

IBERIAN LAW FIRM LEADERS QUESTION EFFECTIVENESS OF AI

Posted on 23/09/2018



Category: [Archive](#)



Though major firms in Spain and Portugal are implementing artificial intelligence (AI), doubts persist about the technology, with some managing partners saying it performs like a ‘bad associate’

Despite the fact some of the biggest law firms in Iberia are using artificial intelligence (AI), there is still scepticism among managing partners about the effectiveness of such technology. Last year, both Uría Menéndez and Garrigues signed deals to use AI – Garrigues linked up with the Instituto de Ingeniería del Conocimiento (IIC) to develop a project using “robots” for document management, while Uría Menéndez confirmed agreements with Luminance and RAVN Systems. Meanwhile, in June this year, Portuguese firm MLGTS also agreed a deal with Luminance. However, despite the rush to implement AI, there are still questions about the effectiveness of some forms of such technology.

Not all law firms use AI, but some partners at firms that do express concerns about its effectiveness. One managing partner at a law firm in Madrid admits the machines take longer than expected to “learn” to do what is required, while another managing partner says that the technology implemented by his firm performs like a “bad associate”.

Artificial intelligence has been defined as software that is installed as a physical appliance or accessed securely via the cloud. The software uses pattern recognition algorithms, ‘statistical probability analysis’ and machine learning to analyse documents. Once documents are uploaded, algorithms identify clauses, extract data and highlight anomalies.

AI is ‘untested’

Linklaters signed a deal with RAVN and a spokesman for the firm says the potential benefits are “immense”. He adds: “A good example is tools used to automate repetitive, arduous tasks such as document review in a due diligence exercise.” However, despite this, the spokesman adds the “full effectiveness of AI is untested”. There are also suggestions that, while AI may have been very well marketed to the legal profession, whether the claims made about such technology have been proven is open to question. As one source at a Magic Circle firm puts it: “AI has about the same accuracy as humans, or so we are told.”

Martim Morgado, partner at CS Associados, says his firm is not yet using AI, but he believes such technology “may be a good instrument for the overall strategy, particularly given the option of retaining a low leverage ratio”. However, he adds that there are doubts about whether AI will be able to be used in a “reliable manner”. He continues: “While there are tools already being offered – such as for document review and discovery – others are still not proven, and the use of AI brings a risk that is expected to be retained by firms.”

Santiago Gómez Sancha, IT director at Uría Menéndez in Madrid, argues that AI has proven to be effective. “Ultimately, AI is working well for us and we expect it to reduce some of the least productive tasks lawyers do,” he says. “However, it will be more ‘augmented intelligence’ than artificial – it’s not replacing lawyers, it’s complementing them.”

There is a view that the use of AI will lead to the emergence of new roles in the legal sector. One source at a Madrid firm says: “While certain junior, process-related roles may become redundant, these roles are likely to be replaced by new roles at the intersection of law and technology, such as data scientists, data architects or legal technologists.”

Legal know-how and expertise cannot be fully programmed, says Eduardo Paulino, partner at MLGTS in Lisbon. “There is no doubt AI will add value to lawyers’ work, but AI will not replace a lawyer’s analysis, perception and creativeness.” Alejandro Osma, partner at Pérez-Llorca, adds: “We chose artificial intelligence technology to help speed up processes so lawyers can concentrate more on creating added value to complex tasks.”