



**British Institute of
International and
Comparative Law**

Use of Artificial Intelligence in Legal Practice





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Comparative Law**

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Vision

To be a leading research institute of international and comparative law and to promote its practical application by the dissemination of research through publications, conferences and discussion.

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Introduction

Advancements in Artificial Intelligence (AI) technologies has led to changes in the way we carry out personal and work activities. The legal profession is no exception to this transformation. The use of smart virtual assistants and other types of AI tools is raising questions that are reshaping the legal profession. This brief describes the different ways AI can be embedded in the legal practice to assist the work of lawyers and other legal professionals. It provides examples of current solutions used by lawyers, of scenarios where AI tools could perform tasks traditionally implemented by lawyers, and examples of questions and requests for a smart virtual assistant. As AI continues to be integrated into legal practice, this brief considers legal and ethical concerns related to the integrity of the legal system, the duties of lawyers, and protection of the rights of clients.

Methodology

Over a three-month period (July to September 2023), BIICL conducted a combination of desk-based and primary research (in the form of semi-structured interviews) with lawyers (solicitors, barristers, and in-house counsel working across different areas of law) to determine how AI technologies are being used and could best serve their day-to-day work. We focused on the UK legal market but considered other jurisdictions as well, in particular, other European countries and the US. We addressed the main pain points in lawyer workflow that could be resolved by a smart virtual assistant, the needs of having a smart virtual assistant to help lawyers work, including examples of scenarios where such technology would be particularly useful, and questions that lawyers are interested in getting help from a smart virtual assistant for.

The research was commissioned by [Law Notion](#), a legal technology company.

Use of AI in Legal Practice

Legal practitioners [are increasingly utilizing](#) various types of AI and data analytics tools and smart virtual assistants to enhance their work efficiency, streamline tasks, and improve client services.¹ These virtual assistants can vary in complexity and functionality, with some being standalone platforms and others integrated into existing legal software or practice management systems. The goal of those tools is to assist lawyers in managing their workload more efficiently, improving client services, and enabling them to focus on higher-level legal tasks that require human expertise, resulting in the [transformation of legal tasks](#) – from legal research and review, to contract management and the prediction of litigation outcomes. Our research found that virtual assistants based on machine learning (ML) and natural language processing (NLP) are increasingly being used in advanced legal markets to assist lawyers in at least seven areas of work:

1. Legal research and e-discovery (AI as a search and discovery tool)
2. Document automation (AI as a document drafting and management tool)
3. Predictive legal analysis (AI as a predictive analytical tool)
4. Legal review (AI as a reading and summarising tool)
5. Case management (AI as a scheduling and filing tool)
6. Legal advice and expertise automation (AI as a client communication and support tool)
7. Information and marketing (AI as a learning and marketing tool)

1. Legal research and e-discovery

e-discovery software enable a vast number of documents to be surveyed and those relevant to the search criteria to be identified, at a fraction of the cost and the time, and generally more accurately, [than when the same survey is performed by teams of lawyers or paralegals](#).² e-Discovery was the first use of AI in law and now several AI virtual assistants are designed to assist lawyers in conducting legal research. These tools can quickly retrieve relevant case law, statutes, regulations, and legal articles to support attorneys in building strong legal arguments and staying up to date with legal developments. This role for AI is now quite well established. Lawyers interviewed agreed that currently the most common use cases for AI are e-discovery, voice dictation and idea generation – AI tools can help the ‘blank page problem’ in drafting. Many lawyers mentioned the use of AI for brainstorming legal drafting and pathways - AI tools can build a presentation that is sensitive to the needs and context of the client. One of the lawyers interviewed described how, in the past, a senior partner in a law firm would ask a couple of other partners and associates to come into a conference room and brainstorm about the possible legal pathways for a client; now the partner can insert a question into an AI platform and within a few seconds have rough, raw material to start thinking about potential answers for client’s needs. This type of AI technology can also be used to generate abstracts, reviews, and other tasks to facilitate research on legal issues.

¹ Daniel Linna and Wendy Muchman, [‘Ethical Obligations to Protect Client Data when Building Artificial Intelligence Tools: Wigmore Meets AI’](#), American Bar Association (ABA), 2020. Already in 2017, [Thomson Reuters reported](#) in *Ready or Not: Artificial Intelligence and Corporate Legal Departments* that ‘two-thirds of in-house attorneys are confident and ready to try new technology’.

² Anthony Davis, [‘The Future of Law Firms \(and Lawyers\) in the Age of Artificial Intelligence’](#), ABA, 2020.

[NLP is playing an increasing role](#) in finding information relevant to a legal decision and in determining the relevance of documents to an information request.³ Despite the limitation of NLP tools (they are not search engines), most of the lawyers interviewed for this brief are using NLP tools such as ChatGPT to answer simple legal questions but also as a legal search engine that can quickly search for relevant legal provisions and case law. Some of the lawyers interviewed mentioned that they are starting to use AI tools as a starting point for research, but they do not (yet) fully trust the results. AI is a nascent area for many law firms. Some interviewees discussed how they are starting to use AI to assess a vast amount of data much faster, such as an e-discovery platform, often just to have a starting point on which to build the legal research. Other interviewees discussed using AI tools as scanning tools that can understand and read all regulation developments that are happening, alert, inform and guide as to what is important and where to focus attention. For example, as there are several developments in the field of business and human rights and climate change regulations, a smart virtual assistant could assist in-house counsels and lawyers advising multinational companies to keep up with updates across multiple jurisdictions, horizon scanning, and track regulation compliance – currently such a tool is not yet available. Finally, some interviewees have also mentioned using AI tools for e-disclosure, which in some cases have marked potential privileged information.

Examples of legal research and e-discovery solutions

- Publishing companies, like LexisNexis or Westlaw, have huge databases of information including laws and regulations in multiple jurisdictions. They have developed software packages that enable clients (or lawyers) to do fast, accurate (and therefore cheap) research that would have taken individual lawyers much longer (and more expensively and, probably, less accurately) in earlier times. [Some of them even offer services that will do the work of answering questions using the software and providing the solutions directly to clients' legal departments, without an outside lawyer intervening.](#)
- In June 2023, [Thomson Reuters announced](#) signing an agreement to acquire Casetext, a California-based provider of technology for legal professionals. Casetext uses advanced AI and ML to build technology for legal professionals, creating solutions that help them work more efficiently and provide higher-quality representation to more clients. Casetext was granted early access to OpenAI's GPT-4 large language model. Its key products include CoCounsel, an AI legal assistant launched in 2023 and powered by GPT-4, that delivers document review, legal research memos, deposition preparation, and contract analysis. [Other Thomson Reuters's AI tools](#) include Westlaw Precision to answer complex legal questions, Practical Law, Legal Document Review and Summary with generative AI reading through thousands of relevant documents to spot key risks, resolve questions, execute tasks, and generate summaries, Thomson Reuters Legal Drafting with Microsoft Copilot.
- [Harvey](#), a legal platform integrated across the workflow using generative AI.
- [Law Notion](#), a UK-based legal technology company that uses extractive and generative AI to automatically analyse regulations and case law, to facilitate smarter searches of applicable regulatory requirements and relevant precedents.

³ Esther Salmerón-Manzano, '[Legaltech and Lawtech: Global Perspectives, Challenges, and Opportunities](#)' Laws, 2021.

2. Document automation

An immediate advantage of AI is that of [improving the efficiency of legal work by way of automation](#).⁴ Virtual assistants equipped with NLP capabilities can help lawyers review and analyse large volumes of documents, contracts, and agreements more efficiently. In addition, ChatGPT and other large language models can help the legal industry to automate the generation of legal documents.

They can automate repetitive and time-consuming operations like document review, contract analysis and generating legal documents, saving time, and reducing the risk of errors. Most lawyers interviewed for this brief recognised that AI tools can be cost efficient and relieved lawyers from tedious, time-consuming tasks. Some interviewees find smart virtual assistants helpful especially for contract drafting - lawyers insert certain details like names, parties, addresses, etc. into the platform which then generates an automatic contract with standard clauses used at the firm, even in their own 'house style', lawyers would then just need to tweak some points to make the contract specific to the transaction. A lawyer also mentioned using different types of AI tools to translate documents from and to English and using the generated translation as a starting point for newsletters and legal translation of client's documents. Lawyers interviewed have discussed that these types of smart virtual assistants can help them with:

- Contract review - checking that a contract is complete and avoids risk.
- Document automation - generating routine legal documents. There are now numerous AI tools that help lawyers draft consistent, appropriate, and up-to-date documents both in the transactional and litigation spheres, by reference to huge databases of precedents.
- Voice assistants for dictation - voice-activated virtual assistants can assist lawyers in taking notes, dictating documents, and transcribing conversations, which can be particularly useful for lawyers on-the-go or those who prefer spoken communication over typing.
- Language translation - for lawyers dealing with international clients or cross-border cases, virtual assistants capable of translating legal documents and communications can be invaluable.
- Document management - corporations often have thousands or tens of thousands of similar documents, such as contracts, that need to be managed for consistency and enforcement.

The feeling, however, is that AI tools cannot take over legal advice, or, for example, automate documents in litigation. Lawyers interviewed recognise the role of AI in the legal drafting process but are conscious about AI tools doing the whole of that process without significant checks and balances - for example, AI is not going to complete the whole process of filing a statement of claim without human input and checks. Interviewees mentioned the importance of being able to work in combination with technology. AI is seen as an aid to lawyers not as something that can perform tasks in lieu of them.

Examples of document automation solutions

- [ChatGPT](#) can assist in writing legal documents such as contracts and it is also used for legal translation. ChatGPT, as a large language model, uses legal language proficiently in conversational and argumentative scenarios, based on learning many legal texts (from jurisprudence to judgments, from contracts to articles of incorporation). [Kira Systems](#), founded in 2011 and now part of Litera, uses ML software to assess contracts and other documents.

⁴ Giulia Gentile, 'LawGPT? How AI is Reshaping the Legal Profession', LSE, 2023. Already in 2017, [JPMorgan released a software that 'does in seconds what took lawyers 360,000 hours](#). The [Artificial Lawyer website](#) has daily announcements of new software packages designed to assist corporations to accomplish similar outcomes.

- [IronClad](#), a platform handling all type of contracts offering for digital contract lifecycle management.
- [Genie AI](#), an AI legal document assistance based on GPT-4 and Genie's language model, offering legal templates, customization and review of legal document, and teams collaboration platform.
- [Robin AI](#), modular software for contract drafting, templates, reviews, editing.
- [Juro](#), for contract drafting and management.
- [Clarilis](#), for drafting of contracts and complex legal documents.
- [Spellbook](#), contract reviews within Microsoft Word. Spellbook uses GPT-4 to review and suggest language for contracts and legal documents, within Microsoft Word, with features specifically built for law, like [contract drafting](#), for example, [drafting Intellectual Property provisions](#), missing clause review, directed draft, and find conflicting terms, and [creating contract summaries for emails](#).
- [Grammarly](#), a free writing AI assistant, is mostly used by lawyers to correct grammatical and language errors in emails and memos.
- [Contract Express](#), a document automation programme designed and developed by the Legal Solutions arm of Thomson Reuters, used by some of the lawyers interviewed for document drafting, although they have some concerns about its accuracy.

3. Predictive legal analysis

One of the biggest areas of opportunity for generative AI in legal work is information assimilation and predictive analysis. There is a [growing group of AI providers](#) that offer what tool kits to law firms and corporations to create their own analytics programs customized to their specific needs. AI algorithms can examine past data to foresee case outcomes, litigation trends, and prospective threats. For example, there are the tools that analyse all the decisions in a particular sphere, input the specific issues in a case including factors like the individual judge assigned to hear the case, and provide a prediction of likely outcomes.⁵ Another kind of analytics review a given piece of legal research or legal submission to a court and identify the key relevant precedents and authorities that are missing from the research or submission. Lawyers interviewed that used these tools mention that those are useful for:

- Analytics and Predictive: Some virtual assistants equipped with AI capabilities can analyse legal data and help lawyers to predict case outcomes, identify trends, and make more informed strategic decisions.
- Contract Analysis and Due Diligence: Virtual assistants that specialize in contract analysis can review contracts, flag important clauses, and identify potential risks, speeding up due diligence processes in transactions and negotiations.

For example, some interviewees advising multinational companies mentioned that AI tools could help law firms to assess the impact of recurring events, and the likelihood of litigation cases – like in the field of insurance companies which assess what kind of incidents are happening more frequently. Lawyers recognise that using an analytics tool to assess success for potential litigation when compared to the previous cases would be particularly useful. Finally, there is the potential of a technology that assesses litigation risks and helps with litigation avoidance. One example mentioned by a lawyer interviewed for this brief is software that assesses every employment discrimination lawsuit that is publicly available; with

⁵ This type of tools were [banned in France](#) in 2019.

it the law firm can provide litigation avoidance advice to companies. In the United States for example, AI is being used to decide whether to use a peremptory challenge, and during the trial, a jury consultant also consults with AI to figure out what is going to make sense to a particular jury. In the United States, one of these AI predictive tools is also available for free to judges, which [raises the question](#) of whether it is now legal malpractice for lawyers not to use such a tool before filing legal papers with the court.

Examples of predictive analytical solutions

- This is a highly competitive and consolidated market – LexisNexis, WestLaw Edge, Practical Law have this market wrapped up.
- [ChatGPT](#) can help to analyse legal data and texts to extract key information and patterns from them. For example, ChatGPT can be used to automate contract reviews and dispute resolutions, enabling faster identification of problems and disputes in contracts, and providing solutions. Interviewees mentioned that ChatGPT is useful to grapple with examples and compare concepts.
- [Lex Machina](#), a LexisNexis subsidiary, provides legal analytics and insights for judges, law firms, lawyers, parties; it is used for litigation strategy as it can leverage court dockets database to gain insights on how a judge may rule, provides legal analytics and insights.
- [Bard](#), a conversational AI tool by Google to brainstorm ideas.
- [Law Notion](#) affords quicker digestion of lengthy regulations and/or court decisions with key synopses, analyses historical success rates of similar cases to assess potential case outcomes, and analytics results to support evidence-based arguments.

4. Legal review

Smart virtual assistants or other types of AI solutions can also be used for legal reviews, reading and summarising documents, disclosure efficiency, and for finding patterns, discrepancies, and pertinent data in legal documents, improving the accuracy of legal analysis and decision-making. Platforms using AI-powered search engines may locate relevant legal precedents, retrieve pertinent legal information, and offer insightful legal counsel. Interviewees mentioned that while there are cost savings from the use of AI, it may only be effective for large data-volume cases.⁶ Some interviewees recognised that they are using AI tools to review vast amounts of legal documents where in the past they would hire law students or college students to review them, necessitating their signing of confidentiality agreements.

Examples of legal review solutions

- [Luminance](#), an AI platform that develops document analysis for multinational and governmental organisations.
- [Elicit](#), an AI Research Assistant that uses language models to help automating research workflows, like parts of literature review. Elicit can find relevant papers, summarize takeaways specific to the user's question, and extract key information; also helps with brainstorming, summarization, and text classification.
- [Lexis Nexis+ AI](#) searches, summarizes, and drafts using content from LexisNexis.

⁶ James Lau, '[Artificial Intelligence, Machine Learning, Technology and the Legal Profession-Perspective of an Asian Chief Legal Officer](#)', International In-House Counsel Journal, 2019.

5. Case management

Smart virtual assistants are also useful for routine work such as filing and sorting out files, for case management and as personal assistants for scheduling client meetings and hearings, for example. Lawyers interviewed mentioned that smart virtual assistants can also help them with:

- **Scheduling and Calendar Management:** Smart assistants can help lawyers manage their schedules by coordinating appointments, setting reminders for court dates and deadlines, and sending notifications about upcoming tasks.
- **Practice Management Assistants:** Virtual assistants integrated into practice management software can help lawyers manage client files, track billable hours, generate invoices, and handle administrative tasks. (e.g., time-recording programs logging attorney hours spent for each client and automatically generating invoices).
- **Timekeeping software** that can run in the background and bill the correct time to the client, according to the actual time spent on their case.

Examples of case management solutions

- [LitiGate](#), an AI-powered litigation lifecycle platform that automates manual litigation tasks.
- [Legl](#), for client payments, onboarding and compliance software.

6. Legal advice and expertise automation

Some interviewees also use smart virtual assistants to provide self-help for clients who can find answers automatically - requiring lawyers to step in only at a later stage. As such, lawyers' workflow is supported by:

- **Client Communication and Support:** Virtual assistants can handle routine client inquiries, schedule appointments, and provide basic legal information to clients. This enhances client engagement and frees up lawyers' time for more complex tasks. It helps clients to answer recurring legal questions, weighs factors with decision trees, calculates, provides clients with answers, or directs them to an attorney.
- **Legal Chatbots:** AI-powered chatbots can interact with website visitors and answer frequently asked legal questions, offering a way for law firms to provide immediate information and support to potential clients.
- **Expertise Automation.** This is the commoditizing of legal knowledge that enables clients to find answers to questions using software developed for areas of legal information that previously would have required interaction with a lawyer. Examples include software developed to enable individuals to draft a will or enable companies to give their employees access to answers to common questions in a specific area, such as employment law. For example, a factory manager in a jurisdiction can ask the software what rights a pregnant employee has to family leave without the need to speak to a lawyer either within the company's legal department or to its outside counsel. In addition, these tools include [will drafting, and even assisting individuals in litigation contexts such as housing court or fighting traffic tickets](#).

Examples of legal advice solutions

- [ChatGPT](#) can be used to develop intelligent legal consultation products such as intelligent legal Q&A bots, which can answer users' legal questions faster and more accurately and provide more efficient and convenient legal consultation services. Users can interact with ChatGPT via voice or text to receive legal advice and guidance. This helps to lower the threshold of basic legal services and makes it more convenient and quicker for the public to access general legal services.

7. Information and marketing

Finally, lawyers mentioned that smart virtual assistants can help them with:

- Virtual Research Assistants: Beyond legal research, some virtual assistants can perform general research tasks, helping lawyers to gather information on industries, market trends, and potential expert witnesses.
- Compliance and Regulatory Assistants: Virtual assistants can help lawyers stay compliant with changing regulations by providing updates, suggesting necessary actions, and monitoring ongoing regulatory changes.
- Marketing tool: One interviewee described AI as a powerful marketing tool which could consider a target client and create data all the way down to what is the type of tone that recipient would want in their email.

Legal and Ethical Issues Arising from Use of AI in Legal Practice

The use of AI in legal practice raises various legal and ethical issues. The foundational principles of the law governing lawyers, and of professional responsibility, are implicated in the changes brought on by using AI tools, including accuracy and accountability, confidentiality, transparency and trust competence supervision, communication, and liability for errors. Legal and ethical concerns, based on our research and interviews, can be grouped into six areas:

1. Accuracy and accountability
2. Transparency, trust, communication, and duty of competent representation
3. Bias and fairness
4. Privacy, data protection, conflict of interests, and duty of confidentiality
5. Lack of human judgment and interpretation
6. Job displacement and loss of domain expertise

1. Accuracy and accountability

The use of AI tools in legal practice raises accuracy and liability issues - to what extent would lawyers be liable when they use AI solutions to address client needs and a problem occurs. AI systems can make errors or provide incorrect information, which could have serious consequences in legal matters. AI systems might generate legal interpretations or conclusions that deviate from established legal norms, potentially leading to incorrect advice or actions. The quality of responses from a smart virtual assistant will depend on its programming and training data, and it is important to verify information when it comes to actual legal practice. All lawyers interviewed mentioned that one of their primary concerns about using AI technologies is accuracy and that they would still have to double-check any result. Interviewees were generally comfortable having AI implement automation-based tasks including contract drafting and legal research - they expressed more hesitancy around allowing it to implement synthesis and analytic work such as answering client questions. In relation to shortcomings with the tools used, lawyers interviewed mentioned that these are not as developed as one might think and need quite a bit of work to get up to standard - the first thing a firm should do before incorporating a new tool is to have it checked by information security or cyber security teams before using it.

If AI tools are used to assist in making legal decisions, the question of who is responsible for those decisions arises. It is difficult to trace the responsibility of the algorithm and the responsibility of the person when the decision is made by an AI system. This can involve issues of professional responsibility and accountability. If legal AI makes mistakes or errors in legal services, [who should be held responsible for the faults, and how?](#)⁷ Determining responsibility for these errors can be complex -when AI is involved difficult questions relate to the [apportionment of liability between the creator or developer of a defective software solution and the law firm that uses it](#). The automated nature of AI usually makes it difficult for those affected by it to perceive and know the process and methods of decision-making by AI systems.

⁷ Weiyan Wang, '[An Analysis of the Feasibility of Artificial Intelligence to Replace Lawyers](#)', 2023.

2. Transparency, trust, communication, and duty of competent representation

The complexity resulting from the influence of AI on the legal profession is also [reshaping the relationship between lawyers and clients](#). The duty of lawyers to provide clear information and not to mislead their clients, may prove challenging when using AI tools. This is because the way in which AI is used in the work of lawyers also influences the liability of legal advisors and their professional obligations towards their clients. Lawyers have a duty to provide competent representation and clear information to their client. The use of AI may make compliance with such duty more difficult and complex for several reasons.

Firstly, the duty of competent representation [requires an awareness](#) of the benefits and risks associated with the AI technology. Relying on AI systems could impact the quality of legal representation, especially if lawyers become overly reliant on the AI technology instead of developing their own expertise. [The duty of competence requires lawyers to use tools that are effective](#).⁸ The meaning and implications of 'technological competence' go beyond AI solutions but do have specific implications for AI tools. Lawyers need to understand AI tools to be able to explain them and indeed to use them effectively. Lawyers interviewed for this study have no training in AI, and some recognise that the legal profession in general is quite 'conservative' and meets new tech developments with a degree of resistance. Any future use of AI [will require lawyers to upskill and learn at least the basics of these technologies](#). Lawyers have an explicit duty to communicate to their clients material matters in connection with the legal services.⁹ Thus, not only must lawyers be competent in the use of AI, but [they will need to understand its use sufficiently to explain the question of the selection, use, and supervision of AI tools](#). A lawyer interviewed for this brief said that lawyers need to treat AI tools like young associates - they might be a fantastic asset, but lawyers need to invest, supervise, verify, have a little bit of scepticism, and give them opportunities to prove themselves. They also mention the importance when exploring the potential of AI tools to look at the data that is being used to train them and to make sure this is robust and transparent so the outputs can be trustworthy. Another lawyer discussed the possibility of arbitration proceedings becoming more AI assisted but expressed concerns about the compatibility with the duties of an arbitrator as it would be like delegating work to an assistant.

In addition, there is a problem of transparency of the AI tools. Lawyers are [required to communicate with their clients in specifics ways](#) - they are required to promptly inform clients of any decision or circumstance requiring the client's informed consent. The current digital literacy of lawyers may be limited and, in any event, even experts have difficulty tracing how an AI system has taken a decision [due to the 'black box' problem](#): the workings of AI algorithms can be complex and opaque. Lawyers and clients might have difficulty understanding how AI arrives at its conclusions, which, in addition to accountability, also raises concerns about transparency and trust. Since there may not be relevant records made into decisions for verification, there may not be sufficient information to reconstruct the decision process, and therefore to judge why the AI tool reached a certain outcome. This lack of transparency and difficulty in accountability in AI applications [may jeopardise the values protected by due process of law](#).

Finally, AI systems such as neural networks may learn on their own and acquire features that were not envisaged in the initial stage of the AI design. In addition, AI tools may provide information that may look correct, but in fact it is not. This means that these tools may be unpredictable, with significant risks of errors and potential damages to clients. Recently, a US lawyer – currently facing sanctions - [used](#)

⁸ In 2012, the American Bar Association explicitly included the obligation of "technological competence" as falling within the general duty of competence which exists within Rule 1.1 of its Model Rules of Professional Conduct.

Other jurisdictions, such as Australia, have also incorporated this principle into their rules.

⁹ This duty is set out in ABA Model Rule 1.4. Other jurisdictions have adopted similar rules.

[ChatGPT to draft briefs, which made up arguments and references to support its arguments](#). These settings ultimately [affect the trust that the public has towards lawyers](#). Widespread adoption of AI in the legal industry requires gaining the trust and acceptance of legal professionals, clients, and the broader society. Addressing concerns about AI's reliability, transparency, and potential biases are [crucial for fostering trust and ensuring the successful integration of AI technologies](#).¹⁰

3. Bias and fairness

AI algorithms can inadvertently perpetuate biases present in training data, leading to biased outcomes. This can result in unequal treatment or unjust results, violating principles of fairness and equal protection under the law. Ensuring that AI systems are trained on diverse and representative data to avoid perpetuating biases is an ethical imperative - algorithms used in AI systems should be transparent, explainable, and free from biases that [could impact decision-making and perpetuate systemic injustice](#). A lawyer interviewed for this study said that bias in AI tools is like bias in humans, and humans are not perfect - when a person does a piece of work, it is rarely fully accurate, but this is why there are checks and balances in place.

4. Privacy, data protection, conflict of interests, and duty of confidentiality

Integrating AI technologies into legal practice also raises challenges related to privacy, confidentiality, and compliance with data protection laws. AI often requires access to sensitive legal data and documents. Ensuring proper data protection and preventing unauthorized access is crucial to maintaining client confidentiality and complying with privacy regulations. Lawyers are required by law to maintain confidentiality of client information and are not permitted to represent clients in conflict-of-interest situations. AI tools often require the collection and collation of large amounts of information, which may include personal information from various clients. Without proper supervision, there is a [risk that this personal information could be stolen and leaked](#). All the lawyers interviewed for this brief expressed concern about confidentiality, where the information is being stored and who could potentially have access to it. In the absence of prior notification and consent, the collection and processing of case information by AI may create a greater [risk of infringement of privacy rights and data protection regulations](#). Interviewees also expressed concerns about preserving client confidentiality – they would not be comfortable uploading client data to a cloud that could be accessed outside of the law firm.

Lawyers [are required to protect all client information from both intentional and inadvertent disclosure](#). A key ethical duty that lawyers have is ensuring that the use of AI solutions does not pose a risk to their [duty to preserve client confidentiality and to maintain the attorney-client privilege](#). As such AI tools must ensure the protection of client data and maintain strict confidentiality. In addition, conflict of interest issues may arise – for example, law firms may end up using a client's data to build a tool that helps another client. If AI tools heavily influence legal decisions, clients' autonomy might be compromised. Lawyers using AI tools must inform clients about such use, their possible ramifications, and obtain informed consent from the client. Legal professionals need to consider whether clients are fully able to make informed decisions when AI is involved. If clients are receiving assistance or advice from AI systems, they need to understand the limitations and implications. Clients should be fully informed about the role of AI in their legal matters.

¹⁰ N Sheeba, '[Artificial intelligences effects on the legal sector transforming legal practice](#)', 2023.

For the use of client data, the [EU General Data Protection Regulation](#) (GDPR) applies. For AI tools to be trained, the acquisition of training data is necessary. While the GDPR does not explicitly mention AI, many of its provisions are relevant to AI, and some are challenged by the new ways of processing personal data enabled by AI tools. [There is a tension](#) between data protection principles - purpose limitation, data minimisation, the treatment of 'sensitive data', the limitation on automated decisions– and the deployment of AI which entails the collection and use of vast quantities of personal data.¹¹ Note that under the American Bar Association, firms using client data to build AI tools '[are required to safeguard the client data with the care of a professional fiduciary](#)'. Client data / property must be safeguarded against unauthorized disclosure. Additional confidentiality risks arise when lawyers outsource the creation of the AI tool.

5. Lack of human judgment and interpretation

Legal practice often requires nuanced judgment and interpretation. Relying on AI systems could result in a lack of human insight, empathy, and contextual understanding. The introduction of AI into the legal profession may instigate a transformation of the public perception and trust. Clients who are being exposed to automated legal advice may ultimately [lose confidence and trust in the legal profession](#). The human dimension of the relationship between lawyers and clients is necessary to establish trust, understanding and empathy, which could be undermined by over-reliance by lawyers on AI tools. For instance, if a smart virtual assistant were used to provide preliminary legal advice, it may not fully understand the demands of the client; it [may also fail to offer the same level of empathy, human connection, and legal creativity of a lawyer](#). Or for example, by identifying a present dispute or risk matter based on past information, an AI tool may screen out individual information key to [distinguishing an individual case from a class case](#).

The application of AI technology may allow people to get answers faster and at lower cost. Tools that automate legal tasks may [provide lawyers with more time to employ emotional intelligence and provide creative and strategic advice when handling client matters](#). But the complexity of cases, and of human nature, causes people to rely on lawyers to include more of an emotional, psychological level of demand. In addition, AI [does not yet make good use of creative thinking, which is one of the criteria for a good lawyer](#). A lawyer interviewed for this brief said that AI technology is incredible, but nowhere near what is needed for a lawyer - lawyers need data that is persuasive to a judge, AI can help lawyers get there, but it cannot take them all the way. AI is not yet capable of walking into a courtroom and reading the room. Lawyers stressed the importance of the human element - human judgement is still the essence of the legal profession, for better or worse.

6. Job displacement and loss of domain expertise

Finally, the adoption of AI in legal practice could potentially lead to job displacement for lawyers and legal professionals. If mundane and tedious legal work such as discovery, legal research, drafting and review of contracts, due diligence, are eventually outsourced to smart virtual assistants, [junior lawyers may not be able to acquire practical legal skills](#). The automation of certain legal tasks through AI can potentially lead to job displacement for some legal professionals, [particularly in tasks like document](#)

¹¹ European Parliament, [The Impact of the GDPR on AI](#), June 2020.

[review and legal research](#). A lawyer interviewed for this brief said that lawyer work is not going to be replaced by AI – but it is going to be replaced by people who know how to use AI.

AI systems rely heavily on the quality and quantity of available data. In certain specialized or niche areas of law, limited data availability can limit the effectiveness of AI applications. AI systems may struggle to handle complex, nuanced legal issues that require deep domain expertise. Finally, AI tools that generate legal documents or provide legal advice could potentially be seen as practicing law without a license in some jurisdictions, raising questions of legality.

Conclusion

Lawyers are increasingly utilizing various types of AI and data analytics tools to enhance their work efficiency, streamline tasks, and improve client services. Smart virtual assistant tools based on ML and NLP are proving useful to assist lawyers in legal research and e-discovery, document automation, predictive legal analysis, legal review, case management, legal advice and expertise automation, and information and marketing.

The use of AI in legal practice, however, brings about various legal and ethical issues. The changes brought by the use of AI tools impact the foundational principles of the duties governing the legal profession, and the rights of clients and citizens. These include accuracy and accountability, transparency, trust, communication, and duty of competent representation, bias and fairness, privacy, data protection, conflict of interests, and duty of confidentiality, lack of human judgment and interpretation, and job displacement and loss of domain expertise.

There is clearly great promise in what AI tools can and will do to support legal professionals in their work but beyond the hype, there is still a need to fully understand how and when to use this technology and what are the inherent risks.

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