2018 LEGAL TECHNOLOGY SURVEY HIGHLIGHTS
Overview & Analysis
EXECUTIVE SUMMARY

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It’s safe to say that as technology becomes increasingly embedded in our day-to-day lives that questions around how it is, will be, and should be used continue to grow.

In conducting this survey, as part of a wider industry litmus test with our 2018 LexisNexis Roadshow events, we sought to uncover the industry’s opinions about the technologies we currently use, and those we are still acclimatising to.

264 respondents completed the survey, over half of whom have more than six years’ experience in the industry.

Just under half of respondents said that the implications of new technologies in the legal industry have been to remove the grunt work or change the nature of legal work, something that’s frequently seen as a key driver of wider uncertainty of the roles young lawyers will play in a quickly changing industry. But this was tempered by only a quarter of respondents reporting that increased digitisation in their workplaces has resulted in an employment decrease—so perhaps at this stage this uncertainty is largely unfounded.

Data privacy is still a hot issue. 64% of respondents indicated that they felt Australia’s privacy protections are too weak in their current form and that a GDPR-style piece of legislation should be implemented. Undoubtedly we will see more developments in this space over the coming years.

In the area of AI, 65% of respondents indicated that they believe AI is likely to or will definitely affect their area of practice in the next five years. But while respondents seemed sure that it will have some impact, opinions on what that impact might be were far more divided.

Opinion on the trustworthiness of AI-generated advice in trial was split, as was the issue of liability in a case involving a malfunctioning autonomous vehicle. It seems that for these more practical questions where precedent is scarce, a general consensus amongst the industry is yet to form. No doubt over the coming years as case law grows and regulatory frameworks begin to address these issues a more unified accord will come to the fore.

Moving towards the development of AI frameworks within Australia, LexisNexis is working with the Australian Human Rights Commission on the Human Rights and Technology Project which, through consultation and discussion, will provide a series of recommendations to the Australian government around the development of a framework to protect rights and freedoms in response to new challenges from quickly changing technology.

As we continue to monitor industry attitudes to technology we will report back on the inevitable changes that are coming down the line. It is undoubtedly an exciting time to be involved with legal technology and we would like to thank all survey respondents for taking the time to provide their perspectives.

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Managing Director, LexisNexis Australia
**Type of Organisation**

Which of the following best describes your organisation?

- 264 participants completed the survey across a range of organisation types, including in-house, Mid Law and Government sectors.

*Others: Claims consultant, Consulting, Community legal services, Not Specified

**Years of legal experience**

How many years of legal experience have you had?

- Half of respondents have more than six years of legal experience, and over 80% have more than two years’ experience.
Implications of new technologies

*What implications have new technologies such as analytics, automation, bots or AI had in your organisation? (select all that apply)*

- The removal of grunt work (44%) and subsequent changed nature of legal work (42%) were selected as the most common implications of new technologies on organisations.
- 35% of respondents also noted that new products and services have been created as a result of new technologies in their organisation. As clients and partners adopt new ways of working and encounter new tech-driven problems, lawyers will need to integrate new work processes and broaden their skillset to adequately advise clients.
- A similar number of respondents felt that tech has created new opportunities for junior lawyers (31%) or changed organisational structures and service models (27%). As noted in the 2018 Roadshow Report, an increasing number of graduates and young lawyers are seeking alternative career paths outside traditional firm structures, which correlates with the result here.

*Others: Streamlined research, Faster filing, No change, Don’t use new technology, Not implemented yet, We use minimal technology, Negligible impact to date, Little change due to focus on personal service*
Expectation of AI to have an effect on practice area

Do you expect that Artificial Intelligence (AI) will affect your area of practice over the next five years?

- 65% of respondents believe that AI is likely to, or will definitely, affect their area of practice in the next five years, whereas 23% of respondents believe there is unlikely to, or definitely won't, be an impact.

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Net impact of increased digitisation and automation

*What has been the net impact of increased digitisation and automation in your organisation to date?*

- Digitisation and automation is believed by 33% to have caused a shift in the value chain and profile of lawyers. It is possible that service models have changed due to the reduction of the grunt work and the balance shifting towards advisory work which requires less junior resource and reduces costs for clients.
- 25% believe that increased digitisation and automation will result in employment decrease, reflecting widespread concern around the growing ability of tech to complete work previously done by humans.
- 21% have seen no impact from digitisation and automation on their organisation to date, corresponding to the sentiments expressed in question 3.
GOVERNANCE
Are Australia’s current data privacy protections adequate?

Do you think Australia’s current data privacy protections are adequate or do we need to implement stronger legislation similar to Europe’s GDPR?

The acquisition and preparation of data for AI raises questions around consent and privacy. The GDPR came into force in May 2018 in the EU, marking a huge shift in the way that people’s data is acquired, managed, deleted—and the regulations around those processes. A question about whether Australia’s current data privacy protections are adequate or if stronger legislation similar to Europe’s GDPR should be implemented saw some strong agreement.

- 64% of respondents believe that stronger data protections are needed. In the wake of recent data scandals, it is not surprising that awareness of the issues surrounding data security is high amongst the legal community—resulting in dissatisfaction with current protections.
- 26% of respondents still however believe that Australia has adequate privacy protections.

Breakdown of respondents who believe that current protections are adequate

- Sole practitioner: 36%
- Large Law: 33%
- Mid Law: 33%
- Corporate or in-house: 29%
- Government / Government Agency: 16%
- Small Law: 15%
- Other: 11%

By Years of Legal Experience:
- < 2 Years: 32%
- 2 - 6 Years: 25%
- > 6 Years: 17%
Does Australia need an ethical framework for AI?

Do you think that Australia needs a guiding ethical framework similar to one being developed by the AI Alliance in Europe to adequately address the opportunities and challenges associated with AI?

A framework in Europe aims to enable the safe development of AI technology, so that the region can be a leader in this field. An Australian framework would build an environment in which there is confidence to invest, allowing Australia to thrive in a competitive global market.

- 82% of respondents believe that a framework is either important or essential - a resounding majority—with only 3% believing this is not an important issue for Australia to address.

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Definitely
58%

Important but not essential
24%

Unsure
14%

Definitely Not Important
2%

Not Important
1%
ARTIFICIAL INTELLIGENCE
Should AI-generated advice be allowed to be used in trial?

- 63% of respondents believe that AI-generated advice should be allowed for use in trial with some level of human oversight - a solid majority and indication that trust in AI systems is strong.
- The virtually equal percentages between those who believe AI generated advice should be recognised (24%) and those who do not (23%) indicate that there is still a level of polarity occurring between tech advocates and later adopters in the debate.
Should AI-generated advice be allowed to be used in trial?

- Those with over six years of experience are more than twice as likely to oppose the use of AI-generated advice in trial than those with under six years experience.
- This may be indicative of a generational shift in the mindset of the profession as technology becomes an increasingly important part of legal practice.

Breakdown of respondents who believe “No, it should not be allowed at all.”

- > 6 years: 46%
- 2 - 6 years: 20%
- < 2 years: 22%
Self-driving car hypothetical — who is liable?

Hypothetical: A self-driving car hits and seriously injures a pedestrian and a lawsuit is launched. The human driver of the car has complied with all recommended behaviours to operate the vehicle safely. The car uses AI technology developed by a third-party. In your opinion, who is liable in this scenario?

- In the debate over who is liable in this hypothetical scenario, the two most common answers were the company that created the AI technology (31%) and the manufacturers of the car (28%).
- The lack of a clear consensus here validates the majority belief of respondents that an ethical framework is definitely needed, as this would take steps to formalising liability in such situations and improve accountability.
- This also speaks to the fact that technology is moving faster than judicial frameworks and some matters involving this sort of technology are without precedent.
ARTIFICIAL INTELLIGENCE

Does AI threaten human rights and needs?

*Do you think the increasing uptake of AI poses threats to basic human rights and needs?*

- Only 19% of people believe that AI is not a threat to human rights and needs.
- Trust in technology is clearly low in the wake of recent data scandals, which will impact the willingness of organisations to embrace innovation.
- A significant proportion (23%) were unsure of whether AI is a threat, suggesting awareness of the issue is poor.

Which rights or needs are most affected?

*Which rights or needs to you think will be most affected? (select up to three)*

- Privacy is clearly of greatest concern for respondents, as this comprised 46% of total selections. This correlates with answers from earlier questions on the specific issue of data privacy.
- Whilst access to justice was the joint second right or need most likely to be affected (20%), it is important to note that AI also has the power to positively impact access to justice — and other human rights — but this was not in the data collected for this survey.
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