Financované Európskou úniou NextGenerationEU

PLÁN OBNOVY

ÚRAD PODPREDSEDU VLÁDY SLOVENSKEJ REPUBLIKY PRE PLÁN OBNOVY A ZNALOSTNÚ EKONOMIKU

VAIA VÝSKUMNÁ A INOVAČNÁ AUTORITA

MINISTERSTVO ŠKOLSTVA, VÝSKUMU, VÝVOJA A MLÁDEŽE SLOVENSKEJ REPUBLIKY

VÝSKUMNÁ AGENTÚRA

2024 Wolters Kluwer

Future Ready Lawyer Survey

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Financované Európskou úniou NextGenerationEU

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Wolters Kluwer

ALTAML

Project name: Automation of legal text analysis based on machine learning (ALTAML)
Project code: 09I05-03-V02-00049

Legal innovation: seizing opportunities or falling behind?

- *The 2024 Wolters Kluwer Future Ready Lawyer Survey** looks at the impact of Generative Artificial Intelligence (GenAI) and the significant trends shaping the industry.

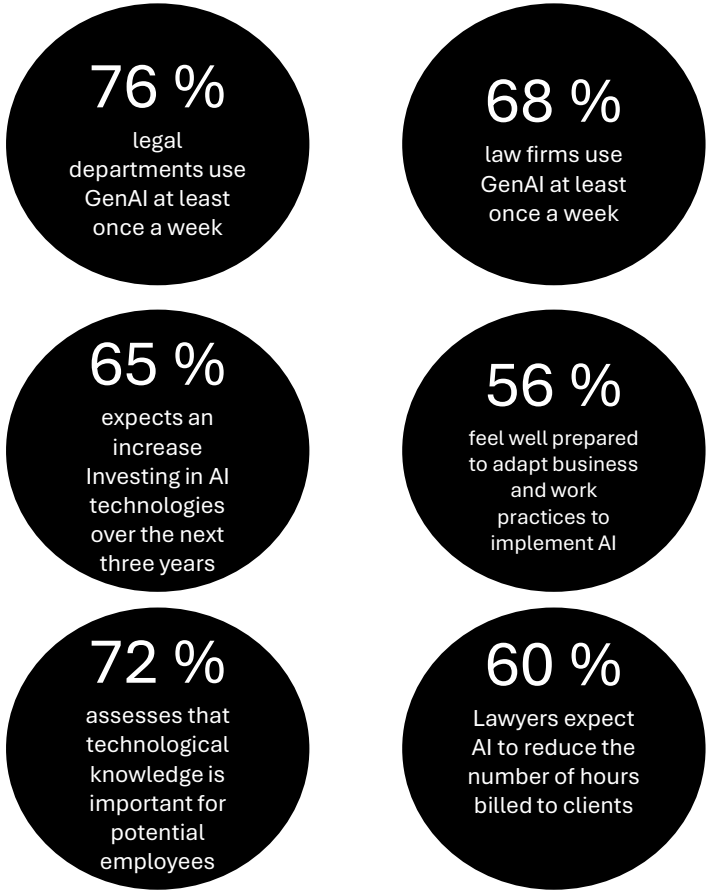
- It includes quantitative interviews with 712 lawyers working in law firms and corporate legal departments in the US and 9 European countries - Germany, the Netherlands, the UK, Belgium, France, Italy, Spain, Poland and Hungary.



- * https://www.wolterskluwer.com/sk-sk/know/future-ready-lawyer-2024
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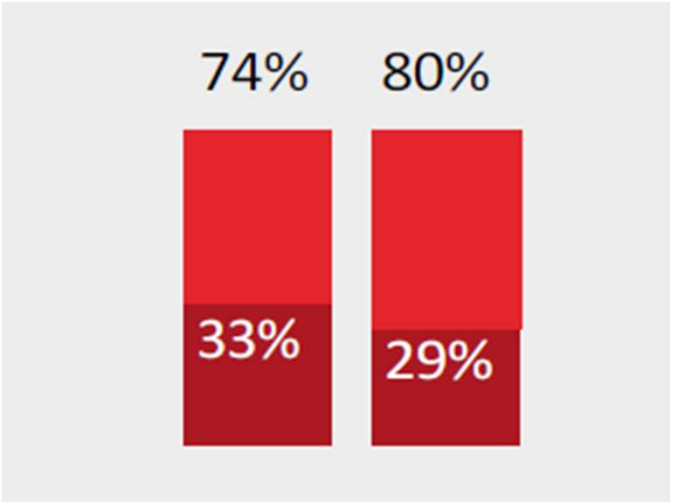
Key trends

- According to the survey, the next three years will have a significant impact on the legal services industry:
  - Rising costs and pressure on the prices of their services.
  - Cybersecurity challenges.
  - The growing influence of GenAI
    - integration of GenAI into daily tasks
    - Increase in investment in AI
    - Efficiencies driven by the use of AI will impact the current business model of billing by the hour.
  - Coping with the increasing volume and complexity of information.
  - Ability to attract and retain top legal talent.



The impact of managing cyber security challenges





- 74% of lawyers see growing information security challenges, with 33% expecting a significant impact.
- 80% feel prepared for future security obstacles, only 29% feel 'very well prepared'.

Adopting GenAI: the future of legal information

Key findings

➔ Lawyers are actively using GenAI to increase efficiency and the ability to meet growing client demands.

➔ GenAI's major legal initiatives include research, document analysis and automation.

➔ Lawyers consider difficulties with integration, issues of trust in GenAI results, and ethical concerns about AI and privacy to be the main challenges in implementing GenAI.

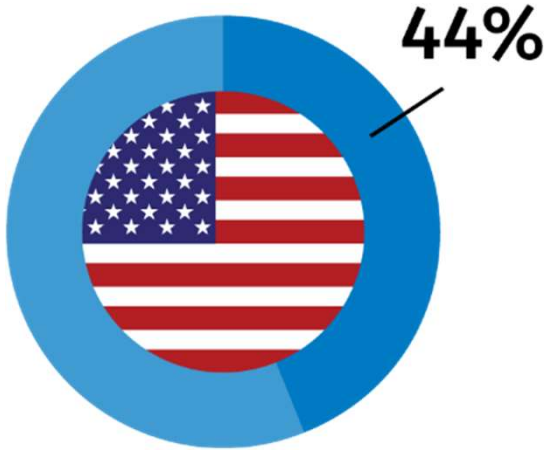
➔ 5 major roles where lawyers believe GenAI will have an impact on their effectiveness:

	Legal Department	Law Firm
1. Process automation	79%	67%
2. Time management	76%	66%
3. Training and development	76%	60%
4. Strategic planning of goals and objectives	72%	62%
5. Collaboration	74%	58%

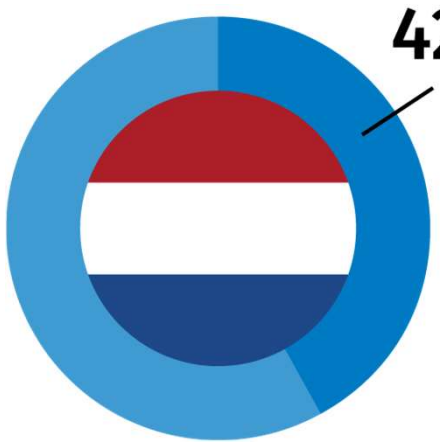
Main challenges related to GenAI integration

- More than half of law firms (58%) and nearly three-quarters of corporate legal departments (73%) **plan to significantly increase their investment in AI over the next three years.**
- More than a third (37%) of law firm employees and 42% of their colleagues in corporate departments say they have **experienced challenges when integrating GenAI into existing legal systems and processes.**
- An overwhelming majority of participants agree on the **importance of GenAI training:** 71% of survey participants reported that they either already have to attend formal training or will be required to do so in the near future.
- 41% of respondents from law firms / 37% expressed **doubts about the quality of GenAI results** from corporate legal departments.
- **Ethical concerns around AI and data privacy** are also significant issues for around 37% of law firms / 41% of legal professionals.

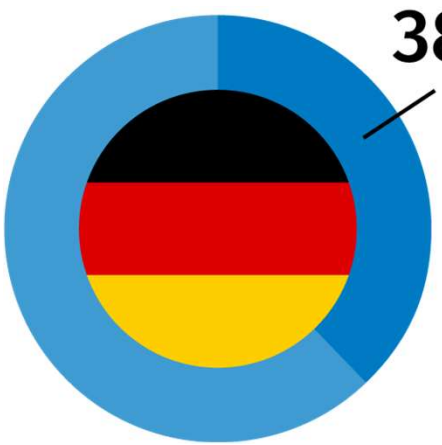
Leaders in the use of AI in the legal profession



USA



Netherlands



Germany

Redefinition of legal business practices

Key findings

➔ The vast majority of lawyers expect GenAI to change traditional business models in the delivery of legal services and pave the way for more efficient service delivery and innovative pricing models.

➔ The impact of GenAI is changing client expectations and forcing law firms to embrace technology to deliver faster responses, greater billing transparency and personalized legal strategies.

➔ Increasingly, lawyers are also using alternative legal service providers to manage tasks that can be cost-effectively outsourced.



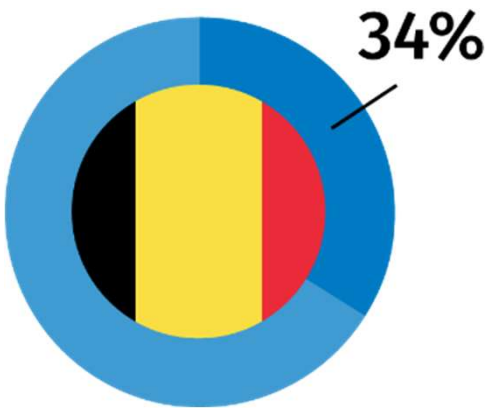
AI: Expectations of savings and efficiency

- The majority of respondents surveyed (96%) believe that **AI-driven efficiency will have an impact on the way billing is done**, with 20% even predicting a significant impact.
- GenAI can **reduce the need for staff** - nearly a third (38%) of respondents said this.
- More than half of survey participants (56%) feel **well prepared to adjust their business practices, service offerings, workflows and pricing models** in response to the introduction of AI technologies.
- 57% of respondents **plan to outsource document automation**, about half (49%) plan to outsource **legal research and analysis tasks**, and 48% plan to outsource **contract drafting and review**.

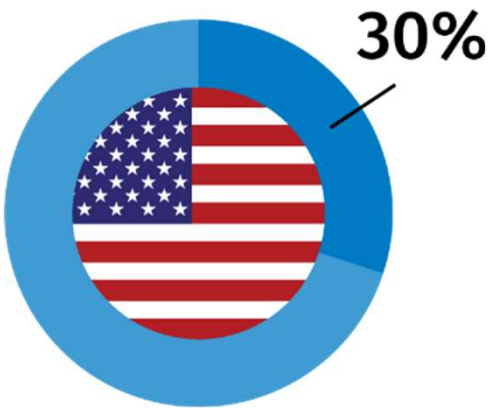
Categories of work that lawyers expect to outsource as a result of AI technology:

Activities	Expectations of lawyers
Document automation	57%
Legal research and analysis	49%
Preparation and review of contracts	48%

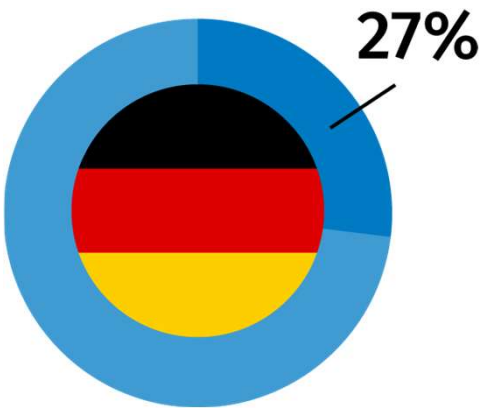
Countries that expect the highest impact of using AI on their current hourly billing system



Belgium

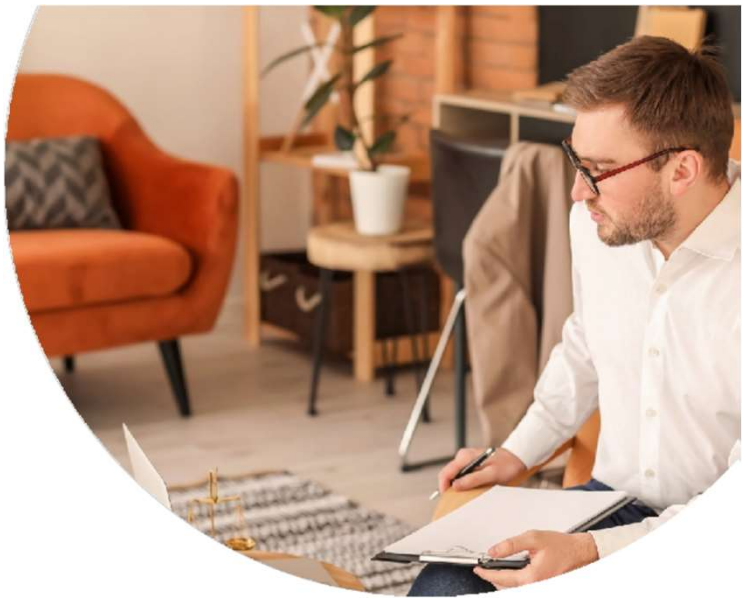


USA



Germany

The need for talent

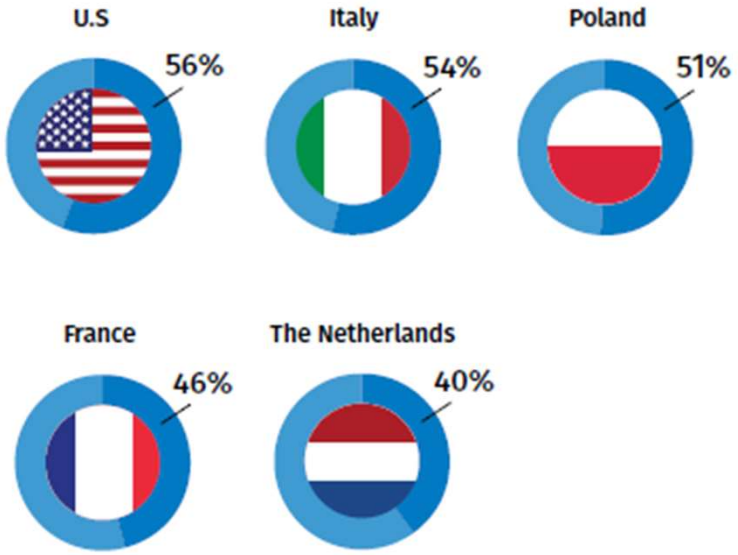


Key findings

- ➔ Demand for a healthy balance between work and work-life balance and competitive packages remuneration significantly influences retention strategies and attract talent in the legal sector.
- ➔ In the search for new legal talent, technology skills are an important attribute of potential employees for legal organizations.
- ➔ The majority of lawyers have significantly increased the number of working days in the office, and this increase was more pronounced among corporate legal departments than among law firms.

Remote working in the legal profession

The majority (73%) of respondents say they require their employees to work in the office four or more days a week.



- More than half of employees in the US, Italy and Poland have to work in the office **five days** a week

- In the Netherlands and France, employees have to work in an office **four days** a week.

Final summary

- The question of whether lawyers are ready for the future remains relevant and pressing after six years of *Future Ready Lawyer* research. The sixth edition continues to show the overall picture of lawyers adapting to technological change and gradually changing the way they work over the years.
- However, in the past year, GenAI has stormed the world and all industries and has not left out the world of the legal profession. Judging by the results of *the 2024 Wolters Kluwer Future Ready Lawyer Survey*, it appears that lawyers have jumped on the GenAI train faster than ever to new technologies. It's a promising development that says a lot about their agility and adaptability.
- GenAI is no longer an option, but a reality in the legal industry.

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