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Lawyers Beware: Your Job May be Replaced by a Computer

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"Watson, come here! I need you!" Alexander Graham Bell, October 9, 1876

Oh my goodness! The wailing and donning of sackcloth and ash as word of *The New York Times* article of March 6, 2011 which reported that "Armies of Expensive Lawyers, Replaced by Cheaper Software" currently permeates every quarter of the profession. The vast foot soldiers of lawyers who routinely analyzed millions of documents in a case at a client cost in the many millions of dollars now can be performed by a computer software program at a client

cost of less than $100,000. *The Times'* reporter concludes

> Quantifying the employment impact of these new technologies is difficult. Mike Lynch, the founder of Autonomy, is convinced that "legal is a sector that will likely employ fewer, not more, people in the U.S. in the future." He estimated that the shift from manual document discovery to e-discovery would lead to a manpower reduction in which one lawyer would suffice for work that once required 500 and that the newest generation of software, which can detect duplicates and find clusters of important documents on a particular topic, could cut the head count by another 50 percent.

The actual comparative numbers for document review: humans = $1.23 per document; computers = $.067 per document; that's a nickel compared to a buck and a quarter. And the computers do a much better job. Which path are you and your clients going to pursue?

The Times also quoted one corporate consumer of document review services in a quote which will be doubtless long remembered:

> "From a legal staffing viewpoint, it means that a lot of people who used to be allocated to conduct document review are no longer able to be billed out," said Bill Herr, who as a lawyer at a major chemical company used to muster auditoriums of lawyers to read documents for weeks on end. "**People get bored, people get headaches. Computers don't.**" [Emphasis added].

The Times' conclusion comes on the heels of an article by IBM general counsel Robert Webber of February 14, 2011, published just before Watson's stunning performance on TV's Jeopardy, in which Mr. Webber crows that the software powering Watson could replace armies of associates, with far greater efficiency, accuracy and skill, at some quite substantial savings in cost.

We previously wrote about the different castes of associates that law firms are now deploying. Ostensibly, the document review software will slash mercilessly at the hordes of staff or temp lawyers at the bottom of the food chain who spend their days and nights reviewing documents at $1.23 per. Watson and its progeny will slash at the two higher ranks.

All of this needs to be analyzed through several prisms. The first is the vast current

unemployment and underemployment in the legal profession. The second is that even before the advent of these two new technologies and the onset of The Great Recession, the United States Bureau of Labor Statistics projected in 2008 that **net projected increase in jobs available for lawyers between 2008 and 2018 would be 98,500,** of which 50,300 will be employed by law firms, 29,400 are projected to be employed by government and 9,800 will be self employed. At the same time, one also must consider that our nation's law schools relentlessly produce 45,000 new law school graduates *each year*, while continuing to build new law schools and creating larger law school classes, as we previously discussed. Against this backdrop, the same *New York Times* asked but a few weeks earlier whether attending law school was a losing proposition. In all fairness, as an aside, kudos should now be extended to Albany Law School and Touro Law School for recently announcing that they were intended to reduce the sizes of their law school classes as being the "moral" thing to do. The ultimate bottom line remains the same: The BLS, projected, at a time when we were all flush and The Great Recession unforeseeable, that over the next decade, the legal profession would absorb fewer than 100,000 new lawyers. To meet this new demand, law schools planned on graduating 500,000 new graduates.

Emerging from this bedlam is *the Times'* Nobel Laureate, Economist Paul Krugman, made a number of astute and perhaps shocking observations in today's *Times*. For me, Krugman's most astute observation, now clearly borne out by the facts is that providing enhanced education alone simply does not create prosperity. Indeed, as witnessed by the thousands of unemployed and underemployed law school graduates each bearing hundreds of thousands of student loan debt, advanced education actually can and has created real poverty.

As soon to be Chicago Mayor Rahm Emmanuel is fond of saying, "never miss the chance to create an opportunity out of a crisis." The opportunity here is one in which to radically overhaul legal education. As countless commissions sponsored by the ABA, the American association of Law Schools, state bar associations and other stakeholders have spent the last year or so and intend on spending the foreseeable future studying the future of legal education in America, one solution seems painfully obvious: As the market and technology have combined to create computers and software to provide cheaper and more efficient legal services, law schools should focus substantial parts of its curricula to train its students on how to program these new computers, marrying both classical legal training and computer software training. If legal academia does nothing, as may be likely, the bulk of legal services to be rendered in the future will be produced by universities' computer science departments. And, aspiring lawyers must be trained to analyze computer output,

whether produced by Watson or document analysis programs, and maximize their efficiency and advance the cause of providing high quality legal services without necessarily being immersed in the holding in Shelley's case.

Mature, seasoned and productive lawyers, with years of experience can then use the skills and good judgment they acquired to the best and highest use.

The profession and, more importantly, legal academia stand at an important crossroads right now. The wrong path chosen can lead to disastrous consequences.

Let's not delude ourselves in to thinking that either legal academia or the profession is too big to fail. Recent history has created a trash pile of major industries that failed because they failed to appreciate to adequately embrace technology or appreciate its consequences. The retail recording industry lies in shambles because it ignored the revolution of MP3 players. Blockbusters and Hollywood Video are both breathing their last because of their failure to embrace video on line rentals. The minicomputer industry is gone, replaced by the more robust and ubiquitous laptop. The nation's entire retail industry is under attack by online sellers.

In 2008, Richard Susskind, OBE, published a prophetic and widely read (certainly in England) opus entitled "The End of Lawyers?: Rethinking the Nature of Legal Services" in which Sir Richard prophesied the virtual Armageddon the legal profession and the legal academic community now face. To survive, we all must understand and appreciate the changes wrought upon us and embrace the dramatic changes technology has wrought. Failure to do so may result in failure.