

The Future of Legal Innovation



EDITED BY ALEX DAVIES

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Executive summary

With barely a week going by without news that yet another chief innovation officer has taken up residence in a global law firm, it's clear innovation is still a hot topic, continuing to grow and expand in terms of its reach within law firms. However, despite rapid advancement in recent years, it's generally acknowledged that legal is behind the curve in terms of innovation compared to the rest of the corporate world.

It's also generally assumed that innovation relates purely to technology – meaning none but the largest companies with the deepest pockets can benefit from it.

This insightful book features contributions from legal firms doing innovative things in all aspects of the field, going beyond the enabling technology – from partnering with clients to productizing services, developing external alliances, transforming the talent management function, to encouraging lawyers to invest billable time in new innovative approaches to the business and practice of law – as well as approaches to dealing with market disruption itself. *The Future of Legal Innovation* showcases great examples of initiatives – big and small – that demonstrate how legal is innovating its products and services.

As an emerging function, innovation leads come from a variety of backgrounds, each with their own distinct subject matter expertise – data and systems (IT), process and risk management (docketing), information and communication (library), people and project management, and technology adoption (paralegal) – resulting in varied approaches to innovation and important opportunities for collaboration. In chapter one, Anna McGrane of Pacer Pro interviews a variety of innovation leads in differing roles, looking at how their diverse approaches and expertise influence their practice.

Innovation requires the courage to look at things in a different way. Technology is often connected to innovation, but is not the only piece of the puzzle – a lot of other aspects that have little to do with new applications or technology can often yield greater results. In chapter

two, Dean Boesch and Rebecca Holdredge from Husch Blackwell LLP discuss how the overall objective of the firm's newly created innovation department is to align with the mission of the firm and have innovation be a part of its client experience, satisfaction, and value. In order to create a faster moving innovative culture they have used "shark tank" type challenges, an idea hub and a vetting process to elicit ideas that can help them partner with clients to move the needle.

Design thinking (or service design) is a methodology that has been used in manufacturing and many other industries for decades, but its entry into the commercial legal space has been slow. And yet law is a professional services industry, where success is predicated on client satisfaction. There are many reasons to use design thinking in law firms (and with in-house teams), but perhaps chief amongst these is the importance of re-orienting the practice of law around the needs of the client. The methodology can also be used internally to facilitate widespread culture change, and to instil an innovation mindset within a population of employees who may be set in their ways. Chapter three, by Nicola Shaver, managing director, innovation and knowledge at Paul Hastings, explores the reasons why design thinking can and should be used in law, and provides practical guidance to help newcomers get started on their innovation journey.

Innovation has become a greater business need in recent years owing to the accelerated pace of change in business, the economy, and technology. Chapter four by Vishal Agnohotri, chief knowledge officer at Hinshaw & Culbertson LLP, shares an example of innovation for knowledge capture and management that arose due to a resource-constrained environment, revealing the key role that culture and circumstance play in cultivating an innovation mindset. Innovation that is rolled out as an internal efficiency gain that will ultimately benefit the client still carries with it the burden of change. Vishal explains the drivers of that change and the impediments to it and reveals how the adoption of the same collaboration platform to capture tacit knowledge varied at different firms.

In chapter five, Anusia Gillespie, director of innovation at Eversheds Sutherland, attempts to bring structure and focus to the nascent field of legal innovation. Part one discusses the Innovation as a Service model, whilst part two details Anusia's innovation journey at a global law firm. Finally, part three describes the Maker's Matrix[®], a tool to effectively fast track the problem-diagnosis-to-solution process, resulting in accelerated and readily adopted innovations.

In chapter six, Linda Perez Clark of Kean Miller LLP discusses how lawyers are natural innovators, with successful careers built on adept problem-solving. Deploying those skills to innovatively improve the profession, their workplaces, and delivery of services can lead to both a more meaningful career and greater success. The first step to innovation is a willingness to see things differently. In a profession steeped in historical practices, that can be a real challenge. But small steps in discrete areas, from diversity and inclusion to managing client matters, can pay significant dividends. Examples of these steps, which are within reach of any size firm and are not heavily dependent on technology or significant financial commitments, are provided.

Recent advances in machine learning – particularly advances in “deep learning” – and AI make it possible to automate some of the activities that lawyers have historically performed in the course of serving clients. Some examples include conducting legal research, aspects of document review in litigation or due diligence matters, and aspects of how we deliver legal advice via chatbots, expert systems, and data visualization.

These technologies offer a path to better client serve and increased access to justice, while potentially improving lawyers’ work/life balance. In chapter seven, Aaron Crews, Littler’s first chief data analytics officer, looks at how using machine learning and AI will improve legal practice and drive value to stakeholders and clients.

With law firms around the world turning to artificial intelligence solutions to provide a competitive edge in the digital age, 2020 will mark a tipping point for the legal profession as AI accelerates industry change. Machine learning is a subset technology of AI and is likely the most common application of AI as it pertains to tools currently available for the legal profession. Machine learning’s impact will be felt in both the practice and the business of law and will be key to driving down overhead and growing margins. Chapter eight, by Josias N. Dewey, partner at Holland & Knight, discusses how advances in machine learning, including its integration with other technology, will be a game changer for law firms. It includes a discussion of how different law firms, depending on size, available resources and culture, can best position themselves for success in this new environment.

Finally, in chapter nine, Gordon Vala-Webb of Lex Mundi looks at how legal innovation is evolving, and the datasets that can be used to determine where and how this is happening.

About the authors

Vishal Agnihotri is chief knowledge officer at Hinshaw and Culbertson LLP, where she oversees knowledge management, legal project management, and research services in support of the practice. She has held operational, consulting, and leadership roles for over two decades in enterprise knowledge management, spanning business research, knowledge technology implementation, training and adoption, knowledge process outsourcing (KPO), and social learning. Vishal has spent her career in professional service firms, leading knowledge management groups at two law firms (Hinshaw & Culbertson and Akerman) and two Big Four accounting firms (EY and KPMG).

Dean Boeschen serves as the chief growth officer at Husch Blackwell LLP, and is responsible for driving firm expansion through strategic planning, innovative technology, attorney recruitment, and forward-thinking solutions. Dean's 28 years of experience in law firm finance, client development, and operations management affords him extensive insight into how the firm can better serve clients. He looks for ways to strategically grow the firm and ensures it stays abreast of new technologies that directly benefit clients. He partners with collaborative tech communities, such as Cortex in St Louis and Plexpod in Kansas City, to help guide the firm on the leading edge of innovation.

As Littler's first chief data analytics officer, **Aaron Crews** leads the firm's data analytics practice and Big Data strategy. Leveraging an extensive background focused on the intersection of technology, business, and the law, Aaron's team of lawyers, analysts, statisticians, and data scientists work with clients and case teams to harness the power of data to build superior legal strategies and improve legal outcomes. This team also advises the firm and its clients on the development, implementation, and use of analytic models, machine learning and algorithm-driven technologies (often called AI), and using data visualization/data storytelling

to enable insight, drive understanding, and extract value. Littler's long-held dedication to innovation is exemplified in this team, and the firm is one of the first in the United States to hire a leader dedicated exclusively to data analytics and Big Data into a position in its C-Suite.

Josias “Joe” N. Dewey is a financial services and real estate attorney and is considered a thought leader on blockchain and distributed ledger technology (DLT). Joe is the co-author of the book, *The Blockchain: A Guide for Legal and Business Professionals*, published by Thomson Reuters. Joe formerly served as the leader of Holland & Knight's Miami Real Estate practice group. Joe regularly represents a diverse group of banks and other financial institutions, from large international banks to local community banks. He also represents life insurance companies and investment funds involved in finance transactions. His finance practice encompasses a broad range of asset classes and transaction structures, including real estate financing, healthcare real estate finance and asset-based lending, such as receivable, inventory, equipment and working capital facilities. He has substantial experience representing both lead lenders and participant lenders in participations, syndicated transactions and other co-lending arrangements.

Anusia Gillespie is the director of innovation at Eversheds Sutherland, where she works to combine the right mix of talent, methodology, and technology to build new value for clients. She was brought into Eversheds Sutherland in early 2018 to build and formalize the firm's innovation function. Now a robust mechanism, the Innovation as a Service function serves as a client value research and development capability, using the best available tools and talent to design and implement creative approaches and solutions for clients. Anusia brings to her work the wealth of experience gained in both the practice and business of law, and in designing business of law programs for lawyers from around the world at Harvard Law School Executive Education. Her published works include co-authoring *Smart Collaboration for Lateral Hiring* (2018) with renowned Harvard Business and Law School professor, Dr Heidi K. Gardner. All of this work has earned her a variety of esteemed recognitions, including being honored with the 2019 Fastcase 50 Award. Anusia earned her Bachelor of Science in Management (BSM) from Tulane University's A.B. Freeman School of Business, Juris Doctor (JD) from Boston College Law School, and Master of Business Administration (MBA) from Boston College Carroll

Graduate School of Management. She was awarded a seat on BC Law's academic law journal, the *Uniform Commercial Code Reporter Digest*, and inducted into the Beta Gamma Honors Society, recognizing honors in her graduate business studies.

Rebecca Holdredge leads the newly created innovation department at Husch Blackwell LLP. As a unique combination of attorney, actuary, and Six Sigma Black Belt, she is responsible for helping the firm stand out to clients through its use of cutting-edge technologies, processes, and products. For the past 17 years, she has managed a variety of successful teams with wide-ranging specializations, including data scientists, business analysts, attorneys, project managers, and intelligence analysts. Rebecca previously worked at a corporate intelligence start-up, serving as the chief operating officer and at Bryan Cave LLP, managing its award-winning practice economics group.

Anna McGrane holds a JD from the New York University School of Law and a masters in Chinese Laws from Peking University School of Law. While at NYU, Anna was awarded the Jacobson Leadership Scholarship, granted to students showing exceptional promise at the forefront of the convergence of business and law. Speaking five languages, Anna practiced at the London firm of Herbert Smith Freehills in its Moscow office and then transitioned to Beijing and to public interest, advising the Chinese government on oil and gas regulatory matters. She also graduated from the Fullstack Academy of Code, one of the country's top rated coding bootcamp programs. Anna has been featured in the Legal Tech News "Women of Legal Tech" series, the Lawyers Who Code series, and is a Fastcase 50 honoree.

Linda Perez Clark is the firm-wide managing partner of Kean Miller LLP. She has more than 25 years of experience representing clients in a wide variety of transactional matters, including mergers and acquisitions, and engineering, procurement, construction and construction-related contracts for projects in Louisiana and in the Gulf of Mexico. She also provides general advice to large and small businesses, including assisting clients with entity structure and governance and business succession plans. Linda is listed among the top Corporate/M&A lawyers in the State of Louisiana by Chambers USA 2019.

Linda has been instrumental in diversity and inclusion initiatives at Kean Miller, founding the innovative Kean Miller Connection program

that focuses on undergraduate minorities who are interested in entering law school. The program has contributed to the firm receiving the Baton Rouge Chapter of the Louis A. Martinet Society, A.P. Tureaud Award in 2015, the Louisiana State Bar Association “Human Rights Award” in 2012 and “You Make a Difference” award in 2013, the Council on Legal Education Opportunity “William A. Blakey Diversity Pipeline Architects” honor in 2013, and the YWCA Greater Baton Rouge, “Racial Justice Award” in 2007.

Nicola Shaver is the managing director of innovation and knowledge at Paul Hastings, LLP. Her interest in design thinking was sparked in 2015 when she participated in one of Margaret Hagan’s workshops and witnessed the power of empathy and user-centric design to solve problems in a more meaningful way. Since then, Nicola has introduced design thinking at two major law firms, both as an internal driver of change and as an external tool for improving client service and engagement. Nicola is an IDEO-trained design thinking facilitator, and a 2019 graduate of the Helsinki Brainfactory Legal Design Workshop (in association with the Legal Design Summit). She is also the founder of the Legal Innovation and Design Association (LID), a support and education network for innovation professionals in US law firms with an interest in service design methodologies.

Gordon Vala-Webb is an innovation professional, organization transformer, and an award-winning knowledge management practitioner and thought leader with over two decades of experience helping organizations become smarter. Currently he works globally with Lex Mundi member law firms as senior advisor, technology and innovation, to accelerate their uptake of new technology and innovative approaches. His book *Building Smarter Organizations: How to Lead Your Zombie Organization Back to Life* was published in 2017.

Previous roles he has held include national director of innovation and information at McMillan LLP, national director of knowledge management for PwC Canada, and cabinet office policy advisor (Ontario). Teams he has led have won a number of awards including Jive World’s “New Ways in Business,” N/ng’s Top Ten Government Intranets, and the Showcase Ontario Award for Organizational Transformation. He is a member of the Board of Directors of the International Association of Innovation Professionals and holds a Master’s degree in the Management of Technology. Gordon lives in Toronto, Canada.