

## Summary

### **Legal professions in the future**

#### **Developments within the legal services of advocates, notaries and bailiffs.**

The Dutch Ministry of Security and Justice is developing a long-term strategy with respect to the services of advocates, notaries and bailiffs. The Justice Department asked the Research and Documentation Centre (WODC) to bring together the fragmented information on trends that may occur over the next decade. The present study provides an overview of trends and issues both inside and outside the legal professions. It examined current developments and possible changes in the next decade for lawyers, notaries and bailiffs.

### **Objectives and questions**

The aim of the research is to bring together information on trends that may occur over the next decade and the implications these trends may have for the legal professions. The research concentrates on trends and issues that may affect the accessibility and quality of services and the public interests of the services in question. It does not contain any recommendations, but instead provides a starting point for consultation and discussion.

Research questions:

- What developments may affect the services provided by lawyers, notaries and bailiffs in the next decade?
- What might be the consequences of the key trends for clients when it comes to access to and quality of legal services?
- What might be the consequences of the key trends for the legal professions?
- What might be the consequences of the key trends for the regulation of professions?

### **Research method**

Information was collected through literature review and interviews. The descriptions of the trends are not exhaustive and it is also not possible to predict whether certain developments will actually occur.

Developments with respect to the accessibility of services looked at:

- the supply of services;
- the demand for services;
- affordability of services;
- and accessibility of services.

The quality of services focused on three components:

- integrity (adherence to professional ethical standards);
- legal expertise (professional knowledge and skills)
- client service (e.g. treatment, transparency, clear communication, speed of action).

## Key drivers for change

Developments in technology, economy and globalization are generally referred to in the literature as key drivers for change in the legal services. Technological developments are seen as the most influential.

### Technological developments

The growth of information technology in terms of memory, processing power and speed, the development of smart devices with more and more applications and the increasing number of people using them, lead to changes in the social, economic and cultural fields. Technological developments make that legal service providers are able to work more efficiently; reduce costs; create new business models and innovation processes; to support changes to consumer decision-making and purchasing behaviours and self-lawyering. The biggest change is that new technologies affect the core service of professionals and will change their role. Depending on the extent to which tasks of professionals can be automated or codified, they will be taken over by new technology. In the near future smart systems and professionals will complement each other. Future activities of professionals will be more in the field of counselling, monitoring, constructing expert systems, prevention and specialist knowledge. The professional skills will mainly be used and limited to those tasks that require professional judgment. Other disciplines will be working in the legal services, like lawtech firms, data analysts and cyber-security experts. Competition will increase with the entry of other new providers of (online) services. Experts disagree about the speed and nature of new technological developments for the next decade. This makes it difficult to predict what developments will mean for professionals.

The tables below present the main developments and the potential impact on the accessibility and quality of services.

Development	Impact on accessibility of services
	<b>Supply of services</b>
In the semantic web era customers are professionalized by the growing supply of tools and information.	<ul style="list-style-type: none"> <li>– Some tasks of professionals will be replaced by (less) skilled people and smart machines. Standard services are increasingly done by smart machines. For complex services that require creativity and social interaction professional services are still needed. The future role of experts might be more in the field of building reliable, high-quality expert systems, control and advice.</li> <li>– New (unregulated) providers outside the traditional professions enter the market.</li> </ul>
	<b>Demand for services</b>
Self-lawyering, clients do (standardized) cases themselves using various tools.	Decreasing demand for professional help with respect to (standardized) legal services.
Increase in international transactions, migration, and complex family relationships.	Increasing demand for specialist, complex services. Growing need for assistance in cross-border problems/ issues involving several jurisdictions.
Lasting/growing group of vulnerable people (poorly educated, debts, computer illiterate). Growing gap between rich and poor, highly and poorly educated.	Lasting / growing demand for customized services.
Ageing.	Increasing demand for specific services such as administration, living wills, services in connection with care needs.
	<b>Affordability</b>
More efficient work processes. More self-help. Less information asymmetry, more critical clients. Increased competition.	Services at lower costs. Clients are able to address a greater range of legal issues.
Increase of international transactions, migration, and complex family relationships.	Increasing demand for specialist services might lead to more expensive services.
	<b>Accessibility</b>
The semantic Web. Platform services. Growing supply of digital tools.	Information and tools 24/7 accessible. Service providers can be found more easily on the basis of quality characteristics and ratings on online platforms.

Development	Implications / challenges for quality of services
	(Professional) ethical standards
<ul style="list-style-type: none"> <li>- The role of the professional changes; tasks are partly replaced by tools/smart systems in combination with (less) skilled service.</li> <li>- Increased dependence on software providers, legal technologists / lawtech.</li> </ul>	<ul style="list-style-type: none"> <li>- Development of new ethical standards.</li> <li>- What is the added value of the services provided by professionals (builder of expert systems, decisive advice, decision maker, auditor).</li> <li>- What are the risks to the public interest, constitutional values.</li> </ul>
<ul style="list-style-type: none"> <li>- New business models, virtual offices, collaboration with other disciplines, increasing cross-border cooperation, legal process outsourcing, new ways of customer acquisition.</li> <li>- New (unregulated) legal service providers.</li> <li>- Increasing use cloud, internet, software, user profiles / big data analysis.</li> </ul>	<ul style="list-style-type: none"> <li>- May conflict with current professional standards.</li> <li>- Risks to public interest, constitutional values, privacy, liability.</li> <li>- Increasing attention is needed for cybersecurity (secure data storage, confidentiality, privacy).</li> <li>- Supervision of ethical issues becomes more complex and is confronted with new issues.</li> </ul>
	Professional knowledge and skills
<ul style="list-style-type: none"> <li>- The semantic web.</li> <li>- Legal analytics, big data analysis.</li> <li>- Increasing availability of customized information and digital tools.</li> <li>- Changing role of professionals.</li> </ul>	<ul style="list-style-type: none"> <li>- Information asymmetry between client and professional decreases.</li> <li>- Combination professional and skilled machine can increase the quality of service.</li> <li>- New roles of professionals might involve new educational requirements.</li> </ul>
Increase of international transactions, migration, and complex family relationships.	Need for more specialization and knowledge of various jurisdictions.
	Client service
<ul style="list-style-type: none"> <li>- The semantic web, big data analyses.</li> <li>- Supply of online legal tools.</li> <li>- Supply of services through online platforms.</li> </ul>	<ul style="list-style-type: none"> <li>- More transparency about progress of cases, about value for money (less information asymmetry) and faster service.</li> <li>- Services can be adjusted to customer needs.</li> <li>- Legal expertise can be found more easily through information on the Internet and online platforms.</li> <li>- Quality improvement through online customer rating systems.</li> </ul>

### Consequences for clients

The consequences related to the accessibility and quality of services are partly summarized in the preceding tables. Technological developments may lead to more accessible services (cheaper, faster, simpler, 24/7 available) and a higher quality of services. However, there are some considerations too:

- access for vulnerable groups (poorly educated, computer illiterate);
- how to safeguard the quality of tools and new (unregulated) legal service providers.

### Consequences for professionals

- Roles of professionals will change, but these changes will differ between and within professions.
- The demand for specific services of lawyers, notaries and bailiffs will decrease. An increasing number of tasks of the professions will be automated, performed by clients themselves, or done (in collaboration with or) by other service providers such as legal advisors, legal process outsourcers or non-legal service providers. The work of bailiffs will decline due to the digitization of court procedures and in

case an 'official digital public address' will be introduced for citizens and businesses. Developments like blockchain technology and digitization of real estate transactions in which all chain partners are involved, may shift or reduce specific tasks of notaries.

- (Interdisciplinary) cooperation will increase. Technology has opened the legal market for partnerships with technology companies that create platforms, develop algorithms and software, perform big data analysis or other kinds of tasks. Furthermore, it is expected that within the legal professions certain forms of cooperation will increase. For example, to solve complex problems cooperation with other specialists is necessary or with international partners. Cooperation may also be necessary to create sufficient scale for investment, innovation and efficiency. It is expected that small service providers will therefore enter into a form of cooperation with other offices.
- The heterogeneity within the professions will increase. Increasing specialization and the emergence of new business models will enlarge the heterogeneity within the professions. This could lead to a decrease in the acceptance of certain rules of professional conduct because practises diverge more and more. If the differences increase, it can be difficult to regulate an entire profession in one general scheme.

### **Consequences for the regulation of professions**

Innovation calls for a reflection on the ethical and constitutional consequences of certain, especially technological, developments and the protection of public interests. Questions that are important for a future system: what will be the added value of a future lawyer, notary or bailiff? What kind of services do clients need? For what kind of legal services is regulation necessary and for what reason?

#### *New ways of regulating (non) legal service providers*

If legal services are more and more delivered by non-regulated and/or non-legal professions, and the roles of traditional professionals are changing, the question arises whether the quality of those new services, and the public interests involved, are adequately safeguarded in the future. If these public interests are insufficiently safeguarded, in what way should they be regulated? By drawing up a frame of reference for the whole market (from a regulation of legal professions to a regulation of legal services), frame new service providers into current supervisory bodies or new supervisory bodies, or in another way? Which (new) ways are there to stimulate innovation and to safeguard quality?

#### *The role of technology in legal services*

Digital technologies play an increasingly important role in various forms of legal services. Key questions include:

- To introduce responsible technological applications, moral, social and constitutional values have to be considered in the designing process and usage of intelligent systems.
- Big data predictions and the algorithms and data behind it are black boxes that provide no liability, no traceability and no security. How can this invisible technology be made visible and controllable?
- To what extent will access to justice in the future be dependent on commercial companies making smart software and algorithms?
- The reliability, integrity, validity and availability of tools and smart systems are key factors of success. Things like cybercrime, system failure, insecure data storage, privacy violations, faulty algorithms, and manipulated data do make smart systems vulnerable.

### *Role of government*

Organising adequate legal protection for citizens and businesses is an important task for the Ministry of Security and Justice. For the future, it is important how the government will respond to the challenges and opportunities mentioned. What should be the role of the government in this: stimulate, facilitate or discourage? Should the government regulate mandatory or complementary, or create a frame of reference where the market can do its work? The Ministry of Security and Justice could take a role to facilitate the discussion on the above questions and stimulate analysis of specific developments.