



THE NEED OF ARTIFICIAL INTELLIGENCE IN THE FIELD OF ALTERNATE DISPUTE MECHANISM

VARSHA, MRS. PRABHAVATHI N¹

Student

Asst. Professor

varshaarun3097@gmail.com

prabhavathi@law.sastra.edu

INTRODUCTION

Alternative Dispute Resolution (ADR) refers to the use of methods other than litigation, such as mediation and arbitration, to resolve disputes between parties. These methods are often preferred over traditional litigation because they can be less costly and time-consuming. In recent years, there has been a growing interest in the use of Artificial Intelligence (AI) in ADR. AI can be defined as the simulation of human intelligence in machines that are programmed to think and learn like humans. In this article, the author tries to focus on the need of AI in the field of ADR.

Artificial Intelligence allows the user's competence to be enhanced by categorizing and processing information. It allows the human skills of knowledge management to come together with computer-based knowledge management skills.²

1. Advantages of AI in ADR

Analysing Data: One of the main advantages of AI in ADR is its ability to analyse large amounts of data quickly and accurately. This is particularly useful in complex cases where there may be a large amount of information to review. AI can be used to sift through large volumes of data, identify patterns and relationships, and provide insights that can help parties reach a resolution. Another potential impact of AI on ADR is the potential to increase access to justice. By reducing the time and resources required to resolve disputes, AI can help to make the dispute resolution process more accessible to a wider range of people. This can be particularly beneficial for individuals who may not have the financial resources to engage in a formal court process. For example, AI can be used to analyse financial data in a dispute between two companies to identify potential areas of agreement or disagreement.

Objective Analysis: Another advantage of AI in ADR is its ability to provide a more objective analysis of the issues. Human mediators and arbitrators may be biased or influenced by their own experiences or perspectives. AI, on the other hand, can be programmed to analyse the facts of the case objectively and provide a neutral perspective. This can help parties reach a resolution that is fair and equitable. AI can also help to speed up the ADR process. Traditional ADR methods can be time-consuming, with mediators and arbitrators spending hours or even days reviewing documents and evidence. AI can be used to automate some of these tasks, such as document review and analysis. This can help to speed up the ADR process and reduce the time and cost associated with resolving disputes.

Better Outcomes: In addition, AI can be used to improve the quality of ADR outcomes. AI can be used to identify potential areas of agreement between parties, as well as potential areas of disagreement. This can help parties to reach a resolution that is more likely to be successful in the long term. For example, if AI identifies that both parties have a shared interest in a particular outcome, this can be used to help them reach a compromise.

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² John Zeleznikow, 'Can Artificial Intelligence and Online Dispute Resolution Enhance Efficiency and Effectiveness in Courts' (2017) 8 IJCA 30.



Personalised Experience: AI can be used to tailor the ADR process to the specific needs of each party. For example, AI can be used to identify the preferred communication style of each party and adjust the ADR process accordingly. This can help to improve the overall experience for parties and increase the likelihood of a successful resolution.

Transparency: AI can also be used to improve the transparency of the ADR process. Traditional ADR methods can be opaque, with parties often unsure of how decisions are being made. AI, on the other hand, can provide a clear and transparent analysis of the issues and the factors that are being considered. This can help to build trust between parties and increase the likelihood of a successful resolution.

Use of Historical Data: AI can use historical data to create predictive models that can help parties evaluate the likely outcome of the case, which can inform settlement negotiations.

In conclusion, there is a growing need for AI in ADR. AI can provide a number of benefits, including the ability to analyse large amounts of data quickly and accurately, provide a more objective analysis of the issues, speed up the ADR process, improve the quality of ADR outcomes, provide a more personalized experience for parties, and improve the transparency of the ADR process. As AI technology continues to advance, it is likely that its use in ADR will become more widespread and accepted.

One of the most common uses of AI in ADR is in the area of e-discovery. E-discovery involves the identification, preservation, and collection of electronically stored information (ESI) for use as evidence in legal proceedings. AI can be used to analyse and categorize large volumes of ESI, which can help to streamline the e-discovery process and reduce the amount of time and resources required.

In addition to these uses, AI can also be used to assist with the arbitration process. For example, AI can be used to help determine the value of assets or to predict the outcome of a particular legal issue based on previous case law. This can help to streamline the arbitration process and reduce the amount of time and resources required.

Overall, AI has the potential to streamline the ADR process, increase efficiency, and improve outcomes for all parties involved. However, it's important to note that AI should not replace the human element of ADR, which involves personal interaction, negotiation, and empathy.

2. DISADVANTAGES OF AI IN ADR:

Lack of human touch: Another potential drawback is the potential for the dehumanization of the dispute resolution process. If AI is used to automate certain aspects of the dispute resolution process, there is a risk that the process may become too impersonal and mechanical. This could lead to a loss of trust in the process and may ultimately undermine the effectiveness of ADR as a whole. AI systems lack the empathy and intuition of human mediators, which can be important in building trust and rapport between disputing parties. AI may not be able to understand the emotional nuances and non-verbal cues that are critical in conflict resolution.

Bias and discrimination: One of the main concerns is the potential for bias in AI algorithms. If AI algorithms are not properly designed and tested, they can perpetuate existing biases and discrimination in the dispute resolution process. This can lead to unfair outcomes and erode trust in the dispute resolution process. AI systems are only as good as the data they are trained on. If the data used to train an AI system contains biases, those biases may be reflected in the AI's decision-making. This could potentially exacerbate existing inequalities and discrimination in the ADR process.

Lack of transparency: AI systems can be complex and difficult to understand, especially for non-experts. This lack of transparency can make it challenging for disputing parties to understand how decisions are being made and why.

Technical issues: Like any technology, AI systems can experience technical problems that may disrupt the ADR process. Technical glitches could result in delays or errors that could potentially harm the outcome of the ADR process.



Cost: AI systems can be expensive to develop, implement, and maintain. This cost may be passed on to disputing parties, potentially making ADR less accessible for those who cannot afford it.

Overall, while AI can offer several benefits in ADR, it is important to carefully consider its potential disadvantages and weigh them against the benefits before implementing AI in ADR.

3. TYPES OF AI

There are two types of AI - strong and weak. Weak artificial intelligence mimics human thinking and reasoning. It does not learn by itself and only uses pre-programmed human skills to function. On the other hand, strong AI can think and reason independently like humans. They use pre-programmed human abilities, but to create their own reasoning. A realistic and logical solution man has three mental parts: conscious, unconscious and subconscious. The conscious part of the mind is what we use to make decisions, but the unconscious and subconscious mind also play a role in our decision-making process. The arbitrator should approach rationally when giving an assessment and making a decision, but there are opportunities to influence a person's thinking and thoughts from the outside world. All three parts of the mind influence decision making. It hinders a person's rational approach.

Any such irrational factors will not affect AI programs. They are programmed to operate independently using algorithms. A decision made by artificial intelligence is much more rational than a human. There is no subconscious control and no cognitive biases Cognitive biases affect people. Sometimes an arbitrator, when dealing with a case in the evening, is influenced by matters he dealt with earlier in the day, or by the external environment. Its decision-making approach can be affected.

An example of cognitive biases is the anchor effect, in which there is a typical human propensity to rely on the first piece of knowledge obtained for subsequent decisions Human beings have a tendency towards such cognitive biases while they approach a decision. AI programs have no outside effect and do not suffer from cognitive biases. Time Effective-Arbitration Primary purpose the primary aim of arbitration is to get a neutral third party to resolve disputes equally without undue costs or delays. The core aims of the Arbitration process are to save time and costs.

The use of artificial intelligence in arbitration completes the purpose of arbitration. As artificial intelligence is developed to think and reason independently, it can be used to lighten the burden of the person participating in the arbitration. The use of artificial intelligence automates legal research and data analysis, which takes time. Error removal Arbitrators can make mistakes in oral, translation, documentation, selection of authorities, decision making etc. The use of artificial intelligence in various stages or tasks can help eliminate inefficiencies in arbitration. It can detect blind spots and suggest ways to mitigate those blind spots to make the process more efficient. Forecast forecast Artificial intelligence can be used to select suitable arbitrators and predict the outcome based on the information provided, the documents provided and the reasoning of the arbitrator. Generation of immediate rewards in this scenario, the parties must wait for the execution of the judgment after the judgment is rendered. Artificial intelligence allows the award to be fulfilled instantly.

For example, in a world dispute, an award is made whereby one party (A) must give the other (B) a certain amount of money, in which case the amount is immediately transferred by A's bank using artificial intelligence. account to B account. Bank account. The AI can also periodically issue reward reminders to the participant and the authorities.

4. CONSULTS OF AI

Artificial intelligence systems are trained and datasets are used. Artificial intelligence can adversely affect the purpose of arbitration. A huge investment Initial incorporation of AI into arbitration requires significant investment and time, as adapting to such dynamic technology requires training. Artificial intelligence systems are developed to reduce the cost of procedures, but the development of such artificial intelligence programs and intelligent algorithms requires



huge capital, which automatically increases the cost of such a system. If incorporated, it will soon prove cost-effective for those involved in arbitration. The goal of developing and using artificial intelligence is to reduce the burden on humans. But this has a direct impact on the employment rate because it only takes a few people to operate an AI system. In addition, AI is qualified to perform human-directed work, leading to a reduction in manpower. Privacy Policy Confidentiality is one of the basic conditions of arbitration. AI is entirely based on intelligent algorithms and programming software developed by the programmer, and few have full access to the algorithms that could make the final decision. Software programming is vulnerable to hacking. It is possible that the parties may compromise their confidential information through hacking. All system updates also present the risk of viruses and other complex technical problems. Ignoring such a program Due to lack of logic, lack of responsibility, risk of confidentiality and other similar issues, the parties could not trust the conclusion of the system using algorithms that they lose faith in the system. There is a risk that the developers will not show the algorithms and how the method arrived at the conclusion. It is difficult to fully trust a non-human solution. No flexibility Not all arbitration cases are the same, and when decisions are made through PR and the standard case resolution process is the same, a lack of consistency is described. Each award is given and reasoned upon conclusion. If there are only a few fixed algorithms, there are only a few decision combinations. This creates a rigid structure. Error defining algorithm Artificial intelligence is developed by human programmers. Human error is possible in the development of such intelligent algorithms. When developers introduce such errors into the code of an AI application, false conclusions and other errors can occur.

5. IMPACT OF COVID-19

The pandemic has fast-tracked the trend towards using smart technologies in the legal world. Online dispute resolution (ODR) is becoming more popular, e-courts are holding virtual hearings, and programmes for presenting evidence and real-time screen sharing are in use. With this increased focus on technology versions of ancient ways, the day is not far when we will observe entirely mechanized approaches with the assistance of AI systems.

6. PLATFORMS ODR

Due to the COVID-19 issue, the pattern of dispute resolution has changed in the current situation, making the internet platform the sole option for people to settle their disagreements. As there are no court proceedings, instead all matters are being resolved online through various platforms via video conferencing.

The use of online conflict resolution is more common in today's society. The country's ODR platforms are starting to operate and are supporting different types of dispute resolution for different national and international businesses.

A website-based platform for conflict resolution is called the *Centre for Alternate Dispute Resolution Excellence (CADRE)*. The parties communicate electronically through video chat or emails rather than in person. For Nestaway, an online home rental start-up, CADRE is resolving tenant and rental disputes.

There are other options besides Cadre for resolving online conflicts. Another forum for online dispute resolution is SAMA, which also makes it simple to contact top-notch ADR service providers. It is assisting ICICI Bank in settling 10,000 disputes with values ranging from Rs. 20 Lakhs.

Would parties accept having machines determine their cases? Many of us believe that fairness is a distinctively human concept that, regardless of the degree of programming trickery, may be extremely difficult for artificial intelligence to implement.

According to one theory, individuals are less likely to trust a computer's judgement (even when it is supported by good logic) and are more likely to assume that the computer must be broken if they do not achieve their preferred outcome.



The countering reason, though, is that AI is quickly integrating into our daily lives, to the point where we let it drive our families and us about in self-driving cars. When that time came, we would be completely comfortable in letting the algorithm resolve our case for us.

CONCLUSION

Although AI has various benefits and drawbacks, by carefully taking into account some of the following recommendations, it may be possible to effectively turn some of its disadvantages into advantages and solidly establish itself in conflict resolution forums not just in India but all over the world. Thus, as a result, AI is not the best tool for resolving disputes in its current condition, lie detectors can be used more effectively and input data bias can almost entirely be eliminated with further research. An increase in openness would provide litigants more assurance when using AI and allow them to settle their disputes promptly, affordably, and consistently.

Despite the fact that AI has both advantages and disadvantages, by carefully considering some of the following suggestions, it might be possible to effectively turn some of its disadvantages into advantages and firmly establish itself in conflict resolution forums not just in India but around the world. With more research, lie detectors can be utilised more successfully and input data bias can almost entirely be avoided, even though they are currently not the ideal tool for settling disputes. Increased transparency would give litigants more confidence when employing AI and enable them to quickly, cheaply, and reliably resolve their disputes. So, in conclusion Artificial intelligence has huge potential to resolve disputes when there is a clear need for it determine the winner and loser. If possible, AI would see significantly greater adoption only improves the level of transparency, which makes it easier for the litigants to put their trust in.

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