a minimal chance of getting

⁵ Carrillo, M.R., 2020. Artificial intelligence: From ethics to law. Telecommunications policy, 44(6), p.101937.

⁶ Kalla, D. and Kuraku, S., 2023. Advantages, disadvantages and risks associated with chatgpt and ai on cybersecurity. Journal of Emerging Technologies and Innovative Research, 10(10).

corrupt; however, technology has completely changed the concept. File sharing and accessibility of client-lawyer have given it a significant threat, leading to opportunities for mistakes.

How Is AI Being Used By Law Firms

AI is leading the commercial world as the world is transforming into a new revolution. AI has been shaping every aspect of our lives, from healthcare to politics. Thus, the legal industry has been focusing on and understanding the concept of leveraged AI to provide a quick and priority shift towards delivering better service. Some of the companies that are using AI to be competitive and enhance their capabilities include⁷.

Allen & Overy

Allen & Overy announced their integration with Harvey AI on 15th February to use ChatGPT technology and get assistance in automating their legal proceedings. Allen & Overy believes that this integration will help their company operate with clients in multiple languages and will also improve their performance at an impressive rate⁸.

White & Case

One of the most significant achievements in accepting AI occurred in 2020 when White and Case deployed LawGeex. LawGeex is mainly used by legal teams to automate their work and assist them in negotiating with clients. This move exemplifies the law firm's commitment to adopt AI and get ahead of the tech curve.

Travers Smith

Finally, the pioneering legal team “YCNBot” allows Travers Smith to use a more suited ChatGPT, which allows for enhanced control for security and data compliance and handles confidential information in a more secure algorithm. The greatest thing about this chatbox is that it’s open source and fulfils Travers Smith's commitment to providing dynamic solutions that meet the new demands of the law industry.

How AI is supporting the lawyers and law farms,

Artificial intelligence (AI) is increasingly becoming one of the vital tools that many law firms use to handle their work. AI is a computer science that performs multiple tasks requiring human intelligence.

⁷ Susskind, R. and Susskind, R.E., 2023. Tomorrow's lawyers: An introduction to your future. Oxford University Press.

⁸ Pierce, N. and Goutos, S., 2023. Why law firms must responsibly embrace generative AI. Available at SSRN 4477704.

The development of AI in the legal sector has helped enhance legal work processes and regular workflows⁹.

The Thomson Reuters Institute conducted a 2023 survey of 443 law firms and lawyers to obtain their opinions on how much AI supports lawyers and legal firms. 82% of the respondents thought AI could be helpful in legal work. Here are some features that can preserve the facts of how lawyers and law firms use AI.

- *Document Automation*

Document automation involves creating legal documents as per the templates and regulation rules. Lawyers use AI to automatically generate customised information such as wills, legal contracts, and notices. This not only saves a lot of time but also reduces any human error. Apart from just processing, the AI records the templates used and automatically updates them with the latest standards—one AI tool, Blueprint, allows lawyers to generate document automation from their existing documents¹⁰.

- *Due Diligence*

AI is completely revolutionising the working environments of law firms, and in context with due diligence, AI helps investigators and analyse documents for potential business deals. These capacities accelerate the working capacity of due diligence and critically check the details associated with automating and streamlining possible concerns. The level of analysis required by the AI for lawyers to inform clients about the reduced risks and business transactions¹¹.

- *Improved Work Flow*

Many law firms are using AI to streamline their workflows to keep pace with the future. From assorted correspondence to drafting letters, AI has been a mediator and instrumental force enriching the law firm's capabilities¹².

Impact of AI in future of the legal field

The effect of Artificial Intelligence (AI) on the legal field will probably be significant in the future.

⁹ Caserta, S., 2020. Digitalization of the legal field and the future of large law firms. *Laws*, 9(2), p.14.

¹⁰ Chien, C.V. and Kim, M., 2024. Generative AI and Legal Aid: Results from a Field Study and 100 Use Cases to Bridge the Access to Justice Gap. *Loyola of Los Angeles Law Review*, Forthcoming.

¹¹ Hacker, P., Krestel, R., Grundmann, S. and Naumann, F., 2020. Explainable AI under contract and tort law: legal incentives and technical challenges. *Artificial Intelligence and Law*, 28, pp.415-439.

¹² Agarwal, S., Naidu, M.P. and Swamy, B.N., 2023. AI in Legal. In *Artificial Intelligence for Business* (pp. 197-205). Productivity Press.

- Automation of routine tasks: AI can handle routine tasks like document review, data analysis, and contract analysis, leaving the lawyers to concentrate on more complicated and strategic tasks¹³.
- Improved legal research: AI-enabled research instruments can assist lawyers in finding the necessary legal information quickly and efficiently, thus saving time and money on research.
- Enhanced due diligence: AI can assist lawyers in conducting more in-depth and effective due diligence investigations, thereby minimizing the possibility of errors and omissions.
- Predictive analytics: AI can examine huge amounts of data to predict the chances of success in a particular legal case or transaction; thereby, lawyers can make better choices.
- Virtual legal assistants: AI-powered virtual assistants can be of great help to lawyers in managing their workflows, booking appointments, and communicating with clients efficiently¹⁴.
- Robot lawyers: AI-powered robots can help with tasks like drafting contracts, preparing legal documents, and giving legal advice¹⁵.
- AI-powered legal advice: AI-powered chatbots and virtual assistants can provide legal advice and guidance to clients, thus replacing human lawyers.
- Disruption of traditional legal services: AI can distort existing legal services by bringing in new business models and methods of delivery, like online legal services and flat-fee pricing¹⁶.
- Increased transparency and accountability: AI can assist in monitoring and documenting legal transactions. Thus, it helps in the detection and prevention of fraud and ensures greater transparency and accountability in the legal profession.
- New career opportunities: AI will likely open up new job prospects for lawyers proficient in data analysis, programming and other AI-related fields.

¹³ Atkinson, K., Bench-Capon, T. and Bollegala, D., 2020. Explanation in AI and law: Past, present and future. *Artificial Intelligence*, 289, p.103387.

¹⁴ Hunter, D., 2020. The death of the legal profession and the future of law. *University of New South Wales Law Journal*, The, 43(4), pp.1199-1225.

¹⁵ Gravett, W., 2020. Is the dawn of the robot lawyer upon us? The fourth industrial revolution and the future of lawyers. *Potchefstroom Electronic Law Journal/Potchefstroomse Elektroniese Regsblad*, 23(1).

¹⁶ Brooks, C., Gherhes, C. and Vorley, T., 2020. Artificial intelligence in the legal sector: pressures and challenges of transformation. *Cambridge Journal of Regions, Economy and Society*, 13(1), pp.135-152.

Lawyers' approach to AI in the law field

The rapid pace of AI has brought significant changes in the legal profession. The changes in AI have some impact on legal education and practices. The approach of evolving AI in the legal field is changing. Here are some key trends and perspectives:

- Initial scepticism: Many lawyers view AI as a threat as they assume it could replace them. However, as technology has improved, the potential benefits of using AI with human interaction are beneficial for law firms¹⁷.
- AI-assisted research: Many lawyers use AI-powered tools to conduct in-depth research, such as legal analysis, predictive coding and document analysis. This has helped them identify the cases and regulations more effectively.
- Document review and analysis: Law firms are effectively using AI to automate document review, which helps their lawyers identify the key aspects of the cases more quickly and precisely and streamlines the review process.
- Predictive analytics: AI-powered predictive analytics help lawyers analyse case outcome data and target clients with their settlement values and litigation risks¹⁸.
- Contract analysis and automation: AI can help lawyers automate clause identification, contract review and contract management.
- Legal knowledge management: AI-powered legal knowledge management systems help lawyers organise and update their knowledge of regulations, court decisions, and related laws¹⁹.
- Ethics and professionalism: As AI becomes more integrated into the law practice, consideration of the ethical implications is more standardised.
- Training and education: Lawyers must be well aware of the latest trends, and training helps them effectively use AI-powered tools, which requires a combination of understanding and technical skills of the legal profession²⁰.
- Collaboration with experts: Lawyers may collaborate with software developers and others to implement and design AI-powered solutions according to their specific needs.

¹⁷ Davis, A.E., 2020. The future of law firms (and lawyers) in the age of artificial intelligence. *Revista Direito GV*, 16, p.e1945.

¹⁸ Górski, Ł. and Ramakrishna, S., 2021, June. Explainable artificial intelligence, lawyer's perspective. In *Proceedings of the eighteenth international conference on artificial intelligence and law* (pp. 60-68).

¹⁹ Weinstein, S., 2022. Lawyers' Perceptions on the Use of AI. In *Law and Artificial Intelligence: Regulating AI and Applying AI in Legal Practice* (pp. 413-432). The Hague: TMC Asser Press.

²⁰ Hughes, H., 2024. Educating Deal Lawyers for the Digital Age. *Fordham Law Review*, 92.

Transforming the Legal shift in the paradigm

AI is the phenomenon of machines or computers performing tasks that require human intelligence. Although AI has been around for the last three-quarters of the century, it has never stopped being the subject of discussion; from its impact on industries to the way it has shaped society, AI has brought unprecedented changes to the world²¹.

Although AI can do tasks like document review and contract analysis much quicker and more complicated than humans, it cannot replace the critical thinking, empathy, and judgment that lawyers must bring to their work. Hence, it is not possible that AI will be the end of lawyers, but it will still transform the way they work and make them adjust to new technologies to keep up with the legal industry.

In January, news came out that, for the first time in the world, the first-ever robot lawyer was going to file speeding tickets on behalf of two defendants. The unlicensed practice of law ethics first criticised this announcement, which turned into a class action lawsuit against the company Do Not Pay AI.

Nonetheless, the company is still very active in providing free online legal services without any license or a system of checks and balances.

There is no question that morality is, to a large extent, a culture-specific phenomenon, and it is, indeed, possible for some standardisation of moral norms within that culture. It is also very likely that we will note these norms and hand them to AI so that it can do prescriptive and descriptive assessments.

Nevertheless, there is an issue with this; AI cannot go outside the box and will never be able to because of its nature²².

Conclusion

Legal businesses worldwide are sluggishly transforming and incorporating new technology, but the pressure is already rising to digitise procedures to remain competitive. AI has been showcasing many faces of enhanced efficiency, facilitating resource management, promoting the overall experience in delivering legal status to clients, and providing customer service.

This piece has examined how legal technology is impacting the law sector. Despite the technological landscape, lawyers will always be required, as it is very difficult to replace them due to the expertise they

²¹ Chesterman, S., 2020. Artificial intelligence and the limits of legal personality. *International & Comparative Law Quarterly*, 69(4), pp.819-844.

²² Landgrebe, J. and Smith, B., 2022. *Why machines will never rule the world: artificial intelligence without fear*. Routledge.

use when necessary. While it is tough to imagine the future without technology, it is exciting to see the future of technology within the legal profession.