

AI in the professions

A reputation battleground

The role of AI in the professions is not a new phenomenon but it continues to bring reputational risks, writes **Ryan McSharry** and **Tal Donahue**.

Many will remember the emergence of Kira, which was adopted by the likes of Clifford Chance and Deloitte almost 10 years ago. Even then, the AI discussion in the legal market, and the professions more generally, had been around for decades. The first International Conference on Artificial Intelligence and Law was held in 1987.

Throughout, firms have been grappling with the desire to move fast and demonstrate an appetite and ability to innovate, while restricted by the capital expenditure required and the impact of such a fundamental cultural shift. This tension has always created significant brand and communications challenges, particularly in a market where differentiation is a constant challenge, and there are stand-out reputation risks for those who get it 'wrong'.

These issues have been compounded by the rise of new AI solutions, particularly generative AI, creating a new reputation minefield – or better put, battleground – for the professions.

From hype to humdrum?

The Gartner Hype Cycle has become the go-to model for mapping how innovations progress to maturity. The cycle progresses along a time axis and tracks market expectations (and associated visibility) from the technology trigger, through the period of inflated expectations and eventually to the stable plateau of productivity.

Looking back to November 2022 and the launch of Chat GPT the acceleration of expectations was nothing short of phenomenal.



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This was reflected in the media discourse. As an example, in the years before 2023, the topic of AI and the law was a fairly niche affair. It came up sporadically as a 'mainstream' story. But all that changed once Chat GPT made its big splash and the concept of generative AI became all anyone was talking about. AI and the law went from being pretty much a non-story to being one of the stories.

As far as the UK press goes, this was primarily driven by the national and international press as they raced to understand what was happening and address concerns about risks and regulation – which persist. The wider world of journalism carried on the charge, with legal issues in relation to AI continuing to gain momentum throughout 2023. According to analysis by Infinite Global, across the mainstream broadcast and broadsheet UK press, there were only a handful of mentions of AI and the law before the launch of Chat GPT, but almost 150 mentions in 2023. This same trend was mirrored in the broader UK trade and other online media at an even greater scale.

Gartner itself placed generative AI at the peak of inflated expectations in its 2023 *AI Hype Cycle* report.

Since the turn of the year, media interest in AI and the law has waned. The drop in media coverage in the first half of 2024 perhaps precipitated or resulted from a decline in AI expectations from their inflated highs of 2023.

As AI adoption (or experimentation) has increased, so challenges and risks have emerged. Horror stories began to emerge, ranging from AI hallucinations being presented as legal precedents, to concerns about discriminatory data sets.

We are now entering, or perhaps just beginning to emerge from, Gartner's 'trough of disillusionment'.

But this is likely less about a long-term loss of interest and more a setting in of realism, perhaps.

Correspondingly, visibility of, and media reporting on, AI and the law (and broader regulatory and compliance issues) will likely build again in response to emerging factors such as the implementation of the EU AI Act, and the new UK government's position on AI policy. This will track the maturation of AI as a fixture of the professional services landscape.

Hygiene factor

Given where we are in the Hype Cycle, for professional services firms considering their AI position there's now a degree of 'keeping up with Joneses'.

For marketers and BD teams tasked with selling a firm's proposition, clients are increasingly going to expect some level of AI integration in the pursuit of value for money.

Take the law firm example again. The latest Thomson Reuters 'State of the Legal Market' research found a disparity between what law firms expected their clients' views on AI to be, and what clients themselves actually thought. While UK law firm respondents feared clients would object to

Infinite Global – AI Reputation Risk Register

AI input		AI operations		AI output	
Issue	Reputation risk	Issue	Reputation risk	Issue	Reputation risk
Intellectual Property	How far generative AI models are trained on, and risk infringing, proprietary information is a key concern. Plagiarism or other forms of infringement resulting from poorly trained systems will cause significant reputation harm.	System reliability	You are only as strong as your weakest link. The robustness of AI systems, whether built or bought, is a critical consideration. System failures, downtime, or technical glitches can disrupt services and affect client satisfaction, harming the firm's reputation.	Transparency	Black box decision-making is a significant concern. The EU AI Act provides the right to request an explanation for decisions taken on the basis of AI, and more regulation is likely to follow. Transparency over decision-making processes, and any/the role of AI, is vital to maintaining trust. Firms may look to case studies of how AI is delivering client success to build confidence.
Regulation	The regulatory landscape for AI is evolving fast and is multifaceted and multijurisdictional. Non compliance will have ramifications, including to reputation and client trust.	Data security and client confidentiality	The adoption of new technologies, especially cloud-based services and AI solutions, raises concerns about the confidentiality of the data stored on, and used to train, systems. Any breach or perceived vulnerability can severely damage client trust.	Veracity	Generative AI is still capable of hallucination, and the role of AI in the creation and spread of dis/misinformation has been cited as one of the greatest global risks of our age. Brands may find themselves on the receiving end of harmful misinformation. And those who deploy false AI creations may face reputation ruin.
Bias	AI algorithms can risk the perpetuation of certain biases, potentially resulting in discriminatory outputs. Decisions, recommendations or advice which relies on information produced on the basis of flawed data can have huge (and harmful) consequences.	Implementation and change management	The transition to new technologies often involves significant changes in workflows and processes. Poorly managed change can result in service disruptions, decreased productivity and client dissatisfaction. The perception that a firm is struggling with digital transformation can undermine its reputation for competence and reliability. Upskilling is essential. If clients perceive that the firm's staff are not proficient with new tools, it can lead to doubts about its capabilities and expertise.	Human touch	Firms will need to strike the balance between seizing the advantage that AI can provide in terms of productivity, efficiency and client value, with the maintenance of relationships – driven fundamentally by 'real-life' client interaction. Firm morale and culture must be defended as individuals and teams adapt and evolve. Any perception that automation and digitisation is a cost/ job cutting exercise will need to be defended against.

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the use of generative AI, no clients reported asking law firms not to use the technology. The Thomson Reuters view is that clients expect firms to use AI, so long as they do it transparently.

The potential risk of underutilisation goes further, though. The same Thomson Reuters research found that 85% of corporate counsel respondents thought that AI would enable more work to be brought in-house. This will put further pressure on private practice firms, ratcheting up the need to robustly demonstrate and communicate their value proposition in an AI context.

At the same time, team members – whether fee-earning or business services – will increasingly expect to be armed with AI tools to better do their jobs.

Reputation risk and reward

However, AI deployment is fraught with greater risks than simply underutilisation or team expectations.

These can be grouped into three risk areas which at Infinite Global we have defined as input risks, operational risks and output risks (see above).

The risks range from the quality and security of the data that feeds into AI systems (including that of any third-party software vendors firms rely on), to how firms communicate their use of those systems to clients and talent, and their ability to explain how AI has been used to inform decision-making – from recruitment to marketing content

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creation, to delivery of client service.

These challenges are particularly pressing for professional services firms who are themselves advising clients on their use of and exposure to AI systems. Which is pretty much all of them.

Many firms want to project their expertise on AI through strategic media engagement or tell a firmwide 'brand' story about how their values align with a bold tech future. But it is the role of the PR adviser to raise the spectre of the difficult question a journalist might pose in the heat of an interview... 'That's all well and good, but what is your policy on safe AI use.' These questions can be difficult to answer, and risk exposing the underprepared for reputational fallout – with missteps in the media potentially leading to stakeholder scrutiny – both internally, and among clients.

So, whether or not your firm is actively using AI today, it will be tomorrow. And, regardless, it should be prepared to begin talking about its AI journey, even if this is on the basis, for now, of broad principles that will inform safe usage.

There is a race on to keep up, let alone get ahead. But beware of the reputation risks not just of being left behind, but of running before you can walk. ■

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