Issues shaping the global legal ecosystem
Drivers for change in legal service

Report commissioned by
the Future of Legal Services Commission
International Bar Association
May 2021
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Selected publications


The voice of the client in law firms (Barcelona: Difusión Jurídica y Temas de Actualidad, 2010) (with Tricás Preckler, J, and González Sabaté, L) (Spanish).

The Corporate Legal Profession in the Century of Quality (Barcelona: Royal European Academy of Doctors, 2014) (Spanish).


‘The provision of high-quality legal services as a competitive strategy in times of crisis’, Alta Dirección (2011) 45 (271-272), pp 57-67 (with Tricás Preckler, J) (Spanish).


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Background

The International Bar Association (IBA) comprises more than 80,000 individual international lawyers from most of the world’s leading law firms and some 190 bar associations and law societies spanning more than 170 countries. Through its global membership the IBA shapes the future of the legal profession throughout the world.

In 2017, the IBA Presidential Task Force on the Future of Legal Services commissioned an independent research study aimed at the identification, categorisation and prioritisation, on a global basis, of the changes found to be affecting legal services (the ‘2017 FLS Research’). The results of the research were presented by the author, María José Esteban-Ferrer, at the IBA Annual Conference in Sydney.

Three years later, the IBA Future of Legal Services Commission, chaired by Fernando Pelaez-Pier, considered it necessary and important to update the 2017 FLS Research, aiming at providing assistance to the global legal community in these uncertain and complex times.

Due to the overwhelming volume and dispersion of available information regarding the issues shaping the global legal ecosystem, a literature review has been conducted to facilitate the understanding of the enduring evolution of legal services and the most relevant factors driving change. The 2021 FLS Research focuses on the mapping of 178 of the world’s most influential social sciences journal papers and conference proceedings published from July 2017 to July 2020, from which further reviews could be commissioned.

This project aims at answering the following question: which issues are shaping the global legal ecosystem?

While it is too soon to determine the changes brought about by Covid-19, a broad-brush review of a selection of 18 reports and professional articles from the internet has been also conducted to shed some light on the drivers of change for legal services, which might have been altered or accelerated by the pandemic.
Executive summary

A literature mapping review of 178 of the world’s most influential social sciences journal papers and conference proceedings has allowed for the identification and categorisation of six main issues shaping the global legal ecosystem.

Each one of the issues found to be shaping the global legal ecosystem is embodied in a Node and explained through four layers of themes. The Nodes and their first two explanatory layers are shown in Table 1.

Table 1: Overview of the six main issues shaping the global legal ecosystem

<table>
<thead>
<tr>
<th>Node I – Discrimination, employability and career path issues</th>
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<tbody>
<tr>
<td>a) Increased concern with discrimination in the legal profession</td>
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<tr>
<td>• ‘Reproduction’ of white male dominance</td>
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<td>• Institutional, political and power biases persist</td>
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<tr>
<td>• Family as a pervasive burden for career development</td>
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<td>• Lawyers’ alienation based on career outcomes and retribution of legal work</td>
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<th>Node II – Legal services redesign</th>
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<tr>
<td>a) Focus on adding value to corporate clients</td>
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<tr>
<td>• Widespread shift in revenues from individuals to business clients</td>
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<td>• Client-led transformation</td>
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<td>• Corporate client-led practices</td>
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<td>Node III - Expansion of legal technology solutions</td>
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<td>--------------------------------------------------</td>
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<tr>
<td>a) <strong>Global development of online legal platforms and artificial intelligence</strong></td>
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<tr>
<td>b) <strong>Legal technology, particularly AI, is increasingly raising ethical concerns</strong></td>
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<tr>
<td>c) <strong>Ambiguity about the disruption of the legal services market</strong></td>
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<tr>
<td>• Growth of the online legal market</td>
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<td>• Online dispute resolution (ODR) progression</td>
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<td>• Transformational prospects of artificial intelligence (AI) for the practice of law and for the legal system as a whole</td>
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<td>• Impact of AI for the rule of law</td>
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<td>• Need for guidance concerning tech-related ethical challenges</td>
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<tr>
<td>• Implications of AI for lawyers, law firms, clients and law schools</td>
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<td>• Technology has been identified as the major cause of disruption</td>
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<td>• Extensive use of the term disruption</td>
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<td>• Disruption in the legal services market is raising sceptical voices</td>
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<td>• Significance of a clear categorisation of legal tech</td>
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<th>Node IV – Pervasive legal services internationalisation</th>
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<tr>
<td>a) <strong>Continuous upgrading of the Global South in the global legal ecosystem</strong></td>
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<tr>
<td>b) <strong>Intensified awareness of the transnational ramifications of the legal profession</strong></td>
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<tr>
<td>c) <strong>Global fragmentation of the legal profession, competition and risks of unethical behaviour</strong></td>
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<tr>
<td>• Strengthened influence of the Global South in the legal ecosystem</td>
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<td>• Increased global influence of the Southeast Asian legal market</td>
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<td>• Growing entrepreneurship of the Chinese legal market</td>
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<td>• Strategy management across countries and optimal levels of multi-nationality</td>
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<td>• Variety of foreign entry modes and domestic protection</td>
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<td>• International client management</td>
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<td>• Global fragmentation</td>
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<td>• Global competition</td>
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<td>• Risks of internationalisation for legal and business ethics</td>
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<th>Node V – Need for additional skills and training solutions</th>
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<td><strong>Clients’ unwillingness to pay for lawyers’ training</strong></td>
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<td><strong>Reassessment of skills needed to practise law</strong></td>
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<td><strong>Increased concern with lawyers’ professional identity and conduct</strong></td>
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<tr>
<td>• Expansion of teaching methods that aim at developing practical skills</td>
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<td>• Need for concerted effort</td>
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<td>• Law firms’ need for new training programs</td>
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<td>• Legal-tech related skills</td>
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<td>• Development of training methods to increase users’ understanding of legal terms and concepts</td>
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<tr>
<td>• Breadth of business-related skills</td>
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<td>• Inclusion of ethics both at the academic and vocational stage of legal education to foster an ethical professional identity</td>
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<td>• Law schools’ involvement in the improvement of access to justice</td>
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<td>• Need for collaborative projects – between academics, firms and professional bodies</td>
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Node VI - Controversial approaches to regulation

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<tr>
<th>a) Development of outcomes-focused, risk-based, and firm based regulation</th>
<th>b) Controversies over deregulation</th>
<th>c) Efficiency in the judiciary and the cost of justice</th>
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<tbody>
<tr>
<td>- Adopting risk regulation will necessitate a significant transformation for legal services regulation</td>
<td>- Benefits of deregulation</td>
<td>- Need to deconstruct the cost of civil justice</td>
</tr>
<tr>
<td>- Enhancement of firm-based regulation</td>
<td>- Impact of an increasingly capital-intensive business</td>
<td>- Adapting the old judicial maps to the new demand of legal services</td>
</tr>
<tr>
<td>- Concern with the ethical behaviour of lawyers driving a rules v principles debate</td>
<td>- Deregulation benefits into question</td>
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Intertwining issues

The positive correlation between issues shaping the global legal ecosystem suggests that they are not isolated phenomena, and therefore must be jointly acknowledged.

Corrections since the 2017 FLS Research

1. **Client empowerment** continues to be the driver of change cited by most papers. Showing a five per cent increase in the percentage of citing papers since 2017.

2. **Professional ethics and values** are addressed by a considerable 88 per cent of the selected papers, representing a 6 per cent increase since 2017.

3. **Management** issues emerge as a key driver of change mentioned by 88 per cent of the papers. Significantly, a positive tone or sentiment has been identified in 65 per cent of management-related content.

4. Significantly, **employability** and **complexity** appear to be addressed by 83 per cent and 78 per cent of the selected papers, rising to among the top five drivers of change due to increases in citing papers of 22 per cent and 30 per cent, since 2017. The concern with the evolution of both drivers is also suggested by a mostly negative tone regarding their content.

5. While **technology** is addressed by a significant 72 per cent of papers, it represents a 12 per cent decrease in citing papers since 2017. Nonetheless, sentiment auto-coding has revealed a significant 73 per cent positive note in all technology-related content.

6. Authors in our database pay increased attention to **globalisation** showing a 28 per cent increase in citing papers since 2017.

7. Rising their ranking position to 10th and 11th in percentage of citing papers since 2017, **diversity** together with **gender** and **race inequality** present mostly negative related content.
8. The following drivers also appear showing a mostly negative tone in their related content: regulation, legal education, demography, access to justice and disruption.

9. Skills, innovation and collaboration emerge as the drivers of change showing the most positive content.

10. Importantly, a shift to the provision of solutions has been identified. Solutions appear mentioned in more than half of the selected papers, representing a relevant 44 per cent increase in citing papers since 2017. Moreover, key aspects of a solution business model, such as client empowerment, innovation, collaboration, modular legal services and outsourcing, not only appear among the top 20 drivers of change, but also present positive-sentiment related content.

Impact of the Covid-19 pandemic on legal services

None of the selected papers, published during 2019 and 2020, mentioned Covid-19 or its impact on legal services.

However, it cannot be ignored that during this research the pandemic reached almost every country in the world, causing, in words of Kristalina Georgieva, Managing Director of the International Monetary Fund (IMF), a ‘global crisis like no other’ – more complex, more uncertain and truly global (Georgieva 2020).

In acknowledgment of this, automated mapping of 18 articles and reports on the impact of Covid-19 in legal services has been conducted, together with a review of economic data published by the IMF. This post-project review has allowed a glimpse of some of the consequences of Covid-19 on the drivers of change for legal services:

Accelerating change

Most commentators on the impact of Covid-19 in legal service highlight the accelerating effect of the pandemic on the already existing drivers of change.

Technology driving change

During the pandemic, technology emerges as a top one driver of change – in the same position as client empowerment (see Figure 4).

The expansion of technology solutions and digitalisation has taken a central role in the redesign of legal services and the consolidation of new working models during the pandemic.

New normal for work

According to the IMF (2021) working patterns and models that had emerged before the pandemic have been significantly developed during 2020 and are likely to continue after the pandemic.

Most commentators confirm the impact of Covid-19 on work practices in law, particularly on the normalisation of remote working.
**Effect of rising unemployment**

Projected employment losses in most industries might increase the concern with employability and career paths in the legal services industry.

Total employment losses across G-20 economies are projected at more than 25 million this year and close to 20 million next year, relative to pre-pandemic projections (IMF 2021).

**Divergence and inequalities**

Heightened divergence and inequalities across regions and within countries might accentuate the access to justice gap as well as gender and race inequalities in the legal services market.

According to the IMF (2021) due to the current crisis around, more than 50 per cent of emerging market and developing economies are expected to shift from converging toward advanced economies to diverging during 2020-2022. Moreover, the same sources argue that poverty and inequality within countries is expected to aggravate, particularly for the young, women and low skilled.
A. Issues shaping the global legal ecosystem – manual mapping

A literature mapping review of 178 of the world’s most influential social sciences journal papers and conference proceedings has allowed for the identification and categorisation of six interconnected drivers of change shaping the global legal ecosystem. The relevance of each Node in the reviewed literature is suggested by the percentage of papers addressing each theme.

Figure 1: Number in percentage of selected papers by main issue shaping the global legal ecosystem

![Figure 1](image)

As shown in Figure 1, the papers selected for this project are primarily focused on discrimination, employability and career path issues, representing 28 per cent of the total papers reviewed, as well as on the persistent redesign of legal services, representing 24 per cent.

The rest of the issues shaping the global legal ecosystem are founded on a balanced proportion of the selected papers (between 10 and 12 per cent of the total).

Each main issue shaping the global legal ecosystem shown in Figure 1 is embodied in a Node, and explained through four layers of themes, from which the last one is a collection of quotations from the selected papers.
Node I – Discrimination, employability and career path issues

Increased concern with discrimination in the legal profession

‘Reproduction’ of white male dominance

Discriminatory past

The vestiges of the legal profession’s discriminatory past continue to affect all corners of the profession, driving inequalities particularly for communities of colour and women (Martinez 2019).

Men’s position of power

The perception that women who work flexibly are less committed, hyper-competition in relation to billable hours, assumptions about the necessity of competition to winning clients and the importance of ‘winning’ as opposed to keeping clients can result in what is sometimes called ‘social reproduction’. In relation to law firms and the legal profession, this results in the reproduction of male dominance at the top and in the positions of power (Seuffert et al 2018).

Despite significant transformations in the profession, including dramatic expansion in size and the opening of corporate law positions to women, minorities and the graduates of lower-ranked schools, the powerful and prestigious positions of corporate law partners remain largely reserved for those with the most elite credentials and other characteristics – male, white, wife at home – that defined law firm partners before the great period of change (Dinovitzer and Garth 2020).

There are pervasive barriers to gender equity in modern complex civil litigation, and gender-equalising reforms have been only modest (Coleman 2018).

Members of the legal profession have recently taken a public stance against a wave of oppressive policies and practices. From helping immigrants stranded in airports to protesting against white nationalists, lawyers are advocating for equality within and throughout American society each and every day. Yet as these lawyers go out into the world on behalf of others, they do so while their very profession continues to struggle with its own discriminatory past (Martinez 2019).

Law firms continue to be characterised by ‘inequality regimes’ that create a particularly challenging situation for women (Robertson et al 2019).

Female lawyers in large law firms continue to face challenges in the workplace, and those challenges are exacerbated by the law’s failure to provide any meaningful antidiscrimination protection at the partnership level as it does with employees (Cochrane 2018: 530).
Institutional, political and power biases persist

Conservatism of power holders

The power holders, both female and male partners, accept and maintain the gendered and classist system of the law profession (Pringle et al 2017).

The Bar of England and Wales, like the wider legal profession, does not reflect the society it serves. The current data published by the Bar Standards Board (BSB) suggests a profile in relation to gender and ethnicity that gives serious cause for concern (Vaughan 2017).

Women in management in developing countries

The weak functioning of the legal system and the large size of the shadow economy lead to women being more represented in senior management in developing countries than in so-called liberal Western democracies. Women also participate more in senior management in countries in which prejudice and discrimination against women are greater (Còric 2018:56). In these countries, women are more often appointed to senior managerial positions because, as a ‘weaker’ gender with fewer civil rights, weaker positions in society and less opportunity in the labour market, women are more easily governed by people who have informal, but real, power (Còric 2018:77).

Male immigrants have better prospects

Having grown up in a disadvantaged environment does not necessarily mean that one cannot be successful in a white-collar professional environment. People learn what conduct is expected of them in the new environment along the way and behave accordingly (Rezai 2017).

Political bias against gender parity

In settings where managers have leeway over rewards and careers, their personal political beliefs have an important influence on outcomes for male and female workers. The male–female gender gap in performance-based pay is reduced for professional workers tied to liberal supervising partners, relative to conservative supervisors (Briscoe and Joshi 2017).

Large law offices whose partners are more liberal hire a larger percentage of female associates, more-liberal partners are more likely to select female associates to be members of their client teams, and associates whose supervising partners are more liberal have greater gender parity in promotion rates (Carnahan and Greenwood 201).

Family as a pervasive burden for career development

Parental leave – a problem for women but also men

Parental leave is viewed primarily not as a problem for the organisation but, rather, as one for the individual lawyer’s career progression. This finding supports studies showing that parental leave can be
problematic from an employee perspective, because being absent means becoming replaceable and thus breaches a career logic in which showing that you are irreplaceable is central (Nordberg 2019).

Male lawyers form a ruling class that sustains the professional ethos of the profession, which is hostile towards work–life balance and caregiving responsibilities. In traditionally male-dominated professions, it is not enough to provide men with a statutory right to paternity and parental leave. There is also a need for organisational solutions and peer encouragement in the work environment so that men feel comfortable taking leave (Choroszewicz and Tremblay 2018).

**Higher promotion chances for male and childless women**

Men and childless women expect higher promotion chances when they work longer hours, but the same is not true for mothers. Mothers may face a unique double-bind; working fewer hours violates ideal worker norms, whereas working longer hours violates prescriptive motherhood stereotypes. As long as workplaces continue to demand unrealistic commitment, and as long as cultural stereotypes demand that women prioritise the home sphere, women will continue to expect diminished organisational rewards (Wynn 2017).

**Increase in employment of mothers**

Gender differences in the personal and professional lives of lawyers are pervasive, although the full-time employment rate of women with children at home has slightly increased, and the earnings gap is narrowing (Monahan and Swanson 2019).

**Lawyers’ alienation based on career outcomes and earnings**

There is growing concern that a generation of highly skilled lawyers that has experienced virtual gender equality in law school admissions and no prominent gender differences in law school performance nevertheless encounters persistent gaps in career outcomes and earnings (Azmat and Ferrer 2017).

**Upward trend for minorities’ earnings**

Law earnings premiums are higher for whites than for minorities (excluding individuals raised outside the US). Law earnings premiums for whites, blacks and Hispanics have trended upwards and appear to be gradually converging (McIntyre and Simkovic 2018).

**Earnings tied to performance could increase gender gap**

Accounting for performance has important consequences for gender gaps in lawyers’ earnings and subsequent promotion. One potential implication is that gender-based inequality in earnings and career outcomes might not decrease in the near future – and could even increase – as more high-skilled workers are explicitly compensated on the basis of performance (Azmat and Ferrer 2017).
Based on content and retribution of legal work, young lawyers differentially experience alienation – powerlessness, purposelessness, time deprivation and unfairness – according to gender, status and firm size. These factors combine to produce long-terms effects, such as high female attrition rates (Boni-Le Goff et al 2020).

The tournament thesis in corporate firms is that despite increasing diversity at entry level, the up-or-out system results in a white, male socioeconomic elite maintaining their privilege in the most lucrative segments of law and in the most senior positions in large corporate law firm. Central London may not be the ‘engine room’ for social mobility within elite professional service firms, but rather remains a stronghold of existing inequalities, occupations operating socially and culturally based closure regimes that privilege white men of middle and upper-class background. However, the tournament thesis is more relevant to those who enter and compete for commercial practice areas and promotion to partnership (Tomlinson et al 2019).

Internships are associated with the gap in men’s and women’s initial salaries. For men, there is no difference in salary offers from employers where an internship occurs versus one where an internship does not occur. However, women receive higher salaries from employers where an internship first takes place (Sterling and Fernandez 2018).

Focus on anti-discriminatory solutions and their impact

Anti-discriminatory solutions and gaps

From mere commitment to shared value

Firms that choose to move forward from outward presentation of a commitment to racial diversity (client-led) to racial diversity as a shared value can do so through the work of diversity champions – managers who speak up and stand up for diversity – and through intentional diversity – actions by all firm members to incorporate racial diversity into their firms (Adediran 2018:86).

Gaps

There are gaps to fill, particularly around the provision of superannuation payments while on parental leave, key performance indicators (KPIs) on diversity goals for managers at all levels and more broadly available leadership training (Mundy and Seuffert 2020).

How to advance gender equality

Members of the legal profession should adopt policies and practices that (Martinez 2019):

- address covert discrimination throughout the profession; and
- encourage individual attorneys to stop remaining silent and instead give voice to their experiences of discrimination, harassment and bias.
Proposals for how to move towards gender equality include (Coleman 2018):

- confronting and changing base sexism and social gender norms;
- retaining women at major law firms through structural changes to mentoring, networking and assessment; and
- restructuring systems that lead to homogeneity in legal practice; for example, the ‘slate’ system for selecting plaintiffs’ attorneys in multidistrict litigation.

Among current best practices on gender diversity (Mundy and Seuffert 2020) are:

- commitment to diversity at the top of the firm, a management and leadership issue: diversity committees, responsibility of the executive committee, diversity and gender equity KPIs for managers;
- firm culture;
- diversity and inclusion initiatives;
- mentoring and affinity groups;
- flexible work, part-time and job-sharing policies; and
- partnership.

Cochrane (2018) proposes legal solutions to protect female law firm partners and to disincentivise discrimination against them.

The earlier professionals are socialised into frameworks of gender parity, the better prepared organisations can be for resisting the plaque of persistent gender inequality (Ballakrishnen 2018).

**ADDRESS INEQUALITIES WITH INCLUSIVENESS**

Men report higher levels of inclusion and more opportunities and less discrimination in the workplace than women do. Patterns of differences between men and women vary across career levels. At early mid-career, men and women have the largest differences in opportunities and inclusion experiences. Organisations can implement policies that foster inclusive environments and ensure career equality by providing development opportunities for both men and women (Traavik 2018).

**Barriers for minorities and the ambiguous impact of inclusion initiatives**

**GENDER DIVERSITY CALLS FOR FUNDAMENTAL STRUCTURAL CHANGES**

National and international research highlights the intractability of barriers to advancement for women and the limitations of the glacially slow improvements to the statistics on women in leadership positions, pointing beyond recommendations about diversity programmes and flexible work practices to the need for fundamental structural changes and systemic monitoring, including rethinking the criteria for success and the dominant partnership model (Mundy and Seuffert 2020:10).
It is the structural reorganisation of work – rather than changes in persistent cultural attitudes about gender – that can work to the advantage of women (Ballakrishnen 2017).

Diversity and inclusion initiatives across the private sector (top-achieving national law firms in Australia) are not resulting in significant change to advancement, retention and attrition of women in the legal profession (Mundy and Seuffert 2020).

CALLS FOR DIVERSITY MANAGEMENT

Achieving better business outcomes and justice requires, it is argued, appropriate diversity management, rather than a limited focus on organisational ‘inputs’, such as diversity initiatives, and ‘outputs’, such as profit (Seuffert et al 2018).

By empowering workers to negotiate their roles, and by legitimising and rewarding alternative career paths, the legal profession may also address work–life balance challenges created by gender-role expectations (Robertson et al 2019).

DECLINING GENDER GAPS IN PROMOTIONS AND WAGES

Ganguli et al (2020) show that while there is gender parity at the entry level in most countries by the end of the period examined, there are persistent raw gender gaps at the top of the organisation across all countries. We observe significant heterogeneity among countries in terms of gender gaps in promotions and wages, but the gaps that exist appear to be declining over the period studied.

Importance of diversity

FOR THE LEGAL SYSTEM

Gender equity is important to the functioning and legitimacy of our legal system (Coleman 2018).

FOR PROFITABILITY AND FINANCIAL PERFORMANCE

Racial diversity increasingly improves law firms’ profitability: racial diversity can indeed be a strategic resource of a firm that improves profitability, aside from social and ethical considerations. However, in contrast to our initial predictions, we also find that racial diversity is not most valuable to law firms when it is concentrated at the partner level. In fact, our results point in the opposite direction to the extent that we observe the best-performing firms having greater concentration of their diversity at the associate level (Smulowitz et al 2019).

Greater racial diversity for the entire organisation is positively associated with firm financial performance. Diversity seems to have a similar effect across the three levels in law firms: associates, mid-level and partners. Furthermore, we find that the most profitable firms actually have their racial diversity heavily concentrated at the associate level. We discuss alternative explanations for this surprising finding and why the top-performing law firms have both overall higher degree of racial diversity and more concentration of its diversity at the lower level (Smulowitz et al 2019).
Shifts in employability and career paths

Growing concern about lawyers’ satisfaction and wellbeing in private practice

Worrying working conditions in private practice

Three factors are highly predictive of lawyers’ career dissatisfaction (Markovic and Plickert 2018):

- comparatively low income;
- working in private practice as opposed to in government or non-profit or public interest; and
- law firm employment in a non-partnership role.

Overall, lawyers’ career and life satisfaction is high. Working conditions at large private law firms are a problem – perhaps the problem – for many lawyers (Monahan and Swanson 2019).

Promotions in elite professional careers are not always positive career events, but potentially contradictory and negative (Gustafsson and Swart 2019).

Young lawyers’ three-fold dependency – on partners, on clients and on market uncertainty – can fuel intense feelings of powerlessness, or dispossession of one’s own work (Boni-Le Goff et al 2020).

The adoption of transformational leadership practices and involvement in corporate social responsibility (CSR) activities can improve an employee’s job performance (JP) in law firms (Hongdao et al 2019).

Effect of recession on career satisfaction

Career dissatisfaction could rise in the future if newer attorneys do not see the income gains of their predecessors and do not obtain equivalent opportunities to ascend to partnership and managerial roles. These trends bear particular scrutiny as the legal market continues to reorganise itself after the recession (Markovic and Plickert 2018).

Awareness of mental health and wellbeing

There are increasing initiatives intended to raise awareness of mental health and wellbeing issues among management and employees, reduce workplace stress, build lawyers’ resilience, and support lawyers undergoing challenges (Poynton et al 2018).

In comparison to professionals and university students in other disciplines, lawyers and law students may be at greater risk of experiencing high levels of psychological distress. Implementing interventions to facilitate healthy lifestyle choices, including attitudes to eating, weight and shape, eating habits conducive to maintaining good physical and mental health, and exercise, is an important component in law firms and law schools supporting the wellbeing of lawyers and law students alike (Skead et al 2018).
**Challenges of financialised management on careers**

**Negative effect of performance metrics**

Fear and anxiety as partners experience the scrutiny and pressure of financialised performance management. Furthermore, it reveals partners face contradictory demands as they are pushed to meet financial and ‘citizen’ objectives within the firm. The result is a career as a ‘project of the self’ that relies on various protection strategies and which results in professionals captured by ‘financialisation’ and unable to assimilate its demands in ways that protect traditional professional values (Allan et al 2019).

**Risk of client capture**

Client capture is the process by which professionals become so dependent on certain clients that their professional judgment is compromised (Chari et al 2020).

Because associates’ employment with their professional service firms is relatively insecure, compromising their professional judgment on behalf of clients with whom they repeatedly engage is more alluring in their efforts to enhance future employment prospects (Chari et al 2020).

By bestowing clients with influence over who gets promoted to partnership, lawyers lose professional independence in defining the future of their firm. It seems that as lawyers become occupied with moving up the career ladder in an increasingly competitive and financially driven legal environment, they attribute great importance to their clients and, as a result, become dependent on them, letting themselves ‘be captured’ (Gustafsson, Swart and Kinnie 2018:89).

Increasing in the context of family law, given the virtual demise of legal aid, private client solicitors are now paid directly by their clients for services so are subject to clients’ increasing power to determine the conduct of their case, as well as their ability to challenge using information from the internet. The tension between client autonomy and professional authority is apparent (Russell 2019: 167).

**Shifts in employability and career paths**

The legal services industry has undergone shifts in employment levels and composition. The rise of alternative staffing methods throughout the industry may represent a permanent approach to reducing costs (Valentine 2019).

**Emergence of new roles**

Some large law and public accounting firms no longer adhere strictly to up-or-out rules, and some, particularly in public accounting, have adopted policies that promote work–life balance. These large firms may have found ways to create new and highly productive roles for skilled experts who are not well suited to the partner role (Barlevy and Neal 2019).

*The ‘lawyer-linguist’*. In an increasingly competitive and congested job market, new career opportunities are opened to linguistically minded young lawyers. The globalisation of recent decades has led to a soaring
demand for the translation of legal documents, inter alia in cross-border financial transactions, patent and IP cases, and litigation (Scott 2017).

**Variations in Career Model Preferences**

Potential professional service firm (PSF) employee groups have different career model preferences. Law students show a higher likelihood to apply in connection with the up-or-out-model, whereas management students show a higher likelihood to apply in connection with alternative career models (Hansen and Schnittka 2018).

**Expansion of Contract Lawyers**

The contract lawyer position is not a path to partnership even though contract lawyers produce legal work of a high quality. Altman Weil reports that the stigma that contract-lawyer work is of lower quality is nearly gone and that the use of contract lawyers is the most effective lawyer-staffing technique firms are pursuing. Seventy per cent of firms surveyed regard the shift to contract lawyers as a permanent rather than temporary trend. Moreover, almost 60 per cent of large firms surveyed plan to shift work to contract lawyers and paraprofessionals in the future. Nearly 80 per cent of large firms (more than 250 lawyers) now use contract lawyers. The development is a natural consequence of lawyer mobility because it enables a firm to quickly adjust staffing levels to reflect its current needs based on the present population of senior lawyers in the firm (Hilamn 2018:796).

**Impact of the Online Gig Economy**

Yao (2019) indicates a need for understanding the impact of the online gig economy on professional workers. Using interview data from lawyers who work on one of China’s most successful online legal service platforms, this study finds that supplementary income and flexibility are the two major motives for lawyers to work online. Nevertheless, when working online, lawyers face lower intra-professional status and lower professional autonomy.

**Onshoring is Radically Changing Division of Labour**

Carroll and Vaughan (2019) study professional identity formation and the increasing differentiation and fragmentation of the corporate end of the legal profession through a consideration of onshoring, the opening (for the first time) of satellite offices in the UK (but outside London) by elite law firms. In the context of onshoring, globalisation has led to sidelining in that onshoring allows entry to elite, global firms both for those (the graduates of ‘good-enough’ law schools) perhaps unable to ‘make it’ in London and for those law firm partners and associates who have tasted City life and rejected it. That entry is, however, imperfect. It is the ‘dirty [legal] work’ (tasks and occupations likely to be perceived as disgusting or degrading) that is done outside London: seen as both lesser and also necessary to the law firm’s profitability. We see onshoring as a relatively simple organisational change to the shape of the profession, and also as part of a radical reorientation of a division of labour and what it means to be a professional.
**Costs of increased mobility**

Sophisticated corporate and institutional clients almost certainly benefit from increased competition that arises from the mobility of lawyers. These are no small benefits. But against these benefits should be weighed the costs, which include less effective training of lawyers, arguably fewer attractive career paths for lawyers and harm to third parties who do business with firms unable to meet their liabilities because of lawyer departures (Hillman 2018: 809).

**Apprenticeship role of large law firms**

The experience of a position in a corporate law firm now bestows advantages even for those who do not make partner. What was once deemed a failure – not making partner – is now a source of valued capital that leads to careers in in-house positions, boutique firms, the federal government and a host of non-equity partner positions. There has been change in the role of the large law firm from a career choice to primarily an apprenticeship or finishing school (Dinovitzer and Garth 2020).

Because of the burdens of continuous training, firms will need to make much better hiring decisions, designed to identify the next generation of providers of the ‘last mile’ services, with the particular goal that instead of these lawyers being a fungible and replaceable commodity, they will actually join the firm and stay with the firm over the long haul, in time becoming the judgment providers (Davis 2020).

**Link to employability in law schools**

The link to employability in law schools has become increasingly explicit with employability rankings frequently prominently advertised, the message being that law schools will ensure that their students have the skills and attributes employers require (Davies and Woo 2018, in Jones 2019).

Ensuring that graduates are prepared in general for a globalised world and employability for international environments is recognised as a highly desirable educational outcome in higher education (Squelch and Bentley 2018).

**Professional meaningfulness in question**

Jobs in large corporate law firms are typically characterised as high in status but low in meaningfulness, thus higher levels of CSR activities were more likely to lose attorneys to competing law firms. CSR will be most effective at reducing turnover that is motivated by a preference for more meaningfulness at work (Carnahan et al 2017).

State government can offer a way out for some who did not find a fit in the large firm setting, both in terms of work-life balance and values. It is a path that is largely outside the legal careers that have grown up and evolved along with the transformation of the position of large law firms in lawyer careers (Dinovitzer and Garth 2020).

The meaningfulness of the ‘professionalised workforce’ may be called into question (Smet et al 2017).
Node II – Legal services redesign

Focus on adding value to corporate clients

Accounting firms’ use of value-based rhetoric is aimed mainly at contesting current practices of law firms, particularly by moralising to these firms for not behaving with integrity in the manner they sell legal privilege to their clients (Taminiau et al 2019).

Shift in revenues from individuals to business clients

There has been a pervasive shift in revenue source from individuals to business clients (Valentine 2019).

The major share of legal services goes to business entities and wealthy people and the prestige and prosperity to the lawyers who serve them (Gordon 2019).

Australia’s legal profession is heavily skewed towards servicing corporate clients. Households and government only account for 13.9 per cent and 13.8 per cent, respectively, of an estimated revenue share of $AUD22.6 billion a year (Waye et al 2018).

Client-led transformation

Growing demands of corporate clients

Corporate clients are increasingly demanding that their legal advisers understand their business, work collaboratively with business leaders and other professionals, and generally justify their service in terms of its contribution to the bottom line (Wilkins and Esteban 2018: 1008)

Fundamental change in the ways of working

There has been a fundamental shift in the ways of working of high-contact PSFs such as law firms, in the form of (Prashar 2020):

- value-based billing structures (from conventional billable hour pricing to alternative fee arrangements);
- client preference for unbundled services (leading to sporadicity in client–firm relationships); and
- a growing segmentation in legal service market (widening the performance gaps between successful and less successful law firms).

All these developments are forcing these PSFs to transform their conventional methods of functioning and improve the quality of their service processes and client interactions (Prashar 2020).
**Shift to value-added services**

The profitability model for the successful law firm of the future will have to be defined in terms of the value clients place on the ‘last mile’ services (Davis 2020).

While the potential of technology to add value to clients of legal services seems huge – the current use of technology is primarily orientated around cost reduction, and the degree to which PSFs focus on offering increased value propositions seems limited (Breunig and Skjølsvik 2017).

**Corporate client-led practices**

**Legal services redesign**

When redesigning legal services, it is essential to move away from an unstructured provision of services that is characterised by the transfer of specialised knowledge of highly skilled lawyers to clients, who deliver the service in a highly personalised and often high-cost manner (Giannakis et al 2018: 2).

**Alternative billing**

In repeated relationships between law firms and corporate clients a contract combining an hourly fee, a lump sum payment and a retention function can improve the client’s payoff and lead to an efficient outcome (Graham and Robles 2019:100).

**Standardisation**

The nature of merger negotiations necessarily entails extensive edits to an agreement to resolve deal-specific issues and uncertainties involving the target and acquirer. But creating standardised acquisition agreement templates would facilitate a focus on deal-specific issues. It would also reduce the often-wasteful process of firms haggling over the use of precedents and tinkering with legal provisions whose meanings have been conclusively established through past legal and judicial interpretations. Standardised forms would not inhibit innovation, but rather would focus the energy of lawyers on justifying departures from standard provisions and explaining how such changes would add value to their client or to both parties in a transaction (Anderson and Manns 2017:93).

**Diversification**

Patents law firms expand their business scope – that is, diversify – when their existing clients diversify into more distant areas from the ones in which the supplier operates. We also find evidence that such client-led diversification is stronger in the presence of key supplier-side and client-side relational assets – client-specific knowledge and relational commitment – between the supplier and its portfolio of clients (Mawdsley and Somaya 2018:29). Our findings regarding relative demand opportunities in client market segments suggest that such opportunities in the abstract may not contribute to client-led diversification, thus underscoring a firm-specific rationale for demand-side theories of diversification (Mawdsley and Somaya 2018:25).
There is a negative association between service diversification and revenue growth. PSFs tend to overemphasise client factors and underemphasise internal considerations, such as efficiency and effectiveness, when developing their strategies (Eckardt and Skaggs 2018:1).

**INTERNATIONALISATION**

Client-based relational capital evolves with internationalisation (Brymer et al 2020:126).

**SERVICE QUALITY**

Three distinctive dimensions of quality management (QM) for PSFs (Prashar 2020):

- managing the firm’s image;
- managing the client–firm interaction and support processes; and
- managing the perceived value of service outcome.

**SHIFT TO ONSHORING**

The move by large global law firms to onshore can be broadly categorised as a response to the following pressures and motivations (Carroll and Vaughan 2019:15):

- client demand for more competitive pricing;
- intention to cement a geographical nexus with law firm clients;
- shift in client attitudes towards risk;
- an expectation of innovation by global lawyers; and
- to drive efficiency and cost saving in global firms.

**Heightened concern with the difficulties to access legal services by vulnerable and disadvantaged individuals**

**Pervasive access to justice gap**

**LACK OF ACCESS TO JUSTICE IS A GLOBAL PROBLEM**

A lack of access to justice is affecting more than half the world’s population (Klaaren 2019).

Access to justice is not a reality for most South Africans. While it is not the only factor, a significant part of this situation is due to the high cost of legal services (Klaaren 2019).

Research must examine [vulnerable and marginalised] clients’ own experiences and perspectives of legal processes so as to better reflect the complex relationship between legal representation and justice (Buhler and Korpan 2019:1117).
Retirees

There is a huge gap between clients who are eligible for free legal assistance from civil legal aid programmes and persons who can afford to pay a lawyer. This is especially true for the nearly 70 per cent of retirement-age people having no significant retirement savings or a pension (Godfrey 2019:70).

The ‘missing middle’

Declining government funding of legal aid drives the ‘missing middle’ of the legal services market. In Australia, as in many other common law jurisdictions, government funding of legal aid continues to decline, and a large proportion of people do not qualify for legal aid yet are unable to afford the cost of engaging a lawyer – the ‘missing middle’ of the legal services market (Bell 2019).

Small steps

In the past century, legal professionals and others have taken small steps to provide access to legal processes and legal advice to people who could not otherwise afford them. By doing so, they have inched closer to the ideals of universal justice. Though the organised Bar has repeatedly served its own interests before those of the public, and has restricted access to justice for the poor, it has been a relatively constructive force (Gordon 2019).

Ignorance of basic legal issues

If people do not know they have rights or legal responsibilities, do not have the confidence to assert them or do not know the pathways to gain access to legal support and advice to action these legal rights, then those legal rights become unrealisable (Curran 2017).

Innovation will not help consumers

Waye et al (2018) demonstrate that the position of low-income consumers is not necessarily going to be that much improved by the innovations that are being implemented by [Australian law firms]. Most of the innovation pursued among Australian law firms is aimed at improving existing areas of legal practice. Consequently, the majority of innovation targets the traditional high-end business market segment or improving the commercial transactions of small- to medium-sized businesses and affluent individuals. When correlating innovation-active law firms with the areas of their legal practice, we found the following negative correlations: criminal law (−.253), family law (−.194) and government law (−2.33).

Development of access to justice models

Concern about pro bono as a model of legal assistance

Our main finding is that elite law firms that co-occupy the highest status positions within the field are the most conforming in their pro bono relationships. These findings are true above and beyond key controls like organisational size and revenue (class). These results, therefore, support our status-signalling hypothesis where we argue that the closer actors are to the top of a given status hierarchy, the more likely they will build collaborative ties that mimic other high-status peers. This paper has important
implications for the delivery of legal services and the ‘access to justice gap’. Large law firms have become an important source of pro bono assistance to public interest legal organisations (PILOs) in an era of increasing resource scarcity. Although large firms have collectively mobilised millions of pro bono hours to assist a large number of PILOs, our findings raise important concerns with this model of legal assistance. Not all PILOs can generate the same number of collaborative ties with elite law firms. This generates a cumulative-advantage dynamic in which a reduced set of high-status law firms gets to collaborate with the same PILOs (Leal et al 2019).

The gap in pro bono legal services provided by corporate legal departments and large private law firms is not surprising: the formalisation of pro bono work by large firms has been under way on a significant scale for far longer than it has within corporations. This process has made large firm pro bono efforts more efficient and effective through improved practices. It has also led firm leaders and lawyers generally to expect more volunteerism of this sort. Companies that apply their resources, business experience or other assets have successfully expanded the impact of their pro bono hours. Because of the scale of this need, and because legal-services lawyers have specialised expertise that corporate lawyers can’t easily replicate, corporate pro bono efforts will not, on their own, close the justice gap. But these efforts have the potential to contribute significantly more to the ability of legal-aid organisations to serve their clients, and to help to close this gap (Wallace 2019).

LEGAL SECONDARY CONSULTATIONS

Legal secondary consultations are where a lawyer gives one-to-one information or advice in a timely and approachable way to non-legal professionals (‘trusted intermediaries’) likely to have contact with vulnerable and disadvantaged clients. This builds capacity and confidence in professionals to identify legal issues so they either support a client or, where appropriate, refer clients who would otherwise not get help because of a range of inhibitors. Legal secondary consultations enable people to identify legal issues which if unidentified or unresolved can impact significantly on their lives (Curran 2017:46).

NEED FOR CORPORATE RESPONSIBILITY PRACTICES IN LAW FIRMS

Australian law firms should engage more actively with human rights standards and ensure that they are not unwittingly complicit in human rights violations. It identifies key areas in which law firms’ conduct may affect human rights and suggests corporate responsibility practices and policies for adoption (Carr 2019).

BENEFITS OF NEIGHBOURHOOD LEGAL SERVICES PROGRAMMES

Neighbourhood legal services programmes mitigated the damage resulting from the civil disorders (Cunningham and Gillezeau 2018).

The Neighbourhood Justice Clinic (NJC) is a remarkable experiment in community lawyering:

- First, unlike most legal service providers, the Consumer Justice Clinic (CJC), as the practice is now known, remains focused on the problems that potential clients bring in, not the problems that the clinic is already prepared to address.
Second, the CJC has taken what it has learnt from its intensely client-focused approach and, once again showing a most unlawyerly derring-do, has crafted and somehow succeeded in passing legislation in Sacramento that remedies specific problems facing the clinic’s low-income clients.

Third, the CJC has brought together other providers of legal services for low-income consumers in the Bay Area and around the state to share strategies and resources; it has convened nongovernmental organisations and government lawyers and academics to develop strategies, templates and case ideas; and it has even become the fulcrum of a formal policy coalition in Sacramento. These activities are no accident. They stem directly from the energy, optimism and dedication with which the clinic was born (Mermin 2018).

**Growth of legal self-help**

Legal self-help is the fastest-growing segment of legal services in the US, and a significant addition to the repertoire of programmes aimed at opening up access to justice in the civil legal system (Bertenthal 2017).

Berenthal (2017) studies the process through which legal self-help litigants develop legal literacy, including the role of lawyers in helping them to do so.

The Utah State Courts’ Self-Help Center provides information to help individuals – including older adults – to understand their rights and responsibilities, and to help them resolve legal problems if they cannot afford an attorney or choose not to hire one. The centre is a model for state-wide remote-services delivery. It uses telephone and internet-based technologies (email, text and website), and interacts with self-represented individuals, the courts, the legal community, libraries, social services entities and other government and community partners (Ciccarello 2019).

**Improving access to justice through online platforms**

**Legal aid websites’ readability challenge**

There is a need to develop appropriate readability levels in legal aid websites to improve access for vulnerable populations. Since most civil legal aid clients, like Medicaid clients, read at a fifth-grade level, the content of most sites far exceeds the literacy skills of the target population of the Legal Services Corporation (Dyson and Schellenberg 2017:159).

**Impact of expertise automation in access to justice**

Substantial claims have been made generally about the capacity of legal AI or automated systems (and indeed, technology in general) to improve access to justice. This may occur through clients being able to do their legal work themselves; through clients doing some elements of their own legal work (unbundling); or through lawyers using technology to themselves work more efficiently and pass costs savings on to their clients. The US Legal Services Corporation, in its ‘vision’ for improving access to justice through the use of technology, described a strategy with five components, including the development of expert systems ‘to assist lawyers and other services providers’ (Bell 2019).
Expertise automation is the realm of software developed to increase access to justice for individuals who do not have the resources to access a lawyer. These tools include will drafting, and even assist individuals in litigation contexts such as housing court or fighting traffic tickets (Davis 2020).

AI has the potential to increase access to justice in the self-help, individual and corporate law firm markets by lowering costs and expanding services to untapped markets (Simshaw 2019).

The first segment of legal-tech startups provides self-service through commoditised law solutions and improved access to justice in the legal industry by satisfying clients’ cost-effectiveness needs. In this category, most legal-tech startups target individuals, small businesses and enterprises, for example, for online legal-document services (ie, firms such as Great Way Great Win, Rocket Lawyer and Legal Zoom), smart law and the drafting of smart contracts (firms such as ShakeLaw, smartlaw.de and synergist.io) (Hongdao et al 2019a).

Access to justice is a primary concern for many lawyers, politicians, advice workers and others connected to justice systems. It is already a matter of considerable concern with the substantial cutbacks in available public funding for representation. It is essential that advances with digital technology do not thereby create more inaccessibility to justice, even digital justice (Hodson 2019).

Many legal needs are not met in the less developed geographic regions and in financially less rewarding practice areas. There, the market generates innovation not through the game of ‘survival of the fittest’, but through a more general demand for access to justice and legal protection, which needs to be attended through creative ways as conventional channels are either inefficient or insufficient. As such, it is argued that the new generation of internet-based legal service portals serve to provide an effective alternative to improve access. Instead of being organised as traditional partnership law firms, these sites are founded and financed by non-lawyers, and have rather adopted various innovative business models, which pose new challenges to China’s restrictive law firm regulations (Li 2019).

**Importance of lawyers’ involvement**

In the case of vulnerable parties and children, technology may not be an appropriate substitute for human family lawyers (Bell 2019).

**Growing normality of management practices and new business models**

**Consolidation of key law firms’ resources**

**Human capital, social capital and organisational reputation**

Conventional wisdom identifies human capital and organisational reputation as the critical resources explaining professional partnership performance (Lander et al 2017).

There is significant evidence of relationships between social capital and human capital in the form of knowledge acquisition, where social capital facilitates professionals’ capacity to acquire knowledge from clients and increases the overall amount of knowledge acquired (Suseno and Pinnington 2018).
**Client relationship**

The repeated nature of the relationship allows the client to create a contract where the desire to maintain the relationship induces the law firm to exert the optimal level of effort (Graham and Robles 2019).

**Market knowledge**

This is essential to law firms operating in competitive markets (Suseno and Pinnington 2018a).

**Information assets**

The current ineffective management of firms’ information assets drives the need to change from hard to soft copy, ensure privacy, manage knowledge, embrace technology, change culture and behaviour, and increase operational efficiency (Evans and Price 2017).

**Organisational and management assets**

Professional partnerships (PPs) have increasingly adopted organisational practices such as strategic planning and formal governance that have long been alien in highly professionalised contexts. To test the influence of classic resources – human capital and organisational reputation – and the newly adopted practices on PP performance, as well as the mediating mechanisms – that is, client attraction and retention as well as organisational efficiency – through which this influence is channelled, we develop an integrated theoretical framework of PP performance. Our findings provide new insights into the drivers of PP performance and the complex interrelationships between PP resources and newly adopted practices (Lander et al. 2017).

**Emergence of innovative human resources management**

Competitive advantage and competitive strategy in professional service firms is a unique and discrete context due to the resource assets professional service firms develop and deploy (Stewart 2018).

**Slimming down old models**

The ‘old’ model of hiring and then letting go large numbers of young lawyers cannot survive (Davis 2020).

**Taking the perspective of employees**

Integral to employees’ working lives are the human resources policies and, more importantly, the practices that follow those and their implementation that employees experience directly. To date, research on HR implementation considers how human resources management (HRM) is ‘done to’ employees by management and therefore ignores the agency of individuals to shape how it is ‘done to them’. Taking the perspective of employees, in a qualitative study of female lawyers, this paper examines employees’ roles in shaping HR implementation, addressing a lack of understanding about the role of ‘others’ in the process. Drawing on the concept of social power, the article focuses on the implementation of agile working practices within UK-based law firms. It finds that despite lacking legitimate position power to influence processes, employees draw on a variety of other power sources (eg, referent, information, coercive)
and tactics (eg, leveraging membership of professional networks) in order to influence their working environment with respect to HR policy and practice, particularly in response to perceived implementation gaps. The current study underlines that employees may be integral to bridging the gap between policy and practice and therefore to ensuring the link between HRM and organisational performance. It also proposes that behavioural responses to HR practices should be considered in future theorising of the HRM–performance relationship (Budjanovcanin 2018).

**Cluster Hiring**

Hiring of a group of highly skilled individuals from one or several competitors to alter the organisation’s strategic human capital resources has emerged among practitioners in knowledge-intensive firms as an alternative tactic for the acquisition of strategic human capital. Cluster hiring in knowledge-intensive settings is primarily focused on the acquisition of highly skilled individuals that are central in the value-creation process. High levels of expertise overlap in cluster hiring is positively associated with change in firm profitability when there is low depth of strategic human capital at the hiring firm in the areas represented in the cluster hire (Eckardt et al 2018).

**Leaders’ Compensation Plans to Address Multitasking**

The authors study an international law firm that changed its compensation plan for team leaders to address a multitasking problem: team leaders were focusing their effort on billable hours and not spending sufficient time on leadership activities to build the firm. Compensation was changed to provide greater incentives for the leadership activities and weaker incentives for billable hours. The effect of this change on the task allocation of the firm’s team leaders was large and robust; team leaders increased their non-billable hours and shifted billable hours to team members. The firm’s new compensation plan (combining an objective formula with subjective evaluations) is the fastest-growing compensation system among law firms today (Bartel et al 2017).

**Context Influencing Turnover-Firm Performance Relationship**

Context-emergent turnover theory (CETT) focuses on the contextual factors that influence the turnover-firm performance relationship, yet to date has not investigated how particular firms weather the detrimental effects of loss more effectively than others. We build on the CETT literature by theorising that different human resource bundling strategies are central contextual factors that affect the effects of human resource exit. Specifically, we argue that bundling human resources before exit in greater concentrations deflects some harmful effects of turnover. Pre-exit bundling ensures that remaining professionals post-exit retain both the capacity necessary to meet job demands and the critical tacit knowledge of firm routines that maintain effectiveness. Our study examines the loss of professionals in a panel of the largest US-based law firms. We find general support for our theory. Results show that losing professionals when the pre-exit bundling had produced greater geographic, hiring and service concentration lessens the negative effects of loss (Brymer and Sirmon 2018).
Associates’ Business Risk Strategy in the Path to Partnership

Associates need reputation and financial resources to make partner at law firms, consultancies and venture capital organisations. We provide a theory for how this prospect influences the business risk strategy they pursue and their execution effort. In our model, business risk affects how reputation evolves and the benchmark reputation for making partner through the impact of execution effort on the financial resources accumulated. We show that when business risk is observable, associates with good reputation take on high business risk, as opposed to low business risk, in order to protect their reputation. We also show that opening partner positions decreases the effort incentives of the associates with the best reputation. Finally, we conjecture that wage dispersion at the associate level should be higher when business risk is unobservable (Loss and Renucci 2019).

Talent Management Challenges

Professional service firms and law firms in particular face war for talent challenges. The findings point to talent management challenges including reputation building and maintenance, employee autonomy, knowledge acquisition, revenue and profitability through internationalisation, managing knowledge across borders, managing employee mobility, talent acquisition and retention, talent engagement, performance management and developing leadership capability. These challenges are important issues to be considered by professional service firms as they attempt to compete more effectively in global business contexts (Suseno and Pinnington 2017).

HR Flexibility

HR flexibility builds employees’ flexibility to create new meanings in their jobs, contributing to the flexibility and dynamism of their team and organisation. The primary research aim is to seek an insight into the relationships between HR flexibility and job crafting at both individual and team levels via knowledge sharing as a mediator. The data for variables in the research model were garnered from public employees and their supervisors from public legal service organisations in the Vietnamese context. The research results supported the positive links between HR flexibility and individual as well as collective job crafting through the mediating mechanism of knowledge sharing. HR flexibility also demonstrated the interaction effect with public service motivation in predicting knowledge sharing among public employees (Tuan 2019).

Certain Employee Departures Can Enhance Firm’s Competitiveness in Labour Market

Specifically, increased rates of career-advancing departures by a firm’s employees can signal to potential future employees that the firm offers a prestigious employment experience that enhances external mobility opportunities. We find that increased rates of employee departures lead to increases in a firm’s prestige when these departures are for promotions with high-status competitors (Tan and Rider 2017).

Development of HR Strategies to Maintain Competitive Edge in Global World

- Social capital for client retention and satisfaction;
- ensuring person–organisation fit;
• continuous learning and development: growth through cross-selling opportunities, organisational learning and knowledge management systems, external engagement through partnership, alliance or secondment opportunities, innovative recruitment and retention strategies; and

• engaging talent: creating a positive organisational culture, rewards and performance and succession planning through leadership development (Suseno and Pinnington 2017:221).

NEED TO ADEQUATELY MANAGE PROMOTIONS TO PARTNERSHIP

The emotionally strenuous and exhaustive nature of promotion processes enables a different way of reflecting and talking about promotions which moves away from promotion criteria, frameworks and gatekeepers to recognising the emotions experienced by promotion candidates and how this might affect their ability to enact the new role. This is important because it may lead organisational decision-makers to develop a more supportive process, design more effective feedback mechanisms particularly in cases of unsuccessful promotions and provide resources post-promotion as candidates transition into the new role, such as coaching experts. Reflecting on and talking about their experiences in this way may also help promotion candidates to become more aware of the emotions they experience as part of their promotion journeys and develop their coping skills particularly given the uncertainty surrounding these critical career events (Gustafsson and Swart 2019:27).

IMPORTANCE OF TRANSFORMATIONAL LEADERSHIP PRACTICES

Leaders in law firms should be aware of the importance of transformational leadership (TL), innovative climate and firm strategic processes so that they can successfully build a firm-wide entrepreneurial orientation that will potentially lead to a firm-wide performance excellence (Phillips et al 2020).

The adoption of TL practices and involvement in CSR activities can improve job performance. Leadership is essential for the success of every organisation, as people believe in the ability of their leaders to guide change and achieve success. Today’s law firms are operating in a complex business environment and facing huge competition from both clients and talent. Tough competition, business alliances, corporate social responsibility and market conditions demand a huge transformation in the law industry (Hongdao et al 2019: 1).

Increased development of management practices

QUALITY MANAGEMENT

Quality Management (QM) is a multifaceted and continuous process rather than a straightforward and episodic one. The findings reveal three distinctive dimensions of QM for PSFs: managing the firm’s image; managing the client-firm interaction and support processes; and managing the perceived value of service outcome. Further, the results showed a significant variation in the design of QM practices in a relatively homogenous group of PSFs. This reflected the influence of personnel and organisational characteristics on the QM (Prashar 2020).
IT-BASED KNOWLEDGE MANAGEMENT

The widespread use of IT-based knowledge management systems in professional service firms offers the opportunity for the combination of resources and business models in order to deliver customised and innovative solutions to clients as well as the organisation of knowledge resources for combination into more standardised product and service offerings for efficiencies (Stewart 2018).

INFORMATION ASSET MANAGEMENT

Every one of the changes and challenges in the legal industry has an information management component: informing customer access, relationships and service; the scoping and planning of matters; the pricing of proposals; business and professional decision making; the firm’s profitability and competitiveness; risk management; service delivery; and lawyer and staff behaviour. Significant improvement to law firms’ business performance can be driven by overcoming barriers to information asset management such as lack of executive awareness, justification, business governance, leadership and management, as well as ineffective tools (Evans and Price 2017).

PROCESSES AND PROJECT MANAGEMENT

Key drivers and consequences of deadline-related time pressures on workflows, task sorting and work quality. We use large-scale data on patent filings, along with insights from primary data collection, to test our hypotheses. In line with our predictions, we find clustering of patent filings around month-ends, with month-end applications being more complex than those filed on other days. Consistent with time pressure reducing work quality, we find that work quality is lower for tasks completed at month-ends, more so for process measures of quality than for outcome measures. Calibration of our model to the data allows us to shed light on the benefits of deadlines and suggests small levels of task acceleration but potentially larger working capital-related benefits for law firm (Balasubramanian et al 2018).

Legal drafting process standardisation: Our empirical findings provide strong evidence of significant (structural) inefficiency in the drafting process which raises costs and risk to clients. This article argues that this inefficiency calls for an industry-wide solution of creating standardised templates for merger agreements that could be used across firms. The use of standardised documentation would help to minimise the time-consuming (and expensive) drafting process of lawyer- and firm-specific edits that do little, if anything, to protect clients or affect the substance of the transaction. Furthermore, deal-term standardisation would have positive externalities, as judicial opinions crystallise the meaning of standardised text. In addition, this article’s analysis suggests that, somewhat counterintuitively, the failure to standardise text actually may stifle true innovation in the transactional context. This article argues that by establishing an industry-wide set of ‘base documents’, lawyers could create the technological platform on which to create truly innovative solutions for clients at lower cost. While lawyers may not have the self-interest to embrace a standardised set of documents on their own, this article argues that repeat-player private equity firms or trade associations for the private equity industry may have the economic interest and leverage to push for greater standardisation (Anderson and Manns 2017).
MODULARISATION OF PROFESSIONAL LEGAL SERVICES AND SUPPLY CHAINS

Our findings show that legal services are currently over-customised, offering significant opportunities for the application of modularity across their supply chains. We generate insights to show how service modularity can be applied to the service offering, processes and supply chain levels of law firms. We also demonstrate the effects of each level of modularisation on the selection of appropriate interfaces and on the decomposability of services (Giannakis et al 2018).

Outsourcing: small and medium-sized enterprises (SMEs) should embark more on outsourcing strategies to attain the benefits of cost savings or restructuring which results in better customer service at profit; also, outsourcing process management through follow-up steps like effective communication and monitoring should be employed and taken seriously to better reap the benefits of this maintenance/growth strategy. Also, SMEs should ensure that the costs of managing the outsourcing process is not greater than the benefits generated by the outsourcing programme (Agburu et al 2017).

STRATEGY MANAGEMENT

Colonisation contest: Considerable research attention has been devoted to the processes of so-called colonisation, in order to explain the success and transformation of large accounting firms into large conglomerate PSFs. However, we still know little about how these processes may be contested. Drawing on a rhetorical perspective of legitimacy and on in-depth interviews with high-level members of leading accounting and law firms in the forensic accounting market in the Netherlands, our research identifies various rhetorical devices used by these firms to expand or defend their legitimacy in a common market, by simultaneously seeking to promote competition and collaboration. By showing how these rhetorical devices relate to the evolving field dynamics, this study provides a deeper and more nuanced understanding of the desired outcomes and primary means of achieving them that are central to colonization contests between PSFs (Taminiau et al 2019).

Use of value-based rhetoric by accounting and law firms: Accounting firms’ use of value-based rhetoric is aimed mainly at contesting current practices of law firms, particularly by moralising to these firms for not behaving with integrity in the manner they sell legal privilege to their clients. This form of competition is primarily related to the present stage of truce and deployed the potential to reclaim jurisdiction. Although the issue of legal privilege may be associated with undermining their legitimate position in the field, accountants continue using ‘derived legal privilege’ for pragmatic and commercial reasons. However, they remain critical, as they argue that forensic accounting is generally conducted best under the conditions of independence, openness and transparency (Taminiau et al. 2019: 66).

Rise and transformation of the Big Four legal service lines: There are good reasons to believe that these sophisticated players will be even more successful in penetrating the corporate legal services market in the decades to come, as that market increasingly matures in a direction that favours the integration of law into a wider category of business solutions that these globally integrated multidisciplinary practices now champion (Wilkins and Esteban 2018).
Entrepreneurship

Professionals and the professional service firms they start are interesting and unique settings for examining entrepreneurship. As entrepreneurs, professionals are unique as they often identify as strongly (or more) with their profession as an institution as they do with their own firm as a value-creating entity (Stewart 2018).

Many professionals practise in the context of strong professional institutions that prescribe intense socialisation, codes and norms. While some professionals work as employees, many start their own firms in order to practice. Firm startup for professionals is more prevalent than for most other occupations. While professional institutions often constraint their activities, firm startup for professional service entrepreneurs (PSEs) involves similar entrepreneurial activities as other entrepreneurs, creating an interesting paradox worth investigating. This paper explores the uniqueness of PSEs and the firms they start, and the distinctiveness and value of research in the context of PSEs and professional service firm (Stewart 2018).

Innovation and organisational change

Beneficial practices for innovation

A structured and organised approach to innovation benefits professional services firms (Bourke et al 2020).

Beneficial practices include multifunctional working, promoting effective team-working, developing in-house research capability, having a leadership team committed to innovation and having strong external relationships. Firms with owners from outside the focal services sector, in the present case legal services, prove more effective at both ideation and knowledge codification (Bourke et al 2020).

Barriers to innovation

It is not inherent conservatism or firms’ internal governance structure that inhibits innovation and slows down adaptation to the new business environment. Rather, the two most significant barriers to change are the high cost of innovation projects and regulation governing the legal profession. The latter is somewhat surprising given Australia’s relatively liberal regulatory framework allowing non-lawyer investment, multidisciplinary practice and the employment of lay associates (Waye 2018).

Unwillingness to innovate

This paper analyses interview data from 24 long-qualified family law solicitors working in private practice traditional settings in the Midlands and north of England. Experiences and perceptions of change are explored to contribute to contemporary understandings of practitioner willingness to innovate in the new legal services landscape, particularly as family law solicitors have been called upon to adopt new practices such as unbundling to survive. Three ‘types’ of emergent identities are identified among the sample respondents: innovators who are open to adaptation; the compelled who incorporate changes but are resentful about having to do so; and traditionalists who resist change and over a service based on trust. These are linked to attachment to traditional role orientations, values and boundaries, as well as
practice settings and perception of opportunities and threats. A proportion of family law solicitors across all practice settings may be resistant to innovation, even if needed to deal with commercial threats or plug gaps in public access to legal advice. Thus, practitioner resistance may pose a difficulty for the adoption of proposals that would require renegotiation of professional boundaries such as legally assisted mediation or a relaxation of client management such as unbundling. Of the three groupings, innovators appeared less concerned about client management, which suggests a link between willingness to adapt and fluidity in professional identity. Further changes in the practice of family law solicitors may be needed in future but these qualitative research findings suggest that attachment to existing professional boundaries and traditional values associated with family law solicitor professional identity such as client management may present a barrier to innovation in this new legal services landscape which presents both opportunities and challenges (Russell 2019).

**Subject matter innovation**

Under the standard model in law and economics, agents maximise expected profit subject to constraints set by legal rules. In such a model, the expected reaction to legal innovations is immediate. However, this is not what we observe after class actions have been introduced into Israeli law. For a long time, the new procedure was rarely used. Then, the adoption process gained momentum. We discuss alternative explanations for this phenomenon. We find that class action filings are explained not only by law firms’ own litigation outcomes, but also by the available information about other firms’ success, and their cumulative filing pattern. We thus explain the observed filing pattern by both individual and social learning, and cannot exclude mere social imitation (Engel et al 2018).

**Emergence of innovative business models**

As businesses and corporations adjusted to the economic climate following the financial crisis, a new business model was developed: one that prioritised efficiency over billable hours, regularly outsourced its low-skill work, embraced the use of emerging technology and often substituted temporary employees for recent law school graduates (Valentine 2019).

Family law solicitors’ challenge has been the increasingly competitive market for a shrinking pool of privately paying clients after the global financial crisis in 2007–8. As a result, there is now an increasingly competitive market, made up of private practice law firms, networks of firms such as ‘Quality Solicitors’, alternative business structures such as ‘Co-op Legal Services’ and specialised online providers such as www.quickie-divorce.com (which offers a divorce for £67) (Russell 2019).

**New flexible business models.** Alternative business models and wider use of digital technologies have developed alongside debates about the future of legal practice in family law. Arguments have been made for new hybrid (flexible) models that combine legal advice with mediation and for solicitors to be enabled to work with two clients (Skinner 2019).

**Key issues related to changes in law firm’s business models caused by digitalisation** (Breunig and Skjolsvik 2017):

- cost and lawyer flexibility as main drivers of business model innovation through technology;
- rethinking of business models in law;
• enacted technologies as driver of change; and
• digitalisation as a way to overcome resource trade-offs.

Each of these issues can and are likely to cause extensive changes to a professional service firm’s business model. The authors find that digitalisation has huge implications for how professionals in the legal industry can structure their work, interact, recruit and train employees as well as design their services and interact with clients.

*Artificial intelligence* will affect the size, shape, composition and economic model of law firms (Davis 2020).

*Relationship between creativity, ignorance, and mobility*. The authors explore the time-spatial dynamics of collaboration under the influence of two distinct forms of ignorance: unrecognised and specified ignorance. Initially, participants do not know what they do not know and are unable to purposefully directed search for inspiration. In this stage, overlapping local opportunities play a significant role to afford serendipitous encounters. Creative processes take a decisive turn, once participants manage to specify their ignorance. It becomes possible to circumscribe missing expertise and to search for it more purposefully – or to intentionally refrain from further inquiry. Now mutual attraction of experts enables interaction across distance. Places deemed irrelevant are circumvented (Brinks et al 2018).

**Organisational change on service-by-service basis**

As a result of increased competition Higgs & Sons successfully transformed some of its services from a ‘professional partnership (P-2)’ delivery style towards having greater ‘managed professional business’ (MPB) characteristics, but found that not all of its services were suited to this change, and that different types of service styles were necessary on a service-by-service basis (Clegg et al 2020).

**Organisational innovation in the judiciary**

De Batista et al (2019) analyse how the adoption and implementation of organisational innovation can lead to better and more efficient services in the Brazilian judiciary.
Node III – Expansion of legal technology solutions

Global development of online legal platforms and AI

To face current market needs and competition, traditional firms must adopt legal technologies and invest in their further development (Hongdao et al 2019a).

Growth of the online legal market

Need for lawyers’ involvement in online legal information systems

Crowe et al (2019) state that while the availability of online legal information presents great opportunities for the rule of law to be maintained by providing citizens with legal information, it undoubtedly also presents significant challenges and is no panacea:

- **Benefits**: Accessibility to a large amount of information from different sources.
- **Challenges**: The challenge is to provide sources of information that usefully inform non-lawyers.
- **Solution**: Personalised supplements to online information are critically important both for engaging consumers of legal information and for the rule of law. Such personalised supplements should optimally be available through human sources who are relatable and can explain complex concepts in a way that supports understanding and takes account of the parties’ circumstances.

Marginal threat to the traditional legal market?

Despite its growth, the online legal market is imposing a minimal threat to the traditional legal market due to the lack of interference in labour supply and demand between these two markets (Yao 2019).

Online dispute resolution progression

In terms of LawTech, Barnett and Treleaven (2018) broadly divide online dispute resolution (ODR) into: consumer ODR, corporate ODR and judicial ODR.

**Consumer ODR**

This uses technology to facilitate the resolution of disputes between ecommerce parties, typically online suppliers and consumers.

**Corporate ODR**

The use of technology to manage the resolution of any contractual disputes that may emerge from major multi-partner projects or financial transactions:

- The use of blockchain-distributed ledger and smart contract technologies will have wide ranging
effects in the conduct of litigation and can be used to dramatic effect if the parties agree to abide by a trusted decision made by a neutral fourth party, to produce an outcome within days rather than years in the most complex of disputes.

• They can be more easily incorporated in anticipatory disputes, such as in construction contracts where a collaborative approach in design and construction is encouraged, and substantial progress has already been made to reduce the paper content of critical documentation to a digital form.

• Parties will be able to keep sensitive material confidential during the transaction, with smart contracts in place to reveal the contents of files, plans, economic models and other digital data once a dispute resolution process has been begun.

• A widespread use of algorithmic discovery will affect the giving of legal advice before people decide to undertake litigation.

• Further, the use of other blockchain technologies in combination with AI will also increase the speed at which disputes can be brought to a conclusion and resolution established, make significant reductions in the cost of litigation, and bring about certainty for those who are involved in the most complex and difficult disputes around the world.

JUDICIAL ODR

This covers any means of settling ‘ordinary’ disputes where there is a hearing (using technology) but outside of the courtroom, such as divorce or personal injury case.

*Key impact of digitalisation for the family court community* (Hodson 2019). Digital technology and innovations are transforming the practice of family law and delivery of family justice systems worldwide.

• Clients will expect resolution of family relationship disputes through digital means, whether online courts, software applications or, as a minimum, digital court processes.

• It is inevitable that the law itself will be adapted for the digital process with chief difficulties arising with the common law discretionary elements.

• Fundamentally, IT innovations risk creating a new category of parties without access to justice, specifically digital justice, which must be tackled.

• International families live particularly in a digital environment and demand digital resources in their dealings with justice systems.

• Digital technology in family justice is about justice in families. Lawyers do not go into family law wanting to be legal digital technicians. They want to create family fairness. They have a keen sense of the best interests of a child, and they are committed to overcoming bullying and domestic abuse. They want a system that will help separating families come through the process as well as possible. Some of this can be done by non-lawyers including paralegals, mediators, and other ancillary professionals. But most important are the skills, experience and expertise of qualified solicitors, barristers and judges. These aims and intentions of family lawyers will not change with digital technology. However, the way of working and the way of practising law will definitely change, and the expectations of clients will
inevitably change, especially in their own digital requirements of professional services. The procedures and possibly the law will change, and there will be many new innovations and enterprises within the family courts in the near future, which are still presently in a most rudimentary stage and without any thought or contemplation of adaption to family law (Hodson 2019).

**Critical analysis of the ‘online court’**

The need to optimise the judicial system of England and Wales led Lord Justice Briggs to write a comprehensive report about the subject, in which he suggests the establishment of a model, the first of its kind in the UK, which he terms the ‘online court’. Menashe (2018) argues that the model is a desirable template which should first be employed as a pilot programme, dealing with civil proceedings that may be easily resolved and claims involving relatively small amounts of money. Further down the road, this model may be applied to additional proceedings involving cases that are more expensive or more complex. Ultimately, the online legal system proposed constitutes the first step towards accommodating the court system to the innovative reality of the internet age, in a manner which is both systematic and controlled. The aim is to streamline existing legal proceedings and to make all legal services accessible, with the overarching ideal of ‘justice for all’ as the guiding principle.

*Advantages of the ‘online court’:* saving time and money; making the court accessible to the disadvantaged; and reducing the caseload of each courtroom (Menashe 2018).

*Drawbacks of the ‘online court’:* it might enable frivolous lawsuits; the threat of identity theft by either party or even by a third part; absence of legal representation; and concern of false testimony (Menashe 2018).

**Transformational prospects of AI for the practice of law and the legal system**

**Projected growth**

A market research report issued in 2019 by Zion Market Research suggests that the global legal AI market will grow at 35.9 per cent a year/CAGR in terms of revenue between 2019 and 2026 (Davis 2020).

**Dominant players**

Three groups can be seen as predominating in the development of AI legal solutions (Davis 2020):

- legal publishers;
- the major accounting firms; and
- venture capital supported entrepreneurs within the high-tech world.

**Scope of tasks**

Some authors consider the kinds of tasks that machine learning (ML) and natural language processing (NLP) can perform, when used to conduct legal research, to identify biases and discrepancies at the doctrinal level and in the performance of lawyers and judges, and to facilitate access to justice for those who cannot readily afford legal services (Stern 2018).
Primary Areas of Impact

AI is transforming what it means to provide legal services in six primary areas: litigation review; expertise automation; legal research; contract analytics; contract and litigation document generation; and predictive analytics (Davis 2020).

Access to Justice

As in many other industries, AI is poised to drastically transform the legal services landscape. ‘Bots’, automated expert systems, and predictive analytics are already changing the way consumers seek, and lawyers provide, legal services. Among other impacts, AI has the potential to increase access to justice in the self-help, individual and corporate law firm markets by lowering costs and expanding services to untapped markets (Simshaw 2018).

Transformational Capability

In the short run, we can expect greater legal transparency, more efficient dispute resolution, improved access to justice, and new challenges to the traditional organisation of private law firms delivering legal services on a billable hour basis through a leveraged partner–associate model. With new technology, lawyers will be empowered to work more efficiently, deepen and broaden their areas of expertise, and provide more value to clients. These developments will predictably transform both how lawyers do legal work and resolve disputes on behalf of their clients (Alarie et al 2018).

AI Developments Proposed by Authors in Our Database

Han et al (2018) propose a sentencing interval prediction model of criminal cases based on a convolutional neural network, and through the method of multi-core convolution, greatly enhance the generalisation ability and prediction performance of the model.

Soundarajan and Hook (2017) present the preliminary results of a pilot project to design a predictive coding system for electronic discovery (e-discovery) that will be able to handle potentially relevant evidence in myriad formats and that will have the features and functionality that lawyers and members of the legal team will find most useful. This predictive coding system combines available software tools with particular emphasis on usability and in making the user interface as intuitive, attractive and user-friendly as possible.

Legal technology, particularly AI, is increasingly raising ethical concerns

Given the benefits of automation, the question arises as to how far the implementation of legal tech should go (Ireland and Hockley 2020).
Impact of AI for the rule of law

AI MAY CHALLENGE DEMOCRATIC CONCEPTIONS OF LEGAL AUTHORITY

A number of authors are concerned with the challenges that algorithms based on ML and natural language processing (NLP) pose to democratic conceptions of legal authority (Stern 2018).

NEED TO ALIGN AI WITH LAW AND THE RULE OF LAW IN A TESTABLE AND CONTESTABLE WAY

As lawyers, we should engage with artificial legal intelligence to make sure it aligns with law and the rule of law in a testable and contestable way. As a matter of fact, this may save us from ridiculously complex systems outcompeting each other with regard to big business compliance issues. Bringing artificial legal intelligence under the rule of law is not obvious. It will require a specific design of the upcoming computational architecture of our legal systems; indeed, it requires us to reinvent law and the rule of law, setting the right defaults, developing the right standards, translating fundamental legal principles into the hardware, the operating systems, the firmware, the software, the applications and the machine learning methodologies we are on the verge of embracing (Hildebrandt 2018).

CONSEQUENCES OF THE SHIFT FROM LAW AS INFORMATION TO LAW AS COMPUTATION

Four implications may disrupt the concept and the rule of law (Davis 2020):

- The opacity of ML software may render decisions based on its output inscrutable and thereby incontestable; ML’s opaque algorithmic procedures (whether the result of ‘deliberate hiding of the source code’ or concern to protect a firm’s trade secrets and intellectual property rights) make it ‘difficult or even impossible to test [the algorithm’s] reliability and to investigate the assumptions that inform [its] development’. Moreover, ‘even if experts manage to verify the software, most of us lack the skills to make sense of it’, rendering us dependent on its creators or credentialisers.

- The shift from meaningful information to computation entails a shift from reason to statistics, and from argumentation to simulation.

- In the process of developing and testing data driven legal intelligence a set of fundamental rights may be infringed, compromised or even violated, notably the right to privacy, to non-discrimination, to the presumption of innocence and due process, while also affecting consumer and employee protection and competition law.

- Risk of driving a new Catch22: To the extent that the algorithms become highly proficient – due to being trained by excellent domain experts in law – lawyers may outsource part of their work, as a result of which they may deskill as the software achieves high levels accuracy. At some point it may be difficult for these lawyers to check whether the software ‘gets it right’, confronting us with a new Catch22. The latter may be the most foundational implication of artificial legal intelligence.
Need for guidance concerning tech-related ethical challenges

Challenges stemming from the emergence of AI systems in law

With an eye towards the broad challenges facing the profession, legal communities should urgently initiate robust dialogue and issue guidance concerning the ethical challenges stemming from the emergence of AI systems in law: competence confidentiality, supervising third parties, communicating with clients, independent judgment and candid advice (Simshaw 2018).

Growing understanding of the non-cognitive underpinnings of professional judgment

Delacroix (2018) aims to contribute robust grounds to question the Susskinds’ influential, consequentialist logic when it comes to the legitimacy of automation within the legal profession. It does so by questioning their minimalist understanding of the professions. If it is our commitment to moral equality that is at stake every time lawyers (fail to) hail the specific vulnerability inherent in their professional relationship, the case for wholesale automation is turned on its head. One can no longer assume that, as a rule, wholesale automation is both legitimate and desirable, provided it improves the quality and accessibility of legal services (in an accountable and maximally transparent way). The assumption, instead, is firmly in favour of designing systems that better enable legal professionals to live up to their specific responsibility. The assumption, instead, is firmly in key challenges in the design of such profession-specific, ‘ethics aware’ decision-support systems. Aside from reducing professionals’ cognitive load, decision-support systems can and should be designed to counter the effects of routinisation, raise awareness of seemingly peripheral considerations and, most importantly, better listen to and engage with the person seeking professional expertise. Our growing understanding of the non-cognitive underpinnings of professional judgment (in part thanks to virtual reality simulations) – combined with novel, creativity-focused AI research – has the potential to radically alter the way we design decision-support systems meant for the morally loaded contexts that pervade most of the legal profession. This potential will only be realised, however, if the legal profession as a whole proactively engages in a long overdue debate about the values it stands for (as a profession) and the extent to which current system design choices may hamper or foster those values (Delacroix 2018).

Risks to understanding law as ‘a coherent web of speech act that inform the consequences of our actions’

Applying ML to the practice of law involves a plethora of legal services, such as e-disclosure, predictive forensics, assessment of evidence, case law analysis, argumentation mining, analysis of applicable law and quantitative legal prediction. Much of its success is due to a variety of ML techniques that perform NLP, seeking to develop statistically accurate relationships between an input (documents that are potentially relevant for evidence, case law, legal briefs or memos, doctrinal text, legislation and other types of regulation) and a desired output (relevant documents, relevant lines of argument, precedent, doctrine, applicable legislation or regulation). To the extent that the techniques are used for prediction the output will mostly concern the outcome of upcoming judgments, decisions of public administration or even the outcome of judgments by particular judges or administrators. By understanding law as ‘a coherent web of speech act that inform the consequences of our actions’, we can see the difference between ‘the mathematical simulation of legal judgment’ and ‘legal judgment itself’ (Hildebrandt 2018).
**Implications of AI for lawyers, law firms, clients and law schools**

In the longer term, it is difficult to predict what the impact of artificially intelligent tools will be, as lawyers incorporate them into their practice and expand their range of services on behalf of clients (Alarie et al 2018).

**How far technology will transform legal practice is disputed**

Some see a future in which legal AI will largely replace humans in providing legal advice and drafting documents. Others doubt that AI will progress that far. But everyone agrees that computers are already displacing human lawyers in areas like document review and assembly and will likely continue to do so (Barton and Rhode 2019).

The changes will be mostly focused in the following areas: training and qualification of future generations of lawyers (and where that training will happen); the composition and structure of law firms; and the economics of law firms (Davis 2020: 6).

**Erosion of legal advice privilege**

With technology becoming more integrated into legal practice, an important issue that has not been explored is whether legal advice privilege attaches to communications between client and legal services provider regardless of the degree of human involvement and even if the ‘lawyer’ might constitute a fully automated advice algorithm. The fundamental question must be whether at some time in the future we reach a point at which the bulk of legal service provision to individuals and corporations is by technology that provides a relatively cheap and reliable service in an environment that does not give rise to legal advice privilege. If and when that point is reached, it may become clear that the presence or absence of the privilege is not a key factor either when potential clients are determining whether to obtain legal advice or when they are determining what information to disclose to their legal advisers. Consequently, it may be that the rationale underlying the very existence of legal advice privilege is eroded to such an extent that the necessity for its continued existence comes into doubt (Stockdale and Mitchell 2019).

**Ambiguity about disruption of legal services market**

**Technology identified as major cause of disruption**

Law is not immune from disruption by new technology (Alarie et al 2017).

It is an unavoidable reality that the delivery of professional legal services is on the cusp of major disruption (Caserta and Madsen, 2019 in Ireland and Hockley 2020).

Legal services industries are entering a period of major disruption caused by new legal technologies, such as AI, Internet of Things (IoT) and blockchain (Barnett and Treleaven 2018).

For individuals with relatively routine needs, technology is opening up whole new markets and disrupting existing markets (Barton and Rhode 2019).
Blockchain-driven technologies are considered disruptive because of the availability of dis-intermediated, censorship-resistant and tamper-proof digital platforms of distributed trust (Covaci et al 2018).

Legal technologies became the main disruptor in the legal field by offering various kinds of innovative legal solutions and, hence, the possibility to establish new business and delivery models (Hongdao et al 2019a).

The platform economy model is disruptive to physical law firms because it diverts many transactions from offline to online, thus reducing the need for people to visit brick-and-mortar law offices (Li 2019a).

**Disruption of professional service jobs**

Professional service jobs are attractive because they pay well and, because of advanced skill requirements, have been relatively resistant to disruption. This research questions the job security of professional service workers in healthcare, higher education, legal services and management. Specifically, we explore the potential for new and advanced information technologies to allow lower-paid employees to do the work of service professionals. We consider job characteristics pertaining to low-task structure and high-decision impact, which theory suggests inhibit automation and justify professional training. Results show that professional service jobs are distinct according to the considered job characteristics but that the distinctions are not universal across industries. Healthcare professions are the most distinctive on these characteristics and, thus, are seemingly less likely to be disrupted. Professional jobs in education, legal services and management are less distinctive and, thus, more susceptible to be taken over by less-trained and lower-paid workers supported with advanced technologies (Sampson 2018).

**Scepticism about disruption in legal services market**

The evidence of disruptive innovation in the Australian legal profession is equivocal at most. Competition is driving change and encouraging new legal service business models. Technological advances are opening green fields of legal service delivery. Digitisation and cloud computing promise to provide better service to clients. Does that mean that the partnership model of bespoke advice is obsolete? Not yet (Waye et al 2018).

Unlike the disruptive impact Uber had on the traditional taxi industry, the digital legal market is not yet imposing a significant influence on the traditional legal market. There has been little disruption to the traditional legal market to this date (Yao 2019).

Artificial legal intelligence has recently been described as a disruption of the legal services market, the legal profession and prevalent business models, though scepticism regarding overly broad claims and objections against premature replacement of human legal expertise have surfaced (Hildebrandt 2018).

The emergence of many innovative software tools is only one of the drivers of change that will combine to transform the legal landscape radically and internationally (Kerikmae et al 2018).

**Significance of a clear categorisation of legal tech**

Legal tech in this context represents a broad range of solutions that affect both lawyers and clients on various levels. However, the discourse on automatisation of law has been scant and sporadic. This paper
aims to shed some light on the current operating technical solutions for innovation with the primary aim of explicating the different aims and levels of development of different legal technologies. The categorisation of legal technologies should become a relevant factor not only in the context of lawyer–client relationship (clarity of benefits and risks), but also for legal professionals among themselves, as different digital options described in this article have distinct capacities and aims. Finally, one should be careful to market every digital solution as AI; a clear categorisation and division of the technologies used would bring clarity in legal tech, which to many still seems as a mystified parallel world that threatens to swallow the traditional set-up of lawyers’ services. This would reduce the ambiguity and confusion that is understandable in the situations where innovation does not (yet) have firm frames. (Kerikmäe et al 2018).
Node IV – Pervasive legal services internationalisation

Continuous upgrading of the Global South in the global legal ecosystem

Need to ensure trust

Due to the need to ensure trust in a global age – through law, order and justice – legal services have become an international phenomenon (Hongdao et al 2019a).

The global economic order is at stake, affecting citizens around the globe (Shaffer and Gao 2018).

Emergence of global hubs

The development of legal hubs, such as Dubai, Hong Kong and Singapore, have, and will continue to, lead to a revolution in global legal services through a diffusion of both legal service providers and talent (Kingsley and Heap 2019).

Emergence of cities of the Global South as global hubs for legal services, such as the Dubai International Financial Centre, a de-territorialised legal fiction seeking to develop a privatised dispute resolution system that operates within and without national borders and jurisdictions (Kingsley and Heap 2019).

Impact of technology on emergence of global hubs

One of the predominant factors that has enabled the development of a global legal platform in Dubai has been the incorporation of technology into legal services and international dispute resolution processes (Kingsley and Heap 2019).

Leading a revolution in global legal services

It still has a long way to go before it becomes a truly pivotal legal hub such as New York or London. However, it would be unwise not to recognise the regional legal hubs developing in Asia as they significantly affect global legal connections. Further to this, the development of legal hubs, such as Dubai, Hong Kong and Singapore, have, and will continue to, lead to a revolution in global legal services through a diffusion of both legal service providers and talent (Kingsley and Heap 2019).

Important role of lawyers

Professionals play prominent roles in the development of the Global South (Liu 2017).

Lawyers are increasingly considered as value creators in internationalised firms, and essential to understand the functioning of the global economy (Brymer et al 2020).
Indian elite law firms, as new local organisations, aggressively differentiate themselves from their more traditional peers to establish organisational legitimacy. At the same time, as institutions trying to mimic global firms without actual scripts for doing so, these firms engage in a form of ‘speculative isomorphism’ through which they signal meritocracy and modernity to their global audience. Because equal gender representation is one such mechanism, the result is environments where certain kinds of women are uniquely advantaged (Ballakrishnen 2018; 201).

**Increased global influence of the Southeast Asian legal market**

**Southeast Asian transnational corporations and global law firms**

Studies have emphasised the ability of global law firms to influence the ‘global financial architecture’ of international trade and capital markets. Through both their ever-expanding office networks that allow them to reproduce rules and norms in different jurisdictions, and their relationships with transnational governance organisations such as the World Trade Organization (Suddaby et al 2007) and the International Competition Network (Morgan 2006), global law firms help to set the ‘rules of the game’ to which those participating in cross-border corporate activity must adhere. Global law firms seek to standardise legal doctrine, and articulate financial imperatives by seeking to transpose financial structures into Southeast Asia. Southeast Asian transnational corporations (TNCs) are adept at deploying ‘global financial architectures’ to serve their own interests, with European and North American financial and business services (FABS) acting as servants when enabling access to finance and allowing Southeast Asian TNCs to achieve their goals on their own terms. This does not mean FABS do not act as discipliners – they do this when circumstances allow them to constrain the approach adopted, potentially against the wishes of a Southeast Asian TNC. However, the analysis shows how this disciplining is increasingly counteracted, with Southeast Asian TNCs able to repurpose and adapt ‘global financial architectures’ in ways that suit their priorities (Faulconbridge 2019).

**Upgrading the global value chain**

There is a trend towards the upgrading of Southeast Asian economies – such as the Philippines – in the global value chain of legal process offshoring services (Aldaba 2019).

**Cost-driven offshoring may wrongly inflate city’s global rankings**

The existence of linkages and the appearance on the map of dominant economic flows does not automatically lead to an increased command and control position of cities in the Global South (ie, Manila). Instead, the attraction of lower-end services leads to Manila’s dependent articulation into global service production networks. The findings challenge the key assumptions about command functions and the strategic role of global cities that underpin the global city rankings. The paper critiques current conceptualisations of command and control in global urban network theory in the light of changing intra-firm divisions of labour in advanced producer service firms and stresses the importance of qualitative research (Kleibert 2017).
Growing entrepreneurship of the Chinese legal market

The internationalisation trajectories of Chinese law firms are being shaped by pragmatism, entrepreneurship and state power dynamically interacting (Li 2019b).

China is making significant trade law capacity-building efforts in government, academia, law firms and business (Shaffer and Gao 2018).

The balance of power in the Chinese corporate legal market is already shifting towards the growing dominance of elite big Chinese law firms (Liu, Trubek, and Wilkins 2016, in Li 2019b).

The Chinese legal services market is characterised by the coexistence of multiple professional groups, including lawyers (lüshi), basic-level legal workers (jiceng falü gongzuozhe), enterprise legal advisers (qiye falü guwen), patent agents, trademark agents, foreign lawyers and a large number of unauthorised practitioners (Liu 2017).

Movement to the buyers’ side

The Chinese legal market is moving to the buyers’ side, as exemplified by the current wave of leading Chinese corporate law firms avidly expanding overseas, the various creative collaboration modes between Chinese law firms and their foreign counterparts, and the growth of a new generation of internet-based legal service portals providing an effective alternative to improve consumers’ access (Li 2019a).

Path of Chinese law firms to participate in LPO outsourcing business

With the advancement of China’s Belt and Road initiatives, ‘going out’ strategies of Chinese enterprises have spawned many multinational enterprises and cross-border projects, and the demand for legal services has also increased rapidly. Whether the legal counsel, wind control department of enterprises or law firm, if you want to exploit the new markets in this round of ‘supply side reform’ wave, efficiency, cost control and globalisation will become the focus. Achieving these goals will require continuous exploration of new legal services, while legal process outsourcing (LPO) will become the most effective means of cross-border legal services (Zhao and Chen 2017).

Intensified awareness of the transnational ramifications of the legal profession

Strategy management across countries

Maintaining firm-specific optimal levels of multinationality is a continuous adaptive process – deviation from firm-specific optimal levels of multinationality leads to performance decreases. There is a need to continuously evaluate the efficiency of how international interdependencies are organised in response to changing environments and firm factors (Powell and Lim 2018).

Geographically, the advanced producer services (APS) complex depends on fine-grained localisation economies, which allow a small share of APS professionals – including lawyers – to service both domestic
and international clients, indicative of the continued relevance of world cities as national financial centres amid financial globalisation (Bassens et al 2020).

The value of multinational law firms’ assets varies in relation to competitors of different nationalities and geographic scope, as well as across locations. Their varying market positions across countries are an inherent feature of international competition, calling for corresponding positioning and strategies (Carnevale et al. 2017).

Focal firm employee-based resources shift as a result of internationalisation by considering the specific case of knowledge workers in internationally expanding firms. We theorise that increased mobility of employees drives these resource shifts within focal firms. By highlighting the central role mobility plays in firms as they expand, new research questions arise that would help to increase our understanding of this bidirectional strategy-resource relationship – questions that move beyond the notion that resources drive strategy but also that resources change in association with strategy implementation. Our paper encourages a new perspective on the unintentional impacts on between-firm resource heterogeneity that originate from organisations’ shifts in scope, scale and strategies (Brymer et al 2020).

**Economic and social status relate to internationalisation**

Firms in lower economic status positions, with available resources, will internationalise at a greater rate to seek opportunity to build first-mover advantages over domestic competitors with top economic status positions in foreign markets. Middle-status US law firms may feel pressures to conform through the practice areas that they offer, as some practice areas may signal categorical impurity. However, we identify international diversification as an opportunity for these law firms to explore new opportunities without violating pressures for conformity. Finally, in support of our theoretical argument, law firms in the middle of a socially constructed status ranking do appear to enter foreign markets at greater rates than low and high-status law firms. These findings may shed new light on one particularity of law firm internationalisation (Powell and Mooweon 2018).

**Foreign entry modes and domestic protection**

Choice of foreign entry mode in the context of the internationalisation of Australian law – importance of national culture: short-term orientation for the firms’ choice of entry mode to international markets, with top-tier firms preferring joint venture arrangements, while both mid-tier law firms and boutique law firms prefer ‘fly-in, fly-out’ methods of internationalisation (Suseno and Pinnington 2018).

In comparison to the accounting and consultancy sectors, the practice of law has not been extensively internationalised until the past 15 years, primarily due to the problem of jurisdictional control limiting the extent that law firms have internationalised into different national legal markets (Suseno and Pinnington 2017).

Market regulation prohibiting foreign investment in the Indian legal services market meant that corporate law firms emerged as an elite professional sector within a post-liberalisation environment, but without global firm involvement (Ballakrishnen 2019).
International client management

The relative importance of strong ties between client organisations and law firms diminishes as professional services globalise and weak ties become viewed as more prominent for successful internationalisation. Weak ties between client organisations and law firms offer various resources and means of reducing the extent of uncertainty in international markets. They increase the opportunities available to clients and law firms in solving legal matters and contribute to the growth of their international business (Suseno and Pinnington 2018a:1101).

The global transformation experienced by emerging economies, such as Brazil and Poland, is forcing lawyers to understand business practice and be familiar with global lawyering styles (Gnusowski and Antunes 2017).

Global fragmentation of the legal profession, competition and risks of unethical behaviour

Global fragmentation

The global fragmentation of the legal profession is producing:

- declining career perspectives, the hyper-specialisation of legal work and increased levels of stress among lawyers (Boni-Le Goff et al 2020);

- increased job mobility and competition for talent (Brymer et al 2020);

- a shift towards employees who can handle and even embrace uncertainty, change and complexity (Brymer et al 2020); and

- new challenges to the teaching of law (Mimoso et al 2018).

Carroll and Vaughan (2019) study professional identity formation and the increasing differentiation and fragmentation of the corporate end of the legal profession through a consideration of onshoring, the opening (for the first time) of satellite offices in the UK (but outside London) by elite law firms. In the context of onshoring, globalisation has led to sidelining in that onshoring allows entry to elite, global firms both for those (the graduates of ‘good-enough’ law schools) perhaps unable to ‘make it’ in London and for those law firm partners and associates who have tasted City life and rejected it. That entry is, however, imperfect. It is the ‘dirty [legal] work’ (tasks and occupations likely to be perceived as disgusting or degrading) that is done outside London: seen as both lesser and also necessary to the law firm’s profitability. We see onshoring as a relatively simple organisational change to the shape of the profession, and also as part of a radical reorientation of a division of labour and what it means to be a professional.

Global competition

Because of globalisation, law firms are operating in much more competitive markets and are faced with the challenges (and opportunities) of more recent developments such as offshore outsourcing and the
growth of online services on the internet, which are often advertised as ‘cheaper and quicker’ (Squelch and Bentley 2018).

Competition for large corporate clients and lucrative business transactions is fierce and will continue to be so, not only within the club of big Chinese corporate law firms, but also between Chinese law firms and international law firms globally (Li 2019a).

**Risks of internationalisation for legal and business ethics**

The law firms involved in arbitration do not wait passively for cases to arise. Instead, they actively pursue corporations to seek arbitration with governments, proselytise for the legitimacy of the current international investment regime, and block reforms that would limit arbitration opportunities. By creating methods of insulating TNCs from normal business risks and forcing host governments to bear the burden of liabilities, the arbitration system has effectively reinstituted a neo-colonial regime through the judicial system (Eberhardt and Olivet 2018).

**Globalisation affects both business and legal ethics**

Globalisation increasingly brings businesses and legal providers together. With the help of lawyers, savvy businesspeople can complete complicated international transactions or create multinational networks of related corporations. This isolates risk, facilitates local business transactions and carefully tailors localised ownership structures. However, these globalisation activities can also facilitate activities such as international jurisdiction shopping, tax evasion, money laundering and even terrorist financing. The resultant challenges undermine the ability of all parties to both compete and pursue ethical behaviour across national markets (Gaughan and Javalgi 2018).
Node V – Need for additional skills and training solutions

Clients’ unwillingness to pay for lawyers’ training

Expansion of teaching on practical skills

Across the globe, legal education pedagogy has shifted from traditional classroom teaching entrenched in analytical legal knowledge, to teaching methods that aim at practical legal knowledge for serving society and improving justice delivery (Ukwueze and Obuka 2019).

Structural dilemma in the undergraduate education of law in emerging markets such as China is driving efforts to promote supply-side reforms to improve the practical operation ability and legal professional quality of students (Wang and Wu 2018).

Work-integrated learning

Work-integrated learning (WIL) is curriculum design that combines formal learning with student exposure to real professional work or other practice settings. Other terms used to describe WIL include internships, cadetships, cooperative education, placement, practicum, clinical rotations/programme/internship/clerkship, sandwich course/year, professional practice, experiential learning and fieldwork (Cameron et al 2018:67).

Positive influence on generic skills: understanding of the work environment and employer expectations, as well as career awareness, progression and direction. These generic and career skills can improve the work-readiness of students on graduation and employability (Cameron et al 2018).

Risks: WIL presents several legal risks that can have serious financial and reputational consequences. A number of legal areas underpin the risks associated with student disability and medical conditions: confidentiality, workplace health and safety, negligence, privacy law and discrimination. There can be a tension between student rights, student competence and workplace safety (Cameron et al 2018).

Appealing to professional values and ethics

One of the current challenging methodologies is the legal clinic, as a dynamic and providing tool for active learning and facilitating the acquisition of practical competences. The legal clinic offers the possibility of teaching based on life cases, allowing students to observe the effective or simulated representation of legal cases, developing skills, also appealing to the values and ethics that are imposed on a future jurist, be they lawyer or magistrate. (Mimoso et al 2018).

Need for concerted effort

The quest to foster professionalism and improve access to justice for all led to the adoption of clinical legal education (CLE) by law schools across the globe. CLE gives law students opportunities to have real-life work experience, while at the same time rendering free legal services to indigent members of the
issues shaping the global legal ecosystem – drivers for change in legal service  May 2021

Notwithstanding that CLE is being infused into the curricula of faculties of law of Nigerian universities and the Nigerian Law School through the introduction of clinical courses, a number of factors hinder its sustainability. This paper appraises the adoption of CLE in Nigeria as well as its challenges and articulates strategies necessary for its sustenance. It argues that mere curricula modification by the training institutions is not adequate and calls for a holistic review of the legal education policy and structure of legal practice in Nigeria if the country is to tap the benefits of CLE. It emphasises the need for concerted efforts by law faculties to engage and partner with relevant government agencies, community, alumni and the legal profession in sustaining CLE and fostering high standards of training of law students (Ukwueze and Obuka 2019).

In-class training of basic skills once acquired on the job

Transactional lawyers’ skills training. Much of the substance of the job really must be learnt on the job, and there is no way around the client shouldering some of the cost for that learning. But for basic skills, like taking a first look at how multiple agreements fit together or practising the detail-orientated proofreading and contract straightening-up that distinguishes a terrific junior associate from a merely good one, the classroom is a good place to learn (Hwang 2020).

Need for new training programmes

Long-term programmes

Law firms will need to develop a serious, long-term programme to train the next generation to become, over time, the judgment providers (Davis 2020).

Use of pro-bono as an educational tool

Without the risk of disappointing or losing a paying client law firms can use pro bono services strategically, to facilitate junior lawyers’ learning of skills relevant for more senior positions, and to gain proprietary knowledge about expected junior lawyers’ quality as partners. Even if none of a law firm’s employees is prosocially orientated or values the meaningfulness of working on pro bono projects, pro bono can still be used strategically by the firm as a human resource management tool. Pro bono cases are, thus, effectively led and managed by senior associates, and provide opportunities for junior lawyers to take on roles typical of more senior lawyers, including partners, in for-profit cases (Burbano et al 2018).

Reassessment of skills needed to practise law

Law is a human capital business

Notwithstanding the increasing importance of technology, the practice of corporate law is and is likely to remain for the foreseeable future a human capital business (Westfahl and Wilkins 2017).

Hwang (2020) focuses its research on value creation by transactional associates, and states that despite the perennial fears that automation will leave our students unemployed, there is still much work to be done by organised, detail-orientated attorneys. So far, machines cannot effectively replicate even the basic
reintegration of modules that associates do. But more importantly, effective reintegration of modules requires legal training. A good transactional associate must have subject-matter expertise across diverse and complex areas of the law, and must also be able to issue spot, know when to engage with specialists, be able to communicate pertinent information to specialists and bring many specialists’ ideas together into a cohesive, legally viable whole.

**Legal tech-related skills**

Given the incoming wave of change, there exists a strong justification for the inclusion of legal tech in the undergraduate LLB curriculum (Ireland and Hockley 2020).

**Impact of AI for legal education and lawyer training (Davis 2020)**

- Lawyers of the future will not need to be able to ‘code’, but they will need an intimate and continuing understanding of how to identify and use AI solutions to meet their clients’ needs. In particular, lawyers will need to know how to be able to assess the relative strengths and weaknesses of particular solutions.

- A small number of law schools are developing and offering a variety of technology training programmes. But at least for now these programmes reach only a tiny minority of law students.

- Future lawyers will need to be trained on the kinds of skills needed to provide the critical ‘last mile’ component of legal services – judgment, empathy, creativity and adaptability.

**Training to increase users’ understanding of legal terms and concepts**

**Storytelling, fairy tales and poems in legal design and the teaching of law to remove cultural and linguistic barriers to access justice**

It is essential to acquire user understanding and develop legal services with users. The means are the design of user paths, different visual solutions as well as the disassembly of legalese into understandable, clear text (Linna 2019).

**Legal translation**

Globalisation has led to a soaring demand for the translation of legal documents, and we are now at a fork in the road. On the one hand, bespoke automated systems are able to handle large volumes for discovery and information purposes translation, while on the other expert lawyer linguists are needed to work on major cases, multilingual legislation and at international courts. Market stimulus and moves to professionalise legal translation have led to lawyer-linguist training being offered jointly by law and language faculties. Examples of innovative education programmes will be discussed, as will various interpretations of the role of ‘lawyer-linguist’. Legal translation is the ultimate legal and linguistic challenge – a gauntlet waiting to be picked up by a new generation as part of a fully globalised mature legal services market (Scott 2017).
**Breadth of business-related skills**

Law schools are starting to teach concepts long used in the business world to improve effectiveness and efficiency, such as project management, process improvement, design thinking and data analytics (Perlman 2019).

**Absence of collaborative problem-solving practices**

The inability of partners to discern the nature of the forms of power that influence their responses to crisis is a consequence of under-developed, collectively reflexive capabilities and an absence of collaborative problem-solving practices, which may result in a negative outcome for the firm. Working constructively with various forms of power is becoming a critical capability within organisations. This has implications for the relational and communicative skills that underpin effective collaboration of staff and other stakeholders. Such collaboration needs to include the collective ability to make explicit through critical dialogue the surreptitious influence of abstract forms of power upon the prevailing organisational arrangements and routines. To achieve this, these forms of power have to become demystified through constructive critique of the taken-for-granted aspects of everyday organisational life. This has important implications for leadership development practices and educational programmes (Mastio and Dovey 2019).

**Importance of transformational leadership skills**

Law firms need to encourage the presence of transformational leadership (TL). They should hire those persons for managerial and leadership roles who have the capabilities of transformational leadership and can motivate the staff for teamwork, innovations, excellent job performance and build a trustworthy relationship with subordinates. The evidence from various studies shows that TL enhances employee job performance, and the results of the current study are the same; therefore, law firms can enhance their overall output by adopting a TL approach. In addition, the involvement in CSR practice not only earns a good image for the firm in the external environment but also enhances the internal environment as the present study reveals that CSR positively influences the relationship between TL and JP. Therefore, law firms can influence an employee’s JP through involvement in CSR activities, and this means killing two birds with one stone. In addition, it is evident from the literature that there is shortage of leadership courses at colleges and universities in the field of law; therefore, it is suggested that special courses should be designed for practising lawyers, while the regular students of law curricula must be enhanced with proper leadership courses (Hongdao et al 2019b:13).

**Skills to succeed in a global, international context**

Law graduates need to have exceptional oral and written communication skills, and presentation skills. Unsurprisingly participants also strongly emphasised the need for law graduates to have excellent problem-solving, interpretation and analytical skills, and legal research skills (including researching and using international legal sources). Participants also discussed the importance of law graduates being able to network, to have good interpersonal skills, to work effectively in teams, to be adaptable and resilient. All law graduates, irrespective of the jurisdiction in which they work, need to develop and demonstrate a high level of the generic professional skills and attributes identified, which should be transferable to various legal contexts and situations, and appropriately adapted to different contexts (Squelch and Bentley 2018).
Poaching lawyers in foreign offices is quite common due to the high demand for professionals with both local knowledge and skills to operate in a globalised organisational context (Brymer et al 2020).

**Need to educate law students for a globalised world is more aspirational than real**

Ensuring that graduates are prepared in general for a globalised world and employability for international environments is recognised as a highly desirable educational outcome in higher education. It is an aim that is reflected in many university statements on graduate attributes and is well documented in research. In this regard, it is recognised that law graduates, as indeed any other graduate, should be global citizens and to be able to work in a global context. However, such statements are often very broad and aspirational. The challenge is to translate such aspirations into meaningful, concrete and achievable learning outcomes and experiences. This requires designing and developing curricula that achieve such outcomes (Squelch and Bentley 2018:15).

**Developing dynamic capabilities through HR flexibility**

HR practices with a focus on HR flexibility may produce dynamic capabilities, such as knowledge sharing, which may drive team members to flexibly craft their jobs and team jobs. To build resource flexibility for job crafting, organisations should focus on hiring public employees with flexibility in skills and behaviours who can adapt themselves to new roles or job aspects. Employees should also be trained to possess a set of broad-based skills and are capable of using them under different demand conditions. The timely use of employees’ new knowledge and skills is a driver that sustains employee motivation to proactively increase their knowledge, contributing to the organisation’s resource flexibility. To enhance coordination flexibility in employee behaviours, organisations should empower employees to go beyond their roles as well as voice to managers’ new roles they yearn to take for themselves and for their team based on their new resources (eg, new knowledge, skills and values). Employees are then motivated to share knowledge and coordinate with their peers to craft the team jobs to fulfil their team’s new roles (Tuan 2019).

**Increased concern with lawyers’ professional identity and conduct**

*Learning ethics to foster an ethical professional identity*

Many trainees arrive at the vocational training stage with little or no understanding of how their personal morals and ethics will affect their future roles as lawyers (Grealy 2018).

To provide graduates who are ethical and reflective practitioners ethics should be core to a law degree. It should be pervasively taught throughout the degree and supported by an introductory and capstone presence (Evers and Townsley 2017).

With the approval of the Solicitors Qualifying Examination being granted by the Legal Services Board, the end of the Legal Practice Course will result in the required compulsory teaching and assessment of core practical legal skills and professional conduct being removed from legal education. The question therefore is whether legal education should incorporate practical legal skills and professional conduct into teaching and assessment at the academic stage and, if so, how can this be achieved in a way that complements rather than distracts from the study of academic law. This study will consider the
recommendations made in relation to practical legal skills and professional conduct over the past five decades and identify possible options for the embedding of practical legal skills and professional conduct in the law curriculum at undergraduate level (Jones 2019).

INTRODUCING A VARIETY OF PEDAGOGIC APPROACHES

The apprenticeship model of solicitor training in Ireland is split between time spent in the law firm and time spent in professional education at the Law Society of Ireland. Learning in law is a process of shaping identity and becoming part of a community, and professional socialisation is a key aspect of this professional development. However, many trainees arrive at the vocational training stage with little or no understanding of how their personal morals and ethics will affect their future roles as lawyers. This article relates to an intervention study in the Law Society of Ireland with trainee solicitors at professional legal education level in the form of a two-month course entitled ‘Certificate in Legal Ethics and Lawyering Skills’. This intervention embraces an experiential learning approach and a wide view of ethics that moves beyond a defensive rule-based approach and supports trainees in grappling with ethics and negotiating within the more rigid and collectively based moral discourses which are a necessary part of constructing professional identity. The course framework embraced a variety of pedagogic approaches for effective teaching and fostering ethical professional identity such as role-play, small group discussion, video and online discussion forums and mixed method assessment (Grealy 2018).

Historical analysis and archival research of the development of graduate law programmes at the University of Pennsylvania Law School reveals that they were founded in response to a perceived need to make the study of law a more scholarly inquiry, and to ensure that law school training was not wholly confined to the necessities of legal practice. These programmes were not created to enhance the job prospects of its graduates in the traditional legal market. They were part of a drive towards professionalisation and standardisation at the turn of the 20th century that was reflected across a wide sector of American society and reflected the long simmering tension between those who viewed law as an art and those who viewed it as a science (Parker 2018).

Law schools’ involvement in the improvement of access to justice

NEED TO TEACH CRITICAL THINKING IN LAW SCHOOLS

Law schools must teach future lawyers to think critically about how the legal profession, as a social institution, can be improved to ensure that claims for justice do not fall outside of its purview (Ramanujam and Agnello 2017).

IMPROVING ACCESSIBILITY AND AFFORDABILITY TO CIVIL LEGAL SERVICES IN THE US

Although the causes are complex, law schools can help in three ways beyond simply offering free legal clinics staffed by lawyers and students. These strategies will not solve all of the problems that exist, but they hold the promise of meaningfully improving the affordability and accessibility of civil legal services (Perlman 2019).

Law schools can teach the next generation of lawyers more efficient and less expensive ways to deliver legal services, ensure that educational debt does not preclude lawyers from serving people of modest
means, and conduct and disseminate research on alternative models for delivering legal service (Perlman 2019).

**Need for collaborative projects**

There should be an emergence of collaborative projects – between academics, firms and professional bodies – with a focus on synergies between the competencies and diversities movements, providing the greatest potential for reshaping law firm practice and partnership models to respond to issues of advancement, attrition and lack of re-engagement, particularly by women in law firms (Seuffert et al 2018).

Law schools should engage proactively with measures to expand opportunities for entrants into the academic legal community from candidates from a much wider range of educational backgrounds. (Davies 2018).

**Impact of outcomes-focused regulation on legal education**

The Legal Education and Training Review final report on the regulation of legal services education and training was published in June 2013. Five years later, members of the research team reflect, in this article, on subsequent developments in the relationship between regulator and regulated. They explore the links between outcomes-focused regulation (OFR) and the hierarchies within the regulatory space and between the OFR-driven focus on competence and its impacts on assessment for qualification and continuing competence thereafter. Finally, they extend the concept of shared space to include the relationship between regulators who commission research and researchers who carry it out. The paper concludes that the project has attracted international interest and informed other projects. Although there is already clear impact in England and Wales, the full significance of the report in the canon of seminal reports into legal education will emerge over the next decade (Ching et al 2018).
Node VI – Controversial approaches to regulation

Development of outcomes-focused, risk-based and firm-based regulation

Adopting risk regulation will necessitate a significant transformation for legal services regulation

‘Risk regulation’, also called ‘risk-based regulation’, is an outgrowth of the ‘better regulation’ movement which seeks to improve regulation through a number of coordinated or linked strategies. Risk regulation seeks to control risk; thus, it requires a very clear definition of the desired outcomes in order to identify the risks that threaten those outcomes. In legal regulation the risk of harm to the public serves as the object of regulation – this risk is what the regulator seeks to control (Dudek and Alderson 2018).

Roles risk plays in regulation

• As an object of, and justification for, regulation;

• as an organising principle; and

• as a measure of accountability.

Implementation

Adopting risk regulation will necessitate a significant transformation for legal services regulation, involving changes for both the regulators and the regulated. These changes are both cultural and operational and nowhere are they bigger than regarding data analysis. For regulators, it will involve a fundamental change in how they do business, a shift from reactive to proactive regulation. It will involve restructuring and reallocation of resources (Dodek and Alderson 2018).

Risk regulation is already being used by legal regulators in Australia and in England and Wales. In Canada, the Nova Scotia Barristers’ Society is at the forefront of implementing such an approach. Risk regulation is commonly used in the financial sector and in medicine, both within Canada and internationally (Dodek and Alderson 2018).

Enhancement of firm-based regulation

Compliance officers for legal practice operation

Compliance officers for legal practice are a key regulatory mechanism in the context of firm-based regulation and outcomes-focused regulation OFR in the UK and have a critical role to play in protecting and promoting professional values in both ABS and non-ABS entities (Aulakh and Loughrey 2018).
Law firm-level governance practices only reduce professional-client misconduct when they are specifically targeted at the career stage of the lawyers employed (Lander 2019):

- Seniors are more prone to engage in professional-client misconduct than juniors, which is likely owing to their different roles in PSFs and their responsibility for maintaining client contacts specifically. We also document that owing to their superior rank in the firm and their more strongly developed professional identities, senior professionals are more receptive than juniors to behavioural governance and the self-enforcing effect of firm reputation. Both these more traditional professional governance mechanisms reduce the chance of their involvement in professional-client misconduct. For senior associates, therefore, these governance practices seem an effective way to contain professional-client misconduct.

- This is not the case for tenured seniors, however, who seem to be largely immune to any form of firm governance. One factor suggested by our findings that may help to keep tenured seniors from engaging in professional-client misconduct, however, is their personal professional reputation.

- Juniors are vulnerable to firm-level pressures on their behaviour in ways that senior professionals are not. On the other hand, our research shows that specific organisational practices, such as intensive socialisation by seniors through which juniors gain developmental work experience, are effective in reducing their involvement in professional-client misconduct.

*Concern with ethical behaviour drives rules v principles debate*

**Approaches to legal ethics diverging across jurisdictions**

In the UK, the Solicitors’ Regulatory Authority (SRA) is currently advocating an extension to its principles-based approach. In Australia, the movement is towards strengthening a rules-based approach. In the US, the American Bar Association (ABA) is reflecting on whether a rule against incivility and discrimination should be included in the rules already in place (Baron and Corbin 2018).

*For a principles-based approach to work, lawyer’s character and understanding of professional values are key*

In this context, we made three main claims. These are that traditional notions of professionalism no longer hold (if they, indeed, ever did) in the face of increasing commercialism and a more diversified profession; that the norms of professionalism are rapidly being superseded by those of consumerism and that professionalism has not, on the empirical evidence, ensured ethical conduct. It seems we can no longer be assured of public confidence in the profession in the absence of explicit rules of conduct, even in relation to fundamental values such as courtesy (Baron and Corbin 2018).

*Controversies over deregulation*

**Controversies over bar regulation of new online technologies that help address the routine legal needs of low and middle-income consumers**
It is critical that lawyer regulators resist the temptation to restrict organisations that respond to the nation’s huge unmet needs of individuals of limited means. Concludes that efforts to restrain these initiatives do not serve the interests of the profession or the public (Barton, Benjamin and Rhode 2019).

**REGULATION ALLOWING NON-LAWYERS TO COMPETE**

Liberalisation of legal services and, in particular, from allowing non-lawyers to compete on the legal market drives change that will combine to transform the legal landscape radically and internationally (Kerikmae et al 2018).

**Deregulation allows the growth of an alternative legal market**

Lawyers will have the freedom to provide reserved and non-reserved legal services outside law firms, freeing them up to work in the growing alternative legal market (SRA 2018 in Skinner 2019).

**Effective deviation from legal services regulation**

Some leading big corporate law firms in China are observed to have creatively incorporated key corporate features in running their business and compensating their partners, effectively deviating from the partnership and pure legal services regulation. Such market realities question the necessity and effect of the regulatory restrictions on law firm legal form and ownership structure and call for an agenda for related research in the future (Li 2019a).

**Need to break with tradition**

Ramanujam and Agnello (2017) explore long-term, accessible solutions to address the misalignment between the supply of underemployed law graduates and a demand for affordable legal services. According to the authors, the legal profession will need to break with tradition if it wishes to continue to serve the public interest. Similarly, law schools must teach budding lawyers to think critically about how the legal profession, as a social institution, can be ameliorated to ensure that claims for justice do not fall outside of its purview.

**Impact of an increasingly capital-intensive business**

**Sale of unmatured fees**

One of the reasons attorneys in the US are debating changes to Rule 5.4 is that the practice of law depends on capital, and the old methods for raising capital are no longer sufficient. Rather than raise capital from non-lawyers by partnering with them or selling equity to them, this article recommends that attorneys look to their own fees as a source of capital (Sebok 2018).

Sebok (2018) argues that that ethics committees, courts and legal ethicists should reject the direct relation test – which takes as its premise that it is unethical for an attorney to allow a non-lawyer to invest in their productive capacities with the aim of earning a profit – and recognise that the sale of unmatured fees is not fee-splitting.
NEGATIVE CONSEQUENCES OF THE LACK OF LAW FIRMS’ ACCESS TO CAPITAL (SEBOK 2018):

• Innovation is stifled, since attorneys cannot afford to invest in either research or the capital-intensive technologies that research might produce in the way entrepreneurs in Silicon Valley have done.

• Inability of attorneys to exchange equity in their practices for capital in order to plan along much longer time horizons than the current rules allow.

• Vulnerable position due to excess debt.

Deregulation benefits into question

Bessis and Chaserant (2019) question the positive consequences of professional deregulation on the performance of the market for legal service. The current movement of deregulation of professional services in Europe rests on the idea that reducing professional regulation will increase market competition and lead to cut prices for customers. Studying liberalisation of the market for legal services, we assume that competition relates much more to quality than to the sole prices. Endorsing the perspective of economics of convention, we show that the profession of lawyer overlaps with a diversity of autonomous and distinct logics that links the quality of services valued by clients with professional practices. These typical logics frame different rational processes characterised by the implementation of distinctive interpretation and reflexivity processes by lawyers. Given that the market-based rationality of maximising profit sustains only one of the fourth logics embodied within the legal market.

In 2017, the Russian Ministry of Justice developed the Concept for regulating the legal services market. This document assumes access to representation in court only by advocates. The introduction of the advocate’s monopoly is under public discussion. This will help improve the quality of legal services. However, the cost of legal services will increase (Kuksin et al 2019).

Vukusic’s (2017) study aims to provide a comprehensive presentation of legislative regulation provided by the Advocacy Act, practical problems, doctrinal discrepancies and possible solutions in regard to mandatory professional liability insurance of the Croatian law firms established as limited liability companies. The paper provides analysis of the respective regulation, its practical application and repercussions. Findings indicate certain inconsistency in the analysed regulation. Regulation requires all the Croatian attorneys to have professional liability insurance in amount not less than therein stipulated. Regulation also asks for mandatory professional liability insurance of the Croatian law firms established as limited liability companies in an amount considerably higher than mandatory minimum amount of the professional liability insurance of an individual attorney. In the current practice, insurance of both a law firm established as a limited liability company and its lawyers has been asked for. Such interpretation of the said regulation causes considerable legal uncertainty. In most cases, it either diminishes one of the main characteristics of the limited liability company under Croatian law, that is, to be a legal subject separate from its founders, or has no legal basis at all. Analysed legal uncertainty presents a system risk for Croatian lawyers, their clients and insurers, demoting competitiveness of the entrepreneurial environment in Croatia. This paper pleads for, and provides support to, elimination of such negative status.
Efficiency in the judiciary and the cost of justice

Need to deconstruct the cost of civil justice

It is the overall deconstruction of the cost of civil justice, rather than partial observation and analysis confined to litigation costs, that can legitimise the sharing of court and litigation costs and clarify the demarcation between public and private costs. Its success will depend on the development of professional ethics and on legal regulation (Wang 2018).

Adapting old judicial maps to new demands

In several countries, economic development has boosted the mobility of population, changing the distribution of litigation.

Hence, the increasing difference between the new demand of legal services and the old judicial maps has increased processing time and backlog, therefore, badly affecting judiciary efficiency. These issues are particularly relevant for the Italian judicial system because of the Italian government’s proposal (Decree No 155/2012) of new judicial map of first instance courts. The courts’ reorganisation has been achieved through the horizontal merger of some courts and the abolition of all local courthouses. Castro and Guccio’s (2018) paper represents a first attempt at measuring the potential performance improvements achieved by the enforced reform. The results show not negligible efficiency gains from the proposed mergers under the variable returns to scale technology assumption.
Aiming at visualising patterns in the project, detecting changes since the 2017 FLS Research and confirming the relevance of the manual mapping conducted in Section A, the ‘Nvivo 12 Plus’ software has been employed as an exploratory tool.

**Changes since 2017 and general tone**

The differences in the percentage of papers citing a particular driver of change for legal services since the 2017 FLS Research suggest variations in their overall relevance (see Figure 3).

In addition, whether the general tone of the content relative to each driver of change is positive or negative enriches the aforementioned information with the authors’ concern regarding the issue.

Figures 3 and 4 illustrate the following:

1. **Client empowerment** continues to be the driver of change cited by more papers, showing a 5 per cent increase in citing papers since the 2017 FLS Research.

2. **Professional ethics and values** are addressed by a considerable 88 per cent of the selected papers, representing a 6 per cent increase since 2017.

3. **Management** issues emerge as a key driver of change mentioned by 88 per cent of the selected papers. Significantly, a positive tone or sentiment has been identified in 65 per cent of management-related content.

4. **Employability** and **complexity** appear, respectively, to be addressed by 83 per cent – a 22 per cent increase – and 78 per cent – a 30 per cent increase – of the selected papers, rising as top five drivers of change. The concern with the evolution of both drivers is suggested by a mostly negative tone regarding their content.

5. While **technology** is addressed by a significant 72 per cent of selected papers, it represents a 12 per cent decrease since 2017. Nonetheless, the sentiment matrix reveals a 73 per cent positive note in all technology-related content.

6. **Skills, innovation** and **collaboration** emerge as the drivers with the most positive content.

7. Authors in our database pay increased attention to **globalisation**, showing a 28 per cent increase in citing papers since 2017.

8. Rising their ranking position to 10th and 11th in percentage of citing papers since 2017, **diversity** together with **gender and race inequality** present mostly negative related content.

9. The following drivers also appear showing mostly negative tone: **regulation, legal education, demography, access to justice** and **disruption**.

10. Thus, suggesting concern in the literature regarding these drivers of change.
11. Importantly, a shift to the provision of **solutions** has been identified. Solutions appear mentioned in more than half of the selected papers, representing a 44 per cent increase since 2017. Moreover, key aspects of a solution business model such as **client empowerment**, **innovation**, **collaboration**, **modular legal services** and **outsourcing** not only appear among the top 20 drivers of change, but also present positive sentiment related content.

Figure 3: Drivers of change: percentage of citing papers by period
Cluster analysis

Cluster analysis has allowed the six Nodes identified in Section A to be grouped by lexicon (word similarity). The similarity index between each pair of Nodes (each pair of rows in Table 2) was determined using the similarity metric Pearson correlation coefficient (-1 = least similar, 1 = most similar).

In the Circle Graph shown in Figure 2, Nodes I to VI are represented as points on the perimeter. Strong lexicon similarity between nodes is indicated by blue lines.
Results

Table 2: Nodes’ cluster analysis

<table>
<thead>
<tr>
<th>Node A</th>
<th>Node B</th>
<th>Pearson correlation coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal services redesign</td>
<td>Employability and career paths</td>
<td>0,806259</td>
</tr>
<tr>
<td>Legal services redesign</td>
<td>Legal services internationalization</td>
<td>0,800466</td>
</tr>
<tr>
<td>Legal technology solutions</td>
<td>Legal services redesign</td>
<td>0,755552</td>
</tr>
<tr>
<td>Regulation</td>
<td>Legal technology solutions</td>
<td>0,751297</td>
</tr>
<tr>
<td>Skills and training</td>
<td>Employability and career paths</td>
<td>0,746457</td>
</tr>
<tr>
<td>Skills and training</td>
<td>Legal services redesign</td>
<td>0,734131</td>
</tr>
<tr>
<td>Skills and training</td>
<td>Legal technology solutions</td>
<td>0,700402</td>
</tr>
<tr>
<td>Legal services internationalization</td>
<td>Employability and career paths</td>
<td>0,695728</td>
</tr>
<tr>
<td>Regulation</td>
<td>Legal services redesign</td>
<td>0,691844</td>
</tr>
<tr>
<td>Skills and training</td>
<td>Regulation</td>
<td>0,676572</td>
</tr>
<tr>
<td>Skills and training</td>
<td>Legal services internationalization</td>
<td>0,66914</td>
</tr>
<tr>
<td>Legal technology solutions</td>
<td>Legal services internationalization</td>
<td>0,644418</td>
</tr>
<tr>
<td>Regulation</td>
<td>Legal services internationalization</td>
<td>0,643488</td>
</tr>
<tr>
<td>Legal technology solutions</td>
<td>Employability and career paths</td>
<td>0,59323</td>
</tr>
<tr>
<td>Regulation</td>
<td>Employability and career paths</td>
<td>0,551758</td>
</tr>
</tbody>
</table>

1. Table 2 shows a positive correlation index between all the pair of nodes.

2. Confirming the manual mapping review conducted in the project, the strongest correlation index has been found between the most relevant nodes in the literature review (see Figure 1 and Figure 2) – ‘Discrimination, employability and career path issues’ (Node I) and ‘Legal services redesign’ (Node II).

3. Discrimination, employability and career path issues are also highly correlated to the need for additional skills and training solutions (see Figure 2).

4. Pervasive legal services internationalisation (Node IV) and the expansion of legal technology solutions (Node III) appeared in the cluster analysis showing a high degree of interdependence with legal services redesign (Node II).

5. It is also worth noting, that Node VI, ‘Controversial approaches to regulation’, shows the strongest correlation with ‘Expansion of legal technology solutions’ (Node III).
Coding intersections

The matrix shown in Table 4 was developed to compare the categorisation of the issues shaping the global legal ecosystem – Nodes I to VI in Section A (manual mapping) – with the list of drivers of change shown in Figure 3 (automated mapping).

The matrix displays the coding intersection between rows and columns. Each column in the matrix contains one of the main 6 Nodes, and the rows contain the list of 29 drivers of change shown in Figure 3. Cells display the number of words coded as a percentage of total words for the row (driver of change).

The results shown in the matrix confirm the relationship between the manual and the automated coding conducted in this project.
**Node I – Discrimination, employability and career path issues**

Most of the quotations related to employability, diversity, inequality, demography, wellbeing and new legal jobs intersect with Node I.

**Node II – Legal services redesign**

Node II embodies the greatest percentage of quotations related to client empowerment, management, complexity, quality, in-house lawyers, solution, collaboration, business model, access to justice and economic crisis; as well as most of the content concerned with innovation, modular legal services, outsourcing, multidisciplinary and more for less.

**Node III – Legal technology solutions**

Most of the content concerned with artificial intelligence, insourcing and disruption interact with legal technology solutions. Moreover, Node III also presents the strongest interaction with technology and alternative legal services providers.

**Node IV – Legal services internationalisation**

Globalisation and competition present the strongest interaction with Node IV.

**Node V – Need for additional skills and training solutions**

Skills and legal education present the strongest interaction with Node V.

**Node VI – Controversial approaches to regulation**

Deregulation, non-lawyer, regulatory and ethics and values show the strongest interaction with Node VI.

Table 4: Content percentage (cell) of each driver of change (row) intersecting with each Node shaping the global legal ecosystem (column)
<table>
<thead>
<tr>
<th>Drivers of change</th>
<th>Node I Discrimination, employability and career paths</th>
<th>Node II Legal services redesign</th>
<th>Node III Legal technology solutions</th>
<th>Node IV Legal Services Internationalization</th>
<th>Node V Skills and training</th>
<th>Node VI Regulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Client empowerment</td>
<td>22.81%</td>
<td>34.62%</td>
<td>13.03%</td>
<td>10.13%</td>
<td>3.58%</td>
<td>15.84%</td>
</tr>
<tr>
<td>2. Ethics and values</td>
<td>23.53%</td>
<td>16.87%</td>
<td>14.45%</td>
<td>6.53%</td>
<td>12.62%</td>
<td>26%</td>
</tr>
<tr>
<td>3. Management</td>
<td>36.33%</td>
<td>36.99%</td>
<td>6.82%</td>
<td>11.57%</td>
<td>5.06%</td>
<td>3.23%</td>
</tr>
<tr>
<td>4. Employability</td>
<td>49.68%</td>
<td>18.81%</td>
<td>5.99%</td>
<td>5.65%</td>
<td>7.11%</td>
<td>12.76%</td>
</tr>
<tr>
<td>5. Complexity</td>
<td>17.19%</td>
<td>38.49%</td>
<td>13.39%</td>
<td>14.08%</td>
<td>5.67%</td>
<td>11.18%</td>
</tr>
<tr>
<td>6. Quality</td>
<td>17.38%</td>
<td>48.93%</td>
<td>7.51%</td>
<td>6%</td>
<td>6.47%</td>
<td>13.72%</td>
</tr>
<tr>
<td>7. Technology</td>
<td>6.88%</td>
<td>29.01%</td>
<td>44.11%</td>
<td>5.65%</td>
<td>4.41%</td>
<td>9.95%</td>
</tr>
<tr>
<td>8. Skills</td>
<td>15.52%</td>
<td>25.95%</td>
<td>29.06%</td>
<td>4.40%</td>
<td>3.62%</td>
<td>20.56%</td>
</tr>
<tr>
<td>9. Innovation</td>
<td>23.52%</td>
<td>14.77%</td>
<td>10.12%</td>
<td>9.07%</td>
<td>27.19%</td>
<td>15.33%</td>
</tr>
<tr>
<td>10. Diversity</td>
<td>16.11%</td>
<td>24.14%</td>
<td>4.53%</td>
<td>51.6%</td>
<td>2.17%</td>
<td>1.45%</td>
</tr>
<tr>
<td>11. Inequality: gender, race</td>
<td>7.06%</td>
<td>54.37%</td>
<td>24.78%</td>
<td>4.1%</td>
<td>4.04%</td>
<td>5.65%</td>
</tr>
<tr>
<td>12. Inhouse lawyers</td>
<td>7.50%</td>
<td>6%</td>
<td>0.63%</td>
<td>2.8%</td>
<td>12.94%</td>
<td>2.56%</td>
</tr>
<tr>
<td>13. Solution</td>
<td>11.92%</td>
<td>2.94%</td>
<td>1%</td>
<td>0.56%</td>
<td>4.55%</td>
<td>1.75%</td>
</tr>
<tr>
<td>14. Regulatory</td>
<td>23.68%</td>
<td>26.45%</td>
<td>10.16%</td>
<td>9.08%</td>
<td>13.98%</td>
<td>16.66%</td>
</tr>
<tr>
<td>15. Collaboration</td>
<td>17.23%</td>
<td>37.44%</td>
<td>20.71%</td>
<td>3.45%</td>
<td>10.6%</td>
<td>10.57%</td>
</tr>
<tr>
<td>16. Legal education</td>
<td>7.99%</td>
<td>12.96%</td>
<td>10.88%</td>
<td>22.7%</td>
<td>5.81%</td>
<td>39.65%</td>
</tr>
<tr>
<td>17. Modular LS</td>
<td>11.77%</td>
<td>42.91%</td>
<td>9.62%</td>
<td>7.81%</td>
<td>18.82%</td>
<td>9.17%</td>
</tr>
<tr>
<td>18. Demography</td>
<td>13.85%</td>
<td>2.79%</td>
<td>4.53%</td>
<td>23.94%</td>
<td>42.49%</td>
<td>12.4%</td>
</tr>
<tr>
<td>19. Access to justice</td>
<td>6.24%</td>
<td>76.13%</td>
<td>7.32%</td>
<td>2.38%</td>
<td>4.08%</td>
<td>3.86%</td>
</tr>
<tr>
<td>20. Outsourcing</td>
<td>84.77%</td>
<td>10.43%</td>
<td>0%</td>
<td>1.2%</td>
<td>2.4%</td>
<td>1.2%</td>
</tr>
<tr>
<td>21. Artificial intelligence</td>
<td>8.29%</td>
<td>72.29%</td>
<td>7.89%</td>
<td>16.65%</td>
<td>0.14%</td>
<td>0.14%</td>
</tr>
<tr>
<td>22. Business model</td>
<td>0.61%</td>
<td>39.87%</td>
<td>22.61%</td>
<td>5.89%</td>
<td>3.68%</td>
<td>27.34%</td>
</tr>
<tr>
<td>23. Economic crisis</td>
<td>5.16%</td>
<td>22.86%</td>
<td>57.27%</td>
<td>3.69%</td>
<td>7.71%</td>
<td>3.32%</td>
</tr>
<tr>
<td>24. Deregulation</td>
<td>0.87%</td>
<td>7.11%</td>
<td>87.03%</td>
<td>0.28%</td>
<td>1.33%</td>
<td>3.38%</td>
</tr>
<tr>
<td>25. Wellbeing</td>
<td>88.22%</td>
<td>7.52%</td>
<td>0.62%</td>
<td>0%</td>
<td>1.87%</td>
<td>1.77%</td>
</tr>
<tr>
<td>26. Business model</td>
<td>6.08%</td>
<td>48.33%</td>
<td>35.57%</td>
<td>0.47%</td>
<td>2.34%</td>
<td>9.2%</td>
</tr>
<tr>
<td>27. New Legal Jobs</td>
<td>8.61%</td>
<td>48.48%</td>
<td>3.89%</td>
<td>17.23%</td>
<td>12.67%</td>
<td>9.12%</td>
</tr>
<tr>
<td>28. More for less</td>
<td>18.02%</td>
<td>13.57%</td>
<td>8.72%</td>
<td>6.98%</td>
<td>1.16%</td>
<td>51.74%</td>
</tr>
<tr>
<td>29. Insource</td>
<td>0.73%</td>
<td>6.97%</td>
<td>5.98%</td>
<td>0.36%</td>
<td>0.73%</td>
<td>85.23%</td>
</tr>
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<td></td>
<td>34.98%</td>
<td>17.62%</td>
<td>42.97%</td>
<td>1.52%</td>
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<td>18.71%</td>
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<td>68.46%</td>
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<td></td>
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<td>0%</td>
<td>75%</td>
<td>25%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
Impact of Covid-19

During this research, the pandemic reached almost every country in the world, causing – in words of Kristalina Georgieva, Managing Director of the International Monetary Fund, a ‘global crisis like no other’: more complex, more uncertain, and truly global (Georgieva 2020).

It is too soon to determine the effects of this crisis. However, automated mapping of 18 articles and reports on the impact of Covid-19 in legal services (see Figure 4), together with information on the economic and social consequences of the pandemic published by the IMF has allowed a glimpse of some of the consequences of Covid-19 on the issues identified in this project as shaping the global legal ecosystem:

Figure 4: Drivers of change: percentage of citing references

Accelerating change

Most commentators on the impact of Covid-19 in legal service highlight the accelerating effect of the pandemic on the already existing drivers of change.

Technology driving change

During the pandemic, technology emerges as a top one driver of change – in the same position as client empowerment (see Figure 4).

The expansion of technology solutions and digitalisation has taken a central role in the redesign of legal services and the consolidation of new working models during the pandemic.

New normal for work

According to the IMF (2021) working patterns and models that had emerged before the pandemic have been significantly developed during 2020 and are likely to continue after the pandemic.

Most commentators confirm the impact of Covid-19 on work practices law, particularly on the normalisation of remote working.
Effect of rising unemployment

Projected employment losses in most industries might increase the concern with employability and career paths in the legal services industry.

Total employment losses across G-20 economies are projected at more than 25 million this year and close to 20 million next year, relative to pre-pandemic projections (IMF 2021).

Divergence and inequalities

Heightened divergence and inequalities across regions and within countries might accentuate the access to justice gap as well as gender and race inequalities in the legal services market.

According to the IMF (2021) due to the current crisis around, more than 50 per cent of emerging market and developing economies are expected to shift from converging toward advanced economies to diverging during 2020-22. Moreover, the same sources argue that poverty and inequality within countries is expected to aggravate, particularly for the young, women and low skilled.
Research synthesis

Research questions

Primary research question

• Which issues are shaping the global legal ecosystem?

Secondary research questions

• Which are the issues that most concern the academic literature?
• How intertwined are the main drivers of change for legal services?
• Which are the most relevant changes since the 2017 FLS report?

Additional question beyond the research project

• How might the Covid-19 pandemic affect the issues identified as shaping the global legal ecosystem?

Document type and timespan

Journal papers and conference proceedings published during the period July 2017 to July 2020, included in:

• Social Sciences Citation Index (SSCI)
• Conference Proceedings Citation Index – Social Science & Humanities (CPCI-SSH)

Selection process

• Keywords: ‘legal service*’ or ‘legal service* firm’ or ‘law firm*’

• Topic search (title, abstract, author keywords, Keywords Plus®): use of quotation marks to find exact phrases and asterisk (*) to find any group of characters.

• Exclusion criteria: documents not addressing themes related to the drivers of change identified in the IBA 2017 research or other themes that could be potentially coded as new drivers of change for legal services.
Selected papers: Most of the 178 selected issues appeared published in academic journals, with only nine issues published in conference proceedings. The great dispersion of sources is evident in Figure 5. Only 23 academic journals had at least two of the selected issues published.

**Figure 5: Steps in selection process**

![Figure 5](image)

**Figure 6: Number of papers by academic journal**

![Figure 6](image)

**Literature review**

The methodology used has been literature mapping review of the 178 selected issues, consisting of mapping out, categorising and hierarchically organising the issues shaping the global legal ecosystem.

**Manual mapping**

The topic focus of each study and the most relevant quotes to answer the research questions have been manually coded, categorised and hierarchically organised (see Table 1 and Section A).

Each one of the six main Nodes of this project represents a collection of three levels of child nodes, supported by quotations extracted from a particular group of the selected papers which were grouped under the name of each Node (See Figure 1).
Automated mapping with NVivo 12 Plus

Text search and auto coding

NVivo 12 Plus software ‘text search’ and ‘auto coding’ tools have been used to search and code the list of most cited drivers of change identified in the 2017 FLS Research. In addition, several new drivers of change have been included to the author’s criteria. The quantification of the number of selected papers addressing each driver of change has allowed the list of drivers of change to be hierarchically structured and compared to the 2017 FLS Research, thus highlighting variations in their perceived relevance (see Figure 3).

Sentiment auto coding

The general tone, positive or negative, of the content related to the list of drivers of change has been automatically detected using the NVivo 12 Plus Auto Code Wizard, and manually confirmed. To produce results, the Auto Code Wizard creates a node matrix, and content is coded to sentiment nodes (see Table 3).

Limitations of sentiment auto coding

It is important to understand that this tool does not classify content according to sentiment. It does not take each piece of content and rate it on a Likert sentiment scale. It looks at the sentiment of words in isolation – the context is not considered. Moreover, NVivo cannot recognise sarcasm, double negatives, slang, dialect variations, idioms, and ambiguity.

Sentiment scoring

The process uses a scoring system. Each word containing sentiment has a pre-defined score. Each sentiment node represents a range on a scale (of sentiment). Words with a score that fall within the neutral range are not coded.

Cluster analysis

NVivo 12 Plus cluster analysis has been used as an exploratory technique to visualise patterns in the project by grouping Nodes that share similar wording (see Figure 2 and Table 2). The Pearson correlation coefficient (-1 = least similar, 1 = most similar) has been used quantify the similarity index between each pair of items.

Coding intersections

The use of NVivo matrix coding query has enabled to identify coding intersections between two lists of items: Nodes representing issues shaping the global ecosystem and the list of auto coded drivers of change.
References

Selected papers for literature review


Zhou, W, and Xi, J, ‘China’s liberalization of legal services under the ChAFTA: Market access or lack of market access for Australian legal practices’, *Journal of World Trade* (2017) 51(2) pp 233-264.

**References (Covid-19)**


