LINKSQUARES

AI Workshop: What you need to know

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Speakers

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By Katsushika Hokusai (1831) - Metropolitan Museum of Art

"

"The thing about AI, it's almost like electricity in the number of ways you can use it."

— Meghan Keaney Anderson
Former Head of Marketing at Jasper |
Cockpit Counsel

Artificial intelligence *(noun)*:
"the capability of computer systems or algorithms to imitate intelligent human behavior"

— Merriam Webster

Artificial intelligence - a brief history

1950s - "Artificial intelligence" coined as a field of study

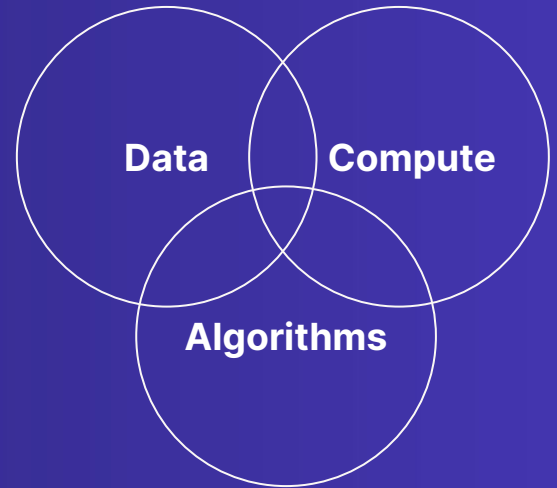1997 - Chess master Gary Kasparov loses to IBM's Deep Blue

2007 - Revolutionized speech recognition using LSTM networks

2012 - Breakthrough in image recognition using convolutional neural networks

2019 - Improved natural language processing with Google's BERT

2020 - GPT-3 - Large language model capable of generating text

2022 - ChatGPT (GPT-3.5) released

Data

Compute

Algorithms

Artificial Intelligence - Algorithms

- Decision trees
- Support vector machines
- Linear and logistic regressions
- Deep Learning (Neural Networks)
  - Supervised learning
    - Convolutional Neural Networks (CNNs)
    - Recurrent Neural Networks
      - Long Short-Term Memory networks (LSTMs)
      - Gated Recurrent Unit
  - Unsupervised learning
    - Self-organizing maps
    - Auto-encoders
      - Restricted Boltzmann machines
- Transformer architectures (used by Generative AI)
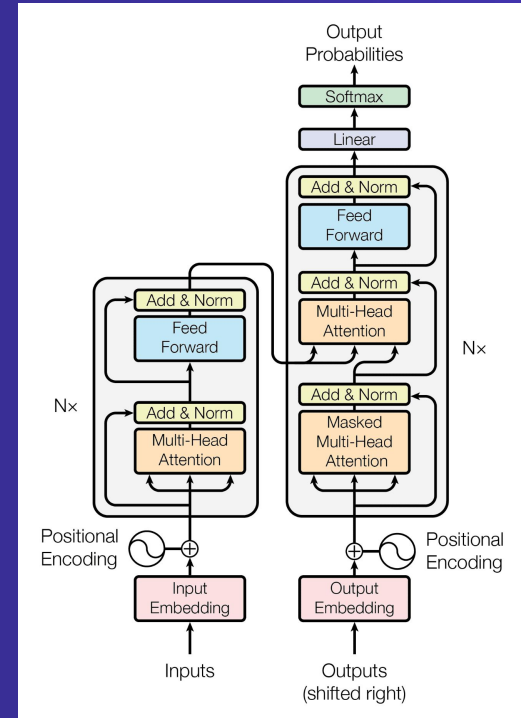
Attention is all you need (2017)
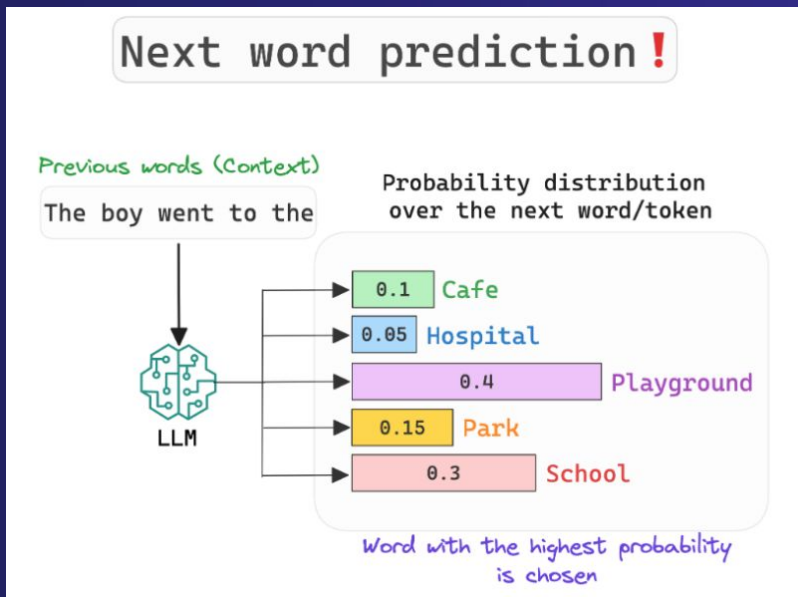
Discriminative AI - explained

- Discriminative AI labels or categorizes input data
  - Long Short Term Memory (LSTM) neural networks are a popular algorithm for labeling text
  - Better training data increases accuracy

15. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Label "New York" as a probable governing law based on surrounding context

Generative AI explained

Next word prediction!

Previous words (Context)
The boy went to the

Probability distribution over the next word/token

LLM

0.1 Cafe
0.05 Hospital
0.4 Playground
0.15 Park
0.3 School

Word with the highest probability is chosen

Transformer architecture with attention mechanism introduced, first Large Language Model - BERT (2017/2018) by Google

💡 Scalability of data
    No evidence of saturation!
    Trained on billions of words (tokens): Wikipedia + 1000s of books
    Task is to guess 15% of hidden words (tokens)
- Transformer becomes the basic building block for many tasks (many 'heads' typically)
- Most now trained on next token prediction
- Generation: We can now 'produce' text, i.e. guess the next most likely token over and over

Discriminative vs. Generative AI

	Discriminative AI	Generative AI
Conceptual differences	Designed to classify input data into predefined categories. These models learn from the labeled data to make predictions or decisions based on the input features.	Focuses on generating new data instances. Generative models learn the distribution of data and can produce new, unseen data points that mimic the learned patterns.
Training data	Requires labeled training data as input	Require large datasets to effectively learn the underlying data distribution
Capabilities and outputs	Excels in tasks where the goal is to accurately classify new examples into known categories	Capable of creating complex data like images, texts, or music that are indistinguishable from real-world examples. Useful in tasks requiring creativity or extensive data augmentation
Strengths & limitations	Generally more reliable for tasks with clear right or wrong answers but lack the flexibility to handle tasks requiring generation or creativity	While powerful, they often require more computational resources and can sometimes produce unpredictable outputs if not properly trained or constrained
Practical examples	Document classification and extraction	Summarizing, drafting and augmenting legal documents/language

How should you use AI in your day-to-day?

SAFELY!

- **Ethics considerations:** Employing AI in the areas necessitates a commitment to transparency, data privacy, and fair dealing to mitigate biases and ensure ethical practices are upheld.

- **Drafting and review**: AI-powered systems enhance contract drafting and review, highlighting non-compliant, costly, or risky clauses.

- **Milestone tracking**: AI ensures tracking of contract milestones with reminders for renewals, optimizing cost and performance.

- **Supplier evaluation**: AI algorithms assess suppliers on cost, quality, reliability, and compliance, aiding in RFx shortlisting.

- **Negotiation support:** AI tools analyze data for strategy development and facilitate stakeholder-supplier communication, aligning with goals.

Benefits of AI in strategic sourcing

Contracts review and management

- Transparency & efficiency
- Engaging in cross-functional business categories
- Accelerated drafting
- Risk analysis (Gen AI)
- Clause identification and comparison (GenAI)
- Knowledge management (GenAI)

Key takeaways

Keep in mind that:

1. Generative AI is not a replacement for predictive AI
2. AI is not a replacement for you

It will keep getting better

What are legal teams concerned with?

How do we address these concerns?

Be aware of AI limitations, but should have baseline knowledge of how to make things better, easier, faster.

Policies

Responsible use

Keep it simple

- Align your AI policy with your existing policies
- Present AI policies with clear and concise language that stakeholders across the organization can easily understand
- AI is meant to support human capabilities, not replace them