

Artificial intelligence helping smaller law firms to compete with global heavyweights

Younger lawyers are keen to make use of AI as it means they spend less time doing 'lousy work', however such technology will not make the role of lawyers redundant

Artificial Intelligence (AI) is enabling mid-sized law firms to compete with massive international firms by allowing them to take on work they previously would not have been able to do due to insufficient resources, says Carlos Trénor, partner at Ventura Garcés & López-Ibor Abogados in Madrid.

"As a mid-sized law firm that is committed to trying out different AI software, we have been working with the Luminance platform for a number of months now, and while I wouldn't say it's completely transformed our work in due diligence yet, we have seen immediate results," he says. "Our expectations are that as the AI develops and learns from us and other law firms, and becomes more efficient, the results will continue to get much better in the next year or two."

AI is critical

Ventura Garcés & López-Ibor is a member of the international law firm network Multilaw, which has offices in more than 70 countries. It is also part of the Legalink network, which currently comprises more than 3,000 lawyers from 62 different law firms based in 47 countries.

According to Trénor, AI that reads and understands contracts and legal documents is enabling mid-sized firms to take on work that they couldn't previously do because of a lack of resources.

"For a mid-sized firm like us, AI is critical," he explains. "We will never be able to compete in size with firms with hundreds of lawyers, but we are very sure we can now deliver a large volume of quality legal work despite our size, as it can all be done by the same computer," Trénor adds. "And whereas in the past, we couldn't work on contracts without a mark-up, now we're able to deliver a better service – one that is reflected in every single document that comes out of the firm. AI helps with that."

Juniors giving better feedback

AI is also enabling mid-sized firms to retain their younger workforce too, says Trénor. "Junior lawyers are giving us much better feedback than the older generation as it's a language

they understand," he adds. "They are also very motivated to use AI, as they are not having to spend so much time doing lousy work."

This increased efficiency and focus on high quality work has led to a happier work environment, says Trénor. "This is something that society and, finally, law firms are adapting to – the idea of having lawyers more satisfied through not having to work so many hours and in being able to have a life."

In Trénor's view, having such a committed and enthusiastic team of lawyers justifies his firm's decision to invest in AI. He adds: "Top of our list is our lawyers being happy, so we can retain them and deliver a better service to the client."

'Treat AI like talent'

However, given the impact digitalisation is having on clients, there is a general expectation that all law firms use AI, says Trénor. "This is no different from the time when computers were introduced into law firms and reduced the need for typing or dictating documents," he argues. "You only have to work with corporates and with start-ups to see how, for the new generation, AI is now their language and they cannot conceive the idea of you not using such technology." Trénor adds: "That's why lawyers have to treat trying out different AI software as they would with talent – they have to assume that some of the talent will eventually leave, but know that they have to invest anyway, as otherwise, they'll be left with the least talented."

Good lawyers always needed

In Trénor's opinion, the only law firms at risk are the ones that do not take the time to understand or adapt to AI. "AI is not making the role of the lawyer redundant, it is simply filtering out the lawyers that are non-efficient," he says. "If you are just supplying a legal service focused on volume without adding any value, I'm sure computers will develop and do it much better, but the need for good lawyers will never die. AI is just part of the natural selection process."



Carlos Trénor