

# The future of the legal industry must be human first

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**By Dana Denis-Smith, CEO of Obelisk Support , a structure which provides legal services to companies and law firms.**

The heritage wrapped around the law is one of its glories. It is also arguably its greatest weakness. Structures that have stood for so long are crumbling in the 21st century and we must move on. The pandemic has not heralded the hoped for cultural change in the legal profession. A cultural reboot is needed to tackle issues such as inclusion, accessibility, attracting the next generation of lawyers and ensuring the legal profession stands first and foremost for the rule of law and not just profit. So, what should the law firm of the future look like?

Remote working has become an accepted facet of working life post-Covid but that is not the same as flexible working. Law firms, with their focus on billable hours, have struggled with moving towards a model that values outcomes rather than inputs. The goal is retaining clients rather than helping lawyers work in different ways and delivering what clients want. This is impacting on wellbeing and it isn't sustainable. The law firms of the future should be innovating in this space, training management to support a flexible workplace in a positive way, looking at job shares and accommodating more part-time workers. Compressed hours, flexitime or staggered starts are all options that should be moving into the mainstream.

Corporate structures will come to dominate the legal market, not least given the growing role of external investment and stock market listings, which means the partnership model is likely on its way out. The growing number of law firm consolidators in the mid-market are predicated on a small core leadership team, centralised back-office functions and lawyers freed up from management and ownership responsibilities.

What's more, partnership is not the career goal it once was. US research from recruiter Major Lindsay & Africa found a greater number of lawyers are more open to leaving their current firm, rather than staying and becoming partners. Increasingly lawyers are also changing career track to focus on innovation and operational roles within the legal sector. Firms must find new ways to keep lawyers motivated.

Professor Richard Susskind says that much of the tech used in the law simply automates manual tasks. Doing the same thing more efficiently doesn't represent genuine innovation, although it is better for clients. Pockets of innovation exist, but a major problem is that many firms continue to see tech as a one-time investment. According to PwC, average spent on technology among the top 100 firms is less than 1% of turnover (and just 0.5% among the top 10). Law firms are also failing to make the most of their technology investments, focusing more on buying the tech than on adoption. This results in a low return on investment and discourages further funding. The successful law firms of the future need to focus on digital skills – something that is still in short supply. According to LawtechUK: "Lawyers now need to understand data analytics, innovation techniques, design thinking, legal and ethical issues raised by the use of technology, and business specific tech applications."

The Big Four, with their consultancy branches, understand this. They are the ones forming the partnerships with legaltech companies and speaking to general counsel regularly to offer the right outsourcing and skills in this area. Law firms should be doing this too.

The law firm of the future will be values-driven in a way that supports diversity in its many forms and creates a platform for motivated staff to deliver for their clients.

Everything I have learned and achieved in the 11 years since I founded Obelisk Support has reinforced the business benefits of 'Human First' – putting people at the centre of what we do. Getting to this point will not be easy for tradition-bound law firms. But they will be surprised by the hunger among their lawyers, as well as the next generation, to embrace transformative change.

Diverse, inclusive, accountable, responsible and eco-conscious – none of these values are contentious on their own, and they should not be hard for law firms to live or unreasonable for clients to demand.