

conditions, its timely repair and maintenance; creation of leasing divisions and subsidiaries with engineering plants; the development of real estate market and prices fall on it – the creation of companies in the real estate leasing; the use of leasing in the compensation conditions for the processing of domestic raw materials.

As the market of leasing services in Ukraine is at a very early stage of its development, the regulatory framework governing leasing operations requires changes and bug fixes. Creating an enabling legal environment allows you to use this effective tool for investment will create for the development of the leasing business in Ukraine appropriate incentives. Ukrainian businessman should properly assess the nature of the lease and all the advantages of this form of lending, which opens great opportunities to upgrade the material and technical base of production and successful business development in general.

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## **INFORMATION TECHNOLOGIES IN LEGAL BUSINESS**

The global trend of recent years in the legal business is phasing out the concept of elitism of legal services and focus on the needs and requirements of the market. This requires changing ways of working and learning new technologies, including information technologies. They are implemented not only for more efficient organization of traditional legal business, but also are used to create fundamentally new products and technologies.

Changes in the legal business organization are determined, first of all, by the significant technological breakthrough (the appearance of clouds, mobile Internet, Internet of things technology, etc.). Today Ukrainian law firms are active in the optimization of business processes, strengthen data protection and master the cloud computing. In addition, those firms which change the way communication with customers, implement solutions to do the work more quickly, easily and cheaply are given the competitive advantage. According to experts, modern law firm must have in its IT-arsenal the following components:

- document management system;
- customer relationship management (CRM) with functionality that includes:
  - a) maintaining a database of contacts (customers, existing and potential partners,

suppliers, judges, legal associations, journalists, colleagues, etc.); b) registration of interaction with customers; c) project management; d) settlements with customers; e) marketing communications (e-mailing, PR, advertising, SMM (social media marketing), conducting and participating in various professional events, etc.);

- billing system which takes into account many scripts of charging, different systems of discounts, foreign exchange options and recalculations, different versions and standards of training, account reconciliation with taking into account the peculiarities of customer contracts and projects;

- management accounting system;

- software and hardware protection against unauthorized leaks of information;

- systems of virtualization;

- cloud computing. Its main advantages are lower costs for implementation and maintenance of server infrastructure and optimum utilization of server capacity, the ability to protect customer information. Therefore, even in conservative and focused on the information storage legal business remote server becomes an acceptable option. The main thing is to choose the disposition of server and check the reliability of the supplier of cloud computing services.

- storage and reservation information technologies (for example, Enterprise Resource Planning (ERP) that accumulates the knowledge of the company, keeps them securely and provides safe secure access to them);

- legal database and the latest information and analytical systems to automatically receive the latest information about subjects of law, their “procedural presence” in the trial, to detect affiliates, check tax information and issued licenses, to verify the credentials of officials, to analyse the financial condition of companies, to implement automated risk monitoring and so on.

The complexity or simplicity of IT infrastructure and IT solutions in law firms is determined by their size primarily. For small firms (5–10 employees) the basic set of simple software and hardware is enough. In medium-sized companies (10–30 employees) virtualization technologies (free versions of commercial or opensource), billing systems, corporate antivirus software and reliable equipment are usually used. Large firms, with many employees and various data, are forced to use more advanced IT technologies – systems for data consolidation, complex and multi-functional billing systems combined with CRM, specialized equipment for data storage, encryption and transmission.

Another area of using of IT in legal business is creating own technology products. One of the most discussed innovations is the creation of robot ROSS, artificial intelligence from the company IBM, which effectively does the job of junior lawyers. The US law firm Baker & Hostetler became its first employer last year. In rating Innovative Lawyers Awards-2015 the Financial Times noted interactive

platform iG360 as an standout product and named Baker & McKenzie among the top 10 most innovative law firms in North America. iG360 allows to determine which customer information is collected, where it is stored, processed, transferred; establish regulatory requirements which the customer must comply in each jurisdiction, and receive prompt notification regarding changes in legislation in some jurisdictions, new risks and necessary actions.

Despite its inertia Ukrainian legal business has to create new products with new technological approaches for pricing and marketing and sales techniques. Instead personal meetings, which are surrounded by luxury accessories, it's time to fast and technology solutions and services 24/7. One of such examples is online system for customer Aequo Hub implemented law firm Aequo. Its functionality includes the ability to store data of client projects, manage complex project of due diligence, rapid and secure exchange of information and multifunctional module Q&A, detailed reports, advanced access rights management system.

Law firm Juscutum released Ukraine's first mobile application in the field of legal services – Juscutum Legal Alarm. It aims to protect customers from illegal actions of law enforcement of Ukraine and provides 24/7 emergency call of attorney for your location in the case of search, interrogation, detention.

A new product – a savings program – is developed by legal company “Legal Alliance”. The idea of the program is to offer the customer the possibility to operate effectively in small request and pay for them reasonable price. Customers are able to ask questions at any time and from anywhere in the world. The company tried to automatize a working process requests.

Another mobile application created law firm Aequo – Rate Your Judge – became a finalist of HiiL Innovating Justice 2016, the contest of legal innovations of Hague Institute for Innovation in the right. It is a tool of evaluation and social control designed to monitor the judicial system. The application is able to give attorneys and members of the professional community to assess and review the work of judges, track their interaction with their colleagues.

Competition in legal business is increased by commoditization of legal services. Large law firms face competition from alternative providers of legal services, which provide the opportunity to obtain legal information 24/7 via online services (the most famous – Rocket Lawyer, Legal Zoom). Their advantages are promptness in resolving simple issues, comfort, low cost of service, saving time on standard legal issues. Disadvantages are stereotyped, imperfect algorithm of design documents, the inability to take into account the peculiarities of the client, nuances and complexity of his issues. Now the following online legal services are already available on the market: 1) preparation of standard legal documents (contracts, applications, complaints, petitions, appeals, etc.) and template online ad-

vices; 2) preparation of background reports generated from the public registers; 3) monitoring service – the customer can obtain current information, for example, about his counterparty (registration changes of founder, director, appearance or progress of trials involving designated persons etc.).

Still, the most of experts in jurisprudence look at the development of IT with optimism, seeing them not competitive threat, but new opportunities for the industry, the emergence of IT-law sector and new specialties within it (information engineer of legal issues, legal technologist, analyst of information processes, etc.) or in general –transformation law in social relations engineering. Thus, the availability of information, automation, commoditization, outsourcing, and eventually artificial intelligence will cause a decrease in spending on legal services. Technology cannot replace lawyers, but will make it possible to optimize their work, get rid of routine tasks and focus on more complex solutions. This will help to make legal services more efficient for business and probably more accessible to the public. In general, the legal profession is gradually changing, and a quote from the book "Alice in Wonderland" – "you have to run at full speed, just to stay in place, and to go somewhere you have to run at least twice as fast" for lawyers will be extremely important.

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## **LEGAL PROCESS OUTSOURCING**

In conditions of the world market variability and instability of the economic environment, the legal outsourcing is becoming an economically viable legal service. Legal outsourcing is not a new concept. Lawyers have always outsourced work to other lawyers with special knowledge as well as knowledge of foreign law elements of transactions in other jurisdictions. Some law firms have also started to «spin-off» or delegate parts of their business. In some cases, firms use their offices in other jurisdictions to offer their service to other firms abroad. Therefore, global legal process outsourcing (LPO) is becoming more popular.