THE BRAVE NEW WORLD OF PRACTICING LAW

BY JUSTIN EDDY

f anything, 2020 has been a year of change, sparing no aspect of our lives. We've adapted to a new way living, socializing, and, for purposes of this article, working, but many of the COVID-driven impacts on our working lives were already taking root in law firms nationwide. For me, 2020 has been eye-opening to the fact that not just where we work, but how we work, is evolving.

The Changing Landscape of the Working Environment

Traditionally, law firms have been a stalwart of traditional office space, with the private office serving almost as a status symbol. However, even pre-COVID the influx of millennials into the workplace and technological advancement were forcing change, in particular with how law firms use their office space. Looking critically at and redesigning where and how we work has become a necessity to attract and retain top talent. It has also become an important factor in adapting to the ever-changing demands of clients who increasingly view legal advice as a commodity.

Technology is a primary driver in firm adaptations to life in a value-based legal economy. Although attorneys aren't necessarily giving up their private offices and desks (unlike many of our of our European counterparts), our ability to work from anywhere is greater than it has ever been. COVID has certainly brought this to the forefront, with the majority of us scuttled off to our kitchen tables and basements to work in sweatpants mid-March. Certainly, transitioning their entire staff to remote working was a scramble for many firms, but the vast majority of us could already work from home and a variety of other off-site places, and meetings regularly included virtual participants before we transitioned to working

We've already seen how this spread of technology is changing the way law firms use their space. Major law firms have been moving locating support services outside of urban centers for the last decade, and virtually every firm nimble enough to take advantage of new technology and the changing demographic of young attorneys are seeking smaller spaces and redesigning office space. While mobile devices, Zoom or Teams, teleconferencing equipment, wireless connectivity, and remote access are now important tools of efficiency and productivity, don't expect the private office setting to disappear. Most attorneys still view the private office as the prime location for focus and productivity, as well as a symbol of their status in the world.

The pandemic has taught us that the majority of both attorney and non-attorney staff have the ability to work from home almost exclusively if they desire. Post-COVID, it will be key for law firms to have the technological capabilities to not only accommodate remote working, but implement a structure where certain office functions — accounting, IT, and human resources, to name a few — are exclusively off-site. This will allow law firms to lower their real estate costs as partial mitigation of the potential effects of a post-COVID economic downturn.

How attorneys can adapt to this changing environment is probably an easier answer for younger attorneys and forward-thinking firm leaders. Ultimately, it comes down to adaptability and the ability to move swiftly to support both attorney and support staff. But it's not as easy as it seems — the disruptions to our businesses over the last several months will likely permeate in some fashion for the foreseeable future, and lawyers and law firms are traditionally slow to adapt. We are, after all, inherently risk-averse, and

we're trained by a law school model that is married to the Socratic method and largely devoid of instruction related to emerging core competencies like technology, data analysis, coding, and marketing, much less the actual business side of law. Add to that the growing perception that what we do can be automated by existing technology. As clients increasingly view our services as commodities, savvy lawyers must take advantage of new technological capabilities or risk losing a competitive advantage.

The (for the time being) new normal of some mix of in-person and remote work presents another set of challenges relative to attorney productivity. Again, efficiency is key, particularly as it relates to our current predicament and the need to achieve a balance between protecting ourselves and still generating billable hours. Many firms have taken steps to provide their attorneys with some semblance of the tools and technology available to them in the office — even a decent printer can go a long way toward improving attorney efficiency while work from home - and it seems that the majority of us have adapted to this new environment and remain productive, even without our traditional support teams around us.

Moving forward, it is important to take this opportunity to reevaluate current technologies, processes and collaboration tools. For younger lawyers, this is an ideal opportunity to step up to the plate as an advocate for emerging legal technologies, which will ultimately help you and your firm remain competitive into the future.

Impacts of AI, Blockchain and Smart Contracts

The news of technology supplanting lawyers is greatly exaggerated, but that is not to say lawyers should ignore it, particularly as our services are viewed more and more as a commodity. Most

law firms already utilize artificial intelligence in some fashion, mainly to increase efficiencies with things like legal research and due diligence. While AI won't replace lawyers, it is certainly poised to have transformational impacts on the practice of law.

The primary impact centers around a value proposition and the ability to obtain a competitive advantage as it relates to costsavings for our clients. We currently rely on a variety of support staff and young attorneys to collect and process information, which drives up the rates we charge. In many cases, AI can perform those functions — including client interviews, document review, and evaluation of expert witnesses — in a fraction of the time and for a fraction of the cost. While firms utilizing AI will see a reduction in billable hours on a per project basis, they will have a completive advantage due to their ability to quickly, effectively and inexpensively resolve disputes. Those wielding AI will be more likely to garner repeat business and new clients.

Smart contracts and blockchain are also poised to have profound effects on all facets of

our lives, including the legal industry. Business attorneys (this one included) will need to adapt our practices as smart contracts become more widespread in the business world. While this will certainly drive certain lawyers out of business (that's what change does), it won't fundamentally alter the ability to earn a living the practice of law.

First and foremost, a smart contract is still a contract that can only execute what it is coded to execute. Someone still needs to convert parties' agreement into legally binding provisions. Most business contracts are highly customized. Even if you start with a form from a previous deal, the finished product is vastly different. The smart contracts in use today generally address very simple — I do X, you do Y, and money is paid. That is certainly part of my practice, but a very small part. I expect to see very small transactions using plug-and-play LegalZoom-type forms, but using these forms for transactions with any significant value is insane.

Further, any business contract is fraught with subjective determinations. The first mark-up of a contract from any good business attorney will include several insertions of words like "reasonable" and "material" and phrases like "not to be unreasonably withheld," "commercially reasonable efforts," "best efforts," and "good faith." This subjective language is intentional — it provides a means for parties to resolve disputes and adapt their deal as necessary. Computer code, on the other hand, is purely quantitative. It doesn't deal in the subjective.

The specific impact these emerging technologies will have on the practice of law is still unknown. What is certain is that lawyers need to takes steps to educate themselves. Those that don't will lose a competitive edge.



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