The future of the legal profession survey

conducted by AIJA in collaboration with the Council of Bars and Law Societies in Europe, September – October 2018
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Methodology

• Survey conducted in cooperation with the Council of Bars and Law Societies in Europe (CCBE) in September-October 2018 to better understand the issues that impact the future of the legal profession.
• This follows our 2016 survey (July-August 2016)

2016 vs 2018

33 countries represented
96 responses were collected

48 countries represented
180 responses were collected
2016 vs 2018

**Small law firm**
- 62.82% 30-40 y.o
- 23.08% +40 y.o
- 12.82% 25-30 y.o
- 1.28% <25 y.o

**Large law firm**
- 44.87%

**Solo practitioner**
- 29.49%

**Other, e.g. in-house, mid-sized firm**
- 14.10%

**Medium-large law firm**
- 52.35% 30-40 y.o
- 28.86% +40 y.o
- 16.11% 25-30 y.o
- 2.68% <25 y.o

**Small law firm**
- 32.43%

**Other, e.g. in-house, public official**
- 10.81%

**Solo practitioner**
- 8.11%
Executive summary
The future of the legal profession

Biggest threats to the legal profession

- Resistance by lawyers to innovate: 46.98%
- Alternative providers of legal services: 32.89%
- Commoditisation of legal services: 29.53%
- Privatisation of justice: 22.82%
- Unaffordable fees: 17.45%
- Technology replacing human resources: 16.11%
- Economic factors: 14.09%
The future of the legal profession
Current views and outlook for the future

Resistance to innovation
Close to 47% of European lawyers have rated resistance to innovation the first biggest threat to the profession.

The outlook for the future is nevertheless positive, as this marks a decrease of nearly 24% from two years ago (2016).

Rise of alternative legal service providers
86% of lawyers believe that law firms are likely to employ non-lawyers (e.g. project managers, legal technicians) to provide services to their clients in the future. This marks an increase of 10% since 2016.

Pressure to increase cost-effective competency and processes as well as leverage new technologies could be some of the drivers towards outsourcing many legal services to alternative providers. The complexity of services and tasks performed by lawyers will only continue to rise. Consequently, alternative providers of legal services will continue to rise as well, as more areas of specialisation may come forth.

Commoditisation of legal services
The commoditisation of legal services is rated the third biggest threat (30%). Not surprisingly, this is already challenging the law firms' traditional business models. Law firms will need to keep on adapting their business to the commoditisation.

The latest survey findings also reveal that compared to 2016, lawyers seem to be doing more bespoke work (increase of 8%) and less routine tasks (decrease of 18.54%).
The future of the legal profession
Current views and outlook for the future

Privatisation of justice

The privatisation of justice is rated the fourth biggest challenge (23%). Lawyers foresee a growing trend on the “privatisation” of justice through alternative dispute resolution mechanisms (“ADR”) like conciliation, mediation, and counselling. While ADR in some cases may help to provide a quicker access to justice to parties who otherwise may face overworked traditional courts, lawyers seem concerned about the guarantees, lack of transparency and overall quality provided by ADR.

Use of new technologies

Compared to 2016 (28% vs 16% in 2018), lawyers seem to be less fearful of technology replacing them in the future (decrease of 43%). While this marks a more positive attitude towards technology, lawyers are yet lagging in the adoption of new technologies in their law firms.

To overcome the challenges to the future of the legal profession, law firms are taking some measures. 42% of respondents are confident that their law firms are taking the necessary steps to introduce new tools or ways of working: from developing marketing or AI tools, using cloud and online databases, automatisation, to legal project management, developing internal knowledge and establishing multi-disciplinary partnerships.

Business acumen (customer-centric approach), solid digital proficiency, good management skills and openness towards innovation are mentioned as essential skills for the legal profession. With the rise of new technologies, being simply a knowledgeable lawyer is no longer enough. However, only 3% agree that the training of lawyers is sufficiently adapting to the changing landscape of the legal market. More legal training seems required to adapt accordingly and ensure that lawyers remain indispensable in the era of AI technology.
Top findings
A perspective from the young legal profession
2016 vs 2018
1. resistance to innovation
Compared to 2016, European lawyers seem less resistant to innovation.

2016: 46.98%  
2018: 61.54%  
Difference: 23.66%
2. rise of alternative legal service providers
Legal services run by providers other than registered lawyers will play a greater role in the legal market in the future.

- **2016**: 65.58%
- **2018**: 59.09%

**Change**: 6.49%
Due to the rise of alternative legal services, I/my firm have experienced pressure on the level of prices of my/our services.

- **2016**: 42.86%
- **2018**: 45.08%
Q: Based on the statement above, should there be legal services run by providers other than registered lawyers?

Legal services should be run by registered lawyers only.

7 out of 10 respondents say that legal services should not be run by providers other than registered lawyers. (same as in 2016)
Q: Does your law firm outsource legal services to external providers? (including other law firms)

4 out of 10 respondents say their law firms outsource legal services to external service providers (lawyers and non-lawyers).

(same as in 2016)
In the future, law firms will engage in multi-disciplinary partnerships (allowing non-lawyers to become partners).

2016: 55.95%
2018: 66.88%

20%
9 out of 10 respondents say their law firms are likely to employ non-lawyers to be part of multi-disciplinary teams providing services to clients (project managers, legal technicians, etc.).

This marks an increase of 10% from 2016.
My law firm is sufficiently prepared to meet the future challenges to the legal profession mentioned in this questionnaire.

- **2016**: 42.85%
- **2018**: 41.03%

4%
Q: Has your law firm taken measures to meet the future challenges to the legal profession mentioned in this questionnaire?

*4 out of 10 lawyers feel confident that their law firms are taking the necessary measures.

(same as in 2016)

*Examples of measures given by respondents*
- AI, document automatisation, help from UX/design experts
- Acquiring apps and software to do work in a more efficient manner
- Internal trainings, developing internal knowledge and experience in project management and auditing
- Partnerships with other professionals
- Subscription to online research platforms
- Developing marketing tools
- Hiring project managers, business-oriented professionals, non-lawyer experts
- Using CRM systems, online databases, cloud
- Providing alternative services
3. commoditisation of legal services
Necessary skills for lawyers (2018)

- Business minded: 33.12%
- General digital competence: 17.20%
- Management skills: 15.29%
- Innovative skills: 10.83%
- Psychological skills: 7.01%
- Financial and accountability skills: 4.46%
- Coding, data management and algorithm monitoring: 1.91%
- Other, e.g. value, empathy, strategy, communication skills: 10.19%
7 out of 10 respondents say they do more bespoke work than routine work.

This is a positive evolution as this marks an increase of 8.03% from 2016.
Q: Indicate the ratio of ‘standard/routine’ work as compared to ‘bespoke/complex’ work that best describes your practice

European lawyers say they do less routine work than bespoke work.

Only 2 out of 10 respondents say they do more routine work than bespoke work. This is a positive evolution as this marks a decrease of 18.54% from 2016.
4. privatisation of justice
The criminal justice system is sufficiently complying with the rule of law.

- **2016**: 50.69%
- **2018**: 45.96%
- Decrease: 9.33%
The civil justice system is sufficiently complying with the rule of law.

- 2016: 61.65%
- 2018: 54.43%
- Difference: 11.71%
Q: Do you think that the use of automated systems predicting with a high degree of certainty the possible outcome of a dispute (‘predicative justice’) will impact legal services and the justice system?

7 out of 10 respondents believe that the use of automated systems will impact legal services.

*This marks an increase of 5.02% from 2016.
In the future, ODR systems will play an important role in conflict resolution.
Q: Have you already used online dispute resolution (ODR) systems?

9 out of 10 respondents haven’t used ODR systems.

Only 9.46% said they have already used ODR, e.g. UDRP, WIPO, SGOA
In the future, ADR systems will play an important role in conflict resolution.

- 86.66% in 2016
- 71.81% in 2018
- 17.14% decrease
Q: Have you already used alternative dispute resolution (ADR) systems?

6 out of 10 respondents already used ADR systems.

*16%

*This marks an increase of 16.37% from 2016.
5. use of new technologies
Compared to 2016, European lawyers seem less fearful of technology replacing human resources.

- 2016: 28.21%
- 2018: 16.11%

Total decrease: 42.89%
### New technologies integration within law firms (2018)

<table>
<thead>
<tr>
<th>Technology</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website</td>
<td>83.44%</td>
</tr>
<tr>
<td>Use of social media</td>
<td>77.07%</td>
</tr>
<tr>
<td>Use of marketing tools</td>
<td>56.05%</td>
</tr>
<tr>
<td>Legal search engines</td>
<td>54.78%</td>
</tr>
<tr>
<td>Content management software</td>
<td>28.66%</td>
</tr>
<tr>
<td>Collaborative tools for clients</td>
<td>19.75%</td>
</tr>
<tr>
<td>Providing online legal services</td>
<td>15.92%</td>
</tr>
<tr>
<td>Use of Artificial Intelligence</td>
<td>11.46%</td>
</tr>
<tr>
<td>Smart contracts/blockchain tech</td>
<td>7.64%</td>
</tr>
<tr>
<td>Chatbots</td>
<td>5.10%</td>
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About AIJA

International Association of Young Lawyers

Founded in 1962, AIJA is the only global association dedicated to lawyers and in-house counsel below 45 years old.

www.aija.org
AIJA Key Facts

01
4,000+
active members and supporters in more than 90 countries worldwide

02
700+
law firms of all sizes

03
60+
collective members

04
20
legal and business-related commissions; and a Human Rights Committee

05
20+
seminars and conferences per year; and webinars