



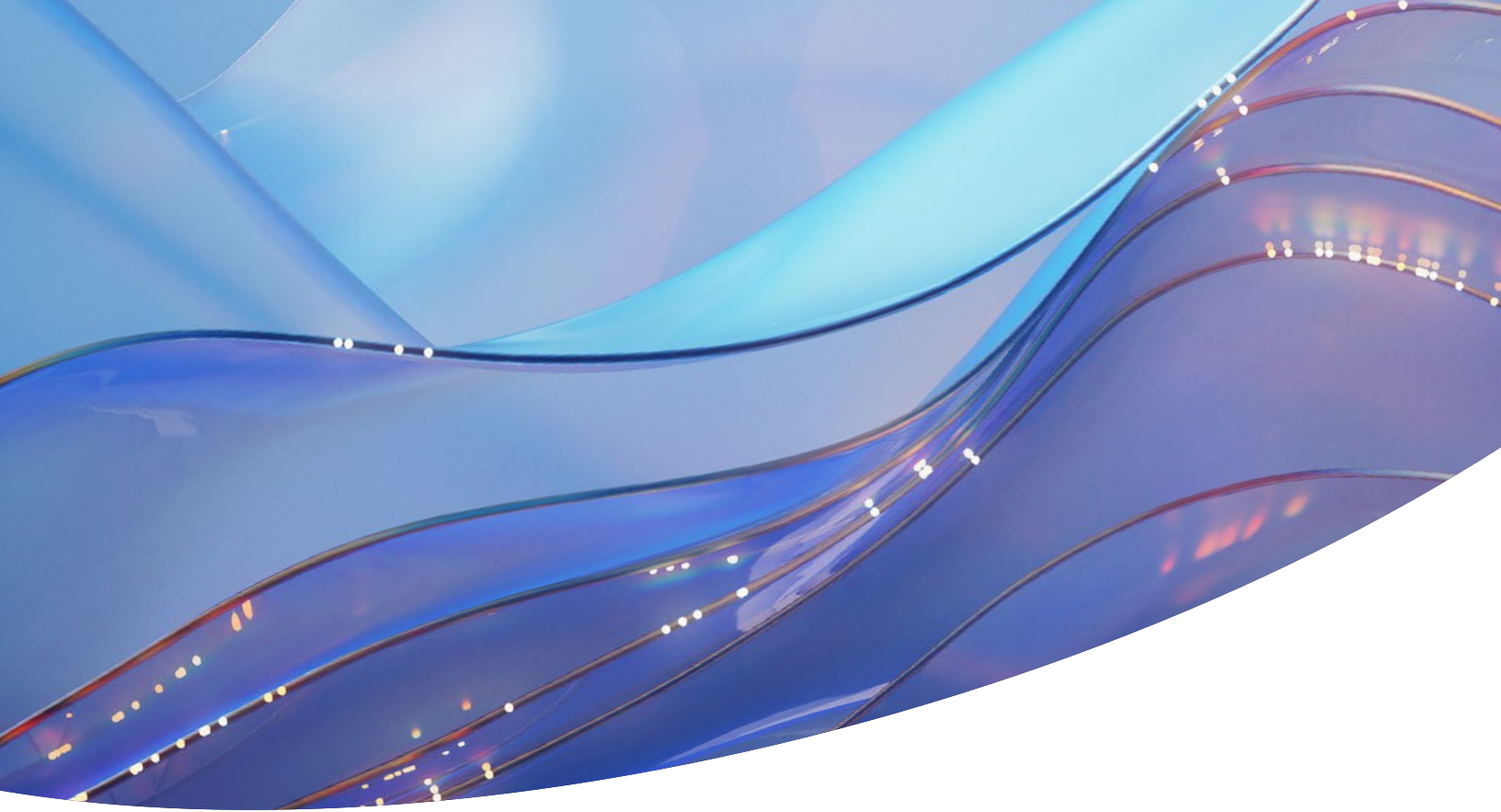
DIGITAL ADVISORY SERVICES

# Pivoting to a Digital Business:

## Key Steps to Accelerate Law Firm Digital Transformation

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Today's advancements in technology are causing many organizations to shift toward being digitally ready and resilient as top strategic priorities. Like most industries today, the legal industry must also pivot, focusing on digital transformation as a key competitive advantage.



Law firms must accelerate important changes in how they operate, using technology and data to act proactively and provide products and services that enhance an end-to-end experience for clients, lawyers, and staff. According to a 2020 Gartner Survey of Legal Leaders, Gartner highlights “by 2025, legal departments will increase their spend on technology threefold.”<sup>(1)</sup>

**By digitally transforming every aspect of the legal industry, stakeholders can drive value creation and ensure they secure profit driving business outcomes including:**

-  **Understanding Their Customers Better**
-  **Optimizing Their Operations**
-  **Enabling Their Workforce**
-  **Protecting Their Business**
-  **Providing A Platform For Innovative Growth**



**Nearly every industry is placing a strategic emphasis on digital transformation. With such an emphasis on digitalizing business, it is important to understand what a transformation encompasses for the legal industry.**

Digital transformation is a multidimensional, enterprise-wide, reimagining of what is possible. It requires stakeholders to evaluate and implement a strategic plan to digitalize every aspect of the legal experience, including such core touchpoints as service and delivery, workflow, processes, team collaboration and client engagement. Law firm stakeholders must evaluate their people, processes, culture, and technology across the firm. By doing this first, it will clearly determine areas where they can impact transformational change through automation, optimization, data, and advanced technologies.

## **People**

Talent is an organization's greatest asset and is integral to sustaining a transformation. Identifying key stakeholders and change ambassadors prior to and during the transformation will be critical in driving consistent performance. Skillsets should be evaluated to determine appropriate talent for each role while looking at upskilling resources where needed.

## **Processes**

Due to the requirements of due diligence within the legal sector, firms must deal with a large volume of repetitive tasks. In a February 4, 2020, article published by TechRadar on the transformational power of robotic process automation in the legal sector, the article reports "63% of in-house legal work is repeatable, fact-based decisions that involve no need for human judgement or interpretation".<sup>(2)</sup> Data-driven practices and robotic process automation with legal tasks and workflow have far reaching potential on performance. By evaluating legal operations and channels of products and services, law

firms can identify opportunities to automate legal tasks and optimize performance, which can result in minimizing waste and inefficiencies, while increasing speed to case or market. To seize a competitive advantage, setting strategies to productize offerings, create reoccurring revenue models, and form strategic alliances can ensure sustainable growth.

## **Culture**

The culture of a legal organization will also assist in sustaining transformation efforts. The mission, and likewise the targeted outcomes of a digital transformation, must be clearly communicated and reinforced by legal stakeholders and interwoven into the culture of the legal organization, successfully bridging the gap between vision and action. Every employee within the firm must not only understand the vision but be actively engaged in the process of transformation and begin utilizing new tools. A culture that is keenly focused on transformation not as a destination, but as continuous journey embedded in innovation, will flourish.

## **Technology**

Technology is the gateway to transforming product or service offerings. Leveraging artificial intelligence (AI), advanced technologies and data-driven practices are providing countless opportunities for legal firms to reevaluate their infrastructure and automate manual and antiquated processes and tasks. Firms must evaluate their existing technology, identifying a current-state to future-state comparison and develop tangible strategies to accomplish their technology goals.

# Implementing Digital Transformation

Below we identify several key areas within the legal industry where firms can digitalize their practice using advance technologies:

## Document Automation

Document tracking and recording is of supreme importance to law firms and clients. With much of a law firm's business model encompassing staff and lawyers reviewing and drafting documents, contracts, and other items, firms must streamline redundancies and increase efficiencies to remain relevant and compete. Implementing a document automation technology with industry leaders, such as [Microsoft](#) or [Nintex](#), can assist a firm in delivering concise and compliant documents. Additional benefits include error reduction, enhanced customer experience, efficiencies and profitability, knowledge retention, and attracting new clients.

## Electronic Tools

### *E-discovery*

E-discovery, coupled with AI augmenting tools, has transformed the way lawyers conduct investigations and is essential to a firm's information management strategy. Leveraging complementary platforms, firms can access data in a centralized repository and quickly act upon their insights. Proven benefits include enhancing data accuracy, increasing speed to insights and decision-making, and reducing overall costs.

### *E-billing*

With advancements in technology, law firms can take advantage of billing software to save time, improve invoice accuracy, and offer a client-centered billing experience. E-billing capabilities, such as those offered from [Sage Intacct](#), provide law firms with the opportunity to create, review and deliver invoices electronically. This saves countless manual hours, eliminating errors, enhancing speed to case, while assisting law firms with efficient cash flow simultaneously.



## *E-filing*

E-filing, also known as e-court, automates the transmission of legal documents significantly by streamlining productivity, reporting and score carding, particularly with banks and regulatory institutions. High-volume case law firms are leveraging e-filing systems to decrease errors, provide more efficient operations and cost savings, and improve data-driven communications with clients, banks, or legal institutions. Not only does it increase efficiencies and transparencies in court proceedings, but it also expedites access to critical information.



## *E-hearings*

The justice system has adopted video-conferencing technology to conduct virtual hearings in many states. E-hearing technologies can reduce the complexity of the hearing process and document management and provide a streamlined experience for all parties involved. These custom technologies allow users to search documents and present in real-time, view live transcription in a shared

workspace, catalog jury books with hyperlinks to all necessary documentation for one-click access, and enforce password-protected security measures to manage access to evidence and data. These technologies can significantly reduce costs, increase efficiencies, and provide individuals with time to focus on higher value tasks.



## Collaboration Platforms

Collaboration is the new normal in the workplace. When collaboration is strong, it enhances productivity and teamwork, increases efficiency, improves communication, and minimizes expenses and resources. With [collaborative technologies](#) such as [Microsoft](#), clients, lawyers and staff can share, connect and communicate from a decentralized work environment on any device remotely.

## Cloud Computing Models and Deployment

Cloud computing provides law firms with the ability to focus on matters of value and less on procurement, maintenance, and planning. Cloud computing models, deployment and apps can be customized to meet the different levels of control, flexibility, and management of a firm. Leveraging cloud platforms such as Amazon Web Services (AWS) or [Microsoft Azure](#), law firms can securely store client data, financial records, legal documents, and other information in the cloud, rather than house data in servers located on-premises, often at a cost which is much less. The cloud delivers quicker deployment, scalability, unlimited storage, and iron-clad security.

## AI and Machine Learning

The technology landscape is rich with AI and machine learning solutions. From AI that finds patterns in data to machine learning solutions that can automate tasks, leveraging and integrating these tools can help a legal stakeholder gain information and insights needed to prepare for litigation, draft documents and verify work products. These types of solutions are enabling fast and accurate research and minimizing the time and cost of legal work.



## Business Intelligence and Analytics

Perhaps no other modern technology has produced such seismic shifts in business potential and outcomes than business intelligence and analytics solutions. The amount of data in the legal industry is growing exponentially which means vast opportunity. With data-driven technologies such as [Tableau](#), [Azure HDInsight](#) or [Power BI](#), legal databases of past negotiations and verdicts can be analyzed for outcomes and leveraged to gain new insights into outcome scenarios. By utilizing firm data, firms can improve operations, trial strategies, talent acquisition, etc., ultimately maximizing shareholder and customer value.



***Based on its foundation, the legal industry demands caution and restraint and protection of client confidentiality which makes embracing these advance technologies a challenge.***

With advanced technologies driving transformational change for business and client demands continuously evolving, the legal industry must pivot and embrace digital transformation as a catalyst for future success.



## About Cherry Bekaert

In a rapidly evolving, complex, and uncertain marketplace, businesses look for innovative ways to continue to meet changing customer needs and manage profitable revenue growth.

Cherry Bekaert's Digital Advisory team is comprised of strategists, technologists, and analysts who have broad industry experience and keen business acumen. We drive important change management and ignite growth in productive and cost-effective ways by helping companies predict outcomes with data while adopting and applying relevant technologies to optimize performance.

## Let Us Guide You Forward



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### Sources:

<sup>1</sup>"Smarter with Gartner®, 5 Legal Technology Trends Changing In-House Legal Departments, 24 February, 2022, Rob van der Meulen; <https://www.gartner.com/smarterwithgartner/5-legal-technology-trends-changing-in-house-legal-departments>

<sup>2</sup><https://www.techradar.com/news/robotic-process-automation-to-transform-legal-sector>

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