



Alison Monahan: Welcome back to the Law School Toolbox podcast. Today, we're excited to have George Psiharis, COO at [Clio](#), here to talk with us about some legal trends from their annual [Legal Trends Report](#). Your Law School Toolbox host today is Alison Monahan, and typically, I'm with Lee Burgess. We're here to demystify the law school and early legal career experience, so that you'll be the best law student and lawyer you can be. Together, we're the co-creators of the [Law School Toolbox](#), the [Bar Exam Toolbox](#), and the career-related website [CareerDicta](#). I also run [The Girl's Guide to Law School](#). If you enjoy the show, please leave a review or rating on your favorite listening app. And if you have any questions, don't hesitate to reach out to us. You can always reach us via the [contact form](#) on LawSchoolToolBox.com, and we would love to hear from you. With that, let's get started.

Welcome back to the Law School Toolbox podcast. Today, we're excited to have George Psiharis, COO at Clio, here to talk with us about some legal trends from their annual Legal Trends Report. So welcome, George.

George Psiharis: Thanks for having me, Alison.

Alison Monahan: It's really my pleasure. Well, first off, explain to us, what is this report exactly? What type of things are you looking at, and who are you talking to in order to make it?

George Psiharis: So, the Legal Trends Report is an annual study that we publish at Clio, and this is our fifth year running of publishing an annual picture that we call the Legal Trends Report. It basically starts by realizing that we work with the largest collection of law firms and are able to provide data insights that we think are unprecedented or unlike anything folks have ever come across in the past. So we aggregate, anonymize, and publish insights from the data that is live, that our customers are working from every day and producing. So we're able to produce things like average hourly billable rates across the United States and in different states, and other really important KPIs on how law firms operate. And over the years, we've expanded that study to go from looking at this quantitative side and these, I think, first-to-market insights that are published, with a lot of qualitative research. So we began getting curious about different topics and adding studies around how lawyers are thinking about things, and also over time, how end consumers or future and prospective clients are thinking about things as they relate to some of the insights that we found. So every year those come together, and of course, 2020 being as it has been, as it was, a big influence on this year's study was the impact of COVID on the profession, on the mindsets of lawyers and clients, and we spent quite a bit of time doing that. And for the first time ever, also started publishing real-time insights in April and May and into the earlier parts of the pandemic here – to not wait for our annual study, but to get insights out there sooner that we thought could serve the profession.



Alison Monahan: Yeah, there's some really interesting stuff in here. But let's back up a minute. So, for people who aren't maybe familiar with Clio, what do you do, and how are you getting this data? Who do you work with?

George Psiharis: For sure. We are a cloud-based legal practice management platform, and we've been around for about 12 years. We work with law firms of all shapes and sizes, but especially with small to mid-sized law firms and a lot of sole practitioners. And so, these folks use a totally cloud-based or what's often called Software as a Service suite of products that we provide and manage and grow their practices. And as they do that, of course, we're able to amass trends across hundreds of thousands of users and tens of thousands of firms that go into the study. So yeah, a big part of what we do is not only providing the tools, but trying to provide the insights that are a new look at legal. And as I mentioned earlier, as far as I can tell, haven't really been available for consumption in the past.

Alison Monahan: That makes sense to me because, typically, I think law firms and legal practice has been fairly disaggregated. So it's interesting that you do have a source of data that you can look at and say, "Okay, let's figure out what we can get out of this that's interesting." And as you mentioned, obviously a lot of the report for 2020 discusses the impact of COVID-19 and the coronavirus and pandemic on the lawyers you're looking at. But one of the surprising things I found was that you didn't actually see all this impact being negative. So tell me a little bit about that.

George Psiharis: Yeah, obviously, when we set out to do our study for this year, I gave the team the challenge of, "I don't want to just report the bad news." We got that box checked as things have been going across...

Alison Monahan: Yeah, we're pretty sure there's going to be...

George Psiharis: I think the immediate insights were, of course, that there was a ton of impact on billings and on new clients, new business headed into law firms. And of course, I kind of feel like everybody would look at that and be like, "Yeah, I knew that." So what else could we look further and find? And a few things really interesting – we saw some patterns that were around mindset shifts in technology adoption that were things that we expected to probably play out in the next 10 years, happened in the course of a few months.

Alison Monahan: Right. I think a lot of people have said that in different industries.

George Psiharis: Yeah, exactly. So, patterns where clients and lawyers alike were much more likely to try connecting remotely, to not work at physical office locations, to collaborate online on all the various transactional steps that are involved in getting legal advice and having a legal matter. So, we started to look at those



things and trying to understand how things are evolving. One of the typical stories we have in previous years is that clients are often in one corner with a set of preferences, lawyers are off in another; and there's a huge gap between them. And that lawyers aren't doing a great job of meeting clients' needs or expectations. Something that was really interesting this year is that for the first time we're seeing those converge in a really, really rapid way, with COVID obviously being the stimulus that created that change. But we're seeing clients and lawyers, for example, rank the same things as being most important. In the case of the report, they found the folks both looking to get and also consult, reviews and referrals was number one priority for both clients and law firms as they sought to get legal advice. And in dead last place was having a physical office location. Those days that lawyers were looking to find the firm with the most luxurious lobby and art...

Alison Monahan: Right, the Class A.

George Psiharis: Yeah. Just for obvious reasons didn't matter, but also once they tried an alternative, mattered less and less. And so, we saw some of those innovations happen, and overall, we're seeing lawyers and clients realize that they can collaborate in a totally new way. And this is groundbreaking in that it unlocks so many possibilities. It unlocks possibilities for the lawyer experience and the practitioner: How do I set up a practice? Where can I serve clients? What are the costs that I need to pass along in my own prices to perspective and current clients? And they unlock a ton of opportunity to make the experience from the client perspective less laden with friction, which is something we reported on quite a bit over the years. Technology, like ours at Clio, is a means to an end, but it's not the end in and of itself; it's not the goals that we have. And those are what we're seeing a lot of progress on, given that people have had to experiment with using new technologies and new techniques to connect with one another. And that was a big, big piece. Overall – and we can get into this a bit further – what we found were firms that were either already positioned with technology tools and ready to adapt, and those who adopted them rather early, were the best performers. They significantly outperformed their peers, despite everything that was going on, and has continued to go on in the legal market.

Alison Monahan: Right. Yeah, no, it's super interesting. I do feel like this is a conversation that I've been having with people for a very long time. I was a programmer before I went to law school, we've been buddies with Clio for a long time. You guys actually many, many, many, many moons ago and several different lifetimes, actually sponsored some conferences that we threw. And I feel like we have been having this conversation about unmet legal needs and lawyers not doing what clients want. Do you really need that office? And there was just so much pushback on this is what lawyers do. You have to have that office space, you have to have the certain reputation. And I think now it does kind of open up this ability for people



to think in a different way and realize maybe that's not really what people are looking for.

George Psiharis: Exactly, yeah, I couldn't agree more. We're still, I think, in the early days of understanding what the long-term transformation will be, but the other really important point that jumped out to me from this year's report that I'm super excited and passionate about is that whatever we're going back to in a post-vaccine world, I think it's permanently changed. It's not actually going back to what we were doing before, but it is going to be a lot of these new behaviors and habits – not all of them perhaps. And look, there will certainly be certain categories of clients or specializations within legal practice that still need fancy offices and in-person meetings, but there's a whole other category here where we're not going back to the way it was before. And it will be interesting to see these new behaviors and habits stay with us.

Alison Monahan: Right, no, I think that's absolutely right. Well, let's dig into this a little bit more. So, the first section here kind of starts with what you said – the most obvious outcome of this pandemic situation, at least initially, is things were not so great immediately. Tell me a little bit about that.

George Psiharis: Yeah. So we started monitoring overall new matter creation in Clio Manager – our flagship software program, which is a proxy for new business. So, how much intake is happening on a weekly basis? Similar to how we just see the rest of the economy in this either V-shape or eventually U-shape recovery, if everybody remembers, a lot of talk about what that was going to look like at the beginning of the pandemic. We saw a very similar pattern in legal. So, new matter intake got hit right away in some practice areas, especially transactional work. So if we think about things like traffic offenses, criminal defense, personal injury – these took as much as a 70% hit by week versus previous periods. So imagine new business dropping by as much as 40% to 70% in some practice areas. And we also saw the locations initially hit the hardest with COVID take the hardest hit in terms of overall, regardless of practice area volume, new matters. And then as soon as intake started going down, we saw this lagging impact of people got by collecting on and doing work that they had, but billing certainly took a nose dive shortly after that, and yeah, overall on a week-by-week basis dropped by as much as 30% to 40%, depending on the location. So that was the surprising bad news side. And what we started observing early, where I switched to telling the team like, "Okay, somewhere in here, we're going to have to find some insights that power the profession and observe what's going on and what is working versus what's not", despite the fact that the immediate impacts were obvious and felt across the board.

Alison Monahan: Right. And did you see these things recovering over the course of the year? How rapidly, if at all, were people getting back to where they were before all of this happened?



- George Psiharis: Yes. We continued tracking this, and by the time we got to September, October, I'd say in most places, we were almost, but not quite back to matter intake volumes that we had seen in previous periods. But also in most years, we tend to see year-over-year growth in the amount of business flowing through, because our customer base, of course, grows quite a bit year-over-year. But also, the business that our customers are doing grows, and there's been none of that; it stayed in the negative. It kind of rebounded somewhat, but not quite back to where we were before, and certainly behind track in terms of our typical pattern, which is seeing year-over-year growth in business for law firms.
- Alison Monahan: Yeah. I feel like most people, if they were flat this year, can count that as a win.
- George Psiharis: Exactly, that's it. Getting back to even is definitely a win, yeah.
- Alison Monahan: Yeah, I'm not going to complain about that. Alright, and where are we now? You mentioned you're doing this not necessarily in real time, but with updates. What are you seeing as we close out the year? And where can people find this, by the way, anyway?
- George Psiharis: Yeah, great callout. So, there are two resources to check out – one is our COVID impact that we're publishing these regular briefings and interviewing periods as they wrap up. So, that'd be at our website clio.com/resources/legal-trends/COVID-impact. You could probably just google "Clio COVID impact".
- Alison Monahan: Yeah, we'll link to it in the show notes too.
- George Psiharis: Perfect. And it's really useful in that you can kind of sort the data and check out either your practice area or your geography and get closer to it that way. And then also, of course, we have our Legal Trends Report itself, which is available at clio.com/LTR – that's our abbreviation for Legal Trends Report. Both available for free and something anyone can check out any time.
- Alison Monahan: Great. Yeah, it's super interesting data, actually. I was geeking out on it. Alright, well, let's switch gears a little bit, move into the second section of this report, which is where you talk about the gains. So, as you said, this is not all complete disaster across the board. What type of mitigation strategies did you see being successful this year in dealing with this crisis?
- George Psiharis: A really, really fascinating area where we dove in and tried to find where did we see elevated performance and what usage patterns were correlating with that performance? And came up with some really interesting observations. So, there were three areas in the use of technologies that we consider to be both cloud-based but also client-facing or client-centered, where we saw pretty notable differences in how people performed. And importantly, we saw the differences



accelerate over the course of the pandemic as well, or the gap, if you will, between folks using these technologies and those not, kind of widened as we've gotten deeper and deeper into this. So, those three things were folks accepting online payments. That seems obvious, and I think for the non-legal audience out there it's like, "What do you mean? Is that optional?" But I'll clarify that the majority of law firms still do not process payments online, so credit cards or ACH. So a lot of check-writing and different ways of doing things in legal. So don't take that for granted as an innovation. So, online payments being a really important piece. A second was using an intake or a CRM tool. For those not familiar, CRM stands for customer relationship management. So when you get new inquires, whether off your website or in other forums, you use a formal system to work those, to respond, and to manage them into new business. And then finally, client collaboration portals or systems that you can share, let's say, documents or messages and tasks on a web interface with your clients, versus needing to send everything by email or correspond only by phone or in-person. If you think about it, those three things all individually had performance gains where people who were using them outperformed their peers, despite, obviously, the whole industry taking a new business beating, so to speak. What was particularly interesting was when you use all of these three things together, you have what we call "aggregation of marginal gains". To put a fine point on it, firms that were deploying all three of these technologies, as we've gotten deeper and deeper into things, are projecting to finish 2020 collecting 40% more revenue per lawyer than their peers.

Alison Monahan: Wow, that's a lot.

George Psiharis: It's a lot. And especially going back to a year where just scrapping back to zero and not losing any business total is a win. It's a lot, plus. It's even more pronounced. I think in the past, we've often talked about, or lawyers have often thought about adopting technology for practices as something that's aspirational or even in the "nice to have" category. But with a result like that and with this evolution, rapid evolution in consumer perspectives, it just seems like a complete game-changer, but also a must-have. And that was the big takeaway from us in terms of what's working better than not, despite everything that's rolling around us.

Alison Monahan: Yeah. After listening to this and having run a completely virtual online business for quite a while now, I'm sitting here thinking, "Seriously, people don't do this?" Why do you think lawyers weren't using some of these things or weren't doing some of these things previously?

George Psiharis: You know, it's a fascinating area of study, and I think where it can get frustrating to the audience is where we make it all sound so easy and obvious. The biggest thing is that change is hard, and what most folks can forget is that 50% of people practicing law are solos. In any other industry, they'd be known as



freelancers. Lawyers don't think of themselves as freelancers, but there's a pretty strong parallel there. And so, finding the opportunity to change or to think about your practice as a client experience, and frankly, even as a business, is really, really hard. It's a profession that pulls you in a lot of different directions, there's a huge human component to it. It seems to me that the biggest challenge is setting aside the capacity, the bandwidth to do this, but also... Okay, yeah, change is hard, and setting aside the opportunity or the capacity to do it is difficult. Separately, it can also seem overwhelming. There's the little bit of this "dot, dot, dot profit" thing happening in lawyer's heads where we start with where we are today, we look at this universe where you have a great client experience and you've deployed all these solutions, and the path to getting there can seem a little bit overwhelming, I think, for most. And that's our job at Clio, is to try to make that as clear, achievable, or perhaps even rewarding as possible. But the biggest thing I think that's often an impediment is needing to break that down into really small chunks and changing one thing at a time, and not trying to do it all in one go. And I find that lawyers often procrastinate getting to this stuff. And what we've seen interestingly in the pandemic is switching to it out of necessity and client perspectives, client demands, needs, pulling us in that direction as well.

Alison Monahan: No, that makes sense. I definitely think this stuff can be very intimidating. And frankly, I was a programmer, I also have a design background, but a lot of it's really not easy. So, I think having some sort of tool that can kind of walk people through that is super valuable, because then hopefully they don't have to do the thinking of, "How do I make this client portal work?" It just sort of works, and they can sign up for it.

George Psiharis: Exactly.

Alison Monahan: Alright, let's talk a little bit about clients. What did you find that they are looking for? And do you find that their lawyers are giving it to them right now?

George Psiharis: Super important area, yes. I think, honestly, the part that makes most lawyers I get to work with and chat with bristle a little bit is hearing some of the hard truths from the client side. To put that into perspective, in last year's Legal Trends Report, we did inquiries with about 1,000 law firms and found that 60% of what could be considered qualified inquiries went unresponded to at all, which in any other business would be really...

Alison Monahan: Wow, that's kind of crazy.

George Psiharis: Let's just say a place ripe for disruption.

Alison Monahan: Yeah, you might have some easy gains there, maybe.



George Psiharis: Yeah. That's it, right? Before getting into some of the specifics from this year, I feel compelled to emphasize, this is not the kind of super complex rocket science version of client experience. I think we have some very clear and low-hanging fruit places to start, where if firms take upon themselves to do better in a few of these areas, they'll really start to outperform their peers. Anyhow, with that in mind, getting into this year and what we found. So, we did a survey of about 2,000 respondents, and this was a mix of folks who were both people who had retained a lawyer and had become a client, but also folks who may have thought of that and were perhaps aware or unaware of the fact that they may have had a potential legal matter. So, how would you think about finding a law firm and what are some of the preferences you'd have in what you'd look for? Overall, the biggest changes we saw were that clients' perspectives on technology had come a long way, so being able to meet by Zoom, needing to pay electronically, needing to have clarity in how the process was going to work and how the law firm would serve them, were really, really front and center. And things that we tend to find, or actually even backing up a step, cost uncertainty was definitely big and a big part of what your clients are thinking about. But before getting straight to that, some of the things were more obvious. My favorite stat, I think, or I guess my most pronounced stat I can provide is that early on in the pandemic, around 33% of clients reported that they would have thought that law firms were closed for business. Only 2% of law firms in turn reported that they were actually closed and not accepting new business or working with clients at that time.

Alison Monahan: That is very interesting.

George Psiharis: So, kind of got us thinking of what to get curious about and dig into further in this pattern, and so what we saw were – I mentioned this earlier – the usual story is client expectations off in one side, law firm expectations off in the other. We saw client expectations and lawyer expectations largely harmonized, aligned, but clients' awareness of that not being super high. Not meaning that they would prefer that their law firms adopt technology, but if asked, "Do you think they have?", the answers were overwhelmingly "No", whereas on the law firm side, the answers were typically, "Yes, we have", with over 80% of firm survey saying that they've switched to doing virtual meetings and can support Zoom consultations, for example. So, it's kind of like their heads are now in the same place out of necessity, but we're finding that clients' expectations of firms aren't quite there, perhaps conditioned by what they've experienced in the past and the way it usually has worked.

Alison Monahan: Right, that is interesting. Thinking about it now, if I think about lawyers we've worked with in the past, who frankly weren't particularly technologically advanced most of the time, I would have no idea what they're doing now.

George Psiharis: Exactly.



Alison Monahan: Alright. And now that we kind of know we actually are sort of on the same page here, what is the vision? Not surprisingly, I guess Clio sees this as cloud-based and a lot of technological solutions. Talk to me a little bit more about this.

George Psiharis: Yeah, very important place. I think the most fun part of my job is doing some future gazing and trying to predict the future. And then of course, perhaps eventually playing that back and seeing where we were right and where we were wrong. But I think this is an important inflection point and even evolutionary point in legal practice, and we see the future as being cloud-based, we see it as being also client-centered in that the experiences clients have are going to do a lot to dictate how likely they are to refer and recommend new business and to provide referrals for law firms. This is the top thing that most clients out there are consulting and deciding who they're going to do business with and who can serve them. I think that what we're going to see is a switch from operating with a digitally-powered or a cloud-based experience, going from being kind of different and a differentiator, to kind of being the baseline. We're going to see clients of all generations and ages having now gone through experiencing a totally remote experience, and while they might not stick to doing that for everything, they are going to switch to wanting to do that for the majority of their experience and transactions with a law firm. And I'll tell you what I mean by that.

So, combining research from previous years and this year's report, we found that there were two key moments in the life cycle of a client experience or a case where clients really, really wanted to talk to a person. Those were right at the beginning, where they were explaining the facts and details of the situation – so the part where you want to pour your heart out and say what happened and make sure the other person understands what you're going through. The second key piece was when they're learning about the legal details of their situation. So, they don't want to be talked down to; they want to have a thorough explanation of, "Okay, here's how this is going to work", the legal facts of their case and their situation, whatever it might be. But for all the kind of touchpoints in between, there wasn't a huge preference for doing this in person or needing to meet or frankly going through really disruptive synchronous communication. So, even being on the phone at the same time interrupts whatever work that you're doing. We see this future where in combining making the lawyer experience better and making the client experience better, we switch to having those synchronous communications and those really, really important moments, those moments that matter. And then we rely on technology to make as much of the rest of it simple and frictionless wherever possible.

And those are things like from a lawyer perspective, hitting a button to generate bills, sending a link where people can pay electronically and letting the rest take



care of itself. Client will pick up on that, and what we found is when you do that, you tend to get as many as 40% of your bills payed on the same day. And this is in a world where I talked to lots of law firms that six and 12 months out are still struggling to collect on their receivables that are outstanding. There are other examples of that using things like mobile platforms to connect with and provide updates for cases and tell clients, "Hey, you're going to see updates streaming here, but in the meantime, if you don't hear from me in two weeks, that's okay. Don't freak out and start calling the office, don't start calling the firm, this is totally expected. But also, you have a place where you can go check to see if any updates have come up in your case." We can go on about that in more detail for a while, but it's kind of the vision that was once, I think, a little bit further in the future, that's been pushed way further ahead in terms of where we think things are headed.

Alison Monahan: Interesting. Yeah, that is very interesting. I know lawyers previously had expressed a lot of fears about having their data in the cloud, and even certain bar associations, I think, had gotten involved in some of this stuff. Have these objections lessened now?

George Psiharis: They've certainly lessened. It's interesting. We did a lot of work around 2010 to 2012 at Clio, working with state-level bar associations to be a partner in crafting clarity around ethics rules that lawyers are of course bound by, both at the ABA level and the model rules of professional conduct, but also at the state level as various states publish guidance on cloud security and ethics. We've obviously been an input to those and stayed close to what's developing there. Really, the main ask is always, of course, to guarantee a reasonable expectation of privacy. And for a while now, cloud technologies have been able to provide that far more than offline methods, if we think about keeping stuff in a filing cabinet in your office, sending something by post.

Alison Monahan: Sending a fax.

George Psiharis: Sending a fax. These things are way more prone to violating a reasonable expectation of privacy than most cloud communication methods. But there's been this, I think, fear that can be on the minds of some when the guidance isn't clear, but also their job isn't to know how the Internet and cloud-based technology works; their job is to find vendors they can trust who are aware of their needs and focus on doing their actual jobs. And so, as folks experience and encounter this and learn to trust it more, I think we're seeing a huge shift. And frankly, back to the client expectations also, to staying ahead of those and staying competitive – we're seeing rapid shifts in that, especially in 2020, but certainly in the last few years, for sure.

Alison Monahan: No, I think that's a great point about outsourcing to a trusted vendor. I don't want to hold credit card information; let's let someone else do that. They have



teams of people who deal with security. I don't need to have this in my personal server; that seems very bad. Alright, well, let's shift gears a little bit before we wrap up. You talk a little bit in this report about access to justice issues, which is a perpetual problem conversation in the legal profession. Tell me what this is and how you see these shifts possibly helping with solutions here.

George Psiharis:

It's such an important area and for sure one that we are deeply passionate about, and that both directly and indirectly comes out of the studies that we do, or at least our opinions and perspectives on them come out of the studies that we do. But at a high level, we're all very aware of that, and I think a recent [World Justice Project](#) study did a great job of this, articulating that around 77% of legal matters go without receiving legal advice. There's a variety of reasons for that, and the most common one that comes to mind is cost. We immediately think about the fact that that cost availability fit isn't there. And there are a lot of organizations that do absolutely amazing work in the pro bono and legal aid areas to do their best to address this problem, but there's only so much they can do. So as we've studied this a bit more closely, our perspective, and certainly mine, is one that we're seeing a bit of what you might consider a product-market fit issue. Using the technology lens that we have at Clio and looking at the world from a tech perspective, what you'd see here is that not all of the demand that is going unserved is only blocked by cost. And even then, it's not kind of binary from paying full price to going all the way to pro bono. There's this in-between, which is both an unserved market, but also a tremendous opportunity. The trick being that it's not going to be served in the same way that we've been doing things. Switching to virtual models is a great example, where you can both make the process less effort on behalf of the client, but also pass along some cost savings perhaps for single A, double A, triple A office space that you might have otherwise been paying for to make your cost and services more accessible while not really impacting your bottom line as a lawyer.

So, those are the early traces of a transformation I think we can see taking place. The affordability issue as we see it is always going to be strong. To put that in perspective, a federal study found that most of Americans – and this was in 2018, I believe – can't afford an unexpected \$400 expense. Our study finds that the average hourly rate for a lawyer is across the board, typically somewhere in the range of \$200-250 an hour with many folks being quite a bit higher than that, depending on the area. How many legal matters can get resolved in an hour and a half? Not many.

Alison Monahan:

Not many. Really not.

George Psiharis:

So, I don't expect that that \$400 number has gotten any better, as folks have been impacted by...

Alison Monahan:

Probably not.



- George Psiharis: Probably... I don't have hard facts, but hunch on this one is, not getting any better. And so, even if you are aware of the fact that you have a legal problem that could be addressed with the advice of a lawyer, you're going to look at that and think it's a non-starter. And so, our job here, I think our opportunity here is to find the product market fit that exists in between and to build more flexible solutions. And that's not just about lawyers dropping their prices or committing to making less money overall; it's about changing the pricing and the packaging, in my opinion. The packaging, in particular of how we put these legal services offerings in front of consumers, has a long way to go in unpacking this opportunity. Of course, not everyone's going to focus on that space; there'll be lots of folks who do incredible work and do really well, outperforming their peers and continuing working in that 22-23% of legal matters that are currently getting serviced. I just think that the next revolution here is what's going on in the middle, so to speak. And I think that unpacking that will make the product market fit issue lessen, and in doing so, we'll have a transformative impact on access to justice. I think there's some really incredible innovative opportunities in places where technology is going to play a really, really big role, automating, making things simpler. I think a lot of lawyers have a fear that robots will replace them in giving legal advice. And all the research I've done points to more so it will replace a lot of the mundane stuff. We might not be in a world where we're charging by the hour for making photocopies. Machines and technology can take care of that, but the human interactions and providing guidance and advice with empathy is going to remain quite strong, but will not look the same as what it has before.
- Alison Monahan: Right. And someone else has to tell the robots what to do; that was always my philosophy.
- George Psiharis: That's it.
- Alison Monahan: I'd rather be the one telling them what to do, and these are not kind of new ideas either.
- George Psiharis: No.
- Alison Monahan: Even in law school, I did a clinic about lawyering in the digital age. The project was for the housing court in New York City, and we worked with the key judge there who said people are coming in who are being evicted, and they don't have attorneys. Let's figure out a way to give them these questions and let them tell us their defenses in a way that a judge can understand. And it was a really interesting project.
- George Psiharis: Yeah, exactly. And something that I've been focusing on legal for the last 10 years at Clio on my end as well. And this thought has always kind of swirled



around us, and it's been very interesting seeing the events of 2020 both apply some pressure, but also trigger some clarity in terms of where things might land in a more rapid pace than we expected, for sure.

Alison Monahan: I think that is definitely fair to say. Alright, well, before we wrap up, let's talk a little bit about this final section of the report, which you kind of alluded to, which is about a better normal. What is this about? Do we just mean lawyers are never going to have to go back to the office? What are we talking about here?

George Psiharis: That's a great callout. And I think it'll vary. There will be some lawyers who never go back into the office, who've decided that this is their better normal. But the overall thesis to the section here is that we're not going back to the way things were before, across the board. There'll be lots of stuff that stays changed and that the opportunity to innovate and make our new normal better than it was before is strong. So, a few stats that jump out and are detailed in the report: 76% of legal professionals believe that legal services can be streamlined when conducted virtually. I think that comes in significantly higher than it would have been prior to their experiences in the pandemic and working remotely. 30% of firms with 10 or fewer lawyers are currently operating without commercial office space at all, which again, I think is at a record high and not likely to walk all the way back, and if anything will continue to climb up. And even for firms with 10 lawyers or more, we're finding about 15% of them saying they're operating without commercial office space. So this isn't just like we've closed office and are working from home. This is we didn't renew our lease, we do not have a commercial office space or a current plan to...

Alison Monahan: We've gone cold turkey.

George Psiharis: Yeah, gone cold turkey, which is fascinating. Prior to this pandemic, I think there's no chance we would walk up to firms and have 15% of them say, "Oh yeah, 10 or more lawyers, we're going to cut cold turkey and not have an office space and try this experiment."

Alison Monahan: In one year.

George Psiharis: In one month, where we don't work together in the same space. Like, no way. And so, yeah, building on that on the consumer side, we've got 37% of them saying they'd prefer to meet virtually with a lawyer for their first consultation or meeting, and 50% would rather conduct follow-up meetings through a video conference. Even more are saying that they'd prefer a video conference over a phone call, which is interesting. And the majority of consumers saying they'd prefer to pay using electronic forms of payment and credit cards, etcetera, with about 65% saying that was a strong preference on their part. And so, as these things come together and we check out what the future can look like in keeping



some of these habits and ways of interacting with one another in the client journey, I think that they start to define this better normal, and they start to create the platform for lawyers to adapt and do things differently and to finally find those moments to interrupt the status quo, to set aside the time, but to also think deeply about how they'd like to position themselves in this new world. And I'm really excited by that and certainly really excited to see us at Clío do our part to try to make all that stuff easy and clear, or as easy as we can.

Alison Monahan: Right. I think a lot of it is what people want to be spending their time on. For me, I think as a programmer, so I'm always trying to automate things that no one wants to do. And when we do that, it's amazing, because suddenly there's a system that just runs it in the background and no one has to do this thing anymore.

George Psiharis: Absolutely.

Alison Monahan: And it still gets done. It's great.

George Psiharis: Something that fascinates me too is if I reflect back on these five years of publishing these studies and 10 years of working with firms, there's often this perception that what makes things better for the client is almost like a zero sum game. It needs to come at the expense of what's good for the lawyer, whether it's in terms of price and cost, like if I lower my prices, I make less money. Well, not necessarily, right? There are different ways of doing that. And so, I'd love to see this mindset – what you might refer to as a growth mindset – be a little bit more embraced, where we look at the opportunity and realize when we do stuff like exactly the example you gave, Alison – it's not only about making it easier for the client, which is super important and the central focus; it really does make things better for the lawyer and the law firm, the other legal professionals too. And that's it. If I'd pick one thing to really summarize the building better normal and the opportunity ahead of us is, there should be a Venn diagram of overlap over those things, and one doesn't come at the expense of the other.

Alison Monahan: Well, I think that's a great point to wrap up on because I think we're actually over time. Remind people if they want to find out more about Clío or get a copy of this report, how can they do that?

George Psiharis: Absolutely. So feel free to check us out at [Clío.com](https://clio.com) for a copy of the report.

Alison Monahan: How do you spell that?

George Psiharis: [Clío.com/LTR](https://clio.com/LTR), which stands for Legal Trends Report. And you can check out deep dives and all of the insights we've talked about, and also can navigate to the specific stuff on [impact of COVID](#) that we've been publishing over 2020.



Alison Monahan: Nice. I'll just note Clio is with an I, C-L-I-O, just in case. Alright, with that, unfortunately, we are out of time. Thank you so much for joining us. It's been a great conversation.

George Psiharis: Thank you so much for having me, this has been great.

Alison Monahan: My pleasure. If you enjoyed this episode of the Law School Toolbox podcast, please take a second to leave a review or rating on your favorite listening app. We would really appreciate it. And be sure to subscribe so you don't miss anything. If you have any questions or comments, please don't hesitate to reach out to Lee or Alison at lee@lawschooltoolbox.com or alison@lawschooltoolbox.com. Or you can always contact us via our website [contact form](https://www.lawschooltoolbox.com/contact-form) at LawSchoolToolbox.com. Thanks for listening, and we'll talk soon!

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