The Future of Legal Technology Report

Insights into emerging tech that reduce costs and risks while accelerating time to market

Fliplet

Executive Summary

Key observations

- **Top challenges** - IT professionals identified integration (52%), lack of technical resources (43%) and investment at 24% as the top 3 challenges they experience.

- **Barriers for change** - Over half of the respondents (52%) said that people issues were a barrier to digital transformation, whereas 43% stated it was a lack of time and finances.

- **Lack of tech investment** - Almost two thirds (67%) of the respondents said that limited budgets followed by lack of resources (48%) were the top reasons that hinder investments in technology.

- **Limited technology** - 29% of Managing Partners identified equipping Business Development with better tools as the best solution for resolving remote working, client engagement and business development challenges.

- **Customer engagement and retention** - Almost three quarters (72%) of surveyed said client-driven communication tools were very / extremely important for boosting customer engagement and retention.

About the report

This report analyses the market and current challenges in digital transformation based on the findings from the Atomik Research survey. It provides guidance on emerging technology, as well as support from partners with strong end-to-end, expertise and best in class toolkits.

Survey process

Atomik Research reached out to over 1500 people from UK and US law firms with between 100-500 staff on 'The Future of Legal Technology' during June and July 2020 to gauge their awareness and understanding of internal and client-driven legal technologies.

Mobile leading the tech revolution

How do legal firms navigate the maze of technologies and choose the right tools that are easy to integrate, scale, secure and adapt to your future needs?

According to Statista, in 2017, there were 178 billion app downloads. That number is projected to grow to 205 billion this year, and 258 billion in 2022 - a 45 % increase over five years. Big players like Amazon Honeycode and Microsoft Powerapps have realized the lucrative potential and created their own low code/no code mobile app platforms recently. Technology alone is not the answer. An understanding of the business goals, challenges and processes is key to ensuring that this technology adds value to a firm.

The low code/no code app platforms provide flexible technology that allows B2B organizations, including law firms, to create easily accessible, fast-to-market solutions - whether practice or client-driven.

With these issues in mind, the survey focused on understanding the use of technology in law firms, including mobile/cell phone solutions. Based on the results, the report reveals market insights to enable informed technology investment decisions, including:

- Analysis of their practice and client-driven technology stack
- Current business and technology challenges
- Customer engagement, retention and new business challenges
- Competition activity and comparison
- Future tech investment plans

Breakdown of survey respondents by department, seniority and mobile/cell phone

Department

31% Managing Partners
53% Marketing & Business Development
16% IT

Seniority

44% Manager
31% Partner/VP/Director/Head
17% C-Suite
8% Other

Does your company provide cell/mobile phones to staff?

35%
Everyone

26%
Only partners and C-suite

24%
Only managers and above

6%
We don't provide company smartphones

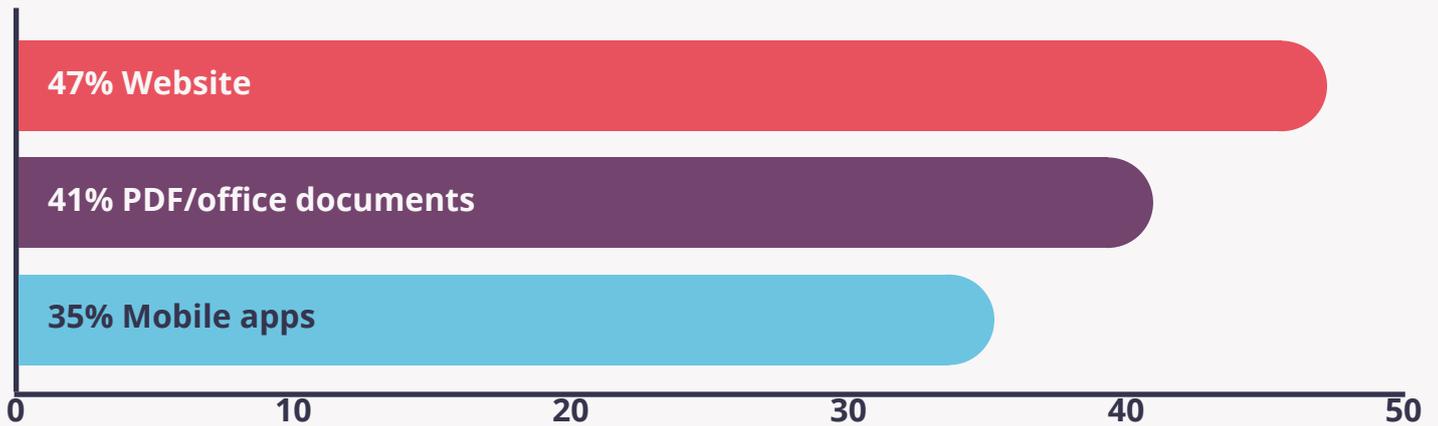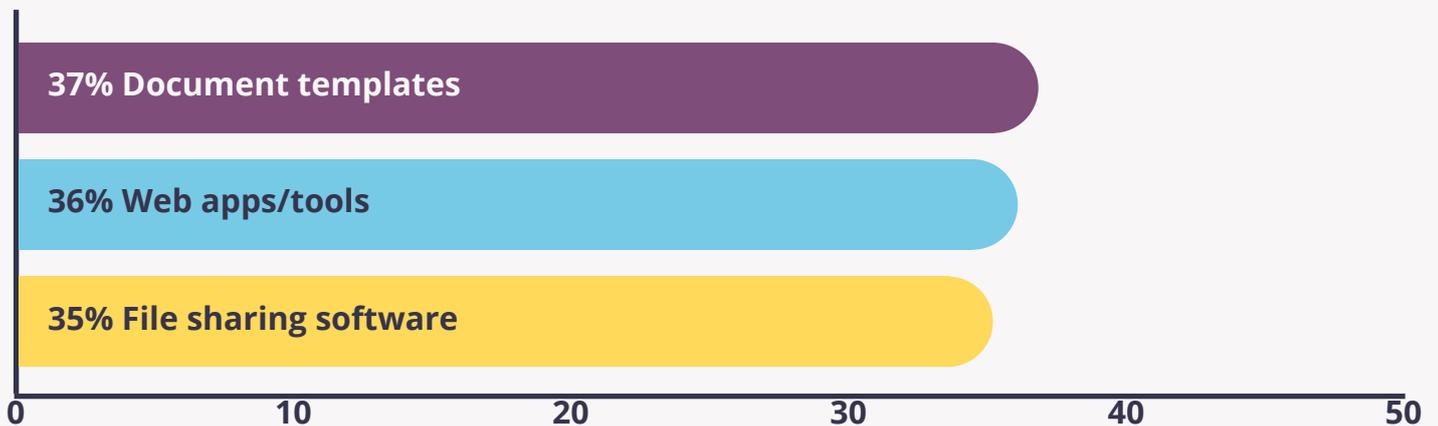**6%**
Staff use their own phones

Client communication

The surveyed audience were asked to name the technologies that were EXTREMELY important to them when engaging with clients. In both cases, website related tools and templates / office documents were in the top three, followed by sharing software and mobile apps.

The most important technologies to DELIVER information to clients

- 47% Website
- 41% PDF/office documents
- 35% Mobile apps

| 0 | 10 | 20 | 30 | 40 | 50 |

The most important technologies to help your clients WORK WITH YOU

- 37% Document templates
- 36% Web apps/tools
- 35% File sharing software

| 0 | 10 | 20 | 30 | 40 | 50 |

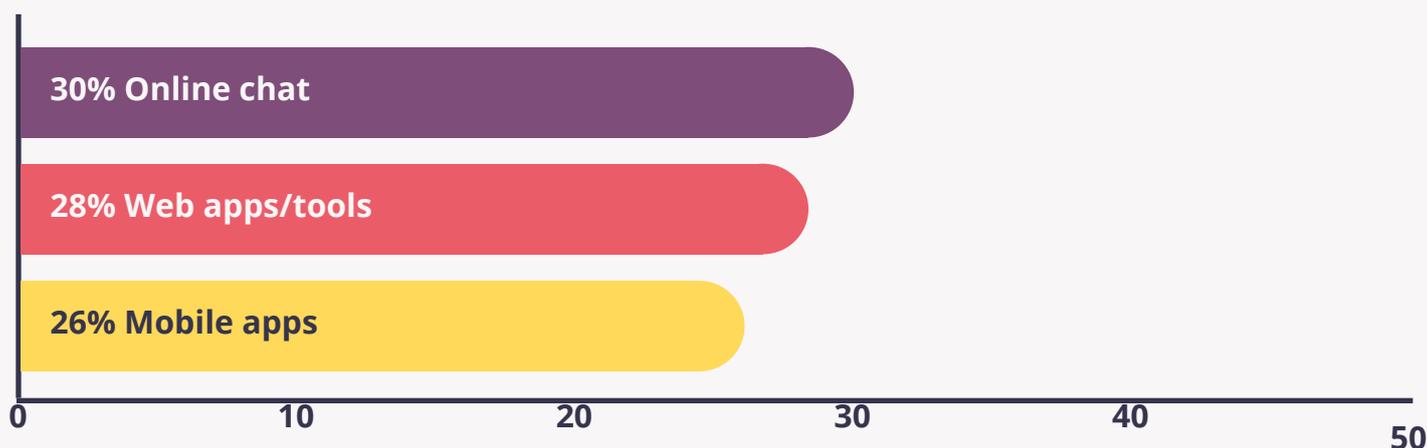# Client Communication Technologies - Future Investment

Post Covid-19 customer management

"Lessons from past downturns can help law firms respond to near-term challenges and set the right priorities for the long run." According to a recent McKinsey report, 'COVID-19: Implications for law firms', having a client-focused approach is key. Their business context has shifted dramatically, presenting unprecedented challenges. The report advises partners to proactively connect with clients and listen to their needs to deepen trust.

Our survey revealed the 3 top technologies that law firms said will be their investment priorities in the next 6-12 months as shown in the graph below.

Top 3 technology investments in the next 6-12 months

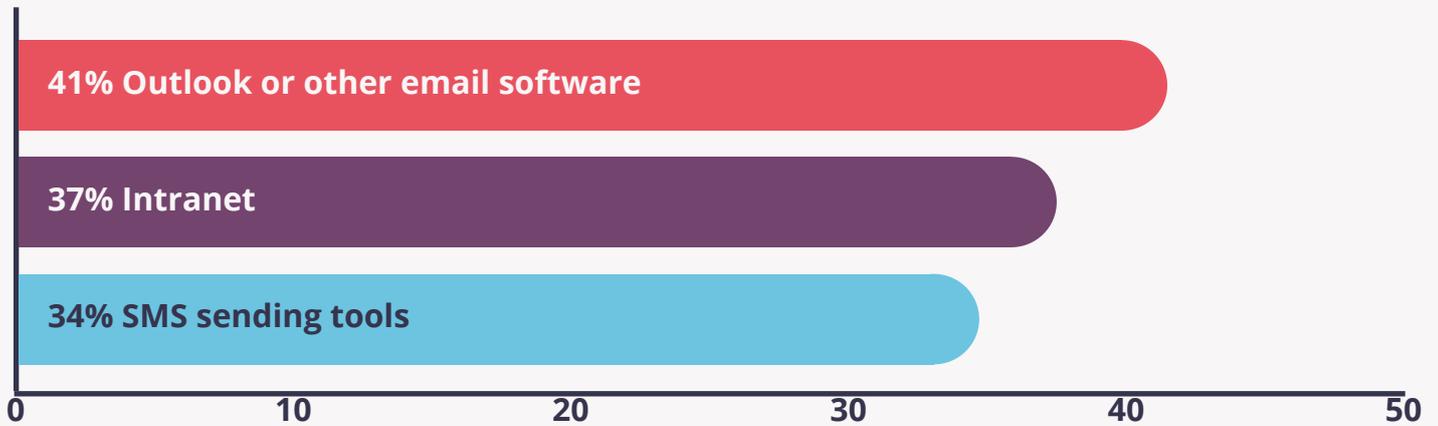|	
30% Online chat	
28% Web apps/tools	
26% Mobile apps	

0   10   20   30   40   50

What are the technologies you have planned to invest in to build and deepen trust with prospects and clients alike?

Emergency and crisis communication
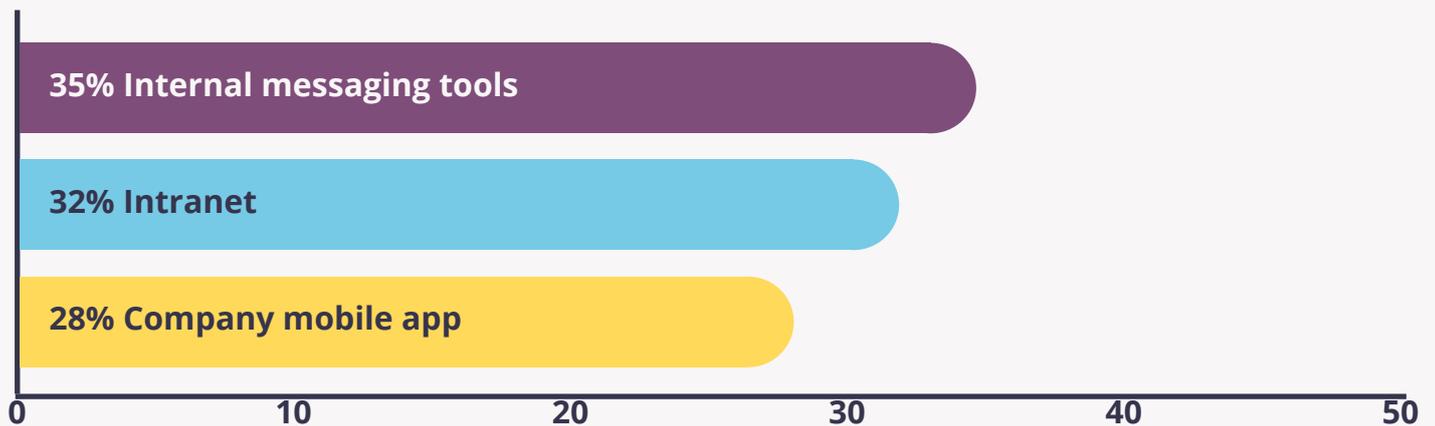
Most helpful INTERNAL COMMUNICATION tools

41% Outlook or other email software

37% Intranet

34% SMS sending tools

| 0 | 10 | 20 | 30 | 40 | 50 |

Most helpful REMOTE WORKING, TRAINING AND STAFF MANAGEMENT tools

35% Internal messaging tools

32% Intranet

28% Company mobile app

| 0 | 10 | 20 | 30 | 40 | 50 |

Mobile leading the pack

The traditional tools, such as email and intranet, still seem to dominate internal communications. However, as the use of mobile is increasing, it is recognized as one of the most helpful technologies enabling both messaging between the teams, as well as allowing effective remote training and staff management.

Given the rapidly progressing mobile app development, there are now easy to create, customizable low code/no code apps readily available for legal firms. These flexible and low-cost solutions cater to both internal and client-driven needs where the capabilities of email, intranet and internal messaging would not stretch.

Technology challenges

What are your main technology challenges?

1

Technology integration (52%)

IT leaders are finding it increasingly more challenging to manage disparate technologies used within the firm and the continual challenge to integrate them. Finding solutions that easily integrate with existing and legacy systems are the simplest way to include new technologies to your stack.

2

Technical resources (43%)

Implementing new software/solutions often requires a technical resource that many mid-sized law firms do not have the capacity for. Now more than ever, it's critical to keep IT doing what they are experts in and distribute the management of non-IT crucial tasks elsewhere in the business.

3

Lack of investment (24%)

With budgets being cut across all departments, especially in these unchartered times, it's imperative to seek out technology solutions that fulfil the needs of your firm and offer substantial improvements for internal and external growth. What solutions would add the most value to your whole firm without requiring a significant increase in technical resource?

4

Technology stack (24%)

Avoiding disjointed and siloed technology stacks and infrastructure is often easier said than done. More technologies are becoming available on the market that seeks to join up existing and legacy technologies to ensure a seamless and cohesive experience for the end-user. Are there additions to your tech stack that will bridge gaps in infrastructure?

5

Platforms and support (24%)

Emerging technologies provide a uniform platform and often 24/7 support which helps to improve internal alignment, practice efficiency and customer engagement. However, it is essential to understand their credentials within the legal industry before investments are made.
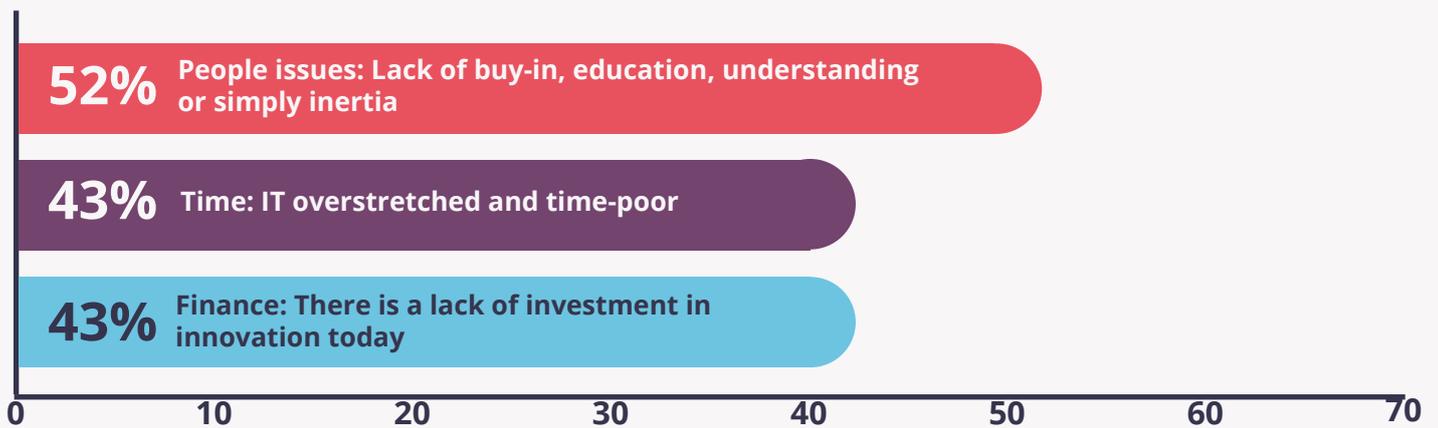
Barriers to digital change and investment

Is leadership resistance the biggest detractor?

Although legal firms listen to clients' needs, there is still some hesitance to fully embracing emerging technology. Indeed, survey respondents said that a lack of understanding and budget restraints often block tech investments.

Creating a robust digital strategy and adopting tools for efficiency and growth is no longer an option but a necessity for survival. The outdated ritual of sending PDF's is being replaced with web apps that offer valuable insights to clients and what is important to them. There is also a call for more effective practice-driven digital solutions, such as forecast/performance templates, ROI-calculators and communication tools for remote working.

What are your key barriers to digital change?

52% **People issues: Lack of buy-in, education, understanding or simply inertia**

43% **Time: IT overstretched and time-poor**

43% **Finance: There is a lack of investment in innovation today**

| 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 |

What would hinder you from investing in technologies that improve client or staff communication and processes?

67% **Limited budgets**

48% **Lack of resources**

33% **Buy-in from the C-Suite and Board**

| 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 |

How to choose the right technology to drive success

Choosing the right legal technology for your law firm can seem overwhelming. Many vendors and products are new to the market, and more tech products appear to launch every month. You know that you need to implement legal tech into your firm's operations to keep pace, but where do you start?

5 tips for technology assessment to maximise ROI:

1 ### Your needs

Meeting your requirements is essential, so ask these questions: Does the legal tech meet your specifications? Is the product within your price range? Is the technology compliant with existing regulations?

2 ### Business value

The technology should improve your firm's bottom line. It should also be scalable and innovative, helping you grow your firm. And, of course, the product should be of high quality.

3 ### Ease of use

Technology should be accessible to all, not just developers, and offer a time saving that helps your firm to operate more efficiently. It should also be a good cultural fit for your law firm.

4 ### Partnership

The tech vendor should understand your industry, be available to answer questions, provide support and be committed to a long-lasting relationship with your firm, with a proven track record of success with other firms.

5 ### Purpose

Perhaps harder to quantify, new legal tech should also fit into your vision for the future of your law firm. It should help you increase your network, marketability and reputation. Finally, it should be in line with your design and aesthetic sensibilities.

Technology boosting client engagement, retention and business performance

Low code / no code mobile app solutions

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Client solutions

Guide/Education
E.g. Client-specific education apps

Comparison/Reference
E.g. Multi-jurisdictional reference guides

Tools
E.g. Interactive checklists and calculators

KYC
E.g. Client onboarding apps

Legal Emergency Management
E.g. Crisis response apps

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Staff solutions

Training/Onboarding/Education
E.g. New joiner app for guides and policies

Team Communication
E.g. Employee directory apps

Risk Management/Assessment
E.g. Workstation assessment workflow

Sales Support/Case Study
E.g. Pitch and case study library apps

Capacity Status/Forecast
E.g. Office capacity management apps

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Mobile app success story

BCLP Dawn Raid First Response
Mobile app brings procedures and guidance to front line staff

View the case study

| Higher value dawn raid proposition to clients | All information and guidance always up to date | Differentiates BCLP from competitors |

The future of legal technology

5 challenges emerging technology will help to resolve

So, what happens to the legal firms that don't adopt technologies, enabling them to boost productivity, customer engagement and growth? Would they cease trading or get acquired by competition?

Here are the 5 top tips for mid-sized law firms to consider when investing in new technology:

1

Client-driven solutions

Assess your current technology stack and adopt new technology that provides meaningful client insights. This enables customized messaging and helps you to optimize engagement, retention and new business opportunities.

2

Business Development

Continuous training and coaching coupled with the tools that enable customer insights, bespoke solutions and digital communication in real-time, will align sales and marketing for optimized client engagement and results.

3

Remote working

By offering tools that will allow seamless internal and client-facing communication has become a necessity rather than a choice, as remote working will continue beyond the pandemic.

4

Time to market

Whether it's new product / service launches or creating performance-driven tools such as ROI calculators, the adoption of easy to create and fast to market technology should be a priority in the increasingly competitive market.

5

Buy-in and understanding emerging tech

Perhaps the most critical exercise is internal alignment between Managing Partners, Business Development, Marketing and IT to ensure robust strategy and buy-in from all stakeholders that will, in turn, drive successful adoption of new technologies.

About Fliplet

Build custom apps the smart way with Fliplet's prefab app software. Our no-code editor enables non-developers to create their own apps, and the open-source architecture makes the platform easily extensible for highly custom features.

Use our existing library of components or create your own. We have a suite of pre-built apps for law firms, and legal department uses. These include client crib sheets for business development, partner and client events, client advice decision trees, client support, training, internal comms, crisis management, directories and pitches.

There's no need to know how to code, and IT teams can manage and distribute the apps quickly and easily with their existing infrastructure. With full integration capabilities and enterprise-grade security features, we cater to the most security-conscious firms.

Over 50 leading law firms and in-house legal departments have produced apps using Fliplet including Benesch, Clifford Chance, Eversheds Sutherland, Fried Frank, Colgate and many more.

Ready for more perspective?

Contact us at hello@fliplet.com or visit our website www.fliplet.com and learn more about how you can transform your remote communication, customer engagement, retention and new business strategy.