

# Innovations

## **Ai Assisted Mediation – A Technological Advancements in Ai-Based Dispute Resolution**

**Dipankar Sharma**

Research Scholar Law, Manav Rachna University, Faridabad Haryana

<sup>2</sup> **Dr. Aditi Choudhary**

Asst Prof, Manav Rachna University, Faridabad Haryana

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**Abstract:** *Artificial Intelligence is increasingly being integrated into Alternative Dispute Resolution (ADR) processes, with the potential to revolutionise the way disputes are managed, facilitating more efficient, accessible, fair, and scalable resolution. AI technologies, and particularly Natural Language Processing and sentiment analysis, provide algorithmic neutrality across datasets, change the timeframe of analysis to real time and allow complex human interactions to be analyzed before settlement. It elaborates on the benefits of AI in ADR such as simplifying processes, cutting costs, data-driven insights leading to better decision making and optimal Online Dispute Resolution platforms. The paper seamlessly highlights the potential of a combined approach, acknowledging that while AI is a poor replacement for human mediators, it can work just as effectively alongside them when combining its analytical might with the empathy and emotional intelligence humans possess. This chapter reviews the existing AI-assisted mediation system in India including the proactive approach in the implementation of Online Dispute Resolution by the country. The paper also explores significant legal and ethical considerations surrounding the use of AI in ADR, including issues of accountability, bias, privacy of data, along with the necessity for transparency and adequacy of regulatory mechanisms. Finally, it considers the future – potential integrations with blockchain, customized AI solutions, a model for standardized deployments globally, and the need for ADR practitioners to reskill to thrive in this new territory. The version of dispute resolution in the future will be more efficient, inclusive and fairer powered by a ethical strategic approach of AI applications.*

**Keywords:** *AI, Mediation, Alternative Dispute Resolution, India, Online Dispute Resolution*

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## **Introduction to AI-Assisted Mediation**

Integrating artificial intelligence into the heart of dispute resolution is the dawn of an exciting future of accessibility and efficiency through AI, especially through virtual mediation. By utilizing advanced ‘Natural Language Processing’ (NLP) and sentiment analysis techniques, AI can offer a neutral and algorithmic approach that goes beyond the constraints of tradition mediation.<sup>1</sup>

Fundamentally, a mediator is an AI that has honed its skill in decoding the complex weave of human interaction. They then analyze text and speech, detecting nuanced emotions, concealed motivations, and underlying positions of conflicting parties. By parsing through information in real-time, the AI can piece together the overall image of the conflict and identify contentions in specific areas.

AI mediation has one of the greatest benefits since engaging in talks allows for further discussions. AI can help structure this by guiding the parties through what, initially, will be some back and forth on information – and create order and clarify when they feel most conflict. Inside, the unmatched transparency of facilitation not just limits the emotional responses, but it differs them into pure blocks, solvents, and end – products.<sup>2</sup>

AI mediation does not replace human mediators in this sense, it is important to stress. Human intervention is still important, especially in scenarios where understanding feelings, moral concerns, and advanced judgment is necessary. AI is a tool for enhancing human power, not a replacement for it. By synthesizing AI’s analytical ivory tower with the relationship management expertise of human mediators, it results in a powerful combined approach that maximizes the efficacy of dispute resolution.

AI technology is continually evolving, and its involvement in virtual mediation is likely to increase. As machine learning and deep learning continue to evolve, AI mediators will become more advanced, able to deal with broader disputes and offer more nuanced solutions. Such transformation offers the potential for more inclusive, streamlined, and equitable methods of dispute resolution for individuals and businesses alike.

## **The Role of AI in Modern Dispute Resolution**

The integration of AI into ADR processes offers several compelling advantages:

- **Efficiency:**
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AI helps in the enhancement of efficiency in ADR because it can streamline routine processes. This saves significant time and costs of conflict resolution. AI helps organize and track case files, deadlines, communication, and limits manual oversight. As a result, you can move through the different stages of arbitration or mediation much more quickly. Natural Language Processing (NLP) based AI – powered tools can help users parse through large amounts of legal documents, contracts, and testimonies quickly. This allows for rapid identification of relevant information, minimizing time spent on manual review. AI can distill long documents, highlight relevant clauses, and forecast possible legal outcomes based on precedent.<sup>3</sup> AI automation further reduces the necessity of human effort for many time – consuming activities, resulting in massive cost savings. Swifter resolutions also lessen the economic strain that long legal battles impose. Predictive Analytics and Pattern Recognition for Settlement Analysis Resolutions of disputes in ADR will often shape the resolution of similar disputes in the future. With much of the data composed of cases and outcome results, AI can then analyse groups of information, helping predict resolution paths for current disputes.<sup>4</sup>

Predictive analytics can also identify cases that can bias towards mediation rather than arbitration and that an out – of – court settlement is possible, potentially eliminating the need for protracted legal action. By using pattern recognition, ADR can gain an additional layer of transparency which provides data- backed insights to both parties.

- **Accessibility:**

By lowering costs and streamlining procedures, AI- driven ADR allows access to justice to flow freely in the corridors of power that previously barred people from entering in the corporate world. AI automation significantly reduces the need for vast human work, therefore lowering the costs of both legal representation and office processes. AI platforms are able to usher the parties through the ADR process step by step, providing simple instructions and auto-generating the documents that traditionally expose the parties to confusion and trepidation about navigating legal proceedings. Not only does this make ADR easier to use for everybody, but it also gives those who are unfamiliar with legal terms and processes more tools to orient themselves in their particular situation. One key difference between AI – based ADR platforms and the traditional ADR

mechanisms is that the former can be accessed remotely, eliminating geographical barriers and allowing access to dispute resolution for individuals in remote regions or those with mobility concerns.<sup>5</sup> This distance access also aids in providing additional schedule flexibility.

- **Consistency and Fairness:**

The pattern recognition capabilities of AI to learn across large datasets represent a great leap forward in ensuring consistency and fairness in ADR. Analyzing historical case data, legal precedents and relevant regulations, AI systems can draw parallels between current disputes and past resolutions.<sup>6</sup> Since AI algorithms can identify repeating patterns in legal arguments, evidence, and outcomes, they can propose resolutions that are in line with existing precedents. This uniformity reduces the chance of unequal treatment, allowing those in the same circumstances to attain fair results.

- **Scalability:**

AI streamlines document analysis and reduces workload by automating everyday tasks that can be done without human intervention, enabling the ADR process to handle far more cases. This scalability relieves human mediators and arbitrators from getting overwhelmed with backlog of increasing cases. Then we have AI managing scheduling, communications and initial case assessments, allowing flesh- and blood professionals to focus on more multifaceted and nuanced cases. They accomplish this through specialized roles that speed the process and maintain quality in dispute resolution. Additionally, AI platforms can be rapidly deployed and scaled, accommodating spikes in demand without a corresponding increase in people resources. This scalability allows solutions leveraging ADR to be more nimble and reactive, improving the overall effectiveness and economic aspects of the justice system.

- **Enhanced Decision-Making:**

AI gives power to mediators and arbitrators by supplying them with these data – driven insights, contributing to significantly improved decision – making potency. AI helps the mind, by learning complex relationships between various input parameters, is able to help understand bias in vast datasets of prior cases,

legal precedents and applicable laws. This will allow executives to make better educated and equal decisions by using solid numbers rather than interpretive narratives, by – analysing the new findings. There is lesser scope for bias and outcome is attributed to processes, which are less subjective, this method results in decisions that are more systemic and aligned to existing jurisprudence. Ultimately AI allows mediators and arbitrators to deliver better and fairer outcomes.

- **Enhancing Online Dispute Resolution (ODR)**

With the rise of online transactions and e-commerce, the popularity of online dispute resolution (ODR) has increased. Artificial Intelligence (AI) helps make ODR platforms smarter by automating the way disputes get submitted, allowing for asynchronous communications, and creating real-time feedback about cases utilizing established rules and algorithms. This leverages ADR to resolve disputes from anywhere and at any time as it reduces the location opposition and speeds up the resolution process.<sup>7</sup>

- **AI as a Virtual Mediator**

In some conflicts, AI can act as a neutral virtual mediator. By employing NLP and sentiment analysis, AI is able to read the emotions, intents and positions of disputing entities based on their dialogues. This technology can help facilitate initial conversation, suggest compromises that benefit both sides, and provide a structured process to resolve the dispute.<sup>8</sup>

Though human mediation will still be in play, particularly for complex or highly matters, seen by some as the ultimate custodians of fairness and justice, AI can serve as a tool for assisting in the quick and logical mediation of initial stages or lower stakes disputes, freeing human mediators to handle cases where the subtleties of emotional human judgement will be required.

- **Reduction of Human Bias and Transparency**

Decision making by humans can be biased by unconscious cognitive processes, resulting in disparities in decision making. These biases can be mitigated if AI systems are properly designed as they can lead to more objective data – driven

decisions. AI can identify potential outcomes – which gives parties more confidence and predictability. This predictability enables parties to tailor their settlement negotiations and dispute resolution strategies accordingly. This means that AI looks through all the stored data, and keeps that data relevant for the current situation.<sup>9</sup> That is a very objective analysis of the present scenario. Automating the analysis of dispute patterns gives rise to more equal and predictable access to the drudgery of ADR, creating trust and belief in the system of dispute resolution.

- **Privacy and Confidentiality**

Since Alternative Dispute Resolution (ADR) involves sensitive and confidential information, strong data security is an absolute must. Given that AI systems deployed in ADR will manage sensitive and private data, secure data handling must be explored first, while legal and ethical requirements for privacy protection must be adhered to, as regulated by law. Strong cyber security measures, such as encryption, access controls, and regular security audits, are paramount. Ensuring compliance with data protection laws (like GDPR or HIPAA) is important to maintain trust and legality. AI developers should embrace principles of privacy – by- design, minimizing collection of data, and anonymizing personal information whenever possible. Maintaining confidentiality and ethical integrity requires clear communication with all parties involved as well as transparent data handling policies.<sup>10</sup>

### **Implementation of AI Assisted Mediation in India**

Every country that is accustomed to alternative disputes resolution (ADR) processes is gradually shifting to ODR processes, and Bharat has led the way in implementing online dispute resolution tools to settle court cases. ODR is desirable alternative for quickly and affordably resolving disputes because of the nation's enormous population and high volume of court cases. In addition to the increasing use of technology and its integration into the legal field, the pandemic has significantly contributed to the global increase in technology use, both at the individual and organizational levels. In particular, it has increased the use of video-conference for conducting business.

- **The National E-Governance Plan:**

The government of our country started this plan in 2006 with the goal of offering government services online. The government introduced the Online Dispute Resolution (ODR) platform in 2017 as a component of this program.<sup>11</sup>

- **The Maharashtra State Legal Services Authority (MSLSA):**

In 2020, the MSLSA had set up an ODR platform for the resolution of labour and industrial disputes. By providing a solution to traditional courts, the platform allows parties to reduce the costs and time needed for litigation.

- **The Delhi High Court:**

The Delhi High Court is actively promoting ODR as a mode of dispute resolution. In 2020 it launched an ODR platform to resolve disputes related to auto accidents. The platform has, in fact, successfully settled many claims quickly and affordably. “Delhi International Arbitration Centre (DIAC)”, a specialized dispute resolution centre administered by Delhi High Court is quite popular for both domestic and international arbitration, made physically as well as virtually.<sup>12</sup>

- **The Indian Institute of Corporate Affairs (IICA):**

The IICA has been offering online dispute resolution services to the corporate sector since 2014. The app provides a secure and reliable process to resolve differences and business deals. Overall, the use of online dispute resolution procedures has observed a dramatic increase in Bharat in recent years. ODR is a well observed and therefore successful forms of disputes resolution, and it likely going to get even more tractions in upcoming years.

### **Legal and Ethical Implications**

Integrating artificial intelligence into legal procedures will require tackling a number of significant ethical and legal issues. The case for regulatory frameworks and guidelines, on ensuring responsible AI implementation it's important to be aware of how AI impacts outcomes for the parties in question; transparency is key. This requires a decent explanation of algorithms and data used. It must be possible to challenge decisions made by AI systems, providing avenues for human review and rectification. We also need a clear definition of liability for AI errors so that blame can be apportioned for potential damage. Ethical aspects like bias reduction and data privacy should be at the core of AI development and deployment. For there to be no abuse and for the public to maintain confidence in AI-based legal processes, strict regulatory oversight is required.

- **Resistance to Adoption**

Opposition to AI in the legal process is not surprising. Litigators, negotiators and all other legal professionals will naturally have some degree of wariness of even the term artificial intelligence and its application towards such sensitive processes as the acquiring and processing of case results and negotiations. This feeling of insecurity derives from the belief that we were losing the nuanced human judgement that have traditionally informed these critical decision-making processes.

- **Limitations in Complex Cases**

While AI can perform well on data-oriented tasks, it cannot catch the subtleties of human beings' interactions. A smart machine does not yet possess the sensitivity and empathy and moral reasoning to work cases that depend on nuanced cultures, entrenched human emotions or ethical quandaries. Human mediators and arbitrators are meant to build rapport, perceive and respond to subtle signals, and manage sensitive situations with poise. These are essential for building trust and facilitating productive discourse, especially in emotionally charged conflicts.<sup>13</sup>

### **The Future of AI in ADR**

The fusion of ADR with AI will revolutionise dispute management making it more impactful, inexpensive and widely available. Then you have future possibilities that might happen:

- **Integration with other Technologies**

The synergy between blockchain technology and artificial intelligence makes them a great means to enhance the security and transparency of ADR. Blockchain technology can potentially provide a secure method of storing and validating case-relevant data as it acts as a distributed, immutable ledger keeping the integrity of data intact and makes the data resistant to tampering.<sup>14</sup> Smart contracts powered by artificial intelligence can facilitate the execution of contracts, reducing the requirement for middlemen and minimizing the risk of disputes resulting from misunderstandings. This combination builds trust by producing an open, auditable record of all decisions and transactions.

- **Customized AI Solutions**

Customisation of AI systems for particular legal spaces or industries is beneficial for improving the precision and relevance of ADR. Industry-specific knowledge may need something beyond general-purpose AI models. Guiding AI tools on even topics like 'intellectual property', 'international trade' or 'environmental law' and then creating them at target specific knowledge and intertwining legal frameworks in them can happen.<sup>15</sup> Through these highly engineered AIs, we can address distinct issues like environmental impact assessments, trade compliance, and patent analysis. When the AI is trained on datasets specific to these industries, accuracy increases in document analysis, case prediction and legal interpretation.

- **Global Collaboration and Standardization**

In this sense, a revolution is possible by the rise of AI that can break through the problems of language and law and revolutionize the mechanism of resolution of dispute across borders. Multilingual AI systems understand legalese, translate documents and let people speaking different languages talk to one another. AI platforms that standardize ADR procedures also reduce the friction that typifies international disputes by offering consistency between local practices.<sup>16</sup>

- **Enhanced Training and Skill Development**

Integrating AI into ADR requires a changing skill set for ADR professionals. However, mediators and arbitrators must adapt to work with AI tools to acquire new skills that are not part of their traditional legal expertise. Bridging this chasm would require educational and training programs. These programs should focus on building AI literacy to help professionals understand AI's possibilities and limitations.

### **Ethical and Legal Consideration in AI Mediation**

The use of AI in mediation raises considerable legal and ethical issues.] Accountability is one of the chief concerns, especially when an AI-generated decision is wrong. Despite its potential, however, the legal implications of AI's involvement in mediation are still developing, and it remains imperative to scrutinize issues regarding data privacy, consent, and liability. Although there are global calls to regulate AI, there is no global system that everyone agrees on. Based on socio-political and economic priorities, every country has its own strategy for governing

AI technologies.<sup>17</sup> Some countries favor strict regulation to rein in bad actors and maintain ethical practices, while others are hands-off and emphasize innovation and economic growth over ethical concerns.

To address these moral dilemmas, cooperation is required among AI developers, mediators, ethicists, and legal experts. AI systems used in mediation must be designed based upon ethical principles that maintain fairness, transparency, and respect for human dignity.

- **Hallucinations:**

AI has a nasty tendency to “hallucinate,” meaning that a model may generate confident outputs that are either unsupported by its training data or outright wrong. Though often delivered with conviction, these outputs can resemble delusions or confabulations. There are a number of things that can cause hallucinations from biased, or insufficient training data that causes the AI to extrapolate beyond what it has learned. Model errors or flaws in the algorithm itself may cause the AI to produce false information. Therefore, the AI generates outputs that seem credible but are, in the end, false. This problem is particularly concerning because AI can hallucinate with a high degree of confidence, making it very difficult to recognize a hallucination from a factual statement.

- **Biases:**

In fact, AI bias, most notably in Large Language Models (LLMs), is a byproduct of defects in the training data and/or the model's architecture. If the data on which an LLM has been trained reflects existing social prejudices like gender or race (implicitly), the model will generate texts replicating and aggravating this bias. Such bias could also arise if some demographic groups are missing or underrepresented, or misrepresented in the training data, leading the model to make biased or unfair comments about those demographic groups.<sup>18</sup> Some biases in models also come from flaws in the algorithms, where some patterns or features are prioritized by the model over others. This can lead to biased outcomes even with apparently unbiased data. Mitigating these biases involves targeted data collection, refinement of algorithms, and continuous evaluation of AI outputs to achieve fairness and equity in content creation.

- **Inability to think outside the box:**

“One of the biggest limitations of present-day AIs is their inability to ‘think outside the box.’ AI is extremely good at recognizing patterns and learning from massive datasets, however, on the other hand, it lacks the human ability to have

genuine creativity and abstract reasoning. Once defined, the parameters of a problem space in which they perform well, AI systems don't generate new solutions from scratch, nor do they deviate far from the patterns they learned, because they are trained on pre-existing data.<sup>19</sup>

That's because AI relies on algorithms and statistical analysis, neither of which can duplicate the intuitive leaps and imaginative problem-solving that characterize human creativity. While AI can take the information it read and remash what it learned into the possible, it cannot create truly original ideas or adapt perfectly to unproblematic new situations. Consequently, AI struggles to solve problems that require creative thinking or navigating unpredictable, complex environments.

- **Transparency:**

One of the key issues with decision-making based on AI is the "black box" nature of it, meaning humans can't really understand the "how" of decision-making by AI. What it does do exceedingly well is cope with lots of information, quickly. AI can help with initial tasks, such as collecting data, analyzing documents and spotting key negotiation points. This allows human mediators to concentrate on the more subtle aspects of mediation, including interpreting emotional signals, establishing rapport, and managing complicated relational dynamics.<sup>20</sup>

By delegating data-heavy processing to AI, human mediators can stay in their lane and leverage their natural skills, which are building trust and advancing the dialogue. This human-AI teaming will contribute to promoting greater balance and more effective mediation outcomes by combining human emotional intelligence in the process with AI analytical prowess.

## Potential Solutions and Suggestions

### AI-Powered Mediation Platforms

- **Online Dispute Resolution (ODR):**

AI-driven platforms can automate the early stages of dispute resolution thereby reducing their complexity drastically. These platforms can support formal mediation processes between the involved parties—structured frameworks/processes for formalized discussions and information sharing.

- **Case Analysis:**

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AI's capability to sift through huge legal databases allows it to provide consistent insights of potential outcomes. Then AI can use case histories and legal precedence to recognize patterns and trends that inform decision-making. These analytics can then help understand the core components that mean likely outcomes, drawing on end similar situations from the past and can help surface relevant legal arguments and potentially battle lines. AI can also assess the relative strengths of the various legal positions and thus give the parties a better sense of their respective options.<sup>21</sup>

AI offers objective observations that reduce the impact of subjective bias, promoting equity and consistency in dispute resolution.

### **AI Chat bots and Virtual Assistants**

- **Guided Negotiation:**

AI-enabled chat bots can be especially useful in this phase of dispute resolution process to suggest terms based on analyses of similar previous disputes. They can even be trained on data sets that consist of court cases and settlement agreements to aid in these chat bots analyzing trends and patterns that will yield possible end results. This gives parties an objective frame of reference for what a reasonable settlement might look like, making negotiations more sensibly focused and efficient.<sup>22</sup>

- **Real-Time Translation:**

The notion that AI has made such advances in the language domain is likely the most crucial considering the multitude of language barriers that exist in cross-border dispute resolution. AI tools with multilingual capabilities provide real-time translation for documents, communication, and oral conversations, facilitating clear communication between parties of diverse linguistic backgrounds.

Such capability helps to save expensive and time-consuming human translation agencies, speeding up the ADR process. AI familiarizes itself with legalese and cultural sensitivities, rendering its translations not only semantically correct but also contextually appropriate. This approach enables faster and more effective work while making providers available to parties so that they can focus more seamlessly on their actual dispute resolution rather than navigating the intricacies of several different languages.

- **Emotion Analysis:**

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AI's ability to analyze text and speech for emotional cues provides mediators with valuable insights. By detecting sentiment, tone, and stress patterns, AI can help mediators understand the emotional state of disputing parties. This allows mediators to adjust their approach, tailoring communication to address emotional undercurrents and foster a more conducive environment for resolution. AI can flag potential escalation points, allowing mediators to intervene proactively and guide parties towards constructive dialogue. This data-driven emotional awareness enhances the mediator's ability to navigate complex interpersonal dynamics.<sup>23</sup>

### **Hybrid AI-Human Mediation Models**

- **AI as a Co-Mediator:**

Mediators can obtain valuable insights from joint information through AI's ability to analyze text and speech for emotion signals. AI can be used by mediators to utilize sentiment, tone, and stress patterns in order to analyze the emotional state of disputing parties. Giving mediators an opportunity to hit reset, if necessary, and also adjust their own style of communication to address underlying emotional currents and create a more cooperative atmosphere for settlement.<sup>24</sup> AI can identify points of escalation and identify times for mediators to intervene to ensure that parties communicate constructively. Such data-driven emotional consciousness enables the mediator to skilfully manoeuvre through an intricate fabric of social relationships.

AI can read emotions from text and speech, which can give mediators insights into key emotional cues. AI can analyze sentiment, tone and patterns of stress — things that aid mediators in assessing the emotional state of a party in a dispute. It allows mediators to modify their approach, tailoring their interaction to suit emotional undercurrents and to achieve a more favorable and constructive context in which to work to settlement.<sup>25</sup> This capability of tracking sentiment over time could be integrated into mediation processes, whereby AI could detect possible points of escalation and notify mediators to intervene before a conflict becomes an urgent issue, nudging parties to engage in constructive dialogue instead.

AI is able to support human mediators through data-driven insights and routine task automation. But the actual essence of mediation is “human.”

- **Human Oversight:**

AI algorithms need to be checked thoroughly to eliminate any unintended biases and get rid of errors.<sup>26</sup>

Despite improvements, the AI models can still reflect ingrained biases present in training data, or generate incorrect information. Human oversight is a vital counterbalance, which prevents bias and error from propagating. AI-generated content must be checked for biases, factual errors, and inconsistencies, said reviewers. This will ensure ethical compliance in AI-driven processes and retains confidence in AI driven processes.

### **Future Prospects of AI in Dispute Resolution**

Artificial Intelligence has the potential to transform the ADR process into a more efficient, accessible and cost-effective alternative to traditional methods of conflict resolution and this, in turn, will have implications in practices surrounding various fields; hence the combination of ADR and AI is going to be a game-changer. For potential future progression, consider:

- **Integration with Other Technologies**

Integrating AI with block chain holds great potential for enhancing transparency and security in ADR. The secure and auditable record of all ADR-related activities provided by block chain's immutable, decentralized ledger guarantees data integrity and failure-proof against tampering. AI-driven smart contracts can ensure that all the agreements made in the ADR process are executed automatically, reducing the need for intermediaries and mitigating the risk of disputes caused by misinterpretation or non-compliance. Automating this process allows for a more efficient flow of data with less potential for human error.<sup>27</sup>

This combination greatly improves trust in the ADR system by creating an open and verifiable record of all transactions and decisions. AI can build on this by analyzing data and recognizing patterns to predict potential arguments so that proactive measures can be taken. This combination adds to a safer and more optimal and reliable ADR ecosystem.

- **Customized AI Solutions:**

Domain specialization of AI systems increases accuracy and relevance in ADR. General-purpose AI is too shallow to be useful in most nuanced legal fields. This integration with specific legal frameworks and domain knowledge for intellectual property, international trade or environmental law can be achieved by constructing AI tools designed for these areas. Such specialized AI systems can address specific needs— patent analysis, trade compliance, environmental impact assessments, etc.<sup>28</sup> Training these systems on datasets tailored to specific sectors improves their document-analysis, case-outcome-prediction, and legal-interpretation capabilities. With this specialized knowledge base, AI can deliver highly relevant and nuanced assistance tailored to individual ADR proceedings for each industry, driving greater efficiency and accuracy within the dispute resolution process. That way, the AI isn't just reciting general legal principles, but precise knowledge for this particular domain.

- **Global Collaboration and Standardization:**

The best way is there's potential to ease cross-border dispute resolution with AI. Language can be a barrier, an multidimensional AI tool translating documents and ensuring communication and interaction between different parties with standardized, AI-driven legal processes making the conventions the same across diverse systems. This simplifies complexities and inefficiencies usually involved with international disputes. Most importantly, there is a need for international cooperation on AI standards and regulations. Such a collaboration can take the best practices across the world and create a level of best practices globally so that the AI-powered ADR does not look unfair and the process looks consistent and sustainable.<sup>29</sup> Consistent regulations can also help build trust among foreign players by resolving problems such as data privacy, ethical implications of AI, and algorithmic transparency. Such collaboration not only supports a more efficient and equitable system but also helps to extend the benefits of additional dispute resolution to those engaging in cross-border disputes.

- **Enhanced Training and Skill Development**

It is important to note that the uptake of AI in ADR requires a massive up-skilling of ADR professionals. Mediators and arbitrators will need to train themselves to work with AI tools, and to make the necessary adaptations to their practice to capitalize on the strengths of the AI tool. Training programs must therefore focus on AI literacy, helping professionals learn how to read AI-generated insights, manage AI-driven workflows, and understand algorithmic decision-making. At

the same time, these programs need to highlight the lasting value of human skills. Empathy, ethical reasoning and interpersonal communication types are still critical to working through complicated disputes. We have to run a proper education initiative to establish a mutual relationship between human competency and AI capability.<sup>30</sup> This way, well trained ADR professionals could leverage AI as an effective tool while being unable to be replaced in trust building and levelling the negotiation and resolution playing field.

## Conclusion

For now, AI-assisted mediation should be viewed more as a tool for human mediators than a unique process. It does not remove the need for human mediators. Instead, AI-assisted mediation can be understood as a tool that would allow the mediator to offer the parties neutral analysis and possible paths to settlement.

AI-based systems offer solutions in terms of fast and cheap alternatives, bringing dispute resolution to those who previously had no access to justice. AI enables mediators and arbitrators to focus on the complexities of a case that require human insight and empathy, by automating routine tasks and providing data generated insights.

However, it does come with its own challenges, including bias, privacy and other ethical implications that must be addressed with caution. While AI for sure will not eliminate human professionals, it will become a powerful tool that supports and augments their work.

Yet, like any emerging technology, the adoption of AI in mediation entails a series of practical, ethical, and legal implications that need to be addressed. As AI continues to evolve, its adoption in ADR will likely increase, creating a more efficient, transparent, and equitable justice system for the benefit of all. As legal professionals, we should embrace this new technology and use it to provide better outcomes, greater satisfaction among disputing parties, and ultimately a more efficient and streamlined legal landscape.

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