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Journey to a Legal 3.0 world:

Readying your team to explore the new digital universe

Contents

Executive summary

Over the past decade, to keep pace with digital transformation, legal leaders began to embrace automation and machine learning to optimize operations and improve business outcomes. However, technology is moving at lightning speed and keeping pace is no longer enough. We are now on the brink of Legal 3.0, necessitating a fundamental shift in how legal teams deliver advice and services. They must get to critical facts faster and manage risk effectively by improving case strategy. This paper outlines what is needed to gain greater data control and prepare for the AI-driven future in a Legal 3.0 world.

Legal innovation evolution

Legal innovation requires a growth mindset: seeking out new ways to solve problems and effectively deliver impact, improved value, and outcomes. As time has gone, technology has evolved and given legal practitioners new opportunities to leverage innovation to deliver their services effectively.

Legal 0.0	Legal 1.0	Legal 2.0	Legal 3.0
	Circa 1980's and 1990's	Circa 2000	2022 and beyond
The pre-tech lawyer	**The dawn of the digital lawyer**	**The matter-centric and tech savvy lawyer**	**The next gen (AI) lawyer**
Manual processes	Computers increase access and governance of legal documents	Machine learning and automation of tasks drive process optimization and productivity	Introduction of ChatGPT represents a new market inflection point
Extensive paperwork	The internet expands communications, increases information accessibility, and adds legal research avenues	The birth of the EDRM[1] and the rise of sophisticated eDiscovery tools transform document review	Generative AI sought to drive case and investigation strategy
Cautious approach to change	Spreadsheet software used to calculate damages and negotiate settlements	Cloud computing increases collaboration, storage, and processing	AI-driven efficiency supports transactional contract work and legal research
	Computerized billing systems and handheld devices, such as smart phones, enhance collaboration with clients and customers	Predictive analytics used to forecast potential litigation outcomes	Increased personalization of online legal services used to analyze, explain, predict, and prescribe actions

1 Electronic Discovery Reference Model

Meeting the challenges (and opportunities) of Legal 3.0

Legal's focus must shift from merely keeping pace with technology to fundamentally rethinking how legal services are delivered. The mindset of the 3.0 lawyer is to address innovation on their longer-term strategy, focusing on data-driven insights and the role of machines in governing legal activities and service delivery. This future focus considers tools like automation for their potential to remove humans from actual activities.

Legal 3.0 envisions a fully integrated, technology-driven legal ecosystem where AI and automation are not just tools but core components of the legal function. Getting there will require legal teams to adopt a proactive approach leveraging data analytics, advanced AI, and integrated platforms to deliver more strategic and value-added services.

Beyond GenAI, in the eDiscovery realm, Legal 3.0 requires staying ahead and planning to address the proliferation of data volumes, and the analysis and review of new and emerging data types, leveraging online collaboration and communications tools (e.g., collaboration, teleconferencing, messaging applications), as well as mobile devices, links, multi-stream media, and other emerging technologies. Implementing integrated offerings, including information governance tools and legal hold, will be key to reaching peak performance without compromising security.

What legal leaders need to do

Legal 3.0 requires a comprehensive shift in mindset. This section outlines critical steps necessary to navigate this transition effectively.

Stay sharp: Getting to facts rapidly to improve outcomes

Speed and accuracy in decision-making are paramount for in-house legal teams. By leveraging AI, advanced analytics, and automation, attorneys and their teams can effectively "zero-in" on the critical facts to make rapid decisions that drive case and investigation strategy.

Advanced tools like AI-driven eDiscovery platforms enable legal teams to sift through vast amounts of data swiftly, identifying relevant information and patterns that would be impossible to detect manually. With a professional obligation to understand the benefits/risk associated with legal technology, teams must have the confidence and competency to embrace these tools. This requires extensive collaboration with legal operations and IT leaders.

The industry must open its doors to professionals with non-legal backgrounds to implement new technology and advanced processes. With GenAI as a change agent, roles for AI-trained lawyers, technologists, and data scientists/analysts are required. This new mix of skills and players features both those who build the machines and those who use them to expedite or improve the outcomes of their legal tasks and responsibilities.

Steer forward: Repurpose data with a purpose

Innovative thinking requires proactive ways to assess, re-use, or repurpose case data to improve case strategy and reduce downstream litigation costs. According to the recent 2024 E-Discovery Unfiltered Survey, 33 percent of corporate counsel or in-house legal professionals have reused data and coding from one case to another to reduce costs associated with document review for serial litigation matters.[2]

2 Ari Kaplan Advisors LLC, 2024 E-Discovery Unfiltered, *A Survey of Current Trends and Candid Perspectives*

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Many corporate legal leaders are planning to apply generative AI to their work activities to automate routine tasks and free up valuable time to focus on higher value activities.

This approach allows legal teams to identify overlapping custodians and identical or similar documents, enhancing their ability to control and utilize data effectively.

Having an integrated, end-to-end platform, beyond a point solution option, not only improves multi-matter management but also facilitates the flow of information throughout the entire information lifecycle. By implementing a comprehensive data management strategy, legal departments can repurpose existing data to gain new insights and optimize their legal processes. Leveraging integrated platforms can significantly reduce costs and improve efficiency by minimizing duplication of effort and ensuring consistent data handling across cases.

Activate AI for rapid insight and improved productivity

A 3.0 data management strategy includes leveraging LLMs to support regulatory demands and pressures associated with governance oversight, as well as effective corporate compliance programs to combat misconduct. GenAI provides new, more intuitive ways to effectively tackle eDiscovery and investigation challenges, elevating productivity and strategy. According to the recent CCBJ Legal Department Innovation Survey, enterprise corporate counsel is increasingly interested in the potential of AI to alleviate corporate legal challenges and improve outcomes: 54 percent are interested in using it to free up time to focus on high-value legal work, 52 percent want to use it to improve decision making, and 48 percent are interested in improving legal department productivity.

Among the most cited use cases were document summarization (42 percent), legal research (41 percent), compliance monitoring (36 percent), and contract drafting and risk mitigation (31 percent).

Generative AI and eDiscovery

Regarding eDiscovery specific tasks, respondents indicated that they were most comfortable using generative AI for a variety of tasks including:

41%	34%	33%	33%
Creating summaries / narratives to educate reviewers on case details	Locating documents for issue review	Prioritizing document review and case strategy	Drilling into data sets to find key documents

Furthermore, conversational interfaces, like chatbots, are being developed to improve service delivery and answer basic inquiries with automated responses or some preliminary content can be provided in advance of routing to a human. Innovation supports the consistent application of legal policies and standards and reduces the risk of information being conveyed incorrectly.

Conclusion

As we stand on the threshold of Legal 3.0, legal teams must prepare for a radical shift in how they operate and how legal services are delivered. AI, advanced analytics, automation, and integration are necessities, not luxuries. Speed to facts is becoming the norm and managing risk should always be proactive, not reactive.

Embracing this new era will require a commitment to continuous learning, innovation, and a willingness to adopt and integrate cutting-edge technologies into everyday legal practice. By doing so, legal departments can not only keep pace with evolution but also lead the way in delivering superior legal services.

How OpenText can help

OpenText empowers legal departments to embrace this new era with confidence, enabling them to thrive in a fast-paced, data-driven environment. We are committed to helping our customers on their journey to Legal 3.0, where handling data of any type, at any speed, and from anywhere is essential.

Our Smart Legal Platform with Aviator offers a competitive GenAI edge. This comprehensive approach to data analytics leverages the power of Large Language Models (LLMs) for crucial legal applications such as eDiscovery. With Aviator, legal teams can quickly unlock insights and make smarter decisions, regardless of data volume, source, or format. By harnessing the power of data with an all-in-one solution for AI-driven insights, productivity, and risk management, legal teams can elevate their potential and fuel business and legal decision-making for better outcomes.

Further reading

- The modern general counsel: Legal advisor and strategic business partner
- CIO – General Counsel's Indispensable Partner
- Key insights from Legal Department Innovation Survey: How can AI modernize your practice?

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