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2017 Legal Cloud Forecast: Change Is Constant

Here's to "Thinking Out Cloud" in 2017, year two of musings on all things legal cloud computing. Since it's that time of year, let's look at some 2017 legal cloud trends and predictions.

According to the most recent ILTA/InsideLegal Technology Purchasing Survey, short(er) term cloud adoption might finally be on par with other industries, an opinion some of our soothsayers share. Statistics indicate that small firms (with fewer than 50 attorneys) are the most aggressive regarding cloud adoption. Of these firms, 61 percent of respondents indicated that more than half of their software/service offerings could be cloud-based within the next one to three years.

While large firms are not as optimistic statistically speaking, much of what drives their cloud enthusiasm is still being dictated by clients — their technology requirements and security demands.

Alvin Tedjamulia, Chief Technology Officer (CTO) for legal cloud pioneer NetDocuments, believes cloud technologies will start moving from "early adopter" to "early majority" (upward of 40 percent) adoption, resulting in a mad vendor scramble to offer truly native cloud-based technology, as opposed to hosted and other bolt-on options.

Andy Wilson, Chief Executive Officer (CEO) of Logikcull, a cloud-based legal discovery automation software, says traditional resistance to the cloud among firm leadership will continue to ease as firms face more pressure to secure client data and increase profits per partner in a more competitive environment.

"The biggest driver of cloud adoption will be the firm bottom line," Wilson says. "The cloud can directly impact financial performance by increasing workflow efficiency (e.g., speeding time to document review), increasing realization rates (e.g., less downtime for billable

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personnel and fewer billed hours that are written off), and lowering the cost associated with maintaining on-premise solutions (e.g., servers, software/hardware that must be routinely upgraded, etc.)."

Wilson also mentioned a trend we are already seeing more of: With the rise of intuitive, user-friendly cloud solutions, attorneys can more easily perform tasks themselves and, based on the sheer nature of cloud technologies (anywhere, anytime), are better able to bring their legal expertise to bear earlier and more fully.

Mark Garnish, Development Director for global technology provider Tikit Ltd., offers up a bigger picture perspective.

"If firms truly believe in cloud first, they must, almost by definition, start adopting products based on platform rather than functionality," says Garnish. "We haven't seen this since Microsoft SQL Server was first introduced in 1989. Cloud is a technology change. Software needs to be rewritten to work in the cloud, and not all firms and suppliers recognize that right now."

He also expanded on how the cloud evolution will create a truly mobile workflow for lawyers.

"Take mission-critical, lawyer-facing applications, including document management, template management, email management, time recording, along with MS Office," he says. "Add the on-any-device, anytime cloud availability, and you have the biggest shakeup to law firm technology since the introduction of the PC."

According to Rob Ameerun, owner of Legal IT Professionals and publisher of *Legal IT Today*, global cloud adoption will depend in large part on data sovereignty and even geo-political realities.

"A significant number of EU law firms have recently adopted cloud strategies that involve providers with datacenters in the U.K.," says Ameerun. "This is simply because most of the providers operate from U.K. datacenters and have no plans to open datacenters in other EU countries, especially not the smaller ones. With Brexit in mind, some firms might regret their cloud choices, and firms who didn't jump on the bandwagon already will now seriously think twice before they sign up for cloud solutions hosted outside their own borders."

Niki Black, legal technology evangelist for MyCase and frequent writer on all things legal tech, believes that in 2017 more lawyers will begin to recognize the value of cloud-based litigation technology, especially case management software, which is designed to facilitate collaboration between litigation teams.

"Competition in this space has been heating up, with the release of a number of new platforms over the past two years," Black says. "This software is popular because it offers teams of lawyers a way to collaborate and share notes on case-related evidence and documents in a secure web-based platform."

Finally, Ed Walters, CEO of Fastcase, provides a reality-based assessment. "When personal computers first became mainstream, people were worried about security and client confidence. The same was true when laptops became mainstream, and when email became popular. In technology after technology — mobile phones, social media and now the cloud — people wring their hands about the perils and pitfalls of X," says Walters.

"But lawyers are service providers, and clients demand the flexibility of all of these technologies," Walters adds. "At this point, all of our clients are using secure cloud computing, so it seems inevitable that they will drive us as lawyers to do the same." ■

ABOUT THE AUTHOR

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