

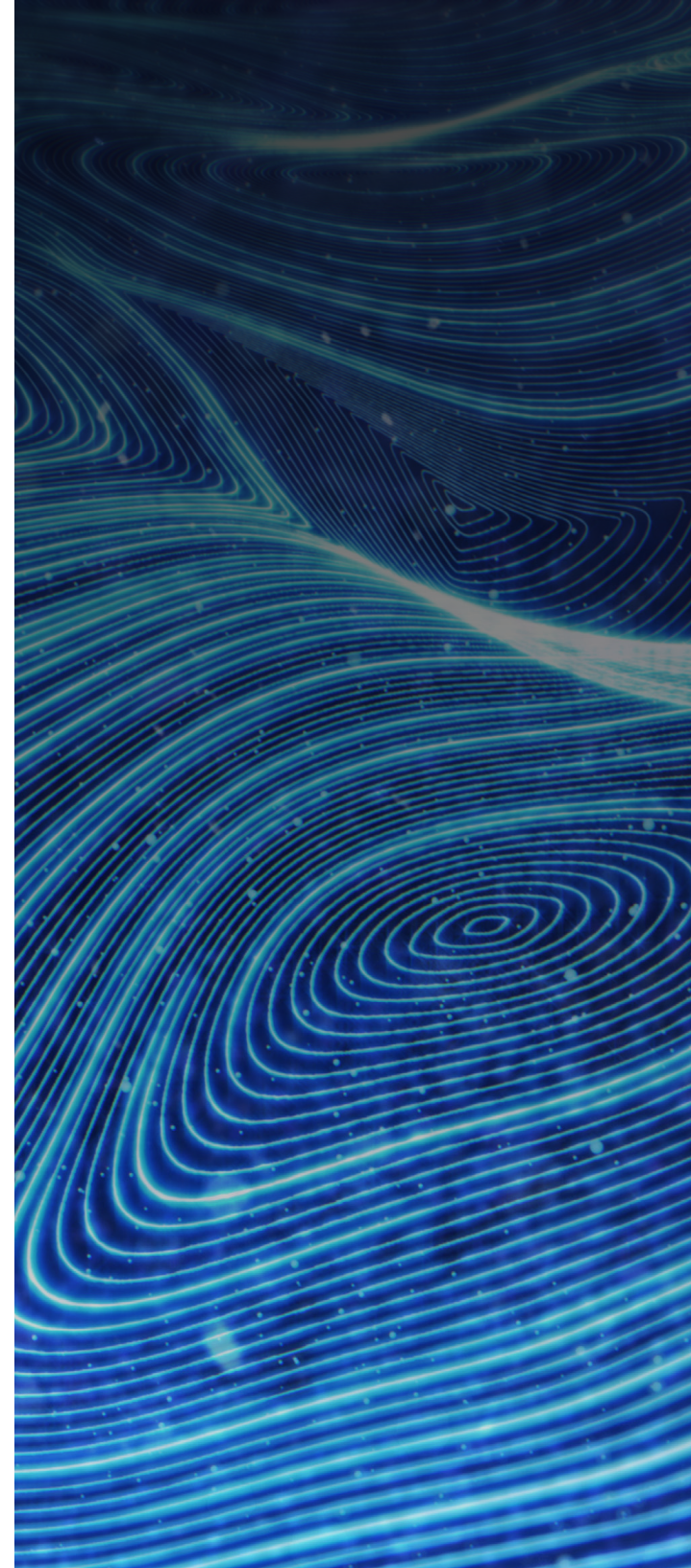


ELM Solutions

How to leverage AI in your corporate legal department

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Introduction

Corporate legal departments (CLDs) are rapidly adopting artificial intelligence (AI) and for good reason. AI brings the promise of greater efficiency, productivity, and less busy work, resulting in better business value and significant cost savings. It gives corporate attorneys the ability to better predict the right outside counsel for legal matters, quickly analyze invoices, identify billing guideline violations, and more.

But questions about how to effectively leverage AI in a CLD continue to remain. Despite its extraordinary potential, AI is not necessarily appropriate for every task. Meanwhile, concerns over the trustworthiness of AI models and how they come to their conclusions linger.

This eBook will outline the best (and worst) use cases for AI in corporate legal and help you understand how to choose an AI solution that is accurate, trusted, and intelligent. We'll explore:

- ✓ Where AI can help the most
- ✗ Where it could potentially hurt your efforts
- ✓ Where it is ineffective
- ✓ How to choose a trusted AI legal technology and partner
- ✗ How to manage the shift to AI within your team



AI brings the promise of greater efficiency, productivity, and less busy work, resulting in better business value and significant cost savings.

Where AI helps and where it does not

AI has come a long way in the legal industry. No longer just a tool for the automation of manual, research-based tasks, AI has the capability to provide strategic guidance on everything from budgets to law firm selection, cycle time prediction, billing practices, and more.

However, AI is not applicable to every use case. Before embarking on your AI journey, it's important to know what to use AI for—and what not to.

Where AI helps

AI is most effective when dealing with concrete and explicit problems and challenges. These include the tasks that inhibit legal professionals from practicing law and adding real value to their organizations.



Effective uses of AI:

→ Bill review

AI can find patterns in invoices and automatically flag potential billing guideline violations. Finding inaccuracies or guideline violations in invoices can significantly reduce legal spend leakage.

→ Spend management

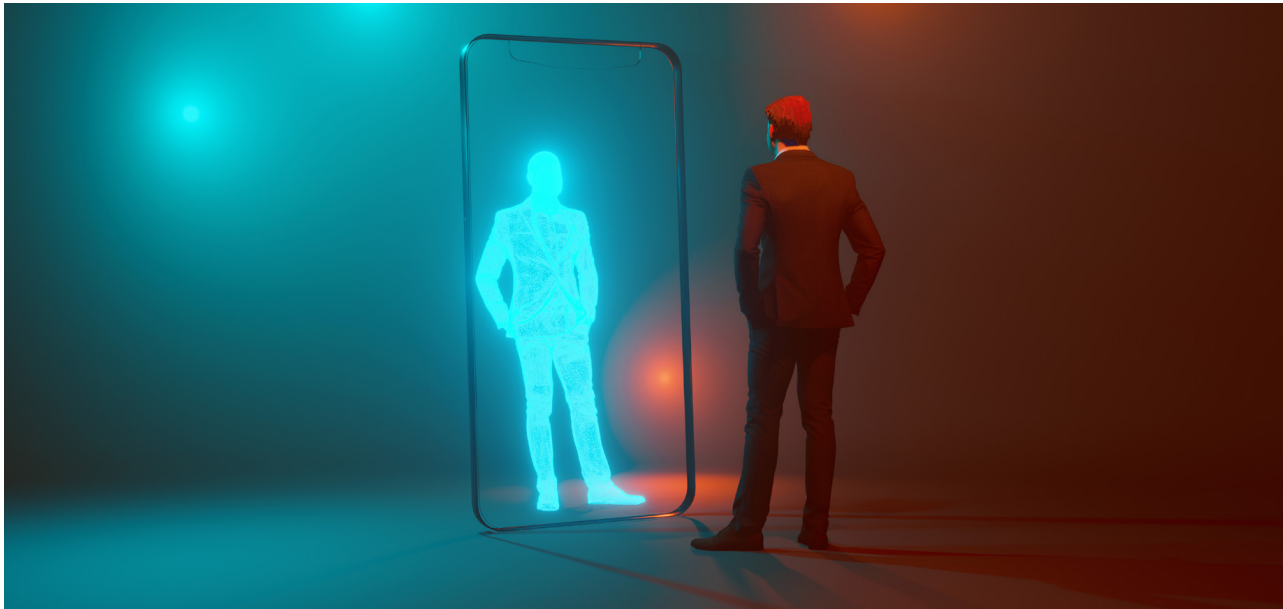
AI can reduce the time and money associated with manual invoice entry while offering complete visibility into legal spend. It can also create predictive budgets based on past litigated matters, ensuring more accurate spend estimates.

→ Matter management

AI can provide recommendations on the best firm to use for a particular matter based on various factors (cost, past performance, etc.). With these actionable insights, you can be confident you are making the right decision as to which firms to use for your matters.

Where AI does not help

AI should not be considered a replacement for attorneys and what they bring to the table. While AI has significant and undeniable attributes, it cannot replicate the decades of experience, expertise, and personal relationships that your team provides.



Although AI may not directly help in these areas, its ability to remove mundane tasks allows attorneys to focus on aspects where their experience and expertise are needed. They can focus more on what they love to do – practicing law – while driving value for the business.

Now that you know what AI should and should not be used for, you can take the next step in your AI journey: choosing a trusted AI technology and partner.

AI cannot replace:

→ The human touch

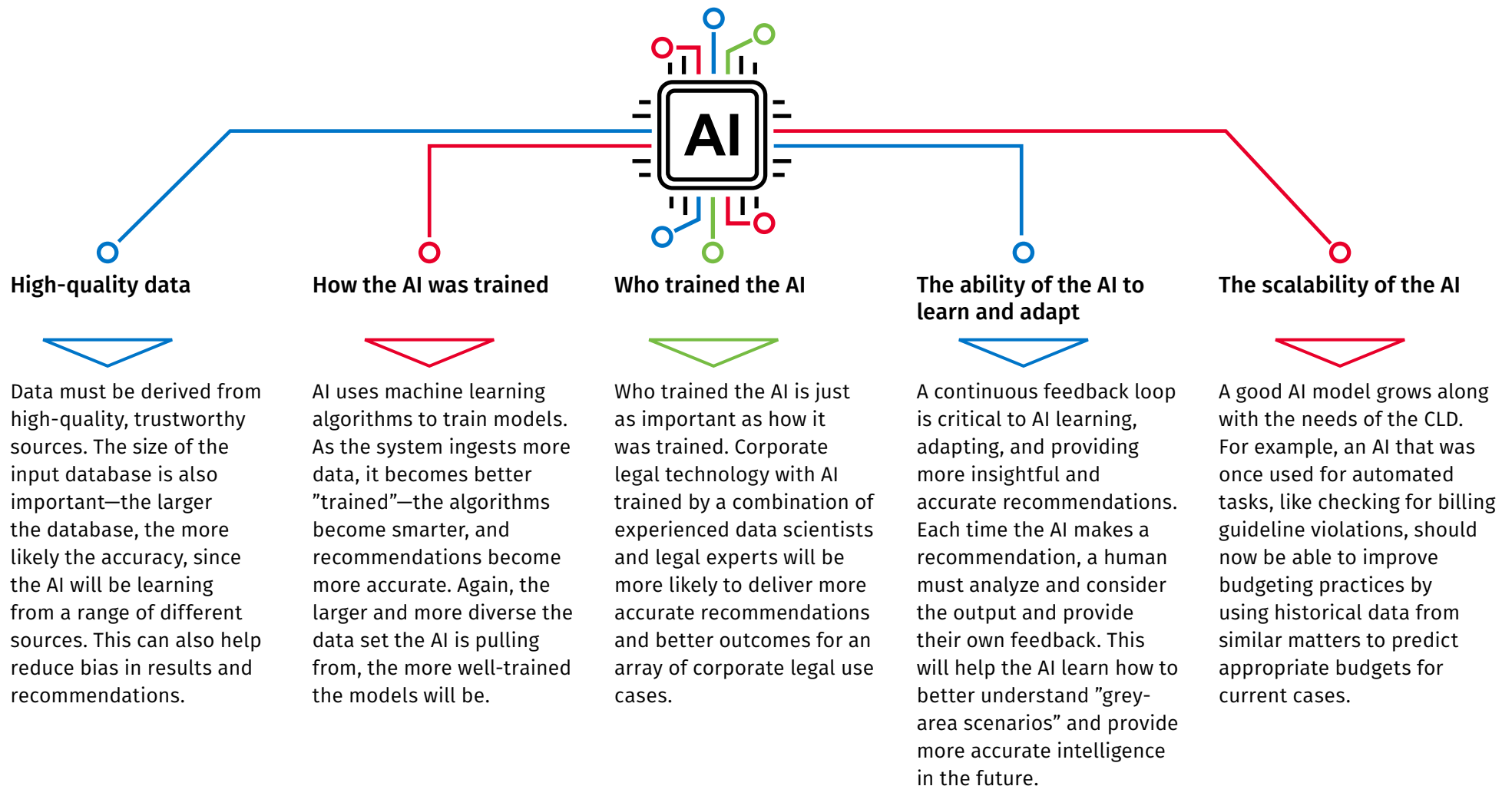
Corporate attorneys and outside counsel spend years establishing and cultivating relationships. They understand each other's strengths and weaknesses and value each other's work. No AI can replace that.

→ Legal expertise

AI is smart and getting smarter every day, but no system can match the amount of legal expertise contained within your own team. For example, while an AI can provide recommendations, it's still up to your attorneys to determine how to proceed with those recommendations. That comes with years of experience and expertise.

Choosing a trusted AI technology

We have all heard stories about biases, inappropriate or inaccurate recommendations, and other concerns stemming from the use of some AI systems. Your corporate legal team works with sensitive information and manages difficult and complex cases. The AI system you select needs to be trustworthy and accurate. Here are five things to look out for.



Choosing the right partner

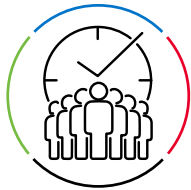
AI in itself can be confusing enough. To make matters more complicated, the number of organizations that provide AI within their legal technology offerings has grown significantly over the past couple of years.

How do you choose the right partner? Look for the following.



A track record of building smart, functional, and trustworthy AI systems

Reliable and trustworthy AI systems are not built overnight. Look for partners that have developed their technology over time and have spent years training large and diverse data sets. Consider partnering with vendors that are adept at helping their clients manage the change to AI within their organizations.



A team of human data analysts

Humans are important in creating a trusted AI system. The partner you select should have teams of data scientists and compliance experts working tirelessly to ensure the data the system ingests is clean, up-to-date, and accurate.



A commitment to maintaining high-quality data and models

In addition to in-house experts, your partner should take extra steps to maintain the integrity of its AI. That means hiring third-party consultants to perform regular audits on systems and processes, including data collection and model building, as well as complying with any recommendations. Partners should also have the ability to develop and train AI models specific to your unique needs and guidelines, rather than simply adhering to standardized rules.

"Partnership is not a legal contract between two equal individuals. It's an emotional alliance between two people who are committed to each other's success."

--Warren Buffet, businessman, investor, and philanthropist

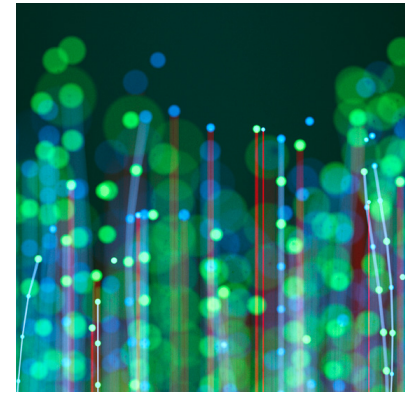
Managing the shift to AI

Introducing AI-powered tools to your organization will be both exciting and challenging. The solutions will provide your attorneys with significant benefits, including giving them the time to show greater value to the organization and helping them build better relationships with outside counsel.

But there will be a learning curve, and many attorneys will be concerned about how AI will impact their jobs. Educating your team about the benefits of the AI solution you choose will be critical to helping them become comfortable with the technology.

Five steps to managing the shift:

- 1 Discuss the benefits.** Host training and information sessions well before you introduce the technology to your team. Get your team involved early so they are invested in the solution and can become comfortable with it.
- 2 Listen to feedback.** Allow them to ask questions and provide feedback on their current needs and goals. Use that feedback to find and customize an AI solution that will work best for them.
- 3 Provide assurances.** Tell them that AI is not going to take their jobs; it's going to make their jobs easier. It's going to minimize tedious work, make them more productive, and help them achieve better outcomes.
- 4 Leverage their expertise.** Let them know that their skill and expertise will be needed to interpret the AI's results. The AI can only offer recommendations; it will still be up to them to determine the best course of action and apply those recommendations to their work.
- 5 Emphasize building relationships.** Attorneys value the relationships they have built with outside counsel. Emphasize that the AI will help strengthen those relationships by providing your team with information that can lead to more collaborative and productive conversations regarding billing compliance, legal spend, matter management, and more.



Educating your team about the benefits of the AI solution you choose will be critical to helping them become comfortable with the technology.

AI is a fantastic tool, but your employees will always be your most valuable asset. Make sure to get their buy-in in advance on any AI investments you make and continue to solicit their feedback even after you have purchased and introduced an AI solution. Giving them the opportunity to provide input will not only help them become more comfortable with the technology but will also help ensure the technology continues to meet their needs.

Finally, help them understand that they are an essential part of the feedback loop that helps the AI to improve. Their expertise and knowledge about the cases and counsel they work with should be input into the system to help the AI become more intelligent and make better recommendations.



Conclusion

AI has the potential to transform your CLD. It can help you control costs and legal spend, develop more accurate budgets, manage matters more effectively, and become the business driver your organization expects. It can also revolutionize how corporate attorneys work by allowing them to dispense with important but monotonous tasks and helping them focus on driving greater value and productivity, resulting in a happier and more productive team.

While AI is not meant for every use case, it excels at the tasks that it is designed for, including taking rote, manual work and automating it for increased speed and accuracy. It also helps humans deliver better business outcomes while realizing time and cost savings.

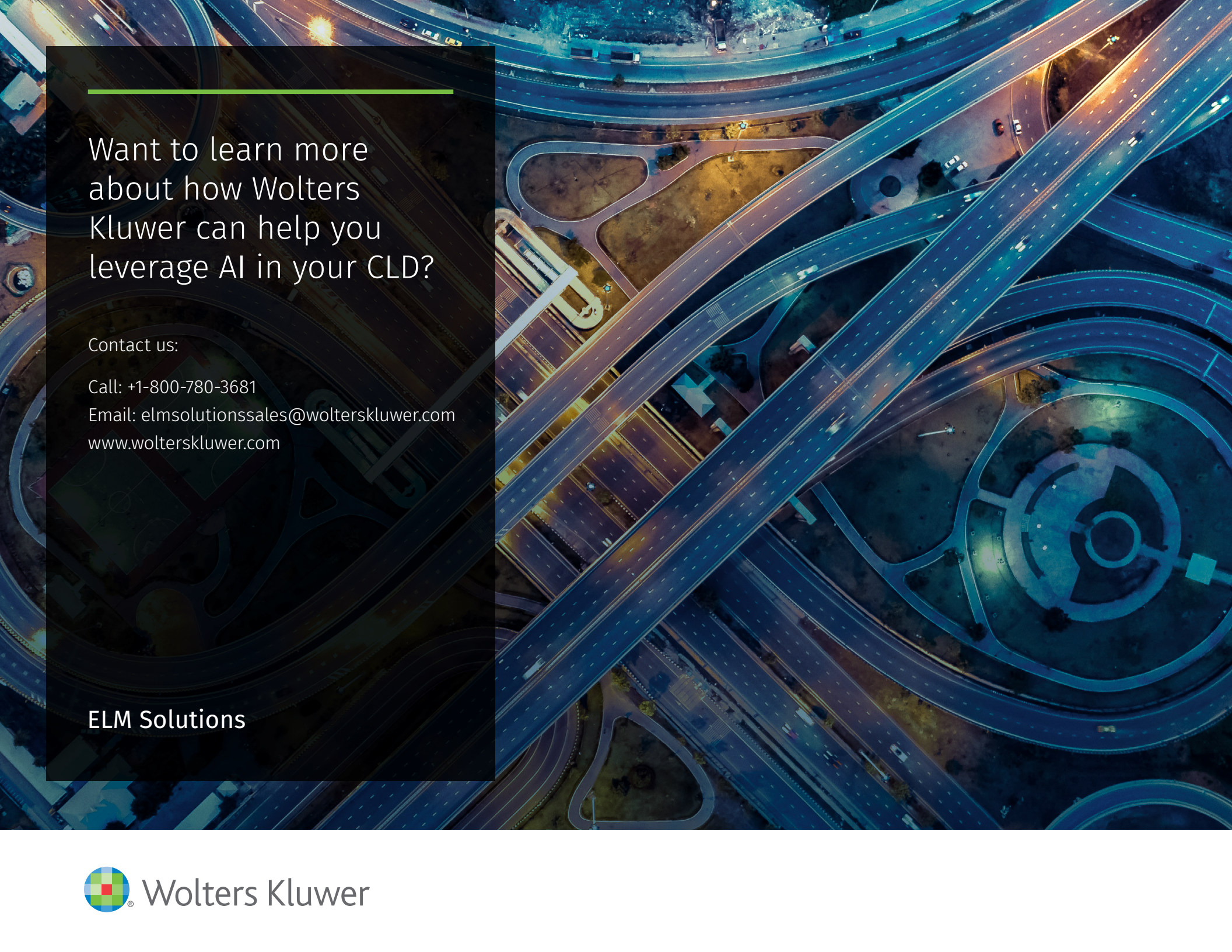
And we are only at the beginning. The future for AI in legal looks extraordinarily bright, and new capabilities are being introduced rapidly. Now is the time to get on board. Just remember:

- ✓ Pay attention to how the AI you are considering was built and trained.
- ✓ Look for AI solutions that are readily scalable and highly adaptable and with high-quality data.
- ✓ Carefully manage your team's transition to AI by discussing the benefits, asking for feedback, and providing assurances.
- ✓ Leverage your team's experience and expertise to improve the AI.
- ✓ Work with a partner with a proven track record in AI.



Why Wolters Kluwer:

Wolters Kluwer ELM Solutions provides mature AI-powered solutions that help customers manage and reduce legal spend, improve billing guideline compliance, predict the best law firms for litigated matters, and more. Our solutions have been created and are maintained by legal experts and data scientists with decades of experience in the legal industry and data management. We are committed to building smart, functional, impactful, effective, and trustworthy AI technology that delivers measurable and better outcomes.



Want to learn more
about how Wolters
Kluwer can help you
leverage AI in your CLD?

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