

Issue 12

AI's Remarkable Leap

Let's Talk Competitive Edge
- Machine Communicator,
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Shiny New Toys



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Meet the Tech Ambassadors



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Welcome

CRAZY world! 2023 began very much the same as 2022 ended – as predicted.¹ Amidst all the madness though, and with Easter just around the corner as we prepare for the festivities, let's take a moment to appreciate the changing of the seasons and the promise of new beginnings. Spring is in the air, and we're feeling rejuvenated and energised here at Lightfoot Towers in Law Land for all the exciting things that 2023 could have in store.

With this in mind, I think it would be fitting to explore a topic that's been on my, *The Naked Lawyer's* and the Technology in Law Land's ambassadors' minds a great deal lately, especially given the challenges and potentially game-changing opportunities and threats (you'll see) facing the legal industry. How can we build a great company in the face of adversity? How do outside factors, like pandemics and economic downturns, affect it? And what will it mean to truly find, have, and keep THAT edge?

So WELCOME to what I hope will be a stimulating discussion on the topic of 'Competitive Edge' in this exciting and egg-cellent world of law. In this edition of our roundtable gathering, as we gear up for the Easter season and the rest of 2023, we have with us today our regular and fearless tech ambassadors along with two esteemed guests, Ryan Steadman and Mitch Jackson. We're in for a treat, my friends. Ryan and Mitch, who bring a wealth of knowledge and experience to the table, are sure to bring their A-game and spark some lively and inspiring discussions amongst us all.

Fortunately, we are all in fine playful form as we jibber-jabber away over coffee and cookies as a prelude to the start of our meeting. Alas, *The Naked Lawyer*, who is generally the fun and entertaining part of our double act, and who can be relied upon to pepper us with muse-bombs to prompt ideas, is off on her digital-nomad research travels again ferreting out spanking new material for our keynote speaking engagement at LawFest23 in New Zealand in June - no doubt causing mischief wherever she goes. She will return for the next edition though. Wild horses and the promise of copious amounts of chocolate and biscuits will not keep her away too long once she picks up on the scent!

So, let's grab some chocolate eggs, settle in, and dive right into our usual lively, candid, and mind-bending conversation, which will hopefully leave us all with new ideas and fresh perspectives as we head into the Easter season and beyond.

Okay gang, as we continue to navigate the challenges of our ever-evolving industry, it's essential to stay ahead of the game and maintain a competitive edge. The legal world is constantly changing, and it's crucial to adapt and innovate to remain relevant and successful...

If we look at what the definition of 'competitive edge' is, what factors do you think give a company this competitive edge?²

1. Technology in Law Land issue 11, MLM 62: <https://modernlawmagazine.com/law-law-land/>; <http://entrepreneurlawyer.co.uk/products-services/articles/>.

2. "The fact that a company has an advantage over its competitors: The low overheads of the company gave it a competitive edge over other retailers. Gain/maintain/retain a competitive edge ... The business needs to innovate in order to maintain a competitive edge." (<https://dictionary.cambridge.org/us/dictionary/english/competitive-edge>).



Competitive Edge

Martyn, kick us off in your customary philosophical and interesting way please ...

Martyn: Competitive edge – or shall we say competitive advantage – lies right at the heart of the longevity of any successful business. The guru of this, Michael Porter, the American economist and professor at Harvard University, cites three key elements that can be used to position yourself in the market:

lower prices, differentiation, and focus. Each of these have different names and many strategies to help achieve them, and they are a superb starting point in this debate.

I'd say they are also invaluable perspectives to have in the legal sector – a sector which to the public starts off with no distinguishing factors. I cited and was inspired by Michael Porter's iconic 'Competitive Advantage' during my MBA programme a decade or three ago, and its messages still resonate ever strongly today. So, with no apology, I acknowledge his influence in all my comments to come today.

Such: There are some key cornerstones to a company's competitive edge. The vision of the company, or its purpose, plays an integral part. A well-defined vision is fuel for everything that follows. Look at Tesco and their purpose statement – *Every little helps* – it's clear, concise, and drives them towards their competitive edge in helping customers, their people, communities and more.

From a company vision/purpose comes culture. It's obvious that a strong culture, which is rewarding and supportive but challenging, will dictate that the team will support customers...who in turn will support the business with either longer contracts or increased spend. The third cornerstone is communication. Poor communication, internally and externally, weakens a competitive edge because it says you have something to hide. Of course, there are plenty of areas that give you competitive edge, such as technology, USPs, and lower prices, but all of these are only likely to be successful with the cornerstones already in place to be built upon.

Hey Ryan, as our chief newbie guest today, can you expand on what Martyn and Such have shared so far as I'm confident you can *wink*...

Ryan: Several critical factors (in no particular order) that can contribute to a competitive edge for law firms include:

The Happiness factor: it's a fact that happy staff have a competitive edge, and this correlates (unsurprisingly) to the value of employee tenure. The happiness and well-being of staff is not a fluffy concept: it can (and should) be measured with data, behaviour, and understood through the lens of behavioural economics. In Law Land, this can take so many forms, and is broadly based on demographics, geographics, social mobility, diversity, equity, inclusion and belonging (DEIB), origination credit receipts, value of work, mix of work, work allocation and capacity planning processes, proximity to mentors, autonomy, professional development, available technology tools, legacy versus modernised workflows, law firm participation in DEIB initiatives, ESG posture, people analytics, culture, and of course, compensation.

This list is but a modicum of what constitutes 'the happiness factor', and each is an important factor that can contribute to the competitive edge in law firms. When staff members are happy and satisfied with their work environment, they tend to be more productive, engaged, and provide better service to clients. Additionally, a positive work environment and happy staff can also help to attract and retain top talent, which is a key factor in maintaining a competitive advantage.

Fostering a culture that values and prioritises the happiness and well-being of staff can be a crucial component of a law firm's competitive edge. But how do you know what you don't know about the happiness factor? When people leave, it's too late. Lagging indicators are most unhelpful to facilitate any type of intervention. The signal, my dear Lady Sherlock, or Watson, is stuck in the noise inside of your firm. Data, data, and more data is the clue.

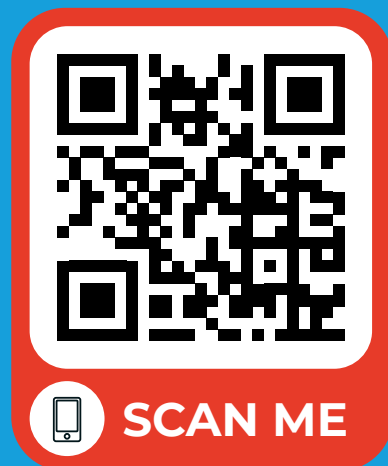
Ryan Steadman
Founder, Legal Professionals Insights





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Robust and innovative technology: Adopting modern technology and tools can streamline internal processes, improve efficiency, and enhance the overall client experience. Importantly, this rolls up into the happiness factor. Do we really want to create time entries and file emails on a Sunday? Or, miss out on weekly date nights, or miss the kids' school events? The answer should be no.

Low Overheads: By keeping overhead costs low, law firms can offer more competitive pricing to clients, while still maintaining profitability. Do we need so much real estate? Not anymore. Should we keep the art on the walls? Yes - I'm a big fan of supporting living artists, and it's (generally) a terrific investment and potential bonding moment with clients.

Talent, with a focus on data-driven people analytics: Having a team of highly skilled and experienced lawyers, coupled with a meaningful pipeline of diverse talent pools (both practitioners and allied professionals), gives law firms a competitive edge to high-quality legal service delivery to clients.

Unique Selling Propositions (USPs): Developing a clear and differentiated value proposition that sets a law firm apart from its competitors can be a key factor in attracting new clients. There's a burgeoning investment from law firms toward providing legal operations expertise for legal departments as an extension of service delivery. The kinds of full-service and supply chain partnerships become part of the law firm <> client relationship DNA. This level of collaboration deepens the ability to create longer-term client lifecycle value for the firm, and its clients.

Culture: Creating a positive, diverse, equitable, and inclusive culture that attracts and retains top talent can also be a source of competitive advantage for law firms. The partners of today weren't faced with a 100x digital and/or regulatory complexity maze when they were associates in the eighties, nineties, or noughties. Digitisation over the past two decades has changed the wiring of our brains, it is causing more distractions than ever, and leaving us all with less time to recharge, and the opportunity to find sanity. Slowly, and tragically, we have normalised being connected 24/7. The wiring in our brains continues to change, seeking the dopamine rush generated by millions of pixels, and we need more personal discipline and intentionality to recharge and become in-distractable for moments that matter most - professionally and personally. That culture and these attitudes start at the top. Yes, we're looking at you - equity partners. Figure it out by being humane. Times and talent pools are rapidly a-changing.

Existing Client Base: Having a strong base of satisfied clients can provide a valuable route to market for new business opportunities. Naturally, you want to help them maintain their own competitive edge by bringing your people, process, data, technology, and culture to the playground.

Outsourcing: Utilising outsourcing as a means to manage workload and improve efficiency can give law firms a competitive edge by freeing up internal resources to focus on more strategic initiatives. Labour and currency arbitrage is not a new hypothesis, so if you put in the appropriate risk, governance, and compliance frameworks then the firm should be able to capitalise on the cost efficiencies rather smartly. Time and opportunity cost ebbs away the longer you delay.

Environmental, Social, and Governance (ESG): Embracing ESG principles can demonstrate a law firm's commitment to sustainability and corporate responsibility, which can be appealing to clients and contribute to a competitive edge. It's complex, and easy to ignore. But folks, it's 2023: let's all strive to be good citizens and rebuild our global supply chains. Not only will our grandchildren's children be thankful, but so will the dolphins, coral reefs, and anteaters. It starts with collecting the data on your firm, your clients, and the entire supply chain. This is an enormous jigsaw puzzle, we're all holding the pieces, and we all need a seat at the table.

Trust and agility: The ability to quickly respond to changing market conditions and client needs can also give law firms a competitive advantage. Trust is earned in drops and lost in buckets.

Culture

Private Practice

ZOINKS, Ryan!! Is there anything left for the rest of us to contribute?! YOWZERS, I'm impressed ...

guffaws *chuckles* *pats Ryan on the back* ...

Priscilla, how about adding to this discussion from your experience in private practice and in what you are currently doing ...

Priscilla: If you are in private practice, it will always be hard to see what you/your firm can offer and deliver as a successful competitive edge. To really see the value of what competition can bring to your firm you need to look outside the box. Take a step back, review your processes and see the gaps.

When I came out of private practice it was very transparent to see how the conveyancing transaction could be improved. I have now made it my business to offer conveyancing firms/departments the competitive edge by offering a service consisting of outsourcing post-completion formalities. Those that see the real benefits of not having to undertake this part of the transaction see the real gains in having this competitive edge in a very competitive market.

Therefore, my viewpoint is very basic; offer a conveyancing firm/department a unique service that will not cost them a lot of money but create great gains. Thus, in short, the most important factor would be to look outside the box.

The second factor is to understand the skill and mindset of the firm. Employ experts in their field and try not to multi-skill staff so much that their roles are being diluted. For example, I started as a high-street solicitor, gained invaluable experience, and was exposed to a lot of different disciplines. My working career was in the office. As I moved up my career, I spent less time at my desk but started to market the firm; work became a massive balancing act. However, if a marketing team came onboard and helped with marketing, more business would be created, without compromising billable hours for the firm. Thus, firms should try to employ those who have specialist skills that are only second nature to solicitors. For example, employ a specialist content writer, the solicitor can review the actual content but let the specialist write the article.

Would a firm even consider employing a neuromarketing scientist in consumer behaviour? What trends can they see that we, as lawyers, would not? This would definitely give a firm the competitive edge in client behaviours. Therefore, attracting more business.

The third factor would be technology, and it may seem that the large firms are the only winners here; however, I would not necessarily agree with this. Technology works best when it is a bespoke feature, a tool that benefits you. You do not need all the bells and whistles. Technology works best when you work with it correctly. For example, if milestones need to be actioned that benefit all parties, make sure these tasks are actioned in a timely fashion. Do not simply run through the milestones because they are overdue. This is ineffective and the technology is working against you.

In summary, factors that give a firm the competitive edge, in my opinion, are the vision of looking into a transaction and not being part of the transaction, creating a team fused with different skillsets and pushing the boundaries to understand clients, and then using these as a bed to create technology upon that which works best for you and your firm.

Fabulous points lovely lady, which lead me on nicely to my next question. If a business is feeling a downturn in business activity (not all businesses will), many will be reviewing and assessing their plans and strategic goals. Now would be an ideal time to discuss and ask:

A) Competitive edge is not (always) going to be delivered through use of tech per se because it may take time to realise the advantages. Businesses do not have the luxury to wait (particularly in a recession), so competitive edge falls back on basic business principles. Do you agree?



Priscilla Sinder
Director, Property
Conveyancing Consultancy

Ryan: Yes, I agree. In these situations, businesses may not have the luxury to wait for the benefits of technology to materialise and they may need to focus on basic business principles to maintain their competitive edge. Some topics that firms should consider when reviewing their plans and goals during a downturn include:

Cost Management: Reviewing expenses and identifying areas where cost savings can be made can help to maintain profitability and maintain a competitive edge.

Market Position: Assessing the firm's position in the market, understanding their strengths and weaknesses, and determining their target customers can help to inform decision-making and maintain a competitive edge.

Business Model: Examining the firm's business model to ensure it is aligned with current market conditions and customer needs can help to ensure continued success and maintain a competitive edge.

Customer Focus: Prioritising the needs and expectations of customers and finding ways to better meet those needs can help to maintain a competitive edge by improving customer satisfaction and loyalty.

In terms of technology, firms should consider the following when reviewing their future plans:

Integration: Evaluating how technology can be integrated into existing processes to improve efficiency and productivity.

Upgrades: Considering whether existing technology needs to be upgraded or replaced to ensure it remains relevant and effective.

Investment: Assessing the return on investment of technology projects to determine whether further investment is required.

Alignment: Ensuring that technology investments align with the firm's overall strategy and goals.

Technology can and does play an important enablement role in maintaining a competitive edge, but it's important for firms to consider their goals and needs when reviewing and assessing their technology investments.

Martyn: Recession or not, every business should always be questioning themselves. If you wait for a recession, then I'd argue you're too late – and goodbye. Any business that falls back on basic business principles – and excuse me for falling back off the edge of my chair – is probably too late to save.

Competitive advantage (my preferred term here, in deference to one of my academic heroes) should be fundamental to every business. It's not a question of "Oh dear, here's a recession, let's develop a competitive edge or advantage shall we?" If you are not looking at every aspect of your business every day, then you will soon enough crash. It's a car on long journey. You don't close your eyes, or avoid looking at the map, or engaging with your passengers – you look at all the signs every single moment, you engage all your stakeholders, and you totally know where on the journey you are.

Now, back to tech – yes of course it's a vital element and isn't it always – but as I have perhaps mentioned in the past, it's not a panacea.

Such: Technology can take time to realise its advantages but, in a downturn, that is often the best time to invest so you are ready when the upturn comes to take full advantage that the new competitive edge will give you. When a business is busy and thriving, it's too easy to say, 'if it isn't broke, don't fix it'. In other words, why does the business need to change? In a downturn, it may be that the business is suffering more than others because it didn't invest in tech earlier. Had it done so, it may be more resilient here and now. Leaning back on basic business principles will serve a business well but even that assessment and implementation will take time. It's highly unlikely that there will be a quick fix unless the business is very agile.



Martyn Best
Managing Director,
Document Direct

B) What topics should firms consider when asking this question?

Such: A firm should ask: 'What do we have today that gives us a competitive edge? Are we leveraging that competitive edge as much as possible, or can we do more? What do our closest competitors have as their competitive edge and how can we be different to that? How can we create a new or refined competitive edge in the future so we, as a business, are more resilient?'

Martyn: I would keep it simple and consider the three key topics that Porter highlighted.

So, in a law firm where probably many of the services might be viewed as an unnecessary evil, and where many high-street, or consumer-related, legal services are hard to distinguish, then low process is a handy weapon.

This should not be a substitute for lower quality, and it is vital that lower prices are supported by a lower cost base, and ideally, by a volume-related business, or volume outputs.

Differentiation is vital and your ability to achieve this can be achieved even more easily today with the many marketing tools and media available. It's not just about shouting that you are different of course – that is just the final output, which must be based upon inherently good business practices (ooh, there's an idea), great service attitude, and the ability to highlight some distinguishing characteristic of the business or service offering.

Referencing my (or rather Michael's) earlier three key elements, tech can play a major part in each one. It can certainly help drive down costs, which supports lower prices; it can help differentiate you if used cleverly, and it can help with focus, not the least in providing superb data to help understand the business and the market better.

My third favourite element – FOCUS – to me is all about an unquestionable passion to satisfy our customers' needs. That must surely underpin the raison d'être of any business. This may indeed draw upon a pricing strategy, or even a distinctiveness, and it will encompass superb service and delivery – but the focus on FOCUS can absolutely provide a competitive advantage.

C) Where does technology now fit within our future plans?

Martyn: Tech should be in the business already, and tech should be part of our daily lives. It should not just be an add-on, a "wow, let's add a shiny toy into our world".

Sure, we can reflect on which varieties of technology will help us, and we should certainly ensure it is fully integrated within the business and aligned to all our strategic aims – but it should never be some sort of novelty, or worse, some sort of sticking plaster to enable us to hobble through the working day.

Such: I suspect many businesses will reassess their plans with technology, predominantly due to the costs involved. However, technology is not going away and is not going to stop competitors investing and getting ahead of the recovery curve. In a downturn, my view is that future investment in technology should not be shelved but embraced. Keep internal debates going and really dig into the detail of the ROI and time it will take to deliver that return.

D) It may be that tech already in the business could be reviewed and refined to leverage it further to achieve a competitive edge. Agree?

Such: There is absolutely an opportunity to now look at existing technology in the business and get more from it. Where is that tech being under-utilised? Can that tech be used as it is in another department? Can we use features that we pay for but aren't using fully to get more return? It may be that a business needs to assess what a piece of existing tech is giving in terms of competitive edge (as well as ROI). Is it productivity, efficiency, speed, security, compliance, etc.? Can it do more than just one of these?

Sucheet Amin
(aka Such)



How can technology help law firms (and/or general counsel) gain a competitive advantage by developing new revenue streams? (e.g an ESG app/tool?)

David, you've been quiet so far. What are your thoughts? ...

David: There's a big opportunity to develop new revenue streams by white-labelling legal tech solutions for corporate clients. For example, providing them with a managed CLM where your clients subscribe to a white-label solution rather than having the expense of buying the solution outright themselves.

In fact, for many inhouse counsel, buying outright wouldn't be an option anyway because they don't have the budget for it, or they don't need all the functionality. A white-label solution, provided by their outside counsel, where they pay for what they need but can still scale if their requirement changes, is a win-win for everyone.

Ryan: Technology can help law firms develop new revenue streams in several ways:

ESG Applications or Tools: Developing and offering ESG-related services or tools can help to attract clients who prioritise sustainability and corporate responsibility, providing new revenue streams for law firms.

E-Discovery and Analytics: By offering e-discovery and data analytics services, law firms can tap into the growing demand for these services and develop new revenue streams.

Online Legal Services: By leveraging technology, law firms can offer online legal services such as document preparation and contract review, providing new revenue streams for the firm.

And by lowering overhead?

David: In terms of lowering overheads, technology can help both law firms and general counsel do this. And it can also free up your team to focus on more high-value activities that have a positive impact on the bottom line. You just need to select the right problems or tasks to solve and the right tech to do it. Look for the mundane, low-value and time-consuming tasks that are far below the paygrade of your lawyers, or admin team, and identify technology that can automate them. This doesn't mean that you make people redundant by reducing their workloads, it just means that they can get on with other work that makes the business more productive and profitable and reduces risk.

Martyn: Tech can totally help inform everything we do here. Related to my three core themes, it can help support a lower costs base, it can remove repetitive human tasks, it can help remove human error which is typically costly, and it can help deliver a consistent level of service. It can hugely help with data analysis, be used as a strong marketing aid to enable differentiation, and the social media elements of tech can transform how we are viewed in the marketplace.

Such: In my world of tech, lowering overheads is absolutely a key benefit. Technology comes at a cost, so while I forgive anyone that says it increases overhead, that person needs to take a closer look at the numbers.

Technology that reduces the time your lawyers spend handling non-fee-related administrative tasks frees them up to spend time fee-earning. There is an immediate 'short-term' win. That same piece of technology might save other overhead spend – in the case of my business, my clients reduce their costs across paper, print, postage, and even the number of printers they need. There is the 'medium-term' win. Over a longer period, technology could help lawyers conclude matters faster, which unlocks capital to reinvest – and the flow of cash into the business naturally leads to growth. This is the 'long-term' win.

I'm confident you agree with Such, Ryan? How would you succinctly summarise and

David Wybourne
Head of Legal AI,
Cloud Business



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add to what the guys have shared?

Ryan: Technology can also help a law firm lower its overheads by:

Streamlining Processes: Automating manual and repetitive processes can help to reduce the time and resources required to complete tasks, thereby lowering overhead costs.

Improving Efficiency: Adopting technology that improves internal processes and workflow can help to reduce the time and resources required to complete tasks, lowering overhead costs.

Reducing Physical Space Requirements: By utilising cloud-based technology, law firms can reduce the need for physical office space, thereby lowering overhead costs.

Enhancing Collaboration: Implementing collaboration and communication tools can help to improve teamwork and reduce the need for in-person meetings, thereby lowering travel costs and other expenses.

Overall, technology can play a significant role in helping law firms gain a competitive advantage by providing new revenue streams and reducing overhead costs.

As you've mentioned ESG (Environmental, Social, and corporate Governance) a few times already, Ryan – is ESG just a passing fad, useful to jump on that bandwagon, but not really adding any competitive edge because everyone is doing it?

Ryan: While it's true that many firms are jumping on the ESG bandwagon, there are real and tangible benefits for firms that integrate ESG into their practices and operations. ESG can help law firms gain a competitive edge in several ways:

Attracting and Retaining Clients: Clients are increasingly prioritising sustainability and corporate responsibility in their business practices, and they are looking for partners who share their values. By integrating ESG into their operations, law firms can demonstrate their commitment to these values and attract clients who prioritise ESG.

Differentiation: With many firms jumping on the ESG bandwagon, it can be difficult to differentiate one firm from another. However, firms that take a truly holistic approach to ESG and integrate it into their operations, services, and culture can differentiate themselves from the competition and gain a competitive edge.

Improving Reputation: ESG can help to improve a law firm's reputation by demonstrating its commitment to sustainability, corporate responsibility, and ethical business practices. This can help to attract new clients and improve the firm's standing in the market.

ESG is not just a passing fad for law firms. If anything, it's early in its maturity model, and we have a lot of hard work with tremendous opportunity ahead of us. It provides real, and tangible benefits, and can be a key factor in gaining a competitive edge in the market.

Is ESG really a consideration specifically for the small to medium high-street firm when PII is rising astronomically?

Ryan: ESG can be a consideration for small- to medium-sized high-street law firms, despite the rising costs of PII. Whilst PII is certainly a pressing concern for these firms, ESG can provide real benefits (noted above) that can help them gain a competitive edge and navigate challenging business environments.

By integrating ESG into their operations, these firms can gain a competitive edge, differentiate, attract and retain clients, and improve their reputation.

Martyn: I truly love these two questions, and the reason is because I strolled through Wikipedia to gain a good

Ryan Steadman
Founder, Legal Professionals Insights



ESG

Data

definition of ESG, and guess what, it seems that “ESG (environmental, social, and corporate governance) is a framework designed to be embedded into an organisation’s strategy that considers the needs and ways in which to generate value for all of organisational stakeholders (such as employees, customers and suppliers and financiers).”

Now, I wonder which businessperson would ever think that should be a passing fad, or something that shouldn’t be driven into every aspect of our businesses. It should be so fundamental that it is first hand and default what everyone in the business does. I’d hope your management doesn’t think, here’s an idea, “let’s think about our survival today”.

I can sense that to some in business, this ESG stuff may seem like a new-fangled invention, but strip it down, and remove the glittery ESG consultants from the room, and we have a central core for business basics. Different words, same stuff.

Do you agree, Priscilla?

Priscilla: In short, no. Is it the future, perhaps, but what is the point of looking at a new vision if you are struggling with today’s sight? Figures from the Law Gazette in January 2023 show that PII premiums have soared to 20% of turnover, leading to firm closures.³ The high to medium street firms are being impacted harshly, and of course, the ESG position does have an effect, but in my humble opinion this is a second thought for some, especially in today’s times.

Hmmm, I’m sure there will be other SME firms and freelance solicitors who hold the same viewpoint, Priscilla. Thanks for raising this point. Let’s turn the focus away from the lawyer and law firm now and chat about the customer ...

How can technology help law firms and Legal Ops teams / General Counsel understand their customers better?

David: Technology is very good at generating data and data is an excellent source of insights into your customers, whether law firm clients or business users. The problem many firms and organisations have is that they don’t know what data they have, where it is and how to get meaningful insights from it.

Whatever solutions you deploy, and whatever problems they are designed to solve, think about the data. What data does it need from you and the business, what data does it create, and what insights into your customers could it give you? Even if the tech solution itself isn’t designed to provide you with this intel in the form of a report, you may still be able to extract this information and surface it in a user-friendly dashboard.

Such: Technology creates data...a lot of data. That data is a genuine ‘river of gold’ that keeps flowing. From here is where a business or a team will understand their customers better. It’s difficult to say how without looking at a specific example. At inCase, the data a law firm has access to is very insightful. A firm can see exactly what date and time a customer is directly engaged with them and for how long. They can see what types of communications makes customers feel good or bad. They can get early warning signals if a client is unhappy and meet that head on to avoid an issue spiralling out of control. They can see how much faster it takes for a matter to complete in real time. They can track where customers are getting ‘stuck’ in the provision of their legal service. The list goes on and a firm could easily be overwhelmed by the amount of information the data will show them. The key is to pick one ‘rock’ at a time and move it.

Ryan: Technology can help you understand customers better in several ways. By using data



Priscilla Sinder
Director, Property
Conveyancing Consultancy

analysis, customer feedback, improved customer engagement, and CRM software, these teams can gain valuable insights into customer behaviour and preferences, and use these insights to improve services and customer satisfaction:

Data Analysis: Advanced data analysis tools and techniques can help law firms and Legal Ops teams/General Counsel collect, analyse, and interpret large amounts of data related to their customers. This can provide valuable insights into customer behaviour, preferences, and needs, which can inform decision-making and improve customer engagement, and various billing and capacity planning models. You can never have enough data. The best time to plant a tree was twenty years ago. The next best time is today.

Customer Feedback: Technology can be used to gather customer feedback and opinions through surveys, interviews, workshops, feedback forms, and other methods. This can provide valuable insights into what customers like and dislike about the firm’s services and products and help to identify areas for improvement. Nothing, though, replaces a conversation. Metrics that matter to your clients should be front and centre stage. We are only starting to surface insights across metrics beyond financial data for law firms (i.e., diversity, equity and inclusion, value, life cycle, effectiveness, efficiency, complexity, budget accuracy, outcomes).

Customer Engagement: Technology can be used to improve customer engagement through a variety of digital channels, such as email, collaboration platforms, social media, and chatbots. This can help law firms and Legal Ops teams/General Counsel reach customers where they are, and engage with them in a more personal and relevant way.

Customer Relationship Management (CRM) Software: Law firms and Legal Ops teams/General Counsel can use CRM software to manage customer interactions and relationships. This can help to streamline customer engagement, track customer interactions, and provide valuable insights into customer behaviour and preferences.

Persevering on this train of thought, Ryan, how can law firms better interact with legal consumers to deliver a customer service that gives them a competitive edge?

Ryan: By implementing the following strategies: embracing technology, fostering transparency and open communication, providing a personalised experience, continuously improving, and investing in customer service training. By focusing on delivering excellent customer service, law firms can build strong relationships with legal consumers, increase customer satisfaction and loyalty, and ultimately achieve a competitive advantage in the marketplace. In detail:

Embracing technology: Law firms can use technology to improve customer engagement and accessibility, such as through online portals, chatbots, and mobile applications. This can help to streamline the customer experience, improve response times, and provide customers with 24/7 access to information and support.

Fostering transparency and open communication: Law firms can create an open and transparent environment where customers feel comfortable and valued. This can involve regularly communicating with customers, providing clear and concise information, and being responsive to their needs and concerns.

Providing a personalised experience: Law firms can use data and customer insights to personalise the customer experience, tailoring their services and communications to meet the specific needs and preferences of each customer.

Continuously improving: Law firms can gather customer feedback and use it to continuously improve their services, processes, and technology. This can help to ensure that the customer experience is always evolving and meeting the needs of legal consumers.

Investing in customer service training: Law firms can invest in customer service training for their employees to ensure that they are equipped with the skills and knowledge needed to provide excellent customer service. This can help to create a culture of customer service excellence and improve customer satisfaction.

³. <https://www.lawgazette.co.uk/firms-go-under-as-pii-premiums-soar-to-20-of-turnover/5114792.article>.

Human-Touch

Guys, what do you think?

David: Following on from my previous comment about data, understanding your customers better will naturally help you deliver a better customer service – provided you act on what you learn. It will also help you be more proactive and timelier in your interactions with customers, helping you pre-empt requests and ensuring your firm is at the forefront of their minds, so they don't go elsewhere.

David Wybourne
Head of Legal AI,
Cloud Business



Such: Consumers today are busy and overloaded with information freely flowing at them all day and all night. A legal matter is a distress purchase. It's a rare client who wants to instruct a lawyer. So, law firms are already facing an uphill battle to impress consumers. Firms need to make it really easy for a client to provide them with information or instructions. Give them a place where they can safely respond, without even speaking to you if they don't want to. Emails are becoming less and less attractive to consumers because they are bombarded with offers and spam.

This is why I believe that mobile apps have such an important role in the delivery of customer service in the legal sector. A consumer happily buys one-off items or a service online through an app – they genuinely don't think any differently when it comes to a legal matter. To them, it's just another purchase...yes, a distress and challenging purchase but a purchase nonetheless, so make it easy for them.

Has technology really taken over good old-fashioned human client care service to achieve a competitive edge?

Such: Technology will struggle to take over from good old-fashioned client care service. It is very hard to replace human contact, particularly where a client wants and prefers that. However, we have a growing population that don't want to speak to anyone and prefer to do everything from behind a mobile phone. That is what will surpass traditional client care – the consumer demand.

I prefer to see technology as complimentary to traditional client care. When I represented clients, I enjoyed the client contact...in fact, it is the one thing I miss the most these days. Were I still acting for clients, I would not want to give that up, but I would definitely let technology supplement and support my client care approach.

David: Technology should also help you deliver good old-fashioned human customer care in a better fashion. At the risk of sounding like a broken record, it's all down to understanding your customers and their preferences. There's obviously a big advantage to using tech for some areas of customer care as you don't need staff to provide the service. I think we've talked before about self-service solutions which, love them or hate them, are now part of any forward-thinking firm's customer service toolkit. Not all clients want to use them, but enough do and that number is increasing and will continue to.

Technology for customer care doesn't have to be customer-facing. A CRM solution can be used to notify the humans in the firm that a client needs some TLC, they can then decide on the best way to do this.

Martyn: In the ongoing battle of humans vs machines, you must know by now who my money is on. Inter-personal relationships will always be key to long-term success.

Tech is the tool to help us, but to use that old and well-used phrase – people buy from people. The basic principles will always be there – we buy from people, in some way, that we know, like and trust. It's good, it's old fashioned, and it works, because it has been used and proven for years and decades.

The key is having the leadership to provide the direction and ensure that every member of the organisation knows that the customer is the future source of success.

Ryan: Technology has certainly changed the way law firms interact with clients and deliver customer service, but it has not replaced the importance of good old-fashioned human client care. Whilst technology can streamline processes and improve accessibility, it can sometimes lack the personal touch and empathy that is essential for building strong, long-lasting relationships with clients.

Technology can certainly play a role in delivering a competitive edge for law firms, but it should be used as a complement to, rather than a replacement for, human client care. Law firms that are able to combine the benefits of technology with excellent human customer service are likely to be more successful in building strong relationships with clients, improving customer satisfaction and loyalty, and achieving a competitive advantage.

Just picking up on something you mentioned earlier, Ryan – outsourcing.

Is outsourcing considered innovation in a world where most firms think about innovation just being technology-based, and if so, why does/would outsourcing give you the competitive edge?

Ryan: Outsourcing can certainly be considered a form of innovation, as it allows law firms to tap into new resources and capabilities that they might not otherwise have access to. While many law firms may think of innovation primarily in terms of technology, outsourcing can offer a range of benefits that can help firms to achieve a competitive edge.

One reason why outsourcing can give law firms a competitive edge is that it allows them to focus on their core competencies, while outsourcing non-core functions to experts in that area. This can help to increase efficiency and reduce costs, while also allowing the firm to access expertise and capabilities that they might not otherwise have in-house.

Another reason why outsourcing can give law firms a competitive edge is that it allows them to scale their operations quickly and effectively, in response to changes in demand or new business opportunities. By partnering with an outsourcing provider, law firms can gain access to a flexible and scalable workforce, which can help them to adapt to changing market conditions and take advantage of new business opportunities.

Outsourcing can be considered a form of innovation, as it allows law firms to access new resources and capabilities, focus on their core competencies, and scale their operations quickly and effectively. By leveraging outsourcing, law firms can achieve a competitive edge through improving efficiency, reducing costs, accessing expertise and capabilities, and adapting to changing market conditions.

Priscilla, can you share your thoughts on this topic, and specifically how outsourcing fits into a business model? ...

Priscilla: Outsourcing, in my humble opinion, is seen as a different business model but not innovative enough to match technology innovation because there is no technology involved, and therefore, is not considered modern enough to work with fast-paced processes needed to match today's transactional rate.

My business, PCC, a post-completion outsourced business, creates the fluidity needed to expand in profitable times and to retract without implications in testing times. This is innovation without any costs. This is a good business model. Can one really say the same about technology? There are so many upfront costs, ongoing costs and even termination costs that one must consider even before technology is implemented into the firm, so why is outsourcing not considered so innovative to give a firm a competitive edge?

*"According to a popular view, creativity is a product of the brain's right hemisphere – innovative people are considered "right-brain thinkers" while "left-brain thinkers" are thought to be analytical and logical"*⁴

4. <https://beta.nsf.gov/news/where-brain-does-creativity-come-evidence-jazz>.

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Lawyer's Toolkit

With this in mind, where are lawyers placed? "... a law review article by Susan Swaim Daicoff called 'Expanding the Lawyer's Toolkit of Skills and Competencies', law schools have typically taught left-brained competencies, such as logic, reason, and analysis, to the exclusion of right-brained competencies".⁵

Does the above then explain, on a very basic level, why we as lawyers are not so creative or innovative to understand the innovative creative model that outsourcing provides, which generates the competitive edge and benefits the firm during boom-and-bust times?

Outsourcing gives a firm/department the competitive edge because:

1. As PCC does, it charges the service per case with no overheads or subscription fees;
2. There are no:
 - a. employment costs
 - b. extra tax implications
 - c. upfront costs or termination fees
 - d. on-going fees;
3. Property solicitors/experienced conveyancers work on files;
4. You save on overheads as a business;
5. You have experts with whom you can bounce off ideas, at no extra costs;
6. Compliance stress is removed from you as a business.

Although technology can provide some of the benefits listed above, can they benefit from them all?

In my humble opinion, technology innovation is fantastic and is a real winner, but I also believe outsourcing is underrated and could be viewed as innovative from a different angle. As noted in the Law Society's (2021) practice note on Outsourcing, it "is an increasingly common aspect of legal service delivery".⁶

David: ChatGPT tells me that "innovation refers to the introduction of new ideas, methods, products, or processes that result in a positive change or improvement", so outsourcing is an innovation if you're not currently doing it.

Typically, the key drivers for outsourcing a business function or activity are: cost savings, access to specialist expertise and therefore, a better service, improved time to market and increased flexibility and scalability. All these things can give a firm a competitive edge, but like technology it's about identifying the right areas to outsource, as well as the right provider.

I would also like to mention process optimisation. In my mind, this can also be an innovation even if it doesn't involve technology. And again, it can give you a competitive edge if the benefits of optimising a process are aligned with business objectives like increasing productivity.

Interesting you used ChatGPT, David *wink* We'll come back to generative AI, including ChatGPT, shortly.

As law is such a precise and narrow sector, surely any thoughts on being competitive will be centred around just being better than the nearest rival. Or, is that too narrow a view, and if so (obviously it is):

A) where can you seek inspiration to gain a competitive edge?

David Wybourne

Head of Legal AI,
Cloud Business



5. <https://www.linkedin.com/pulse/right-brain-revolution-21st-century-lawyers-equipped-succeed-cullen/>.

6. Client Care in Conveyancing – The Law Society – Priscilla Sinder.

External

Ryan: Whilst it is true that competition between law firms can be intense and that many firms may focus on being better than their nearest rival, this narrow view may not necessarily be sufficient to achieve a competitive edge in today's fast-paced and continuously evolving legal market. Law firms can seek inspiration to gain a competitive edge from a variety of sources, both within and outside of the legal industry. Some ideas for inspiration include:

Customer insights: Understanding and harnessing the needs and preferences of legal consumers can provide valuable insights into how law firms can differentiate themselves and deliver a superior customer experience.

Best practices in other industries: By studying best practices in other industries, such as customer service, marketing, and technology, law firms can identify new and innovative approaches that they can apply to their own operations.

Legal technology: Keeping up-to-date with the latest legal technology and how it can be used to improve efficiency, enhance the customer experience, and reduce costs can provide a significant competitive advantage.

Networking and collaboration: Engaging with other law firms, legal tech companies, and industry associations can provide opportunities to learn about new ideas, exchange best practices, and collaborate on initiatives that can help firms achieve a competitive edge.

Seeking inspiration to gain a competitive edge is about looking beyond one's nearest rival and exploring new ideas and approaches from a variety of sources. By doing so, law firms can position themselves to stay ahead of the curve and deliver a superior customer experience in today's rapidly evolving legal market.

B) Which of your business heroes found a competitive edge that could be applied to the legal sector?

Ryan: Steve Jobs - known for his focus on design and user experience, Jobs revolutionised several industries by delivering products that were both aesthetically pleasing and easy to use. Law firms could take a cue from Jobs and focus on delivering a user-friendly, efficient, and seamless experience to their clients.

Jeff Bezos - known for his innovative approach to business and his focus on customer experience. Law firms could learn from Bezos by putting the needs and preferences of their clients at the centre of their operations and leveraging technology to deliver a superior customer experience.

Elon Musk - known for his innovative approach to problem-solving and his willingness to take risks in order to achieve his goals. Law firms could learn from Musk by embracing new technologies, taking calculated risks, and continuously seeking new and innovative solutions to the challenges they face.

These business leaders have found a competitive edge through a combination of focus on customer experience, innovation, and a willingness to take risks. By applying these principles to the legal sector, law firms can differentiate themselves and achieve a competitive advantage.

Ah, the super pioneering big boys

Martyn: The key here is accepting both that law is a specialist sector, and that it is a business like any other and has customers and stakeholders that need satisfying over the long term. If we are not different, then we cannot be distinguished from anyone else, and therefore the ability to win and retain clients must be diminished.

Martyn Best
Managing Director,
Document Direct



Let us look all around for germs of inspiration. Warren Buffett oozes trust and longevity – and we should aim for that. Yet, he also distinguishes himself in his 'Sage of Omaha' annual reports as a man full of originality and wisdom.

Apple transformed the design of computers and brought an evangelic approach to their products – what can we do with how we describe ourselves, or promote ourselves? We will not totally re-engineer legal services, but we can be inspired as to how we communicate.

Look around, reflect, and use your imagination.

The mantra “use the tool rather than be the tool” has been bandied around for years by tech vendors to convince lawyers and GCs to adopt and implement LegalTech and/or LawTech and/or simply ‘agnostic tech’, to give their law firms / companies the competitive edge (amongst other things). Accordingly, since OpenAI's ChatGPT hit the mainstream:

A) How do you think lawyers and GCs can best utilise ChatGPT?

Ryan: It's still early days, and I wouldn't necessarily recommend utilising ChatGPT for business-, mission- or deep subject matter expertise critical workstreams or activities (yet). Lawyers and General Counsels can utilise OpenAI's ChatGPT in several more generalised ways:

- As a research tool** - Lawyers and General Counsels can leverage ChatGPT's vast knowledge base and natural language processing capabilities to quickly gather information and insights on legal topics.
- As a document automation tool** - ChatGPT can be used to automate the creation of legal documents, such as contracts and agreements, reducing the time and effort required to complete these tasks.
- As a virtual legal assistant** - ChatGPT can be integrated into a firm's workflow to provide support with tasks such as answering client inquiries, scheduling appointments, and managing emails.

B) And how do you propose tech vendors should use it? E.g., API / integrate into their product/service; or something else?

Ryan: Tech vendors can use OpenAI's ChatGPT in several ways:

- As an API** - Vendors can integrate ChatGPT into their products and services, allowing their customers to access its knowledge and capabilities directly from within their existing workflows.
- As a standalone tool** - Vendors can offer ChatGPT as a standalone tool, allowing lawyers and General Counsels to use it as a research or document automation tool.
- As a component of a broader platform** - Vendors can use ChatGPT as a component of a broader legal tech platform, integrating its capabilities with other tools and services to provide a more comprehensive solution for their customers.

By leveraging ChatGPT, tech vendors can help lawyers and General Counsels achieve a competitive edge by reducing the time and effort required to complete legal tasks and providing access to a vast knowledge base and advanced natural language processing capabilities.

Ryan Steadman
Founder, Legal
Professionals
Insights



Influence

ChatGPT

David: What? Apart from using it to answer some of your questions Chrissie?! I think the first thing to remember about ChatGPT is that it is a prototype. Even OpenAI's CEO, Sam Altman, tweeted that it's "incredibly limited, but good enough at some things to create a misleading impression of greatness" and that it's a mistake to use it for anything important – like the law. But there's more to come and that will be more trustworthy, intelligent, and reliable.

The other thing, in my view, to remember is ChatGPT is not a legal tech solution. It's a business tool or social tool, like using Teams for file sharing and messaging or LinkedIn for networking or building your brand. There are applications for ChatGPT across all other areas of your business and you can be sure those areas will quickly adopt the tech. Your clients will too, whether it's for business or social use. Whatever your reservations, it's becoming part of their toolkits and legal is in danger of being left behind - again.

So, although I haven't answered the question with some suggestions of how you should use ChatGPT, you need to be exploring it. Whether it's ChatGPT or another solution, it's going to get better and better. Now's the time to dream big and imagine the possibilities of 100% accurate and even more intelligent AI, and what it can do for you.

Indeed, David! As you are aware, *The Naked Lawyer* and I have been dipping our fingers and toes into generative AI for the past 4 months. It's interesting to read the outcomes from the prompts we feed it, but what really fascinates me is the difference I have encountered and noticed between 'the machine' and us, aka 'the machine communicator' and 'the human thinker'.

For example, I asked ChatGPT the same first question as all of you: **If we look at what the definition of 'competitive edge' is, what factors do you think give a company a competitive edge?** Note the difference between your beautifully eclectic responses earlier and this 'vanilla' / 'beige' / 'bland' / 'obvious' academic response by ChatGPT:

When it comes to gaining a competitive edge, there are various factors that can contribute to a company's success. Some of the key factors include:

1. **Innovation:** Companies that innovate and stay ahead of the curve can often gain a significant competitive advantage. This can involve developing new products, services or processes, or finding new and creative ways to meet the needs of customers.
2. **Customer focus:** A customer-centric approach is critical to success in today's business landscape. Companies that understand their customers' needs and provide exceptional customer service are more likely to retain loyal customers and attract new ones.
3. **Branding and reputation:** A strong brand and reputation can differentiate a company from its competitors and give it a competitive edge. Building a trusted and recognisable brand requires consistent messaging, high-quality products or services, and a positive customer experience.
4. **Operational efficiency:** Companies that operate efficiently and effectively are often able to deliver products or services more quickly, at a lower cost, and with higher quality than their competitors. This can be achieved through process optimisation, automation, and other strategies.
5. **Talent and culture:** A talented and engaged workforce can be a powerful competitive advantage. Companies that attract, develop, and retain top talent and foster a positive and collaborative company culture are often better positioned to succeed.

These are just a few of the many factors that can give a company a competitive edge. Ultimately, the key is to continuously assess and refine strategies, and adapt to changing market conditions and customer needs.

David Wybourne

Head of Legal AI,
Cloud Business



Although it is a technically solid reply and has merit, it lacks humanness, feeling, the story / experience to draw on IMHO. It is noticeably a machine-generated 'standard' outcome, rather than a heartfelt reply we all engaged in.

However, as you are all perfectly aware, I'm a great believer in embracing new tech, and generative AI in particular, such as ChatGPT and the many alternatives that have been around for a while, plus the main competitor of Google's version, 'Bard', of course *wink*.

We'd be foolish to ignore it and not use it. In fact, there's every chance we won't be able to avoid using it as it weaves its way both positively and negatively into everyday tools, technologies / platforms, and devices we use. The big search engines beta-testing are only the beginning. Having already hit the mainstream since November 30th as a prototype last year, breaking all consumer App take-up records globally, very soon it will be prolific in the business world, and therefore the legal world. And inevitably, as always, those first-movers and adopters will have a significant advantage over competitors IMHO.

Allen and Overy (A&O) were straight out of the gate last month announcing on 15th February that they were the first law firm to partner with an AI platform (backed by ChatGPT technology), dubbed 'Harvey', which has been developed in association with OpenAI (the company behind ChatGPT), and is designed specifically for the legal industry.⁷

A&O are using Harvey to assist its lawyers with client work – for example, in research, contract analysis (as you correctly surmised, Ryan), offering a 'starting point' to analyse a legal issue, or generating a slide presentation on a specific topic. It can work in multiple languages and across diverse practice areas. A&O also aim to make it available to its clients in due course. The firm said it believes the system will give it a "competitive edge" over its competitors.

Prior to A&O's announcement of adopting Harvey AI, there was little interest or appetite by the legal profession, its lawyers and the wider community to bother with ChatGPT-type tech in the legal domain. The usual naysayers and sceptics were out in droves though, right on cue, as always.⁸ However, this news will no doubt have been a massive wake-up call for all in the legal ecosystem – love it or hate it.

Make no mistake about it, this evolved generative AI is a significant and remarkable leap for Law Land IMHO, as the 'Harvey' proprietary platform is the first tech vendor to the market with significant backing from OpenAI (\$5M investment), using OpenAI's ChatGPT tech *specifically for the legal world*. A&O were out of the traps first, as ever, ergo the rest of the magic circle, silver circle and beyond will be sure to follow swiftly, whether they want to or not, to remain competitive in the near and certainly mid future, aka from now to 2025.

It's a new era. Generative AI, the likes of 'Harvey', are a dead certain incremental gamechanger for the legal industry, IMHO.

7. https://www.law.com/international-edition/2023/02/15/allen-overy-to-implement-chatgpt-style-technology-to-help-lawyers-with-client-work/?kw=Allen%20%26%20Overy%20Rolls%20Out%20ChatGPT-Style%20Technology%20to%20Help%20Lawyers%20With%20Client%20Work&utm_source=email&utm_medium=en&utm_campaign=intbreakingnews&utm_content=20230215&utm_term=lawint and <https://techcrunch.com/2022/11/23/harvey-which-uses-ai-to-answer-legal-questions-lands-cash-from-openai>.

8. https://www.lawgazette.co.uk/news/magic-circle-firm-rolls-out-gamechanger-chatgpt-type-platform/5115150.article?utm_source=gazette_newsletter&utm_medium=email&utm_campaign=5RA+rules+out+SIF+levy+%7c+A%260%27s+AI+%27gamechanger%27+%7c+Is+Bitcoin+bonkers%3F_02%2F15%2F2023.

Tech-Stack

One final question then before we bring this gathering to an end:

For those law firms and/or companies that wield a clear competitive edge due to their technology choices and 'tech-stack', who are the real winners / benefactors? Is it:

- a) the law firm; or
- b) its lawyers; or
- c) the client / consumer / customer; or
- d) the technology vendor? or
- e) who/what? e.g., society?

Such: Why can't it be all the above? In a place where everyone 'wins' and no one loses, there is a harmony and a future together. Where there is loser, at some point things will end because the loser won't suffer that indefinitely.

Ryan: In my humble and ideological opinion, the most important and real benefactor from law firms and/or companies having a competitive edge due to technology choices and tech-stack will be society, with a focus on more affordable and accelerated access to justice initiatives, leading to improved outcomes for our society. The use of technology in the legal sector can lead to a more efficient and accessible justice system, if appropriately and ethically administered without unconscious biases creeping its way into code. How this will be governed is a mystery to us all right now. There are several AI ethics bodies who should actively get engaged.⁹

With the commercialization of ChatGPT, there will also be an endless combination of the following winners:

The law firm: They will benefit from increased efficiency, improved services, and potential cost savings, which can result in increased profitability and growth.

The lawyers: They will have access to better tools and resources, allowing them to work more efficiently, improve their work quality, and enhance their reputation.

The client/consumer/customer: They will benefit from improved and faster services, greater transparency, and reduced costs.

The technology vendor: They will benefit from increased sales and customer satisfaction, leading to potential long-term partnerships.

Thanks for that concise wrap-up, Such and Ryan ...

Suchet Amin
(aka Such)



Ryan
Steadman
Founder, Legal
Professionals
Insights



chriessie's frank finale

It is clear from our discussion that many human and machine factors come together to give a company a competitive edge. In such challenging and transformative times, I believe we need to keep an open mind about the latest technologies that are available to assist us in our quest to not only survive, but successfully compete and grow whilst preserving our precious livelihoods, families, societies and world.

Generative AI, along with ChatGPT, 'Harvey' et al. is not a trend or a fad. It has far more to offer than simply creating novel content or complementing lawyers in the way they have always worked. AI is no longer "narrow AI", it is a remarkable achievement albeit an experimental prototype. As Professor Richard Susskind says, and I agree entirely, "we are in for a wonderful ride".

With the advent of such tools, I reckon it is the next great leap in the AI Age, akin to the dawn of the Internet and the iPhone. It might only be early days for the likes of all forms of generative AI (e.g., ChatGPT, 'Bard', 'Harvey') but five things are for sure IMHO:

- 1) It will be exponentially better in comparison to its flagship outing;
- 2) It will grow up scarily fast;
- 3) Whatever its current pros and cons (more on that in my future writings *wink*), it is highly likely that there will be far more pros and far fewer cons in the very near future;
- 4) Behaviour by lawyers and customers/clients in how they work, communicate, collaborate, and digest law is inevitably going to shift for the better with some ways being replaced entirely; and
- 5) Used correctly (in traditional and new ways), there is a real chance and probability that the currently disenfranchised legal/law buyer (80-85% globally), aka the latent legal buyer market (those needing affordable access to legal services, product and justice, for example), will finally begin to be served. That is, in a self-serve / DIY way by incredibly capable generative AI systems that are, and will be, trusted by the public in the not-too-distant future to access 'law' because it's actually 'good enough' in contrast to not having it at all!!

Mitch, I invited you here today for a purpose. The stage is now yours to bring all of what we have discussed into a nice final human thought. Albeit it is usually my, and **The Naked Lawyer's**, place to do so, I can't think of a better friend and aficionado on this subject than you. Perhaps you can illustrate your thinking, tips, and insights by sharing a story? ...

Mitch Jackson: Once upon a time, there was a lawyer named Larry and a donut shop owner named Debbie. Both were struggling to keep their businesses afloat and bring in new customers.

One day, they both received an offer to embrace and use AI, Web3, and the metaverse to market and brand their businesses. Debbie, being a forward-thinking and open-minded person, jumped at the opportunity. She saw the potential in using new technologies to reach a wider audience and improve her brand.

Jon Mitchell Jackson
(aka Mitch)

Senior Partner,
Jackson & Wilson, Inc.



⁹. <https://www.law.com/legaltechnews/2020/01/10/white-house-ai-guidelines-could-prove-more-helpful-for-developers-than-regulators/>.

Opportunity

On the other hand, Larry was hesitant and sceptical. He was used to traditional methods and didn't understand or believe that these new technologies would be of any help to him. He declined the offer and decided to stick to what he knew.

Just like recognising what would make a good topping for a particular donut, Debbie appreciated the power of this new tech and embraced AI, Web3 and the metaverse to take her donut shop to the next level. She used AI-powered chatbots to provide 24/7 customer service. She also created limited-edition NFTs of her signature donuts. She used the metaverse to build and host a virtual donut fan club and highlight events in her community. She tapped into the power of Web3 to improve her supply chain with decentralised systems.

Thanks to her innovative marketing strategies, Debbie's donut shop stood out from all the others and became a hit. She saw a substantial increase in sales and was even able to open two new donut shop locations within a year.

Meanwhile, Larry was still struggling. He relied on the same old methods and continued to get the same old results. Eventually, he was out of clients and had to shut down his law firm.

The moral of the story is that in today's rapidly changing world, it's crucial to embrace change and stay ahead of the curve. Those like Larry, who resist new technologies and stick to traditional methods will often be left behind. Debbie, who embraced AI and the metaverse, was able to achieve success and grow her business.

So, moving forward, let's be like Debbie and embrace change. Who knows, it might just lead to a tasty and successful future.

For those of you wondering what Debbie did, and what Larry should have done, here you go:

Here are 5 things Debbie did to build her donut business:

#1: AI Chatbots: Utilised AI-powered chatbots to enhance her customer service. She implemented the chatbots on her website and social media platforms to provide instant and personalised support to her customers, taking orders, suggesting upgrades and complimentary items, answering their questions, and addressing their concerns 24/7. This not only improved the customer experience but also freed up Debbie's time to focus on other aspects of her business.

#2: NFTs: Embraced NFTs (Non-Fungible Tokens) to offer exclusive and unique experiences, discounts, and specials, to her customers. She created limited-edition NFTs of her signature donuts, which allowed customers to own a very small piece of her store and brand. The NFTs were also used as digital tickets to community events and every now and then, afford customers discounts. This added a new level of excitement and engagement for her customers, and also helped her to differentiate her brand from the competition.

#3: Metaverse: Used the metaverse to host virtual donut community fan events. By hosting these events in a virtual environment, she was able to reach a much wider audience and introduce her donuts to new markets around the world. She also created virtual reality experiences that allowed customers to explore her store and even create their own digital donuts in an immersive and interactive way.

#4: Market Research: Used AI-powered market research to analyse customer behaviour and preferences. She used the data to create targeted marketing campaigns and to develop new flavours and products that resonated with her customers. This helped her to better understand her market and improve her offerings, leading to increased sales and customer satisfaction.

#5: Web3 Tech: Leverage Web3 technologies to streamline her operations and improve her supply chain. By utilising decentralised systems, she was able to reduce costs and increase efficiency, freeing up resources that she could reinvest into her business. This allowed her to grow her brand and expand her reach even further.

Here are 5 things Larry could have done to keep his law practice from going out of business:

#1: Virtual Legal Consultations and Presentations: Larry could have used the metaverse to offer virtual consultations and presentations on trending legal topics to potential clients. This would have allowed him to reach a wider audience and make his services accessible to anyone, anywhere.

#2: Legal Chatbots: Larry could have integrated legal chatbots into his practice to provide 24/7 support to his clients. Chatbots could have answered frequently asked questions, triaged new inquiries, and even scheduled appointments. This would have freed up time for Larry to focus on higher-value tasks, while also providing a convenient and accessible resource for his clients.

#3: Smart Contract Generation: Larry could have leveraged AI to generate smart contracts for his clients, streamlining the process and saving time. By using blockchain technology and NFTs, he could have ensured that the contracts were secure and tamper-proof.

#4: Legal Predictive Analytics: Larry could have used AI-powered legal predictive analytics to stay ahead of legal trends and understand the likelihood of certain outcomes in legal cases. This would have given him a competitive advantage and allowed him to provide more informed legal advice to his clients. He could have also used AI-powered legal analytics to analyse individual client needs and legal issues. Subject to State Bar Rules, by inputting data about each client and their specific legal issue (maybe hypothetical people and issues), he could have used AI to dive deep and review options in a way never before available to a lawyer. This would have allowed him to provide more informed and customised legal advice to each of his clients, improving their overall experience and increasing the likelihood of repeat business.

#5: AI Marketing and Branding Content Generation: Larry could have used AI-powered content generation tools to create personalised marketing and branding content quickly and easily. By inputting key information about his practice and target audience, he could have generated articles, blog posts, and social media updates that were both informative and engaging. This would have allowed him to consistently produce high-quality content, even with a busy schedule, and improve his online presence.

Fabulous. Cheers, Mitch. Thank you so much for joining, caring and sharing. You are indeed truly worthy of your award-winning accolade as a Californian "Super Lawyer"!!

Until next time my friends, I encourage you to begin dabbling with the various generative AI tools to polish your competitive edge ... *wink* *wink*

As Naeem Callaway, Founder/CEO of Get Out The Box, Inc., a non-profit dedicated to mentoring, motivating, and inspiring youth across the world, encourages: "Sometimes the smallest step in the right direction ends up being the biggest step of your life. Tiptoe if you must, but take a step."

With lots of hugs and oodles of love from me and *The (absentee digital nomad) Naked Lawyer!*

Waves goodbye xx ...

By Chrissie Lightfoot
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Chrissie is an Independent Non-Executive Director and Advisor, a global multi-award-winning Legal Futurist, Consultant, Influencer, Entrepreneur, Lawyer, AI LawTech Pioneer, Strategist, Marketeer, Brand-builder, best-selling author and Keynote Speaker. Founder and CEO of EntrepreneurLawyer Ltd.

