

Winning the war for risk management talent in the age of AI

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MARCH 16, 2022

Artificial Intelligence is fast becoming one of the most useful, efficient and valuable tools in a lawyer's arsenal in handling crises and/or mass casualty events, including mass shootings, wildfires, building collapses and major transportation accidents.

Figuring out the skill sets needed to transform your organization will sometimes be hit and miss, and you must be prepared for some failures before getting it right.

As a growing number of organizations throw themselves headlong into the race to fully incorporate the power of algorithms and machine learning into various aspects of risk management, it will be mission-critical for them to employ the best human talent available to fully realize the potential this disruptive technology offers. But how do you go about finding the right people to adopt a rapidly evolving technology still in its infancy?

AI staffing is a moving target

General counsel and chief legal officers will quickly realize that in trying to anticipate personnel needs in the face of the game-changing technology coming online in the next 5 or 10 years, they really are chasing a moving talent target.

In fact, in an interview for this article, legal staffing expert David Cowen of the Cowen Group defines the challenge of trying to build an AI team today as akin "to an auto garage wanting to hire all the personnel they need to repair a 2025 or 2030 model Ferrari." Since those vehicles and all the technology they will contain haven't even been designed, let alone developed, how could you know everyone you need to hire now? The same holds true for AI.

Senior managers may develop considerable professional anxiety over this question, but no issue is going to be as important. Cowen notes that as various industries increase their appetite for talent with AI skills, there will be an increased demand for the maturity curve of knowledge and experience, depending on the

sophistication of the programs and workflows that a given firm requires.

Figuring out the skill sets needed to transform your organization will sometimes be hit and miss, and you must be prepared for some failures before getting it right. As Cowen points out, NFL football didn't have special-teams specialists until the game evolved, and what was needed on the gridiron became apparent.

Likewise, Major League Baseball for many years didn't have anyone whose sole job was to pitch the middle innings of a game between the starter and the closer. But here, too, the game changed to make middle relief pitching an essential element of any competitive team.

Don't be afraid of false starts

Keep in mind that to be a trailblazer, you cannot expect to succeed more often than you fall flat. The sheer number of experiments in which Thomas Edison missed the mark before finally developing a viable electric light bulb comes to mind. When a reporter asked him, "How did it feel to fail 1,000 times?" Edison replied, "I didn't fail 1,000 times. The light bulb was an invention with 1,000 steps." The lesson here is not to give up just because the people you hire and the processes you implement don't immediately meet your goals. Getting ahead of the competition often requires persistence of vision.

The development and rollout of e-discovery technology over the past 15 years can perhaps prove instructive. A lot of firms didn't know how to staff litigation departments, Cowen recalls. Management did however have enough experience with general failure and success on various projects to know what these each looked like.

A number of firms invested a million dollars on their e-discovery projects only to end up firing their whole team and starting over. This may not have been easy to swallow, but early adapters realized the ultimate goal was worth it.

Skills versus aptitude

Skills, competency and experience can start at zero and eventually go to a 10. Aptitude on the other hand, says Cowen, is what many firms will need to screen for when they cannot find the specific skills, competency or experience they require.

Aptitude can be somewhat elusive, but in a world where timing is everything, the ability to look at an individual's background and screen for aptitude will be crucial. Incidentally, the use of AI in the Human Resources space will allow for this kind of screening in a way that was not possible before. These advancements, Cowen concludes, can convert those candidates that might have been unlikely employees in the past to be highly desirable.

Staffing versus structure

From the law firm perspective while structuring practice groups with the right skill sets is obviously important, one thing that can be overlooked is where litigation support is placed on the firm's organizational chart.

Without a story driving decision makers to take action, gathering terabytes of data is useless.

There are several options: folding support departments into practice teams; maintaining independent support teams that report directly to senior management; or even folding litigation support into the IT department to create synergies that flow from the latest technology. However, whatever approach is chosen, it will impact internal firm culture and, consequently, the ability to serve clients, positively or negatively.

Staffing options for the long term

In a discussion for this article, Steph Corey of UpLevel Ops related that in staffing for the long-term there are five options:

- Hire headcount
- Outsource everything
- Automate
- Outsource just the lesser processes
- Do nothing.

In a world fueled by AI-enabled processes, the traditional legal team of partners, associates and paralegals will be supported by a cast of characters, non-attorneys and attorneys, with the requisite technical skills. This is hardly unprecedented — trial teams often have litigation support, trial graphics experts, tech and IP support, and others. But for AI specifically — for the 2030 model Ferrari in Cowan's example — where will we find trained people capable of stepping into these roles?

Returning to the initial days of e-Discovery, Cowen recalls that when they faced a similar conundrum, law firms simply recruited their vendors' employees. To the extent things didn't work out, those people often returned to the vendors' employ — and received additional training.

Liz Lugones, also of UpLevel Ops, explains that adopting AI tech does not always require onboarding every type of technical skill — what is key is first understanding your process. In the legal

contracting space, for example, templates and playbooks were developed.

But then organizations needed to issue-spot and create alternate language to address problems that were eventually identified. In terms of staffing for AI, you may develop capacity on your team, or you can outsource. But even if you outsource, you still need in-house resources to interface with the outsourcing vendor.

Corey elaborates that the advantage to outsourcing an AI transition is that the vendors have the advantage of volume. A given in-house legal department might do 100 contracts in a given period versus the outsourcer doing 1,000 contracts, making the vendor more efficient. An outsourcing vendor can serve as the "guinea pig" during critical early development — you as the client can learn from their mistakes without absorbing the associated costs.

The key players: connectors

What is fairly clear is that perhaps the key to the entire transformation will be to find what we call "connectors." Connectors are people who can link together and translate between traditional legal staff and the AI technical/support group.

The connector will be the quarterback for the AI operation — putting together the team and directing growth and evolution of AI efforts. This will be the person who simultaneously understands the core mission of the team and is technology-oriented enough to guide the project so that the end-product actually delivers the receivables required — whether legal spend savings, better litigation outcomes or even fewer incidents leading to litigation in the first instance.

Lugones highlights that Operations can re-educate AI as needed by changing templates and how their company is using them.

In the end, though, Lugones emphasizes that it's not enough to merely develop the data — you must have someone who can use the data to tell a story. The story taken from data must then be used to drive action — using vendors in a different way to save costs, for example. Without a story driving decision makers to take action, gathering terabytes of data is useless. So, a connector must also possess this skill set.

Vetting candidates requires developed due diligence

But how should potential employers vet their potential AI hires? Cowen's advice is simple enough for anyone to take to heart: "Hire the [one] who sucks the least."

Let us contextualize that advice a bit. It's an awful lot like how a company chooses outside counsel, or expert witnesses or any other trusted business partner: You do your due diligence and ask trusted members of your network. Connectors will need to develop trusted relationships across industries to identify the people who possess the right skills and vision to build an exceptional AI team.

Don't ask your people to wear too many hats

What if you're a small company or a law firm? Are you sure you are too small for a standalone operations staff in this age of AI? Lugones observes that a standalone Ops staff used to be optional for small and midsize enterprises — someone in a managerial role

might have Ops as one of several sets of duties. But this won't work anymore — managing ever increasing amounts of data and administering tools is a full-time occupation.

This is in part because AI staffing for the future will never be one and done. As a San Franciscan, Corey uses a metaphor involving the Golden Gate Bridge to express the need for further expenditures as you go. Although the great monument is complete, it continues to require year-round maintenance with approximately 200 employees, including iron workers, electricians and painters to keep the span operational and safe.

Once they finish with one end of the bridge, they start the whole process again at the other end and repeat. Likewise, processes and tech must be continuously reevaluated and improved. Getting a team in place is just the beginning — maintaining operations needs to be someone's full-time role.

Conclusion

Winning the war for talent in the AI age is part — albeit perhaps the most important part — of a four-pronged strategy to succeed at being an early adapter in the data-driven world of the future. Some companies might be dissuaded from trying to incorporate AI at all because of costs and complexities, but as Lugones and Corey have pointed out, manually creating metrics is also time- and resource-consuming.

As Dave Cowen puts it: "Show me a firm that is investing simultaneously in people, process and technology — and isn't afraid to "fail fast" — and I will show you a firm that will emerge as a leader in this space."

Failing to invest now in the coming AI talent war is to run a serious risk of missing out on the cost savings and better performance that true AI leadership can offer. Even worse, if you don't start soon, you may never catch up, and you can be sure that your competitors will not hesitate to take advantage of your lack of initiative.

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This article was first published on Westlaw Today on March 16, 2022.