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AI ADOPTION SHOULD START WITH A STRATEGIC PLAN

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I was contacted recently on the PBA Law Practice Management Hotline by one of its more frequent law practice management service users. The member stated that a couple of respected colleagues were using a particular name brand AI product and were very happy with it. I was asked whether I knew anything about the product and whether it would be a good way to start using AI at his or her firm.

In previous writings concerning AI adoption, I have encouraged lawyers to start finding ways to safely and ethically start to use AI at their firms. I even suggested that a good place to start—where AI is already proven to be extremely helpful — is in back-office marketing and/or in on-going client communication updates on matters.

I realize now that after all my years of internally managing law firms, I assumed people would understand that strategic planning was a necessary component in this process. My recommendation to the hotline caller included the names of two people I felt confident could guide him or her through planning and installation. Who knows, perhaps the product they were considering might be the perfect first step. But before they took the leap, I wanted them to take a considered look.

I remember when the first server-based time and billing systems became available for law firms. Most firms I know considered due diligence completed when they called a colleague using the product (usually a call from one managing partner to another, rather than the billing manager to the billing manager) and got a thumbs up. After paying deeply for the perpetual use software license, plus implementation and training, some firms discovered nasty surprises when they found out it would not accommodate an essential need, like task-based billing, or reports by an originating attorney. Without a thorough needs assessment at the beginning of the strategic planning process, firms often adopted tools that solved another firm's problem, but not their own. Lesson learned: needs assessments, including all the intended users, are *not* optional, nor is a due diligence examination of the software.

Later, when case management and litigation support products became available, the same mistakes were made. Those rash decision mistakes were expanded when an individual partner's enthusiasm for a particular tool did not equate to firm-wide value. I encountered firms that had invested heavy dollars in software that only one attorney or one department used, and no one else would touch. I visited dozens of firms where a computer with the "special software" was on a rolling cart in a dark corner covered with cobwebs--one person's shiny new technology object, tarnishing and abandoned. Lesson learned: technology must serve firm goals, not individual preferences.

An extremely important reason why AI use requires a strategic plan is that there is most assuredly an increase in ethical and malpractice risk in the areas of confidentiality, competence, supervision, and communication. Having a strategic plan creates the guardrails for compliant use, training, and oversight. It changes a firm's position from one of reactive damage control to one of strategic damage prevention.

I think the next point is self-evident. How do you know if what you've spent your money on is a wise investment unless you know what problems you are trying to solve? Planning helps the firm avoid buying tools that are impressive but irrelevant to the goal. It helps define measurements of success. For example, are you trying to reduce nonbillable administrative time? Improve turnaround speed? Standardize your work product? Improve staff retention? Improve client communications? In all these examples, AI can change how work is assigned, reviewed, billed, and supervised. Strategic planning allows firms to redesign processes intentionally rather than disrupt them accidentally.

Our previous painful lessons in adopting new technology tell us that training and uniform adoption don't just "happen" because we buy new tech. Lawyers and staff need guidance on when and how to use AI. Strategic planning incorporates training, policies and, most importantly, accountability.

Another painful lesson learned in the past is that a firm should always consult with its most significant clients about their desires and expectations before investing in the next shiny object. Strategic planning should include thoughtful discussions enabling the firm to align any client-facing AI use with client expectations regarding efficiency, disclosure, communication and billing practices.

AI should not be treated as a novelty or an individual productivity hack. In a law firm, AI adoption is like any other major operational decision. It's far closer to decisions about practice management systems, document management platforms, billing models or employment arrangements than it is to downloading a new app.

When firms approach AI casually — because "everyone is talking about it," or because a particular attorney is enthusiastic or because a colleague is successfully using it — they risk inconsistent use, ethical missteps, unmanaged costs and exposure to malpractice or disciplinary issues. By contrast, firms that treat AI as a strategic operational decision are better positioned to harness its benefits while meeting their professional responsibilities.

Remember, AI implementation does not change a lawyer's ethical duties. It requires firms to be more intentional about how those duties are met. Treating AI implementation as a major operational decision helps ensure that efficiency gains do not come at the expense of competence, confidentiality, or supervision. Creating a strategic plan first is the essential starting point. To assist you, my next article will provide you with a checklist for creating your own AI decision-making strategic plan. Stay tuned!

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