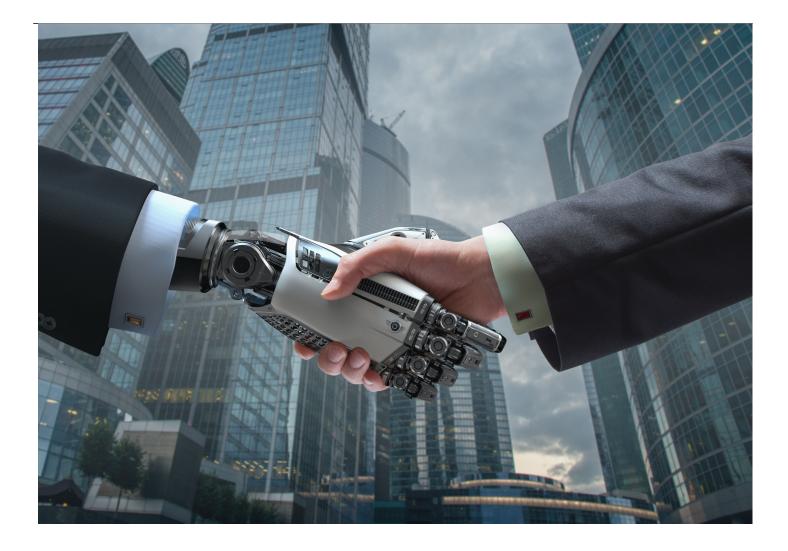


The Age of AI: How Will In-house Law Departments Run in 10 Years?

Compliance and Ethics

Technology, Privacy, and eCommerce



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When I first saw *Terminator 2: Judgment Day* in grade school, August 29, 1997 seemed so far away. When I first heard Billy Joel's "Miami 2017" as a child, 2017 seemed so far away. Now, 1997 and 2017 have come and gone. Thankfully, Skynet has not become self-aware, but technology is way beyond where I thought it would be by 2019.

For example, in my wildest dreams, I never would have imagined that we could carry a phone, music player, virtual note pad, calculator, compass, camera, and more in our pockets. Of course, in other ways, technology hasn't caught up to where I thought it would be by now.

2029 may feel far away right now, but all of this makes me wonder what in-house law might look like in 10 years. What will in-house law be like in an age of artificial intelligence (AI)? This article will look at how in-house law may be different in 10 years, focusing largely on anticipated changes to contract review and negotiation, and the workplace.

Contract review and negotiation

Expect contract review and negotiations to look quite different in 10 years.

One way that contract review is already changing is by using AI as the first layer of contract analysis — I expect this to continue and expand. For example, more mundane reviews like standard nondisclosure agreements (NDAs) are being completed by AI.

Thanks to <u>my membership in ACC</u>, I watched a LawGeex demo two years ago, and I was amazed at what AI can do. LawGeex and companies like it employ AI that can be taught rules in order to approve, reject, or insert stock language that it learned from attorneys so that those same lawyers can just give the agreement a once-over versus spending longer than desired on a basic NDA review.

After you invest the time to teach the AI your rules, it can do the initial review. In the next decade, I anticipate the breadth of rules humans can teach AI to grow. Thus, I expect AI to be able to handle an initial review of more than just typical NDA reviews.

With AI handling simpler processes and reviews, lawyers are freed up for more challenging jobs that require human brains, including:

- Reviewing complex contracts;
- Managing strategic planning;
- Handling multifaceted legal matters;
- Developing creative solutions;
- Collaborating across departments;
- Negotiating with external clients;
- Applying knowledge of corporate policy to devise and implement legal strategies; and
- Fostering tactical associations across internal business functions and hierarchies as well as with key external stakeholders to facilitate optimum solutions and advance corporate objectives.

These complex tasks are more fulfilling than the mundane tasks that AI can perform, so a lawyer's workday will become more rewarding thanks to legal tech.

Managing workflows

Another area that I see changing with technological advancements in the next 10 years involves workflows. The conventional method for contract review goes something like this:

A client gives a contract to a sales representative. The sales representative gives the contract to a contracts team. The person who receives the contract assigns a contract analyst with the review. The contract analyst uses conversion software to convert the document if it is not editable and reviews the contract. The contract analyst then emails, via a Word document attachment, sections to subject-matter experts and decision-makers, including legal, for review.

The attorney who receives the request opens the attachment, makes red-lined changes to the contract, and attaches it to an email sent back to the contract analyst. The contract analyst takes that attorney's changes and all other decision-makers' changes and inserts them into one document for return to the sales representative who will return it to the client via an email attachment of the Word document.

The client opens the attachment and goes through the same process as the above on its end. This goes back and forth between parties, plus phone calls and meetings, until the negotiation is

completed. The same is true with vendor-facing agreements.

In 2019, there must be an easier way to accomplish contract reviews. In 2029, there should be a much easier way to accomplish contract reviews.

In fact, there are already many solutions on the market that allow for better workflows for contract reviews and negotiations. All can be taught who has to approve what terms and the chain of command for such approvals. All can track reviewers and their changes. All can keep version control.

Of course, all of this not only frees up time for attorneys, but also for contract analysts. I've worked with some extremely intelligent contract analysts in my career who were, sadly, doing tasks that AI can do. Those contract analysts and their talents would be better used thinking through contract changes and issues. AI frees them up to do just that.

Naturally, this is a ripple effect: The more thinking work that contract analysts can do, the more they have an opportunity to save attorneys' time. With proper workflows, you have a company harnessing the most beneficial and valuable skill sets of its employees.

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Thus, the 2029 method for contract review will likely go something like this:

A client uploads a contract to a workflow program. The sales representative working with that client is already assigned so that she receives updates on the contract review. The program's AI assigns the contract review to a contract analyst based on an algorithmic review of contract analysts' current workloads. The contract analyst works inside the program to make red-lined changes and send sections to subject-matter experts and decision-makers, including legal, for review.

The AI itself may even be able to read the contract and send it out for approvals leaving the contract analysts to look at more complicated reviews or language. The attorney who receives the request works inside the program to make red-lined changes and hits a button when complete, which alerts the contract analyst to a completed review.

All other decision-makers' changes are already in one document for the contract analyst. Once the review is complete, the sales representative and client will be alerted. The client will work inside the program with the same process as the above on its end.

This saves all parties involved the time and headaches of emails, attachments, version control, and time wasted on more clerical tasks. In an ideal 2029, different workflow programs will be compatible with each other so that the client's preferred software can be used in conjunction with the vendor's preferred software so there isn't even a need for a discussion of whose software the parties will work in for contract reviews.

As more companies adopt this way of working, I suspect that utilizing workflows will become the norm between companies, as the above example illustrates, in addition to internally within companies.

Litigation and compliance

Another area of the law that I anticipate will be affected by technology advancements is litigation. Technology has already made significant advances in assisting corporate legal departments with responsibilities like eDiscovery, litigation holds, and matter management.

In the future, I anticipate this increasing and becoming more integrated so that less attorney and support staff time is spent on the more tedious tasks associated with litigation. This will free up inhouse counsel to focus more on strategy with outside counsel to achieve the best litigation outcomes for the organization.

Compliance, too, can be aided by technological advancements. For example, it is now easier to track employees' compliance with training and that type of visibility to employees' compliance with policies and procedures will only increase in the years to come to free up compliance attorneys to accomplish more intricate tasks and challenges.

Corporate and legal strategy

Al can enhance organizations' corporate and legal strategy. For example, more robust algorithms can help to more accurately predict outcomes of specific strategy decisions, either after the decision is made and executed or before to test the proposed direction.

For a company's legal department, technological advancements mean visibility to workloads for the chief legal officer and for attorneys and staff. This will help tremendously in assigning even workloads so that the organization is best and most efficiently served. Gone will be the days of the boss sending emails to the team asking who can handle a matter.

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Instead, the chief legal officer can see what her team is working on and assign work accordingly or she can delegate such assignment work to a legal administrator. Alternatively, with a team that takes initiative, the attorneys themselves can look at the workload program and pick up the next task assigned to the legal team. Of course, this visibility also assists a supervisor in preventing attorney burnout due to a significantly larger workload than her peers.

The workplace

Finally, the workplace has been changed by technology, and I expect that to only increase by 2029.

Remote work, either entirely or in part, is becoming more the norm in corporate legal departments. I anticipate the continuation of this trend and possibly an uptick in remote work possibilities for inhouse legal departments.

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overhead, and in 2019, and certainly in 2029, productivity does not suffer. We are in an era in which work can be done anywhere by a motivated and conscientious employee.

In traditional physical employment locations, I foresee more flexible working arrangements given that technology allows for work to be done outside of the office. Look for more flexible schedules and remote work options even within a legal department located in a brick and mortar.

Additionally, technology will bring more methods for employees to communicate outside of work (for example, through texting applications and social media). Communicating using different kinds of technology will bring benefits, but could also cause problems.

On one hand, employees will be able to communicate with each other more easily to get work done more efficiently and to genuinely connect on a human level. On the other hand, this means that corporate compliance departments need to keep up to date on the current means of communication for employees in order to adequately address them in policies and procedures.

For example, more methods of communications could bring more liability, such as sexual harassment in communications between employees outside of work or discovery challenges in employment litigation.

The workplace will also continue to be changed by robots doing more traditionally human jobs. For example, virtual receptionists are already on the market. Paralegals and legal administrators can be freed up to do more thinking jobs with AI that can accomplish more basic tasks like greeting and directing people and scheduling.

Of course, there will be changes in the following decade that none of us expect and there will be some more predictable advances in how in-house legal departments function. I look forward to keeping abreast of the latest developments that can make the lives of in-house counsel easier and enable corporations' legal departments to more efficiently add value.

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