



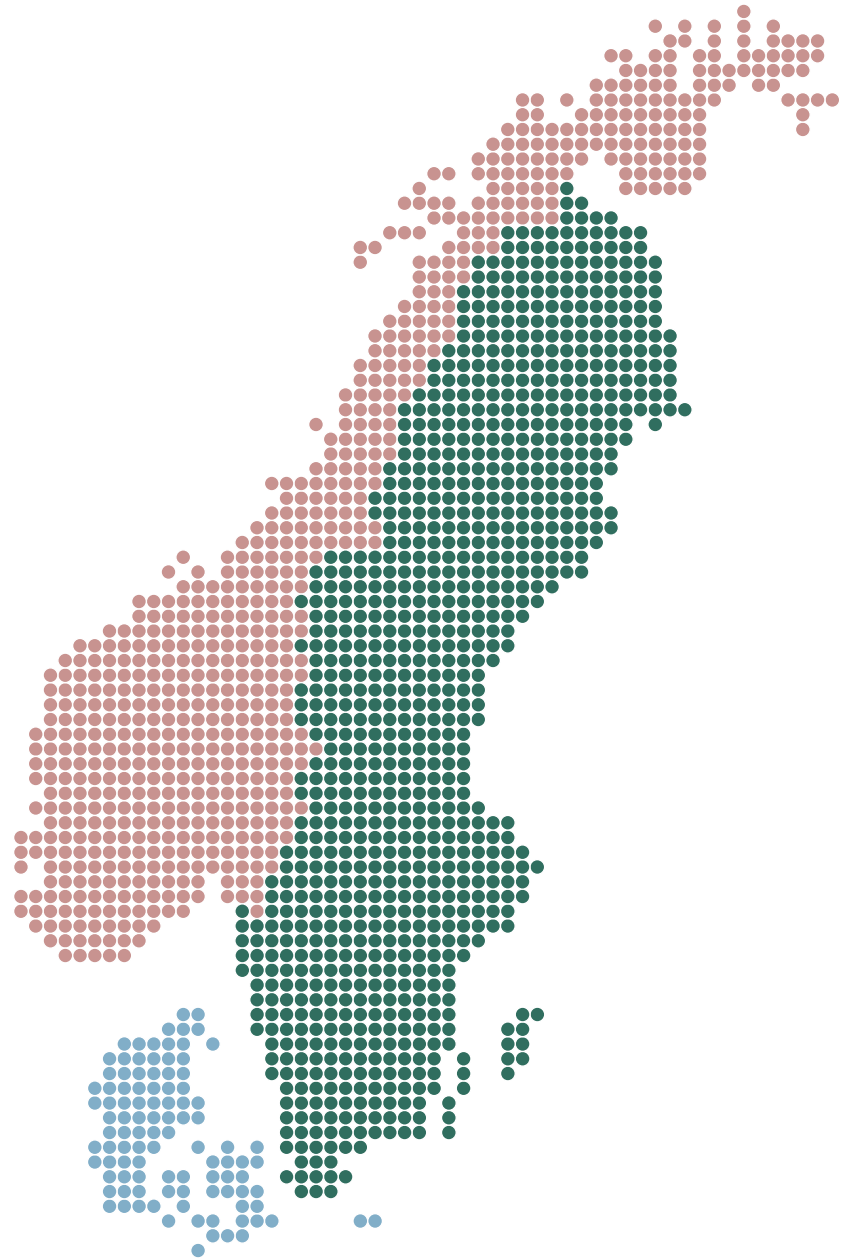
2021

Industry report

The Future of
the Legal Profession

 **KARNOV**
GROUP

Scandinavian report
providing insights to the
legal industry in Denmark,
Sweden and Norway






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Welcome inside the minds of
Scandinavian legal professionals

Karnov Group believes in a healthy development of the legal industry and the importance of shared knowledge

The report you are holding is ambitious. THE FUTURE OF THE LEGAL PROFESSION 2021 pivots around concise data from Karnov Group's 2021 Nordic survey. Sharing insights into the health and well-being of the Scandinavian legal industry, the report also conveys perspectives on tech and innovation, new business models, work processes and reflections on future professional requirements and personal traits. Last – but not least – this year's report reveals how the COVID-19 pandemic has affected and changed industry professionals in a profound way.

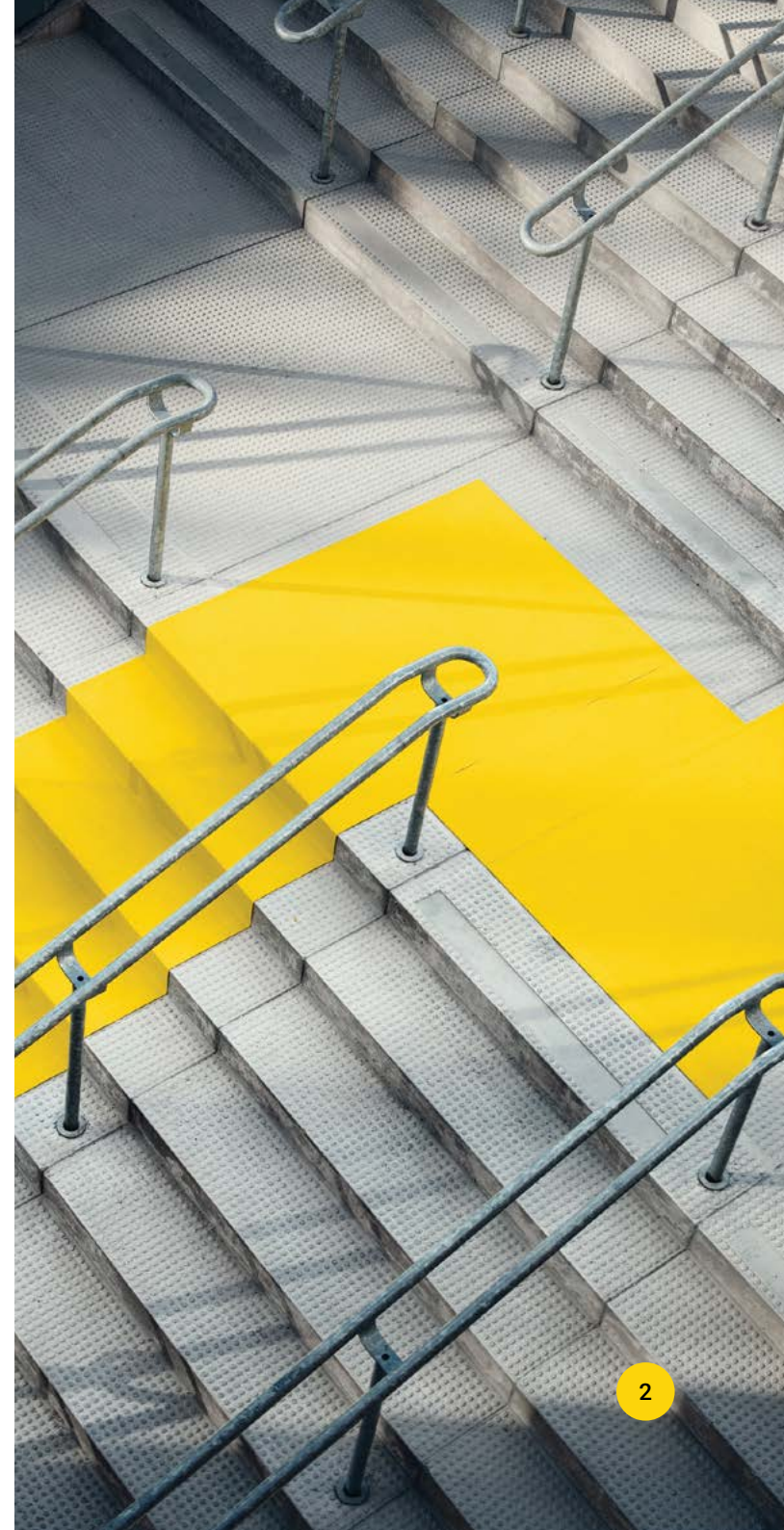
Growing stronger together

Karnov Group is proud to present our industry report for the third consecutive year. We believe the general health and development of the legal industry go hand in hand with the individual health and personal development of legal professionals. Consequently, the report dives into both personal challenges and drivers affecting organisations and current business models. We hope the insights shared are useful to employers and employees alike across all sectors included in the survey. We wish to provide readers with a deeper understanding of our industry and common challenges – inspiring further dialogue among legal professionals about our mutual wishes, most pressing issues and the challenges to overcome today in order to embrace the legal industry of tomorrow.

Thank you for sharing

The data and insights in this report are based on feedback from more than 3,300 full-time legal professionals in Scandinavia. Through in-depth interviews and online surveys, they have generously shared their thoughts. Karnov Group is grateful for your honesty, passion and commitment and would like to extend our appreciation to every survey participant.

**Welcome to the The Future of the Legal Profession 2021, Scandinavian report
– happy reading.**





The Future of the Legal Profession 2021

A lot has happened in the legal industry during the past year. The digital development is now accelerating because of the pandemic, and this is a welcome improvement. In fact, our previous two reports documented how the industry itself felt that technological progress was moving too slowly. In the pandemic aftermath, we need to hold on to what we have learned and continue the digital journey. There are lots of new technologies out there waiting to be explored – for the benefit of the individual, the industry and not the least the clients.

It is my hope that the insights reported this year will help strengthen the legal industry, whether you are employed in the public or corporate sector or at a law firm. My hope is also that the report will serve as a source of inspiration and a springboard: What do we want the future to look like, what should be our focus, and which are the challenges we must face?

There are several challenges across the industry in which we all have a share. We should not compromise on our mental health. Breaking the taboo on the pressure shared by many is one of the topics covered in this report.

Enjoy!

Pontus Bodelsson

CEO, Karnov Group AB



4 areas influencing the legal industry

COVID-19 brought changes – good and bad

In numerous areas, the COVID-19 pandemic has affected the legal industry. Numbers will show that work-life balance and mental health are not directly related, and the global leap towards more digital work processes comes with consequences. This emphasises the need of knowledge-sharing tools and alternative ways to work more efficiently in a digital landscape in order to avoid internal conflict and stress while keeping strong client relationships.

Mental health needs attention

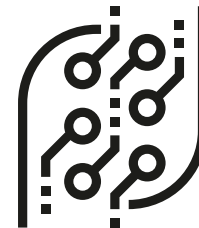
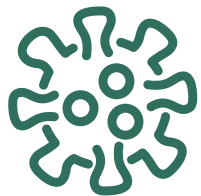
Mental health issues are pervasive in the Scandinavian legal industry. Data illustrates how too many in our industry suffer from work-related stress and anxiety symptoms – and how this is considered a taboo. Feedback reports that few take action, which has had a negative impact on the legal industry demanding instant attention. This issue is not only Scandinavian, but exists globally.

New technology is having a hard time

Innovation, technological development, and implementation are essential when it comes to adapting to future needs. Legal tech is a hot topic, yet the question remains whether it is used to its full potential – and whether the legal industry is indeed ready to embrace it. This may change with increasing demands from clients and newcomers in the marketplace. No doubt, there is a need for speed.

Traditional competencies are facing challenge

The legal industry has cultivated a culture focused on traditional, professional legal competencies. This will be challenged in the future. New organisational structures, demands from clients, and the influence of technology will increase the demand for skills like creative, proactive problem solving.



3 scandinavian countries

3 sectors of the legal industry

3,379 full-time
legal professionals

This report was initiated by Karnov Group AB and is based on survey data shared by Karnov Group, Denmark, Norstedts Juridik, Sweden, and Lovdata, Norway.

All respondents of the survey are full-time legal professionals.

The first of its kind, this report explores the Scandinavian legal industry to a hitherto unknown extent.

The report was completed in partnership with the independent Swedish research company, Augur.

Method

- Expert in-depth interviews with legal professionals in Scandinavia
- Online questionnaire answered by 3,379 full-time legal professionals in Norway, Sweden and Denmark

Sectors

- Legal professionals from public organisations
- Legal professionals from private organisations
- Legal professionals and lawyers from law firms



Demographics

Survey respondents:

Denmark (n=997), Sweden (n=1837), Norway (n=545)

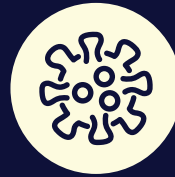
Gender	SE	DK	NO
Male	39 %	40 %	40 %
Female	59 %	58 %	58 %
Other	2 %	2 %	2 %

Age	SE	DK	NO
23-29	13 %	16 %	18 %
30-39	28 %	27 %	32 %
40-49	27 %	28 %	24 %
50-59	22 %	18 %	18 %
60-69	9 %	9 %	6 %
70+	1 %	1 %	0 %

Experience	SE	DK	NO
>3 years	11 %	16 %	17 %
3-5 years	14 %	13 %	13 %
6-10 years	15 %	17 %	15 %
11-20 years	28 %	25 %	27 %
21-30 years	20 %	18 %	18 %
<30 years	11 %	11 %	9 %

Organization type	SE	DK	NO
Larger law firm	16 %	17 %	18 %
Mid sized law firm	6 %	5 %	8 %
Smaller law firm	14 %	5 %	8 %
Corporation	15 %	11 %	15 %
Organization	5 %	7 %	2 %
Municipalities	8 %	10 %	1 %
Within court system	16 %	9 %	5 %
Other public	21 %	37%	44 %

Note: the numbers presented in this report have been rounded off to the nearest integer. Hence the total may become more/less than 100% in some graphs.



Chapter 1

Pandemic effects

How has the COVID-19 pandemic
affected legal professionals?



Introduction - Chapter 1

The pandemic is changing the legal industry in a profound way

The COVID-19 pandemic has had an impact on many aspects of people's everyday life. The change detected is both positive and negative.

The pandemic pushed the legal industry to take a big leap towards increased digitalisation. However, with new tech initiatives arise the urgent need for knowledge-sharing tools and new ways of personal development.

Work-life balance in the legal industry was positively affected. Looking back at previous reports, this improvement was long needed (source: Framtidens Jurist/Fremtidens Jurist 2019 and 2020). The question remains how to use these latest insights to maintain momentum and to learn from it.

Working remotely may offer better work-life balance, but this option also presents challenges. Data will highlight the individual's need for belonging to a group, and as such the pandemic presents social implications that cannot be ignored. More pressure is now placed on the individual to act and take responsibility for his/her own schedule and planning.

Data illustrate that even though work-life balance has improved during the pandemic, mental health and well-being in the legal industry did not. It is safe to conclude that mental health issues and well-being are increasingly problematic in the legal industry – and consequently need instant attention!



“

For us the pandemic and working remote has emphasised how important it is to make sure that the staff is OK from a psychological perspective. You have to watch young careerists to make sure they are not working too much.

Pandemic puts pressure on our mental health

39 % of legal professionals in Scandinavia have experienced a negative effect on their mental health and well-being during the pandemic.

The number is substantial. However, the pandemic cannot be blamed entirely for this frightening perspective. As the report will uncover, the industry is struggling with mental health issues in general. The COVID-19 pandemic merely seems to have amplified an already existing issue.

One assumption would be that the loss of control caused by the pandemic interfered with people's daily life – forcing us to work remotely, to adopt new digital tools and changing our

habits and routines. This pressure ignores any organisational hierarchy and weighs even heavier on people who are used to be in control.

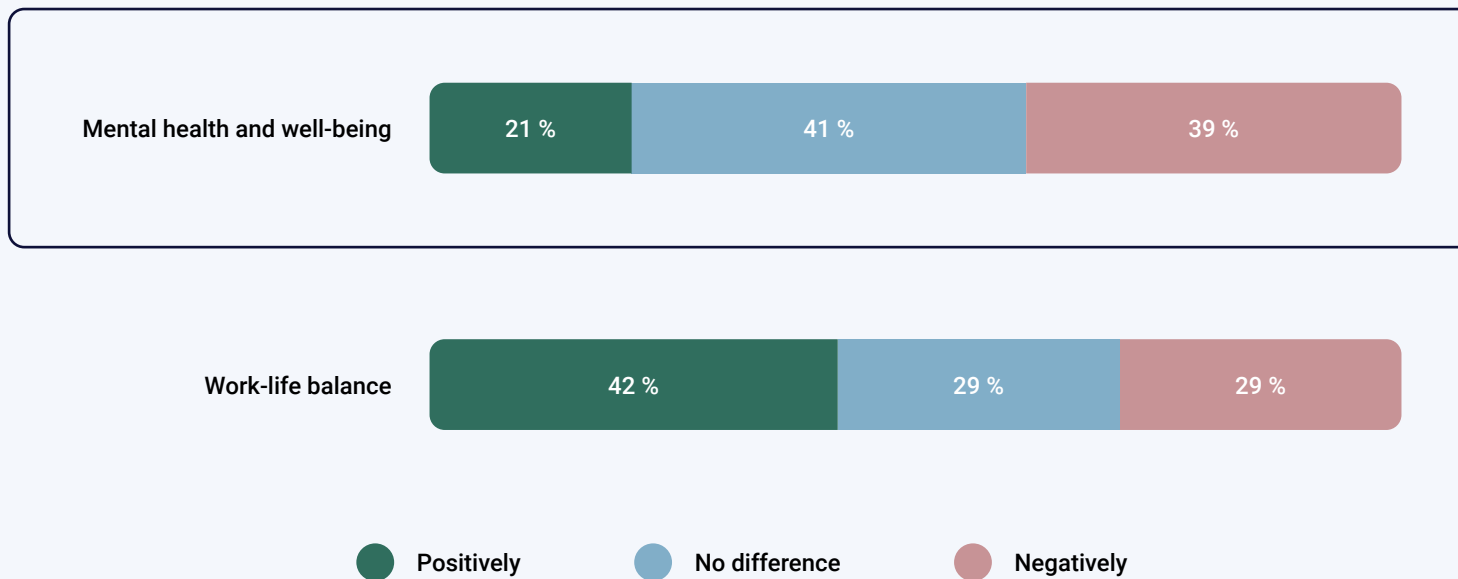
Another assumption is that mental health is a cultural problem, moulded and expanding over many years – one which has been made more visible than ever before with pandemic consequences such as times of lock-down, remote working etc.

The lack of a healthy mental state of mind and general well-being seem to be related to other factors than work-life balance. Mental health is widely affected, not least across ages and genders. This will be explored further in the following pages.



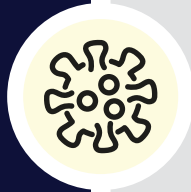
The everyday exercise and general physical activity has decreased as you move around much less. And the boundaries between work and leisure have been blurred. There are fewer breaks in day-to-day work, and you're expected to be available at the computer all day. Before the pandemic you'd have smaller breaks in between meetings and could socialize more with your colleagues. That has all disappeared.

According to you, how were the below issues related to working in the legal profession affected by the pandemic?



Limited social interaction – yet ample time for family life and leisure

42 %



29 %

42 % consider their work-life balance positively affected by the pandemic.
29 % experienced a negative effect.

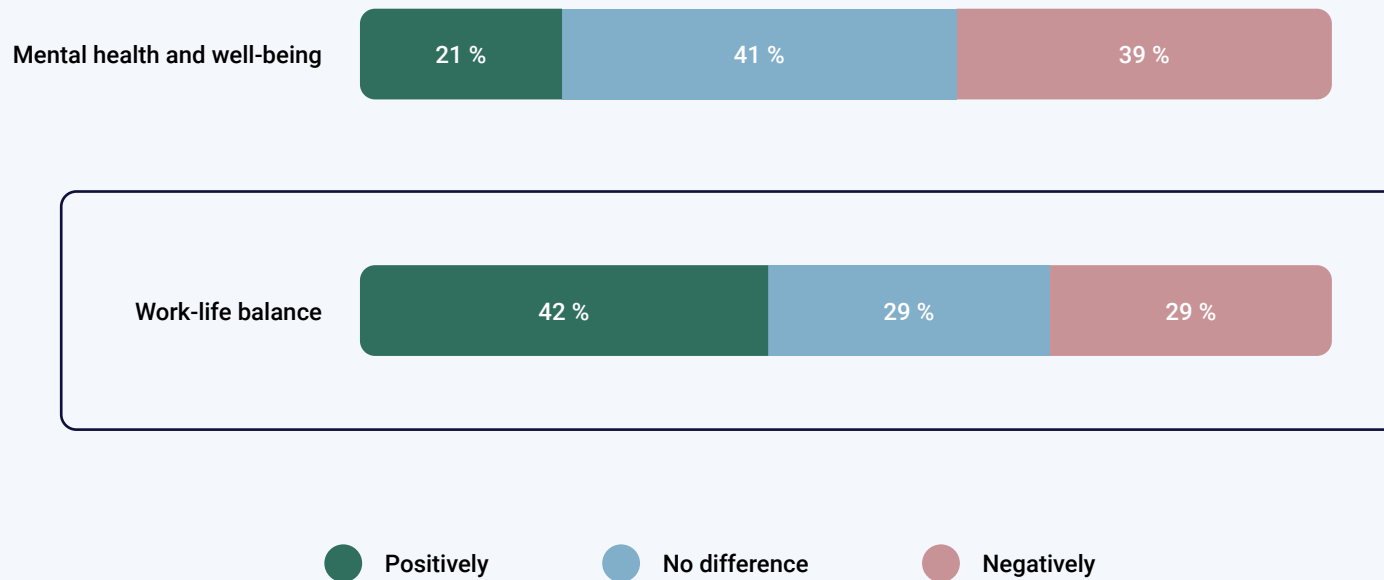
In an open-ended question, addressing how the pandemic affected their work-life balance, respondents across all sectors of the industry have explained how working remotely has offered more flexibility between work and private life. Spending less time commuting to and from work is freeing up valuable time enabling respondents to, for example, perform household chores in between meetings – consequently leading to more quality time with the family and more time spent on leisure activities.

The answers raise the interesting question if men and women are equally positively affected by the pandemic when it comes to work-life-balance. This will be examined in more detail presently.

“

All in all, it has affected my life positively – I spend more time with my family as I don't commute anymore. It's usually very stressful to travel to and from work, then hurry to day-care to pick up the kids. I also work more efficiently when I'm alone, with no one to disrupt my workflow or distract me.

According to you, how were the below issues related to working in the legal profession affected by the pandemic?



Women value newfound flexible work arrangements

The pandemic highlights inequalities in work-life balance

Looking into the gender differences, 47 % – equal to almost half – of the female survey respondents find that the pandemic has caused an actual improvement in their work-life balance. For men, the number is 33 % – equal to a third of the respondents.

Answers to the survey's open-ended questions illustrate how many women experience that working from home provides them with more opportunity for flexibility – such as enabling them to do household chores during breaks, resulting in more quality time with their family or to explore personal hobbies.

In total, almost 39 % of the respondents express that their mental health and well-being was negatively affected by the pandemic, with only a slight difference in the experience of men and women.

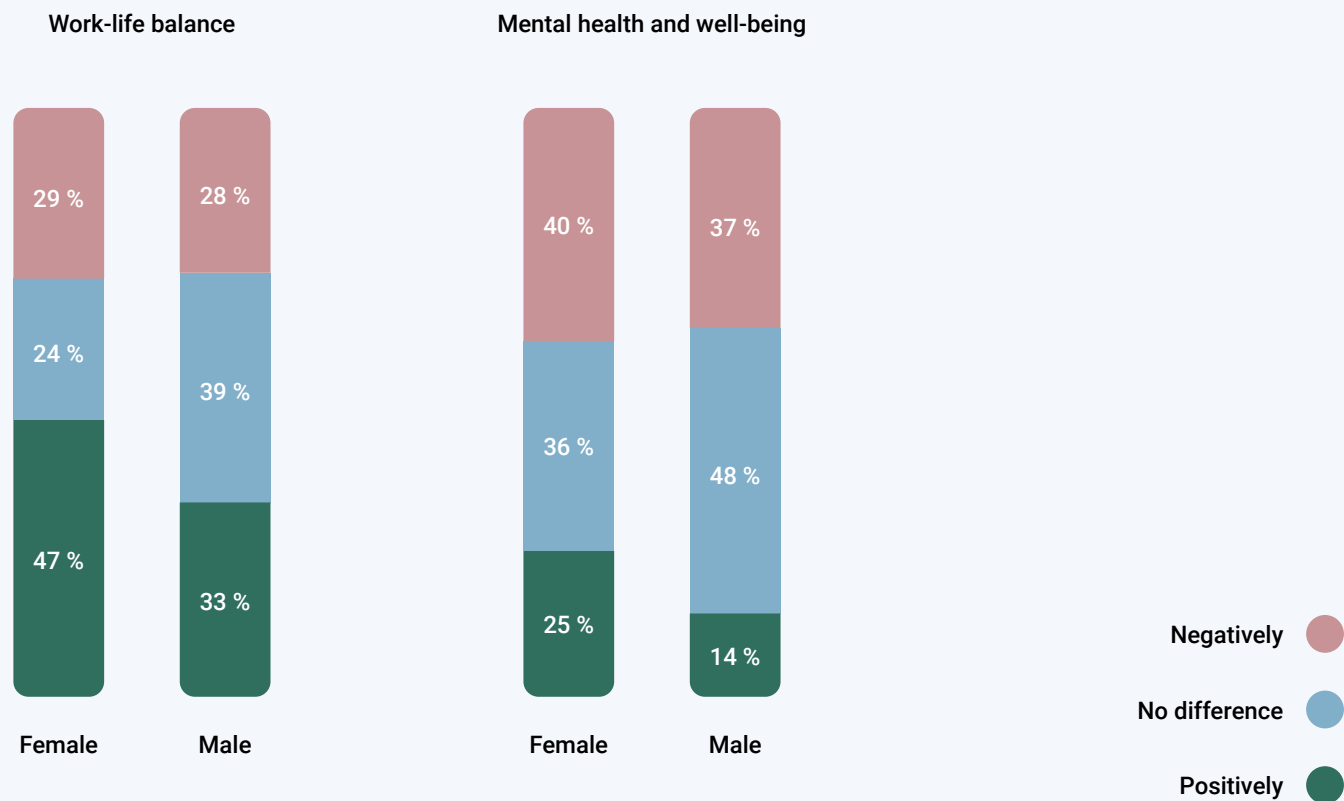
The positive effect on mental health and well-being constitutes the most considerable difference between men and women. The pandemic affected 25 % of the female respondents in a positive way, while only 14 % of the male respondents believe that the pandemic had a positive effect on their mental health and well-being.

Working from home has freed up more time which gives me the opportunity to do the laundry while working, for example. I think it has reduced stress and increased the quality of leisure time.



The everyday stress has been reduced for me. The kids spend less time in day-care, and I don't have to commute back and forth as much, and I can also do some household chores during the work pauses and breaks or in-between meetings.

According to you, how were the below issues related to working in the legal profession affected by the pandemic?



Digital dedication fuelled by COVID-19

The use of new digital work tools was kick-started during the pandemic

82 % of Scandinavian legal professionals in this survey believe that employing technology and digital tools at work is a positive effect of the pandemic. Despite this digital ignition, survey results indicate that there are still some unmet needs.

55 % find that knowledge sharing has been negatively affected.

49 % have experienced a negative effect on the development of their professional competencies.

Framtidens Jurist/Fremtidens Jurist 2019 and 2020 reports contained survey results

showing just how much the development of digital tools was in demand. A positive impact of the pandemic has been an efficient kick-start of this development.

The adaption of digital tools has triggered a need for upgrading digital competencies and new ways of working remotely. This new technological focus emphasises the importance of knowledge sharing within the organisation and/or team. Also, it shows how existing tools in many cases do not meet the requirements of the new digital reality.

Current standards may have to give way to agile, post-pandemic workplaces with hybrid styles of training and development.

82 % 

of Scandinavian legal professionals in this survey believe that employing technology and digital tools at work is a positive effect of the pandemic.

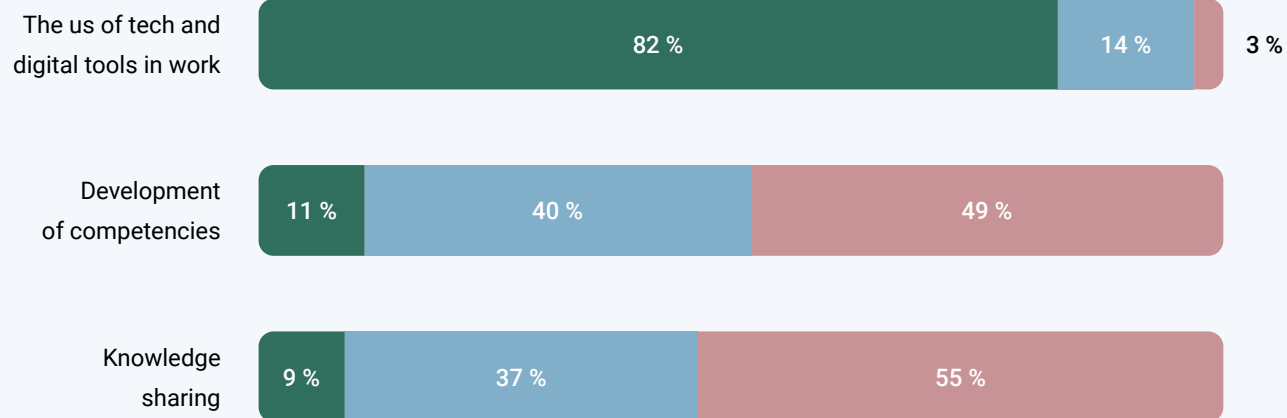
55 % 

find that knowledge sharing has been negatively affected.

49 % 

have experienced a negative effect on the development of their professional competencies.

According to you, how were the below issues related to working in the legal profession affected by the pandemic?



Digital education and distance learning is not as rewarding as when you are physically present.

Negatively ●
No difference ●
Positively ●

Your team matters

While work-life balance thrives, social relationships suffer

The legal industry is known to be tough and consists of strong and competitive individuals. Even so, every individual feels a need to belong, and more than ever before the pandemic has reminded us of the value of colleagues and the social benefits of working at an office.



66 %

agree that the pandemic have affected the relationship with co-workers negatively

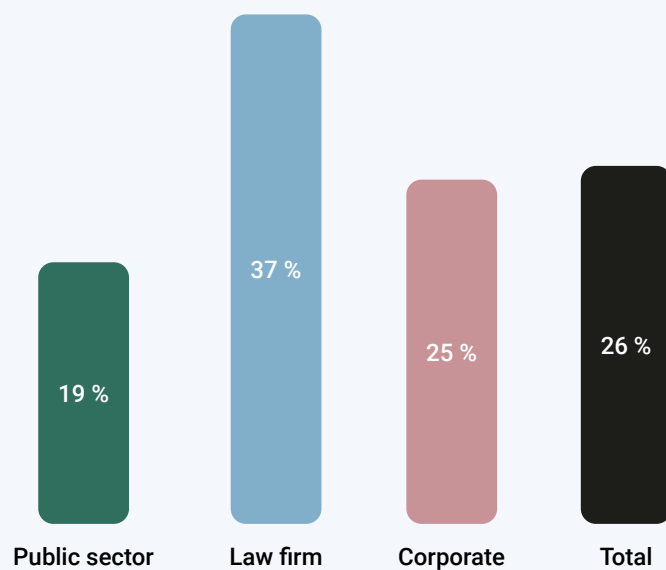
A question to explore would be how we can hold on to the new improved work-life balance and possible hybrid structures without damaging social aspects. This could become a strong parameter for employers trying to attract talents in the future.

The data indicate that the relationship with clients has suffered during the pandemic. Law firms are business structures heavily dependent on access to clients, and as such client relationships have suffered the most in law firms compared to other sectors.

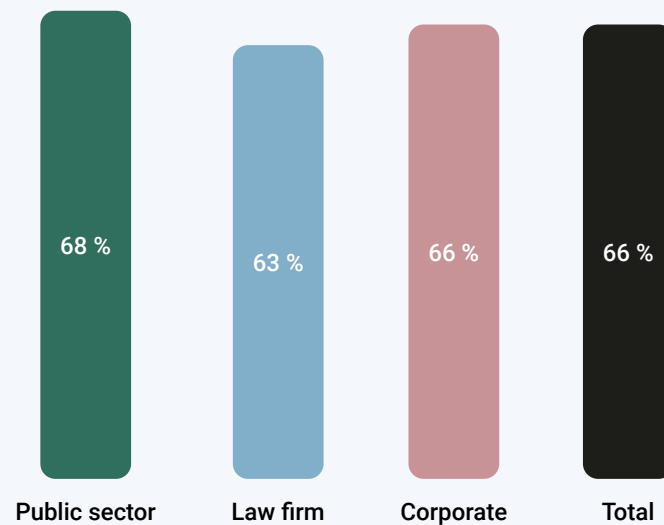
Perhaps the real question is: What will be the optimal balance between digital and physical interaction in the future? How much interaction can be moved into the digital realm without compromising one's relations with client and colleagues?

According to you, how were the below issues related to working in the legal profession affected by the pandemic?

Negatively affected



Relationship to clients



Relationship to co-workers

The impact of the pandemic on business and the consequences for the legal industry

By Kim Haggren, Deputy Director and
lawyer, Confederation of Danish Industry

When the COVID-19 pandemic started spreading from China to the rest of the world in the beginning of 2020, it had massive consequences for global trade. In the attempt to contain the pandemic, entire societies were rapidly shut down, employees were sent home, and the introduction of restrictions set a limit on the possibilities for conducting business and travel internationally. In other words, the world of business was facing entirely new issues, globally limiting the possibilities for free movement of goods and services. A uniquely difficult situation which very few companies were prepared for, practically and legally. The situation quickly caused delayed deliveries and a demand for fast and efficient solutions in relation to clients and suppliers.

Many Danish businesses were either directly or indirectly afflicted by restrictions such as bans on gatherings and lockdowns. In only a few days, the revenue base for these companies had disappeared. At that point, passing financial compensation packages, flexible tripartite agreements and deferred tax and VAT schemes were crucial initiatives to avoid a major wave of bankruptcies.





A serious challenge directly caused by the pandemic is the limited cross-border movement of employees. This lack of free movement has challenged the outreach sales of goods and services in the global market.

A serious challenge directly caused by the pandemic is the limited cross-border movement of employees. This lack of free movement has challenged the outreach sales of goods and services in the global market. In response to this, Danish companies have invested heavily in an increased digitalisation of their businesses, making them more resistant to this type of limitations, now and in the future. This digital development will only increase in the years to come, and it is crucial to have it further supported by the legal industry through legal tech initiatives.

It is only natural that the legal industry, in the wake of the pandemic, should get even closer to companies' new reality of business. In terms of designing legal agreements to resist unexpected situations, and not least, of being a proactive partner, who by themselves or through their network can contribute with global solutions to practical, commercial and legal challenges.

Preferably before the challenges occur – an advisory role which requires spending more time at the companies and less at your own office.

The increasingly complex business reality also requires the legal industry, either by itself or in close collaboration with other advisory groups, to follow companies into global markets and value chains. A new kind of "facility management" of legal issues where different skills come together to solve the task as a whole. If the legal industry does not take up this challenge, others will throw themselves voraciously at the opportunity. In that way, the pandemic – in the legal industry too – has been a gamechanger, changing the landscape and opening to new opportunities.

Keep up the good work!

Survey learnings

- The pandemic has had both positive and negative effects on the working life of legal professionals.
- Almost 40 % of legal professionals in Scandinavia experienced a negative effect on their mental health and well-being as a direct result of the pandemic.
- Female legal professionals seem to have benefited more than males from the pandemic in terms of work-life balance.
- The implementation of new digital tools as a result of the pandemic has been positive, but we have yet to solve the need for increased knowledge sharing and the development of competencies.
- Relationship with clients and co-workers have suffered across all legal sectors – but mostly at law firms.

Questions for debate

- Are the new digital tools strong enough for the industry to profit optimally, or are there still unmet key needs in these areas?
- Working remote puts additional pressure on the individual for self-management. How can industry leaders help employees and strengthen their capabilities?
- What is the optimal hybrid of digital and physical interaction? How can the benefits of remote working be kept without harming work relationships?
- How can the legal industry handle a major decline in the state of mental health?





"I am experiencing an increased distance to my management and have become more uncertain about the direction of my work and what I am being measured on. I have a growing sense that my management does not appreciate my efforts, and I feel an increasing pressure compromising on legal professionalism and let things "pass" that should not pass. There has been extra workload under the corona and I am under pressure like never before - something I have shared with my management, but have not found a solution to. The tone has also become harsher, many have become very irritable and unfriendly. Looking for a new job now. "

The numbers and data behind the conclusions

- Despite of 82 % of legal professionals acknowledging that the pandemic accelerated the implementation and use of digital tools, 55 % still believe that knowledge sharing was negatively affected, while 49 % have struggled with lacking development of their professional competencies.
- In terms of work-life balance female Scandinavian legal professionals felt more positively affected by the pandemic (47 %) than male respondents (33 %).
- Regarding mental health women also experienced a higher degree of positive effects (25 %) during the pandemic compared to men (14 %).
- 2/3 (66 %) of all respondents believe their relationship with colleagues has been negatively affected by the pandemic.
- 26 % express that their relationship with clients has been negatively affected.



Chapter 2

Mental health

May we finally address the
mental health taboo?



How much longer can we avoid talking about mental health?

This chapter will look more closely into the mental health and well-being of Scandinavian legal professionals. To gain a better understanding of the current situation, we asked whether survey respondents occasionally experience stress and/or anxiety related to their work.

The data confirm that a large percentage of legal professionals in Scandinavia struggle with unhealthy mental health issues. The previous chapter explained how the pandemic affected mental health negatively. What will be unveiled in this chapter is that strain on mental health is not only related to the pandemic but is rather generally building up over time.

In the following pages, we will take a closer look at how the legal industry is handling this challenge. Is mental health, stress and

anxiety something the legal professional feels comfortable talking about with the closest manager – and are we, as an industry, doing enough?

- 21 % do not feel they can talk to their employer about their mental health.
- 49 % do not think the industry is doing enough to improve mental well-being for legal professionals.

The numbers are substantial. It is our intention and hope that this report may help to support emotional well-being in the legal industry by attracting more focus to this sensitive topic.



Research has shown that lawyers are prone to stress-related illnesses and that neurotic behaviour such as OCD is overrepresented among lawyers. And we need to understand what's driving this.*

*Source: Brezina, D. (2017). The lawyer's paradox: The link between personality and psychopathology in lawyers. *International In-House Counsel Journal*, 10(40), 1-8

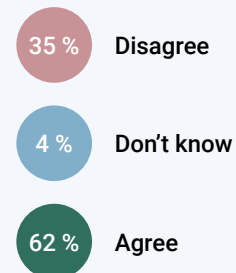
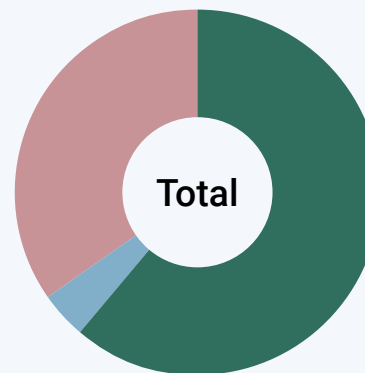
An unhealthy profession: Our legal industry struggles with poor mental health

The workday of a legal professional is not seldom defined by long hours, financial targets and intensive pressure to perform and deliver.

This report concludes that 62 % of legal professionals in Scandinavia have occasionally experienced stress or anxiety related to work.

According to the survey respondents this is a well-known fact, which should come as no surprise. The question thus remains: How did this frightening reality come to reach its current state – and what needs to be done?

I have occasionally experienced
stress and/or anxiety related to work



The legal profession is amazing, but it is also a tough industry. The bar is set high, and you're expected to work a lot. Young legal professionals are often exploited with low salaries but are expected to work overtime. Mental health issues are still taboo and something the industry isn't really accepting despite the fact that they are constantly increasing.



The message is clear: Act now! Mental health in the legal industry must be improved

There seems to be room for improvement when it comes to preventing mental health issues

Only 9 % believe that the industry is doing enough to improve mental health and well-being for legal professionals in Scandinavia.

49 % believes that more can be done to improve the situation.

This is an issue senior management need to be aware of. What needs to be done and who will take responsibility for driving the change that the industry clearly needs?

In our survey we asked if the legal professionals feel they can be open with their employer about this, and 65 % answers yes to this question.

How can it be, that 65 % can talk to their employer about it, and still one of two legal professional experience an unhealthy mental well-being.

The conclusion can only that even though we are talking about it, it seems no actions are taken to improve the well-being of the legal professionals.

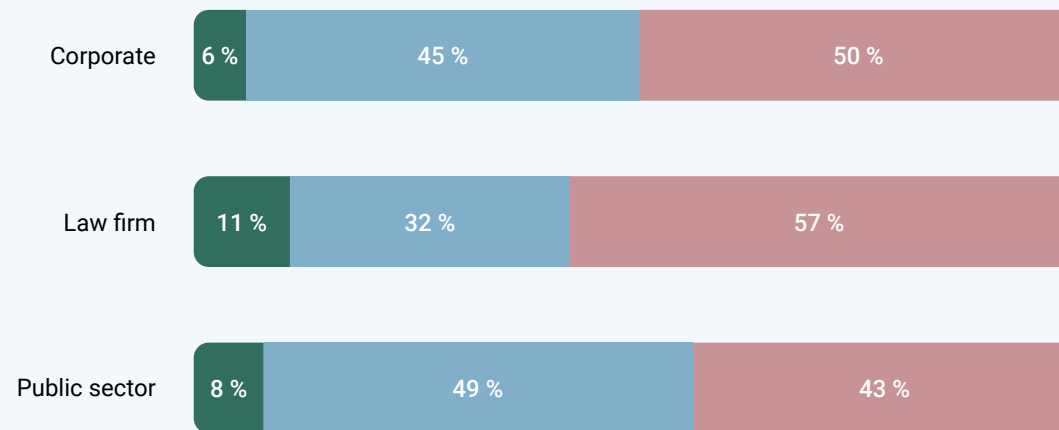
9 %



49 %

Do you agree with the following statement?

The industry is doing enough to improve mental well-being for legal professionals



The future of the legal profession can only be secured if the employers actually listens to the critique they often receive and take it seriously – e.g. bad working conditions that have been neglected for a long time and the difficulties balancing work and private life.

Disagree ●
Don't know ●
Agree ●

The toughest industry taboo

62 % experience mental health issues related to work – and 45 % consider it a taboo

The data from this study show that 45 % of Scandinavian legal professionals believe there is a mental health taboo within the industry.

This perception is prevalent across all the three sectors, yet it is most dominant in the law firm segment.

To understand this and be able to take steps to improve the situation, we need to ask the

right questions: Where and when does this issue begin, what is driving such a work culture, and how can it be changed?

Now that the industry is speaking up, will the mental health stigma finally be addressed?

For a deeper understanding, the following pages will take a closer look at the mental health of the legal industry in Scandinavia.

Do you agree with the following statement?

**There is a mental health taboo
in the legal industry**

Public sector

41 %

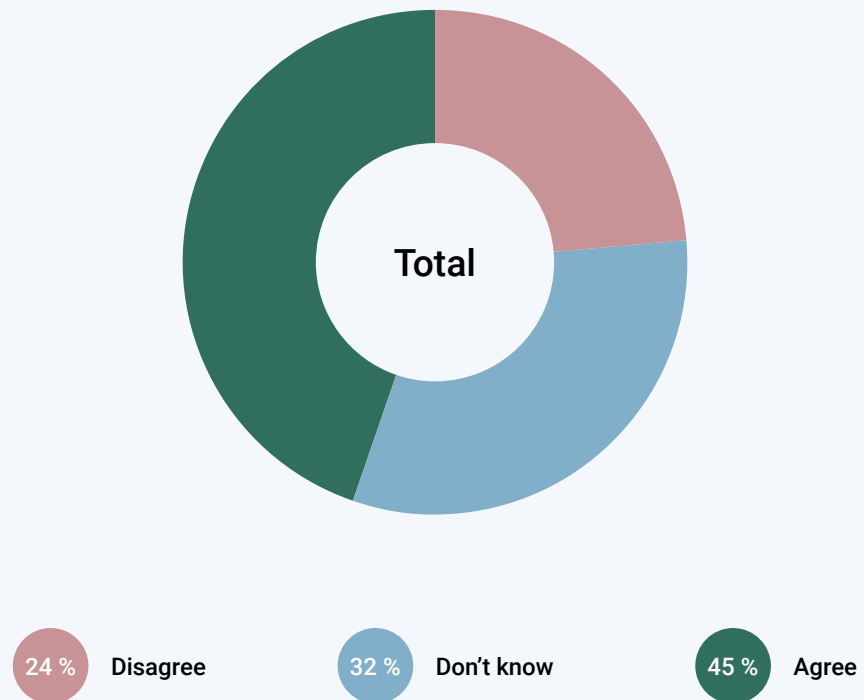
Law firm

50 %

Corporate

45 %

There is a mental health taboo in the legal industry



Is the work culture affecting mental health and well-being?

Which consequences will this bring?

Even though the number of respondents experiencing work-related stress and anxiety is to be considered high across all sectors represented in this report, it is particularly substantial in law firms.

Previous reports have already illustrated how especially legal professionals from law firms request a stronger work-life balance. This was predicted to be one of the most important parameters for retaining young talented employees in the future (source: Framtidens Jurist/Fremtidens Jurist 2019 and 2020).

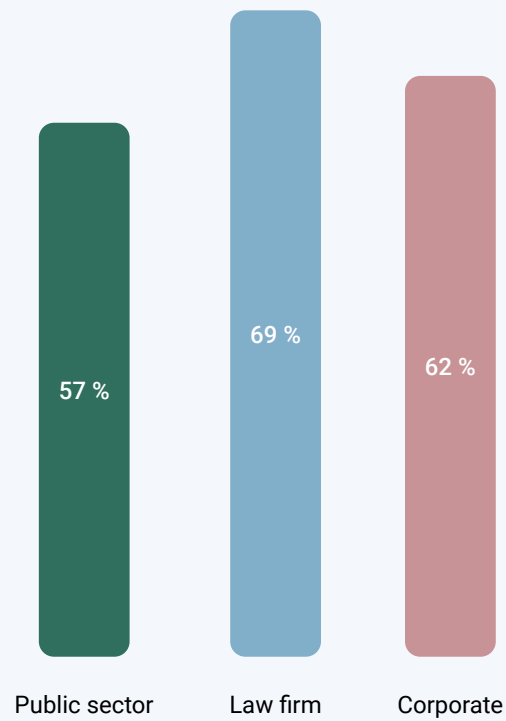
A relevant question would be if the need for a better work-life balance is in any way detectable in the current business model – and if so, how is it possible to secure a healthier work culture in the future?

The current culture seems to have been building up over many years – and it is still widely accepted by the industry. The question is then, what will the consequences be if no action is taken?



The legal industry needs to wake up and realize the implications of setting billing targets for each employee and rewarding the ones that work late hours. It reinforces and encourages an environment that advocates stress and an unhealthy work culture which leads to mental fatigue and other health related issues. The work culture needs to be sustainable. Employees need to do their jobs but employers need to control the work load.

**I have occasionally experienced stress
and/or anxiety related to work (agree)**



The secret we all know

How can mental health remain a taboo, if everyone knows and talks about it?

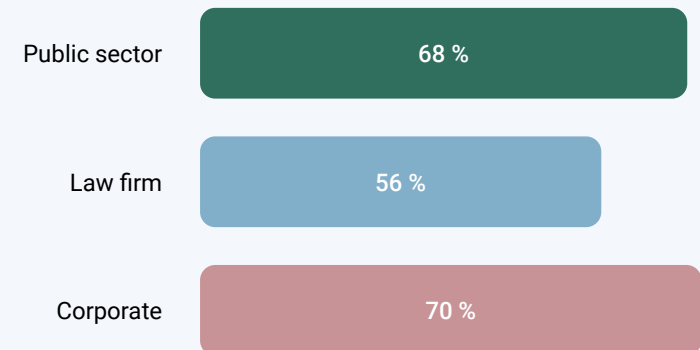
It is an interesting paradox. Even though a majority believes that mental health is a taboo subject in the legal industry, still more than 65 % feel at liberty to be open with their employers regarding their mental health.



What does this tell us? Perhaps that issues of mental health are more accepted in a cultural and structural context than related directly to the individual. Employees might feel they can be open with their manager or colleague regarding stress and well-being, yet the topic may risk being addressed purely on a structural level – reinforcing a negative and unhealthy work culture.

But where does this unhealthy environment set off? Could it be an inherent part of the educational system at the university?

I can be open regarding my mental well-being with my employer





Legal professionals of the future and ghosts of the past: Growing through adversity?

By Kristian Cedervall Lauts, Associate Dean for Education, Faculty of Law, University of Copenhagen

Back when I was a student, stories were going around. About how lawyers at some law firms were expected to bill 2,500-3,000 hours a year (or almost 60 hours a week), and how the recruitment process sometimes involved auction-like salary negotiations, but in reverse order – the criteria being: How little are you willing to work for?

For as long as I can remember, the story about the general working life of the legal professional – and lawyer in particular – has been an unhealthy one. Humiliations and unreasonable working conditions are conveyed as magical rites of passage based on the belief: If you can handle this, you can handle anything. Basically, it is a tale bearing more resemblance to getting accepted into The Danish Armed Forces than to being integrated into a normal workplace.

Hopefully, these extremes are far from the everyday life of many legal professionals, and almost guaranteed, working life is far better than its mythical reputation.



Kristian Cedervall Lautå

All these stories pivot on a commonly accepted cultural and societal assumption: Growth comes from adversity. In order to become as clever and robust as I have become, you must harden to the same evils. In other words, both the assumption that living through such injustice will transform you from a young, untried legal professional into a mature, independent lawyer or leader – and that the sufferings actually constitute a threshold: After enduring all these torments, you are now different to the rest of society. You are a lawyer, a chief counsel or X with a naturally following self-perception and peer solidarity.

Our studies of the law students at the University of Copenhagen show that our students are more stressed than their average fellow students at other faculties, and particularly disheartening – they become lonelier, the closer they get to the promised land of legal professionals. Karnov's present survey clearly shows that this doesn't stop once student life becomes working life – quite the contrary.

At this point, some readers may object that things haven't gotten much worse since I was a student 20 years ago, or since they themselves were 40 years ago – and we all survived. This is a perfectly natural human reaction. Nevertheless, one should bear in mind what philosophy refers to as the naturalistic fallacy: You cannot conclude how the world should be based on how the world is.

And the time is ripe – the world should be different: "My" students will no longer accept not being able to combine ambition and well-

being. They want a challenging, but balanced working life, demanding but understanding surroundings – and responsibility without loneliness. And: It is possible. As concluded in the survey, future legal professionals will know how to vocalise their well-being to a much greater extent than previous generations – and thank you for that!

With the increased focus on ensuring diversity in every job category, we must take this claim from the future even more seriously. Nothing is less motivating for those who are already underrepresented than the perspective of unnecessarily hard work, intense billing demands or an unsympathetic, tough working environment. When 62 % of the age group 23-39 years, largely predominated by women, experience their health is being neglected, they will find something else to do. All to the disadvantage of the workplaces who are losing talents, and to the disadvantage of the young who will have to give up their dream career.

Apart from the mythical tale of rites of passage there seems to be another fallacy at stake at Scandinavian workplaces: That vulnerability is a weakness. When only 56 % of lawyers feel they can be open about their mental health with their closest leader, it is a sign that somebody got this all wrong. Leaving vulnerability unhandled – now that is a weakness. Suppression and taboos are the root of the problem – not feeling occasionally pressured, ill at ease or succumbing to anxiety. We should know and accept our weaknesses and by this learn to be open about where to put the extra effort and how to deal with it – that is superhero material.





The claim for a more balanced working life cannot be rejected by arguing that the legal industry is just tough. The essential question is how the profession should design tomorrow's study and working environment.

The chicken or the egg: Together for future legal professionals

The claim for a more balanced working life cannot be rejected by arguing that the legal industry is just tough. The essential question is how the profession should design tomorrow's study and working environment. What it is now, or what it has been, does not control what it should be – or what being a legal professional could be.

So where is the change to come from? How do you change the self-perception of an entire profession? The answer to this is like the answer to so many things: One foot-dragging, slow step at a time. At the Faculty of Law at the University of Copenhagen, we have established a council for well-being. Through studies and interventions, we are moving diligently through every factor controlling the well-being of the students: Framework, expectations, you as an industry, the students themselves,

and our education, obviously. The goal is to create a holistic plan for the first steps towards an ambitious community allowing our students to reach for the stars and at the same time feel safely grounded. The answers are not always simple. Abolishing the taboos is a good place to start, but sometimes life is just hard. We do not want to completely wrap up our students or employees in cotton wool or eliminate elements of the world, such as they are. Improving well-being is like pulling on a loose thread of yarn: Every thread you pull opens up to new questions and creates new challenges. Most important to this task, however, is that we need you: The working life and the industry are imperative to us as an institution and to the students' perception of the world.

Consider this an open invitation: We are fumbling our way on those first steps, with a sincere wish to create fundamental change for the better. But we want you along: We welcome any initiative where we may play a part. The first step is acknowledging the challenge – from there things can only improve.

Will the younger generation bring changes?

Younger legal professionals are aware of the need to face mental health stigma – but are less prone to reveal their own issues

Younger legal professionals challenge the mental health stigma to a higher extent than older professionals – and are more dissatisfied with how the industry is handling the issue.

Previous reports (Framtidens Jurist/Fremtidens Jurist 2019 and 2020) concluded that younger legal professionals bring new values to the table. They have high expectations regarding the obligations of their future employers (eg. work-life balance, diversity and sustainability).

The difference between the generations is significant. The belief that the industry is not doing enough is shared by 62 % of the respondents aged 23-39 years and 39 % of the respondents aged 40-69 years – a difference of 23 %.

Another difference is that the older generation tends to find talking to managers about their well-being easier than the younger generation (70 % of the age group 40-69 and 58 % of the age group 23-39). This naturally raises the question of whether the younger generation is holding back out of fear that voicing their struggles and concerns might hurt their career.

62 %

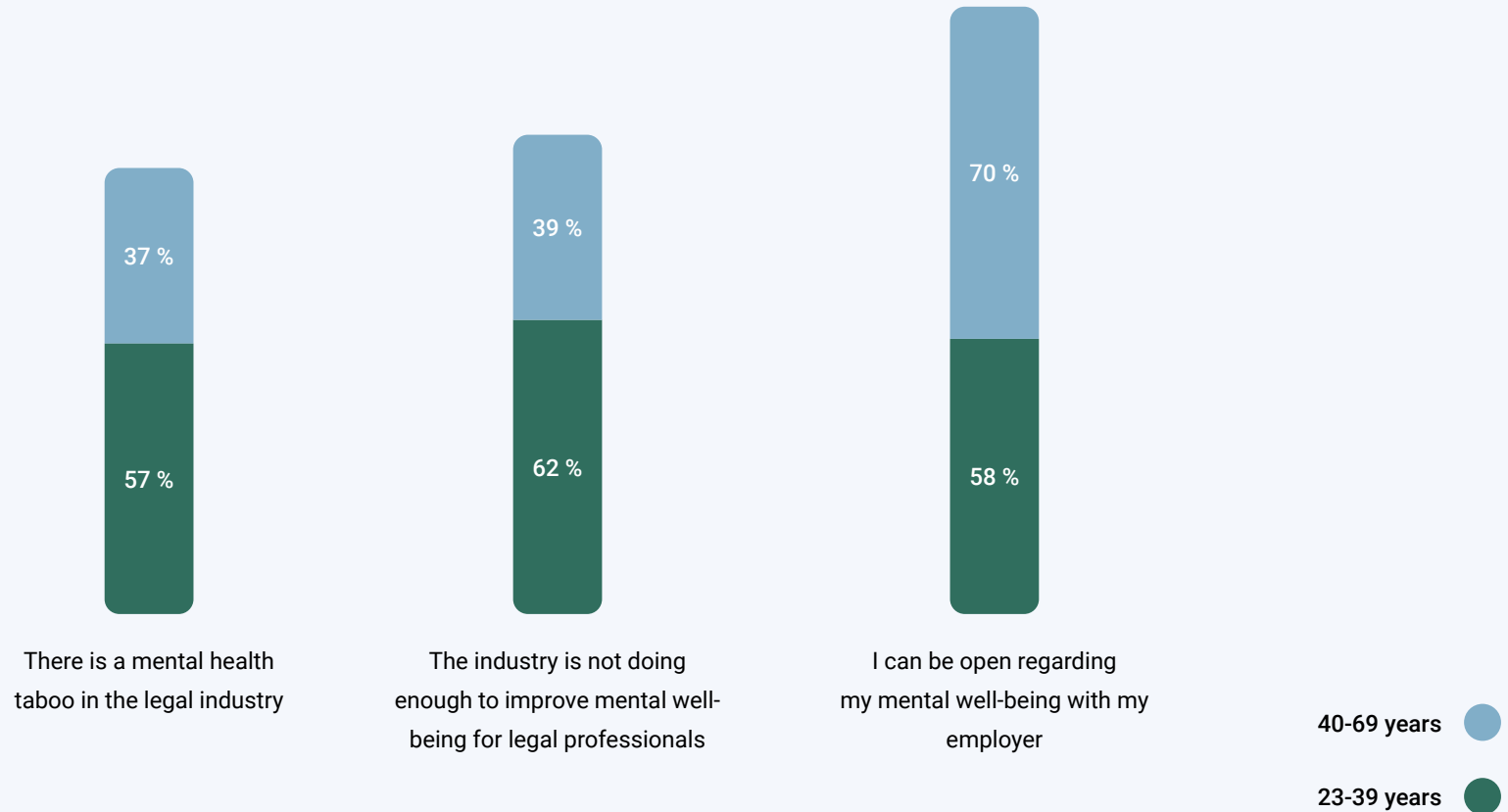
Age: 23 - 39



39 %

Age: 40 - 69

Do you agree with the following statements?



Is the legal industry losing talented women because of a mental health taboo?

Are women more open and honest about how they feel, or are they more likely in general to experience work-related stress and/or anxiety than men?

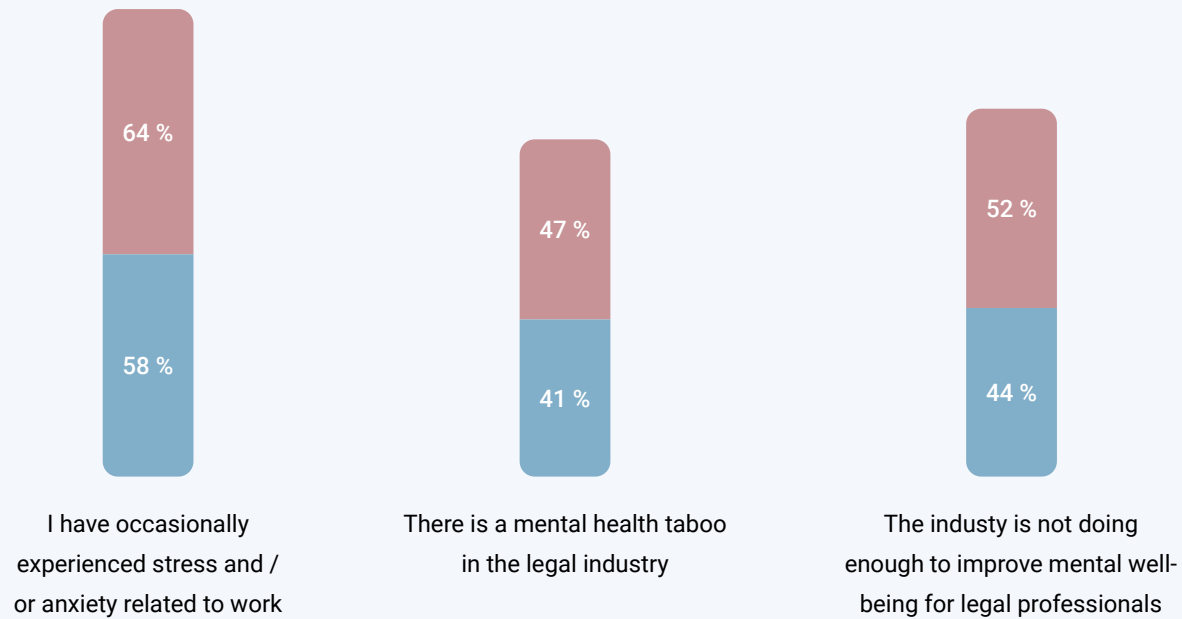
The survey data reveal how woman, compared to men, are more exposed to stress and anxiety related to work – and how they are generally more dissatisfied about the mental health situation in the industry.

It seems that age and gender are the two factors influencing the perception of mental health issues the most. Consequently, younger females are most likely to be negatively affected by the work culture in the industry. In order to meet the diversity challenge within the legal industry, this needs to be addressed.



Life has been heavily restricted with less social interactions, less travel, less culture etc. On top of this you have to work from home – a place not made for working. It's completely miserable. I'm thankful I have a job at least and this way of living worked the first few months, but now I'm bordering depression. I simply cannot download enough positive energy to feel better.

Do you agree with the following statements?



Female ●
Male ●

Survey learnings

- Stress is a significant problem in the legal industry. Survey results conclude that more than 6 out of 10 legal professionals experience work-related stress and anxiety.
- Law firms in particular tend to cultivate a more negative and unhealthy work culture. Legal professionals working in law firms are more likely to suffer from stress or anxiety.
- There is a mental health taboo in the legal industry that might be standing in the way of an improved work culture.
- The younger generation of legal professionals is dissatisfied with the industry culture related to mental health.
- Scandinavian legal professionals agree that the industry is not doing enough to improve mental health and well-being.
- Women in the legal industry are more likely to be negatively affected by the work culture in the industry.

Questions for debate

- How does the industry's negative impact on mental health affect individual work performance?
- How is the mental health taboo apparent in the industry or in the workplace?
- How can the industry overcome mental health stigma and, more importantly, what needs to be done in order for the work culture to change?

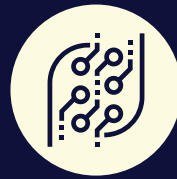




“Mental health and well-being have been shown to be very dependent on clear and visible leadership, which has not been the case here in my department. To that extent, there has been a lack of visible management in relation to employee care, which is essential when it comes to the individual’s mental health during homework. It has been very busy and everyone is working too efficiently. Therefore, there is a need for management to pause, insist on staff care - and even think out of the box, instead of pushing the “responsibility” on the employees. The work tasks fills everything, and a Friday bar every other week does not make much of a difference. A combination of too many tasks, and almost total lack of staff care, has not benefited mental health.”

The numbers and data behind the conclusions

- 62 % are occasionally experiencing work-related stress and/or anxiety.
- 45 % of Scandinavian legal professionals agree that there is a mental health taboo in the legal industry.
- 49 % believe that the industry is not putting enough effort in improving mental health and well-being.
- A mere 9 % believe that the industry acting sufficiently to improve mental health and well-being for legal professionals.
- 68-70 % in the corporate and public sector feel they can be open with their employer regarding mental well-being – compared to 56 % employed at law firms.
- Young legal professionals (23-39) are much more prone to believe that a mental health stigma exists in the legal industry (57 %) compared to what older legal professionals (40-69+) experience (37 %).
- A majority (62 %) of young legal professionals (23-39) believe that the industry is not putting enough effort in improving mental health and well-being – while this perception is not as prevalent (39 %) among older legal professionals (40-69+).
- Young legal professionals (23-39) feel they cannot be as open about mental health issues with their employer (58 %) as older legal professionals (40-69+) feel they can (70 %).



Chapter 3

Tech washing and innovation

Is the industry putting
enough effort in innovation?



Elevating legal services

Who or what will drive innovation in the industry?

Legal tech has been a key focus of attention for several years. It has been described as a development that will disrupt the legal industry and fundamentally challenge the dynamics of the market as we know it.

Last year, we reported a prediction by 60 % of legal professionals in Sweden and Denmark that legal tech would be a significant force of change in tomorrow's legal industry (source: *Framtidens Jurist/Fremtidens Jurist 2020*). Has it yet come true – and if so, in what way?

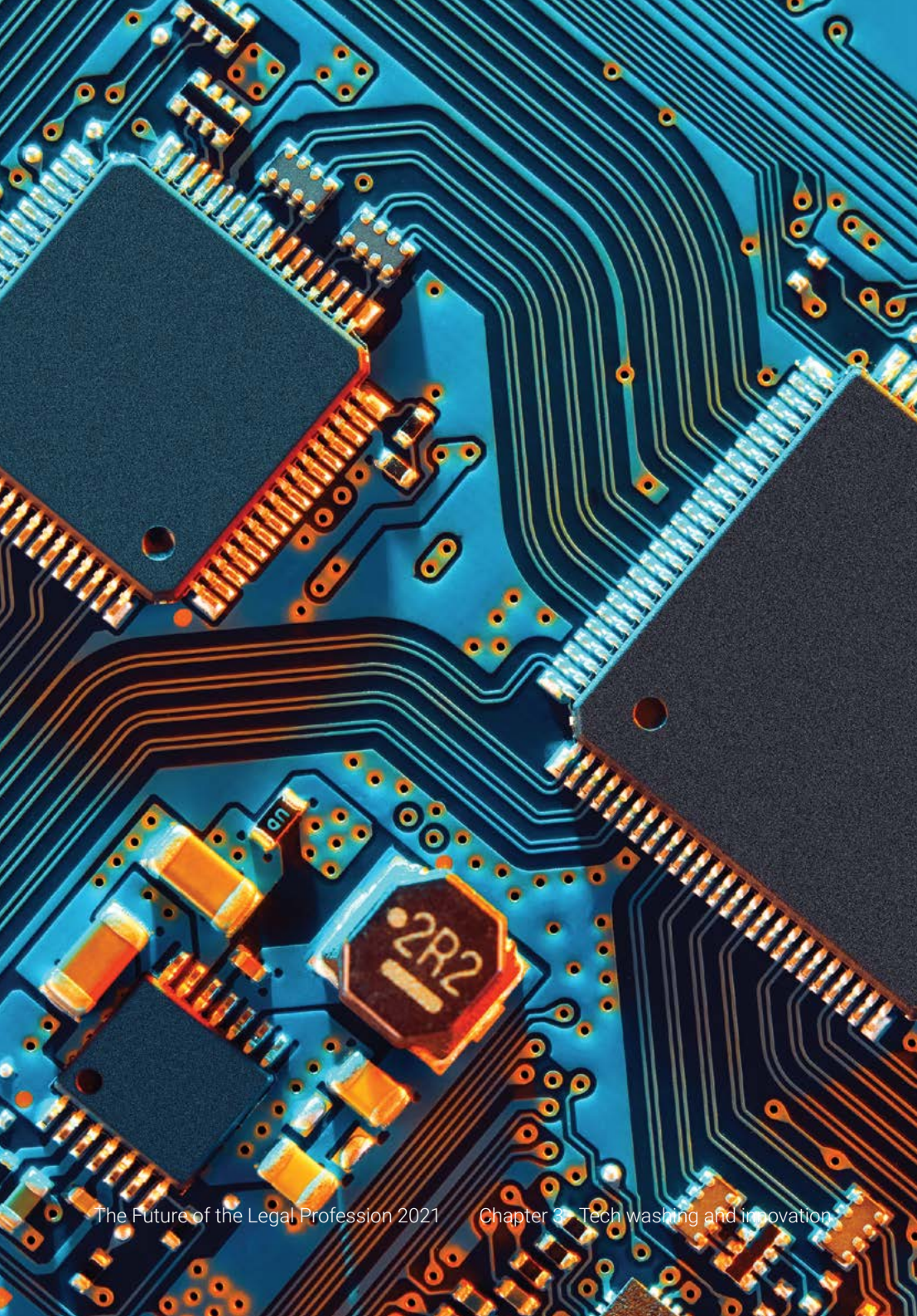
A buzzword currently applied to the legal industry is 'tech washing'. The term refers to the practice of adding a trendy label on legal solutions and riding the tech wave in order to strengthen the brand image, but without having much to back it up.

According to this year's survey, the general perception within the Scandinavian legal industry is that a lot is being said about legal tech – but little is being done. This may, of course, also be due to a lack of

experience and know-how or a general hesitation to change current work processes and business models.

The question remains whether it is indeed possible to elevate the legal industry's approach to technology? If so, how should technology be applied to legal work processes, and what is the best point of departure?

An interesting conclusion in this year's survey is that a majority of respondents across all Scandinavian countries believe that clients will drive the change towards increased use of tech-based solutions – primarily triggered by their demand for faster and cheaper services. All areas of everyday life are marked by rising expectations for more convenient and cost-efficient services. It is interesting to note that this might have a profound effect on the legal industry as well.



“

Many law firms are talking about using the latest technology within the legal field, but that's mainly communicated for brand purposes. I don't think they are actually using these to the extent they are saying that they are.

Legal tech is expected to play a key role in changing the industry

How soon will this happen?

Last year's edition of this report (Framtidens Jurist/Fremtidens Jurist 2020) predicted legal tech and increased demands for better work-life balance to be the top two most influential drivers for development in the legal field.

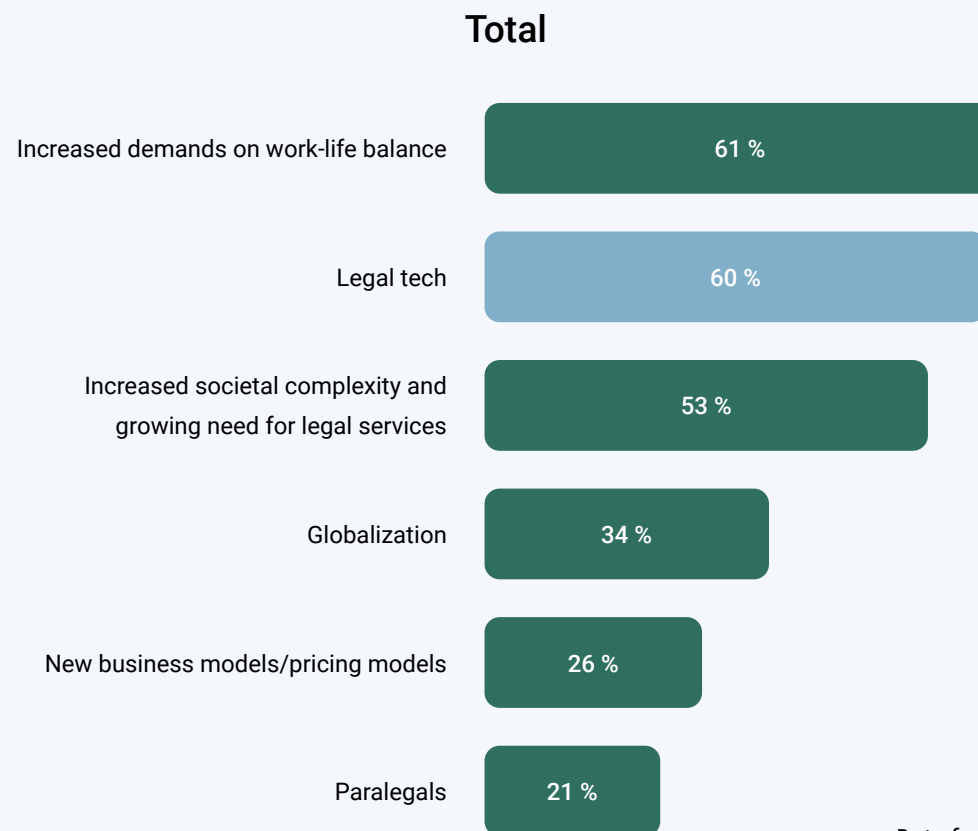
This year shows that the prediction holds true. It is interesting to follow the development and rise of new legal start-ups and to watch them gain influence and challenge the current way of conducting legal work.

Will established organisations adapt and implement more legal tech solutions in the near future, and will this influence the public, corporate or law segment first?



Companies like PocketLaw and LegalBuddy will be stealing assignments from larger firms. Not only legal projects, but they will also be stealing smaller tasks on an hourly rate that law firms currently charge a lot for.

Which three of the following options do you think will drive/influence the development of the legal industry the most in the future?

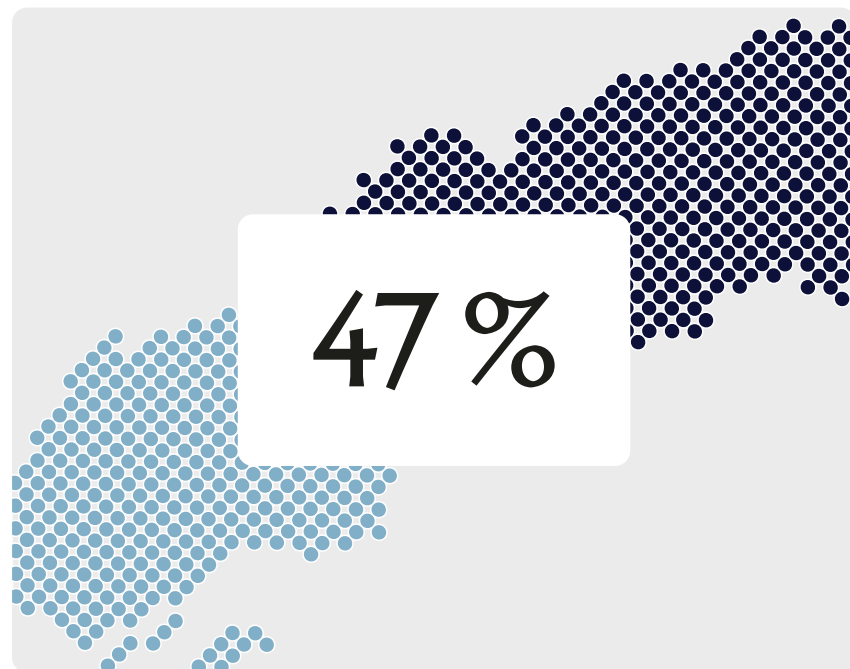


Data from Framtidens Jurist/Fremtidens Jurist 2020

All talk, no action?

Growing risk of coming across as 'tech washing'

The data in this report confirm that there is a gap between the predicted importance of legal tech and how much legal organisations are actually adopting it in daily tasks.



Almost half (47 %) of the legal industry in Scandinavia believe that tech washing takes place in the industry –that legal organisations communicate their use of new, innovative technology but without actually implementing it in the work processes. This seems to be more true for law firms where competition is higher.

What are possible reasons for this tech washing tendency? Are technological

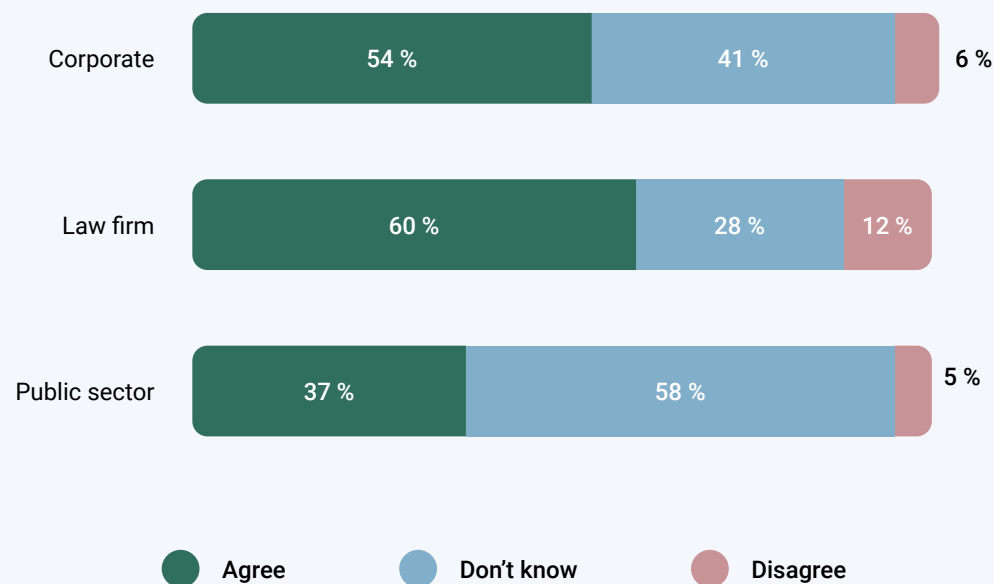
solutions not yet good enough? Is the perceived value of using them too low? Or is it simply a matter of being too comfortable with current work processes?

To stay relevant as service providers and employers, legal organisations will need to be more open and agile towards new technology and new work processes.



I experience that the management encourages innovation and digitalization but that there are senior employees who oppose this change.

Do you agree with the following statement?
**Many legal organizations are talking about
integrating tech, but taking less action**



Need for speed

A growing demand for faster legal services is expected to be a key driver of change

The survey asked legal professionals to rank the factors they believe will drive innovation and change the most in the legal industry. The highest ranking factor is clients' need for faster services, while the second highest ranking factor is new business models.

The future legal environment will expectedly be even more fast-paced and continuously evolving. Add to this the perpetually increased competition, and companies will need legal services to a higher degree than today. To accommodate this need legal service providers must be fast and agile. Most likely, we can expect an increase in the demand for tools

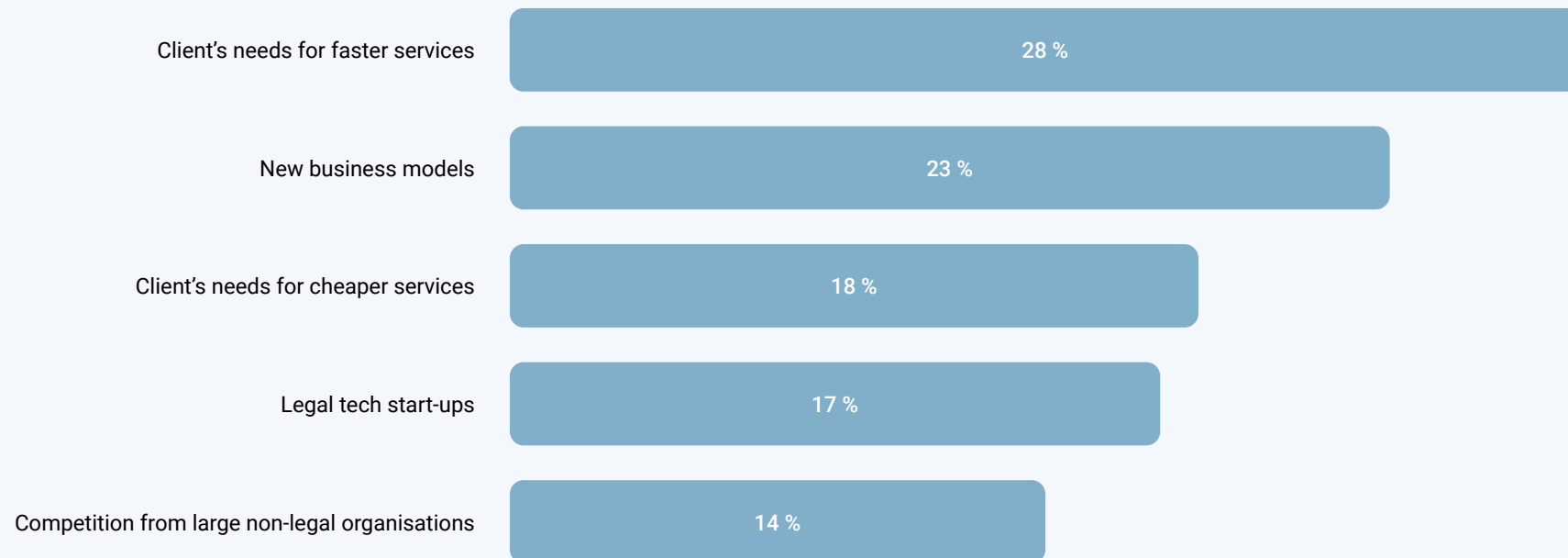
enhancing the efficiency in legal work.

At the same time, new business models are on the rise and will most likely affect the way legal work is conducted. As competition increases, clients will demand more price transparency, which in turn may challenge the prevailing billable hour business model. Could this imply a gradual transition towards subscription-based business models and fixed pricing?



The rapid share of information in society risks affecting the expectations of the lawyer function, demanding more speedy deliveries. Speed over quality.

**Which of the following do you think will drive change/
innovation the most in the legal industry? (Ranking top 1)**



Are current business models and owner structures preventing innovation?

Society is transforming more rapidly than ever and so is the legal industry. Consequently, legal organisations are forced to question current business models and ownership structures.

More than a third (38 %) of Scandinavian legal professionals think that traditional business models – the billable hour – will be less relevant in the future. This prediction is natural as clients are expecting both faster services and more price transparency.

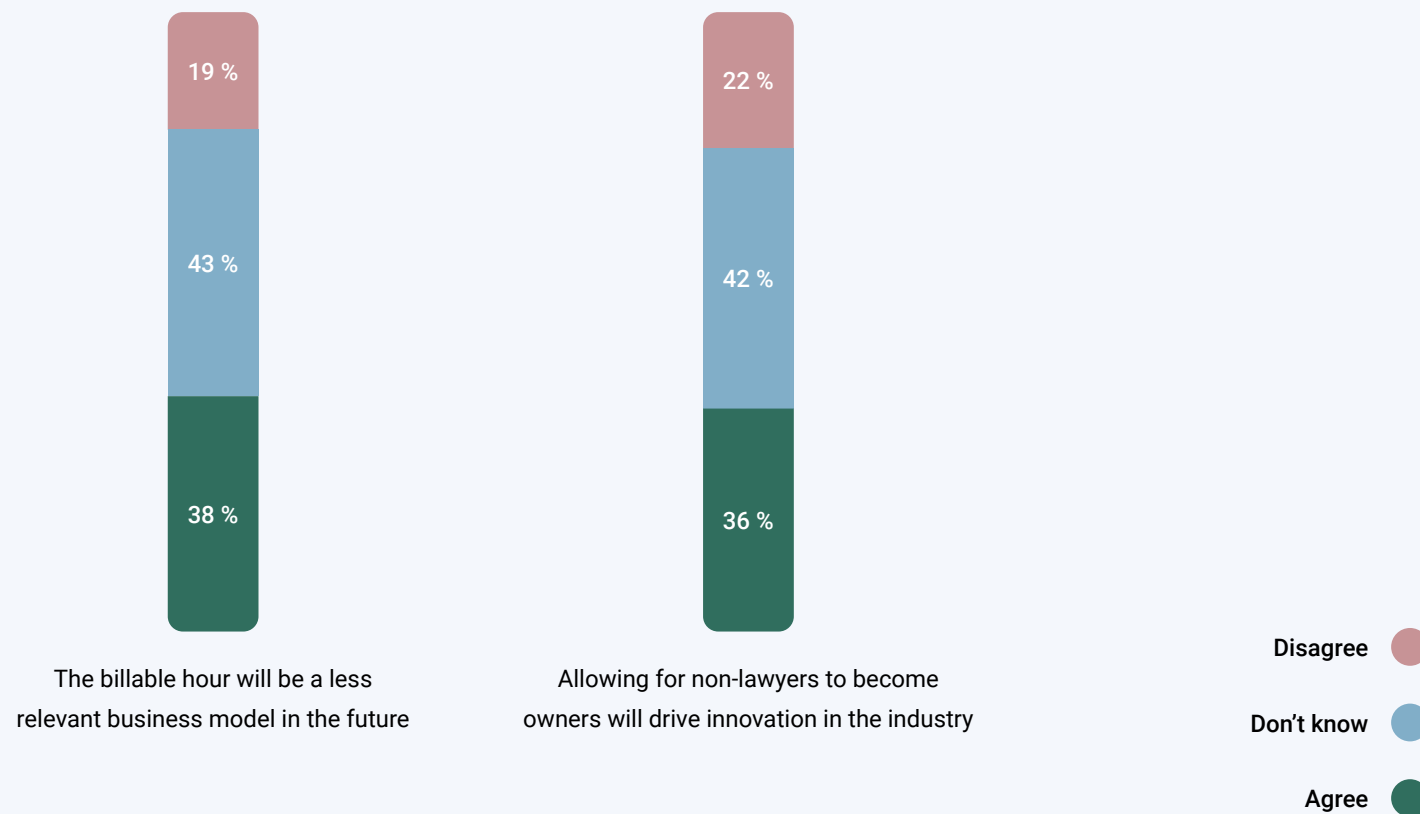
Moreover, ownership structures typical for the legal industry are also being questioned. 36 % believe that allowing people from different professional backgrounds – e.g. without a law degree – to become owners could spark innovation and inspire legal organisation to think outside the box. Even among law firms 37 % believe this to be true.

In other legal markets like the UK (England and Wales), the ownership structure has already been deregulated. Will the Scandinavian markets follow?



Today only lawyers can be owners of law firms in Scandinavia while it has been deregulated in other markets like the UK. These countries will be leading the development in the industry while Swedish lawyers will fall behind. If large Scandinavian firms wish to be relevant on the international arena, the ownership structures need to be deregulated.

Do you agree with the following statements?



Abolishment of the billable hour

Looking at sector differences, we see that legal professionals within the corporate sector are more sceptical towards current business models compared to legal professionals within the public sector or law firms.

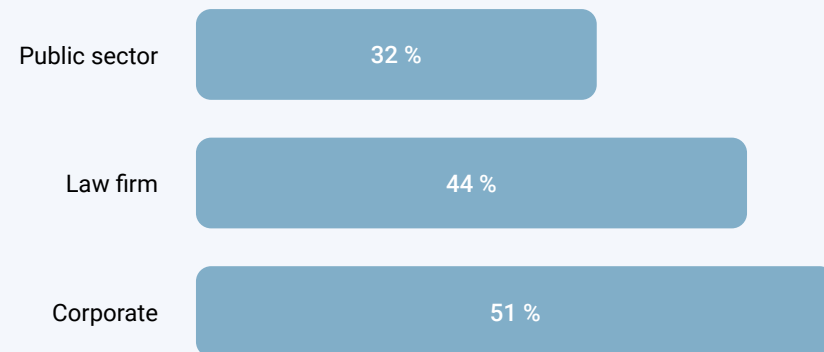
It will be interesting to see if law firms will start to embrace other business models and their subsequent potential benefits. The free text answers of this survey clearly indicate that the billable hour comes with several negative costs for the individual – since the need

to account for every working minute creates a toxically stressful work environment.

The pandemic already boosted the discussion about a stronger work-life balance and how to avoid unhealthy mental pressure. Abolishing the billable hour might very well become a parameter for employers to consider in order to attract and retain talents in the future.

Do you agree with the following statement?

The billable hour will be a less relevant business model in the future (Agree)





The fixation and obsession with the billable hour needs to vanish. It has so many negative consequences for both legal professionals and clients. It is dividing the industry and creates a stressful work environment. In what other professions do you need to be able to account for every minute of your working hours?

“

Article

Technology has no value in itself – only output matters

By John Engholm – Lawyer, legaltech founder and investor

The Future of the Legal Profession 2021 report concludes that there's a lot of talk about tech affecting the legal industry, but less actual change. Why is that?

Is it really because of “tech washing”? The term is borrowed from “green washing”, which refers to companies communicating about sustainability efforts that lack real substance and are more marketing stunts. I'm sure that some law firms feel the need to communicate about their tech initiatives regardless of their actual impact, but the term “tech washing” implies more bad faith than what I think is really going on here.



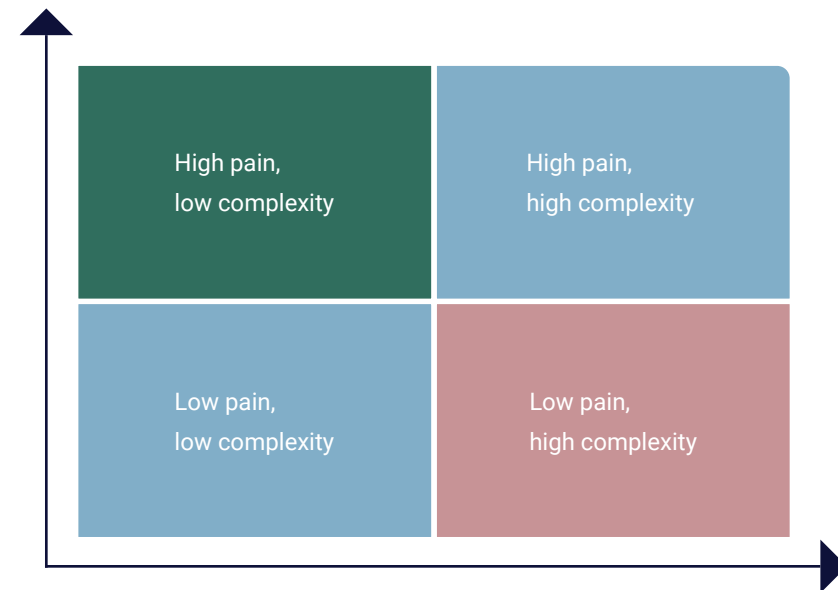
John Engholm

Sucked in by buzzwords

I have no doubt that there is a genuine will among law firms to adopt more technology, move with the times and remain competitive and relevant for their clients. The problem is that many of them don't really know where to begin. In that situation, it's easy to get sucked in by the buzzwords and suddenly you have partners asking: "Do we have anything with AI?" or "Where are we on blockchain?". Obviously, that means you're approaching this from the wrong direction.

Technology has no value in itself, only its output matters. Is the output better, cheaper or did I get it quicker as a client? If not, I don't really care if you used an AI-tool or pen and paper to produce it. If you start with the technology rather than the problem, the risk is that you invent new problems where this technology could be applied – but that no one really needs solved. Always start by doing an inventory of which problems that are actually causing pain to you or your client and then look for the simplest possible solution.

The best problems to start with are of course those where the pain is high, and the solution is simple (green box). Which of the two blue boxes to take next is less obvious and something to think about, but you don't ever want to find yourself in the red box before all other boxes are dealt with.



Focus on simple solutions

Starting with simple solutions will often mean that you don't get to tinker with machine learning algorithms or blockchain. It might not even be within legal tech, but just regular tech, that you will find the lowest hanging fruits. Simple solutions are usually not very exciting. And that is ok. Most lawyers can't even use Microsoft Word or Outlook to its full potential, despite some spending up to 80 % of their waking hours with these tools.

So for quite some time, the advances made in a lot of law firms will probably be something quite boring from a technical perspective, that wouldn't impress an engineer. But law firms are not in the business of impressing engineers.

Against this background, I think it's actually healthy that we are not hearing more about advanced technology being rapidly deployed across law firms.

Let's forget about the technology itself and instead look at which solutions to expect in the years to come. Most tech initiatives within law firms are internal tools to make lawyers more efficient in delivering the same thing they always have.

Why not build tools that the clients can use themselves and pay a license fee for, without requiring the lawyers to spend any time at all? It's more scalable than the billable hour, gives a recurring revenue and is probably more appealing to a lot of clients.

I'm not talking about robot lawyers giving advice that could cause issues with conflicts of interest etc. I mean simple things, like the two legal tech products that I myself have launched and successfully sold to hundreds of companies all over Europe.

The first one is InsiderLog, a compliance tool for publicly traded companies, which basically just replaces lists that would otherwise be kept in Excel and lots of manual emails back and forth.

The other is Poströsta.se which enables digital postal voting for general meetings, which is little more than an online form connected to digital signing services and then some Excel macros to make the collected data look nicer.

Expect more self-service tools

Both these tools could easily have been developed by any law firm. They have the expertise, customer base, capital, manpower and trademarks necessary to succeed. I had neither and still managed to make a lot of money off their clients. We know law firms don't hate money, so why are they not going after these opportunities that are right in front of them? If I can do it, then surely so could they! So more self-service tools should be expected.

I'm also hoping to see more tools allowing lawyers to be proactive rather than reactive. Most tools today require the user to understand when to use them and have a clear idea of what they're after. It's of course cool if I can pour hundreds of contracts into a tool and get summaries and analyses – but it would be even cooler if the tool helped me when I didn't even realise that I needed help. Imagine a tool that proactively pops up by itself to tell

me that a recent change in German legislation might affect one of my old supplier contracts or that it has detected that the company is paying out salary to a new person without having an employment agreement in place. That kind of oversight can be almost impossible for a human lawyer to maintain and shouldn't be too difficult from a technological perspective.

To sum things up, I agree that there is a lot of work to be done and heaps of potential in implementing technology in the legal industry. But it doesn't have to be the latest cutting-edge technology, and I think we would benefit from looking at broad tools that can be used in the organisation as a whole, rather than focusing specifically on legal tech. So, we should stop putting pressure on law firms to tell us about their advances in AI – and instead tell them what problems we're currently facing.

Simple and useful tools not built specifically for lawyers

- Trello, one of the most widely used project management tools that can be used to keep track of all the tasks and work streams in an M&A-project or litigation case
- Doodle and Calendly make it super simple to schedule meetings, also with external guests, without emailing back and forth about everyone's availability
- Typeform, create dynamic forms for asking questions and providing feedback based on the answers. Can be used as 1st line legal support to guide clients to standard solutions – and if the issue is too complex, you can direct them to a Calendly link to book a meeting

*Disclaimer (I am a lawyer after all): These are all cloud-based tools which means you should consider privacy and confidentiality requirements before implementing them.

Survey learnings

- Legal tech is still considered an important change factor for the legal industry and is expected to keep developing and shaping future legal work.
- Legal organisations seem to talk more about legal tech than actually adopting innovative solutions.
- Clients' demand for faster services and new business models will force legal organisations to face innovation.
- Current business models and ownership structures might be obstacles to development and pace of innovation.

Questions for debate

- Why aren't more legal organisations adopting new technology?
- What are the impediments to innovation within the legal culture?
- Will clients drive the change towards increased use of tech-based solutions– primarily triggered by their demand for faster and cheaper services?
- Which technology will truly disrupt the legal industry?





“Many law firms are talking about using the latest technology within the legal field, but that’s mainly communicated for brand purposes. I don’t think they are actually using these to the extent they are saying that they are.”

The numbers and data behind the conclusions

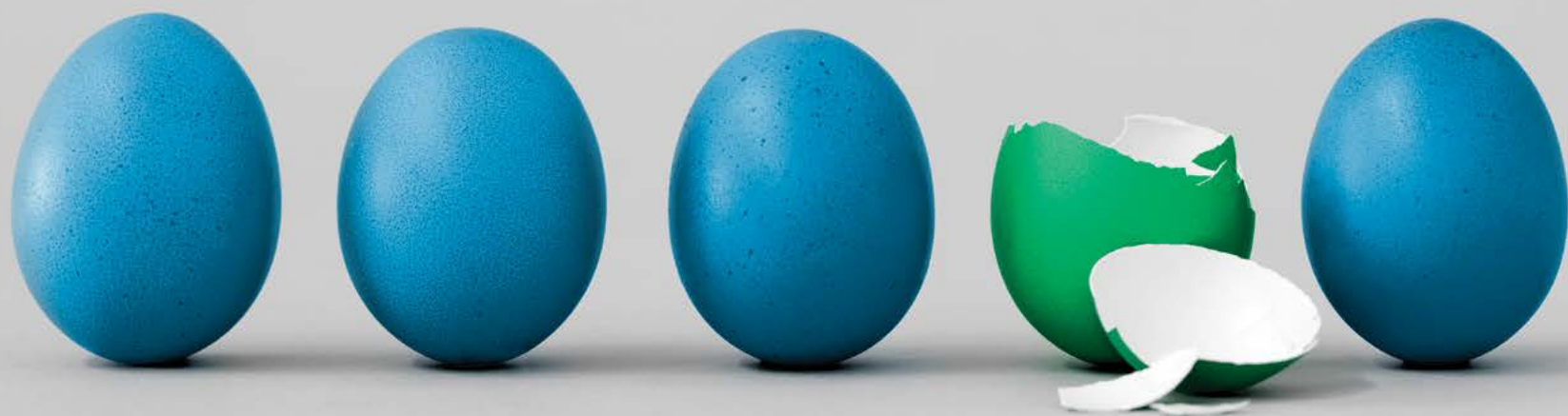
- Almost half (47 %) of the legal industry in Scandinavia believe that tech washing takes place in the industry. Many legal organisations are talking about integrating tech, but taking less action.
- 54 % expect legal tech start-ups to drive innovation in the legal industry.
- Clients' demand for faster services is ranked as the most influential factor for driving innovation (28 %), followed by new business models (23 %).
- 38 % in total consider the billable hour to be a less relevant business model in the future – yet 51 % among corporate legal professionals.
- 36 % think that allowing for non-lawyers to become owners will drive innovation in the industry (37 % for law firms).



Chapter 4

The creative lawyer

The industry predicts a different skill set for the future legal professional



Increased need for adaptable and proactive legal professionals – including the gift of anticipation

What makes legal professionals prepared to take on the challenges of a changed world and working environment? What is the ideal skill set that will make the individual thrive?

These complex questions have preoccupied industry experts for a long time – and there is of course no simple or short answer. However, the tendencies are relatively clear. Previous editions of this report (*Framtidens Jurist/Fremtidens Jurist 2019 and 2020*) detected the growing need for creative thinking and for legal professionals to be able to think ahead and apply broader perspectives to the practice of law.

Changes in society and events on an increasingly globalised arena have also had an impact on the legal industry. This has strongly affected the working life of legal professionals and enhances the importance of gaining a broader understanding of issues outside of law.

It also places more emphasis on strong analytical skills, work-related relationships and multidisciplinary ways of working. Last, but not least, it stresses the importance of possessing certain personal characteristics, such as a creative mindset.



***We see an increase
in demand for legal
professionals with an
ability to combine high
level of specialization and
have broad understanding
in domains outside of law.***

Creativity and proactive problem solving are the skills of tomorrow



40 %

The survey asked the Scandinavian legal industry to identify the competencies they think will be the most important for future legal professionals. 40 % referred to creative and proactive problem solving skills followed by cross-discipline expertise (29 %).

This is hardly surprising as the increased rate of change and legal complexity makes adaptability and flexibility key assets. Rules and regulations are changing at a higher speed than ever before. Legal professionals must be able to anticipate these changes in order to stay relevant and help their clients or organisations in the best possible way.

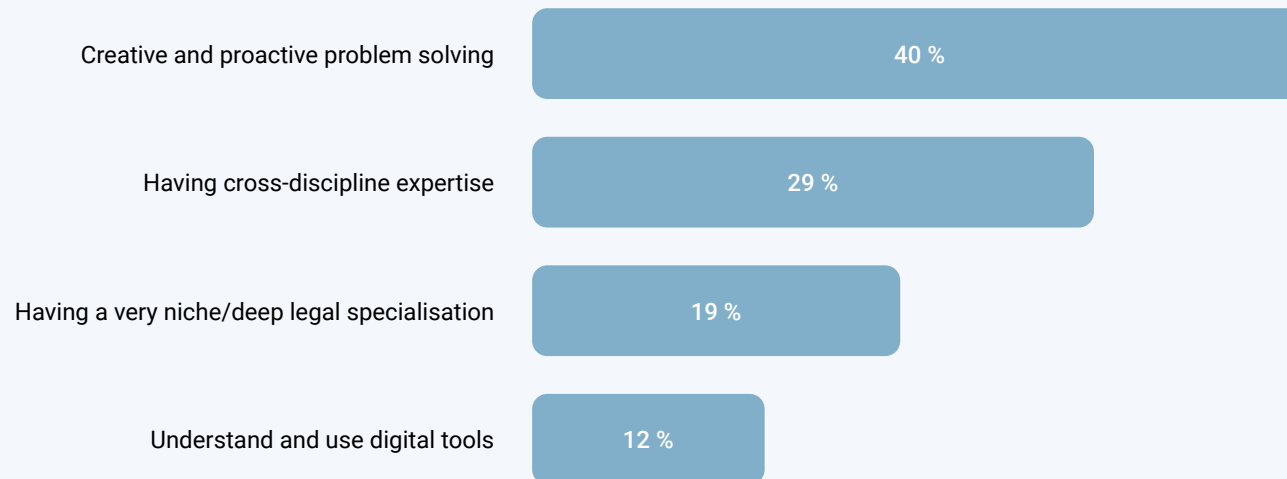
Additionally, we see an increased level of cross-functional work – especially among corporate lawyers – that will require a more diverse skillset. Most likely, it will become more common for legal professionals to develop competencies in new areas (e.g. management or technology).

This poses another interesting question: What is required of our universities? How do they need to adapt to help students meet this new world order as they start their careers? After all, change begins where the future lawyers are shaped and moulded.



Lawyers are traditionally reactive. If you present them with a problem they will solve it. But what does it mean to be a proactive lawyer? It means to have foresight, to be able to foresee problems before they occur. We will see a much greater need for this in the future as rules and regulations change in a higher pace.

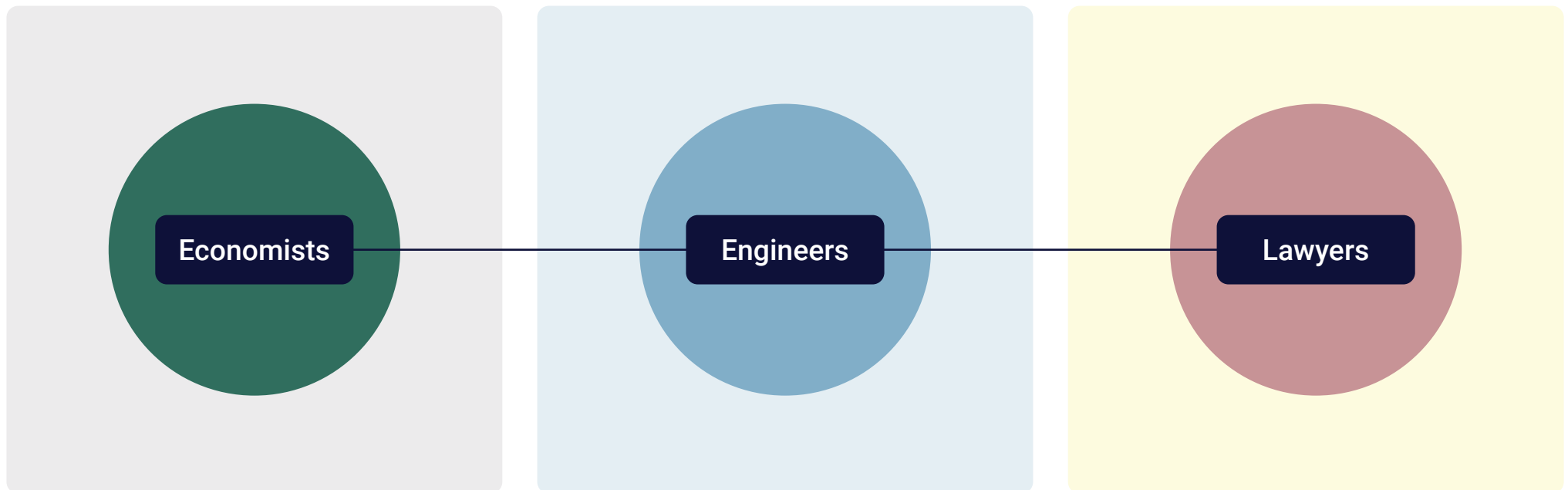
Which of the following skills or competencies do you think will be most important for the future legal professional?

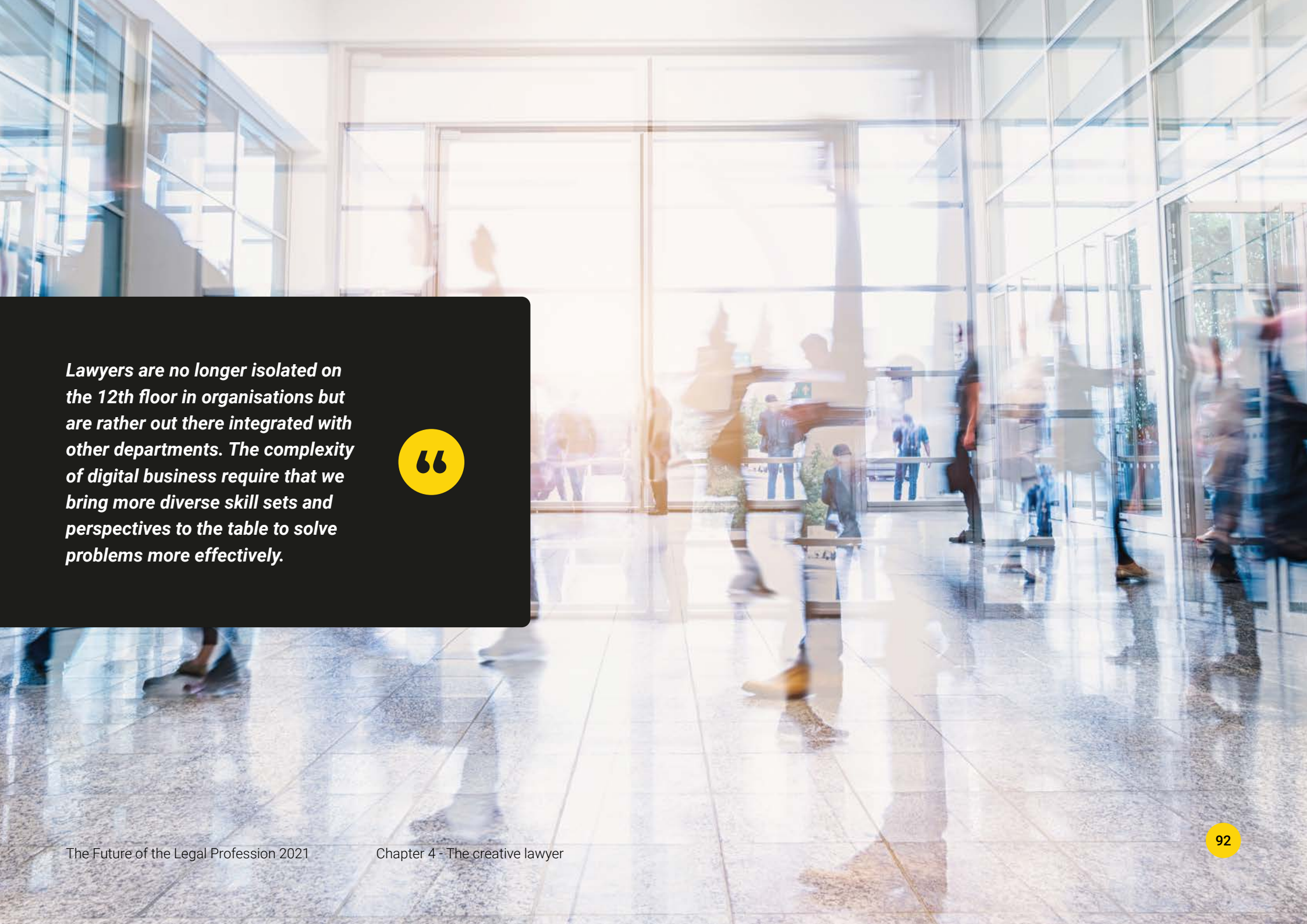


Will multi-disciplinary ways of working be key to effectively addressing business challenges?

Respondents in this survey comment that legal departments of the future will no longer will be separate stand-alone entities, but rather part of cross-functional teams. This will likely affect how legal professionals will work and what skills they will need.

Legal professionals are increasingly sought for in areas where they have previously been less prominent, e.g. business development or marketing. Does this imply that the need for diversity in a broader sense will increase – diversity of experience, background, education and know-how?





Lawyers are no longer isolated on the 12th floor in organisations but are rather out there integrated with other departments. The complexity of digital business require that we bring more diverse skill sets and perspectives to the table to solve problems more effectively.



Law firms believe in a higher extent of deeper specialisation

The survey results confirm that legal professionals in law firms believe specialisation to be relevant to the future legal professional to a higher extent (25 %) than legal professionals from the public sector (17 %) and the corporate sector (14 %).

Public and corporate legal professionals, on the other hand, believe cross-discipline expertise to be even more important (public sector 34 %, corporate 29 %, law firm 21 %).

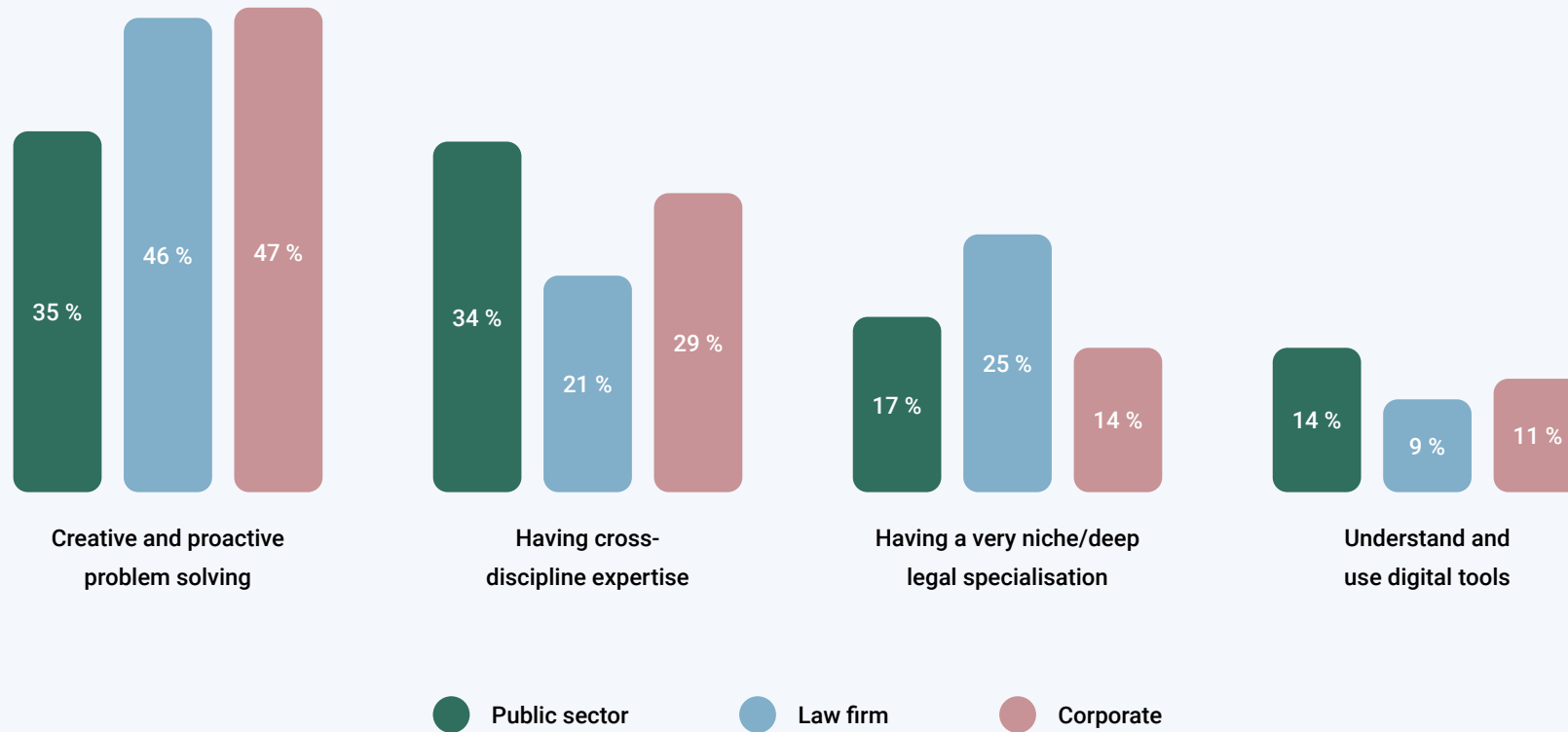
It is, of course, plausible that both will be important. The increased legal complexity in society will require specialised knowledge for advanced legal issues – giving room for niche law firms to prosper. Meanwhile, the need for proactivity and creativity in the legal field will become more common as cross-disciplinary ways of working with legal issues.

Cross-discipline expertise will be more important in organisations consisting of multiple departments and whose operations stretch beyond the mere legal field.



I think the future legal industry will need both generalists and specialists. And I think everyone will also need to pay attention to technical development to be able to conduct legal work more efficiently.

Which of the following skills or competencies do you think will be most important for the future legal professional?



Article

The sometimes not so creative lawyer

By Susanne Tillqvist, Senior Advisor, founder Still Consulting

When most of us consider creative professions, I would argue that the legal profession does not climb very high on the list. Creative professions lie within arts and culture – artists, singers, songwriters, actors. That’s probably creativity for most of us.

On the other hand, you could claim that legal professionals top, or at least should top, the list of creativity - particularly when it comes to interpret and applying the law. There is always room for interpretation, and as long as you are within the boundaries of the law – the sky is the limit. Why are lawyers and legal professionals not as good at applying creativity to their own organisations and work processes?

In the market intelligence company Prospera’s review 2019 of Tier 1 Law Firms in Sweden, clients ranked 15 areas in level of importance. Lawyer skills were ranked as number one. Being at the forefront of digitalisation was ranked as least important. Now, I appreciate that the pandemic year of 2020 most likely have had an impact on how clients would rank the same areas, however I don’t think the difference would be dramatic. So, if clients are not particularly interested in law firms focusing on digitalisation, why should the law firms invest in it?



Susanne Tillqvist

From legal supplier to creative and trusted advisor

I believe many legal professionals want to get away from being a supplier of legal services, and instead being viewed and valued as a trusted advisor who works closely with the client's business. To take that leap, law firms and in-house general counsels need to be more creative in how they manage and deliver their services. To be a trusted advisor (having myself been a partner at EY for many years I know what I'm talking about) you need to be a few steps ahead of your client or, if you work in-house, a few steps ahead of the general counsels. With technology working its way into all industries, you need to understand technology with its possibilities, limitations, and challenges in order to talk technology with your client.

Here is room for more creativity, as well as innovation and new thinking – the space to be inspired by how other consulting practices work is great.

So, what is stopping legal professionals from being even more creative? I would suggest three heavy stoppers.

One. The money keeps coming in. The legal business is experiencing continuous growth since many years. For a few gasping weeks or months when we, early 2020, switched from personal meetings to digital meetings due to the covid-19 pandemic, we were not sure if our business could be upheld. But it was. And it kept growing. And growing. Listening to my fellow colleagues in the legal and consulting business – business is booming. Who needs to change when the money keeps coming in, the clients keep calling, and we have more candidates than positions to fill? There is no burning platform for being creative.



Two. Legal business is male business. Although the percentage of women in the consulting industry is at least 50% at the lower levels, at the top there is still male dominance. What happens in a room, when you put a group of people (be they women or men) with the same background, the same education, the same gender – and ask them to solve a problem and be creative? They are likely to come up with very similar ideas. They are also more likely to agree and decide on the solution, with less opportunity for innovation. I would argue that this results in clients not getting the best solution or the best team – the most creative team – to work on their projects. Rather, the clients get homogeneous teams with a tendency to pat each other's backs. There are in other words few prerequisites for change.

Three. Legal professionals are taught to follow the textbook. When reasoning with legal professionals and comparing law school with business school – there is one major difference: Law school is thousands of more pages to cover. Business school is tons more of case studies. So, in business school we spend more time learning how to apply our knowledge. In law school, it's a lot more about learning the paragraphs. That could result in that the space for creativity generally becomes less. I would also argue that the culture in a law firm or an in-house legal team, compared to a consulting firm, is less collaborative, with seniors to a larger extent giving more orders to juniors – rather than asking for their opinion. Consulting firms are much more team-oriented, suggesting more collaboration and inclusiveness. Hence, legal professionals are not taught to be creative to the same extent as other consultants.



***I suggest that the industry uses
the strong financial performance
to become more diversified.***

Is there room for legal professionals to be creative?

To be innovative doesn't – of course - mean that you can move freely outside of ethical rules and legal frameworks. We all understand that. The bar associations play an important role to uphold those rules and frameworks. But could it be that the bar associations and the legal framework, within which lawyers work, limit the room for creativity?

If we start with the law. Like any other text it is possible to interpret and apply the law in different ways. Of course, an innovative interpretation and application of the law can be successful without being reckless or injudicious. I am convinced that the room for innovative solutions within established boundaries is great in the legal business. As far as the ethical rules, my understanding is that they work – overall. They contribute to an increased trust since they uphold "law and order" within the business. As I mentioned earlier, I believe other professions can play an important role to increase creativity and innovation in the legal business, and I think we can agree that new competencies are required for the legal business to be even more client focused and fully embrace legal tech. With the bar associations having specific rules that prevents non-lawyer ownership in law firms, this evolution is hindered and oldfashioned. We can already see law firms

recruiting project managers and IT developers. But these professions are not allowed to be part of top management nor to be partners/owners, and thus – cannot not fully influence important decisions. I would argue this is an issue that needs to be addressed and discussed, in order to potentially allow other professions into key management positions at law firms.

In summary, the recipe for legal professionals to become more creative would be: Earn less money, become more diversified and change the education process at law school. And lobby for the bar associations to be more flexible. No easy fixes in the short term. However, on a more serious note – I suggest that the industry uses the strong financial performance to become more diversified. Being more diversified is often related to gender parity and the lack of women at top positions. And this is, of course, an important question. But it is just as much related to diversity of competencies. With the increased introduction of alternative legal service providers (for example Big 4) and continued addition of tech initiatives – consider hiring project managers, system developers and other competencies required to move the organization into the 22nd century. Change is happening, whether we like it or not and the journey will be more exciting if you are not sitting in the backseat riding along. Time to tap into that untapped potential of creativity that legal professionals do obtain to stay ahead of the game. There is a great need for legal to become even more creative and they need help from outside. They just don't always know it.

Survey learnings

- The future lawyer will need a different set of skills than what has traditionally been required.
- Non-traditional legal skills like creativity, proactivity and cross-discipline expertise are on the rise.
- Multidisciplinary ways of working will be key to effectively solve business problems in the future, as organisations grow and legal gets more integrated in society and in consumer markets.
- There is a growing need for more specialised lawyers as the legal complexity in society is increasing.

Questions for debate

- How can universities adapt to meet the new requirements of the tomorrow's lawyers?
- What kind of diversity will legal organisations need in order to be successful in the future?
- What will be the optimal skill set for the future legal professional and what is needed from the industry to nurture this?





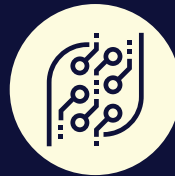
“Future legal professionals will not only need to have the knowledge of the law and the skills to make it understandable. They also need to be able to understand and present possible solutions to their client’s problems, including the risks associated with them”

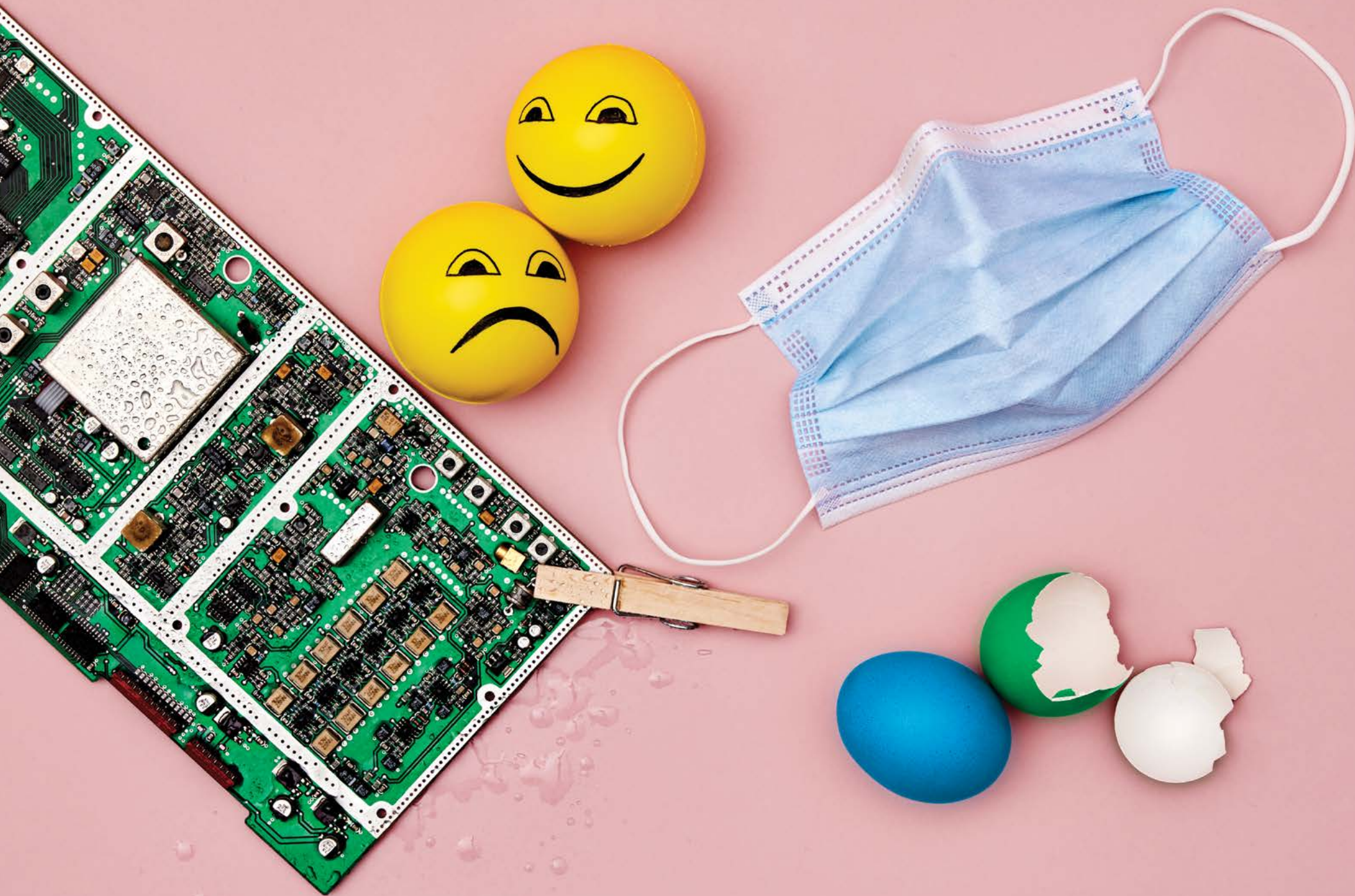
The numbers and data behind the conclusions

- 40 % believe that creative and proactive problem solving will be the most important skills for future legal professionals, followed by cross-discipline expertise (29 %).
- Law firms believe in the need for specialised legal professionals to a higher extent (25 %) compared to the corporate sector (14 %) and public sector (17 %).
- Public (34 %) and corporate (29 %) legal professionals expect cross-discipline expertise to become more important compared to legal professionals in law firms (21 %).

Summary

Insights 2021







1. Pandemic effects

- The pandemic has had both positive and negative effects on the working life of legal professionals.
- Almost 40 % of legal professionals in Scandinavia experienced a negative effect on their mental health and well-being as a direct result of the pandemic.
- Female legal professionals seem to have benefited more than males from the pandemic in terms of work-life balance.
- The implementation of new digital tools as a result of the pandemic has been positive, but we have yet to solve the need for increased knowledge sharing and the development of competencies.
- Relationship with clients and co-workers have suffered across all legal sectors – but mostly at law firms.

2. Mental health

- Stress is a significant problem in the legal industry. Survey results conclude that more than 6 out of 10 legal professionals experience work-related stress and anxiety.
- Law firms in particular tend to cultivate a more negative and unhealthy work culture. Legal professionals working in law firms are more likely to suffer from stress or anxiety.
- There is a mental health taboo in the legal industry that might be standing in the way of an improved work culture.
- The younger generation of legal professionals is dissatisfied with the industry culture related to mental health.
- Scandinavian legal professionals agree that the industry isn't doing enough to improve mental health and well-being.
- Women in the legal industry are more likely to be negatively affected by the work culture in the industry.



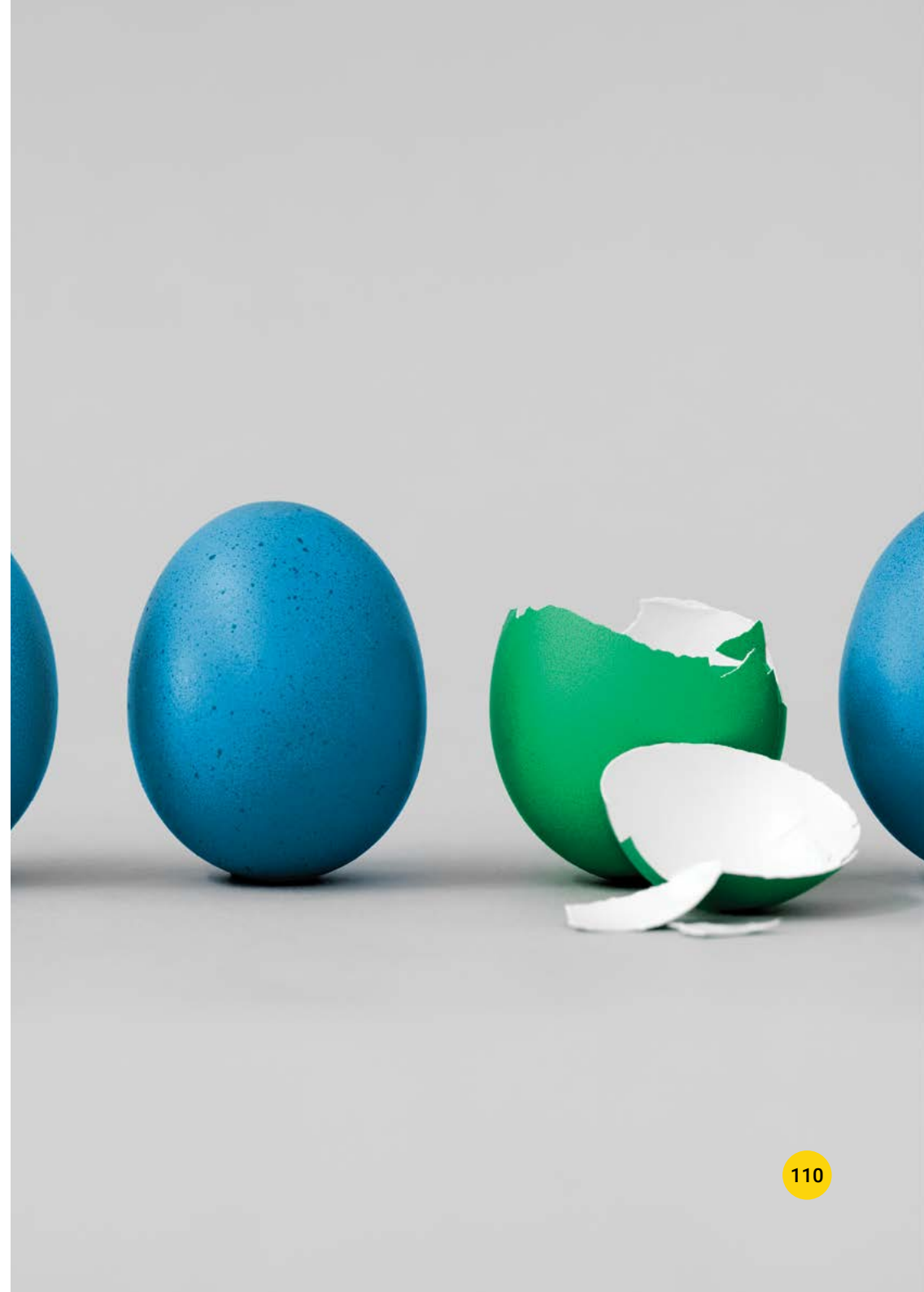


3. Tech washing

- Legal tech is still considered an important change factor for the legal industry and is expected to keep developing and shaping future legal work.
- Legal organisations seem to talk more about legal tech than actually adopting innovative solutions.
- Clients' demand for faster services and new business models will force legal organisations to face innovation.
- Current business models and ownership structures might be obstacles to development and pace of innovation.

4. The creative lawyer

- The future lawyer will need a different set of skills than what has traditionally been required.
- Non-traditional legal skills like creativity, proactivity and cross-discipline expertise are on the rise.
- Multidisciplinary ways of working will be key to effectively solve business problems in the future, as organisations grow and legal gets more integrated in society and in consumer markets.
- There is a growing need for more specialised lawyers as the legal complexity in society is increasing.



Data from *The Future of the Legal Profession 2021* highlight topics the legal industry needs to be aware of now and in the future. This report is based on conclusions from a survey answered by 3379 full time legal professionals in scandinavia.

How do you see the development of the legal industry?

Please share with us topics you would like to read about in *The Future of the Legal Profession 2022* on karnovgroup.com/the-future-of-the-legal-profession-2022.

The logo for Karnov Group is displayed on a yellow rectangular background. It features the word "KARNOV" in a large, bold, sans-serif font, with the word "GROUP" in a smaller, bold, sans-serif font directly beneath it. To the left of the text is a graphic element consisting of four vertical black bars of varying heights, resembling a stylized barcode or a set of scales.

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