



WHITE PAPER

Client collaboration: the evolution in law firms

How your law firm can use tech to strengthen ties with clients

A law firm and its client once had a very transactional relationship. The client met with their lawyers to develop a plan of action. After that, contact was often minimal: a lot of time could pass with cursory amounts of information exchanged. Paperwork could take weeks or months to assemble and review. If the case hits a snag, it could require multiple in-person meetings to hash things out, further delaying the process.

This now seems like a tale from the days of steam trains. Law firm-client relationships have dramatically changed over the past decade. Today clients expect substantial, and constant, communication with their lawyers. They want to feel like they're part of the process, not someone in the audience watching the show. They want the legal process to be transparent—to see how a case is progressing, where and how the workload is being distributed, and how costs are racking up in real time.

The catalyst for this? A wave of transformative developments in technology. Virtual deal rooms and client portals are making information exchange swift and more secure. Artificial intelligence-powered software and document automation are revolutionizing due diligence.

Think about how many clients now do tax preparation. Officials once compiled stacks of documents and hauled them or mailed them to their accounting department. Everything in the stack got photocopied and manually reviewed. There could be subsequent in-person meetings to determine tax exposures, and the process could take months.

By contrast, imagine this scenario: all relevant tax documents are uploaded into a portal. The accounting department downloads, scans, and automatically reviews the documents, makes queries via secure on-line communications, and files the company's taxes electronically. There may not be a single piece of paper involved.

This isn't the realm of imagination—it's reality for a growing number of clients. And it's also how much legal work is being conducted today: fast, efficient, frictionless. It's a trend that will only further accelerate.

Yet when it comes to delivering on this potential, many law firms still fall short. This is becoming a crisis for them. Having a tech deficiency will cost these firms more business with each passing year.

"We've found over and over again in our research that what clients truly want from their law firms, no matter the size of firm and type of practice, is a partner that's faster, more reliable, and cheaper. 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. 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?"

— Zachary Warren, Manager, Technology and Innovation, Thomson Reuters Institute

By leveraging technology solutions that include client portals, document automation, and AI, law firms can vastly improve the speed and efficiency with which they communicate and deliver legal solutions. This is going to be essential for maintaining and strengthening the firm's relationship with its clients.

THE TECH TAKEOVER

Never before have clients had such great expectations of their law firms. Many want their lawyer to be on “virtual call” 24/7. They want their lawyer to anticipate their questions, and to answer them thoroughly and quickly. They want the option of completing simple tasks on their own via tools tailored to their specific needs. Most of all, they want their legal issues resolved as quickly and efficiently as possible, and at a lower cost.

That’s a lot for a law firm to live up to. What’s made these requests feasible, and not wildly extravagant, lies in how technology is creating a sea of change within the legal sector. In every segment of client/law firm relations—communication, case management, document analysis, advisory solutions—the use of technology is more dominant than it was even five years ago.

The rise of remote work in the COVID-19 era, which pushed even the tech-averse into embracing virtual meetings and deal rooms, is one part of it. Another critical factor is the growth of alternative legal service providers (ALSPs). These smaller low-cost firms were among the first to fully leverage technology, using it as a means to win business from traditional law firms by offering faster services, including document review, at a lower price.

ALSPs have become a

\$20.6

billion segment of
the legal market

“As demand fell and corporate law departments came under tighter financial pressure, lower cost providers began outperforming higher cost competition.”

according to the [Alternative Legal Services Providers 2023 Report](#), which also notes that ALSPs had a compounded annual growth rate (CAGR) of 20% from 2019 to 2021, up from the 15% CAGR posted from 2017 to 2019.

And as per the [2023 Report on the State of the US Legal Market](#), low-cost firms have begun outpacing high-cost firms in all areas of demand growth, most notably in transactional practices.

This is a core reason why law firms need to make a substantial investment in technology. It’s not that a high-cost firm will underbid an ALSP, nor even desire to. But firms will need to assure clients that their lawyers work at the same pace and with the same comprehensiveness as their ALSP rivals.

Technology isn’t just a means to complete tasks faster. It’s also how your firm will give its lawyers the ability to devote more time to value-added advisory services, and at a level that ALSPs can’t match.

Technology has no limits as to how it can improve your overall workflow, but it has shown clear improvements in the areas of:

- communication
- case management, and
- document automation

THE TAKE-AWAY:

Clients are demanding more communication and collaboration from their law firm, but many firms are falling short.

Leveraging solutions to provide unique experiences that streamline collaboration will help attract and retain new clients.

[Learn more](#) about client collaboration solutions for your law firm.

COMMUNICATIONS: NO MORE PHONE TAG

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

This was once as time-consuming as it was frustrating. Say that a client had a query about an ongoing case and called their lawyer for an answer, having to leave a message. Their message might not get a reply until a day or two later. If an issue was too complex to resolve over the phone, the client had to schedule a face-to-face meeting with their lawyer. Even when email greatly replaced voice mail, the essential nature of client and lawyer playing a perpetual game of “phone tag” remained in place.

No longer. Communication between client and lawyer is becoming less structured and hierarchical, and much more fluid. Lawyers and clients can maintain an ongoing chat via internal Slack channels. They can leave messages or documents for each other in a shared portal. If a quick meeting is needed to clarify a point, it’s just a matter of finding a free 15 minutes for a Zoom or Microsoft Teams catch-up.

The advent of near-instantaneous communication also helps to reduce potential friction between clients and their lawyers. With so many avenues of communication available, the client feels more heard, and feels more engaged with their legal process. Meanwhile lawyers can get the vital information they need when they need it and won’t have to spend half a day trading voicemails.

CASE MANAGEMENT: FEWER HURDLES, FASTER SPEEDS

Case management is another lengthy, often complex process for law firms and clients to manage. Before embarking on a case, both parties must assemble a list of contacts, draw up a schedule, enter all necessary data, supply all relevant documents, and conduct a host of other time-consuming tasks that add extra complexities to the overall relationship.

Digital business management platforms now automate much of that process, from the most preliminary scheduling to final billing. This automation can substantially reduce costs. It streamlines the process of, for example, 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 (see below).

More importantly, automating case management creates more flexibility and adaptability in how clients and lawyers collaborate. Say that a key lawyer on a client’s case is seriously overscheduled and will need to be replaced by someone else in the firm. In the past, such a “changing of the guards” often caused a temporary slowdown until the new lawyer got up to speed. If the client felt like they were starting back from square one with their new lawyer, that bred even more frustration.

With all relevant information now stored digitally and being updated in real time, with an easily accessible and detailed record of all client/lawyer communications, and with the client available for a video chat to fill in any outstanding points, a lawyer’s replacement can seamlessly pick up where their predecessor left off without causing any notable delay to the overall process.

DOCUMENT AUTOMATION: THE END OF DRUDGERY

An essential subset of improving case management is the automation of document retrieval, processing, and analysis. Handing these functions over to automated systems, particularly those powered by artificial intelligence software, is another way for law firms to improve their standing with clients.

Document processing, after all, typically has been a long road full of potential chokepoints. A partner who needs to sign off on a document could be hard to reach, for example, or an overburdened paralegal can't manage to finish a draft by the initial deadline.

Automation [clears such obstacles](#). Now the partner can e-sign a batch of documents while on a plane, and a document generator can produce a first-draft agreement in seconds—all the paralegal has to do is tweak it and distribute it.

- How does this strengthen client-lawyer relationships? There are a number of ways.



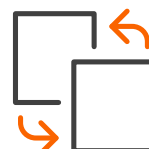
Custom tailoring

If a client has specific needs or requests for its contracts, or if it wants pertinent case information summarized in a preferred format (bar charts, tables, lists etc.), this no longer entails an associate having to customize each document. Now it's a matter of inputting a client's parameters and letting the system do the rest of the work. If the client changes its mind and wants to alter its template, that's no problem—the junior lawyer simply puts in the new parameters and generates a fully-drafted and branded document ready to sign.



Forensic searches

Advanced analytic programs enable lawyers to drill into a set of virtual documents, retrieving specific phrases, keywords, data points, or other vital information from a vast pile of information. So if a client asks how many non-compete agreements are currently operative in its business, its lawyers can answer the question precisely, and within minutes.



No more duplication

Automated uploads of a client's document holdings also serve as a first-wave editor. If any duplicates get uploaded, the system will flag and, if programmed to, will eliminate them. It also can automatically alert users if there are any incomplete pages or badly-scanned documents that aren't legible. Something that a junior lawyer might have discovered after a week's research now gets detected within seconds of uploading.

THE TAKE-AWAY:

Technology has become an essential means for law firms to provide near-instantaneous communication and automated case management, and document processing.

TECHNOLOGY AS RELATIONSHIP CEMENT

All of these technological improvements lead to a superior client experience. Paperwork becomes easier to produce and manage, cases are easier to document and monitor, and the whole process takes less time and expense. Communication is faster, with client questions being answered more conclusively.

If your firm can reduce the headaches typically associated with the legal process, and make your client feel as if they have a role to play within this process—that they're not just signing a check and hoping for the best—you will have a more loyal client. With hope, one that's likely to give your firm more of their business.

Self-service as a benefit

While it may seem paradoxical, many clients are eager to do more of the work. By offering them a greater degree of legal self-service, your client gets much of the way there, in terms of their basic queries and “ground clearing,” before they have to talk to their lawyer at billable hours.

And when a law firm enables a client to handle the basics, such as filling out entry-level forms, doing preparatory research on their case, and investigating various potential options, the client's attitude towards its firm will likely change. They once might have regarded their law firm as a necessary but costly obligation, an opaque means they used to get their legal issues settled. Now the law firm looks more like a trusted collaborator.

This elevates the conversations that clients and lawyers have. Meetings become far more about discussing and making vital strategic decisions than asking questions such as, “Did everyone sign off on that document?”

Artificial intelligence as a strategic tool

The expansion of artificial intelligence technology in the workplace is revolutionizing the way we work – as we speak. This technology is transforming the way businesses operate, allowing them to be more efficient and productive. AI provides businesses with valuable insights into customer behavior and preferences, allowing companies to better tailor their services to meet the needs of their customers. In addition, AI technology can help to identify potential areas of improvement, allowing businesses to quickly and effectively address any issues. Its swift, continued expansion is sure to have a significant impact on businesses around the world.

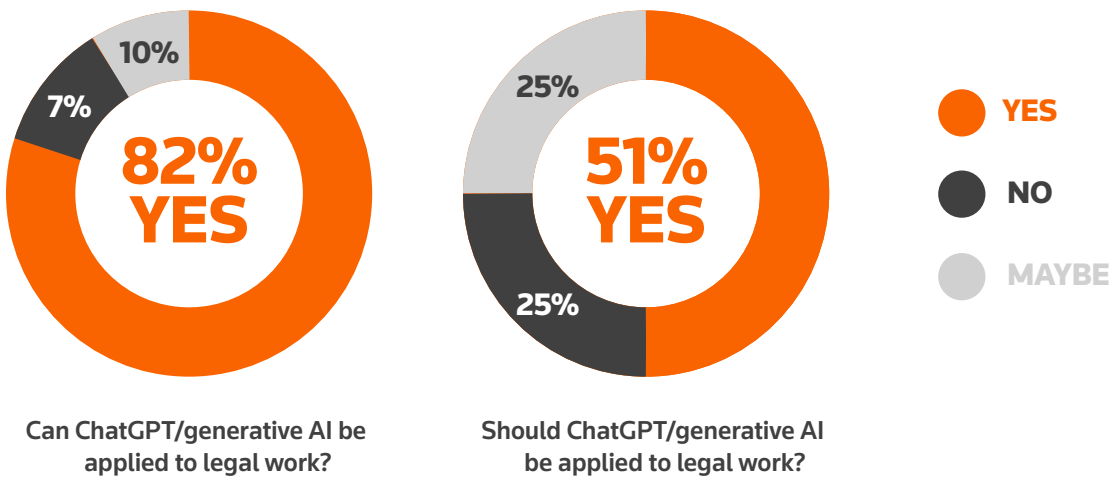
Specifically, law firms can use AI technology to bolster their arguments and suggestions to clients. Strategic planning becomes more concrete, and more actionable. By running analyses of a client's financials and leadership structures, for example, lawyers can gain deeper insights into workflows, structures, compensation levels and other factors.

The result: 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 be a great benefit to your client's operations. Rather than have your firm's legal talent spend time on document processing, you can put them to work on making a clear, concise, and data-backed presentation that details all of the acquisition's benefits and games out all the potential scenarios should the client decide to make an offer.

TECHNOLOGY AS RELATIONSHIP CEMENT CONTINUED

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

In March of 2023, the [Thomson Reuters Institute conducted a survey](#) and gathered results from more than 400 lawyers at large and midsize law firms in the United States, United Kingdom and Canada and found that:



[Read the full report, "ChatGPT & Generative AI within Law Firms" to learn more.](#)

CLIENT PORTALS: HUBS OF THE NEW CLIENT EXPERIENCE

Another transformative [legal tech tool is the client portal](#). These virtual communication hubs could upgrade the client/lawyer relationship even more than document automation already has.

By making the portal the primary method by which clients and lawyers communicate and collaborate, legal work becomes even faster, even more intuitive. Cases can move at a faster clip. Accuracy improves further and mistakes are fewer.

Portals are private, secured extensions of a law firm's website. Consider client portals as a set of steps, each of which has a specific function. One of the many benefits of using portals is how easily a firm can adapt them to suit the requirements of each step.

Internal portals: the new filing cabinet

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

A firm's internal portal can also be a means for verified third parties to send and review documents. For example, say that an ongoing acquisition will require getting permits and contracts from a building location that's a lengthy distance 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 sees that every document they need is signed and waiting for them.

General relationship hubs: the new lobby

Not long ago, law firms devoted a good deal of attention and expense to their office's lobby. The color, the ambiance, the lighting, the logo—all of it conveyed to clients how the law firm saw itself. The lobby was a physical extension of the firm's branding: it was the law firm's public face.

The COVID-19 pandemic quickly changed all of that. Clients no longer went to their firm's physical office but instead interacted with lawyers online. This led to a fundamental shift for many clients. While the pandemic is waning, a growing number of clients no longer see the value of having to drive to their lawyer's office to transact business. For them, the virtual world has supplanted the "real" one.

Enter the client portal. Consider it as the law firm's new virtual lobby, one which is open 24 hours a day and stocked with vital information. Each client gets a secure login to a standard portal that could have, for example, lists of relevant contacts, a means to communicate with their lawyers, and a way to upload/download documents. Clients could also use the portal to monitor case statuses and obtain cost summaries.

The bespoke relationship hub: the new private conference room

The function of a lobby is to be a space that's open to all clients. So - there's a necessary amount of generic presentation in a [standard client portal](#). The portals tend to have similar layouts, branding, and available resources. The next step, however, is to personalize a client's portal to make it the equivalent of their private conference room with your firm.

If the client requests it, a firm can create a bespoke portal that's designed specifically for one client's needs. If the client wants their relationship with their lawyers to be a primarily virtual one going forward, it's important that they feel they have a measure of ownership of their portal. Work with the client to determine what information it wants to see, the means of communication that it prefers, and simply how it wants the portal to look and function.

What's appealing about all types of client portals is that they typically won't require a law firm to make any massive tech upgrade in order to employ them. Instead, portals take advantage of technology that the firm likely already uses—they're an ever-adaptable means to unite such functions as automated document review, client/lawyer communications, electronic signatures, and AI-driven diligence and analyses. All of these features get linked into one easy-to-use primary hub, turning the ability to shift between various technologies into a simple, intuitive matter.

THE POWER OF TECHNOLOGY TO STRENGTHEN CLIENT-LAWYER RELATIONSHIPS

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

What unites, and potentially fulfills, all of these needs is the promise of legal technology. On every front, from speed to accuracy to insights, tech innovations stand to be vastly transformative for both client and lawyer. The more that your firm devotes to strengthening its technology position, the stronger your client relationships can become.

MORE RESOURCES FOR YOU:

[Unlock the power of client collaboration tools for your law firm](#)

[6 ways law firms can set themselves up for innovation success](#)

[Client collaboration solutions from Thomson Reuters](#)