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# TECH AND THE LAW

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2020 REPORT

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# Introduction

COVID-19 has accelerated the adoption of legal and business technologies, with most firms and organisations now working remotely during these unprecedented times. The profession is faced with practising the law and collaborating with vendors and clients in unique circumstances.

Considering the current landscape, one can wonder how lawyers are coping. Many find themselves working reduced hours, while upper management in some firms have placed a freeze on new hires or, worse still, been forced to stand down or make both legal and operational roles redundant. Law firms and legal departments that have been high adopters of legal technology are likely to be adapting to the new normal more easily, however, regardless of the degree to which each firm and organisation is equipped to deal with COVID-19, all are likely to take advantage of significant opportunities if they're able to enhance their virtual workspaces and improve how they use the tools at their disposal.

Among many things, the current crisis has highlighted that legal innovation and digital transformation is no longer a 'nice to have' – it may even be forcing the adoption of new ways of working that could enhance the way you and your organisation operates, collaborates, or innovates.

Thomson Reuters and Momentum Intelligence are pleased to release the *Tech and the Law 2020 Report*, which tells a story of the legal industry in the moments before the global health crisis took hold. The purpose of our market research is to give voice to legal professionals through the collation of their perspectives and we have gathered data from a range of legal professionals, be it key decision-makers or junior corporate lawyers.

According to the *Tech and the Law 2020 Report*, on average, firms and legal departments that can handle an increase in workload and scale into the future have been adopting more technology than the organisations that lack these abilities. This comes as a staggering rate

(almost 75%) of employees believe that their systems and processes cannot handle an increase in workload nor are able to scale into the future.

From the perspective of individual legal professionals, the most wanted technology solutions are also those that aim to remove the menial tasks, like document management, and that will improve efficiency. In addition, decision-makers in organisations believe that there is a much higher level of efficiency within their organisation than non-decision-makers. Along with this, budget restraints are clearly the biggest barrier preventing organisations from investing in new and emerging technologies.

Whether you are an in-house champion innovator or in law firm senior leadership, there are 'legal tech' insights in here for everyone. We trust you will find the *Tech and the Law 2020 Report* just as compelling as we do, particularly in the middle of a global health crisis where remote connectivity is crucial.

Thomson Reuters and  
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# Report credentials

1.

## Survey timeline

This survey was conducted over two weeks between 14 January and 5 February 2020.

2.

## Who participated?

Legal professionals from both private practice and corporates participated in the online survey that was distributed via Lawyers Weekly. There were no incentives offered to the participants - they simply wanted to share their views and industry experiences.

3.

## Sample size

After removing invalid participants we have a total usable sample of 233 legal professionals. These results were then weighted to reflect the industry population.

4.

## Confidence level

Confidence interval of +/- 6.42% at level of 95% which gives us great confidence in these findings for this purpose of exploring the high-level trends within the industry.



# Key findings

1.

**Just over a third** of employees believe that their firms have the ability to handle an increase in workload as well as the ability to scale into the future.

2.

Successful organisations **on average are using far more technology** (more than 3) than unsuccessful organisations (less than 2).

3.

Document automation solutions and document drafting solutions are the two technologies that **employees believe their firm should invest** further into.

4.

Decision-makers believe that **their firm is far more efficient** than those who aren't decision-makers.

5.

Budget restraints affecting the organisation's willingness to approve investment is **the biggest barrier** stopping firms from adopting legal technology in 2020.

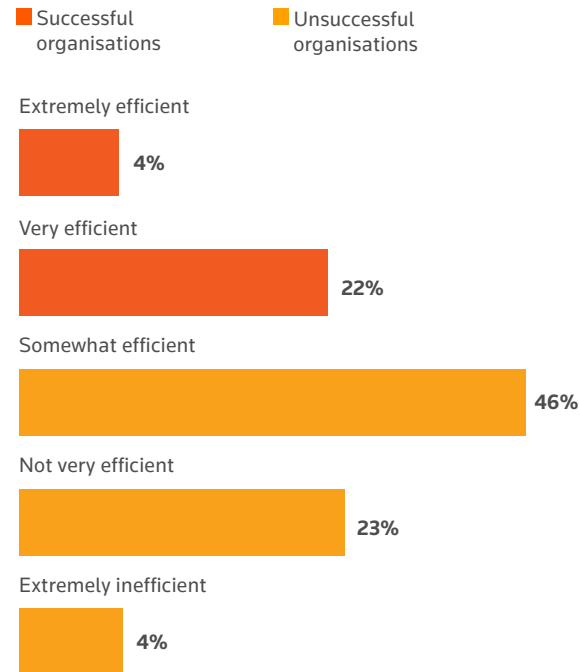
## What does success look like?

We asked our survey respondents to self-assess their firm or organisation. Each legal professional offered their views on the level of success they would attribute to their firm or organisation.

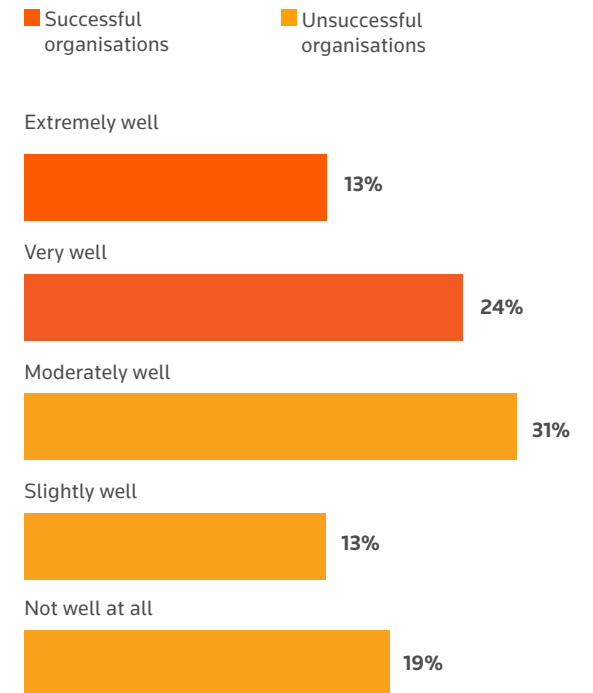
Participants were then asked about whether their firm or organisation had the technology, systems and processes to handle an increase in workload as well as the ability to scale into the future. From these results, we note that just over one third of the industry are considered 'successful organisations' and there are a lot of factors that a majority of successful organisations have in common.

A majority of successful organisations work with three platforms for information retrieval (40%), have a high interest in investing in technology (65%) as well as having a majority of employees that place a high significance on legal innovation (75%). Along with this, a majority of successful organisations are adopting more technology than those classed as unsuccessful organisations.

### Figure 1. In your opinion, how efficient is your organisation?



### Figure 2. To what extent could your existing technology, systems and processes handle a significant increase in workload?



## What does success look like?

Throughout *Tech and the Law 2020*, less than half of employees believed that their organisations, systems and processes are either efficient (27%), can handle an increase in workload (38%) or can scale into the future (38%).

For an organisation to be categorised as a successful organisation in this initiative, it is technologically efficient (can handle an increase in workload) and has the ability to scale into the future. From the legal professionals who responded to this survey, 37% were successful organisations, 32% were neutral and 31% were categorised as unsuccessful organisations.

## Figure 3. To what extent do you believe that your existing technology, systems and processes will give your organisation the ability to scale for the future?

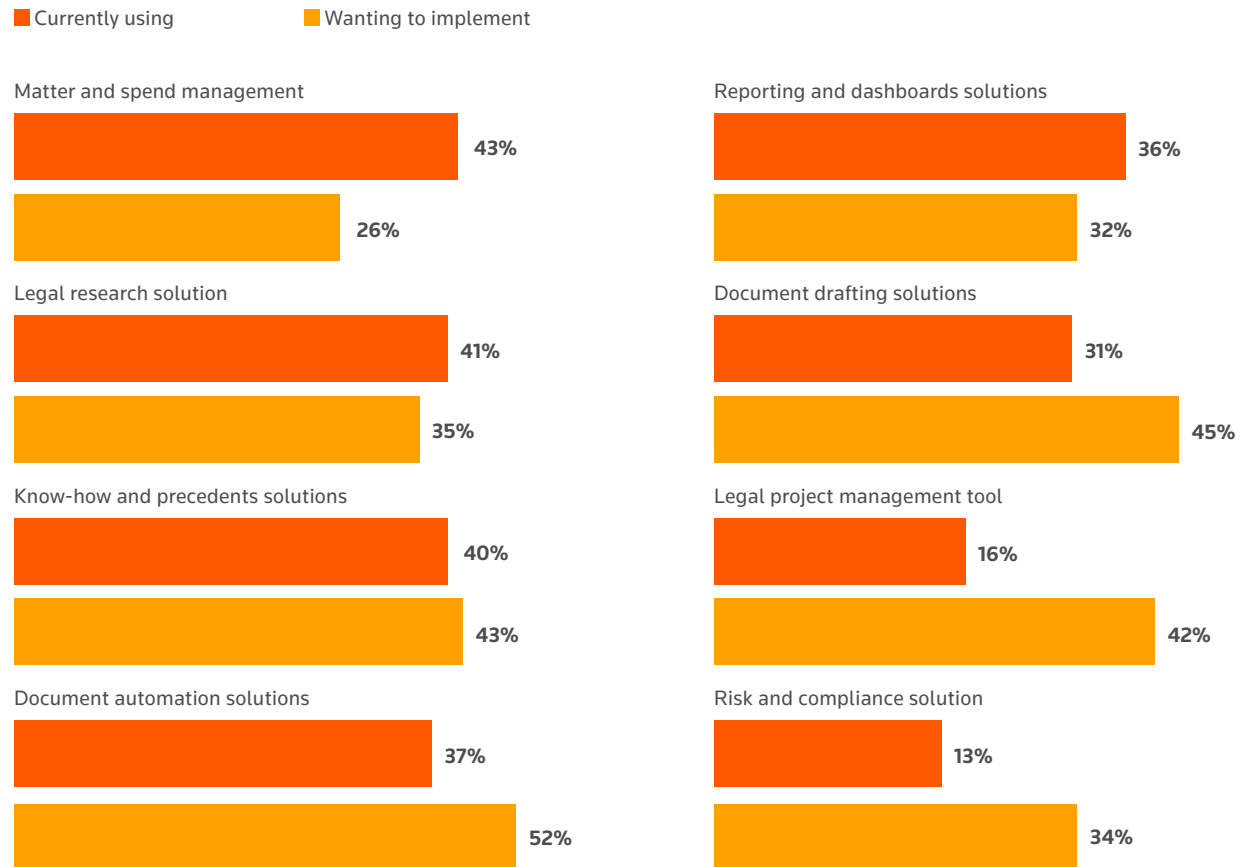


## Software and platforms

There are numerous technologies used in the legal profession every day. While there is no clearly most used type of technology, matter and spend management (43%), legal research solutions (41%) and know-how and precedent solutions (40%) are the three most commonly used legal technologies.

When it comes to what technologies employees think that their organisation should implement, there is a clearer picture. Over half of legal professionals believe that their organisation should adopt document automation solutions (52%), with document drafting solutions (45%) and know-how and precedent solutions (43%) being the second and third most sought after solutions.

Figure 4. Which of the following technologies do you currently use?





## The relationship between technology and success

There is a distinct difference between the number of technologies that successful organisations are using as opposed to unsuccessful organisations; the inverse can be said for the amount of technology that unsuccessful organisations want to adopt as opposed to successful organisations

On average, a successful organisation will have almost 60% of the technologies that their employees think that they require, while unsuccessful organisations have less than 40% of the technologies that their employees believe that they need to work at their most efficient. Along with this, successful organisations use 61% more technology than unsuccessful organisations. On average, a successful organisation would be using 3.19 of the eight technologies listed, whereas unsuccessful organisations are using 1.95 of the listed technologies.

Figure 5. The average number of technologies adopted by successful organisations



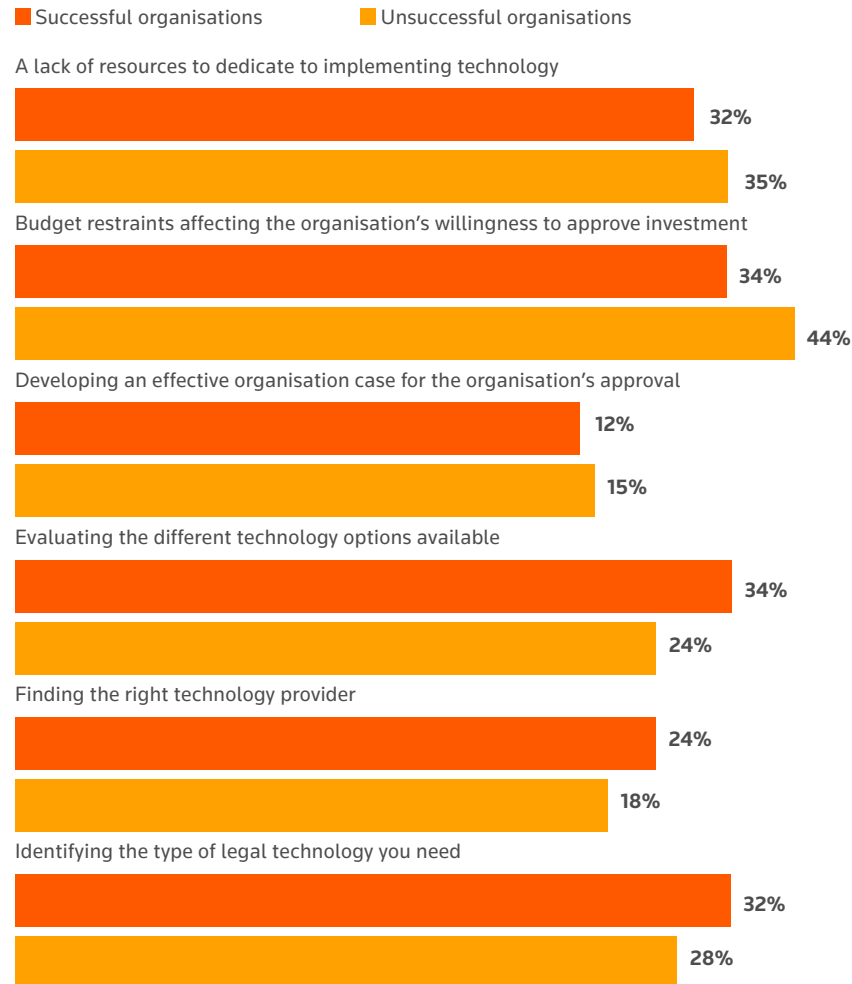
## What are the barriers hindering efficiency?

Across the different performing sectors, there was a relatively consistent string of barriers faced by successful and unsuccessful organisations alike. Both faced the biggest barrier of budget restraints affecting the organisation's willingness to approve investment (34% and 44%, respectively), however this was significantly higher for unsuccessful organisations.

Unsuccessful organisations face far higher barriers towards the end of the adoption process than successful organisations, with a lack of budget and lack of resources being the major points where adoption can fall through.

Successful organisations had less defined barriers, whereas unsuccessful organisations had clear points where the process would fail. The different types of barriers faced by the different organisational types are indicative of their willingness to adopt new technologies.

## Figure 6. What are the biggest barriers for you in gaining access to the legal technology that you need?

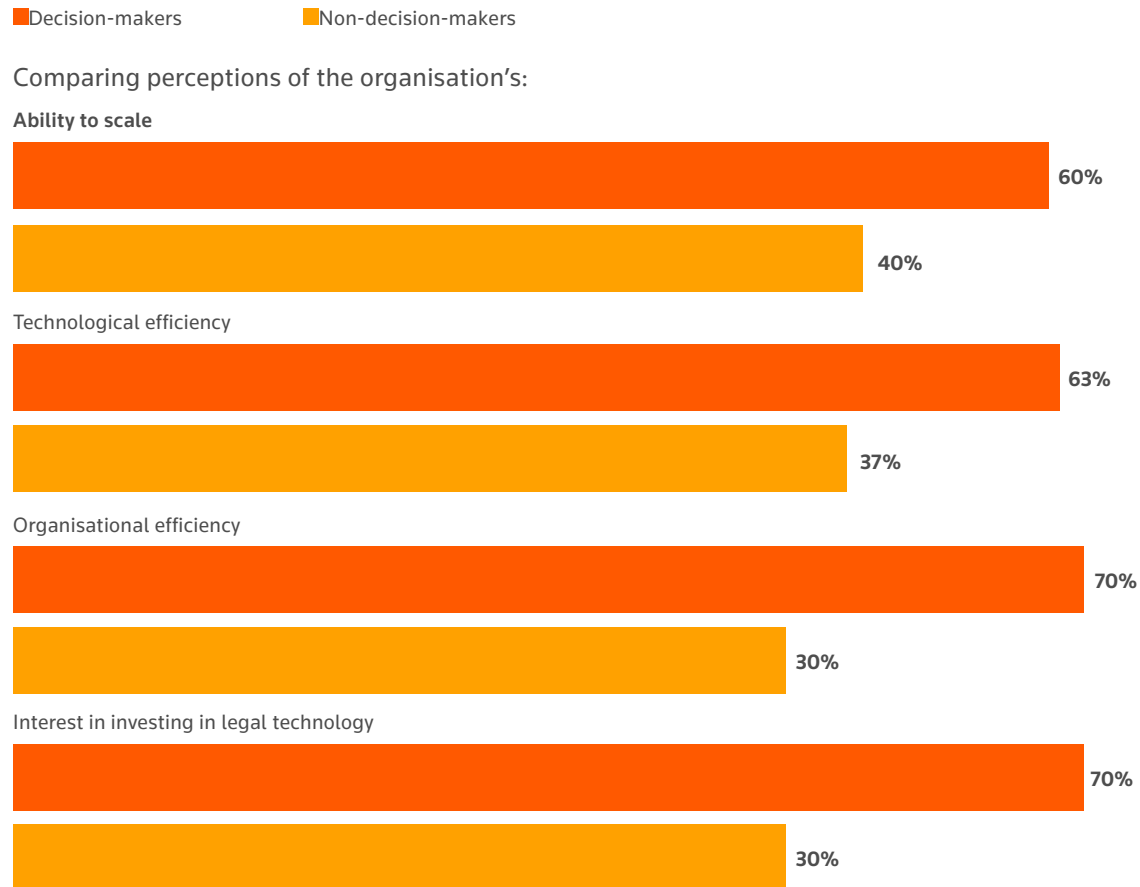


## How do decision-makers view their organisation?

Legal professionals who took part in the survey ranked themselves as either significant or insignificant in the technology adoption process. Categorised into decision-makers and non-decision-makers, they viewed the efficiency of their company very differently.

Across the different categories, in organisational efficiency, technological efficiency (the ability to handle an increase in workload) as well as the ability to scale into future, a vast majority of decision-makers believed that their organisations excelled, whereas it was the complete opposite for non-decision-makers, with a majority believing that their organisation lacked efficiency in all these categories. Along with this, decision-makers believe that their organisation has a much higher interest in investing in legal technology than that of a non-decision-maker.

Figure 7. How significant is your input in deciding whether your organisation will invest in legal technology?

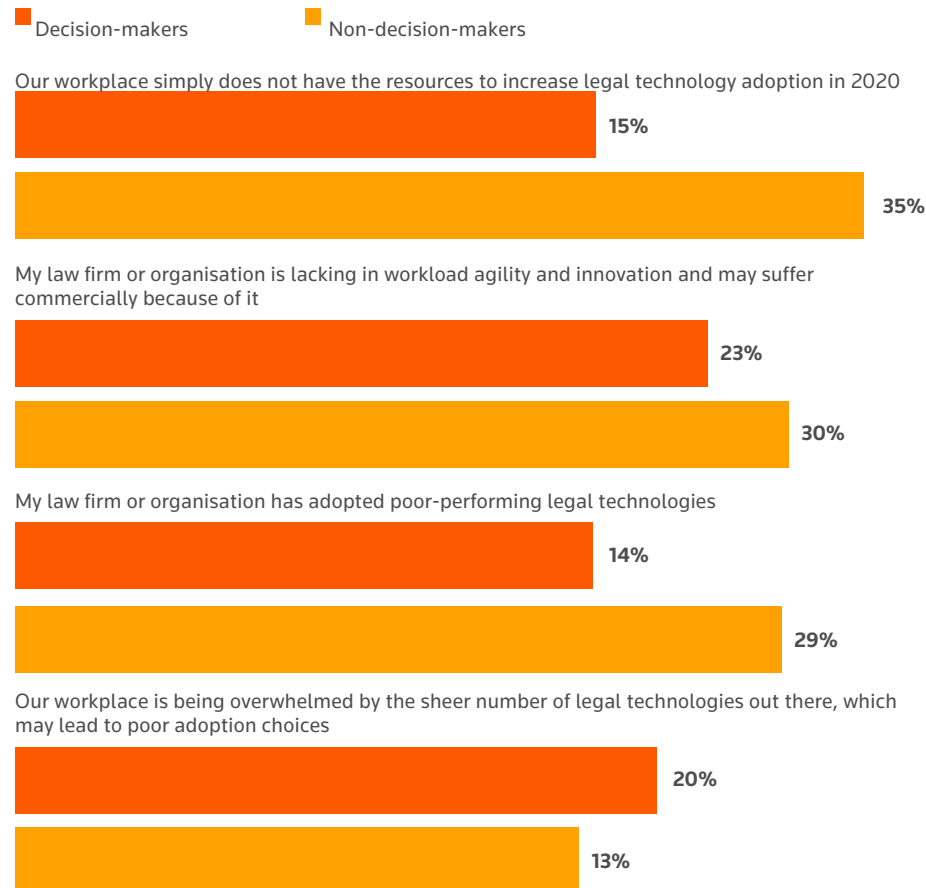


## Concerns of decision-makers and non-decision-makers

Both decision-makers and non-decision-makers were asked about concerns for their organisation when it comes to legal technology in 2020. Non-decision-makers had far more concerns for their organisation when it came to legal technology, and this runs parallel with their lower belief in the efficiency of their organisation.

The greatest concern for the non-decision-makers was that their organisation does not have the resources to increase technology adoption in 2020 (35%), as well as believing that their organisation lacks in workplace agility and innovation and will suffer commercially due to this (30%). This concern also resonated with decision-makers, as it was their biggest concern for their organisation in 2020 (23%), however, the level of concern for their organisation was far lower than that of the non-decision-makers.

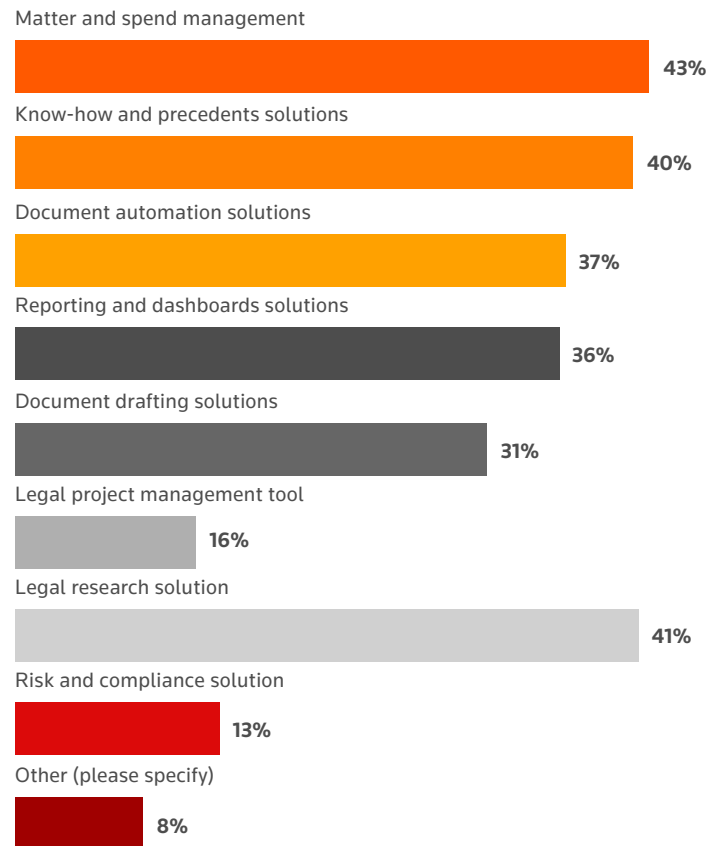
**Figure 8. Which of the following are concerns you currently have for your organisation in 2020 on the legal technology front?**



# Survey results

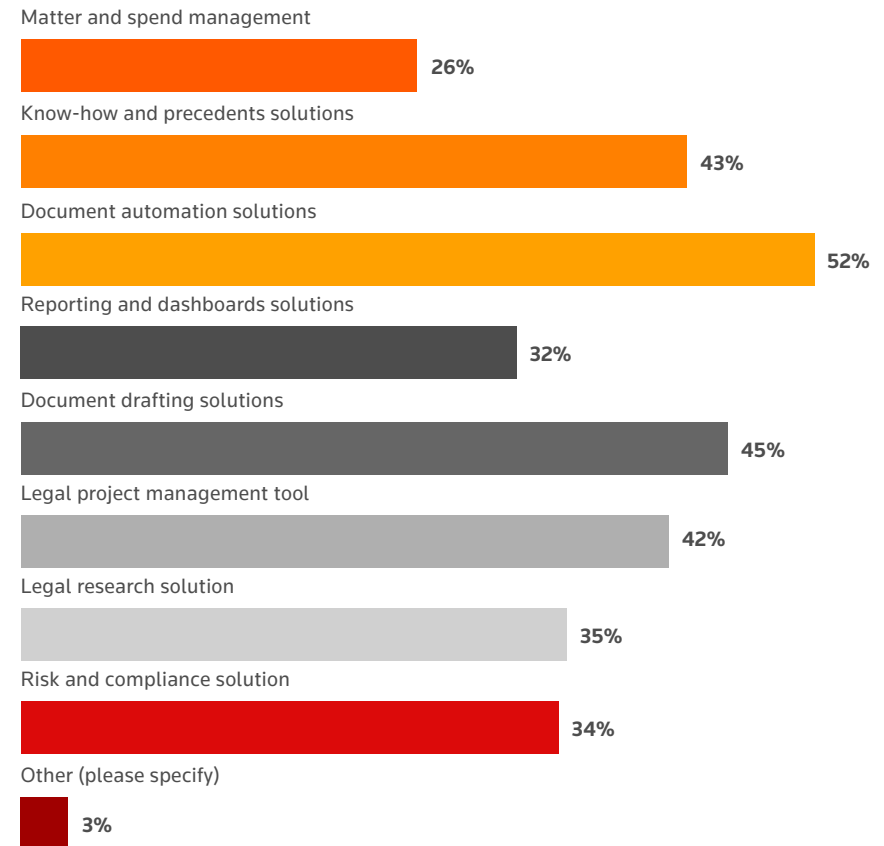
## Which of the following legal technologies do you use?

Figure 9.



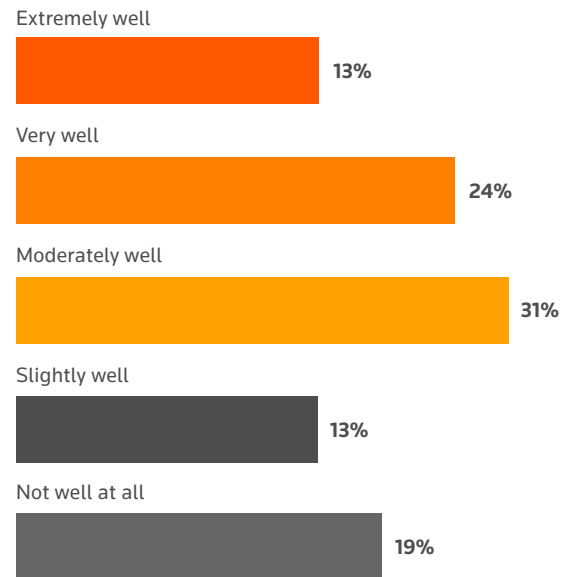
## Which of the following legal technologies do you believe your organisation should be investing in further?

Figure 10.



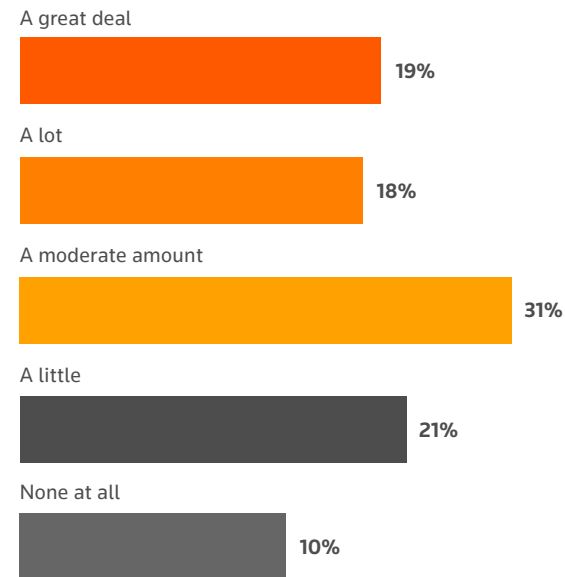
## To what extent could your existing technology, systems and processes handle a significant increase in workload?

Figure 11.



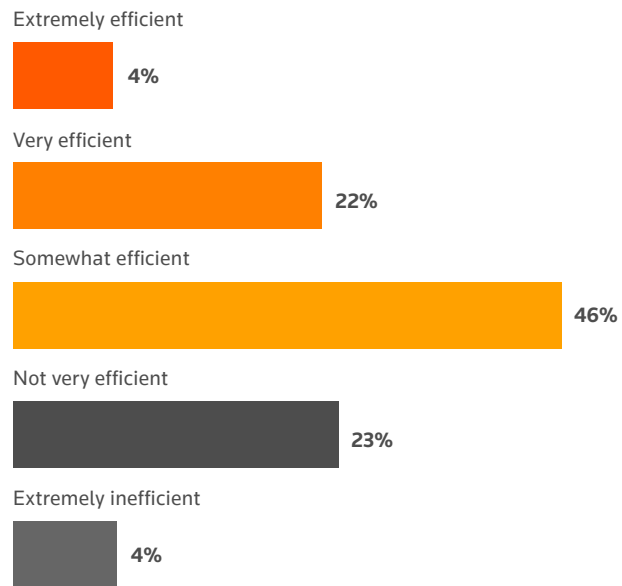
## To what extent do you believe that your existing technology, systems and processes will give your organisation the ability to scale for the future?

Figure 12.



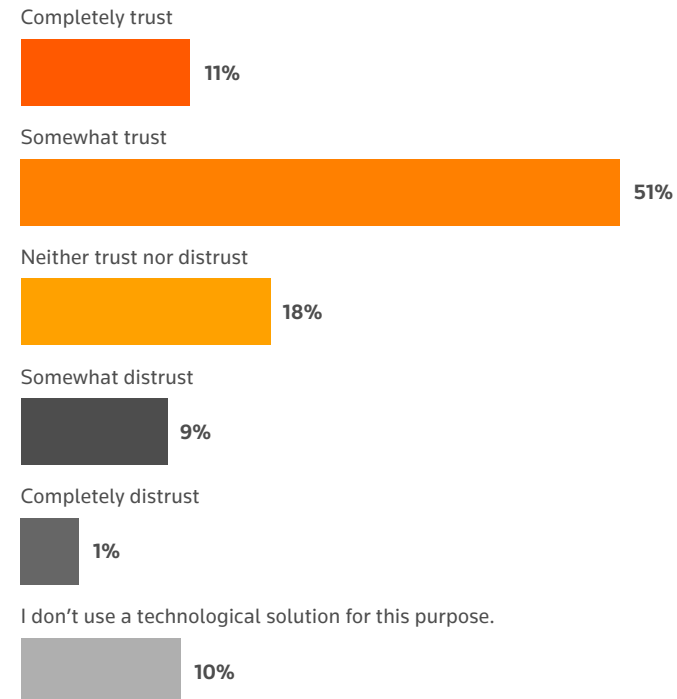
## In your opinion, how efficient is your organisation?

Figure 13.



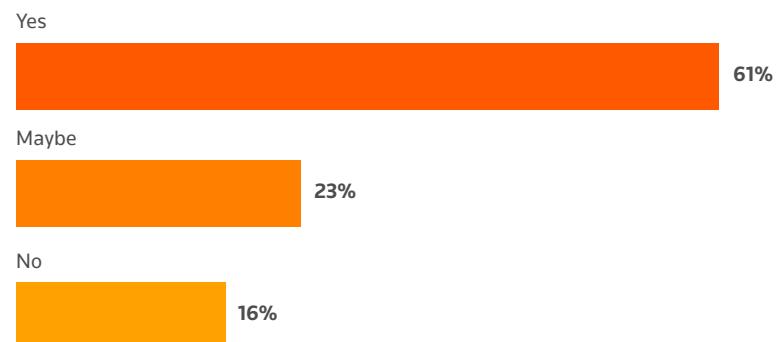
## When seeking legal guidance and know-how for clients, how much trust do you have in the legal technology solution you use, when it comes to providing you with accurate and relevant results?

Figure 14.



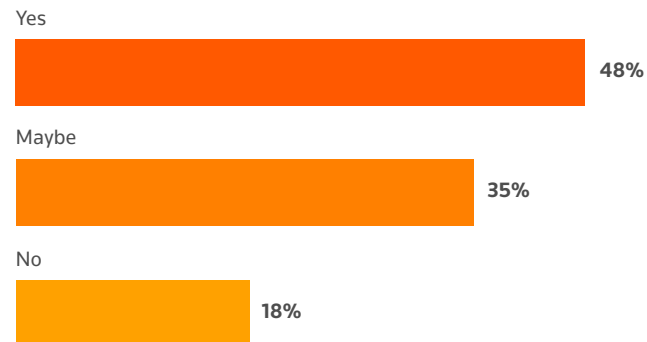
## When evaluating your current employer, is their level of legal innovation something you consider?

Figure 15.



## Would a lack of legal innovation ever prompt you to move to a new law firm or organisation?

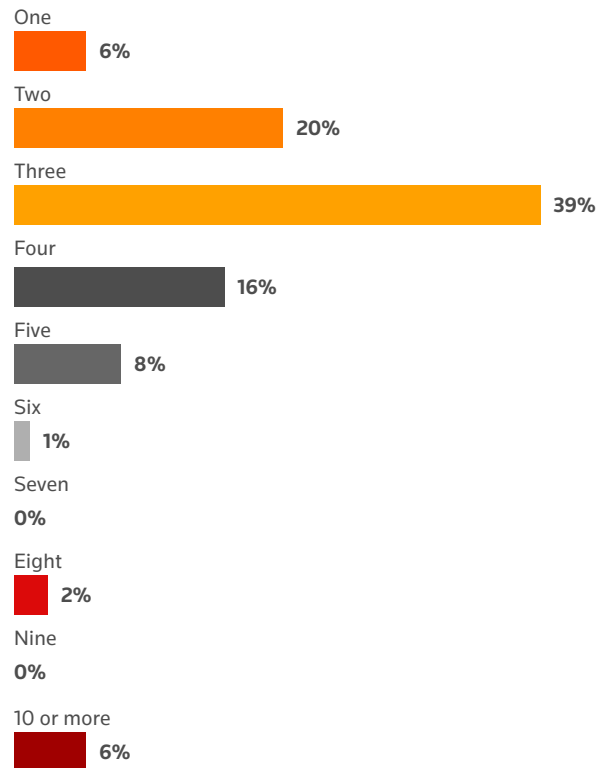
Figure 16.





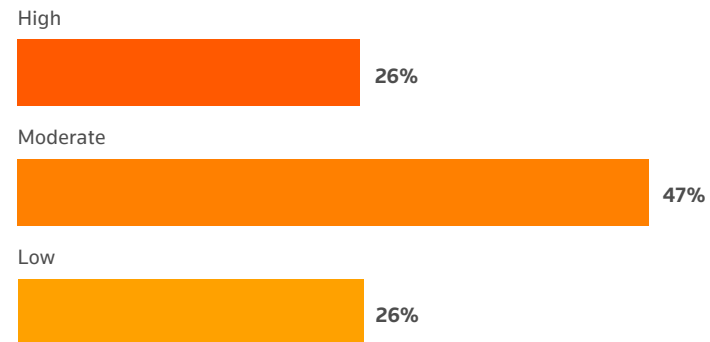
## When conducting legal research for your client or organisation, how many providers (i.e. Google, online research platform, free database) do you typically use to obtain the required information?

Figure 17.



## How would you describe your organisation's interest in investing in legal technology?

Figure 18.



## Which of the following are concerns you currently have for your organisation in 2020 on the legal technology front?

Figure 19.

My law firm or organisation is lacking in workload agility and innovation and may suffer commercially because of it



My law firm or organisation has adopted poor-performing legal technologies (there are better technologies they could be using instead, but they choose to stay loyal to current legal solution providers)



Our workplace simply does not have the resources to increase legal technology adoption in 2020



Our workplace is being overwhelmed by the sheer number of legal technologies out there, which may lead to poor adoption choices



Other concerns (please specify)



## How significant is your input in deciding whether your organisation will invest in legal technology?

Figure 20.

Extremely significant



Very significant



Somewhat significant



Not very significant

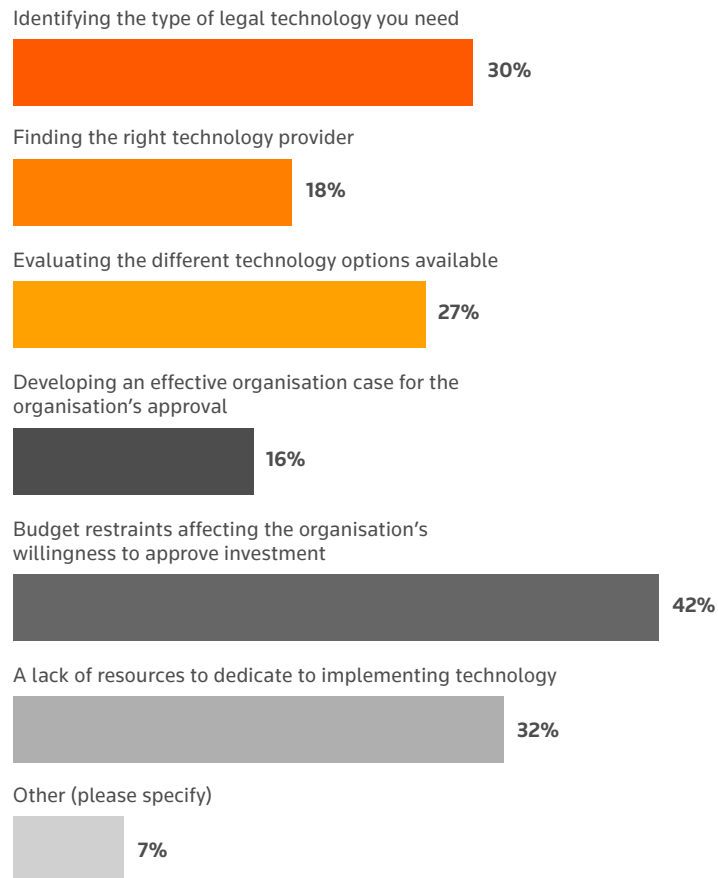


Extremely insignificant



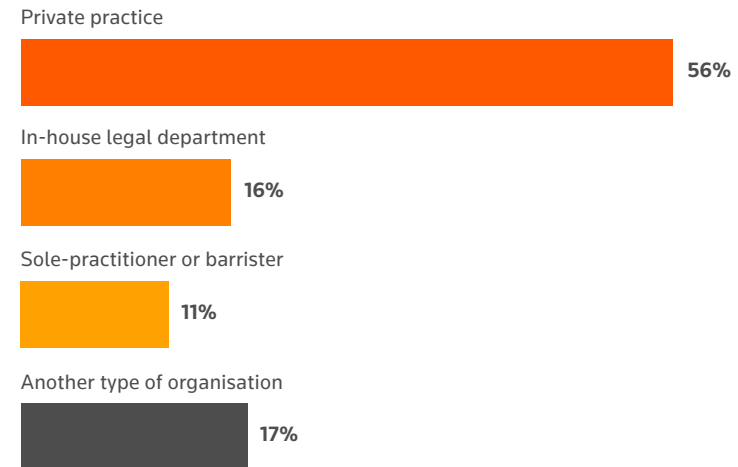
## What are the biggest barriers for you in gaining access to the legal technology that you need?

Figure 21.



## Which of the following best describes your role?

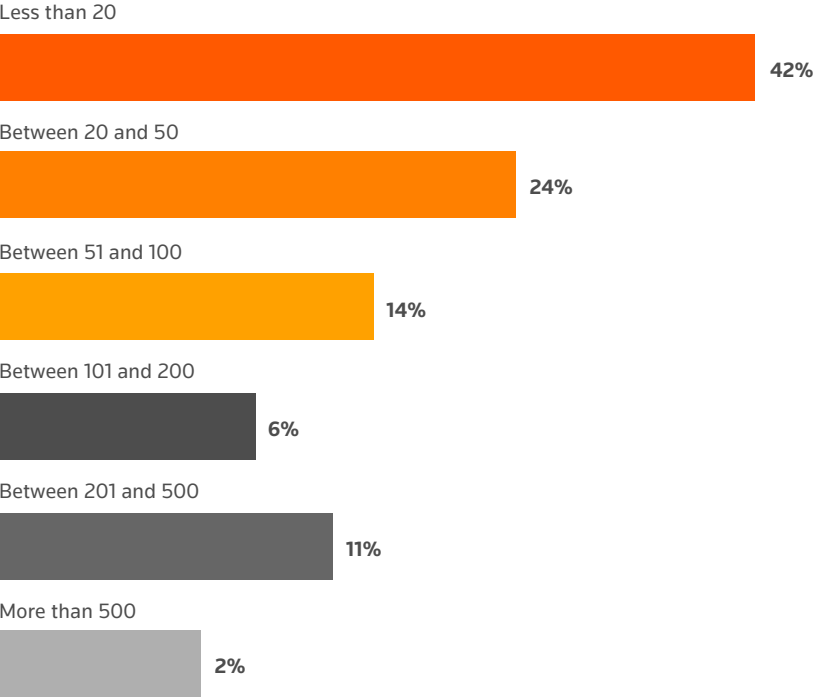
Figure 22.



# Demographics

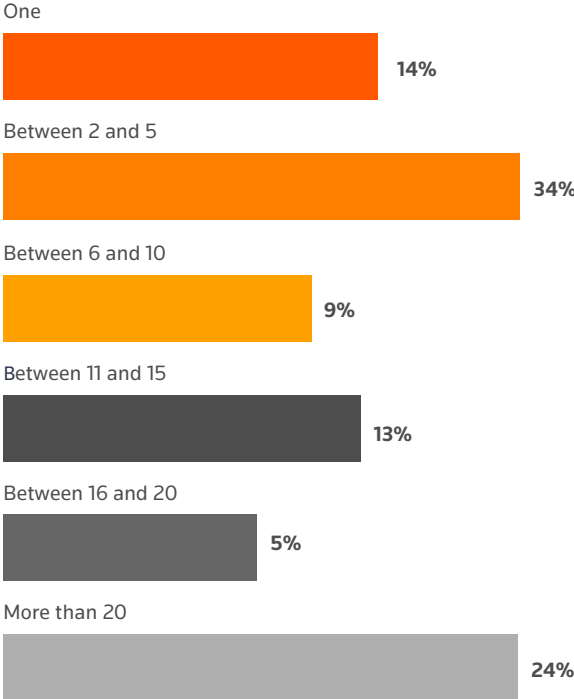
## How many employees does your organisation have?

Figure 23.



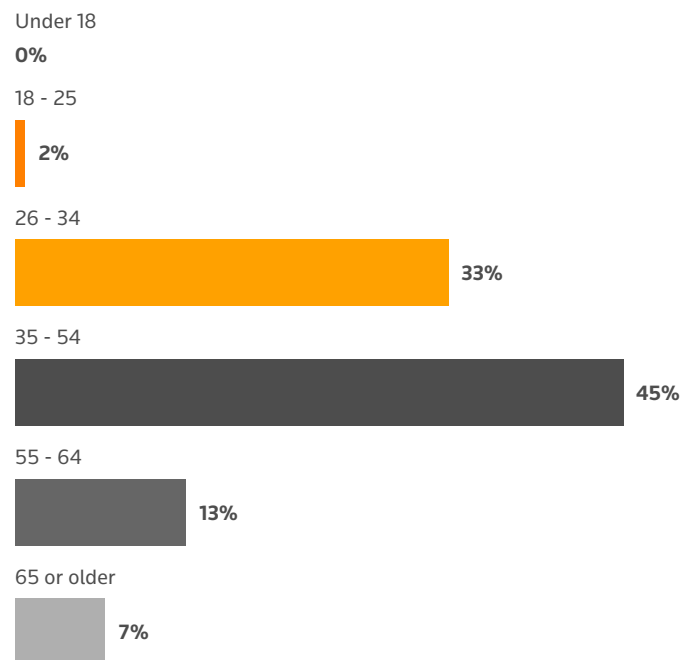
## How many employees do you have in your in-house legal department (including yourself)?

Figure 24.



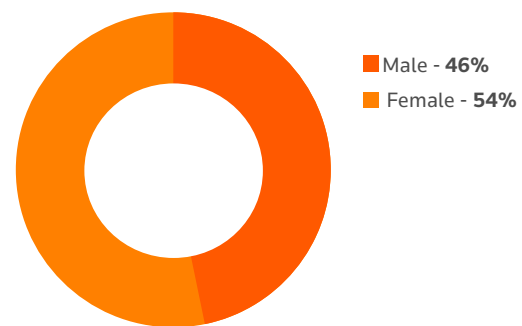
## What is your age?

Figure 25.



## What is your gender?

Figure 26.



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