In our recent Jomati report, Law firm innovation and use of legal tech – a reality check, we reviewed what is really happening in the legal technology space and whether law firms were being innovative in the use of client-facing legal technology.

From our research, it was clear that many firms were much more actively engaging in potential uses for client technology. New and improved processes and products are being developed and rolled out by law firms. We may still be at an early stage in the effective use of client-facing technology, but the effort and investment devoted to it by firms is increasing as they seek to stay relevant to clients demanding the ‘better, faster and cheaper’ delivery of legal services.

What is particularly interesting is that many law firms are increasingly designating a ‘head of innovation’ to lead and focus this development, although others take the view that innovation should be an embedded feature of the firm and not delegated to any one individual.

Where a head of innovation had been appointed (which is the case in over 100 law firms) the appointees were from a mix of backgrounds. A few were from New Law, legal IT or product development backgrounds. Many were in fact former managing partners, senior litigation specialists or senior associates. But the biggest cohort were lawyers who were previously professional support lawyers in their firms. This may reflect the relative lack of experienced IT professionals with legal experience who are prepared to operate in law firms. It may also recognise that law firms want innovation, but not too much (perhaps evolution rather than revolution).

However, if supported by the firm’s senior leadership, these professionals will have a significant role in driving a change agenda and identifying and developing new products for their firm to deliver to its clients. Whether they and any innovation committee will adopt a top-down or bottom-up approach to innovation, it is clear that many firms are now bringing rigour and focus to their legal IT investment. Although change in law firms can appear glacial, in markets where clients are demanding more from them – including pricing certainty by utilising fixed fees – firms have a clearer incentive to adopt new ways of working in order to protect their overall profitability. Especially in the UK, many of the largest and most profitable firms are innovating the most. They see it as essential in order to maintain their major client relationships, but also to protect and enhance their own profitability.

Legal innovation officers who can really deliver on their job description are going to be increasingly sought after and valuable in the years to come.