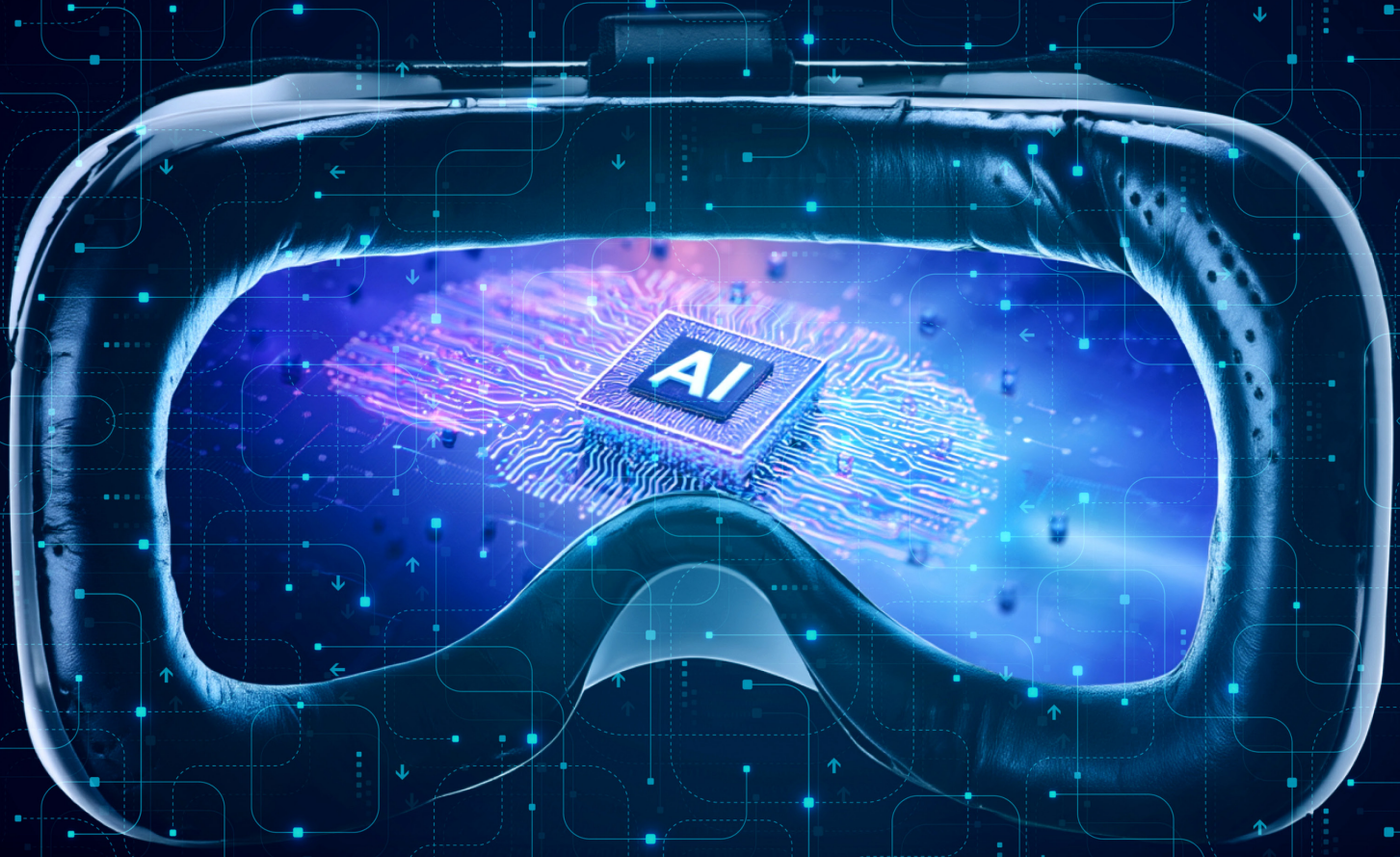
October 2026

Briefing

SMARTER LEGAL BUSINESS MANAGEMENT



THE GENAI REALITY CHECK

As legal enters a new phase of more focused innovation, with token cost in the mix, it could be tougher to turn committed adoption into measurable value

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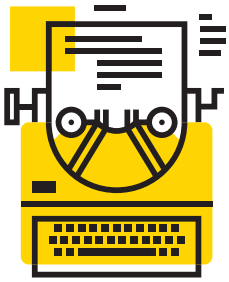
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EDITOR'S LETTER

GenAI has become an established part of legal operations, but its economics remain far from settled. Years of experimentation have yielded numerous use cases for both the business and practice of law, yet genAI's ROI remains stubbornly difficult to pin down. However, as profitability pressures intensify, clients demand more bang for their buck, and vendors begin shifting to consumer-based pricing, firms are forced to think more critically about where genAI is truly adding value.

So how are firms rethinking their genAI investment and deployment strategies in the face of these intensifying economic pressures? Could tokenisation be a force for good, offering greater visibility of the costs of genAI, or could it put a slew of use cases on the chopping block and put the brakes on experimentation? How is genAI reshaping the dynamic between law firm and GCs, and are lawyers equipped for tougher client conversations about AI and pricing? These are just a few of the burning questions we set out to answer in this special edition of **Briefing** — with several technology and innovation leaders from Anthony Collins, Blake Morgan, Kingsley Napley, Shoosmiths and Weightmans weighing in on what the shift from experimentation to economic reality means for the next phase of genAI investment.

We also bring you a broad canvas of perspectives from industry experts from **Aderant**, **DXC**, **Elite**, **Harvey**, **iManage**, **Kocho**, **LEAP Enterprise**, **Litera**, **sa.global**, **Stridon** and **Thomson Reuters**, encompassing valuable insights on how firms can maximise the value they get from their genAI tools and technology systems, and build the right foundation for the next wave of innovation and transformation.

ANDREEA DULGHERU EDITOR

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"Building strong AI capability in-house is important, but firms don't need to do everything themselves. By partnering with specialist technology companies, they can complement their own talent with deeper development expertise and accelerate the creation and scaling of proprietary solutions."

Tom Slate, director of projects and innovation, Shoosmiths

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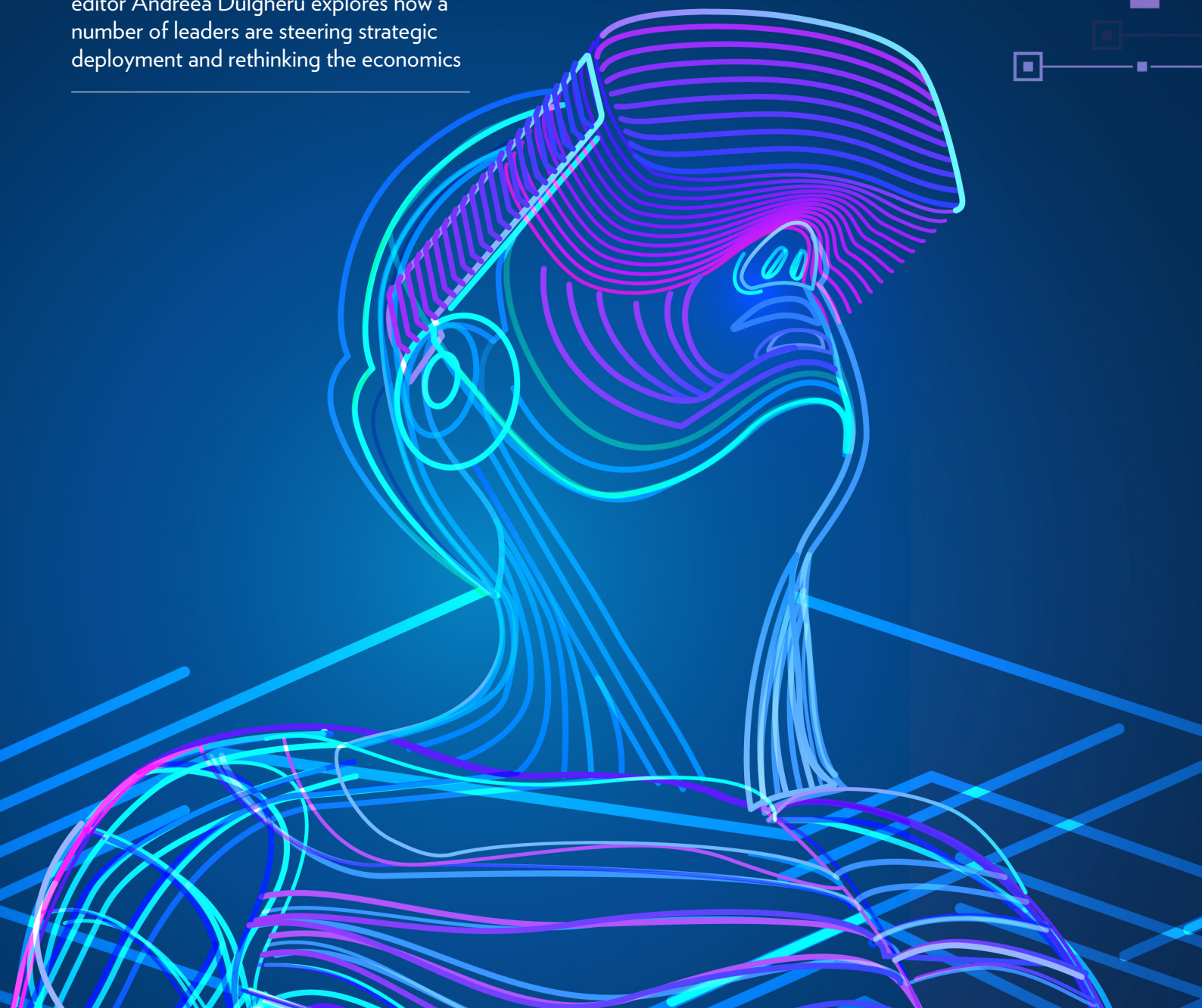
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THE BIG IDEA

THE GENAI REALITY CHECK

AI is moving from novelty to necessity, but as firms are hit with token, profitability and client demand pressures, are they taking a harder-headed look at what it's really worth? **Briefing** editor Andreea Dulgheru explores how a number of leaders are steering strategic deployment and rethinking the economics



BRIEF(ING) SNAPSHOT

GenAI is moving from experimentation to operational reality in the legal sector, but the rising costs of technology, client pressures around pricing and tokenisation are forcing firms to rethink their genAI investment and deployment strategies.

- **The competitive gap is widening.** While experts believe firms now have a better grasp of genAI and where it can add value, maturity varies significantly across the sector. At the same time, hype and 'innovation theatre' can obscure the true extent of progress.
- **AI strategies are becoming more selective and hybrid.** Over the past few years, there has been an increase in firms opting for a hybrid approach, combining solutions sold by vendors with custom-built genAI tools created by firms in-house. However, building internally carries significant development, data maintenance and governance demands, which can be a costly exercise.
- **Investment scrutiny is intensifying, yet ROI remains difficult to prove.** Against margin pressure and rising tech costs, firms are deploying genAI in areas that fit within the business-wide growth strategies. However, pinning down genAI value and ROI is still difficult, owing to the lack of sufficient and robust data to support like-for-like comparisons between old and new ways of working.
- **Consumption-based pricing could improve cost transparency, but curb experimentation.** While tokenisation may bring greater visibility of the cost of genAI tools, this could also put a greater emphasis on the monetary value of genAI to the detriment of subjective, quality-of-life metrics of value, and could kill further experimentation.
- **Firms will need a more discerning approach to genAI deployment.** Tokenisation will force firms to reconsider which tools are used for each specific use cases based on their individual merits, task complexity and risk profile.
- **GenAI literacy is now a business-critical skill.** Firms are stepping up their genAI training to ensure lawyers can use the tech efficiently and responsibly, and can confidently navigate complex conversations with clients around genAI use for legal work, and discuss its implications for service delivery and pricing.

Law firms have been surfing the genAI wave for about half a decade, with this technology evolving from a shiny new toy to an indispensable tool. With genAI now baked into most core technology systems, legal-specific solutions being bought by firms left and right, and the myriad of use cases identified over the years — from editing emails, to legal research, document drafting, due diligence and even the creation of new products and services for clients — it's safe to say that firms have quickly shifted from genAI experimentation to operational reality.

That's not to say experimentation is not still ongoing — this stage will likely never disappear as genAI models and features evolve at an unprecedented speed, demanding firms to keep up the pace, say Tom Slate, director of projects and innovation at Shoosmiths, and Paul Harker, head of transformation, technology and improvement at Anthony Collins. "Even though it's been around for a few years now, the technology is still relatively new, and we're still scratching the surface of its potential in the legal sector. There are still many use cases that firms haven't discovered yet, even for the more basic genAI tools, and firms must continue experimenting to stay on top of this," says Slate.

The genAI tide is still shifting, but firms have a firmer grasp of where the technology can move the needle, according to Harker. And, as understanding deepens, the gap between the trailblazers and those still finding their footing is widening fast — turning what started as an even-footed race into a competitive game of catch-up.

But how much of that momentum is real? Catriona Wolfenden, director of product and innovation at Weightmans, argues that significant hype and "innovation theatre" is still obscuring the full and accurate picture of where firms truly are on their genAI transformation journeys — a concern echoed by Harker and Kingsley Napley's director of innovation Sarah Harris.

TO BUY OR TO BUILD?

While firms' go-to strategy has been to purchase genAI solutions from third-party vendors, over the past three years an increasing number of firms have taken matters into their own hands, building their own internal genAI models, point solutions or AI agents — like Simmons & Simmons' Percy and Hogan Lovells' ELTEMATE CRAIG launched in 2023, and Anthony Collins' client-facing chatbot Aida launched at the end of 2025. Joining the fray is Kirkland and Ellis, which announced in late May this year its decision to allocate a whopping US$500m (£370m) to build its own AI platform.

The growing appeal of hybrid AI strategies is being fuelled in part by the rise of low- and no-code tools and vibe coding lowering the barrier to AI development, notes Ben Short, director of innovation and technology at Blake Morgan. This is the path that the firm is taking, using Copilot not only as a business-wide genAI solution, but also as the 'engine room' to build an AI foundry — a closed enterprise sandbox where genAI agents and tools can be developed and deployed internally by the firm securely, leveraging the firm's data. "As we go forward, we'll try to keep it fairly lightweight, as opposed to building everything you can just for the sake of it — otherwise you risk ending up with agent and tool sprawl with no documentation, control or governance," he adds.

Shoosmiths has also gone down the hybrid route, unveiling its self-developed genAI platform for contract review, Project Apollo, in June 2026. Built in collaboration with Microsoft, it is designed to explain its reasoning for any query and surface Shoosmiths' knowhow and guidance notes. Slate elaborates: "Firms are best placed to build their own genAI tools in areas where they've got genuine competitive advantage. This is precisely the reason for creating Project Apollo, which is based on our vast amount of market and playbook intelligence — something that no other firm would be able to replicate."

> **"In our industry, you can't just hand people genAI and let them experiment without the right guardrails and education in place."**
>
> *Ben Short, director of innovation and technology, Blake Morgan*

The ability to control and customise a solution, and reduce the reliance on third-party vendors, certainly increases the appeal of building one's own genAI tools. However, Slate, Harker and Wolfenden warn firms against falling too far down this rabbit hole, as the cost of developing and maintaining such tools can be hefty, and may distract firms from their true purpose — supporting clients with legal expertise. "Building strong AI capability in-house is important, but firms don't need to do everything themselves. By partnering with specialist technology companies, they can complement their own talent with deeper development expertise and accelerate the creation and scaling of proprietary solutions," says Slate.

THE HUNT FOR ROI CONTINUES

While the pace of innovation and firms' volume of investment in technology and genAI are only increasing — with average tech spend accounting for 6.1% of total annual revenue in 2026, according to the latest **Briefing** and HSBC UK's Law firm investment and strategy report — the rising costs of genAI solutions and the pressures on law firm margins are forcing firms to take a more calculated approach to genAI investment, one that fits within their business-wide growth strategies.

Over the summer, Shoosmiths mapped all its transaction, advisory and litigation processes across the business, as well as assessed the current cost to deliver its legal services to get a full benchmark of its operations and identify the biggest potential for genAI deployment. This analysis is what led the firm to pursue the procurement of an off-the-shelf due diligence product to reduce the administrative burden of this task placed on lawyers.

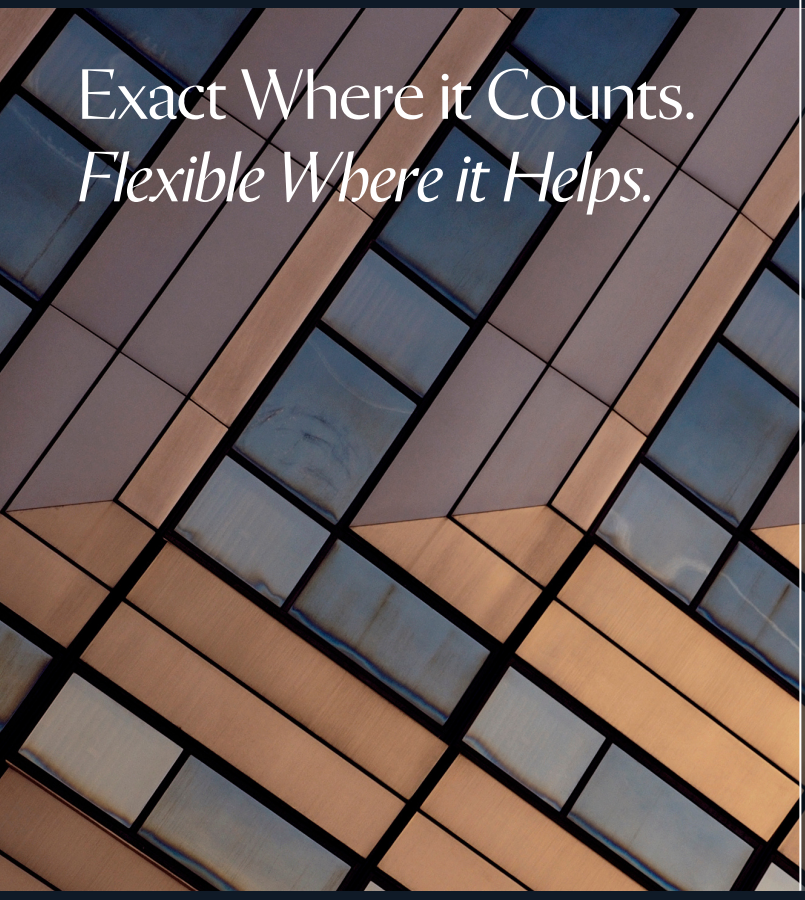
Kingsley Napley has continued to focus its attention on its behavioural science genAI tool for knowledge management, with the firm piloting the solution to extract and document knowledge for SRA reflective practice, directory submissions, supervision

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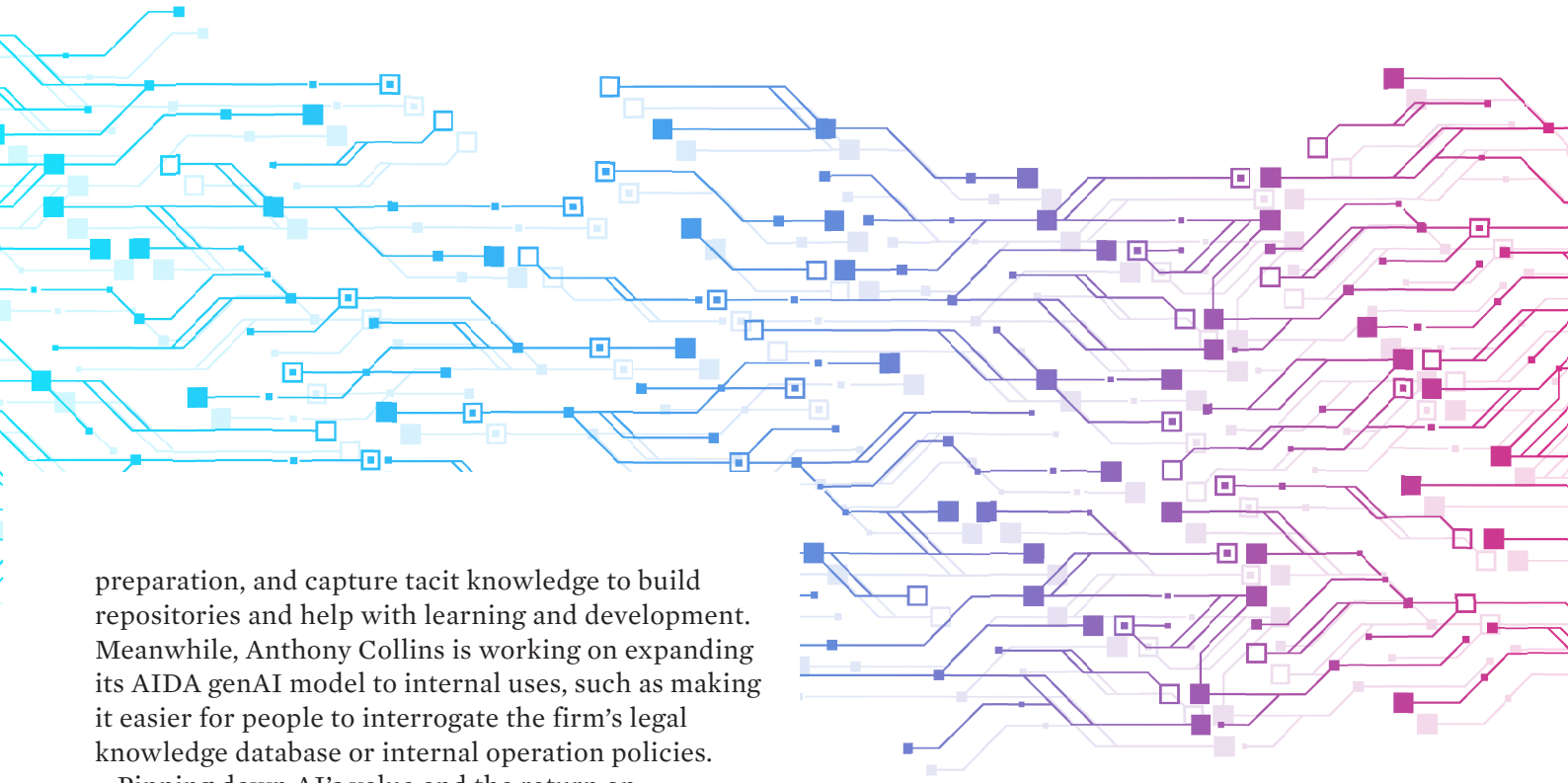
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preparation, and capture tacit knowledge to build repositories and help with learning and development. Meanwhile, Anthony Collins is working on expanding its AIDA genAI model to internal uses, such as making it easier for people to interrogate the firm's legal knowledge database or internal operation policies.

Pinning down AI's value and the return on investment (ROI) remains an elusive calculation, one that firms still don't have a solid grasp on, notes Wolfenden. She emphasises that traditional time-recording was never designed for this level of scrutiny, and the data rarely supports like-for-like comparisons between old and new ways of working. As such, measuring AI's ROI still involves a fair amount of estimation, assumption and educated guesswork.

RUNNING THE METER

The rise of consumption-based pricing is adding more complexity to calculating genAI's ROI — and, according to Wolfenden, it's shifting the power balance towards genAI vendors. Because tech providers control how tokens and usage metrics are converted into billable units, firms are often left trusting their maths without being able to independently corroborate what they are being charged for. "It's almost like buying currency — you pay money and take your chance that you've bought it at a good rate, but in reality it's volatile. Frankly, I don't think anyone has a full grasp of the true cost of AI, but in a consumption-based world, vendors are the judge and jury. They're the ones dictating the unit price based on their perception of value and their own profits, while law firms have no way of verifying that. This makes things very tricky," she elaborates.

Harris agrees, adding that firms can no longer afford to treat AI costs as a black box. Understanding model pricing, token costs and vendor mark-ups is becoming a business-critical capability, and she advises firms to do their due diligence to sufficiently understand the supply chain to make business decisions — a responsibility that law firms cannot abrogate.

Harker and Short, on the other hand, view tokenisation as a positive development on the AI front, as they believe it brings greater visibility of the cost of such tools, thus potentially helping firms get a better grasp on the cost and return of genAI. At the same time, Harker warns that consumption-based pricing can put a greater emphasis on the monetary value of genAI in the ROI equation, to the detriment of other subjective, quality-of-life metrics of value — like reducing administrative burden and stress for employees, and learning and development wins. He

"There are still many use cases that firms haven't discovered yet, even for the more basic genAI tools, and firms must continue experimenting to stay on top of this."

Tom Slate, director of projects and innovation, Shoosmiths

also warns that this increased focus on the numbers could potentially stifle future genAI experimentation.

This is certainly a dilemma that several law firms using genAI tools priced on a consumption base are now facing. For years, people were encouraged to freely experiment with AI to find the best use cases and develop AI literacy. As consumption-based pricing models put greater financial pressure on how AI is deployed in firms, leaders are now potentially looking at making tough decisions: which use cases to scrap, and which to keep.

This conundrum was one of the deciding factors for Blake Morgan's choice to roll out Copilot across the business, rather than legal-specific genAI tools operating on consumption-based pricing (or likely to shift to this pricing model in the near future). "While there's no guarantee that Microsoft won't introduce tokenisation at some point, it's unlikely that they will take this step, as it'd be very difficult for them, given the way they've embedded Copilot across every app in the Office suite. So our firm is not in a position where we're taking tools away and restricting experimentation," notes Short.

While firms will certainly have to rethink how genAI gets deployed in their business, removing access to the tools entirely may not necessarily be the right approach in this circumstance, argue Short and Harris. Instead, the two experts believe law firms will be more discerning over which specific genAI tools (or even non-AI-based solutions, like automation) they use for particular tasks — which could also potentially reduce the hype around genAI and investment in this technology just for the sake of it. "Each use case will have to be assessed on its own merits and complexity to determine whether a premium model is truly needed for a specific use, or if a less expensive model, or no AI at all, is better based on the task's complexity and risk profile. However, I don't think firms yet have the true granular understanding of these cases and the cost of genAI needed to be that discerning," Harris elaborates.

"In a consumption-based world, vendors are the judge and jury. They're the ones dictating the unit price based on their perception of value and their own profits, while law firms have no way of verifying that. This makes things very tricky."

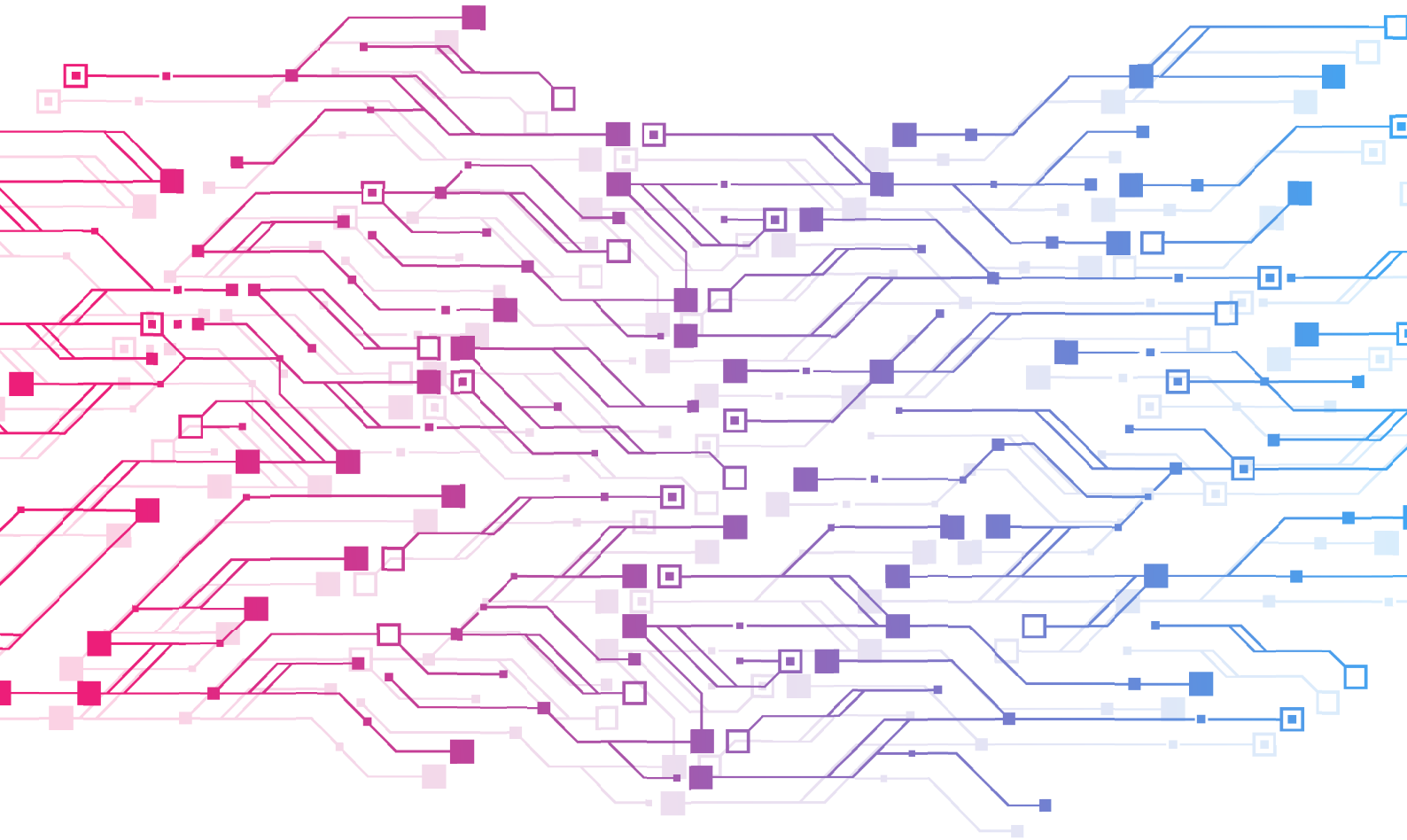
Catriona Wolfenden, director of product and innovation, Weightmans

"Each use case will have to be assessed on its own merits to determine whether a premium model is truly needed for a specific use, or if a less expensive model, or no AI at all, is better based on the task's complexity and risk profile."

Ben Short, director of innovation and technology, Blake Morgan

The first use cases that firms will look at with increased scrutiny — and where tokenised genAI tools will be replaced by cheaper counterparts or be reconsidered altogether — will be those supporting individual tasks, anticipates Short. "The smarter play will be to start at the top: focus first on the use cases driving firm-wide efficiency, followed by those bringing value for business groups and teams, and individual uses last. By treating genAI adoption as an inverted pyramid, firms can prioritise the areas where efficiency gains scale faster and deliver the strongest return on consumption costs."

The restructure of firms' genAI investment will very much depend on each firm's genAI maturity level and specific applications of this technology — with those that have overcommitted to a single genAI platform and applied it across the business with a broad brush stroke likely to feel the pains of the tokenisation shift more than others, argues Harker. Meanwhile, firms that have taken a more cautious approach and avoided putting all their eggs in one basket may now be in a stronger position to make more considered choices as new tools enter the market and tokenisation continues.



LICENCE TO LEARN

GenAI is changing more than just workflows: it is reshaping the dynamic between law firms and clients. As in-house teams themselves experiment with this technology, experts note general counsel now increasingly expect higher quality service delivery and potentially lower prices — an effect of the clash between the time savings brought by the technology and the traditional billable hour model. And, with market competition for business more intense than ever, clients now find themselves to be the ones steering these conversations.

"Lawyers have traditionally been the people in the room with all the answers, dictating the legal advice, and how it is delivered and priced. However, with genAI now in the mix and firms still trying to figure out how to best use this technology, this is forcing a more collaborative conversation between firms and in-house teams, and prompting lawyers to admit they're still learning on their genAI journey and to give clients different options to choose from," says Harris.

As such, it's no longer enough for lawyers to understand the technology themselves; they must also be able to explain it to clients with confidence — in a way that fits the specific client's level of technology literacy, explains Wolfenden. As a result, many firms are now delivering training to educate their fee earners on how to best approach this conversation from a commercial perspective, and avoid financial losses caused by inadequate work pricing.

"At Kingsley Napley, we have a crib sheet with information for the most common client questions around genAI use in the firm, such as data protection and usage policies. However, the bigger conversations around pricing are led by the senior partners, rather than juniors, and we provide training to equip them with the necessary skills for these discussions as part of our AI development programme," Harris explains.

These genAI-focused business development sessions are part of wider genAI literacy training programmes that many firms now have in place, designed to equip people with the necessary knowledge and skills to harness the power of this technology safely, responsibly and to the fullest.

One such initiative is Blake Morgan's new training

scheme, designed as a four-module "driver's licence" — one that every user must pass before they receive a licence for Microsoft Copilot. It encompasses four e-learning modules, offering a mix of theoretical information meant to increase people's understanding of genAI utilisation and the risks associated with it, as well as practical applications of this technology for different use cases across the business and practice of law, such as research, information summarisation and document drafting.

"At a high level, we want everybody in the firm to have access to genAI, but we also want them to have the necessary confidence to use the tool, and understanding of its capabilities, limitations and risks. In our industry, you can't just hand people genAI and let them experiment without the right guardrails and education in place," says Short.

BEYOND THE AI GOLD RUSH

There's no doubt that genAI will continue to change at an unprecedented pace — particularly as vendors are also feeling the pressures of business competition in an oversaturated market. However, while the first five years of the genAI journey have been defined by pilots, proofs of concept and a race to get tools into people's hands, all signs point to the beginning of a new phase of genAI innovation for the legal sector. As tokenisation and higher profitability pressures sharpen scrutiny of costs, firms are forced to think harder about where AI genuinely adds value and where it doesn't.

Short predicts that over the next 12 months firms will shift away from relying on one product tool to rule all use cases, and instead focus on a multi-modal approach to genAI, where specific point solutions (with different levels of capabilities and price points) will be implemented based on their suitability for particular use cases. "I also think there'll be a bit more focus on the operational side of law, as there are so many low-hanging fruit use cases for genAI applications in the business of law still waiting to be grabbed," he adds.

Sustainability will also become a more important consideration for environmentally conscious talent and clients in future, and will inevitably make its way onto firms' agendas as well, note Harker and Harris. "While today's strategic discussions centre on the cost of genAI, tomorrow's are likely to focus just as much on its environmental footprint. The sustainability aspect is something Kingsley Napley is already looking at, and will likely be part of the bigger conversation around the economics of genAI in the next 12 months — and firms should be prepared to address that soon," Harris concludes.

"While today's discussions centre on the cost of genAI, tomorrow's are likely to focus just as much on its environmental footprint and what that means for firms' AI strategies."

Sarah Harris, director of knowledge and innovation, Kingsley Napley

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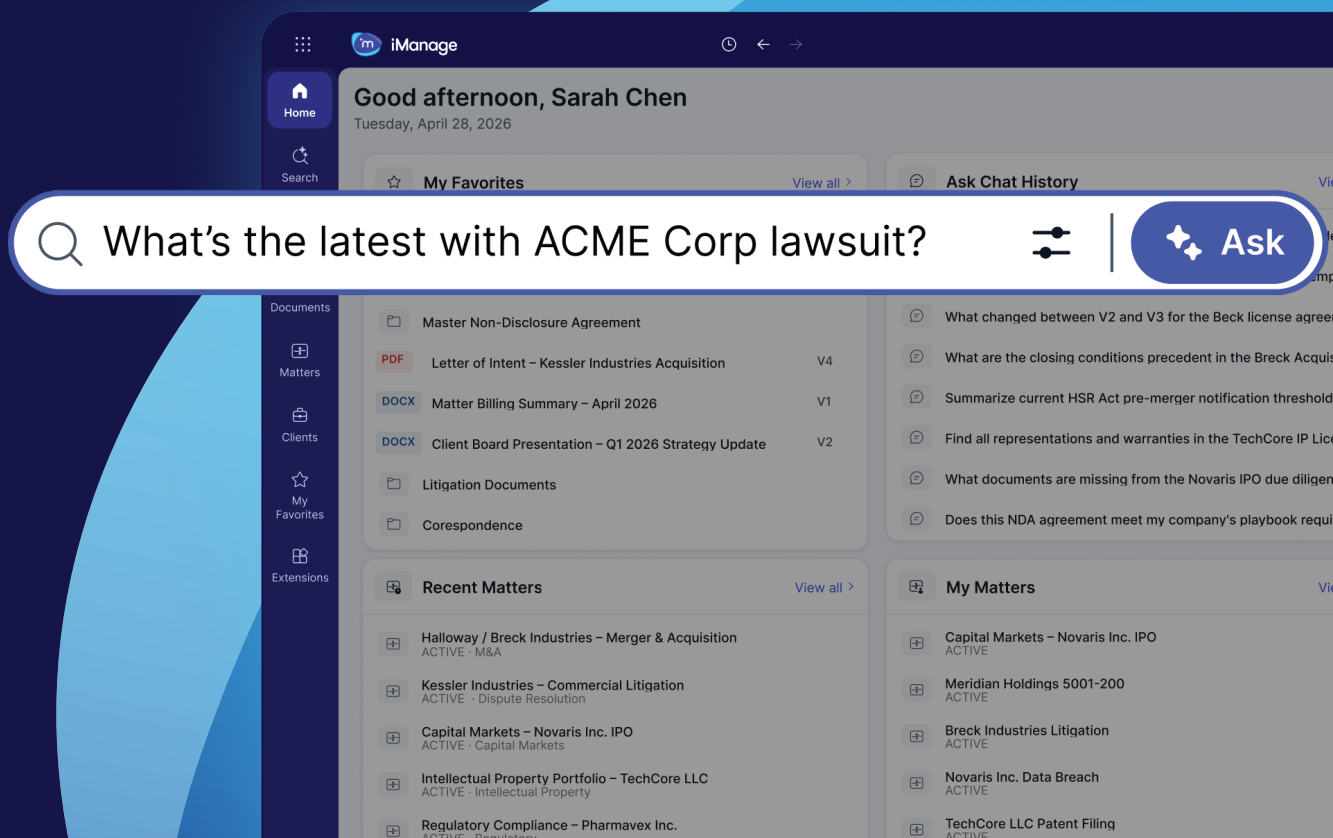
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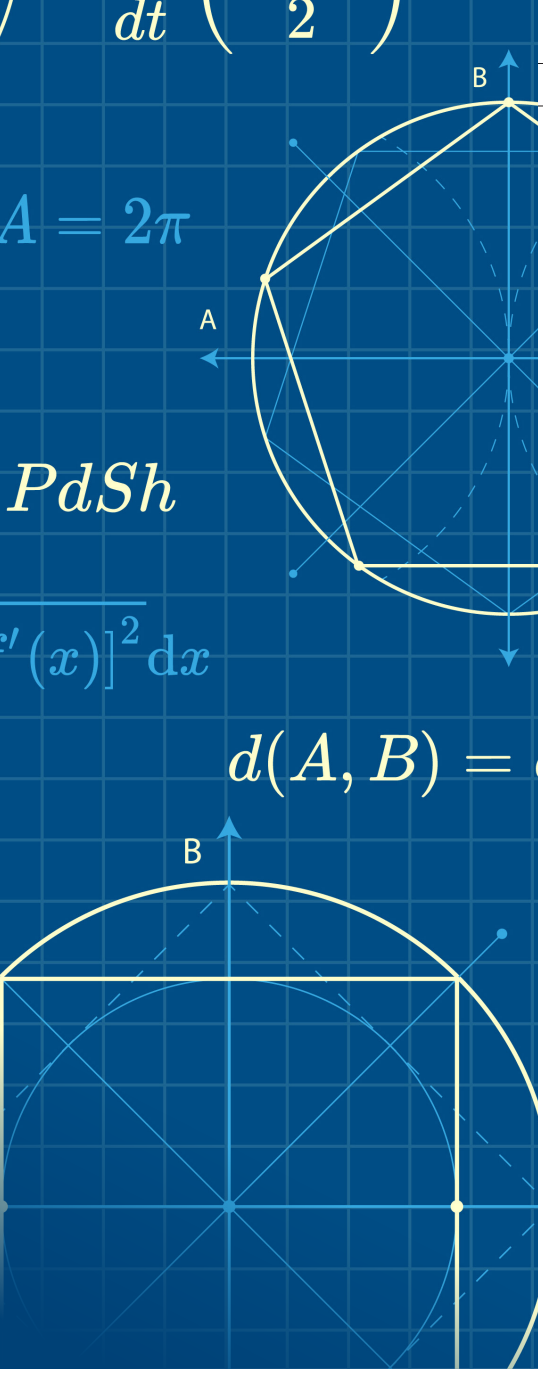
THE GENAI VALUE EQUATION IS MORE THAN ADOPTION

Joe Cohen, legal innovation partner at Harvey, argues that AI's value shouldn't be measured by adoption alone, but by its impact on margins, strategy and the law firm business model

You might be forgiven for thinking that adoption is the be-all and end-all of genAI. Certainly, it's very difficult to assess the impact it's had on your business until you have high levels of adoption over a sustained timeframe, but stopping there will probably do your firm a disservice. So if it's not adoption — monthly active usage, prompt quantities, or agent runs — then what is it?

Let's say that you're a partner running a real estate department and your lawyers are using agents to create Certificates of Title for a development portfolio. This is going to save time — but how much time and compared to which benchmark? And on what fee basis was the matter operating? The first port of call would be to perform a 'before and after AI' analysis looking at margins, realisation rates (recoverable time including write-offs), leverage (ratio of juniors to seniors), matter lifecycle days and cash cycles. Similarly, we could look at the lawyer-by-lawyer view and see how their utilisation and chargeable to non-chargeable time ratios have changed since adopting AI day-to-day. If we perform these analyses for this matter type, and lots of others, we could obtain some

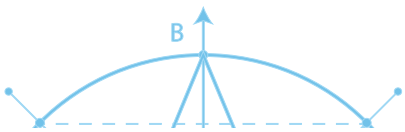
The law firm business model is undergoing structural changes. Waiting for that change before revisiting how you measure AI's impact and plan for the future may mean making critical decisions too late.



quite useful data — and not just for data's sake, because we should be able to leverage it for better strategic decision-making.

NEW RULES, NEW MATHS

Ultimately AI should be assessed through the lens used for any other meaningful investment (technology or otherwise): is it helping us make more money? And so we need to think about how AI allows us to move in different ways across the value chain: we can move up, down, expand or contract. AI allows us to do more complex work that was previously out of reach, but at the same time also try and win work that was previously uneconomical to deliver. AI will make some work more profitable and there might be more of it — it makes sense to expand and invest in that case. On the flip side, AI will erode some work and it will become commoditised to the point where it no longer makes sense for the firm to deliver it. To put it another way — if you're planning on hiring one lateral partner into your firm this year, can you confidently say they are going into the right department?



The main point is that we need to have a clear map from adoption, to tracking business metrics, to making strategic decisions on the basis of those metrics alongside other considerations — and more regularly than the usual annual cycle. Which leads us to the next point: if the above process works well, the law firm budgets must change.

By budgets, I am referring to the time-tested routine of multiplying the number of lawyers, their hourly rate and number of billable hours per day to get the top line budget for a practice group for the year. In theory we aren't sure about any of these factors anymore, but we still need to forecast to ensure we have enough resources. What might we replace this calculation with? Perhaps we can take some inspiration from other industries.

Manufacturing firms tend to budget on unit price x quantity, so that could be an option — firming up matters into 'service offerings' that have a defined cost of delivery and actively trying to sell them to the market via a sales team. This would work for human lawyer-delivered services, or for the tech products that law firms are increasingly releasing. Sounds fanciful for a law firm, but in actual fact we are now starting to see this in pockets.

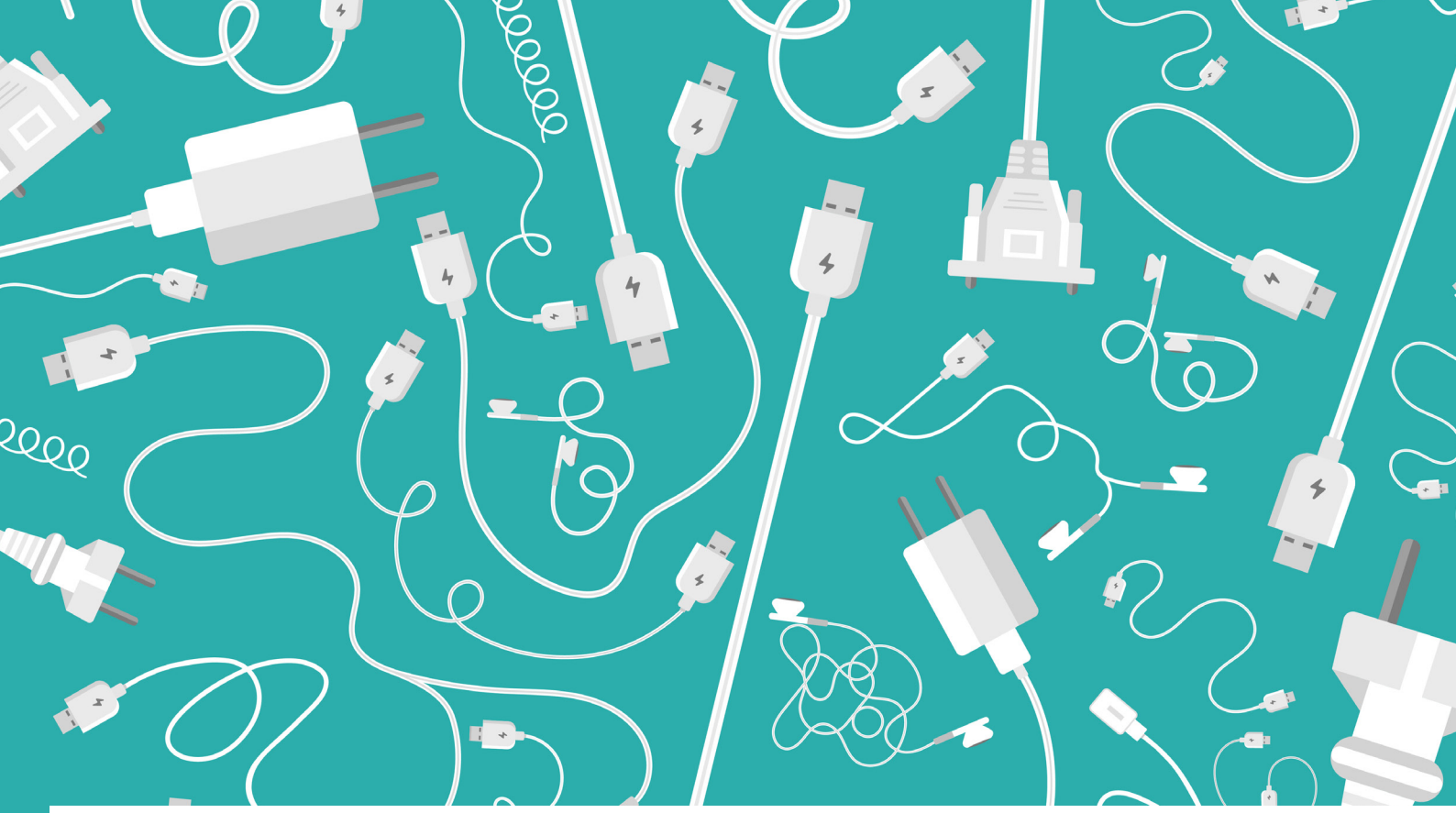
Or maybe, for the matters where we think we can price based on outcome or value, we could scale up and operate a book like the litigation funders, who look at probability x recovery x share. Some will win and some will lose — but it works in the aggregate. Alternatively, the law firm might find out or estimate the total share of legal spend for their big clients and allocate a target percentage share of that spend they want to capture for that year, and invest in BD accordingly.

THE TIME TO ACT IS NOW

You may look at the market as of today and take all of that with a pinch of salt; in time we see this equation evolving in different ways. Similarly, it's interesting to think how pricing and budgeting decisions impact the staffing model itself. The pyramid is already narrowing, which is possibly sustainable — but if we over-index on judgement-heavy work delivered by the senior lawyers at the expense of investing in enough junior talent, you will end up with an upside-down pyramid, which is not sustainable.

To conclude, the law firm business model is undergoing some structural changes — slowly now, then all at once. Waiting for that change before revisiting how you measure AI's impact and plan for the future may mean making critical decisions too late.

To learn more, visit harvey.ai



INDUSTRY INTERVIEW

DISCONNECTED TECH DIMINISHES VALUE

Elisabet Hardy, chief product officer at Elite, argues that law firms will not unlock meaningful returns from AI by adding another tool or disconnected agent. The firms that pull ahead will connect trusted financial data, end-to-end processes and AI across the work-to-cash cycle

The legal sector has moved beyond asking whether AI has potential. The harder question is whether firms can turn that potential into measurable business value. Investment is not the problem, fragmentation is.

Elite's research shows that 88% of firms are investing in AI for financial operations, while 82% run four or more financial systems. It's no surprise that so many firms also say that a lack of system integration is the biggest barrier to realising value from AI.

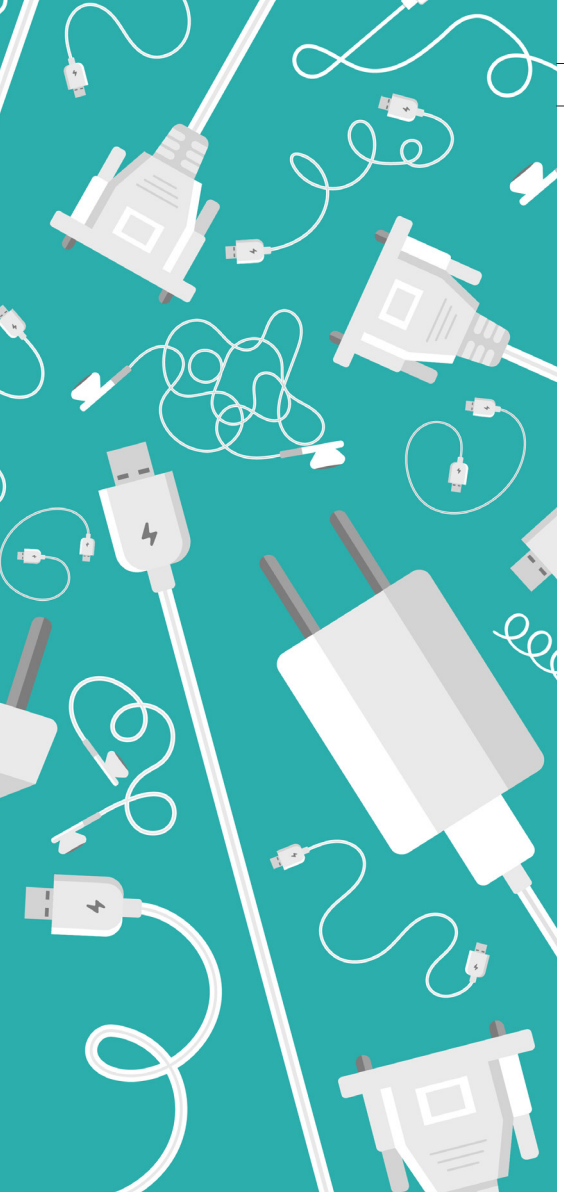
"Law firms do not have an AI problem. They have a fragmentation problem," notes Elisabet Hardy, chief product officer at Elite. "The industry has spent years adding point solutions to optimise individual tasks, but the work still has to move across the firm. AI needs the full context: the financial data, the process and the decision points. If those are split across systems, AI can only see part of the picture. You may automate a step, but you will not transform the outcome."

For a law firm CFO, that distinction is practical, not architectural. It determines whether AI can help shorten billing cycles, improve collections, identify risk sooner and release capacity, or if it simply adds another licence and another integration.

"The business case for AI is not an impressive task performed in isolation," Hardy says. "It is better business performance across the work-to-cash cycle. That requires trusted financial data and a platform view of the entire process. Without that connected foundation, the firm is asking AI to make decisions with only part of the truth."

WHY POINT SOLUTIONS PUT A CEILING ON AI

With agentic capabilities becoming more widespread, moving to a platform model should be the first step towards building the unified data repository that will enable the tech to execute tasks effectively and deliver fast, accurate results.





"A stack of bolt-on tools is no longer just expensive to integrate. It becomes the ceiling on what AI can do and, ultimately, on the business value the firm can realise."

That is why Hardy believes the rise of AI spells the end of the point-solution era. "Point solutions were built for a world in which software improved one step at a time. AI changes the unit of value. It can understand context, make decisions and move work forward across a process, but only if the data and experience are connected. A stack of bolt-on tools is no longer just expensive to integrate. It becomes the ceiling on what AI can do and, ultimately, on the business value the firm can realise."

ROI BEGINS WITH THE BUSINESS OUTCOME

A platform alone does not guarantee a return. Hardy says firms must start with the result they need to change, not the technology they want to deploy. "Too many AI initiatives begin with the tool. The strongest begin with a business target: reduce the time from work to bill, improve cash conversion, remove rework, surface risk earlier or create capacity without adding cost. If a firm cannot name the metric, it will struggle to prove the value. AI ROI should be visible in the performance of the business, not in the number of pilots launched." Firms also need a clear plan for how released time and capacity will be redeployed.

Hardy notes that successful AI implementation also requires a broader cultural and operational shift to rationalise the technology in use across the firm. When teams select different tools for isolated needs, local optimisation can slow down the firm as a whole. Every additional system and handoff creates another place where work can stop, data can diverge and accountability can blur. "A firm does not become more productive because one team has optimised its part of the process. Value is created when the whole process performs better. That is why the platform decision must be made at firm level. Standardisation is not about limiting choice for its own sake — it is about creating the consistent data and operating model that allow the entire firm to improve."

For Hardy, this changes what firms should expect from a strategic technology partner. "The question is not simply whether a vendor has an AI feature. It is whether that partner understands how a law firm operates, has the financial data and platform to connect the process, and can show where AI will change a business outcome. The firms that create the most value will not be those that accumulate the most AI tools: they will be the ones that give AI the connected context to act across the business."

She highlights: "It's about helping our customers understand what best-in-class operations look like, how to take advantage of standards and best practices and where we think a firm can operate differently based on its individual situation. When you're selecting a software partner for the future, you need deep-level expertise in understanding how law firms operate globally."

To learn more, visit elite.com



INDUSTRY CASE STUDY

CLEAR WINS FOR CLIENT VALUE

Michael Robertson, partner at Dickson Minto, explains the rationale behind selecting Litera's AI solution Lito — and why the tool will mean more value for clients

Dickson Minto's starting point when evaluating and selecting AI tools is never software-driven — it's always client outcome and internal processes-driven, emphasises Michael Robertson, partner at Dickson Minto.

The law firm doesn't only focus on how an AI solution can best support the productivity of its lawyers' work. It's also keenly aware of the technology's potential to fuel long-term strategy. This is to make sure there is a team of people who know their clients inside out, Roberston explains.

"AI needs to be connected to your tech stack and data to deliver the right information to the right people, at the right time."



He says that any Dickson Minto advice note will always be succinct, grounded in a deep understanding of its clients' needs and will always include a clear recommendation, as opposed to being a lengthy description of options. "The idea is for software and AI to allow us to move to that recommendation stage quicker and to make sure that clients get fully tailored advice quicker," he adds.

The firm has been engaging with AI solutions since 2022, but with several iterations from different providers failing to deliver on promises the firm turned to Litera's Lito. After seeing a demo of the tool at a conference in June 2026, the firm began implementing it in August in an ongoing deployment. "We moved quickly because we recognised the huge power of the tool. One of the advantages is that if you're working on a time-sensitive transaction, running draft documents through Lito means you can immediately surface any issues, which allows you to move quickly into the knowledge work involving the transaction rather than the admin tasks," Robertson says.

THE PATH TO A SPEEDY ROLLOUT

Frictionless implementation was high on the firm's selection criteria for a tool; it goes a long way when driving uptake, Robertson explains. After seeing the demo, he was drawn to the fact that Litera and Lito were integrated with iManage, Outlook and Word — a quality that set the foundation for smooth implementation and sustained adoption. "Integration with the platforms that our lawyers use every day means it's very easy for them to drag documents into Lito and ask it to analyse them or run a playbook or create a table, which encourages them to use it more and develop their own ways of working," he says.

From there he recommended adoption to the firm's IT team and other partners. Combined with an open culture that enables dynamic decision-making, familiarity and Litera's sheer speed meant there was a quick turnaround. In a matter of weeks, Lito was deployed to a test team which has gradually expanded and now over half the firm has used the tool.

There was little need for formal training — again strong integration benefited strategy. Having drag-and-drop functionality for documents has allowed people to say, "I'll have a go at this because all I need to do is open the browser or app, drag some documents in and play around with it," Robertson highlights. "We find that people trying things out with software allows us to explore use cases better," he adds.

BIG WINS FOR EFFICIENCY

In addition to using Lito for time-consuming or repetitive tasks like document review, the firm has started using it to review and benchmark work against its playbooks.

Robertson also believes it removes some of the stress in time-sensitive tasks. He recalls how Lito summarised the provisions in a share purchase agreement (SPA) and built a table with advantages and disadvantages, cutting a job that can take upwards of four hours of mixed legal and admin work down to one hour of added legal value.

Litera's responsive and quick communication proved handy when overcoming obstacles in the implementation process — the firm flagged concern about where its data might be processed, and the issue was easily resolved within 48 hours over the phone and email.

To a firm that generally does very little advertising because it believes the strongest recommendations are the personal ones, these pros are significant. By embracing technology that has allowed the firm's lawyers to invest more time in client-facing work and understanding what clients need, Robertson feels that the firm's connection with its clients is stronger.

To learn more, visit litera.com

INDUSTRY CASE STUDY

WOMBLE BOND DICKINSON STEPS UP ITS STRATEGIC AI GAME

Sam Dixon, chief innovation officer at Womble Bond Dickinson, details how the firm became the first external UK tester of the latest iteration of Thomson Reuters CoCounsel Legal and where this version's agentic capabilities set it apart from its predecessor

In just a few years, genAI has reshaped the trajectory of the legal sector. While some firms are still adapting to this new chapter, others are already getting ready for the next wave of transformation: agentic AI.

While adoption of this technology is still in its infancy — currently in use in 16% of law firms, according to Thomson Reuters Institute data — firms such as Womble Bond Dickinson (WBD) are already taking steps to embed it. The firm, which has used Thomson Reuters CoCounsel since 2025, is currently beta testing the next generation of CoCounsel Legal that features enhanced agentic capabilities — helping to refine it ahead of its UK release this autumn.

CHARTING THE AGENTIC COURSE

Sam Dixon, chief innovation officer at WBD, says an all-in-one platform and easy integration with other Thomson Reuters products influenced the firm's decision to select CoCounsel at the start of its AI journey. However, it was Thomson Reuters' integrated bank of proprietary legal knowledge that proved decisive: "This was going to be one of the advantages — if not the defining one — within legal AI. As we move into an agentic era, the friction of breaking out legal research is far greater now than before. Having the content integrated is crucial."

Dixon says WBD, which focuses on usage to gauge the success of its CoCounsel Legal deployment, now has around 430 monthly users out of 620 qualified lawyers. That strong uptake, paired with WBD's desire to help shape the tool's development, made testing the next version of CoCounsel Legal a natural progression in the firm's partnership with Thomson Reuters.

A BOOST IN PERFORMANCE

Dixon began the alpha testing phase of the new CoCounsel Legal in August 2026, making WBD the tool's first external UK tester. When the product reached beta, the firm brought 20 more people into the evaluation process, which included staff with varying levels of seniority and tech savviness from across the firm: "You need a mix of people, including those who are more cynical about technology. This allows you to see what people find difficult or unintuitive, helping to shape your launch plan."

To assess the next generation's capabilities, Dixon developed his own legal reasoning benchmark using a real document with dummy data and asked the system real-life questions on its contents. "We gave it three attempts at each question. The goal was to evaluate CoCounsel Legal's ability to review and analyse a large-scale agreement, think like a lawyer and spot

"The biggest strength in a relationship with a supplier is being able to have an open, constructive dialogue and suggest changes or different approaches."





deliberately introduced drafting errors, and then compare the results with its predecessor's."

Dixon also replicated an exercise from a previous workshop, where general counsel had to produce advice based on a document and supporting evidence. He gave the same scenario to CoCounsel Legal and instructed it to use the brief — deliberately rewritten in a convoluted Victorian English style to make it harder to decode — and execute it. "It found the key instructions, analysed the documents, identified the key points and drafted a briefing, all in one step."

Dixon notes the new CoCounsel Legal's results were "impressive" and "significantly better" than the previous version's. He says the tool's ability to complete multiple tasks with a single instruction — something that wasn't possible with its predecessor — helps save considerable time and, crucially, unlocks new opportunities to enhance WBD's service delivery: "It's a step up in performance thanks to its architecture and makes tasks like horizon scanning possible in a way that wasn't with the previous version."

FOUNDATIONS FOR THE FUTURE

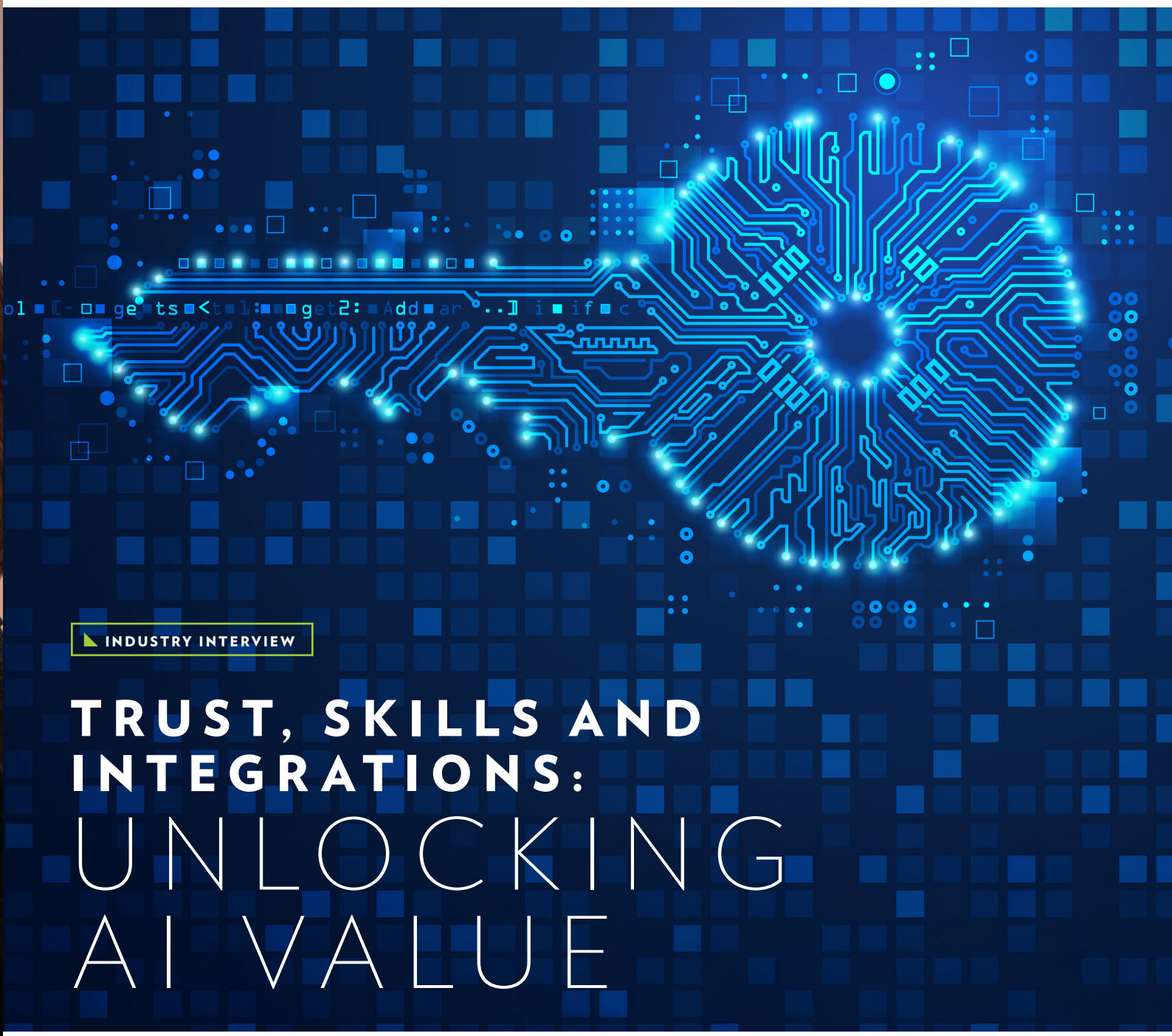
Dixon says WBD will continue to monitor usage as a key success metric after the new CoCounsel Legal launches. In preparation for its release, the firm has made governance and ongoing training — delivered with support from Thomson Reuters — a priority: "We've refreshed our AI policy to help people work with AI in a way that promotes development and supervision and preserves independent judgement, which is key from an agentic perspective."

This updated framework encourages people to establish a human-led reasoning baseline before using AI for a task. "They can jot down thoughts on what the answer and relevant factors might be. When they get an AI response, they have something to check it against," he explains.

With technology moving so quickly, Dixon says a strong relationship with AI vendors is crucial to keep pace with product development and new features. He describes WBD's own partnership with Thomson Reuters as one of close collaboration, with further product testing potentially on the horizon: "We have regular calls with our client success manager and the core CoCounsel Legal product team, so we're feeding into the product roadmap. The biggest strength in a relationship with a supplier is being able to have an open, constructive dialogue and suggest changes or different approaches — this is the kind of two-way relationship we've built with Thomson Reuters."

To learn more, visit thomsonreuters.com


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Find out more about the Xponential Enterprise



INDUSTRY INTERVIEW

TRUST, SKILLS AND INTEGRATIONS: UNLOCKING AI VALUE

James Dudden, head of product at LEAP Enterprise, explains the operational considerations firms need to keep in mind when selecting AI tools and why leaders need to make knowledge sharing a strategic priority

As the AI conversation steadily shifts from the products themselves to the actual value tools can deliver, firms are increasingly focusing their efforts on how they can best implement the technology to minimise operational friction, maximise benefits and pave the way for growth.

For James Dudden, head of product at LEAP Enterprise, integrations are one of the key levers firms can pull to achieve those goals. In a crowded market, where multiple solutions seem to be able to get the job done, firms need to pay attention to how the tool they select will fit into their existing tech stack and people's workflows in such a way that it optimises operations, driving adoption and ultimately helping to build the business case for the investment.

"Bringing AI into the firm requires more than an invitation, or even a mandate to use a new technology."



"External solutions and bolted-on products mean lawyers need to leave their working environment to use the AI. For example, you would need to take a client document out of your system, push that to the AI, wait for the results and then bring it back into your system: each step introduces an element of risk. Ideally, you want solutions built from the ground up with the software, but if the tool is external, the integration needs to be seamless," he explains.

He notes that AI solutions that sit outside lawyers' natural flow of work can not only have security implications but also affect productivity owing to the need to constantly switch contexts, limiting AI's main benefit: time savings. "Any process that takes lawyers out of their workflow means AI is no longer functioning as a time-saving tool because these extra steps are being added back in."

For Dudden, the starting point to realising all the advantages AI can offer is identifying the right use cases where the technology can make a difference. His advice is to start with the friction, not the technology. "Don't begin by asking what AI can do — instead, look at where your people lose time: the tasks repeated across every matter, the work that's high-volume but low-judgement, and the jobs everyone quietly dreads. That's usually where the first use case is hiding."

Dudden highlights that users must find "the unique way AI works for them" — an approach that LEAP Enterprise has adopted to inform its product development. The vendor is about to release an AI tool that sits inside the LEAP platform and helps lawyers organise their days more efficiently. It works by drawing on the firm's own matters and the lawyer's work patterns, so its suggestions are grounded in what that individual is actually responsible for rather than a generic to-do list.

TRUST AND SKILLS ARE THE BEATING HEART OF ADOPTION

While identifying use cases is a central part of successful AI adoption, it's not the only one. To find those applications that will deliver meaningful value, users need to understand how the technology works and develop the skills to make the most of it — a slippery goal when AI evolves so quickly.

This is why firms must make training and knowledge sharing a strategic focus, explains Dudden, investing time and resources in ensuring staff master the ins and outs of the technology. "Simply unleashing AI on people won't yield the best results. Even seemingly little things like prompt engineering require training — not everyone knows that the more direct you are with AI, the better results you'll get." He advises firms to leverage internal champions or tech-savvy users to amplify knowledge across the firm but also consider external training, which can be "life-changing" for less-confident users.

Dudden also highlights that training should go beyond technical expertise and also encompass responsible use to build trust in the technology and its output. To create the right conditions for confident, safe use, firms must establish a clear AI policy and ensure people understand what it means and why it's in place. Crucially, they need to reinforce that users are responsible for properly reviewing AI output and verifying its accuracy and quality. "These rules must be communicated explicitly and trickled down to every corner of the firm. Champions across departments will help, but senior leadership is key: they must demonstrate they understand these policies and communicate them effectively," he adds.

AI's vertiginous pace of change means education is an ongoing commitment for firms — rather than a one-off task — that will ensure their investment in the technology continues to pay dividends into the future. For Dudden, this is crucial: "Firms need to make continuous learning and knowledge sharing a priority. With AI, I truly believe that knowledge is power. The gap between firms that treat learning as an ongoing duty and those that view it as box-ticking exercise gets wider every month. Firms that get ahead won't be the ones with the best tools, but those whose people know how to use the technology well and share that knowledge fast."

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INDUSTRY INTERVIEW

THE AI RACE STARTS WITH KNOWLEDGE

Rachel Coleman, senior legal industry specialist (EMEA) at iManage, highlights why robust data and knowledge management are the core pillars for moving from experimenting with AI to truly operationalising it

While 85% of 'knowledge work' organisations (including law firms) are engaging with AI, just 17% have operationalised it, according to iManage's Knowledge Work Benchmark report (2026). That small proportion to have successfully transitioned from experimenting with AI to embedding it are characterised by a key differentiator, notes Rachel Coleman, senior legal industry specialist (EMEA) at iManage. It is knowledge work maturity.

The global research also underscores that sophisticated intelligence depends on data hygiene and disciplined knowledge management — a combination that drives more than positive AI outcomes. It is fuel for stronger financial performance and workforce growth compared with organisations that are less mature.

Knowledge work maturity means having robust knowledge management and a clear data strategy — elements that have never been more critical. She explains that law firms are increasingly expected to lock down their document management systems (DMS), as opposed to having open ecosystems where everyone can access all matters: "It's driving a real need for surfacing and curating really good knowledge banks of best-of-

"To really make use of its power, AI needs to be connected to your tech stack and data to deliver the right information to the right people, at the right time."

breed work that everyone can access and use.

"And if you're sending AI agents into your locked-down DMS, they won't have the access to all matters as would have been the case — so you need to be grounding them in curated knowledge," she adds. AI output can only be as good as the data the tool consumes, particularly with many firms leveraging similar technologies. A clear data strategy is an important competitive differentiator, she emphasises.

Furthermore, data hygiene — having a well-organised, structured, searchable database — prevents firms from burning through expensive AI tokens. Coleman says iManage works on mitigating this by enhancing and contextualising data: "We enrich the data setting in your DMS to give additional indicators to large language models using that information, whether that's through our own AI or through model context protocol (MCP) and other orchestrators."

CROSSING THE HURDLES

For all its advantages, knowledge maturity is hard won. Coleman highlights some of the main hurdles that tend to slow the transition from AI experimentation to operational reality: not just lacking knowledge and data strategy, but poor training, limited visibility of return on investment and a lack of AI governance — plus the inability to translate operational gains into commercial advantage and price AI-enabled work accordingly.

To overcome these hurdles, organisations must invest in technologies that allow them to operate as a more knowledge-mature organisation and must fully exploit their potential. She adds that human factors can sometimes get lost in governance and training conversations: "From a training perspective, it's about whether teams — not just individuals or hotspots — with different levels of seniority have been educated to confidently understand and articulate how the technology can be used on matters and when it comes to end-to-end service delivery."

"That comes from a lot of conversation, education and ongoing storytelling — about how, for example, other practice areas are deploying tools. It is a really valuable way of helping others understand how a tool works and how they can use it for client-facing work," she adds.

CONNECTED DATA BRINGS VALUE

Coleman highlights another challenge firms face: data fragmenting as it moves across multiple platforms, making it hard to monitor the information sitting in each system. It's a dilemma that iManage is attuned to, with the platform recently adding MCP functionality that allows for LLMs to interrogate data stored in the DMS without moving it to another platform.

The new capability also helps to make users more aware of how they may be fragmenting their knowledge and the impact. She notes: "It's harder for people to grasp the value of data and leverage it best for commercial advantage when you're creating duplicate information. Knowledge sitting and moving across different systems potentially means some of it never lands back in one place."

As new challenges emerge in the AI space – like the question of agentic AI governance – she acknowledges it can be a tricky environment for firms to navigate. But getting data and knowledge management in order means it's also an exciting one; it opens opportunities for stronger client relationships.

Proactively communicating to clients where AI has been used on their matter and the advantages that it'll bring both for the person deploying the technology and for the client lends itself to much more collaborative, trust-driven relationships — the client piece and having strong governance in place are key levers firms must pull to progress on their AI journeys, Coleman adds.

To learn more, visit imanage.com



INDUSTRY ANALYSIS

BILLABLE HOUR OR BUST?

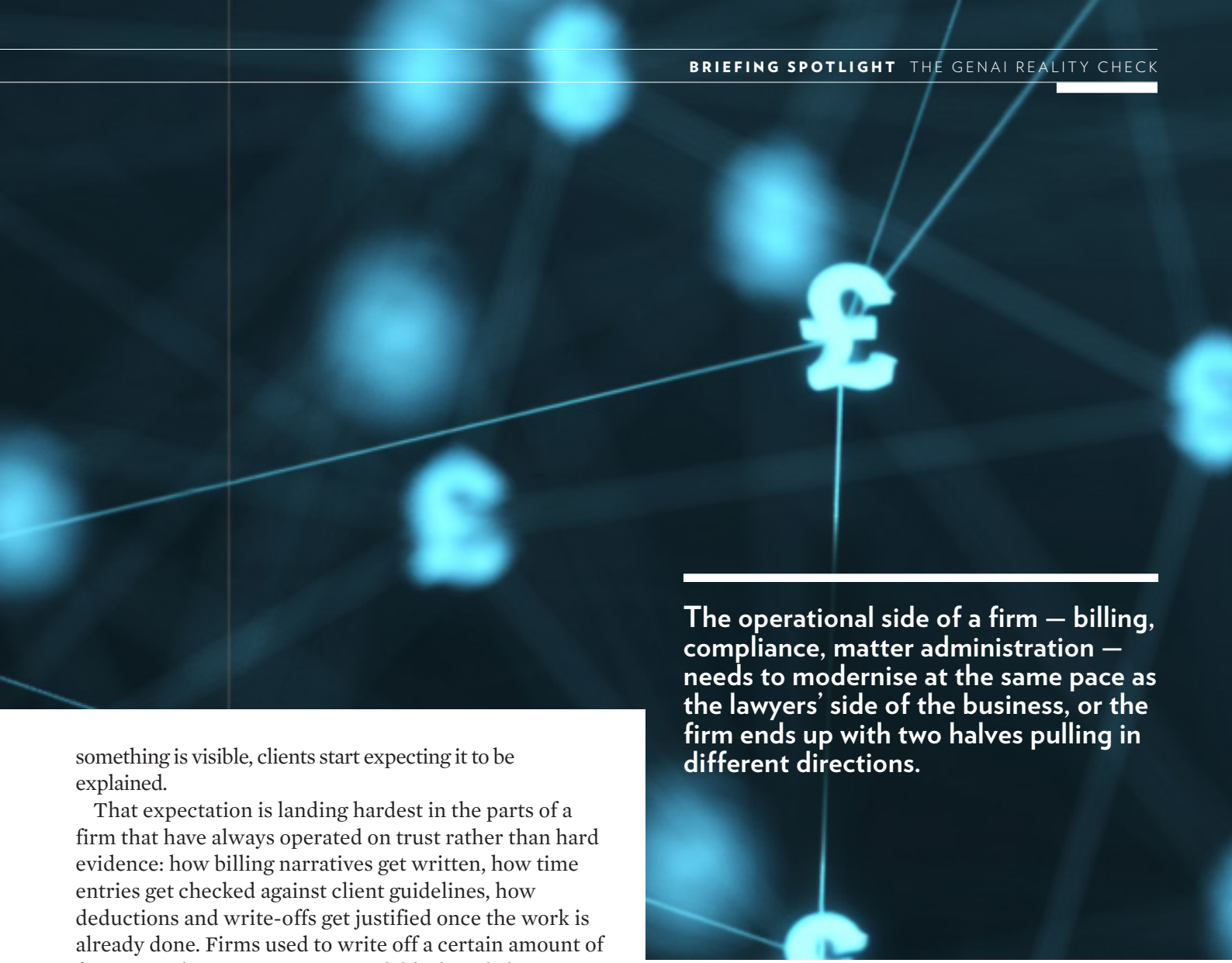
Lisa Erickson, SVP of product management and AI at Aderant, underlines that AI is not ruling the end of the billable hour — it is changing the burden of proof behind it

There's a point in every technology cycle where law firms stop debating whether to adopt something and start quietly paying a price for waiting. AI in legal services has already crossed that line, without a clear deadline attached to announce it, which is exactly why so many firms haven't noticed yet. The ones still treating it as a side project rather than a working assumption behind how they operate are going to spend the next few years catching up to the firms that made the shift already.

What actually separates those firms has little to do with whether AI shows up somewhere in the tech stack. It's whether the work itself has been rebuilt around it. Software engineering already went through this transition: a large share of the code shipped today started as AI output, and what changed for engineers wasn't that their jobs disappeared, it's where their judgment gets spent. Instead of writing every line from scratch, they're catching what's wrong and deciding what's ready to ship. Legal work is following a similar arc, and it isn't limited to the practice of law itself. The operational side of a firm — billing, compliance, matter administration — needs to modernise at the same pace as the lawyers' side of the business, or the firm ends up with two halves pulling in different directions.

SHIFTING SANDS

That unevenness is surfacing something firms have sensed for a while but rarely said plainly: the billable hour isn't going anywhere, but the standard for justifying it has changed. General counsels are increasingly asking outside firms to show what AI actually contributed to a matter, rather than accepting a tally of time increments as sufficient proof on its own. That's a new kind of question for most of the industry, because for decades, hours logged and value delivered moved closely enough together that nobody had reason to pull them apart. AI didn't create that gap. It just made a gap already there impossible to ignore — and once



The operational side of a firm — billing, compliance, matter administration — needs to modernise at the same pace as the lawyers' side of the business, or the firm ends up with two halves pulling in different directions.

something is visible, clients start expecting it to be explained.

That expectation is landing hardest in the parts of a firm that have always operated on trust rather than hard evidence: how billing narratives get written, how time entries get checked against client guidelines, how deductions and write-offs get justified once the work is already done. Firms used to write off a certain amount of friction in that process as unavoidable, largely because there was no reliable way to trace its source. That excuse doesn't hold up as well anymore. When a firm actually connects its billing rules, time data and e-billing systems, the source of that friction becomes traceable, and it's frequently larger and more specific than anyone expected going in. Walking into an executive committee meeting with a real number instead of a general sense that something's off changes the entire conversation.

The bigger shift, though, isn't about proving value after the work is done. It's about how the work gets produced in the first place. Firms don't need automation that pushes aside the people who understand the exceptions, the judgement calls and the unwritten rules that keep a practice running the way it actually runs. What works instead is automation that flags what needs a second look and drafts a reasonable starting point, while a person still makes the final call. That doesn't mean fewer people involved. It means fewer people spending their time on routine coordination and status checks, and more of that time focused on decisions that actually require judgment. That's the real dividing line between firms using AI well and firms just saying they use it: whether the automation clears a path for people, or tries to walk that path in their place.

CATCH UP WITH THE COMPETITION

None of this settles on a fixed timeline, and firms waiting for total certainty before committing are quietly paying a cost for that patience. Every technology cycle follows roughly the same shape: a small group of firms experiment and adjust well ahead of everyone else, and the broader market follows only once the path looks safer. What makes this particular cycle different is how far the change reaches, from an individual lawyer's desk all the way through every layer of firm operations, and how much faster it's moving than the cycles before it.

So, the real question in front of firms today was never whether AI belongs in legal work. That part is already settled. It's how much uncertainty a firm is willing to sit with while its competitors move. The firms currently out in front didn't get there with clearer answers than everyone else. They got there by accepting that the answers would keep shifting, and building their operations to move with that uncertainty instead of waiting for it to resolve.

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INDUSTRY ANALYSIS

IS YOUR FIRM BUILT FOR AGENTIC AI?

Matthew Stringer, founder and CEO at Stridon, outlines why agentic AI requires law firms to rethink guardrails, accountability and capturing value — as the technology brings autonomous capabilities and cross-system connectivity

For several years, law firms have largely used AI to draft, summarise, research and retrieve knowledge. The lawyer remains central to the workflow: a human doing the work with better tools.

That model is shifting. Agentic AI can plan, use tools, act across systems and return an outcome, with checkpoints for human approval. "Summarise this matter file" is a task — "prepare tomorrow's client briefing" is delegated work.

The important change is organisational, not just technical. Once a system can assemble a briefing, populate a checklist, draft a client update and trigger a follow-up process, the firm is no longer simply managing tool use. It's managing delegated activity. That brings uncomfortable questions: who set the objective, what authority was given, what professional judgement was exercised and who signs off the result?

WHO SUPERVISES THE AGENT?

Firms already have a vocabulary for delegation. In CILEX and others v Mazur and others [2026] EWCA Civ 369, the Court of Appeal confirmed that authorised individuals may delegate litigation tasks to others, provided appropriate arrangements for direction, management, supervision and control are in place and responsibility remains with the authorised individual.

The Solicitors Regulation Authority (SRA) has now connected that established framework to AI. Its effective supervision guidance was updated in June 2026, following the Mazur decision. Its warning notice of 17 August 2026 also makes clear that AI does not change the professional standards expected of solicitors and firms. Individuals remain responsible for their work and advice, irrespective of whether AI was involved.

The practical response should be an agent supervision policy. Every agent needs a named owner, a written scope, bounded permissions, explicit approval and escalation points, an audit trail, a review cadence and a budget. Governance therefore moves from controlling access to controlling behaviour.

SHOULD WE CONNECT IT?

As agents gain access to document management, practice management, email and collaboration systems, the question is not whether the data can be connected. It is whether it should be, for which outcome and under whose supervision.

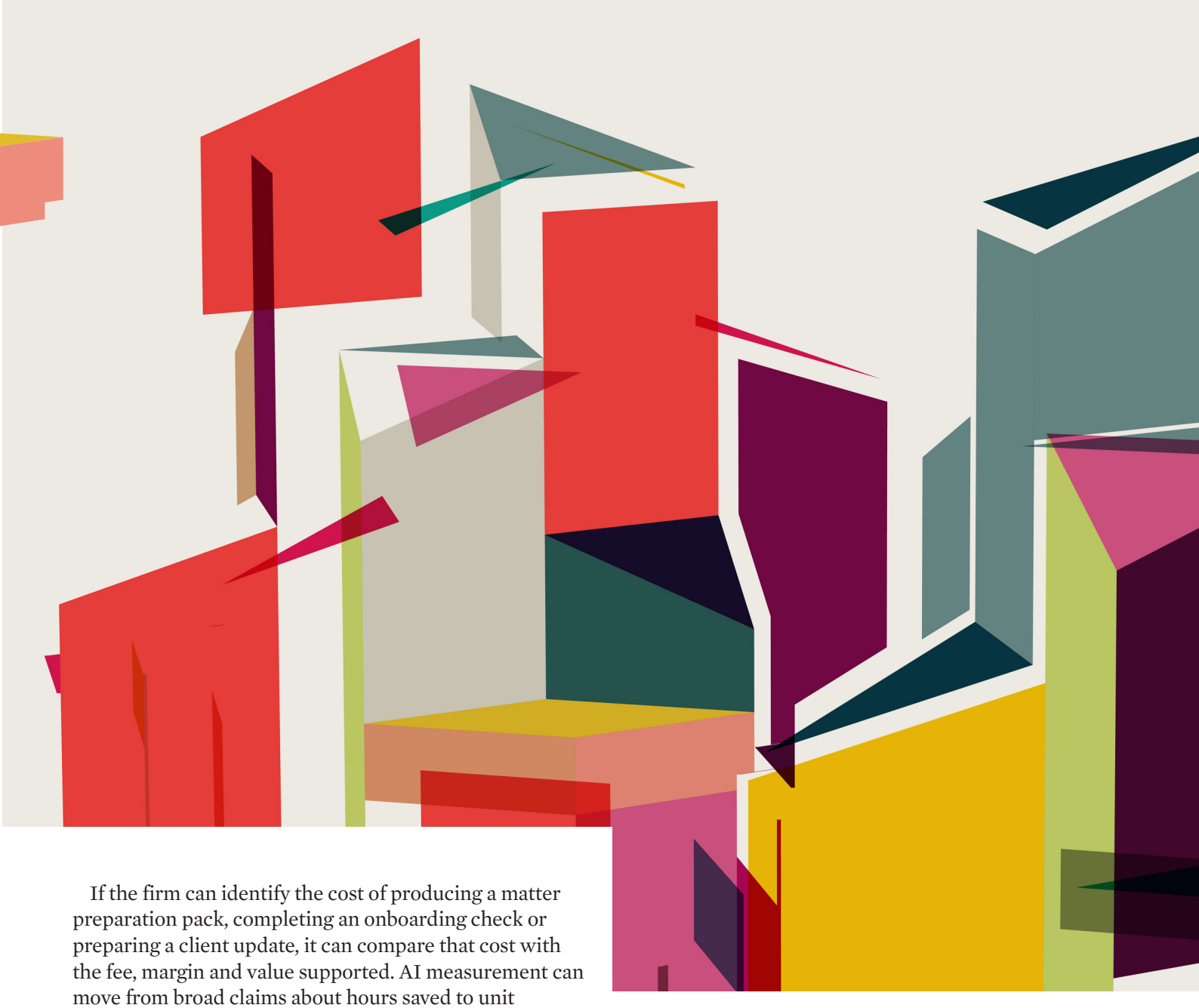
A permission weakness can become a confidentiality or privilege exposure when an agent works across files at speed. Ethical walls, client instructions and matter-level restrictions must therefore be tested against the actual workflow, rather than assumed to carry across automatically.

Firms must also understand which AI model processes the data, where that processing takes place and which subprocessors are involved. These are data protection and client-governance questions, not simply matters for the technology team.

WHAT DOES AN OUTCOME COST?

The commercial model is also changing. Firms are moving towards a hybrid of per-person licences, governance costs and metered usage. That introduces budget uncertainty, but it also makes the cost of an individual outcome visible.

The first phase of AI made individuals more productive. The next is redesigning how work gets done.



If the firm can identify the cost of producing a matter preparation pack, completing an onboarding check or preparing a client update, it can compare that cost with the fee, margin and value supported. AI measurement can move from broad claims about hours saved to unit economics at workflow level.

The measurement gap is real. Thomson Reuters' AI in Professional Services Report (2026) found that only 18% of professionals said their organisation tracked AI return on investment, while 40% did not know whether it was measured. It also found that two-thirds of corporate respondents wanted outside firms to use AI, yet fewer than 20% mandated it.

Firms therefore need clearer client conversations about where AI is used, how quality is assured and how resulting efficiencies affect value and price.

WHAT DO WE DO NOW?

First, establish governance before scale. Maintain an agent register, define approval thresholds and involve risk and compliance leadership.

Second, fix information architecture. Permissions, matter structures, sensitivity labels and document management access controls become operational safeguards when systems can act.

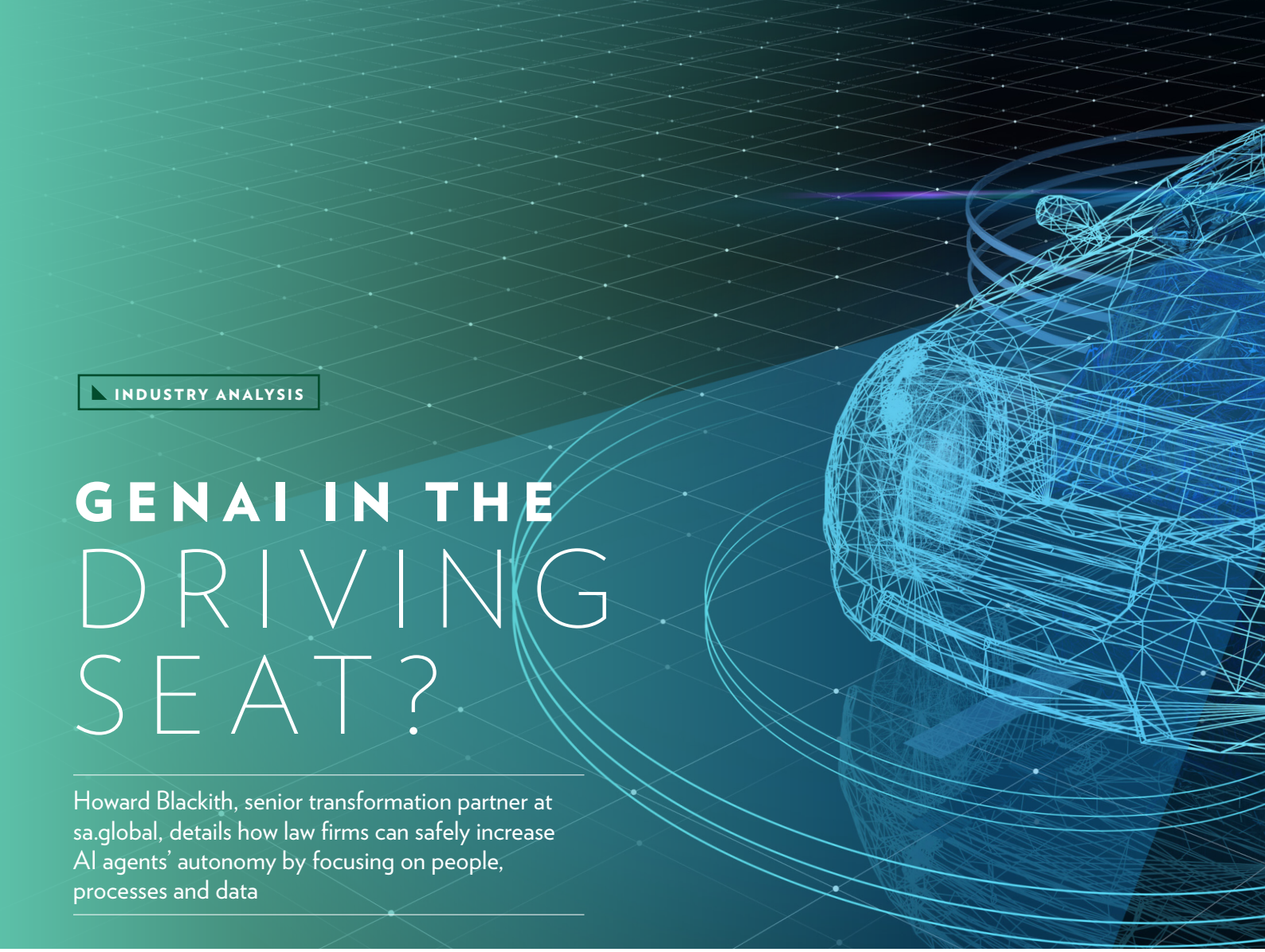
Third, select workflows rigorously. A strong candidate is repeatable, has a checkable outcome, uses bounded data and permissions, has an obvious supervisor with capacity to review, and costs materially less than the value it creates. Business services may offer the clearest early opportunities.

Fourth, build supervision capacity. Human oversight is not a box to tick post-deployment. Firms must decide who reviews outcomes, where they intervene and whether they have the time, authority and skills to do so.

Finally, measure outcomes. Track cost, quality, rework, adoption and value at task level. A faster process that produces more checking, hidden risk or lower client confidence is not a successful one.

The first phase of AI made individuals more productive. The next is redesigning how work gets done. Competitive advantage will not come from deploying the most agents, but from knowing where AI can participate, where professional judgement remains essential and how both are governed.

To learn more, visit stridon.co.uk



INDUSTRY ANALYSIS

GENAI IN THE DRIVING SEAT?

Howard Blackith, senior transformation partner at sa.global, details how law firms can safely increase AI agents' autonomy by focusing on people, processes and data

The self-driving car is here. They can hold a lane, adjust speed and can sometimes drive themselves, yet the need for human oversight remains clear. The technology can go further than the rules, the roads and the accountability around it allow.

Law firms face the same question with AI. A tool may draft summaries or flag billing exceptions, but whether it can act and where a person must intervene depends on the firm's data, controls and operating model.

HOW AUTONOMOUS IS YOUR FIRM, REALLY?

The motor industry has a useful scale for vehicle autonomy. The Society of Automotive Engineers (SAE) defines six levels of driving automation, from Level 0, where you do everything, to Level 5, where the car needs no one. Level 2 is where most cars sit today: the machine assists, but you are still driving and still liable. The real jump is to Level 3 and above, where the system runs the task within agreed limits and hands back only when it hits something it can't handle.

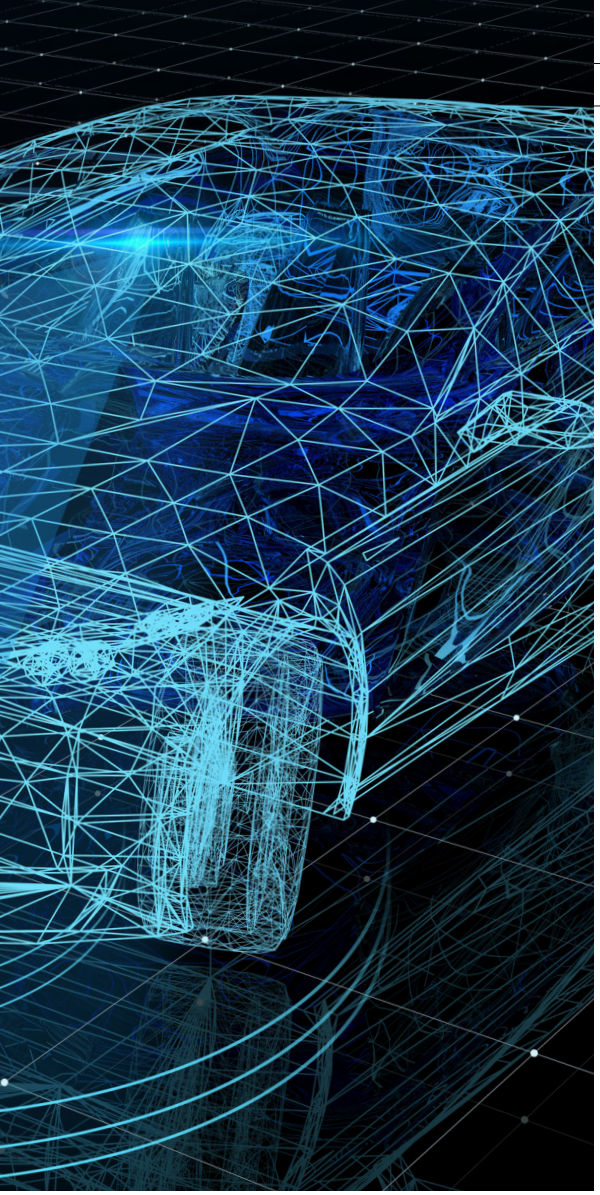
I use the same scale for AI maturity, because it forces an honest conversation. Most leaders believe they are further up it than they are. Licences for capable tools and a handful of enthusiastic users feel like autonomy. They aren't. That's Level 1, maybe Level 2: clever assistance, with a human doing all the real driving and carrying all the risk. In a firm, that's a tool drafting the first pass of a client update while a fee earner still checks every fact and word before it goes out.

The danger isn't sitting at Level 2, because everyone starts there. The real danger is behaving as though you are at Level 4 and taking your hands off the wheel because the marketing said you could.

A BETTER CAR WON'T MOVE YOU UP A LEVEL

You don't climb the levels by buying a faster car. A Level 4 vehicle is useless on a road with no markings, no signs and

What unlocks autonomy is the unglamorous infrastructure around the machine: the operating model, the data and the governance. This is transformation work, and it is exactly the work that gets skipped.



no agreement about the right of way. In a law firm, an agent cannot safely progress a new matter, apply a changed fee arrangement or prepare an invoice if the relevant data and rules are scattered across systems. What unlocks autonomy is the unglamorous infrastructure around the machine: the operating model, the data and the governance — it's the work that gets skipped in the rush to do something with AI.

CLIMBING THE LADDER IS A WHOLE-FIRM JOB

So, how do you actually move up a level? Moving one rung means changing three things together: who does the work, how the process is built and what data it runs on. Skip one, and the other two won't hold the weight.

Start with people and roles. Reviewing a machine's work and knowing when to override it is a different job, so redraw the roles before you deploy rather than after — someone has to supervise the agent. A billing agent might flag an issue or an ebilling rule breach before a draft bill reaches the partner, but someone still needs the judgement to decide the right course.

In addition, the process must hold. Automation lives or dies on the exceptions — the missing approval, the odd fee arrangement or the client who doesn't fit the template. Every unmapped detour is somewhere an agent will stall or confidently do the wrong thing. Removing those exceptions is most of the work.

The data must also hold. An agent is only as good as the data it runs on, so client and matter records, engagement terms, rates, time narratives, work in progress (WIP) and financial data have to be kept clean at the point of entry, as a standing discipline rather than a one-off cleanse. Dirty data is how you end up back with your hands on the wheel.

TWO DIRECTIONS OF TRAVEL, ONE PLAN

Quick automation wins that feel great in the moment often don't add up to anything. Firms that climb steadily plan in two directions at once.

Working today-forward, they start from where value is trapped right now: helping fee earners capture time, improving the quality of pre-bills or prioritising collections and applying AI and automation for measurable gains in weeks, not years.

Working future-back, they start from where the firm wants to be in three to five years and map the route back to the present: a connected operating model from intake to cash. The two are then synchronised into one plan, so that every short-term improvement is also a deliberate building block of the long-term target operating model.

Get that right, and something compounds: not just the automation, but the firm's own confidence in what AI can do and the skill to design what comes next. You are building capability, not just buying software.

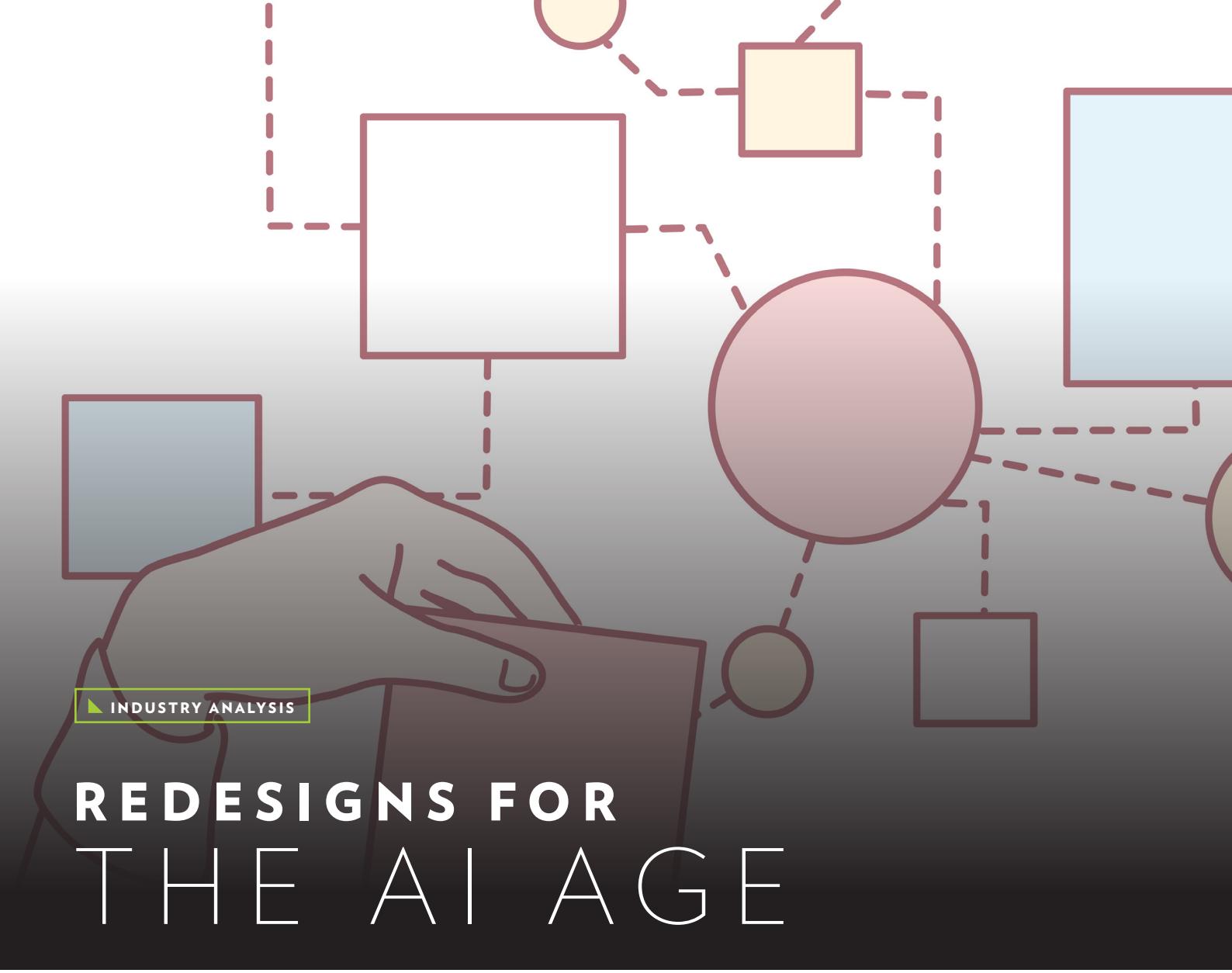
KEEP YOUR HANDS ON THE WHEEL — FOR NOW

None of this is an argument against ambition. I'm an optimist about where this goes, and I just want firms to get there in one piece. Moving up the levels safely means keeping a human in the loop while you build the road underneath, setting policy, watching the exceptions and widening the boundaries within which you'll let the system act alone.

At sa.global, we focus deliberately on that management layer, meaning the operating model, the governance and the data foundation beneath the agents. Get that right, and assistance becomes autonomy.

The self-driving car is real. The question for law firm leaders isn't which model to buy — it's whether you've built a firm that can let it drive.

To learn more, visit saglobal.com



INDUSTRY ANALYSIS

REDESIGNS FOR THE AI AGE

Guy Long, principal transformation officer at DXC, outlines why reengineering and streamlining the operating model is key for law firms in an AI age

The processes that run inside most law firms have survived successive waves of technology, largely intact. As firms commit to AI at remarkable speed and are beginning to build agentic capability, that resilience is now the platform for something bigger. The return on investment from this technology depends on how far a firm is willing to rethink how it works for an AI-enabled future.

The deepest changes go down to the foundations, built up over decades on the original economic model. Firms refine how they work all the time, but this is different. The opportunity is not to speed up the existing model but to build a better one, designed around what the firm and its people do best. Every firm carries process debt: workarounds and steps that once made sense and quietly became permanent. That debt was always there to be addressed and AI now makes doing so more beneficial. The instinct, in any firm, is to start with the processes already in place.

Every previous wave of legal technology, from document management to e-discovery, helped lawyers do familiar work more efficiently. Agentic AI is different: it can execute entire process chains rather than individual tasks. Yet many firms are attempting to deploy it on operating models designed for a world in which humans remain the limiting factor. As AI-generated output accelerates, that assumption becomes increasingly fragile. The firms that benefit most will not be those that adopt the technology first, but those that redesign around it.

AI DEMANDS FUNDAMENTAL CHANGE

The real leverage lies with the technology and operations teams who understand how the business works, own the processes that keep it moving and see most clearly where those processes could be improved. Call it the 'operating core'. In an AI era, they are no longer a support function. They're the people whose knowledge of the business has increasing strategic value.

Firms that layer AI onto unchanged processes find that AI-generated output races ahead, with humans becoming



Firms that redesign now will discover adaptability is not another capability to be acquired; it is an outcome of how the organisation is designed.

the bottleneck. Those that redesign the processes unlock an improved economic model. The old model rested on the relationship between expertise and time. Partners supply judgement, associates supply hours and clients pay for both in a ratio that funds the business. When work that once took a team a month can be done by an agent in an afternoon, that ratio changes, and the firms that understand where the value moves will be the ones that capture it.

DXC's own operations faced the same choice. The established model was familiar, events generated tickets and specialists resolved them. As agentic AI became capable of performing more of that work, DXC redesigned the operation from first principles, separating decisions that required human judgement from controls built around old constraints and the result was a fundamentally better model. It's an approach DXC have applied at scale, and one firms can adapt to their own operating models.

That work became OASIS. It's not an automation layer applied to inherited processes, but a new model designed around agentic AI, developed with Anthropic. The aim is to identify and resolve issues before they become user reported incidents, while modernisation continues beneath a stable business service. Performance is judged not only against service level agreements (SLAs) and experience level agreements (XLAs) but by whether the service continues to remove friction and create measurable value. For firms, that means less operational friction, greater resilience and more capacity for legal and business support teams to focus on higher value work.

REDESIGNED TO ADAPT

Technology provides the capability, but transformation depends on how it's positioned in the firm. Through our partnership with Anthropic, forward deployed engineers (FDEs) bring embedded expertise to client operating environments. They learn the firm's context, regulatory obligations and data sensitivities first-hand, then work alongside their teams to redesign services and build lasting internal capability. The firm retains ownership of its direction and decisions. The technology partner brings the engineering capacity and experience to make those decisions real.

There is a term worth borrowing for the risk that matters most. It's called the 'outside context problem'. It's an event so far beyond an organisation's frame of reference that no conventional plan anticipates it. The macroeconomic shocks, regulatory shifts and technology inflections that will shape the next decade are not on anyone's roadmap.

A firm that has used this moment to redesign how it works, with a technology partner embedded to adapt alongside it, is the one setting the pace. That takes a partner who has the depth of experience of AI deployment at scale, in highly regulated and governed environments, to engineer new ways of operating. One that brings something a single industry rarely has on its own: the perspective that comes from seeing how the same challenges play out across different sectors and different organisations.

Firms that redesign now will discover adaptability is not another capability to be acquired; it is an outcome of how the organisation is designed. In an age of constant disruption, that may prove to be the advantage that matters.

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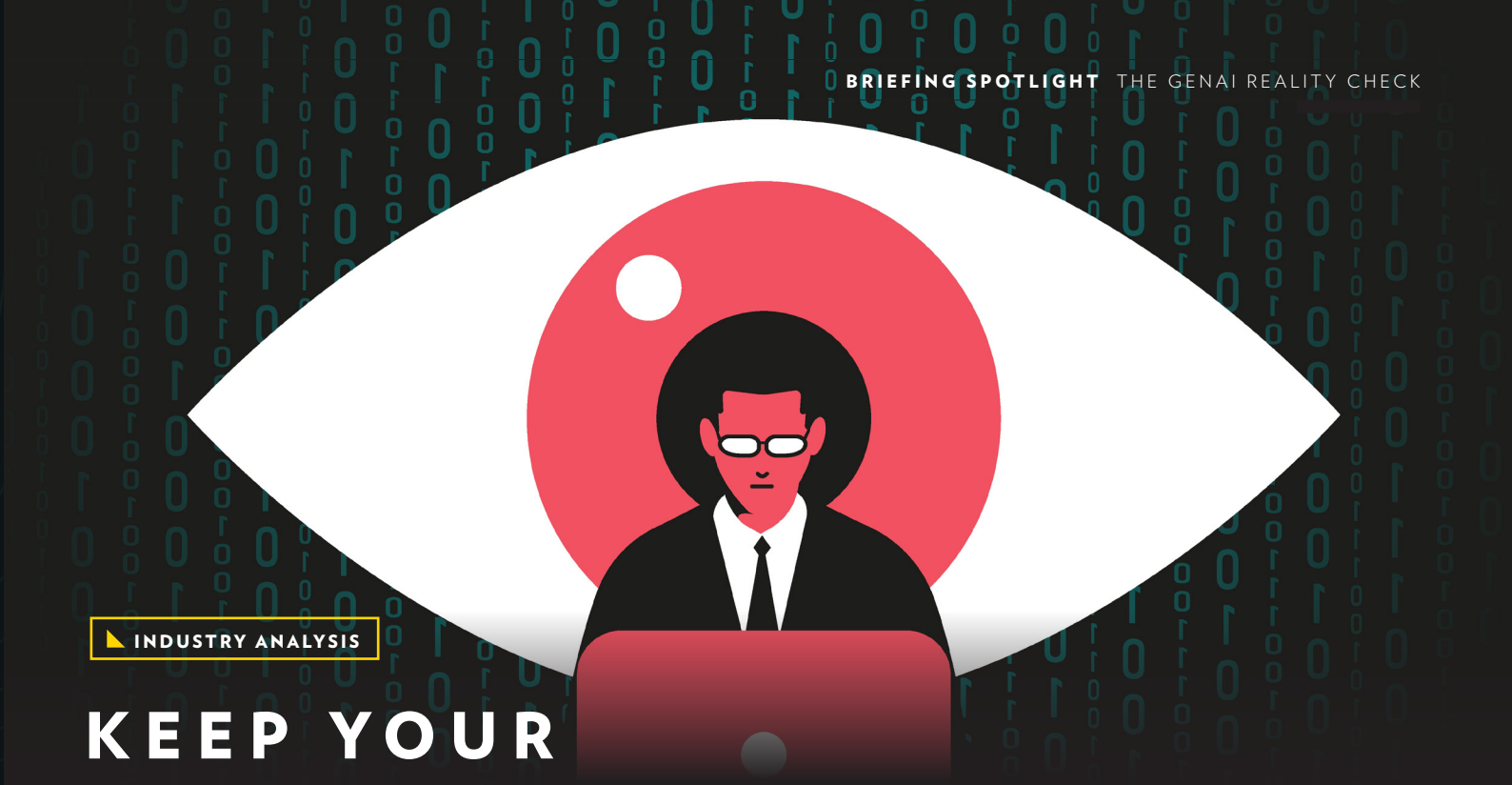


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INDUSTRY ANALYSIS

KEEP YOUR EYES ON AI

Hannah Birch, CEO at Kocho, outlines why law firms must maintain rigorous human oversight of AI, as adoption picks up the pace and agents develop increasingly autonomous capabilities that may put client confidentiality in danger

Law firms have always protected client confidentiality through professional judgement and carefully controlled access. As firms increasingly embrace AI agents, this adds a new dimension to that responsibility. Agents can work across matters, documents and systems, but without a lawyer's inherent judgement about how information should be used.

The commercial case for agentic AI remains compelling. The growing adoption of legal AI platforms shows how quickly these capabilities are becoming part of legal work. Their continued investment in safeguards also reflects the seriousness of the confidentiality challenge. Firms must play their part by ensuring that the authority given to AI agents reflects the professional obligations that govern their people.

Effective adoption starts with a clear view of where agents operate, who owns them, the authority they carry and the uses the firm will not permit.

CONFIDENTIALITY IS THE STARTING POINT

Confidentiality is not protected by platform safeguards alone. It also depends on the access a firm grants and whether that access still reflects the firm's intentions, professional obligations and the circumstances of a particular matter.

Permissions rarely remain static. They accumulate as roles change, teams move between matters and temporary exceptions remain in place after their original purpose has passed.

An agent acting within those permissions might surface information the firm would not knowingly disclose, even though nothing has gone wrong technically. By the time an issue appears in an output or review, the information may already have been found, combined or used.

ADOPTION CAN CHANGE THE FIRM'S RISK POSITION

Every agent acts with authority granted by the firm. As adoption expands, the reach of that authority can grow through connected systems, local experimentation and new use cases. If leadership has not defined the boundaries, the firm may accept a level of exposure that was never discussed or approved.

Access should reflect the sensitivity of the



information and the purpose of the work. Each agent needs a clear owner, an approved use, defined limits and an end point. The detail belongs with legal, risk and technology teams, but the firm's appetite for exposure is a leadership decision.

Identity provides the link between authority and accountability. It allows the firm to show which agent acted, whose authority it carried, what purpose it served and where responsibility remained. Without that chain, an AI policy cannot be translated into consistent practice.

ACCOUNTABILITY CANNOT BE DELEGATED

The Solicitors Regulation Authority (SRA) expects effective AI governance, with a compliance officer for legal practice (COLP) responsible and board oversight. Its August 2026 warning on the misuse of AI notice confirms that professional responsibility remains with the firm. Accountability cannot be passed to a platform provider, an internal project team or the technology function.

Our work with global law firms shows that this becomes more complex as agents move beyond isolated trials. Firms must understand how authority, ownership and oversight operate across the AI environment, rather than assess each use case in isolation.

That view allows leadership to make informed decisions about where agents can operate, who remains accountable and what evidence the firm needs before adoption expands. It also helps legal, risk and technology teams apply consistent controls while preserving the scope to develop valuable new uses.

Decisions made now will determine whether AI becomes a trusted part of legal service delivery or an exposure recognised too late.

SET THE CONDITIONS FOR ADOPTION

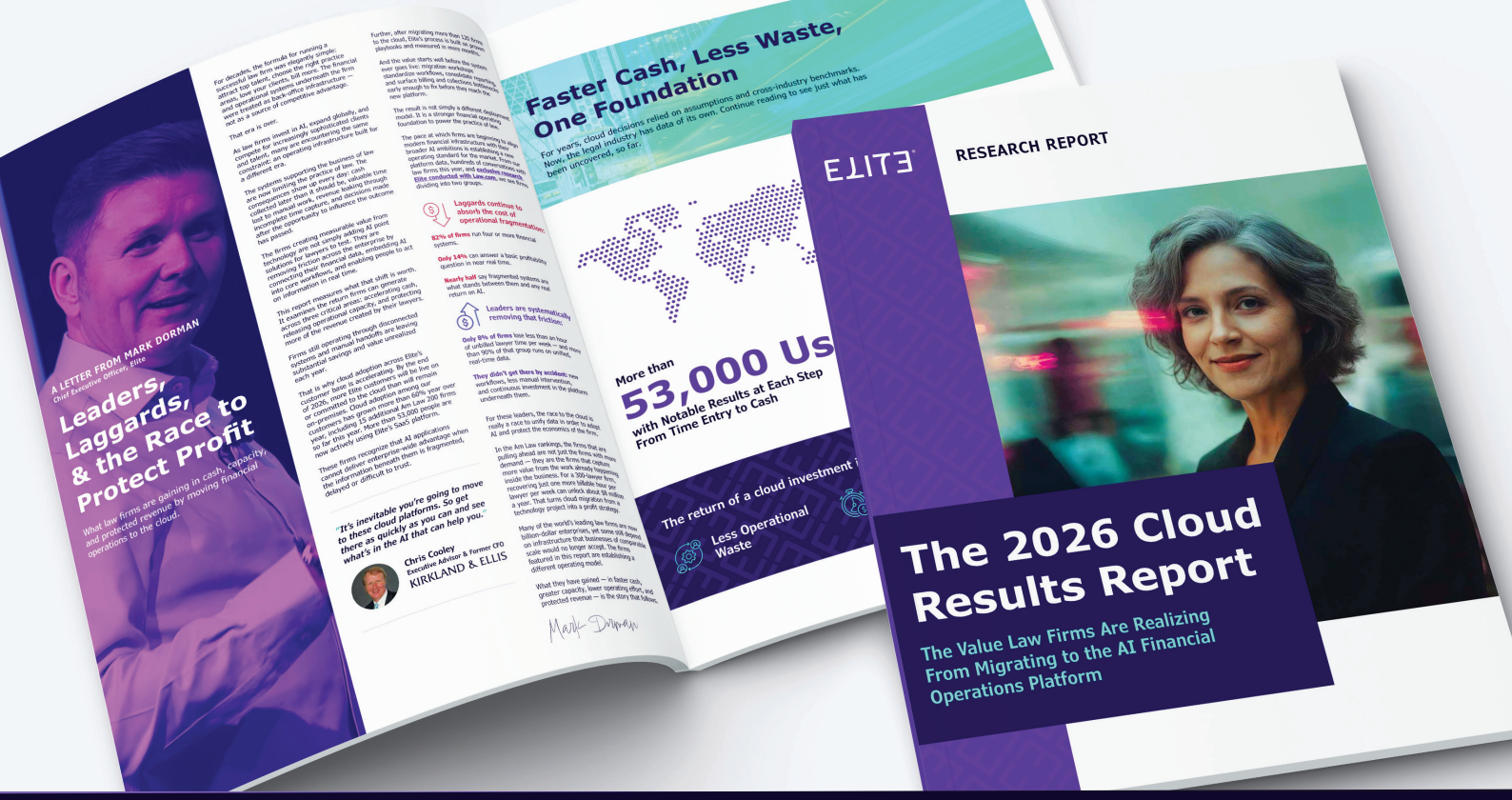
Effective adoption starts with a clear view of where agents operate, who owns them, the authority they carry and the uses the firm will not permit. Material should not be filed or sent without appropriate approval, activity must be capable of reconstruction, and every experiment needs a defined route to authorised use.

Clients will expect a credible account of how AI is used. According to Clio's Legal Insights Report 2026, 79% of the public believe lawyers should disclose AI use, while only 7% of clients recall being told. Firms should be ready to explain what an agent could access, what it was authorised to do, where professional judgement was applied and who remained accountable.

Clear answers to those four questions provide a strong starting point for deciding whether an agent is ready to move beyond trial. They help establish the evidence clients and regulators may expect, while giving the firm greater confidence to consider higher value uses.

Client confidentiality has not changed, but agentic AI materially changes how legal work is delegated and information is used. The firm remains accountable for the risk it accepts, the authority it gives to agents and the evidence it can provide. Decisions made now will determine whether AI becomes a trusted part of legal service delivery or an exposure recognised too late.

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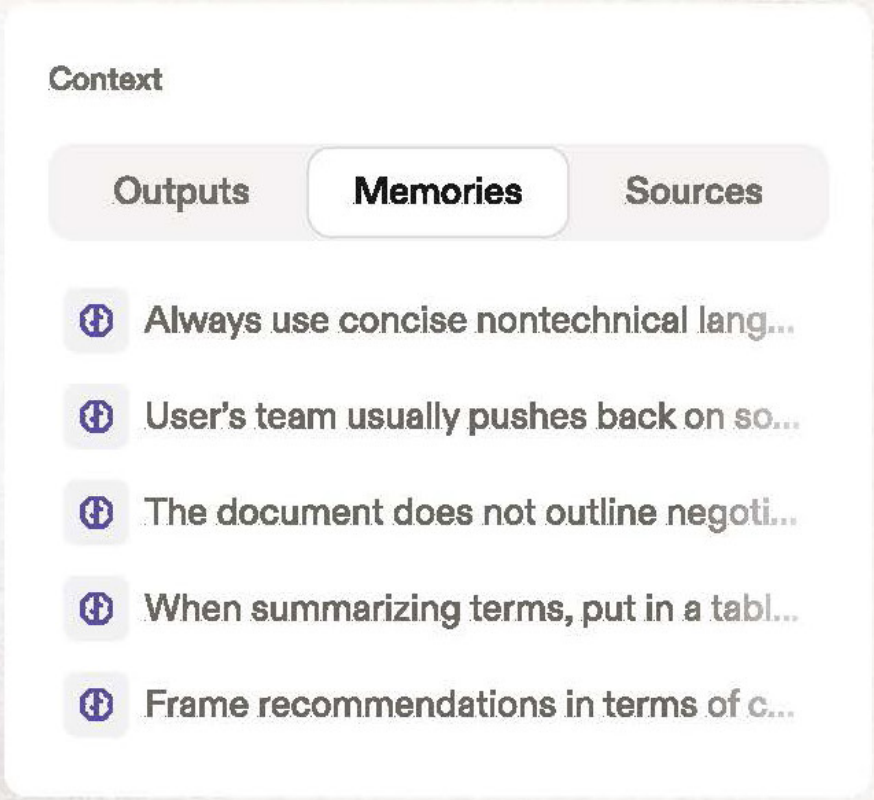
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