SINCE 2013
5 YEARS

CONTENTS

LEGAL IT TODAY

No

EDITOR'S NOTE

WELCOME TO ISSUE 23 OF LEGAL IT TODAY!

When I was at college, I knew quite a few law students. Whenever I asked them how their course was going, they always gave the same answer. 'Oh, it's awful. It's just so tedious and repetitive. I'm so bored!'

Well, I dodged a bullet there then, I would think, having considered studying law myself at one point before eventually opting for history.

I'm not sure how many of my law student friends went on to practise law, but I thought of them while I was talking to Noory Bechor, founder of LawGeex, for our vendor profile. He told me that in Israel, a lot of people train as lawyers but then leave the profession after a couple of years because so much of the work is so daunting and repetitive. 'They get discouraged,' he said. 'They feel like they are wasting their time so they go and look for other things to do.'

It all sounded rather familiar. But hopefully, thanks to legal technology, such misery could be a thing of the past. Rather than spend all their time ploughing through endless boxes of documents, lawyers will be able to focus on more thoughtful, strategic tasks where they can make better use of their very expensive legal education.

In the long run, this should make them happier. And their clients too. No wonder legaltech people are such evangelists for their products—they have the potential to make legal a happier place! That's also one of the aims of Jack Newton, co-founder of Clio, who told us he wants to create 'a future where lawyers are thriving, happy and contributing to a more just world'. Jack is the focus of our first 'Legaltech Legend' profile. Watch out for more in future issues!

I can't guarantee that Legal IT Today will make you happy, but I hope it does cheer you up a bit at least 😜. 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.

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Jonathan Watson
Editor

TECHNOLOGY AND UNSCALED LAW FIRMS

BY MITCHELL KOWALSKI

With faster and better technology emerging every year, size can now be a hindrance to large businesses rather than an advantage.

Recently I was at a conference where several law firm managing partners explained their business strategies. Interestingly, there was barely a word about the important role that technology plays in implementing any of those strategies. One was left with the impression that technology is only a marginally important driver of overall business success; it is merely a tool to optimize a few processes, or to flaunt in marketing materials or RFPs.

One managing partner was adamant that the best way for his firm to survive and thrive was to become bigger. Being big was the end game, and if the firm could

attain massive scale not only in its own country but across the globe, it would succeed on that basis alone. I walked out of that discussion disappointed and truly bewildered. In an era where businesses around the globe are creating a digital or technology strategy that acts as the foundation of the overall business strategy, these managing partners didn't seem to believe that a technology strategy was necessary at all. That to me is a misstep that will eventually come back to haunt them.

Early in 2018, Hemant Taneja and Kevin Maney published an article in the MIT Sloan Management Review entitled 'The End of Scale'. It was based on their book, 'Unscaled: How AI and a New Generation of Upstarts are Creating the Economy of the Future', in which they argue that many successful businesses of this new century will benefit from economies of unscale. In the past, they say, the mere size of a business created a barrier to entry to new competitors as its massive size produced economies of scale through lower fixed costs. But with faster and better technology emerging every year, size can now be a hindrance to large businesses rather than an advantage.

The same is true of law firms. As we approach the end of the first quarter of the 21st century, law firm size will start to become less relevant as the importance of technology continues to grow. Many large law firms view growth, and hence success, in terms of the number of lawyers sitting in their offices. Manual labour is the order of the day as revenue is predominantly generated on a billable-hours basis—more lawyers equals more hours billed, which equals more revenue—but with significantly increased cost. In other words, the economies of scale (and lower internal costs of producing legal work) found in other businesses do not translate to the traditional law firm business model.

The true competitive advantage of size in the law firm context is to act as a barrier to entry to competitors who do not have the resources to open several offices across the country or even the world— thus giving them a natural monopoly over a certain layer of legal work. But if one looks more closely, there are two important underpinnings to retaining this monopoly: (i) the lack of technological advances across the legal services sector and (ii) a compliant workforce. These

underpinnings are now at risk of failure.

Advanced legal technology as the new normal

In an August 1, 2018 post on LinkedIn, Australian legal industry analyst Eric Chin commented that not only was '2010… the LegalTech startup tipping point as 84% of the LegalTech population on the CodeX Techindex were founded from 2010 onwards… [but also] in 2017, Catalyst, a growth equity venture capital firm, estimated the LegalTech market is a $15.9 billion industry selling solutions to both corporate legal departments and law firms'.

Recently Kira, a global legal technology company that uses machine learning to review documents and extract relevant data points, announced that a venture capital firm had invested $50m as a minority shareholder. Shortly afterwards Atrium, a legal tech start-up whose goal is to transform the legal industry, received $65m. This hyper-growth and these major investments are already normalizing Richard Susskind's view that over the next 10 years, technology will be critical to the success of most legal practices.

As important as these independent technologies are to the future of legal services, what is arguably even more important is the fact that they're starting to work together to create further new legal service solutions. HighQ's integration with Kira, as well as the ability for Neota Logic's expert system technology to make rule-based decisions based on Kira's extracted data to determine risk levels (all of which is currently being done in conjunction with law firm Allens), are just two examples of this.

As a result, the direction of travel is now clear. Many legal tasks that previously required a lawyer can now, through technology and workflow, be handled by team members who didn't go to law school. This creates new skills and opportunities for non-legally trained team members. I often mention Australia's Slater & Gordon as an excellent example of a firm that actively sought to be the most technologically-advanced law firm on the planet—taking full advantage of technology to experiment with different team compositions and workflow to ensure maximum efficiency and client satisfaction. It was all about creating

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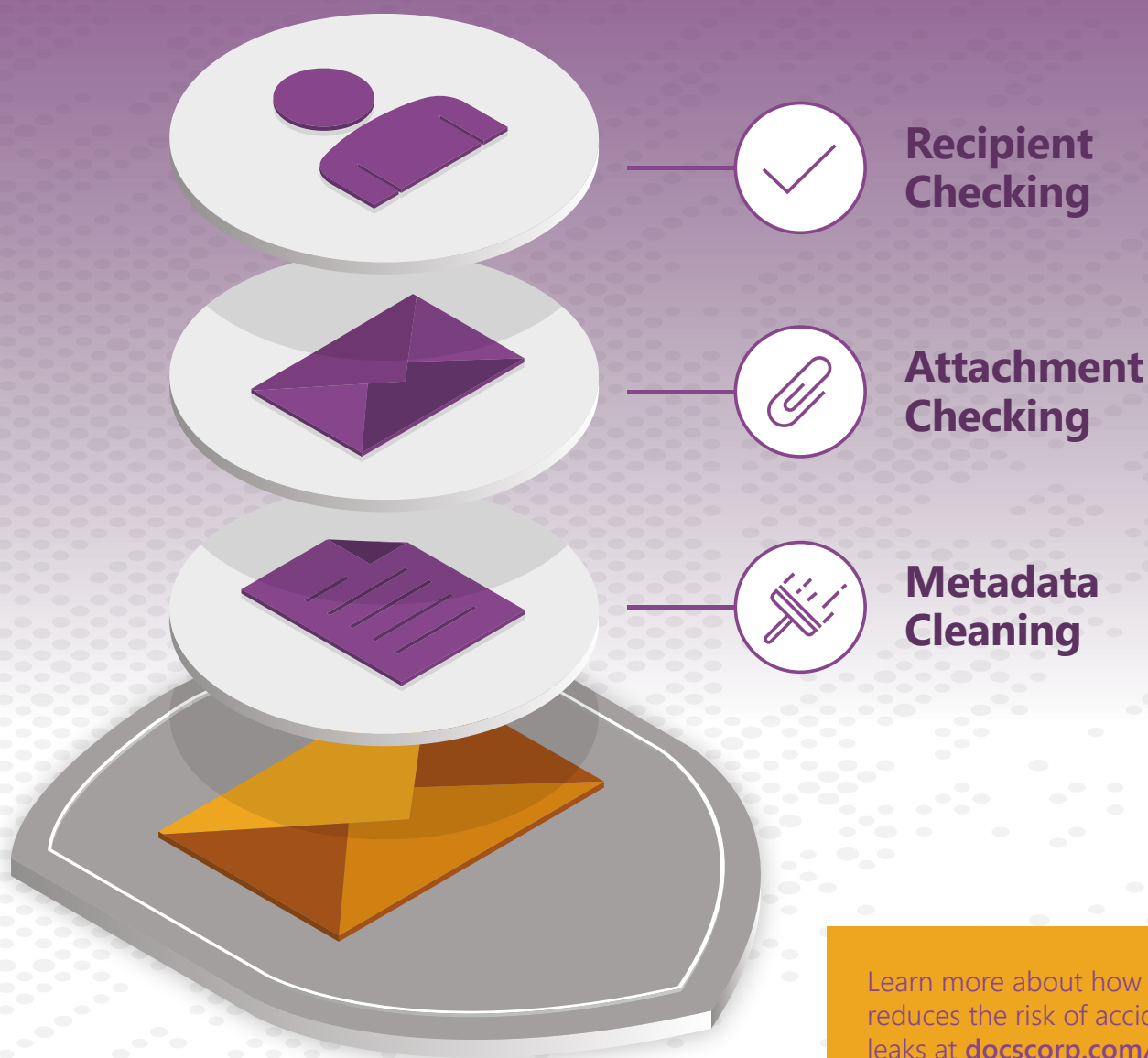
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revenue growth without hiring the most expensive component of a law firm's workforce—lawyers. And once advanced legal technology more fully allows legal services to be provided by people with less legal training from any geographic location, the competitive advantage that size once gave law firms will disappear.

A new workforce will demand new tools

The current millennial law firm workforce (those born between 1980 and 2000) has always viewed technology as an important and perhaps vital part of life. It is always getting better and always seeming to solve a growing number of problems. This workforce not only brings with it a huge comfort level with technology, but also a strong desire for what author Dan Pink calls 'autonomy, mastery and purpose'. Most law firms are fairly good at giving their young lawyers mastery of the practice of law, but they're less successful at giving those lawyers a sense of autonomy and purpose.

That is now beginning to hurt them. I am often told by major law firm human resources personnel that their firms are losing good people because the law firm's traditional incentives of money and prestige (at the expense of long hours and loss of personal life) are less attractive to millennials. As we approach the 2020s, the leading edge of millennials will begin turning 40—a time when they're experienced enough and trusted enough by their clients to leave traditional firms, and a time when they're bold enough to create new operational models that better address their desire for autonomy, mastery and purpose.

In doing so they will not be hampered by legacy IT systems that are difficult to integrate with newer technology. As a new entity they will, out of necessity, seek to generate revenue at the least possible cost. How can they do the work of three traditional lawyers by using one lawyer, appropriate technology and paraprofessionals? As result, job creation at these firms will favour those who did not invest in a law school education but bring other valuable skills to the table. These firms will also seek out IT personnel who are explorers, willing to work hand in glove with all team members (and even directly with clients) to create unique client experiences. These will be experiences that revolve around the firm, not a specific lawyer.

Once enough millennials with large law firm pedigree break away from major law firms and enter the marketplace with a technology-focused business strategy, with the ability to do the same quality work as major law firms but at a much lower internal cost, the competitive advantage of unscaled law firms will only cause further disruption to the legal services marketplace.

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WHAT'S HAPPENING AT LAWGEEX?

BY JONATHAN WATSON

Cloud-based AI platform LawGeex raised $12m in new funding earlier this year. Its co-founder and chief executive Noory Bechor, who has just relocated from Israel to New York, spoke to Jonathan Watson about the company's mission and the future of the legal market.

How did LawGeex get started?
When I was working for a law firm, I represented a lot of venture capital firms, Israeli start-ups and big multinationals that came to do business in Israel. This made me realise two things: first, that I wanted to become an entrepreneur, and second,

that I was really frustrated that lawyers didn't have good technology at their disposal to do their jobs better. My idea was that if you could train a computer to understand the language of lawyers—to understand legalese—you could have a very big impact on the industry.

Was it a deliberate decision to focus on contract review?
It was an area that was close to my heart, but I really thought and I still think that the place where there is the most friction in legal, and especially commercial legal, is the process between the client having a contract in their hands and being

able to sign it. The whole process of contract review and negotiation is very stressful and creates a lot of difficulties for lawyers. I felt like this was the biggest pain in legal, which made it very interesting but also very challenging for us to try to solve.

It's clearly a very important issue for lawyers—are there many competitors in your field?
When we started, four and a half years ago, people in legal and in business didn't even understand what we were trying to do. Things have advanced a lot since then and right now, there are several companies focusing on AI for legal. A small number of companies are doing AI for contracts, and within that, we focus on the process of getting day-to-day contracts reviewed and approved. That's different to a solution that automates due diligence, for example—which reviews contracts after they are signed and looks for specific potential issues. We are squarely focused on the pre-signing phase and on trying to automate as much of that as possible. And in that particular space, there are very few competitors right now.

One recent article that featured LawGeex was entitled 'Lawyers could be the next profession to be replaced by computers'. I assume that's not part of your plan?
No. Everyone recognises that there are certain areas in legal that shouldn't be done manually. There are certain tasks, certain mundane and repetitive tasks, that lawyers don't want to do. They feel that these tasks are, if not beneath them, then definitely not something they should be spending their brainpower on, having acquired a high-quality education and lots of experience. We are freeing their time to do more things that actually require thinking and strategising, and which help the business. When lawyers are drowning in day-to-day tasks like contract review, they don't get a chance to look at the bigger picture and think about how they can really make an impact.

We released some research earlier this year that found that in certain circumstances, in certain cases, AI can do a more consistent job than a human lawyer. If this is the case—and obviously human lawyers do many other things better than an AI engine—then the best solution is collaboration, synergy and

We want lawyers to love legal and we want their customers to love legal

working in tandem. We can leave the AI to take care of the simple, mundane, repetitive tasks while the human lawyers take care of whatever is unique and requires thought and strategy. AI cannot do everything under the sun. We want people to use it in a very specific way.

You mean you want to take the bore out of the law?
In Israel, a lot of people train as lawyers but then leave the profession after a couple of years because a lot of the work is so daunting and repetitive. They get discouraged. They feel like they are wasting their time so they go and look for other things to do. In the long run, one of the benefits of making this profession more efficient with technology is that we'll see happier lawyers. That means we'll see happier customers as well. We often talk about 'love legal', because we want lawyers to love legal and we want

their customers to love legal. Right now, that's not the case.

People often ask me 'What is AI exactly?' and I struggle to provide a decent answer... can you help?
The first thing to understand is that there is no one single AI. There are different branches to it, and you can spend time talking about each one, like machine learning and deep learning. In addition, AI is not about creating rules. Let's say I want to train the computer to identify a non-compete provision. I could write a rule that says if you see the word 'compete' in the contract, this means that the sentence that includes that word is a non-compete provision. This is rule-based.

AI is different in that you don't need to create a rule. The computer reaches the conclusion on its own based on information that it digested in the past.

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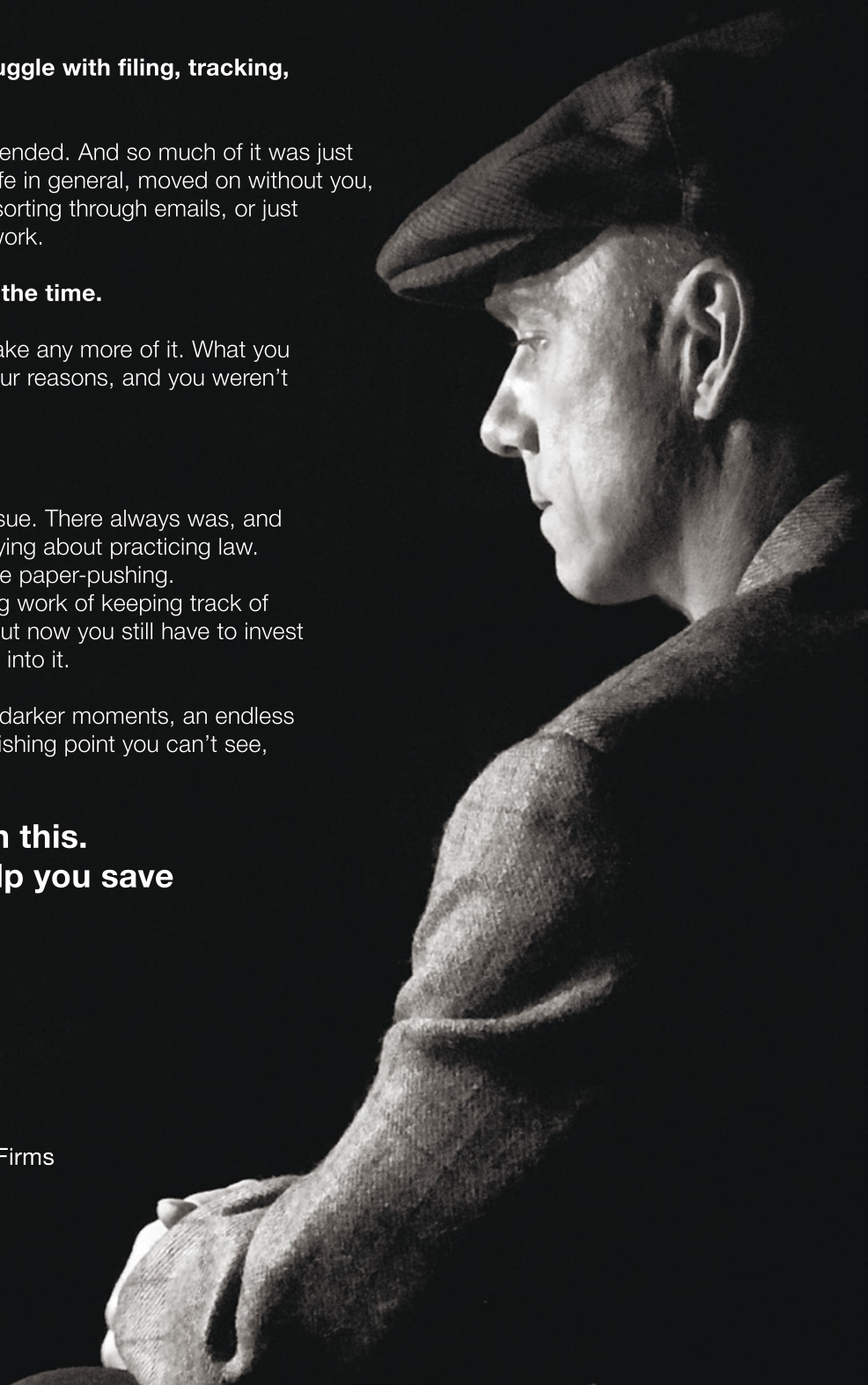
You look forward, and you see, in your darker moments, an endless line of timesheets, stretching into a vanishing point you can't see, but know is there.

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

ZERØ

You feed the computer lots of examples of what a non-compete clause would look like, and then the next time it sees pieces of text that it might not have seen before, but which are very similar to this non-compete language, it can say ok, this is a non-compete clause. That is different from simply implementing a rule defined by a human.

What should we watch out for from LawGeex this year?
We are planning a big product release towards the end of the year, based on the feedback from our customers and prospects. This new version is going to include enhanced editing capabilities which will enable our customers to edit a contract inside our platform as efficiently as they can in a Microsoft Word environment. Perhaps even more efficiently. And we're extending the product to cover not only third-party documents but also redline-drawn templates.

What do you see as the key changes in the legal market?
The impact of technology in legal is being accelerated by a change of mindset. We have a new breed of lawyers now who are thinking differently and are used to working with technology. We also have—especially in corporate—the notion

of legal operations. All of the Fortune 1000 corporations have legal operations or legal departments. These guys are starting to look at what legal does in a more data-driven and efficiency-driven way. It's going to impact the way the profession evolves and that's going to be a much faster change than people realise over the next decade.

In addition, the role of legal IT is becoming more and more significant, so it's a good time to be in this industry. In the old days, we just had to make sure that the email system and the servers

and so on all worked properly. Now it's much more about being the catalyst, the change agent inside your law firm or corporate legal department. It's about being the person who really understands the new technologies that are coming and can help the organisation leverage these technologies and become more competitive and better prepared for the future.

GUTTED!

BY MARTYN WELLS

We all lead busy lives, especially in our sector, legal technology and innovation. Working for lawyers and law firms can be very hectic and the fact that the legal industry is playing catch-up with other industries doesn't make things any easier. It can be easy to forget that there are bigger issues than the age of technology being used, a lack of board support, and change management processes that resemble the turning circle of a supertanker.

Martyn Wells' story should give us pause and encourage us to think about what really matters most in life. Martyn is one of us. As the IT director at award-winning UK law firm Wright Hassall, he battles to provide his firm with the best possible IT strategy and support. But over the last 20 months or so, he has been forced to fight a very different kind of battle. Against cancer. Read Martyn's story, in his own words.

I n February 2017 I had a mole removed from my back. It had been bleeding and didn't look terribly clever. Three weeks later, I was called to hospital for an 'urgent appointment' with a dermatologist, who fixed me with his eyes and uttered the awful words: 'I'm really sorry, it's melanoma.'

How bad could it be? They'd already removed the mole, so that should be the end of it—right? Wrong. The consultant went on to explain it was nodular melanoma, and that there was a high risk of it spreading elsewhere. The tumour had its roots in my lymphatic and blood channels. In that moment all the other words he said passed through one ear and out of the other. I felt utterly broken.

Nodular melanoma is the iceberg of skin cancers. It burrows down and sets deep roots before it has a chance to change the appearance of your skin. Many patients are diagnosed because they identify secondary tumours elsewhere in their body before finding that they are linked to a nodular melanoma's primary tumour. In my case, the iffy mole on my scapula had started to change colour, become raised and bleed because it had become ulcerated, the damage already spreading way below the skin.

It wasn't long before I had over 12 square inches of flesh removed from my back to make sure the area was clear of cancer, and a lymph node taken from my armpit to see if the cancer had spread. Several weeks later, I got the results; my lymph node was clear of melanoma. The scar on my back made it look like I'd suffered a small shark bite.

I relaxed and breathed a sigh of relief, ready to return to work once I had recovered from the surgery. But two weeks later, I found another small lump on my back. It was hard, like a dried chickpea under the skin. Later that

week I was back in the dermatology department. Two weeks after that, another surgeon removed a tumour the size of a golf ball from my body. The melanoma had started to spread.

For the next three months I was in and out of hospital as surgeons removed tumour after tumour from my chest wall, armpit and lymph nodes. Melanoma does not respond to chemotherapy, so my medical team decided surgery was the best treatment. It took six surgeries in total to remove all of the cancer that appeared; I lost my pectoralis minor muscle and all of the lymph nodes in my armpit and chest as my surgical team fought to get the upper hand. Finally, in September 2017, a CT scan confirmed there was no further evidence of disease. I was now a Stage III cancer patient.

I started returning to work gradually in early October. Three days a week was initially very tiring but I was relieved to be making a contribution to the economy again and picking up on work I'd started before disappearing for 5-plus months.

With my body healed, the vacuum drains fitted to manage internal fluid build-up removed and my scars closed up, in November I was well enough to fly to Mauritius to get married. My tussle with cancer had reminded me that there is much more to life than just work!

Soon I was also making plans to walk the Severn Way, a 211-mile path that follows Britain's longest river from its source to the sea. Aiming to do this in 10 days would give me something to get fit for. I'd walk to raise awareness of melanoma so people would know it's #notjustskincancer and is one of the most malignant cancers around. I'd raise funds for the Macmillan charity to give something back for the great work of its nurses, supporting my family and me when we needed it most.

I was properly motivated and set about creating an event. I immediately gained tremendous support from peers and vendors in legal IT. I started getting fit, to the point where I was running in knee-high snow drifts as winter set in. It felt like nothing could stop me...

Then, on a Sunday night in late March, I staggered up the drive after a run, my legs buckling underneath me. I was vomiting as I staggered, the world swimming around me. I felt really, really ill. The next morning I was admitted to my local hospital and after three hours the blood tests determined I was acutely anaemic, to the point where I was at risk

Without further surgery, I'd have less than a month to live

of my heart stopping. There was barely enough blood to pump around my body. I was placed on emergency fluids, given blood transfusions and transferred to the high dependency unit.

After a CT scan, I was wheeled straight to the endoscopy suite. A new tumour had grown to the size of a cricket ball in my stomach over the last four months, penetrating my stomach wall. It was ulcerated and bleeding both into my abdominal cavity and my intestines. I'd lost nearly half of my blood volume.

I was visited by gastrointestinal surgeons, oncologists and Macmillan nurses as I drifted in and out of a morphine-soaked consciousness. Without further surgery, I'd have less a month to live. All of my stomach needed to be removed as an emergency procedure. I was transferred to a bigger hospital where there were surgeons with the expertise to conduct the six-hour operation and proper intensive care. In a heartbeat, my life had changed forever.

The following day my stomach, lymph nodes and all the adjoining tissue between my oesophagus and small intestine were removed. The skill of the surgeons and care of the Macmillan team are the only reason why I can write this article today. I'd survived and was now a Stage IV melanoma patient.

My recovery has gone very well. I've fought tooth and nail to return to fitness and complete the Severn Way 2018 walk without delay. It's been a massive focal point for me and has provided me with the motivation to recover as fast as my body allows.

I now have a feeding pipe sewn into my jejunum to allow me to run a liquid feed into my digestive system overnight. It supplements any calories I eat during the day. Life without a stomach means eating six or more meals a day no larger than the palm of your hand, and not being able to eat and drink at the same time. A total gastrectomy has a massive impact on your quality of life—no more candlelit three-course dinners for two!

I also attend immunotherapy every two weeks to help ensure that any rogue melanoma cells in my body don't take up residence in any other organs and seed new tumours. That means seeing an oncologist and nutritionist every month and a full-body CT scan every three months.

My firm has been brilliant in supporting me in my battle with cancer, giving me the space and time I've needed to come to terms with the mental side of things as well as the hideous physical issues associated with my recovery. Once again I'm getting gradually back into work.

I am touched and humbled by the love and support I have received from peers and vendors both personally and in support of Severn Way 2018. Next time you're grumbling about the age of the technology you're using, or the lack of board support, or the change management turning circle of an oil-tanker, remember this: there is no other sector like legal IT for support and comradeship.

We're lucky we're all in this together.

WALKING THE WALK

Martyn successfully completed the Severn Way on 10 September when he arrived at Severn Beach in Bristol. He describes the walk—228 miles in 10 days, and not 211 miles as it said in the guidebook—as 'an emotionally overwhelming experience, filled with random acts of kindness, medical bushcraft and a fair set of laughs on the way'. It was 'a fundraising experience never to forget'.

Donations are still coming in and he is currently on track to raise at least £40,000 for Macmillan Cancer Support. 'It's the biggest charity event there's ever been in the legal IT sector,' he says. 'There was a real sense of community and giving. It was great to be walking with new people every day. Everyone knew who the sponsors were and I'm very grateful to all of them and their staff for giving their minds and souls and in many cases their bodies to this event.' David Jones from BigHand even did the first seven miles of one stage in flip-flops.

As well as confronting the physical challenge of the walk, Martyn had to make sure that 'what was between the ears' was functioning properly at all times. 'Every day there was a new sponsor, so I had to bounce out of bed in the morning and go downstairs and meet them and their staff and be prepared for the day ahead,' he says. 'That's not always easy when you've walked 33 miles or so the day before and have to spend half an hour taping your feet up just to get them in your boots!'

So what's next for the apparently indestructible Martyn Wells? 'I go back to work full time and get cracking,' he says.

'I'm also chairing the Alternative Legal IT conference in a few weeks, so I need to get my act together for that.' Returning to work full time doesn't phase him. 'If I've walked 228 miles in 10 days then I'm damn capable of going to the office.'

There could also be more fundraising events in the future. 'I've got more plans for next year,' he says. 'It's going to be much longer and much more dangerous!' Not bad for a stage IV cancer patient who's had six operations since diagnosis 18 months ago, lost seven stone this year and had his stomach removed only five months ago.

If you are inspired by Martyn's achievement, why not make a donation to help Macmillan support more cancer patients? You can do so here: www.severnway2018.com/donate

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SMART COLLABORATION: DEPLOYING TECHNOLOGY TO CAPTURE HIGHER VALUE THROUGH TEAMS

BY HEIDI GARDNER

Law firms that can kickstart a journey towards a more collaborative, higher-value client service will emerge as the clear leaders with a sustainably successful future.

Today's law firms face a serious conundrum. Their clients increasingly need them to solve complex problems—everything from regulatory compliance to cybersecurity—that only teams of multidisciplinary experts can tackle. Yet most firms have carved up their highly specialized, professional experts into narrowly defined practice areas, and collaborating across these siloes is often messy, risky and costly. Even when partners recognize the need for greater collaboration in their firm to drive revenues and growth, their intellectual buy-in doesn't translate to behavioral change. Unless you know why you're collaborating and how to do it effectively, it may not be smart at all.

My empirical research at Harvard University shows that when firms get collaboration right—that is, do complex work for clients that spans practices and offices within the firm—they earn higher margins, inspire greater client loyalty, gain access to more lucrative clients and attract more cutting-edge work. This form of integrated client service that often crosses practice groups and other siloes is what I mean by 'smart collaboration'—and it's the kind of client service that leads to the benefits detailed in this article.

Deploying a collaborative technology platform helps connect partners with the right opportunities and knowledge to mitigate many of the obstacles that stand in the way of smart collaboration. These new software packages can help make performance management powerful by pushing objective setting down to the appropriate level, thereby promoting both ownership and transparency. Technology itself is not a silver bullet, but a high-potential enabler of collaboration that should be treated as an integral part of the way partners work.

The benefits of collaboration
More revenue and stickier clients
The financial benefits of multi-practice collaboration are clear: the more practices that serve a client, the more revenue the client generates for the firm

each year. As Figure 1 shows, moving from one to two practices serving a client triples the revenues from that client, and the addition of each subsequent practice continues to grow fees.

Cross-practice collaboration allows lawyers to gain access to senior executives who have broader responsibilities, larger budgets and more sophisticated needs. This complex work commands higher margins, revenues and hourly rates. As one partner said: 'The clients are much more generous on

> *The career trajectory of active engagers greatly surpasses that of isolated soloists*

fees because if it's so big, the deal's got to get done, and they cannot waste time negotiating or nit-picking.' While single-specialty service is often viewed as a commodity awarded to the lowest bidder, cross-practice work is less subject to price-based competition.

Done right, cross-practice collaboration makes clients stickier in the long run by creating switching barriers. As the general counsel of a Fortune 100

company explained: 'Despite what they think, most individual lawyers are actually quite replaceable. I mean, I could find a decent tax lawyer in most firms. But when that lawyer teamed up with colleagues from IP, regulatory and ultimately litigation, I couldn't find a whole-team substitute in another firm.' Our analyses show that clients served by a team of lawyers—even just two partners instead of one—are at least three times more likely to stay with the firm if their main contact departs. In an age of rampant partner mobility, firms can't ignore this benefit of collaboration.

Business development through a network of experts
Aside from firm-level benefits, collaboration enhances the individual lawyer's ability to develop a strong book of business and develop her reputation for providing high-value client service. As one partner explained: 'Lawyers must actively seek out other experts and build their network for any chance of long-term success. Clients increasingly demand that we take a holistic view of their business, and that's impossible with a soloist mindset.'

Figure 2 provides a visual depiction of the network (and ultimately the collaborative prowess and outcomes) of two demographically identical law firm partners. Each dot on the diagram represents a partner in their firm, and the lines between them indicate that they've spent at least 15 hours that year working together on a specific client project (not merely working on separate projects inside that client).

Figure 1

Average Annual Revenue per Client based on Number of Practices
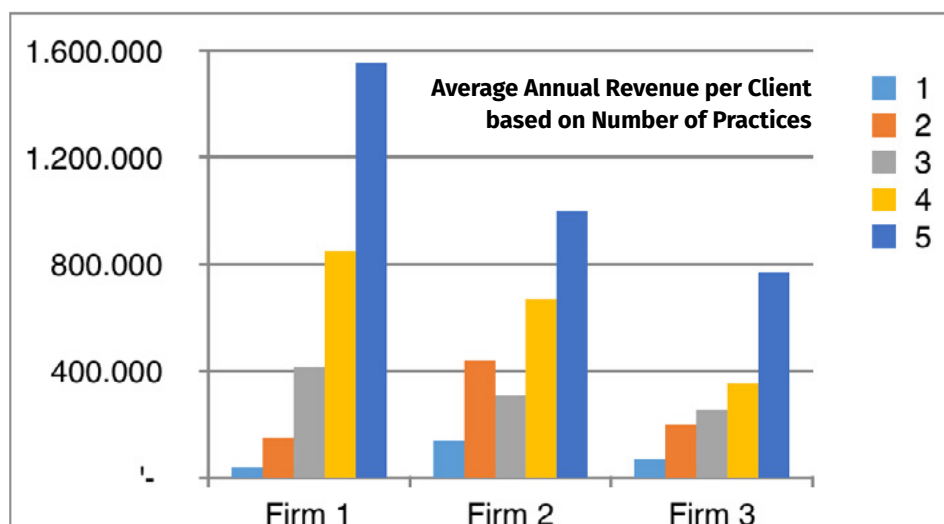
While they billed the same number of hours, they spent their hours differently. Partner 1 brought six other partners into client work he generated, half of whom were from outside his own practice area. Partner 2, by contrast, involved more than 30 other partners in his client work, two-thirds of whom were from outside his practice. Clearly, Partner 2's cross-practice approach paid off. Total revenue that year from his clients was more than four times higher than the revenue that Partner 1 generated from his client base. Ultimately, the career trajectory of active engagers (individuals who are appropriately using collaborative technology to build a strong network) greatly surpasses that of isolated soloists.

Barriers to smart collaboration

Why do rational lawyers find it so difficult to see the benefits of collaboration? Many lawyers are simply not used to working in teams; they have had far more experience (and success) in competitive, individualistic settings. Others lack trust in their colleagues' competence, or worry that ill-intentioned partners will take undue credit for success or even try to 'steal' the client relationship.

Furthermore, collaboration takes time. The financial rewards of collaboration, such as referrals from colleagues after working together, accrue slowly over time. But most of the costs and risks, such as locating an expert and assessing whether she's trustworthy, available and conflict-free, are borne right away. Fortunately, as professionals gain more experience with collaboration and develop a set of reliable collaborators, the costs tend to fall, because people discover how to collaborate more efficiently and effectively.

Figure 2
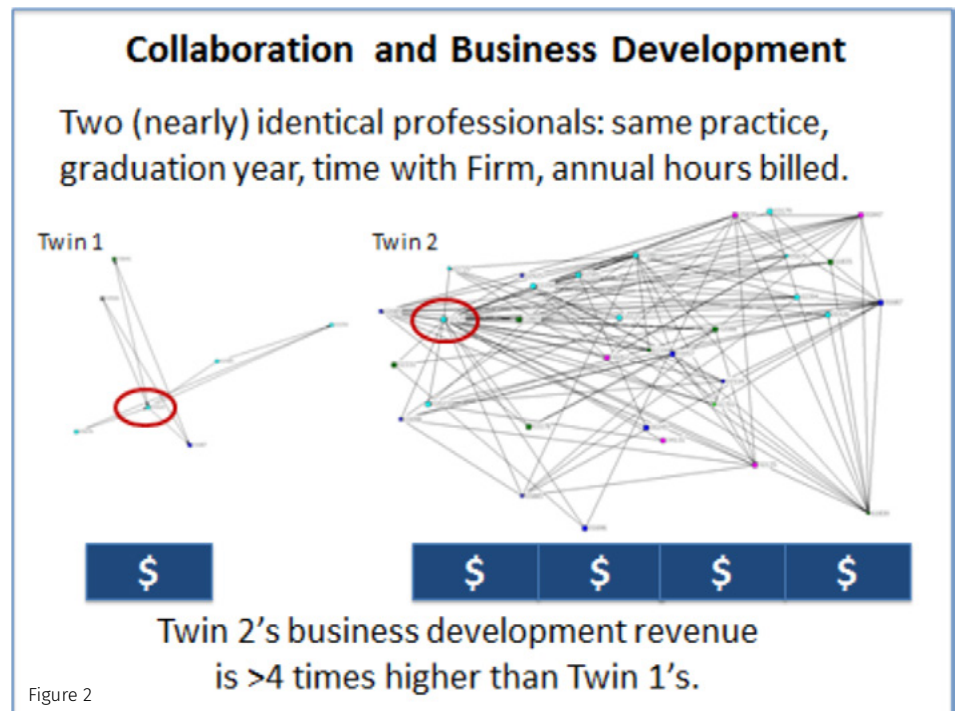
How technology can enable smart collaboration

Clients want you—their law firm—to embrace and practice smart collaboration, and technology can help streamline efforts to make it happen. Deploy performance management software that helps collaborators see work-in-progress, share knowledge about their projects, and push objectives to the appropriate resources. The right software, implemented thoroughly and actively supported by the highest-level leaders, can promote ownership, accountability and transparency. In turn, this transparency helps foster a sense of common purpose by giving participants a deeper understanding of company issues and how various pieces intersect. It also aids learning as participants get exposure to others' ways of thinking—not simply their end results.

Our research reveals that the right technology, with leadership support and partner buy-in, can support collaboration in the following ways:

- Increases transparency for firm leadership to understand activities and resource allocation
- Builds momentum in real time as project progresses and highlights success stories
- Avoids redundant efforts and re-work
- Improves peer-to-peer coordination
- More efficiently able to source expertise
- Enhances firm's branding, reputation and perception to clients
- Increases responsiveness between firm and client

Technology is not a magic solution by itself. You need to align the rest of your systems and processes to support

technology-enabled collaboration. Build objectives into performance review systems, but just as important: make them a living, breathing part of the organization's culture by recognizing and celebrating people who are making strides. Senior leaders' participation is absolutely essential, both symbolically and substantively. Leaders must use the software to spot areas where their input would be more valuable—either by praising success or by offering to help underperformers. It's far more effective than waiting for annual reviews, because people learn sooner and more deeply.

As one partner at an elite global firm put it: 'We're serving global clients, and in an organization that is as complex as ours, we must appear coordinated in our efforts for clients.' Far more than optics, the use of collaborative technology is part of a larger culture change initiative that touches many other aspects of firm infrastructure and its leadership capacity.

Conclusion

Collaborative technology platforms play a key supportive role in achieving smart collaboration. But little can be accomplished without supportive leadership, some degree of culture change, and close alignment with other performance management systems. Firm leadership must model the desired collaborative behaviors and use of technology. In fact, a growing number of firms have successfully built and sustained internal IT systems that lower the costs and increase the benefits of collaboration by mimicking the best parts of popular social networking applications. Without such technology, firms can't meet client expectations. Clients' needs are shifting, and law firms that can kickstart a journey towards a more collaborative, higher-value client service—and sustain the momentum until the benefits materialize—will emerge as the clear leaders with a sustainably successful future.

Heidi Gardner is a Distinguished Fellow and Lecturer on Law at Harvard Law School. She researches, teaches, speaks and consults on topics related to leadership and collaboration in knowledge-based organizations, focusing on professional service firms. Her book, 'Smart Collaboration: How Professionals and Their Firms Succeed by Breaking Down Silos', was published in November 2016. Throughout her work, she connects her decade of field-based research on professional firms with first-hand experiences at McKinsey to generate novel insights and practical recommendations.
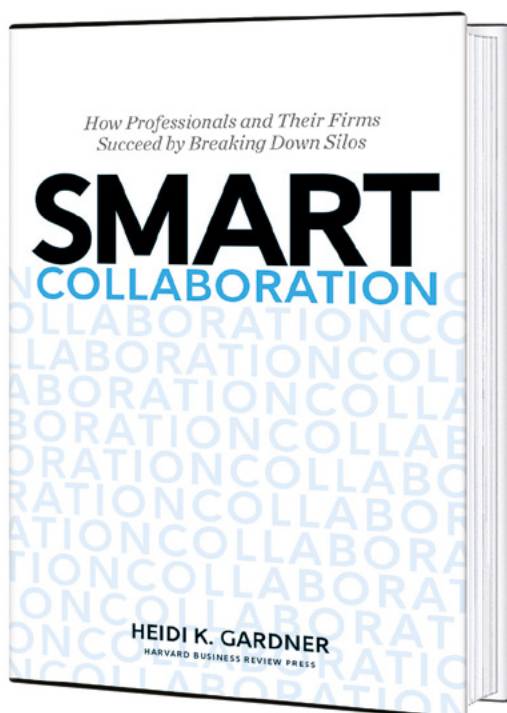
BORING ARTIFICIAL INTELLIGENCE

BY PHILIP SCORGIE

AI may now have entered the 'Slope of Enlightenment' stage of the Gartner hype cycle.

Pondering ILTA this year in Washington D.C., I thought of the famous story about a strategy consultant advising Black & Decker. She's presenting to the board and begins by reaching under the shiny, long, expensive conference table and producing a drill. She waves it around a little, then asks a question.

'Is this what you're selling?' Everyone nods.

'You're wrong,' the consultant responds. 'THIS is what you're selling.' She then reaches under the table again, and with a flourish, produces a board with a hole neatly drilled in it. The drill is the technology. The hole is the benefit.

When it comes to legal AI, adoption begins with the nitty-gritty

This ancient anecdote is a perfect metaphor for the current state of AI technology in law firms.

On the customer side, you have law firms, who are doing business in a challenging, rapidly changing and highly competitive environment. Powerful market forces are reshaping the business of law, leading to pricing pressures, reduced billings and recovery and a constant, unending search for technology that will deliver an edge over rival firms. It's not an easy time to be a lawyer, and it's really not an easy time to be a law firm CIO. Lawyers can only work so hard, and hourly rates can only go so high. Technology has to be the competitive solution. But what? Where? How?

Legal AI promises to hold the answer. Dozens of companies, ranging from IBM to scrappy startups, have introduced a staggering range of products for the legal market. These products utilize AI to make lawyers more effective, firms more profitable and research and document review more efficient.

However, AI for legal comes with two major, interrelated and very interesting challenges which uniquely affect adoption of AI technology in the legal sector:

- AI is evolving rapidly and will have a bigger impact than any technology anyone's ever seen, and;
- AI is highly complex and it's often impossible to understand how it works.

Technology adoption has been studied and written about extensively for decades. It's fairly well understood. Everything from the Gartner Hype Cycle to Geoffrey Moore's work to the entire concept of the early adopter provides time-tested and fairly reliable models for understanding how, when and why markets and customers adopt new technologies. However, what's happening now in legal AI is challenging traditional thinking. Like some kind of frustrated chess hustler, legal AI has thrown all the pieces in the air and is forcing us to develop a new understanding of how technology's adopted.

What's going on? Despite the desperate need for technology, and the drive to implement it, law is a conservative profession, as are the people who practise it. The culture and practices of the legal industry make law firms inherently cautious about embracing new technology. This caution is exacerbated by the current unique state of AI technology. It is rapidly growing, expanding, and moving almost daily into new areas and functionality that were unimaginable a year ago. It's hard to sometimes even say exactly what AI actually is anymore. This puts incredible pressure on CIOs sorting through their AI options. In a lot of cases, there is the unenviable position of recommending technology we don't completely understand.

If this scenario seems a little overstated, consider the fact that the 'AI black box' situation has led to the development of something called 'explainable AI'. This is intended to replace the black box with a 'glass box'. As the name suggests, explainable AI is engineered to allow human users to be shown how the AI arrives at the outcomes it does. Increasingly, dynamic and advanced AI systems arrive at outcomes that can't be explained, even by their designers. Imagine the difficulty, inside a major law firm, of considering adopting a technology that can't even be understood.

The classic way to look at all this is through the well-known Gartner hype cycle for new technologies. The hype cycle begins when a new technology is introduced, everyone talks about it, all kinds of expectations arise and market visibility peaks at what's called the Peak of Inflated Expectations. A good example of this might be the breathless promises about legal AI made at last year's ILTACON.

In the hype cycle model, reality inevitably intrudes. The new technology crashes into the Trough of Disillusionment. It then has to find its footing in the marketplace. Use cases must be developed. Finally, with the maturity of both market and technology, the technology ascends the Slope of Enlightenment and arrives at the Plateau of Productivity. It finds its place. The hype cycle is well known, explains a lot, and the way the legal marketplace is dealing with AI fits right into the Gartner model.

Arguably, this year's ILTACON represented legal AI dealing with the Slope of Enlightenment. A lot of last year's Next Big Things were interestingly quiet this year, seemingly immersed in the hard work of delivering on AI's initial promises. Simultaneously, customers were grappling with both explainability and rapid change. Both of these make adoption particularly challenging, the Slope of Enlightenment steeper and the Trough of Disillusionment deeper.
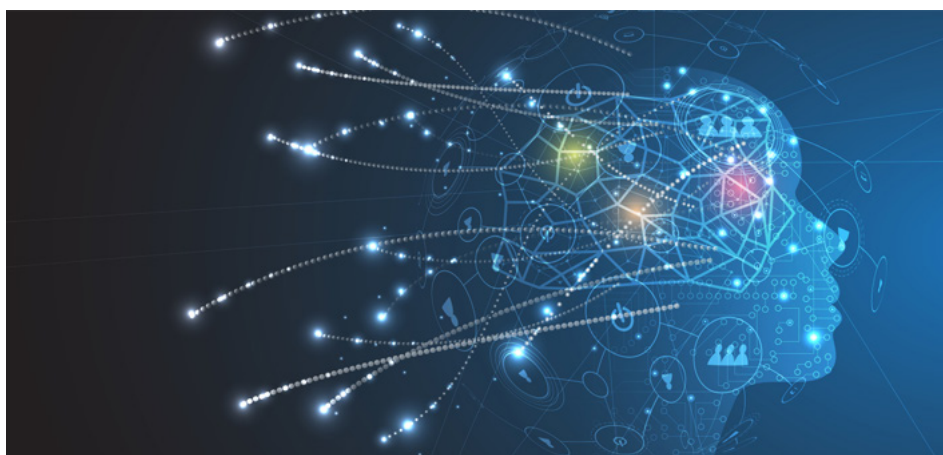
Transform your legal service delivery
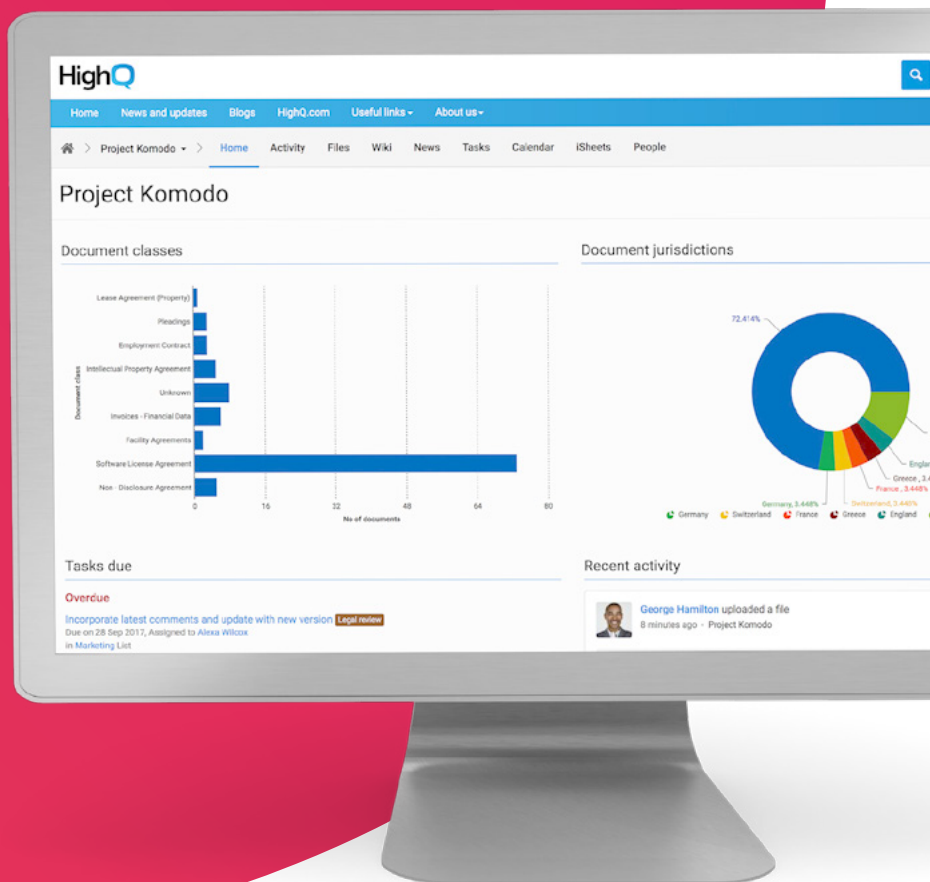
Drive innovation, legal process efficiency,
and deliver an amazing client experience.

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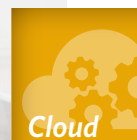
But something new and fascinating is happening. The legal AI companies climbing the Slope quickest may be the ones who defy the complexity/inexplainability trend and provide focused, immediately obvious and above all, measurable applications to old, unexciting problems. If adoption is hindered by complexity and change, maybe the solution is technology that clearly and measurably addresses specific problems. To power adoption, perhaps the answer to 'What does it do?' needs to be: 'This – look.'

A good example of this approach is Zero, a Silicon Valley AI start-up where I am providing strategic legal sector advice. Zero is addressing an unglamorous set of problems: billing, and filing emails. Zero uses artificial intelligence to do two things: automate filing emails into both iManage and NetDocuments and track billable time generated by reading and composing mobile emails and attachments.

The problems Zero attacks are real, and concrete: a lot of lawyers don't really use document management systems as much as they should. Lawyers also often don't accurately track billable work done on mobile devices. That forgotten phone call to opposing counsel in the airport represents real lost revenue. Most lawyers either write off or guess at the time. Neither solution is very good.

Zero's technology uses AI and a proprietary mobile email app to solve both problems. Billable work on mobile devices is automatically captured, and a full billing entry (including a narrative) is created. Similarly, emails are automatically filed into the correct DMS destination. AI is used to identify the right location. It's an AI-powered solution to boring day-to-day problems all law firms struggle with.

The lesson here is that when it comes to legal AI, adoption begins with the nitty-gritty. The practice of law is, in the end, a very practical, concrete and specific thing. Ask any paralegal who spends a weekend reviewing documents. And law firms are, in the end, businesses with operational challenges just like any other. The first,

best and perhaps value-demonstrating role of AI in this environment will be to solve specific, known operational problems, with the big-picture transformation coming later.

In other words, let's just focus on making the hole.

Philip Scorgie's 30-year professional services career includes leadership roles at Mayer Brown in Chicago, Deacons in Hong Kong and Mallesons, Corrs and Norton Rose in Melbourne where he currently resides. Philip possesses in-depth knowledge and experience in disruptive technologies and change management and holds advisory positions at application development companies specialising in artificial intelligence. Currently, as a visionary and independent consultant, Philip helps firms to select, deploy and leverage advanced technologies to increase efficiency, quality and profitability.

OUR MISSION IS TO TRANSFORM THE PRACTICE OF LAW FOR GOOD

Our first 'Legaltech Legend' is Jack Newton, chief executive and co-founder of practice management software firm Clio.

How and when did you get involved in the legaltech sector?
I've known my co-founder, Rian Gauvreau, since we were in grade three. We've always had a pretty deep entrepreneurial streak. We both became technologists rather than pursue our academic careers, and saw in 2007 a really clear disruptive technological wave in the form of the cloud. I'd describe us at that point as 'two hammers looking for a nail'. We recognized the profound impact the cloud would have on virtually every industry, and identified legal as a space that was ready to be fundamentally transformed by technology.

What has surprised you most about our industry?
When I first got into the industry, I was blown away by how eager lawyers were to jump in and give us their time to help make Clio a great product. These were lawyers who charge hundreds of dollars per hour for their time but gladly spent two or three hours giving us feedback, brainstorming new features and mapping out the future of Clio. The raw engagement, the fact that people use the word 'love' when they talk about how they feel about Clio, and the impact they say it has on their lives, has been really energizing over the last decade.

What advice would you give to a legaltech newbie?

There is so much opportunity for innovation in legal and there's never been a more exciting time to be in legaltech. There are hundreds of millions of investment dollars flowing into the space, endless opportunities to innovate in an industry that is still in the midst of a technological transformation, and an opportunity to create enormous public good by increasing access to justice. There isn't a more exciting or high-impact space than legaltech today.

When have you been most satisfied in your life?

On a personal level, it's now! I have an amazing wife and three beautiful, smart, curious kids who I love spending time with. We're lucky to live in Vancouver, one of the most beautiful cities in the world, and do our best to take advantage of that locale with lots of skiing, hiking, biking and kayaking.

What do you consider to be your best achievement in your professional life?

Professionally, I regard founding Clio and leading its evolution over the past 10 years as my most significant accomplishment. The first key point is that Clio brought cloud computing to legal as the first cloud-based practice management software. It was really exciting to bring a new paradigm for computing to the legal space, to educate the market and to help lawyers understand how the cloud opens up a new universe of possibilities.

As part of bringing cloud computing to legal, we co-founded the Legal Cloud Computing Association (LCCA), an industry consortium that helped ensure that bar associations and legal regulators worldwide understood the nuances of the security and ethics of cloud computing. Clio and the LCCA had an instrumental role in helping shape the first formal ethics opinion issued on cloud computing, and we've now seen over 20 state-level bar associations, as well as the American Bar Association, issue ethics opinions permitting the use of cloud-based solutions.

The second aspect of Clio's success story I'm most proud of is our company culture. We've managed to scale an incredible culture—what we call a 'human and high performing' culture—from the first handful of Clio team members to a team of over 300 today. We've been recognized as one of Canada's best managed companies by Deloitte; have received numerous 'best

I'm really proud of the 'human and high performing' culture we've created at Clio

culture' and 'best workplace' awards; and we have incredible ratings and feedback on Glassdoor. I'm so proud of what Clio's culture has become over the years.

The third piece I'm most proud of is the customer-first culture we've maintained. Our mission is to transform the practice of law for good, and this is driven by our dedication to our customers' success. When we look towards the future of Clio, we see our platform helping our customers find more ways to be client-centric and to thrive as business owners. The feedback we've received, and the relationships we've built over the years, have been invaluable to Clio's success in building a leading-edge solution that improves the lives of lawyers and their clients.

Is there anything away from legaltech you would like to learn more about?

I love photography, and always enjoy learning more about the art, technology and craft of creating beautiful images.

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

- I've run every day for 20+ years
- I love cooking
- I'm originally from Edmonton, Alberta

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

I love hanging out with my kids: Ian (9), Patrick (8), and Isla (6). They're a handful, but I can't imagine a better way of unwinding and decompressing than playing with them at the end of the day. Like I said, we do lots of biking, skiing, kayaking and hiking in and around Vancouver.

What is your favorite quote?

'The best way to predict the future is to create it.' I love this quote because it perfectly captures the opportunity we've got ahead of us with legaltech. Let's move away from merely talking about what the future needs to look like and focus on creating a future where lawyers are thriving, happy and contributing to a more just world.

What should we ask our next Legaltech Legend?

Where do you see an untapped opportunity in legaltech?

THE LEGAL SECTOR'S BRIGHT FUTURE IN AI AND BLOCKCHAIN

BY JEFF CATANZARO
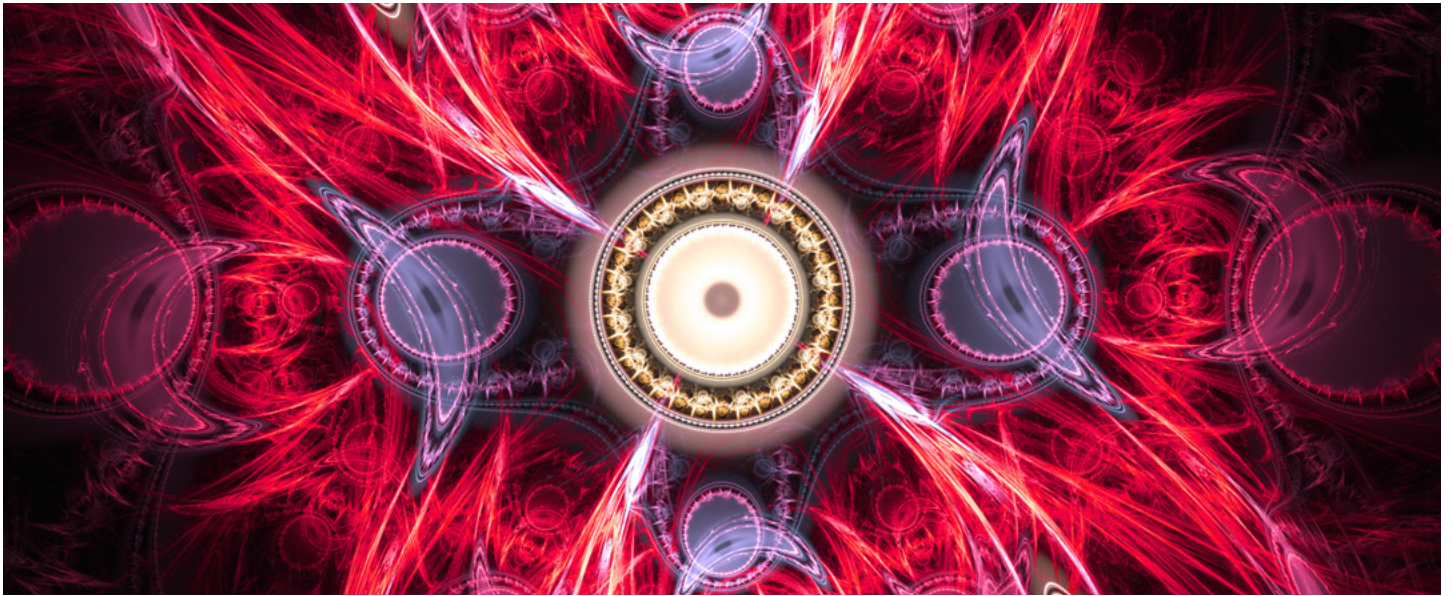
Communication is king in the IT professional's skillset, particularly in this era of transformational technological change.

Legal futurologist Professor John Flood's latest academic paper, on the impact that artificial intelligence and blockchain will have on the legal profession, is the latest in a series of developments that have convinced those in the most conservative corner of the business world that digitization will change the shape of legal services fundamentally and forever, and that lawyers will not be some sort of special exception.

The legal profession is notoriously slow at adapting to change. Exhibit A: the wigs and gowns that barristers still wear in most courtrooms. This is a dress code that hasn't been updated since the 18th century! Yet in most law firms today, terms such as AI and machine learning are now bandied about with relative ease and most lawyers are familiar with the name Watson, aware it signifies a further massive step-change in legal services delivery that is coming not too far in the future.

Yet as the paper's author diplomatically puts it, law firms generally 'lack a scientific base from which to analyse their needs with respect to technology'. This gives rise to a lack of

partner confidence in making decisions about IT investment, resulting in hesitancy and delay—and therefore a risk that competitive advantage is lost. Even if IT managers know exactly what the firm

should be doing, partnership discomfort is often too high to sign off the significant budgets required to follow that advice in good time.

Certainly the judgement calls required in these IT investment decisions are not easy for anyone. Play safe, selecting only technologies that are already well established, and you can only hope to play catch-up. You are not going to leapfrog the competition that way and, moreover, you will be missing out on emerging technologies that bring entirely new capabilities.

For example, the established legal IT platforms, popularised over the last five to ten years, have focused on tracking legal work (such as improving matter management to facilitate e-billing and reporting) but the newest innovations take automation to the next level, focusing on enabling legal work and analysing content (such as automated request triage and self-generating knowledge management). The next generation of tech, which is only just around the corner, will be about reducing legal work (such as through machine-driven conceptual interpretation).

But where on this spectrum should a firm pitch its next IT investment? Stay in the comfort zone of the well-established platforms and you will gain no market advantage. But attempt to progress a firm too quickly, beyond what its people and culture can cope with, and you risk a lack of engagement and therefore huge amounts of wasted money and time.

Firms have to respond to this technological revolution. If they don't, their competitors will. And to do this they need a toolkit and a new internal language for assessing where the firm is now, where it needs to get to—and how—that all its IT professionals, lawyers and other staff can understand. This is the way to bring partners and staff along with professional IT thinking, and therefore the key to getting better and more timely decisions from a firm's partnership board.

A critical failing in many firms' approach to tech investment is a tendency to consider options on a project-by-project basis. Far better to invest time in developing an overarching strategy for the business, getting sign-off from the top, and then using this as the blueprint against which individual project decisions can be judged.

Best practice dictates that this strategy be 'bi-modal', which in plain English means running two levels of IT support concurrently. There will be one that is predictable, keeping colleagues in their comfort zones, still encouraging improvements and adaptations but in a well-understood context; and another that is exploratory, experimenting with entirely new ways to solve problems.

Initiatives should always begin with a hypothesis that is tested and adapted during a process of short iterations. Lawyers will understand this, as their own discipline relies on reasoned argument and the presentation of evidence—so IT professionals can make the most of this commonality of thinking to maximise lawyer buy-in. It is not just processes that need to be mapped out at the outset for all to see, but relationships and roles too. The best IT system in the world is worthless if the people operating it can't, don't or won't engage with it in the right way!

The key every time is education, education, education. The IT manager or director who spends time on coaching partners, staff and colleagues so they all know their machine learning from their natural language processing, and their application program interface from their robotic process automation, then has a common language for discussing IT strategy and implementation. In turn this will help as the IT professional presents recommendations, pushes through decisions and then engages everyone in the organization in making the newly-acquired platform a success. The role of communication doesn't stop here: a wise legal IT professional will go on, continuing to narrate a story that highlights success in a compelling way.

Once a common language is established, a wise IT professional will foster creativity, encouraging everyone in the business to think imaginatively about what existing and emerging technology can do, and promoting future-gazing. This will set a culture of embracing change rather than fearing it. And the more the structure and rigour in your IT strategy is communicated, including the plan for using exploratory as well as established

The IT professionals who take the lead in developing the new internal language and drive the conversation will be the ones who make themselves indispensable in the brave new world of legal services

approaches, the more everyone in the business will feel secure. And when people feel secure, they are more inclined to let their imaginations roam.

However, a wise IT professional will take equal care to manage expectations. They will avoid exaggerating what AI and other advanced technologies can do and will manage the hype (lawyers tend to hear snippets or tales of successes and capabilities and these can take on legendary proportions within a law firm).

At the end of the day, a firm's approach to IT innovation is not just the preserve of the IT department. Collaboration with other functions within the business is key. This is particularly so with the truly transformational projects that completely shake up how a law firm structures its delivery of legal services, and metamorphose the very shape of the business. These projects may be technology-led (because they are technology-enabled), but in truth they are business transformation rather than IT projects. Famous examples in law include Thames Water's 'managed legal services' contract, first with Berwin Leighton Paisner and now Eversheds Sutherland; and more recently UnitedLex's own project with LeClairRyan, launching ULX Partners as a shared platform for multiple law firms to benefit not only in market-leading technology that is continuously invested in and updated, so forever at the cutting edge, but also other resources such as knowledge management and process innovation know-how.

Professor Flood predicts that this type of disruption will gradually become the norm. He describes a future where law firms become 'distributed entities', with different parts of the traditional law firm function dispersed across a variety of separate business structures and single-project vehicles. Already at UnitedLex we are advising firms on how to separate out the different 'strata' of legal services and think afresh about how each is best resourced: which by human lawyers, which by machine, and in both these scenarios which should remain an in-house resource and which might be better served by some sort of external infrastructure.

More than ever, firms are going to need good communication lines between their in-house IT experts, partners and the other line manag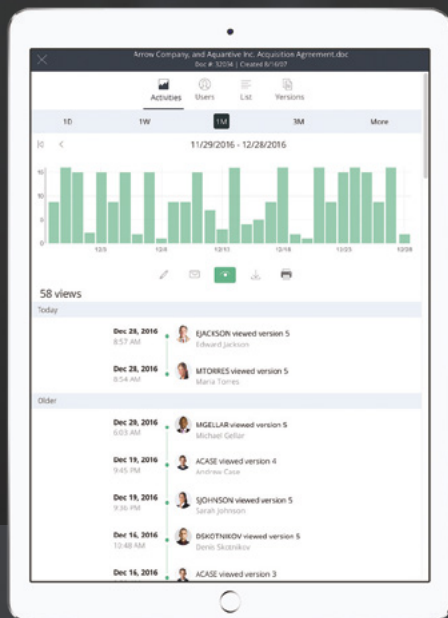ement functions within the business. The IT professionals who take the lead in developing the new internal language and drive the conversation will be the ones who make themselves indispensable in this brave new world of legal services.

Jeffrey Catanzaro is vice-president of the legal business solutions team at UnitedLex.

INNOVATION AND CYBERSECURITY HIGH ON THE AGENDA AT THE LAWTECH SUMMIT

BY JENNY KATRIVESIS

The majority of the sessions at the summit focused on how technology can #makelawbetter rather than a simple narrative of doom and gloom.

Australia's premier legal technology event, the Lawtech Summit, was held in September at Peppers Noosa—a perfect setting for two days of learning and networking.

The summit was the first of its kind in Australia when it got started in 2006 and

has been bringing leading names to the country ever since. The 2018 agenda highlighted innovation and the inevitable digital disruption that comes with it as work traditionally undertaken by lawyers is handled better, faster and cheaper by technology. Yet the majority of the sessions at the summit focused on how technology

can #makelawbetter rather than a simple narrative of doom and gloom.

The opening keynote speaker was Daniel Katz, Associate Professor of Law at Illinois Tech – Chicago Kent College of Law. His hour-long presentation touched on a number of areas, including the latest on artificial intelligence (AI), chatbots and how blockchain is transforming the operational approach taken by the legal sector. His provocative view of the near future suggests that lawyers should embrace innovation and these technologies to achieve greater success and ensure their firms' survival.

Technology is also levelling the playing field for law firms by enabling smaller operations to participate in areas of law that were previously the domain of large firms, said Katz's fellow keynote speaker Mitchell Kowalski. Mitchell is a Professor in Legal Innovation at the University of Calgary Law School and a strategic advisor to in-house legal departments and law firms on the redesign of legal service delivery.

He predicts that the legal industry will evolve over the next decade from a lawyer-dominated affair into a service that is merely augmented by lawyers. The level of disruption will be unprecedented and law firms who don't adapt to the change are the ones making the riskiest move of all.

There were also armchair discussions and sessions that dealt with embracing technology and transforming your business through innovative digital strategies. The session that featured one of Australia's top banks, the Westpac Group, was notable for its emphasis on building a culture of change. The bank's compliance, legal and secretariat division discussed its journey and strategy, covering all aspects of culture, capability, technology, data, customer-centricity and operational excellence. It was interesting and encouraging to learn about the path that other professional services go through, as well as the similarities to legal.

The armchair discussion included leading IT innovators and thinkers at law firms such as Beth Patterson, Chief Legal and Technology Services Officer at Allens; Caryn Sandler, Partner and

Chief Knowledge & Innovation Officer at Gilbert + Tobin; and Graeme Grovum, Head of Innovation at Corrs Chambers Westgarth. Moderated by Chris Monk from tech education firm Decoded, views on the future of work and cultural change were covered, including what kind of cultural change is needed and what initiatives have been implemented that have worked well. It made for some great discussion and gave the audience plenty to think about.

Collaboration and innovation were common themes throughout the event and both were covered by Dr Guido Governatori of data science, engineering and design firm Data 61 and Anna Golovsky, Head of Operations for Legal and Governance at financial services firm AMP. Golovsky discussed the growth of the Corporate Legal Operations Consortium in Australia while Governatori provided insights into what is coming up, including smart contracts, blockchain and other digital platforms for regulatory use.

Day two of the event focused on cybersecurity. Aaron Bailey, Chief Information Security Officer at consultancy The Missing Link, talked about the costs and consequences of data security lapses and breaches. He highlighted the fact that understanding risks and implementing the right counter-measures adds sophistication to cybersecurity solutions.

> ## *The Lawtech Summit is the only place to be for legal technology in Australia*

Dylan James, Head of IT at DLA Piper, talked for the first time about how his firm suffered and survived a global cyberattack, leaving the hundred-plus CIOs in the room captivated. His description of how a Cryptolocker attack brought down his firm's entire global network, and of how the firm continued managing its 8000+ staff across more than 40 countries, kept its clients informed and continued to operate its day-to-day business without any working IT systems, was riveting.

To bring the day to a conclusion, Georg Thomas, National Security and Risk Manager at Corrs Chambers Westgarth, showed how easy it is to hack into a system. He underlined the point that cybersecurity fits into innovation and clients are demanding more robust security programs.

The Lawtech Summit is renowned for offering a programme driven by the best content and speakers and attracts an ever growing number of legal IT professionals, along with close to 30 sponsors, in a relaxed atmosphere away from the hustle and bustle of the city. It is no wonder the event sold out yet again. As one participant put it: 'It is the only place to be for legal technology in Australia.'

Jenny Katrivesis is one of the founding partners and part of the management team at Chilli IQ, the Australian events company that produces the Lawtech Summit. She is responsible for the creation and development of all events and future projects. Chilli IQ also produces Australia's only event dedicated to legal leaders, the Managing Partners Forum.

THE GLOBAL LEGAL BLOCKCHAIN CONSORTIUM IS NOW ONE YEAR OLD

BY DAVID FISHER AND PIERSON GRIDER

The GLBC is the largest blockchain consortium in the world focused exclusively on the application of blockchain technology to the business of law.

In August 2017, a group of leading legal industry organizations including Integra Ledger, Orrick, BakerHostetler and IBM came together in a ballroom in Las Vegas to announce the formation of the Global Legal Blockchain Consortium (GLBC). Today, just over one year later, the GLBC has grown to become one of the largest blockchain consortia in the world with over 100 members from over 20 countries—a remarkable accomplishment in an industry that is not usually known for its technology leadership.

With members that include the largest law firms, legal technology companies, corporate legal departments, law schools and other legal industry associations, the GLBC's mission is to organize and align global legal industry stakeholders to enhance the security, privacy, productivity and interoperability of blockchain technology within the industry. The vision is a universal blockchain-based technology infrastructure for law to ensure trust and integrity in the world's legal data.

Development of the GLBC
Since its inception, the GLBC has been unique among blockchain consortia in the way it has organized itself and

signed up new members. In lieu of asking organizations to pay a fee to join the consortium, the GLBC has asked organizations to commit to sponsoring or supporting a blockchain software development project. The goal of this approach has been to promote early experimentation and use of blockchain technology by many organizations according to each one's specific interests.

> *The vision is a universal blockchain-based technology infrastructure for law to ensure trust and integrity in the world's legal data*

The first results of this unique approach were on display in January 2018 during Legalweek New York. The GLBC hosted a demonstration night at the Midtown Manhattan office of Orrick where NetDocuments, Fasken, Integra and ServeManager demonstrated their blockchain applications and integrations. Three months later, in April 2018, Blank Rome hosted another demonstration night in New York, at which Integra demonstrated blockchain integrations with Microsoft Outlook and Microsoft

Word. Most recently, in August 2018 at the GLBC's first annual meeting, many organizations demonstrated their blockchain solutions, including legal industry heavyweights and GLBC members Wolters Kluwer and Thomson Reuters.

Alongside the growing number of real world applications of blockchain technology in the legal industry, the GLBC itself has been developing into a more mature organization, with an independent board of directors, a technical advisory board and its first committees, including the policy committee. Drawing from the experience and talent of the 100-plus member organizations, the GLBC is well on its way to achieving its mission and is even ahead of schedule.

The future of the GLBC and blockchain
With new organizations joining daily, the GLBC is the largest blockchain consortium in the world focused exclusively on the application of blockchain technology to the business of law. Throughout the rest of 2018 and into 2019, the pace of new blockchain projects and integrations is expected to accelerate, positioning the legal industry as a leader in the application of this exciting new technology. The GLBC invites all interested organizations around the world to contribute to this global effort by joining the consortium, participating on committees and in the governance of the organization, sponsoring or supporting one or more blockchain projects, and hosting regional events where member organizations and prospective member organizations can learn more about the application of blockchain technology in the legal industry.

For more information about the Global Legal Blockchain Consortium, please visit www.legalconsortium.org.

David Fisher is the founder and CEO of Integra Ledger, which is the blockchain for the global legal industry, and one of the founders of the GLBC. He also recently co-founded the Global Legal Hackathon, which was the largest legal hackathon in history, taking place in 40 cities and 22 countries around the world. Earlier in his career, he was the founder and CEO of Millennium Venture Group, and he is a former chairman of the board of Youthbiz, a Denver-based non-profit focused on business education for inner city youth.

Pierson Grider is an attorney and longtime technology enthusiast. At Integra, he educates, promotes and develops blockchain solutions for the legal industry. He is a global organizer for the GLBC, where he manages and organizes its over 100 participating organizations in developing blockchain solutions. This past year, he coordinated all host locations for the Global Legal Hackathon. Pierson has represented clients in various legal matters, managed an information technology department of a major non-profit, and promotes blockchain technology throughout the legal industry.

BLOCKCHAIN EXPLAINED

At its core, a blockchain is a database ('ledger') that records digital transactions. The ledger is duplicated and synchronized across all computers ('nodes') in the network. For a transaction to take place on the ledger, the nodes must come to a consensus and verify the transaction. As the transactions are encrypted, digitally signed and cannot be altered, the distributed nature of blockchain technology creates intrinsic trust in the network and removes the need for social trust in intermediaries and central authorities. It is this architecture for digital trust that gave rise to cryptocurrencies such as Bitcoin and Ether, but blockchain technology is now being deployed in virtually every industry, and the GLBC is a leader for blockchain in the legal industry.

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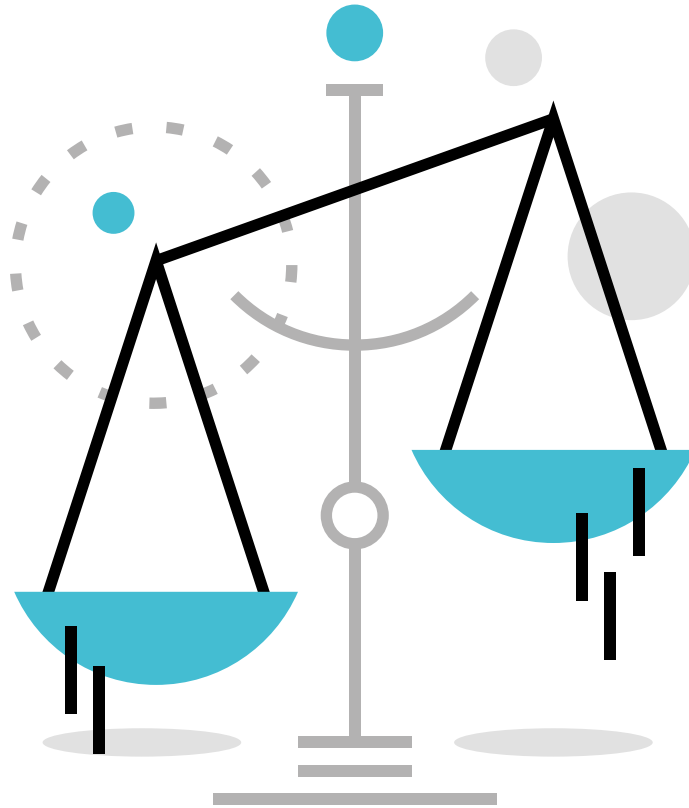
A BIG SILICON VALLEY LAW FIRM WANTS TO TEACH OLD LAWYERS NEW TECH TRICKS AND IS WILLING TO PAY BIG BUCKS FOR IT! THE FIRM HAS SET ASIDE $100,000 IN AWARDS TO EMPLOYEES WHO CAN SUCCESSFULLY GET THE FIRM TO ADOPT NEW TECHNOLOGIES. WHAT TECH ADOPTION TIP WOULD EARN YOU THAT PRIZE?

Eight experts give their views on how to persuade lawyers and law firms to embrace technological change

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Maritta Terrell
Trainer and Applications Specialist
Lloyd Gosselink Blevins Rochelle
& Townsend

Over 100 years ago, Woodrow Wilson said: 'If you want to make enemies, change something.'

'New technologies' means something different. It's CHANGE, and most people do not like change. Therefore, show how the 'new' is similar to the 'old' in that you can still do 'such-and-such' but now you'll be able to do it faster and better!

Plan ahead and prepare 'Look what's coming!' videos (or emails), posters, and have each one show another point of how the NEW will be making what you did the 'old' way even better. Show how the NEW is not really so different from the OLD… i.e. it still sends email the same way, you can save your documents the same way, but now you will have more access to more information in a NEW way.

If it is a new document management system, show how the 'new' still has folders just like a good old C: drive. Once a similarity is drawn up, then the 'NEW' is not so frightening and different. Add add the bonuses, such as users being able to find what someone else did without having to ask or wait for it.

Use real-world scenarios for attorneys. 'Here is your brief. Using the old system,

to create a table of authorities, you had to select each cite, mark it properly and then generate the table. With this NEW system, you just have to click this TOC button in Word, and it does the table for you. That saves you at least one to two hours of work!'

Showing how the attorneys can save time, be more efficient and still do the same things, but easier and faster, will encourage them to realize the change is for the better and to adopt the new technology as superior.

This way of drawing in attorneys will follow the S.M.A.R.T. way of acquiring followers of new technology, realizing there are good things in CHANGE!

S = Specific
M = Measurable
A = Attainable
R = Relevant
T = Timely

Denise Ash
Training Manager
Jackson Kelly

Over 100 years ago, Woodrow Wilson said: 'If you want to make enemies, change something.' That holds true today and seems to be especially true with regard to technology changes in law firms. I have struggled with this for two decades through my career in adult education. My grandfather gave me some sage advice in my first year of training, when I was complaining to him that my students seemed averse to the new system I was teaching them. Ironically, his advice came in the form of yet another Presidential quote (this time from Teddy Roosevelt): 'Nobody cares how much you know until they know how much you care.'

I put his counsel to use in my classroom the next day. During breaks, I took the time to get to know my students. I sought to empathize with them and sprinkled my

empathy into the training process. Once they saw that I truly cared about them, their attitudes changed drastically and instantly.

I have taken that advice to heart for two decades now. I strive to build a positive relationship with every one of my end-users. When a change initiative begins, the rapport I have built pays off in great dividends. The users (even attorneys!) are receptive to training, they reach out to me with questions and suggestions, and they trust that the change is something that we will all get through together. It seems like a very simplistic ideology, but it has served me well in the field of law firm training and user support.

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While I applaud this firm's creativity, I have to admit that I don't think their prize is adequate to reward the significant improvements that this kind of effort could make to their bottom line. I gather that this is an $800 million firm. If their IT spend is 5% of revenue, they are spending $35 million on IT every year. If everyone at the firm starts using their tech tools appropriately, they could increase productivity by more than 10%, or an increase of $80 million per year! Their reward of $100,000 is a drop in the bucket.

Second, my impression of their program is that it's adding a layer of bureaucracy (developing a new program) where they should be taking the reward 'straight to the people'. I suggest that they set goals for practice groups to achieve—both timekeepers and non-timekeepers. (They must involve the attorneys or productivity will never improve. Also, if they reward groups, then peer pressure does a lot of work for them.) These goals need to include standardized

benchmarks across all of the tech tools utilized by the firm, from timekeeping systems to document management systems to word processing systems.

Specifically, this firm should consider partnering with the Legal Technology Core Competencies Certification Coalition or Legal Tech Assessment or use the baseline assessments in the SavvyAcademy Learning Management System. Then, when practice groups achieve the firm's stated goals, that practice group gets to split a very large prize! (The reward total, which should be closer to $1 million, could be shared across successful groups that achieve the firm's goals by a stated date.)

That way, instead of a new bureaucratic layer, the firm would create a learning culture that rewards people in significant ways!

Doug Striker
Chief Executive Officer
Savvy Training & Consulting

If your lawyers are on board, the rest will follow! Contrary to popular opinion, lawyers are not technology-averse. They are risk-averse, which makes sense given they practice in a highly regulated industry where the fear of being sued for malpractice looms. I find that lawyers are willing to adopt technology that solves their problems and meets their needs. They want better technology and want to make their practices more efficient and less stressful. But how do you get them on board?

Adopting a new technology is not just about the software. Think through possible use cases. How will lawyers interact with the new technology via different devices and from different locations outside their offices? Extend that thinking into applicable practice areas as well. Provide concrete examples for leveraging the new technology in the courtroom or during meetings with clients. Taking time to think through these scenarios up front will go a long way in gaining buy-in before, during and after deployment.

Communicate an understanding of the challenges that lawyers face. Spend time understanding the ethical rules that lawyers are bound by and demonstrate that the limitations imposed upon lawyers are understood. Take time to talk to lawyers about how they practice today and study the trends that impact the business of law. Then incorporate this understanding into your targeted communications campaign. Demonstrate empathy and industry knowledge in your communications campaign that expresses why it is important to embrace this change and how this solution solves key problems. Lead with a short, strong value statement—no hyperbole—that speaks to lawyers. Make sure they understand that adopting the technology aligns with what matters most to the firm and its lawyers and staff.

Also make sure learning is available in various mediums with options that are short and easy to access!

Gina Buser
Chief Executive Officer
Traveling Coaches

Jeffrey Roach
President
EncoreTech

It's one thing when people don't adopt solutions that don't quite solve the problem at hand, or just miss the mark. That's understandable. It's much harder to figure out why people don't adopt solutions when we take the time to gather information, talk with stakeholders and build something really remarkable. Why? What can we do better the next time? Solving the problem is complicated but I'm convinced the solution is rooted in awareness. Too often people don't have any idea why a technology change is happening. Most importantly, they don't understand what's at risk if we don't make the change. In our rush to get products in front of users we often want to jump right to training and support, but change management works best when your engagement of users is deliberate and methodical.

Personally, I'm a fan of the ADKAR model. ADKAR is a goal-oriented change management model. The acronym stands for Awareness, Desire, Knowledge, Ability and Reinforcement. ADKAR moves people along a continuum that begins with answering they why questions and then explaining 'what's in it for me'. From there we move into training, coaching and floor support to help users demonstrate they've acquired the skills relevant to the change, followed by ongoing education opportunities to reinforce the change.

There is no shortage of change management models out there, but the ADKAR model puts people first, and that's a solid foundation for success.

Donna Payne
Chief Executive Officer
PayneGroup

If you want to have a more successful user adoption for your next tech project, stop thinking like a law firm and start thinking like an advertising agency. Ad agencies are in the business of selling, and like it or not, that's what successful organizations must do to convince their people to embrace disruption.

What moves your people? What would make them not only use but crave the solution you are putting in place? Once you've determined this, it's just a matter of creating the publicity and matter to match the theme. For those on a small budget, create collateral such as movie-style posters, have pop-up campaigns in the kitchen or near a break area or go to www.cameo.com and rent a celeb to create a funny message. And for the lucky ones with larger budgets, the sky is the limit. One of my favorite client projects was consulting on a movie trailer-style campaign for a large rollout. Just remember to keep it short and interesting enough for people to want to watch it at least once all the way through.

The key really is to be creative and have a little fun to create a buzz. With buzz often comes better successful user adoption.
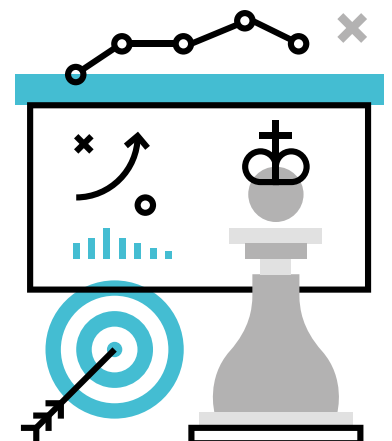
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With the popularity of mobile devices and the emergence of electronic media, working with PDFs is a need-to-know for all lawyers. PDFs are easy to work with because they are not restricted by hardware and can be viewed on most devices, whether a PC, Mac, laptop, tablet, iPhone, Android device or via any Internet browser.

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Additionally, PDF apps for mobile devices are useful for reviewing documents on the go or capturing photos of receipts that can be submitted with an expense form. These apps are mostly free to download from an App store.

Luke Schnoebelen
Manager, Learning and Development
Shook, Hardy & Bacon

Focus on the technology you use most and has the greatest impact for your client. Start with email management—you must properly act on each important email promptly. Take baby steps to make your inbox more work-centric, create rules to filter out any non-work emails so they go to another folder. This way your Fantasy Football email isn't right next to an important client email. Spend time learning how to make email work for you by using rules, auto-complete, quick fills and quick steps.

CLE credits are important for attorneys but just as important is technology training. Incorporate learning new things into your daily work. I'd make technology training mandatory and start to create a culture of knowledge sharing using the intranet or any other collaborative tools your firm might use.

Instead of worrying about artificial intelligence, I'd focus on actual intelligence. Do the things you must do to make your client know you are working for them. Show you are tech competent, you get your projects completed on time and correctly, prove you understand how to use your document management system and abide by all IT security protocols. Future-proof your role as a lawyer and never stop learning.

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