

Vol. 43 • No. 7 • July 2024

### Sustaining Quality Across Borders:

## How AI and Automation are Reshaping Document Review with Global Capability Centers

Significant transformations have emerged in the field of document review. In past decades, law firms and business entities depended on human reviewers to wade through heaps of documents pertinent to litigation, due diligence, and other projects encompassing an abundance of information. Although efficacious, this method of operation was predominantly costly, time-consuming, and prone to human error. Managing document review has evolved radically, largely as a result of automation and artificial intelligence (AI). Global Capability Centers (GCCs) are indispensable to this fascinating transformation and will contribute to this improvement continuing, leading to quicker review projects that are less subject to mistakes and are more cost effective, thus yielding greater value to clients.

#### Global Capability Centers (GCCs): The heart of Modern Business

GCCs are essentially global service centers set up by businesses and professional houses. Although these centers undertake a variety of back-office tasks, their importance has increased recently. GCCs manage IT support, legal, finance, HR administration, and data analysis, among other crucial tasks. This allows the main organization to concentrate on its primary business operations. GCCs now have access to global talent pools with specific expertise. This enables them to manage challenging jobs in fields like cybersecurity, cloud computing, and artificial intelligence.

The use of GCCs can lead to other positive impacts. Establishing GCCs in areas with cheaper operating expenses might have an important monetary effect. GCCs provide businesses greater access to a global pool of highly qualified professionals. Geographically dispersed activities help reduce risks and guarantee company continuity in the event of interruptions.

GCCs are now progressing beyond backoffice requirements. They now actively participate in strategic endeavors like innovation and product development, greatly enhancing the profitability of their parent companies.

#### The Machine Age: Artificial Intelligence streamlines Document Review

In the past, reviewing documents consumed hours upon hours of effort by many human reviewers to categorize, extract important information from, and summarize the content. More recently, AI-driven software and platforms dedicated to document review have been reshaping the paradigm. AI, by learning through its repeated work, analyzes documents with greater nuance and comprehends context better than it once did. Platforms for reviewing documents in the cloud will advance in sophistication providing AI models with characteristics like active learning capabilities, powerful analytics, and collaborative tools, which will speed up turnaround times and increase accuracy. This will liberate human reviewers to focus on in-depth analysis and quality assurance of AI-generated output.

#### GCCs: The Favorable Allies for Review Powered by Al

With broadly dispersed workforces and innovative technological infrastructure. GCCs are in a prime position to harness the use of AI in document review. GCCs can manage and shepherd AI-powered review procedures owing to their extensive pool of experts. This enables effective resource allocation by allowing the workforce to be scaled up or down in response to project demands. By tapping into a GCC, law firms and business entities can potentially save money by accessing qualified professionals and leading-edge AI technology at a lower cost than developing and maintaining an in-house solution.

#### A Symbiotic Relationship: The Strengths of AI and GCCs in Document Review

The worlds of AI and GCCs are coming together to form a potent partnership that is revolutionizing document review. This relationship is synergistic rather than just complementary; each component progresses as a result of the other's existence and capabilities.

• Efficiency on steroids: Imagine a situation in which AI performs repetitive jobs with superhuman speed and precision. It enables GCC reviewers, who serve as the analytical muscle, to concentrate on more difficult assignments that require discernment and critical thought. Document review happens much more quickly now, with turnaround times that render conventional procedures obsolete.

- Enhanced quality: Manual document inspection is inevitably rife with human error. These mistakes are reduced by AI's capacity to accurately identify documents and extract data, improving the overall caliber of reviews. Moreover, despite elaborate protocols and periodic training, individual human reviewers will almost inevitably apply disparate judgments when applying the protocols to the material reviewed. AI can apply protocols and standards with greater consistency across large document populations and datasets. GCCs contribute by offering a pool of professional reviewers who can use the pre-processing provided by AI to improve decisions regarding privilege and guarantee better quality control.
- Cost benefits that shine: Law firms and business entities can save a lot of money by automating repetitive processes and taking advantage of the labor efficiencies expenses connected with GCCs. For entities of all sizes, this makes AI-powered document review with GCCs an appealing alternative.
- Adaptable scalability: Business requirements change over time. Because of their workforces' scalability, GCCs can easily modify staffing levels to meet project demands. This flexibility also applies to the AI side of things, since the system can easily manage higher document volumes.
- Future-proof approach: AI is always evolving, offering even more advanced capabilities down the road. As leaders in the adoption of new technologies, GCCs are ideally situated to assimilate these developments with ease. This guarantees that businesses adopting this mutually beneficial strategy will always have access to the most recent and effective document review technologies in order to remain at the cutting edge of processing work.

#### Key considerations while collaborating with a GCC

Law firms and business entities may tap into GCCs' strengths to accomplish their objectives while reducing risks by carefully weighing various variables. While law firms and business entities can benefit substantially from a GCC, there are significant considerations when partnering with a GCC.

- Assessing security protocols, licenses, adherence to data privacy laws, and experience in relation to particular requirements. An internal solution or a secure cloud-based platform may be a better choice for extremely sensitive data.
- Establishing clear guidelines for communication in order to handle issues, provide regular updates, and guarantee productive teamwork.
- Putting into action a project management plan setting out duties, deadlines, roles, and a procedure for handling unanticipated issues.
- A hybrid strategy combining in-house and GCC resources may be best for extremely complex projects incorporating the strengths of oversight by those closest to the core mission and the speed and efficiency of the external partners.

#### Case Study: Streamlining Legal eDiscovery with a GCC

A multinational law firm with prime focus on intellectual property litigation faced a massive document review task for an upcoming patent infringement lawsuit. The volume of electronically stored information (ESI) was overwhelming for their in-house legal team, potentially delaying case preparation and impacting trial readiness.

The law firm decided to outsource the task to a GCC at a different geographical location with proven expertise in legal eDiscovery and document review. The access to specialized expertise and advanced technology available in the GCC gave the law firm a significant advantage in preparing the client's legal defense. The timely completion allowed the law firm to work on key litigation strategies and achieve a favorable outcome in the lawsuit.

#### The Evolving Regulatory Landscape

GCCs are engaging in more than just reducing costs. By tackling more complex projects, they will concentrate on providing strategic value. These centers will transform into "digital twins" of the organization's main office, replicating features and promoting smooth international cooperation instantly. The centers could shift to managed service models from solely hourly-based invoicing. Under this concept, these centers would provide clients with a more efficient and predictable experience by taking full responsibility for the specialized service requirements.

Whilst AI is great at processing massive datasets and finding patterns, it has been known for having trouble with the subtleties and intricacies that frequently appear in contracts, legal documents, and sensitive data. In order to negotiate these ambiguities and guarantee proper interpretations, human reviewers offer judgment and critical thought. Human reviewers contribute analytical thinking, specialized knowledge, and complexity-handling skills that AI does not yet possess. By embracing collaboration between humans and AI, the document review process can be more efficient, accurate, and future-proof.

Over the course of the past few years, companies and law firms have come to prefer using GCCs over internal setup for projects needing a specialized skill set. As requirements for legal research, eDiscovery, contract management, and other allied functions increase in complexity and the significance of technology in these processes grows, GCCs

are poised to become ever more sophisticated and integrated with core operations. More importantly, document review services will probably account for a portion of the increase in the GCC market. Businesses looking for document review efficiency and knowledge are well-positioned to take advantage of GCCs. Document review is a perfect fit for this extended service portfolio because it is a standardized, process-driven task. There is a clear upward trend indicated by the growing market size, the number of centers, and the increased company engagement. New services are being added to the diverse offerings of many GCCs. Although precise figures may be difficult to come by, the overwhelming body of data indicates that document reviews in the GCCs are probably expanding in tandem with the general growth of the GCC market.

Integration of GCCs into the delivery system of law firms and corporate law departments can add significant value to the corporate client. Thoughtful and planned incorporation of them can maximize that value yield.

# - Steven A. Lauer, with the assistance of the SKJ Juris team

Steven A. Lauer assists corporate counsel in delivering maximum value to their clients. As United States Representative and Value Consultant for SKJ Juris, Inc., he provides clients with value-oriented services for their legal needs, such as document review and production and lease abstraction. He has written four books on the value of legal service. Reach him at slauer@carolina.rr.com.

Copyright © 2024 CCH Incorporated. All Rights Reserved. Reprinted from *Of Counsel*, July 2024, Volume 43, Number 7, pages 5–8, with permission from Wolters Kluwer, New York, NY, 1-800-638-8437, www.WoltersKluwerLR.com

