Top 10 Predictions for the Legal Tech Job Market 2020

BY JARED COSEGLIA

For the last five years, TRU Staffing Partners has given Legaltech News an annual "Top Ten Predictions" for the legal technology job market in the year ahead. Last year's predictions heralded the normalization and increased utilization of contract and remote work-from-home staffing. These trends make the list again backed by some potent statistical data points that make it easy to forecast the outcomes of the job market related to virtual and freelance augmentation in 2020.

However, other observations in 2019 point to less business fundamentals and more culturally philosophic changes in how law firms, corporations, and legal service providers operate and staff. Subtle pivots in staffing modalities, hiring priorities, and the coinciding adjustments in career ambitions will reshape how legal technology professionals collaborate as a community in the year and decade ahead.

1. A Return to Customer Service and Success

Whether software provider or services-centric, the priorities for executives in the legal technology space are shifting toward a hyper-focus on customer service and success. This is not to say these principles have previously been absent pillars of success for vendors; however, the emerging separation of role responsibilities and resulting reorganizations is pointing toward a notable trend for service providers to define, crystalize, and institutionalize standards and metrics for measuring customer service and

success. This also means notable changes in how compensation, specifically variable compensation, is calculated and attributed amongst staff in client services departments.

The large players in legal technology services and software are getting bigger and are going to change the way they allocate human resources and hold talent accountable for varying layers of growth and client satisfaction in 2020. This is generally good news for everyone as it implies more diversely defined jobs, more vertical and horizontal career mobility, and hopefully better service and support! Client retention will be paramount to vendors in 2020, perhaps more so than new client acquisition. Expect a bolstering of client service functionality and accountability from legal technology service and software providers in 2020. Expect new jobs as a result.

2. Finally, Growth Options for ESI PMs

Two years ago, one of the primary motivators for e-discovery project managers to move jobs was for a growth or growth path opportunity. Options are finally materializing. As mentioned above, large vendors are diversifying responsibilities among staff, and roles like account manager, customer success manager, client services director, program manager, team lead, and solutions consultant are viable and will be abundant in 2020. Middle management within vendors will be a hot market in 2020 for e-discovery. At law firms, more experienced staff positions

in analytics and governance will materialize with greater frequency. Trusted and tested e-discovery project managers will be ripe to step up into all these positions.

For ESI project managers who want something outside pure e-discovery, 2020 should be the beginning of a long-awaited transitioning of discovery talent into areas like legal project management, legal operations, privacy, information governance, analytics, security, compliance, and risk. In 2019, TRU tracked and helped transition more professionals moving from ESI to a job in another core discipline than any year prior. These new roles, many of which are being created for the first time within their organizations, are largely at corporations. So, for all the ESI dreamers hoping for a career in-house, 2020 will be the time to cross-discipline your talents, watch the job market, and get in the game.

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3. Privacy Pros Push Past Privacy

For those who have been leading privacy programs long before privacy was en vogue, 2020 begins the decade of role redefinition and mission realignment with your corporate stakeholders. The regulatory pressures of GDPR and CCPA compliance forced a maturation of broader information governance policies and procedures, centered specifically on privacy, for most corporations in 2018 and 2019. In 2020, privacy officers will evolve to serve organizations in ways far beyond compliance.

Expect privacy leaders to compete and win jobs in innovation, business analytics, information governance, and security in 2020, and expect plenty of backfilling of the jobs they left behind. The business and opportunity of privacy will mean more to stakeholders than compliance beyond 2020. The middle-market for privacy will flourish with opportunity, especially in California and New York, and it is never too soon to start thinking about reinvention. Mid-market privacy professionals would be wise in 2020 to watch how their mentors are pivoting leadership responsibility and to follow suit.

4. Remote WFH Augmentation Will Reach 33% by 2021

Last year, virtual staffing ranked first on our predictions list and for good reason. In 2018, one in every four TRU placements was a remote work-from-home hire (25%), whether contract or direct employment. 2019 was nearly identical, but the number of hires increased substantially. By 2021, expect one in every three hires to be a work-from-home opportunity (33%)

The fourth quarter of 2019 was a strong indicator of this trend gaining momentum. Why? Hiring talent to work remotely from home is simply a competitive advantage, and service providers are taking advantage of this cultural line in the sand to give their organizations

employer differentiation. Additionally, over the last several years, employers are finding that they retain remote employees longer than in-office ones, particularly in large metropolitan areas. By the end of this decade, 2029, TRU projects that three out of every four legal technology jobs will be working remotely from home completely or systemically part-time.

5. Contract Augmentation Could Reach 50% by 2021

For the last four years, 40% or more of job orders received from TRU were contract opportunities. By the end of this year, there may very well be as many professionals working on contracts in the legal tech space as there are working in full-time roles. Expect consistent contract talent utilization in 2020 but expect a surge if a recession occurs.

TRU experienced a spike in net new contract hires in the fourth quarter of 2019, raising the question, "Are companies already preparing for a potential recession by augmenting their teams with contract resources now?" Possibly. Indicators of this outside the aforementioned increase in Q4 contract staffing augmentation include travel and expense accounts being monitored and managed with greater scrutiny, and neutral or modest raises coupled with larger year-end bonuses for legal technology pros following a strong year of performance—all of which absolutely occurred in Q3 and Q4 2019.

What has not happened in the job market is a wave of lay-offs or redundancies. Quite the opposite. The good news for contractors is that 2020 and likely 2021 and 2022 will beget voluminous and diverse options for committing to short and long-term contracts. The good news for employers: There is already a vast amount of legal technology professionals working in the contract lifestyle who will be available when opportunity knocks.

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6. No Federal Privacy Law = More Jobs

We will likely not see federal legislation on privacy in 2020. This will increase the number of jobs in the privacy vertical temporarily. The market will utilize extra privacy attorneys, operations, and technology talent on a contract basis. Staying on top of all 50 states plus the global regulations will require more labor. Period.

Almost every CPO TRU speaks to is in favor of federal privacy regulation because at a minimum, it should mitigate the cost and overhead of compliance maintenance and reporting across 50 states. Almost every CPO also agrees it is unlikely that federal legislation will pass in 2020. This, too, plays a factor in the potential for contract staffing to reach fifty percent of the market in 2020 for legal tech pros, certainly privacy pros.

7. Privacy Products Step into the Limelight

For years, the principle measure for most e-discovery professionals when being considered for a new job has been their Relativity skills. When hiring managers come to TRU for ESI talent, the first thing they generally want to know is how an individual scores on our Relativity Self-Assessment. It is remarkable how one product created a standardization for talent evaluation throughout an entire ecosystem. In privacy, the certification that carries this same weight is not a software; it is a system of tool-agnostic educations created by the IAPP. For the last decade, the CIPP, CIPM, CIPT,

FIP, and now PLS designations have been the gold standard for privacy education and certification. That is not going to change in 2020.

However, what will begin in 2020 is the rise of major privacy product logos as well as a wealth of new entrees into the privacy software ecosystem. In 2019, OneTrust raised $200M at a $1.3B valuation and acquired two companies: Privacy Core (an IAPP product!) and DataGuidance. TrustArc's late Q4 2019 acquisition of Nymity was their largest to date. BigID raised $50M in September 2019. Software companies are going to make a big impact on the privacy profession in 2020 and beyond. Privacy pros would be wise to couple their IAPP accreditations with certifications in these and other tools specific to the space.

Privacy software providers would be well advised in 2020 to consider the success Relativity has in dominating the ESI market by first creating a certification program that birthed a pool of administrators, which made buying their technology an easier sell based on the availability of talent in the market capable of wielding their products. Relativity is always interested in certifying people who are not yet users of their software, and Relativity's certification infrastructure can support that agenda. It will be interesting to see if privacy software companies take a similar approach to certification. For now, they appear focused on certifying existing customers only.

8. Acquisition Surprises

Expect the unexpected when it comes to the merging of brands and technology companies in 2020. The freshman year to a new decade is going to usher in a cross-pollination of disciplines across multiple verticals, including cybersecurity, privacy, e-discovery, records management, information governance, artificial intelligence, advanced data analytics, and more.

For years, companies in legal technology, especially e-discovery, have made a habit of buying competitors for their client base to consolidate a market largely centered around the same services. While there will be tremors of this acquisition pattern in 2020, companies will more likely begin buying into tertiary markets to expand their services in order to retain existing and attract new clients. Anticipate vendors buying companies for their offerings, not necessarily their book of business, in 2020 and beyond.

9. The Cybersecurity IT Stalemate

The talent gap in cybersecurity isn't getting smaller, but it isn't getting the same press from 2018 and 2019 either. Humanity just cannot seem to staff their never-ending needs for more or better security talent. This infamous gap largely applies to a segment of the market considered IT cybersecurity. That is not to say cyber advisory talent is bountiful in supply, but the demand versus supply for security professionals whose skills are inseparably connected to putting their hands on a keyboard and executing technological solutions is vastly more incongruent than any other kind of cyber talent gap.

In 2020, companies will begin more meaningfully trying to train from within or even train from the outside. In 2019, there was an uptick in security hiring where clients compromised their initial desire for a laundry list of skills or technology proficiencies in favor of candidates with the right foundational education, aptitude, and attitude for their organization. Expect government contractors and large consulting firms to hire more post-graduates in cyber IT in 2020, and anticipate large corporations poaching that same talent a few years later.

10. Cross-Pollination Will Lead

The co-mingling of skill sets and professional experiences is the through-line of this "Top Ten Predictions" analysis. Professionals in governance, risk, compliance, human resources, privacy, security, IT, and legal are on a collision course where everyone is going to be participating in everyone's business. The individuals who can bridge communication gaps between departments, solve complex data problems while being mindful of the legal implications, and win favor with and influence over peers will emerge in the decade ahead as the leaders.

TRU has preached the importance of cross-pollination of skills for legal technology pros for the last half-decade, practicing what we preach by adding privacy and cybersecurity to our decade-long history representing e-discovery professionals. During that journey, the lines between what is an ESI versus a governance professional, or a privacy attorney versus a compliance attorney, or a forensic examiner to an incident responder have continued to blur and overlap. 2020 will usher in a decade where legal technology is more of a melting pot than ever before. For those who aim to lead us into this decade: Get curious. Get educated. Diversify. Be visible. Be social. Learn diplomacy. Cross-pollinate others.

Happy New Year, everyone!

Jared Coseglia is the founder and CEO of TRU Staffing Partners, a cybersecurity, e-discovery, and privacy staffing firm celebrating its tenth anniversary in 2020. TRU has won dozens of accolades, including repeatedly being awarded an Inc. 5000 Fastest-Growing American company and National Law Journal's #1 Legal & Litigation Support Staffing Agency. Coseglia, who has placed over 3,000 professionals in his career, is a prolific contributor of original content and provides a one-of-a-kind perspective on industry staffing trends.