

Legally Disrupted

AN AXIOM SERIES

In Partnership with Zach Abramowitz

PART 2



An Interview with Microsoft's Jason Barnwell (Part 2)

Assistant General Counsel for Modern Corporate External and Legal Affairs (CELA)

Introduction

Over the course of 2021, Axiom will feature conversations with leaders who are moving the legal industry forward and disrupting entrenched ways of thinking and working. This series, "Legally Disrupted," kicks off with **Zach Abramowitz**, lawyer turned legaltech entrepreneur and angel investor, interviewing **Jason Barnwell**, the Assistant General Counsel for Modern Corporate External and Legal Affairs (CELA) at Microsoft and a board member of the Corporate Legal Operations Consortium (CLOC).

Zach recently caught up with Jason. Their conversation, which has been lightly edited for readability, has been broken up into two separate posts. In the first installment, they discussed Jason's work at Microsoft, law firms versus ALSPs, and the importance of change agents being public-facing. The second installment, which follows, addresses the future of legal technology and the role of venture capital versus academia in terms of nurturing industry modernity and innovation.



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Zach Abramowitz: I want to ask you about a session that you recently ran with Professor Houman Shadab. For those who haven't seen the presentation, I highly recommend it, and I can tell you that other legal departments that were watching were absolutely blown away. For context, Professor Shadab is the Director of the Innovation Center for Law and Technology at New York Law School. Your recent session with him ran through legaltech apps designed by three of his law students. Joanna Moskwa's app automates subcontractor procurement compliance, Serene Quandil's app structures investor profile capture to score investor risk suitability and John Lopez's app automates eviction client intake and case management. Each of the apps were built with some combination of SharePoint and the Power Platform. Jason, you were absolutely giddy during the presentation -- why is this something that should get all legal leaders excited?

Jason Barnwell: So, I saw a tweet from Professor Shadab and I was just like, "Wow, this, this is cool." We talk about this future in legal that's coming where people will be able to fashion their own tools that are very well fit for purpose, using these amazingly powerful building blocks that are coming online now.



Here is a very real path to building the things you need to get your work done, and that they're going to keep getting smarter and smarter and easier to use.

Z.A.: And these students built these solutions entirely with the Microsoft Power apps?

JB: Yes, and the Power Platform is amazing, but I don't want that to be the focus. My delight comes from the fact that they are doing it with something. So, whether you use our platform or another platform, it is important that people start realizing that there is a very real path to building the things you need to get your work done; and that they're going to keep getting smarter and smarter and easier to use.

Professor Shadab's tweet just shared breadcrumbs of what they were producing, and I thought, "This looks legitimately cool." Not because what they're producing is world changing out of the gate, but we're talking about people who are so early in their career and they're acquiring these skills.

ZA: And that's not something law schools typically teach, right?

JB: Yes! The reason that I got so excited is that one of the things that law school does not do is produce systems thinkers. It does an amazing job of creating critical thinkers, people who are very good at looking at the details and explaining why things are different; but it often doesn't produce experiences that help people develop a systems mindset. What are the pieces? How do they interact? How would I make the system different? How do I plug it into other systems?

And so I got excited, not just because they built something, not just because what they built was cool, but because it's clear that they're acquiring a skill set - thinking about the world and thinking about



how opportunity and problems work. If we project out 5, 10, 15, 20 years from now, these folks could be world changers. And so, if we can shine a light on what they're doing and how they're getting there, it changes the direction of travel for a big chunk of the legal profession.

So, one of the things I tried to be very intentional about in that session was to really ask them, "What's your background? Are you secretly a software engineer?" Two out of the three basically said "No, I'm just really interested in this, I'm willing to throw time at it, and I figured out how to do it." But my takeaway was that the tools are becoming accessible. And the thing that's really important that comes out of these conversations is when I tell somebody, "Hey, you should go take a look at this because you can supercharge your practice. And it's easier than it looks."



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Given that, how much capital do you really need to go test an idea and get it off the ground?



ZA: Right, easier than it looks, but you're a developer...

JB: Exactly, and so, I'm just not regarded as credible relative to ease. But when we can bring along other people who have done it and say, "Hey, does this person look like you? Do they have a similar background to you? Do they have all these traits and features? So, if they're doing this well, that means you can too." And so that's part of why I was somewhere between giddy and delighted.

ZA: Did it make you question whether or not venture capital and startups are the best place to be birthing solutions that will transform the industry? Because I thought that the presentation made a compelling argument that academia is actually a great place for solutions like these to start. The students even emphasize that they didn't have to tackle a problem with a huge TAM. They could address a very specific solution, but do it using a general solution, like the Power apps, that don't require users to download anything new.

JB: So I think there's a bigger question that evolves from the one that you're asking. With regard to the tools that are coming online, there is much less required in the way of technical depth to make them really sing. Given that, how much capital do you really need to go test an idea and get it off the ground? To get some customers and start turning that into revenue? Historically, venture capital was necessary because the initial startup costs of just getting a business off the ground were so high because you had to acquire all these capabilities into your business directly. And now, because of the ability to effectively take those as components that you acquire as needed when needed, and you only pay for what you consume, I'm just not sure how much capital you really need to go test an idea to get it to the minimum viable product.



That said, I think we should expect that venture capital will be around for a good long time, but for other reasons beyond money.



That said, I think we should expect that venture capital will be around for a good, long time, but for other reasons beyond money. One of the benefits that venture capital provides is the capital. But the other thing that is really valuable, especially if you are not a serial entrepreneur, is the access point for relationships and network. And so, I think that venture capital plays a really important role that goes beyond the capital. I think it will continue to play a really important role, but I do suspect that there's going to be a lot of opportunities that are not really capital intensive where you won't have to go and do a giant raise to get to your MVP.

ZA: Is Microsoft going to play a major role in the transformation of legal?

JB: : I don't know. But if we observe that some of the core elements of doing the legal work are creating artifacts that are, in many instances, encoded in file formats like Word, and sending communications that are often encoded in emails transported through services like Exchange and viewed through experiences like Outlook, and then increasingly realtime interactions through platforms like teams, then we can say that Microsoft is going to make huge investments in making those experiences and those platforms smarter. I suspect that is going to ultimately benefit the legal world, irrespective of whether there's a focus on the legal vertical.

But going way back to your other point, we hope that more providers in the legal space embrace the other capabilities to fill the gaps. Because if we're really honest, the legal vertical is big, but there's no guarantee that it'll ever be an area of focus for Microsoft, because it's just kind of the size relative to other things.

It is always going to leave gaps. That is actually the design of Microsoft's business: to create a general platform and then create opportunities for independent software developers to build on top of that, to actually meet the needs of end users.

So I suspect that Microsoft's highest and best purpose in supporting the legal market is going to be continuing to be a platform company that helps others build on top of that general platform to make the things that really sing for the legal market. And the thing that you're going to keep seeing as time goes on is Microsoft is going to keep making it easier and easier to tune and customize those experiences with intermediating layers, like the Power Platform, that will allow you to effectively take what exists in the base platform and build what you need on top of that.

And what's going to be really interesting is you're going to see outcomes where people like these wonderful



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students at New York Law School take a weekend or a few weeks, and they build something that is such an obvious value creation that people will see an opportunity for a business. And then they're going to build on top of it because the experimentation costs have just plummeted. And so, ultimately I think that's how it plays out: you effectively empower others to spot the opportunities to close the divide, and they're going to create crazy value and they're going to reap the rewards and we're all going to benefit.

About Axiom:

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