TIGHTER HIRING LEAVES LEGAL DEPARTMENTS SEEKING REVOLUTIONARY SOLUTIONS

Legal departments need help, but hopes for additional personnel are largely pipe dreams. That leaves technology as the key—but organisations shouldn't rush in blindly.

Looking back on the industrial revolution, legend has it that the automobile magnate Henry Ford once opined, 'If I had asked people what they wanted, they would have said faster horses.' In this century's legal technology revolution, what do Legal Departments want—and what do they need?

The demand for 'faster lawyers' is obvious: in a recent ACC Global Census, nearly half—49 per cent—of in-house lawyers reported an increase in workload over the past year; 42 per cent said the demand remained the same.

One primary driver is the ever-evolving regulatory landscape, which was ranked by seventy per cent of chief legal officers as a major stressor. (No wonder: 31 per cent said they have been targeted by a regulator for a violation in the past two years.) The adoption of the General Data Protection Regulation (GDPR) alone had forty-seven per cent of in-house counsel scurrying to change their company's data security standards, according to an ACC survey.

So today's legal departments face a messy and mutating maze of regulations, unrelenting regulators and a bigger workload. As the work expands, three options emerge: hire more lawyers, spend more on external lawyers or find new ways of doing things. In Henry Ford's parlance, it's time to either get faster horses or invent the law's equivalent of a Model T.

Hoping for a higher headcount is not a reliable solution. According to Altman Weil's 2017 Chief Legal Officer Survey, in the 2018 calendar year:
- 51.6% planned to maintain their headcount of in-house lawyers
- 76% planned to maintain their headcount of contract lawyers
- 67.4% planned to maintain their headcount of paralegals
- 76.5% planned to maintain their headcount of support staff
- nearly 10% planned to decrease their in-house lawyers.

So, maybe outside help is on the way? Maybe not: in the same Chief Legal Officer Survey, 28% planned to maintain their outside counsel spend, while 32.5% planned a decrease.

If expansion is out and there's no money for additional outside spend, one option remains: explore some new solutions. Enter in-house legal technology.

Sifting through blueprints to find a Model T

The legal tech universe is overwhelming: the CodeX Techindex tracks 855 companies serving the legal industry, from AI Patents, which automates patent analysis, to Zipcourt, an online courtroom. It's hard to know where to start—and harder still to find technology initiatives that fit a legal department's budget, data security requirements and, most critically, culture.

The first step: plot a legal technology roadmap for the department. How can technology improve efficiency and productivity while also advancing strategy? An organisation must know what it needs—and doesn't need—and have a thorough understanding of its workload and capabilities. A good roadmap also must consider the future, so various technologies added over time can work together and grow with the organisation.

That task is more demanding than one might realise. Nearly 70% of legal operations professionals say their current technology doesn't meet their department's needs. It stands to reason, then, that they identified 'legal technology management' as their number 1 priority for the next twelve months, outranking cost control, cybersecurity and even litigation management.

Meanwhile, more than half—54%—of legal operations professionals said they planned to spend more on technology in 2018 than in the year prior.

Why have a technology roadmap?

Several flags serve as clues that a legal department is hurting from a lack of a technology roadmap. Maybe team members come back from conferences asking for the latest fill-in-the-blank app, the department has no tech budget (or even a relationship with IT, for that matter), each team member has a different way of organising and finishing tasks, or the department software is unreliable, unsupported or won't sync together.

Addressing these issues with a technology roadmap isn't just an academic exercise. Stephanie Corey, co-founder of UpLevel Ops and the Corporate Legal Operations Consortium, cites five real benefits of a technology roadmap:
- It lays out a method to the madness—these aren't going to be impulse buys.
- It helps determine which projects are simply 'low-hanging fruit', making it easier to triage and dedicate resources to more complicated projects.
- Without a plan, it's easy to end up with the wrong technology— or a mishmash of technologies that don't cooperate well.
- A good tech plan also informs strategies relating to budget, staffing and more.
- A legal technology roadmap offers a straightforward visual to the rest of the department and to those asking for other resources.

What exactly is in a technology roadmap?

A technology roadmap, as defined by chief information officers, is 'the governing document that dictates specifically how technology will support the business strategy and help drive business priorities over the next three to five years.'

They may vary in complexity and scope, but according to CIO magazine, roadmaps should contain:
- a strategy statement with a list of strategic priorities for the business (not technology-specific priorities)
- a prioritised list of improvement opportunities
- high-level justifications for each project
- estimated cost and duration of each project
- an 'owner' of each project
- a timeline of the initiatives and projects that will occur over the next several years

How does one plot a legal technology roadmap?

The following steps can help identify low hanging fruit and high impact technologies that will optimise your Legal Department.

1. Gather intel and context
Every successful mission starts with a reconnaissance. Before charting technology hopes and dreams, stop and collect some macro- and micro-level information.

Questions for the Legal Department
Consider these questions to discuss within a Legal Department:
- What are your Legal Department goals?
- Outline your Legal Department structure?
  - Team size
  - Type and volume of work
  - Most demanding clients and relative importance
  - What is the current state of technology in the department — what technology is available, and what are the usage rates?

Questions for the organisation
Consider who will need to see, approve or understand the roadmap:
- **Corporate goals:** List the strategic priorities for the business. (Not for the Legal Department, but for the business. Overall corporate strategy should be the guide.)
- **Finance:** How does a budget perspective affect the approach to technology plans? Are there any relevant deadlines or constraints?
- **Technology:** Who will be the contacts for Legal Department projects? What rules exist for cybersecurity, cloud computing, etc.? What kind of enterprise-wide tools are available that might be unknown to the Legal Department?
- **Business clients:** What are potential areas of improvement? How could technology improve service? What level of technology sophistication makes them comfortable?
- **C-Suite:** What strategic initiatives are on the horizon for the next three to five years?

Engage with IT colleagues early and often. They can provide battle-tested advice about product rollouts, and they will be instrumental to a roadmap becoming a reality. Don't surprise them with a 'final' document that requires their staff, funding, servers, security assessment and more.

2. Identify needs
Make a list of the department's opportunities for improvement. This will be far easier if informed by solid data about the department's legal matters, such as their complexity, strategy and size.

A LegalTech roadmap can be built by starting with major pain points, but you may also like to consider building your roadmap in terms of technology types, as this will correlate with conversations you may have had with peers, or technology solutions you have seen elsewhere.

3. Prioritise
Once improvement opportunities are listed out, prioritise. There's no single solution for ranking tech activities, but it's wise to determine a rationale for what to pursue first. Would it be best to fight the biggest fire first or to start with some easy wins? Should you consider pain based on risk or on productivity killers?

It is also worth including some high level information gathering here:
- Match your technology wish list to pain points.
- What tools are already available at the enterprise level?
- Do you have high level information about cost and implementation?

4. Plan
Now, build on the details of the legal technology roadmap. With the priorities in mind, draft a timeline of projects to pursue over the next several years. (Be realistic; technology rollouts often take longer than one might think. Consult a colleague in IT for help with estimating timelines). Also, make it visual!

For each project:
- articulate the high-level justifications. CIO advises that these should be 'robust for projects over the next 12 months and [simpler] for projects past the 12-month horizon'

- prepare the estimated cost and duration. These should be detailed and practical for short-term projects; for long-term projects, they can be estimates
- designate an owner. Who in the department will be responsible for researching vendors, liaising with other departments, and training the team? A project's success can hinge on having a credible sponsor who will be its champion.

Wrapping it up

After the plan is complete, troubleshoot it. Consider the traditional 'three Rs' of implementation: make sure the plan is relevant and realistic, then refine the final list of projects.

Troubleshooting should provide answers to the following:
- how the legal technology roadmap helps business clients
- how the plan makes the department more efficient
- how the plan improves service delivery
- how the plan advances company strategy.

At this point, revisit the stakeholders. Discuss the nuts and bolts of implementation with IT. Discuss how to fund the projects with finance. Prepare the department for new processes and tools—and possibly some growing pains.

Implement the plan, knowing that it may need revision as corporate visions and business realities change. Still, take comfort in having created a comprehensive, strategic guide that arms the department with tools to best serve the organisation.

To go above and beyond—if several tech tools are already in place, various tools can be linked to avoid duplicating efforts or re-keying information. For example, a workflow tool may take a document assembled by the business using an automation tool, have it finalised by the legal team, sent to finance for approval and ultimately delivered to an outside party for a digital signature.

Whatever the needs of the specific business, mapping out legal technology requirements is an excellent place to start. With increasing demands on legal staff, taking this proactive step may just spark a Model T–type revolution.

For a technology roadmap template you can customise for your Legal Department, visit www.xakiatech.com.

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As the Founder & CEO of Xakia Technologies, Jodie combines her legal and financial services background to focus on building tools to manage the business of law. Jodie is also Deputy Chair of the Australian Legal Technology Association, dedicated to providing a community to Australian legal technology companies and building the presence of Australian legal technology on the global stage.

Jodie was a speaker at the recent 2018 ACC Australia National Conference and delivered a presentation entitled: Boost Your LegalTech ROI: How to Build a Legal Technology Roadmap for Your Department.