

Survey shows profits follow tech investment

Firms investing in tech profit more often than non-adapting peers

By Thomas Franz

A recently released survey highlights the continued trend of technological changes shaping the current and future legal industry.

The 2019 *Future Ready Lawyer Survey* from Wolters Kluwer Legal & Regulatory reveals that profitability is also impacted by evolving with technology.

According to the survey, 68 percent of “technology leading” law firms reported increased profitability from 2017 to 2018, compared with 38 percent for “technology trailing” firms.

“The firms that are well managed are going to be leading. I’m not surprised they would be the ones to be more profitable,” said Ronald G. DeWaard, a partner and chair of the Partnership and Policy Committee at Varnum LLP.

Statistics

The survey examines statistics after breaking down firms into three categories: technology leading, transitioning or trailing.

Leading firms already leverage technology effectively and plan to invest in new technologies over the next three years.

Transitioning firms leverage technology somewhat today but do have plans to invest more in the future. Trailing firms are not leveraging technology and have no plans to do so.



depositphotos.com

Seven-hundred lawyers were interviewed to conduct the survey.

Fifty-three percent of lawyers surveyed reported that their firms plan to increase technological investments in the next three years, with technology leaders most likely to report that.

In terms of keeping pace with changes in the legal marketplace, 50 percent of leading firms reported they’re very prepared to do so, compared with 19 percent of transitioning firms and just 7 percent of trailing firms.

In terms of predicting pressure from trends expected to impact their firms, 72 percent of lawyers expect increased pressure from coping with increased

volume and complexity of information, and 71 percent expect emphasis to be placed on improved efficiency and productivity.

To compound those concerns, 31 percent of lawyers said their organization is very prepared to address those trends.

Dean Sonderegger, vice president of legal markets with Wolters Kluwer, said firms with an individual dedicated to learning and adapting new technologies have a better rate of success in preparing their employees for changes in this space.

“That’s a challenge for a lot of law firms to tackle because that’s a different skill set than typical lawyering is. To be effective,

firms have hired someone specifically dedicated to that,” Sonderegger said.

Profitability

On the trend of technology leading firms also increasing in profitability, Sonderegger said that trend is indicative of a widening gap between law firms.

“When you look at the market as a whole for law firms, we would argue there is a bit of haves and have-nots in the law firm market right now. You see that some firms are doing very well and some that are struggling. The findings from the study seem to indicate that trend will widen,” Sonderegger said.

DeWaard, who is based in Grand Rapids, said the firms that are leading in technology will continue to outpace others because of a more efficient cost structure that they’ve created.

“If your people are trained to use technology then they don’t need as much support. You’ll see in the better-run firms the secretary-to-attorney ratios have much improved,” DeWaard said.

Providing increased value to clients is another key reason for investing in technology, DeWaard added.

“If you can connect with your clients better, it allows you to work with clients that are farther away effectively. In the litigation area, the ability to take in house your document production, you can effectively provide more value to your clients. That allows you to compete better and do a better job for your clients,” DeWaard said.

If you would like to comment on this story, email Thomas Franz at tfranz@mi.lawyersweekly.com.

When emojis and the law collide

By Nicole Black
BridgeTower Media Newswires

When I started writing about the intersection of law and technology in 2006, emojis were a sidebar in the world of communication. Until the release of the first smartphone, the iPhone, emojis were typically used only in certain online chat rooms. But with the release of the iPhone in 2007, people were able to use emojis more often using various messaging apps. And then when iOS 6 was released in 2012, iPhone users were able to easily include emojis in Apple’s native messaging platform. From there, emojis become a common part of everyday communication.

Of course, as is often the case, whenever technological advancements occur — especially in the realm of communications — a notable impact on legal proceedings soon follows. For example, in 2011 I wrote a column focused on a witness intimidation case covered in the Rochester Democrat and Chronicle.

It was a federal court case where the defendant was alleged to have “poked” someone on Facebook, and in doing so was alleged to have intimidated a witness. The judge conducting the arraignment admitted that he lacked sufficient knowledge regarding the nature of a Facebook poke, as did the attorneys appearing on the matter.

The judge then asked the courtroom spectators if anyone could explain the concept and refused to move forward with the arraignment until he was satisfied by the explanation provided by a reporter who happened to be in the courtroom.

That was the very first time I had encountered a report of social media impacting a criminal matter, so I found it to be of great interest. Of course, since 2011, social media references in court cases have increased exponentially. Notably, that same phenomenon is now occurring with emojis as they become commonplace in many of our digital communications, and references to emojis and emoticons

in court cases have increased significantly in recent years.

In 2004, there was a single case that referenced the word “emoticon.” Fast forward to 2012, and there were seven. In 2015, there were 15 cases that referenced either the terms “emoji” or “emoticon,” and last year that number had increased to 53.

The most recent case (from March 12) that references the term “emoji” appeared in a California Court of Appeal case that also involved allegations of intimidating a witness. In *People v. Smith*, 2019 WL 1122768, at issue was whether

■ See **EMOJI**, on PAGE 18

On-the-job injuries impact the lives of railroad workers and their families. They need Extraordinary Lawyers.

**SOMMERS
SCHWARTZ**
LAW OFFICES

Referrals Welcome
(248) 864-5079

With the help of our team of nurses and experts, attorneys Arvin Pearlman and Benjamin Wilensky focus their practices exclusively on representing railroaders in FELA actions.

