Client collaboration: An ongoing evolution in law firms

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A law firm and its client once had a transactional relationship. In the past, lawyers and their client held initial meetings, drafted a plan of action, and communicated only when they felt they needed to. After all, the client paid its lawyers to do the work that it didn't have the time, the expertise, or the capacity to handle.

But the transactional relationship had its downsides. Clients felt left in the dark as to how a case was proceeding: lawyers could take days to respond to queries, and then not provide the specific information the client desired. Keeping up to date on litigation, contract drafting, or any task took effort on the client's part — usually meaning lots of missed calls and unanswered emails.

The legal process was also perceived as cumbersome. Paperwork could take months to gather and review. Any snag in getting a key contract signed or any missed clause in a deal agreement could delay or even endanger a client's case.

Fortunately, the law firm and client relationship has transformed over the last decade — and it's only going to evolve more in the years to come.

What's changed fundamentally?

For one thing, the meaning of the term "collaboration." Not long ago, this entailed the rare in-person meeting and lots of phone tag. It was typically one-sided: the law firm had access to all pertinent information; the client had to ask for updates.

Clients now expect substantial and constant communication with their lawyers. They want to be part of the action, no longer a spectator. They want the legal process to be as transparent as it can be — to see how and where a case is progressing, how the workload is being distributed in their law firm, and most of all, to see where their money is going.

For law firms, such client needs are a vital reason to undertake major technological upgrades. Having client portals and virtual deal rooms is becoming a standard way of doing business. Software powered by artificial intelligence (AI) and document automation are revolutionizing due diligence, as well as many other aspects of the client-lawyer relationship.

Legal work is becoming faster, more efficient, and all but frictionless. These trends will only further accelerate.

Yet some law firms still aren't tapping this potential, which borders on being a crisis. Having a tech deficiency means fewer opportunities to grow your client base, along with the prospect of your client base dwindling. At some point, a law firm risks getting left permanently behind.

"The firms that are responding to this correctly aren't just adopting technology for technology's sake but are doing so to proactively find new ways to give clients what they want," says Zach Warren, Technology & Innovation Insights Lead at Thomson Reuters Institute. "Ultimately, technology adoption isn't an IT issue but the answer to a business question: If giving clients the best service possible is the goal, what will get me there?"

The tech takeover

Clients now have great expectations of their law firms. They want their lawyer on "virtual call" 24/7. They want their attorneys to anticipate their questions and answer them thoroughly and quickly. They want to see how a case is proceeding and who's handling the work. They want to complete simple tasks on their own, via tools crafted to their needs. In short, they want their legal issues resolved as quickly and efficiently as possible — and at a lower cost.

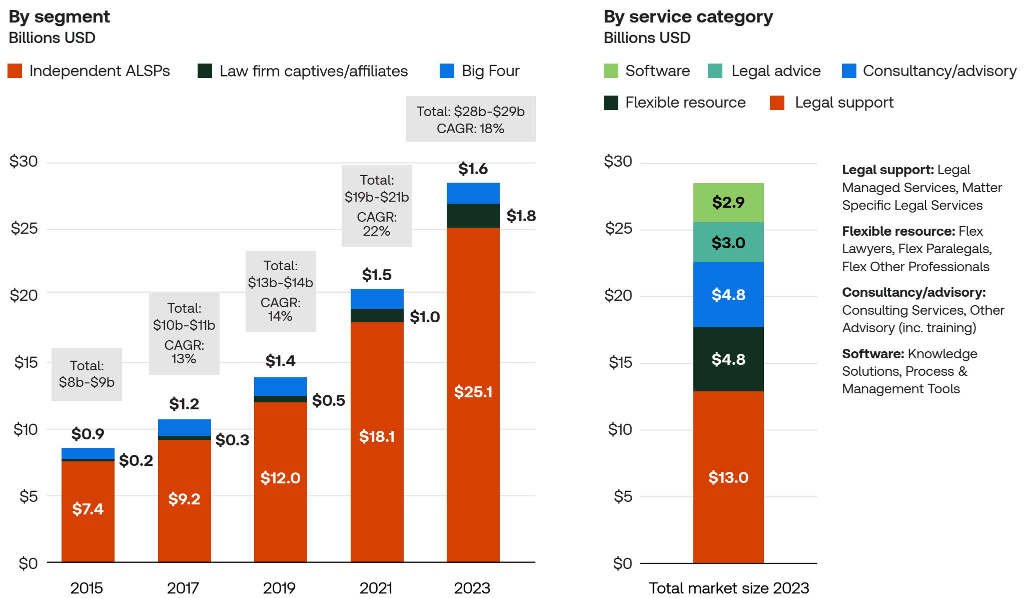
Once, fulfilling all these requests would have seemed all but impossible. That was before the tech takeover.

Next-generation technology is remaking the legal sector. In every segment of client-law firm relations — communication, case management, document analysis, advisory — tech solutions are improving collaboration, both internally and externally.

One issue that's driving law firms to adopt new technology is the growth of alternative legal service providers (ALSPs): smaller, low-cost firms that were among the first to fully leverage technology, using it to nab business from traditional law firms by offering faster services, including document review, at a lower price.

ALSPs had an estimated market size of $28.5 billion in 2023 and an 18% compound annual growth rate (CAGR) from 2021 to 2023, according to the most recent Thomson Reuters Institute Alternative Legal Services Providers report. While this marks a slight decline from their CAGR of 20% from 2019 to 2021, it's still a substantial growth rate that shows no sign of leveling off. And as per recent research from Thomson Reuters®, low-cost firms are outpacing high-cost firms in all areas of demand growth, most notably in transactional practices.

Estimated ALSP market size: 2015 - 2023



Source: Thomson Reuters 2025

It's not that a traditional law firm can underbid an ALSP or even desire to. But law firms must assure clients that their lawyers work at the same pace and employ the same technology (or better) as their ALSP rivals.

Upgrading technology doesn't just mean completing tasks faster. It means giving your firm's lawyers the ability to devote more time to value-added advisory services — at a level that ALSPs can't match. It means making substantial changes to such areas as:

- Communications
- Case management
- Document automation

Communications: No more phone tag

Six of ten stand-out lawyers surveyed said that they're focused on a "future-forward" approach to client communication.

Start with the foundational block of the client and law firm relationship: how the two parties engage and convey information during a case or assignment.

Communication is becoming less structured and hierarchical, and more fluid and improvisational. Lawyers and clients can now have an ongoing chat via internal Slack channels. They can leave messages or documents in a shared portal. If a quick meeting is needed to clarify a point, it's only a matter of finding a few minutes for a Zoom or Microsoft® Teams catchup.

In Thomson Reuters' recent Stellar Performance Report, six of ten stand-out lawyers surveyed said that they're focused on a "future-forward" approach to client communication. These lawyers still value face-to-face meetings when appropriate, but now put a greater emphasis on maintaining regular, virtual communications with clients, employing such tools as generative AI (GenAI) systems.

These lawyers say they're likely to employ multiple means of communication, choosing whatever best suits the occasion. For example, any simple client query could be answered via an AI interface, while a more complex question could be resolved via a lawyer's response in a client portal or via a virtual face-to-face meeting.

This advent of near-instantaneous communication reduces potential friction between clients and their lawyers. With so many avenues of communication now available, the client feels more engaged with their legal process. Meanwhile, lawyers can get vital information from the client when they need it, not after spending half a day trading voicemails.

Case management: Fewer hurdles, greater speeds

Case management is complex. Before embarking on a case, lawyers and their client must assemble a list of contacts, draw up a schedule, enter all necessary data, and supply all relevant documents.

Digital business management platforms automate much of that process, from preliminary scheduling to final billing. Such automation can substantially reduce costs. For example, it streamlines the process of onboarding a new client or renegotiating with a current one. Bills get paid faster and documents are processed at a fraction of the former time.

More importantly, automating case management helps clients and lawyers to collaborate more flexibly. Say that a lawyer on a client's case gets overscheduled and needs to be replaced by someone else in the firm. In the past, such a "changing of the guards" caused a temporary slowdown until the new lawyer got up to speed. A client would grow frustrated if they felt like they were starting back from square one with their new lawyer, having to go over material that they had already covered.

With all relevant information now stored digitally and updated in real time — with an easily-accessible and detailed record of all previous client-lawyer communications, and the client available for a video chat to answer any last questions — a lawyer's replacement can seamlessly pick up where their predecessor left off, adding no delay to the process.

An AI-powered document generator creates a first-draft agreement in seconds — all the paralegal must do is tweak it and distribute it.

Document automation: The end of drudgery

Document processing can be a road full of chokepoints. For example, say a partner who needs to sign off on a document is hard to reach, or an overburdened paralegal can't finish a draft by the initial deadline. Automation clears away such obstacles. Now the partner can e-sign a batch of documents while on a plane, while an AI-powered document generator creates a first-draft agreement in seconds — all the paralegal must do is tweak it and distribute it.

How does this strengthen client-lawyer relationships? There are several ways.

- **Custom tailoring.** If a client has specific needs for their contracts or wants to have case information summarized in a preferred format — bar charts, tables, lists, etc. — this no longer entails an associate customizing each document. Instead, they can input the client's parameters and let the system do the rest of the work. If the client changes their mind and wants to alter the template, no problem — the junior lawyer simply changes the parameters and generates a fully drafted and branded document, ready to sign.
- **Forensic searches.** Advanced analytics programs enable lawyers to drill into a set of virtual documents to retrieve specific phrases, keywords, data points, and other vital information from a vast pile of information. If clients ask how many non-compete agreements are currently operative in their business, for example, their lawyers can answer the question precisely and within minutes.
- **Goodbye to duplication.** As automated uploads of a client's document holdings are done, at the same time an AI interface can analyze them, flag them and, if programmed to, eliminate duplicates. It can automatically alert users if there are incomplete pages or illegible documents. So, a discrepancy that a junior lawyer might have discovered a week after an upload is now detected within seconds.

With GenAI, law firms can prepare client work faster, more efficiently, and with more accuracy and thoroughness.

AI as a strategic collaborative tool

In the recent ALSP Report, respondents from one in six law firms said their firms actively plan to offer services powered by GenAI — and a number that's greatly weighted toward firms that already have affiliate ALSPs. Among respondents from firms with ALSP affiliates, 40% said their firms are planning to develop services enabled by GenAI, compared to 7% of respondents from traditional law firms without ALSP affiliates who are planning GenAI expansions.

What can AI provide?

With GenAI, law firms can prepare client work faster, more efficiently, and with more accuracy and thoroughness. It provides opportunities to streamline the preparation process, giving firms more time to focus on complex, high-value work to better serve their clients.

Using GenAI can bolster a lawyer's arguments and improve their suggestions to clients. Strategic planning becomes more concrete and more actionable. For example, by running reliable and secure AI-fueled analyses of a client's financials and leadership structures, lawyers gain deep insights into workflows, structures, compensation levels, and other factors.

The result: making more data-driven decisions. Say that a client is wavering on whether to make an acquisition. Your firm's preliminary due diligence analysis shows that the potential seller is fundamentally sound and could greatly benefit your client's operations. Rather than have your legal talent caught up in document processing, put them to work on making a clear, concise, and data-backed presentation that details the acquisition's benefits and games out all potential scenarios should the client decide to make an offer.

One of AI's strongest attributes is its ability to "learn." The more data that AI technologies gather, the more accurate their actionable insights become. It's a great selling point for a law firm — that your advice to clients will improve with each passing day. The more work you do for them, the more insight you will gain.

As per the Thomson Reuters Institute's Generative AI in Professional Services survey, wariness remains about GenAI usage, but there's also a growing amount of enthusiasm. Essentially, many respondents believe that they still don't know enough about GenAI tools yet, but they also believe GenAI could be appropriate for their industry.

While a large majority (89%) of respondents said that GenAI can be applied to their work, fewer (62%) said they believe GenAI should be applied to their work. That said, more than half (55%) reported they are hopeful or excited about GenAI's introduction into their industry. Further, GenAI usage is growing — 40% of respondents said they were already using GenAI (22%) or actively planned to use it (18%) at an organization-wide level.

That said, law firms should use their best discretion when it comes to informing clients as to how and when they employ GenAI. While the American Bar Association's (ABA) Formal Opinion 512 stipulates that it isn't necessary to always reveal GenAI usage, it is important to have conversations with clients to understand their expectations about using the technology. They can feel like they've been blindsided by new AI functions without warning, explanation, and permission, which is no way to build trust. Be proactive in responding to their concerns about AI usage, be ready to alter your policy if they object, and assure them that all data will be used confidentially and securely as it always has.

Delivering a superior client experience: Make your checklist

Given how many new technology options are becoming available for law firms, the amount of technological decision-making required can seem overwhelming. Start by assessing your client relationships. Look to see where they are lacking and how best to improve them. By asking such questions, a firm can determine which technology provides the most answers.

For example, Thomson Reuters' Law Firm Success Checklist offers a set of questions that a law firm should ask themselves to judge if their current client relationship efforts are adequate for the challenges of today's legal market. Among these are:

- **What are easy-to-adopt ways to improve client-lawyer collaboration?** A secure client portal such as HighQ makes sharing and editing documents easy to accomplish, and easy to track. Almost all users of HighQ portals surveyed (98%) said they've experienced greater efficiency in exchanging and locating documents.
- **How can I make my processes more efficient?** Consider what your most repetitive processes are, then work to find ways to automate them. A large majority of HighQ users (88%) agree that using portals has let them free up time for more valuable work.
- **How confident am I that my client knows the extent of my abilities?** Part of a strong client-lawyer relationship is when the client knows their lawyer has their best interests at heart and is on top of all pressing issues. One of many good reasons to build a relationship on a client portal is that your firm can provide constant progress updates to keep clients in the loop.

Portals take advantage of technology that a law firm likely already uses.

Client portals as the hubs of the new client experience

Building a client portal, particularly one with secure GenAI options, can greatly enhance a law firm's relationship with its clients, moving the relationship to an improved level of collaboration, with more ease of use, and far less friction.

Portals take advantage of technology that a law firm likely already uses — they're an ever-adaptable means to bring together functions such as automated document review, virtual client-lawyer communications, electronic signatures, and AI-driven diligence and analyses. These features are part of one easy-to-use primary hub, making the ability to shift between various technologies an intuitive matter.

Building your portal set

Portals are private, secured extensions of a law firm's website. Consider them as a set of steps, each of which has a function.

Internal portals: The new filing cabinet

First, portals can serve as a firm's private, internal hub of communication and document storage. Thus, all lawyers involved in a particular court case or working with a specific client on a merger have a centralized place to store relevant data and keep track of workflow.

Second, a firm's internal portal can be a means for verified third parties to send and review documents. Say that an ongoing acquisition requires getting permits and contracts from a building located far from the law firm's office. Not long ago, this would have entailed a lawyer getting on a plane, meeting with all respective parties, and returning with a briefcase full of signed documents. Now all of this can be done virtually. Instead of booking a flight, the lawyer goes to work one morning, opens the portal, and finds every document they need signed and waiting for them.

General relationship hubs: The new lobby

Law firms often devoted great attention and expense to their office lobbies. The color, the ambiance, the lighting, the logo — all of it conveys to clients how the law firm sees itself. The lobby is a physical extension of the firm's branding: the law firm's public face.

After the COVID-19 pandemic, however, many clients no longer went to their firm's physical office but instead interacted with lawyers online. This has led to a fundamental shift in attitude for many clients. They no longer find value in having to drive to their lawyer's office to transact business. Instead, the virtual world has supplanted the "real" one.

So, law firms should consider their client portal as a virtual lobby. Each client gets a secure login to a portal that could have, for example, lists of relevant contacts, and offer a means to communicate with their lawyers, upload and download documents, monitor case statuses and obtain cost summaries.

By having a digital lobby, the client can access all the information they need without having to meet with you in person. By having communication and information related to the client centralized in one place, it's far easier for clients and lawyers to keep track of a case's progress and ensure that nothing is missed.

A firm can create a bespoke portal that's designed specifically for each client's needs.

Bespoke relationship hubs: The new private conference room

The function of a lobby is to be a space open to all clients. Thus, a standard client portal will have a generic presentation, with a common layout, branding, and available resources. The next step, however, is to personalize a client's portal and make it the equivalent of their private conference room within your firm.

A firm can create a bespoke portal that's designed specifically for each client's needs. If the client wants their relationship with their lawyers to be a virtual one going forward, it's important for them to feel they have co-ownership of their portal. Work with the client to determine what information they want to see, the means of communication they prefer, and how they want the portal to function. By integrating their branding alongside your own, you can make the portal feel like it's uniquely theirs, reinforcing their special status and enhancing their experience.

Portal building blocks

One good way to ensure that your portal is suitable for your client's needs? Make sure that its foundation is comprised of the four building blocks of a superior client portal:

1. Be superior to competing options

A client should consider their portal to be more secure and user-friendly than email, faster than a phone call, and more accessible than your firm's office — it should be available 24/7 and on all applicable devices, so that clients can check in when it's convenient for them.

2. Make collaboration intuitive

When collaborating with clients, lawyers should be able to share all relevant documents and files with real-time tracking and discussion — not just attachments. Automatic alerts should inform users about new messages and document uploads. You don't want clients to feel like they constantly need to check for updates.

3. Keep the client centered

A well-rounded client portal means having a personalized, functional and professional experience. The portal should be designed specifically with the client's needs in mind, showing the client only the information that's relevant to them.

4. Make integration simple

A client portal should integrate with all the software and devices that your clients are using. Nothing will frustrate a client more than if they try to log into their portal via their phone, only to be turned away. You'll need robust authentication measures to protect sensitive client data that also shouldn't feel intrusive.

Strengthen your client relationships with technology

The world has changed in many ways in the past decade, but the core foundation of the client-lawyer relationship hasn't. Your client wants personalized, quality legal service at an acceptable price and achieved with minimal disruptions. The law firm wants more of the client's spend by engaging them in higher-end, value-added strategic insights rather than spending time battling with low-cost providers to handle basic, custodial legal functions.

What unites — and potentially fulfills — these needs are the potential of next-generation legal technology, from professional-grade GenAI systems to client portals. On every front, from speed to accuracy to insights, such tech innovations forge a stronger bond between client and lawyer. The more your firm devotes to strengthening its technology position, the stronger your client relationships can become.

Keep your clients up to speed on matters with HighQ Client Portals and request a demo today.

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