[Generative] AI for In-House Legal Teams

This article explores the potential impact of Gen AI for in-house legal teams.

## Context

“It is difficult to make predictions, especially about the future” has been attributed to many people including Nobel-prize winning physicist Niels Bohr and legendary baseball player Yogi Berra.

Could we have anticipated ChatGPT and Gen AI? Perhaps. It did not strike like a lightning bolt out of the blue.

The start of natural language processing goes back to the 1950s with incremental progress made over time. Notwithstanding the evolution of the field, arguably the single most important advance came in 2017 when Vaswani *et al* published “Attention is All You Need” a paper that introduced the Transformer architecture and revolutionized the field. A discussion of the Transformer architecture is beyond the scope of this article but suffice it to say that it forms the foundation of most of the subsequent breakthroughs, including the current Gen AI models.

The Transformer architecture captures relationships between words in a sequence and handles long range dependencies. It is the key that allows us to build systems that capture concepts instead of focusing on isolated words. The next big step is the ability to generate text. (That’s the G in GPT.The P is for pre-trained. The T is for Transformer.) Generative models built on Transformer architectures use the relevant concepts to produce fluent text. Before the current collection of models, it was typical to build task-specific models. Today’s generative large language models are very flexible and can handle a dazzling array of language tasks. Put that all together, and you get to GenAI.

Hindsight is 20/20.Perhaps natural language processing practitioners expected tools like ChatGPT. I think it is harder to argue that we could have predicted the speed with which Gen AI crossed over into mainstream culture and it is especially hard to argue that we could have foreseen the interest in Gen AI across the legal industry. After all, the legal industry is not known for embracing innovative technologies.

# A Framework

In-house legal does many things. One way to look at the work of an in-house legal team (including legal operations) is to partition its work into three groups. First, the team provides counsel to the company. Second, it supports the commercial business of the company, for example, by handling routine contracts and licenses. Third, it manages outside counsel. The balance of this article considers each of those three.

## Counsel to the Company

* AI related internal policies:
  + Data protection
  + Use in products and services
  + Employee use in the workplace
  + Employment and labor
* Customary legal research
* Internal client services, chatbots and virtual assistants
* Risk assessment and management
* Compliance monitoring
* Regulatory filings
* Automating routine tasks

## Routine Contracts and Licenses

* Contract lifecycle management
* Playbooks and model agreement management
* Risk assessment
* Drafting and negotiation aids
* Contract analysis
* Consistency and accuracy

## Managing Outside Counsel

* Outside counsel guidelines
* Budget management
* Performance management