

The Law Society's Colloquium on **'The Role of Lawyers in the Age of Disruption: Emerging Regulatory Challenges'** will be held on 19 May 2020, bringing together legal practitioners, emerging scholars, industry experts and students to contribute to developing thought leadership on topics relating to the ethical and regulatory challenges arising from technology's impact on the legal profession.

In the next few weeks leading up to the Colloquium, the Legal Research & Development department will be bringing you an exclusive series of quick chats and interviews featuring some of our panellists, who will share their perspectives on the topics they will be speaking about at the Colloquium.

A PRIMER ON ALTERNATIVE LEGAL SERVICE PROVIDERS

*In this second edition of **Future Lawyer Bytes**, Nisha Francine Rajoo, Senior Executive Officer with the Legal Research & Development department at the Law Society of Singapore, presents a quick primer on alternative legal service providers (ALSPs). ALSPs, which have emerged in recent years as new players in the legal profession, have brought about a rethinking of the traditional legal service delivery model, by leveraging technology to offer efficient, easier access to, and more cost-effective legal assistance and solutions to consumers. However, ALSPs also present new regulatory challenges that have yet to be adequately addressed or even considered. Nisha will be a panellist for the session on 'Alternative Legal Service Providers – To Regulate or Not to Regulate?', which will consider new approaches to addressing the opportunities as well as challenges presented by ALSPs, while ensuring that the core values of the legal profession are upheld.*

What is an Alternative Legal Service Provider (ALSP)?

An alternative legal service provider typically refers to niche entities or companies that perform tasks traditionally undertaken by law firms (i.e. document review, legal research, litigation and investigative support, and legal advice), often through the use of technology and project management processes outside of a traditional law firm structure.

What are the main types of ALSPs that are currently in the market?

A 2019 report by the Thomson Reuters Legal Executive Institute and other partners ("the 2019 Report"), which surveyed corporate legal departments and law firms in Australia, Canada, the United Kingdom and the United States, identified 5 main types of ALSPs:

- **Captive Legal Process Outsourcers (LPOs):** these refer to captive legal services units wholly owned by law firms, for example, Allen & Overy and Clifford Chance;
- **'Big Four' professional services firms:** these refer to the largest accounting and audit firms which derive a large amount of revenue from legal services, namely Deloitte, Ernst & Young, KPMG and PricewaterhouseCoopers;
- **Independent LPOs:** these are service providers that perform legal work for corporate legal departments or law firms, typically on project-based engagements, and include small legal technology start-ups;
- **Managed services providers:** these typically support the functions of in-house legal teams for ongoing work; and
- **Contract and staffing services:** these provide lawyers on a temporary basis to companies or law firms, and can even be hired by individual clients on a project basis. Examples of such service providers include Axiom and Lawyers on Demand (LOD).

“THE EMERGENCE OF ALTERNATIVE LEGAL SERVICE PROVIDERS HAS BROUGHT ABOUT A RETHINKING OF THE TRADITIONAL LEGAL SERVICE DELIVERY MODEL”

Who are the main users of ALSPs?

In jurisdictions such as Australia, Canada, the United Kingdom and the United States, ALSPs serve a diverse consumer base, ranging from individual clients to corporate organisations.

An increasing number of law firms utilise the services offered by ALSPs as a form of sub-contracting, to allow the firms to focus on less mundane tasks, save on legal costs, and provide better service to their clients. Law firms are also able to leverage the technology-enabled services offered by ALSPs for more complex, high-value tasks.

In-house corporate legal departments are also turning to ALSPs to outsource a number of legal activities, including: contract life-cycle management; legal entity management and compliance; document review; due diligence; litigation and investigation support; and regulatory response work.

What are some of the key tasks that ALSPs are engaged to perform?

While ALSPs perform many of the tasks traditionally done by law firms, and many law firms and organisations use ALSPs for a diverse range of tasks, the 2019 Report identified the following as the top five tasks that ALSPs are utilised to perform:

- Litigation and investigation support;
- Legal research services;
- Regulatory risk and compliance;
- Document review and coding; and
- Electronic discovery.

Is Singapore studying the impact of ALSPs on the legal profession?

In his address at the Opening of the Legal Year 2020, the Honourable Chief Justice Sundaresh Menon highlighted that the Ministry of Law has been studying the complex issue of regulating ALSPs. He observed that the emergence of ALSPs “will result in a marketplace that is more crowded, competitive, diverse and commercialised”.¹

Note: The Colloquium will be conducted as a live webinar on 19 May 2020 from 9am to 4.30pm. Visit <https://bit.ly/3aYB85e> for more information, including programme details and how to register for the event.

1. [https://www.supremecourt.gov.sg/docs/default-source/module_document/speech/oly-2020---speech-by-cj-\(checked-against-delivery\).pdf](https://www.supremecourt.gov.sg/docs/default-source/module_document/speech/oly-2020---speech-by-cj-(checked-against-delivery).pdf).