The State of AI in Law

This report explores how law firms are adopting AI, the challenges they face, and the opportunities ahead. Backed by industry insights and real-world applications, we uncover the current state of GenAI in the industry and what's next for legal professionals.

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Table of Contents

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Executive Summary

This report presents insights from a survey conducted among legal professionals on the adoption and impact of generative AI in law. The findings reveal varying levels of awareness, adoption trends, and expected future reliance on AI-driven tools within law firms.

While many respondents see AI as a means to enhance efficiency and profitability, some remain skeptical or hesitant due to concerns about risks and ethical implications. These insights provide a roadmap for firms considering AI integration.

Methodology

- **Survey Method**: Online survey
- **Data Collection Period**: December 2024 - January 2025
- **Respondents**: Legal professionals from various firm sizes
- **Key Demographics**:
  - Firm Sizes: Solo, Small (2-20 lawyers), Medium (21-50), Large (50+)

Scope and Limitations

Limitations: The sample may skew toward early tech adopters, and self-reported data introduces potential bias.

Survey Questions

Our goal was to uncover not only the extent to which firms are using AI but also the concerns and constraints shaping their decision-making. The survey was conducted independently, with all responses obtained organically, without compensation, ensuring an unbiased and representative sample of perspectives across firms of varying sizes and practice areas.

#	Question
1.	How much of your work is litigation-related?
2.	How many lawyers work at your firm?
3.	Do you expect generative AI to be a bigger part of your practice in the future?
4.	Which of the following tasks in your firm do you expect to be impacted most by generative AI?
5.	How often do you use generative AI in your legal work?
6.	How many generative AI tools does your firm currently use?
7.	How often does your firm evaluate new generative AI products?
8	What are your top concerns with using generative AI for litigation?
9	What do you see as the biggest barrier to wider adoption of generative AI at your firm?
10	Who do you think is or could be the biggest beneficiary of generative AI?
11	How do you think generative AI will impact your firm's profitability?
12	Overall, how would you describe the sentiment with respect to generative AI in your firm?
13	Overall, how do you feel about generative AI in your practice?

Adoption & Expected Future Use

Lawyers recognize AI's potential, and many expect it to become a larger part of their practice. However, the ways in which AI is currently used—and how firms plan to integrate it—vary widely.

Identifying key AI applications can help firms strategically implement AI in their workflows.

63%

of lawyers expect generative AI to play a bigger role in their practice in the future.

Key AI Use Cases	Percentage
Legal Research	55%
Drafting Support	48%
E-Discovery	41%
Document & Evidence Review	38%
Contract Analysis	29%
Deposition Summarization	25%
Trial Preparation Assistance	19%

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Profitability & Efficiency Impact

AI's Role in Legal Workflows

AI's promise in the legal field extends beyond automation—it has the potential to make firms more profitable by streamlining labor-intensive tasks. While many firms expect positive financial outcomes from AI adoption, others remain uncertain about its impact, particularly in balancing efficiency with accuracy.

46%

Believe AI will make their firms **more profitable**.

29%

Foresee **neutral financial impact**.
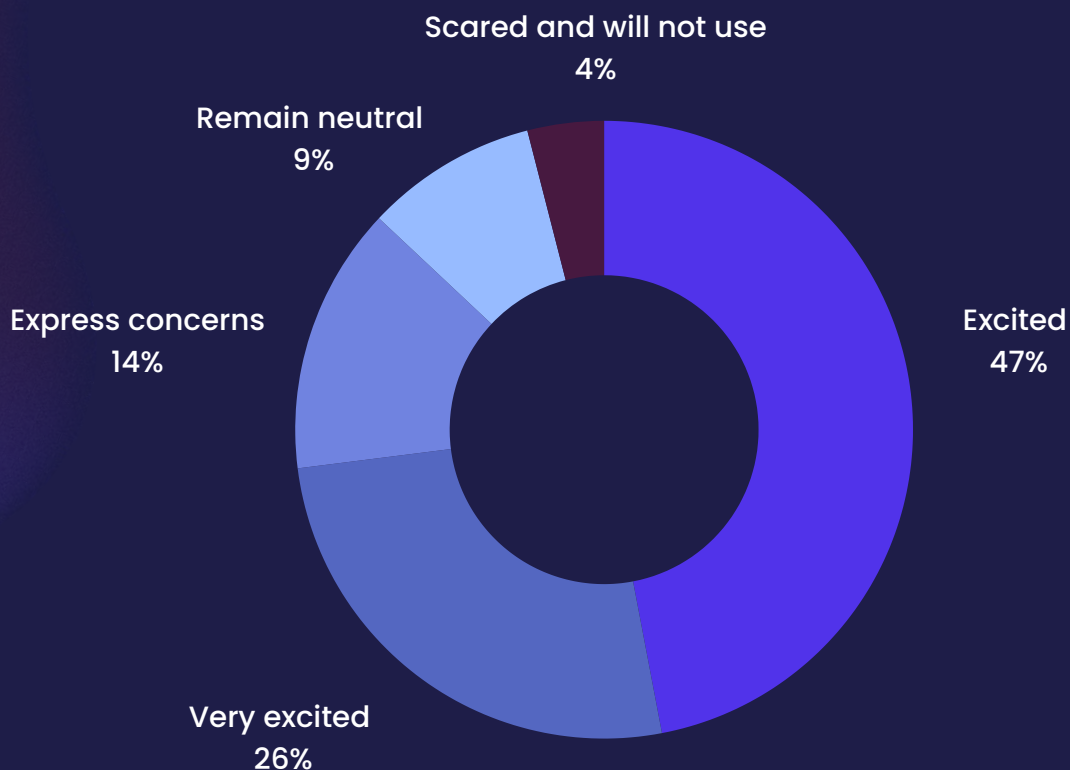
12%

Expect **negative effects**.

67%

Believe it will **cut their workload** by at least 20%.

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Sentiment towards AI

Diverging Perspectives on AI in Law

Legal professionals have mixed emotions about AI, ranging from excitement to skepticism. While many lawyers see AI as an opportunity, others voice concerns about ethical risks, trustworthiness, and the broader implications for the profession. These attitudes shape the speed and scope of AI adoption in the legal industry.

Scared and will not use
4%

Remain neutral
9%

Express concerns
14%

Excited
47%

Very excited
26%

Challenges & Concerns

Navigating AI's Challenges in Law

Despite AI's potential, challenges persist. Concerns over accuracy, regulation, data privacy, and job displacement underscore the need for careful implementation. Addressing these issues is key to AI's long-term success in law.

Accuracy & reliability

57%

Ethical & regulatory risks

45%

Confidentiality

40%

Job displacement

29%

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Industry-Specific AI Adoption Trends

How AI Adoption Varies in Legal Practice

The legal industry's AI adoption varies by firm size and specialization. While large firms are leading the charge, smaller firms see AI as a potential cost-saver and time-saver despite facing budgetary constraints. Understanding these trends can help tailor AI solutions to different segments of the legal profession.

Small firms (1-20 Lawyers)

More likely to **see AI as a cost-saving** tool **but face budget constraints** for implementation.

Mid-sized firms (21-50 lawyers)

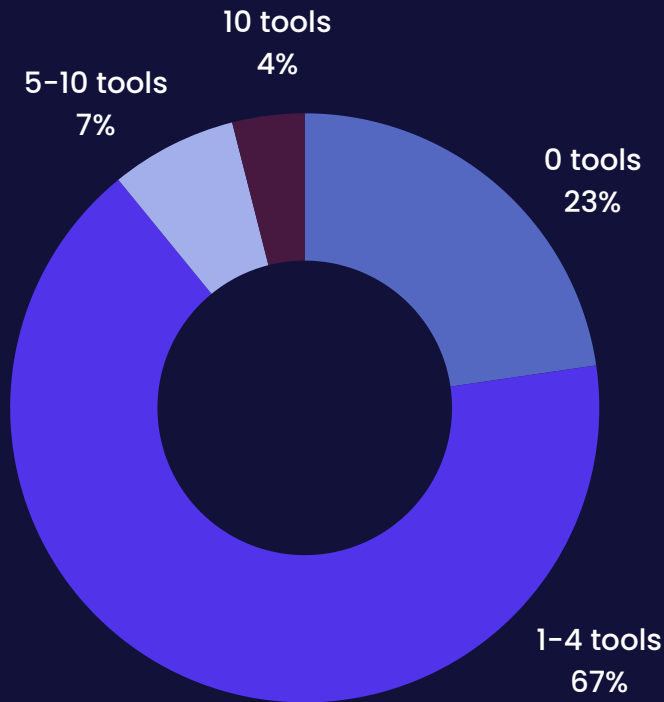Higher likelihood of **piloting AI-driven research and drafting tools**.

Large firms (50+ lawyers)

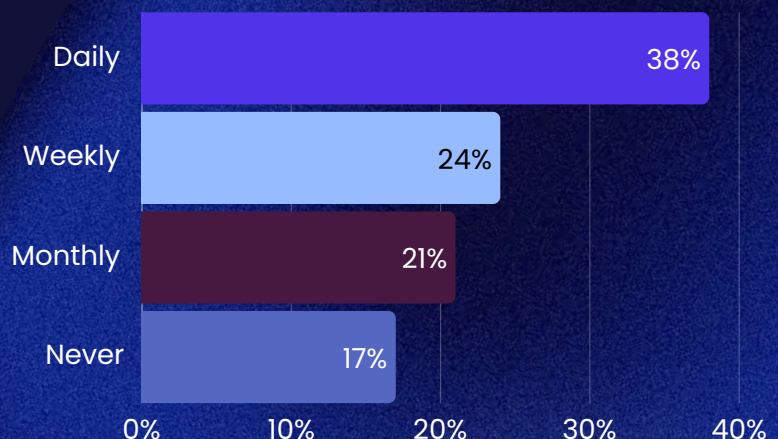Most active in AI adoption, focusing on **efficiency gains in high-volume legal work**.

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Number of AI Tools Used Per Firm

Firms differ significantly in how many
generative AI tools they currently use:

10 tools
4%

5-10 tools
7%

0 tools
23%

1-4 tools
67%

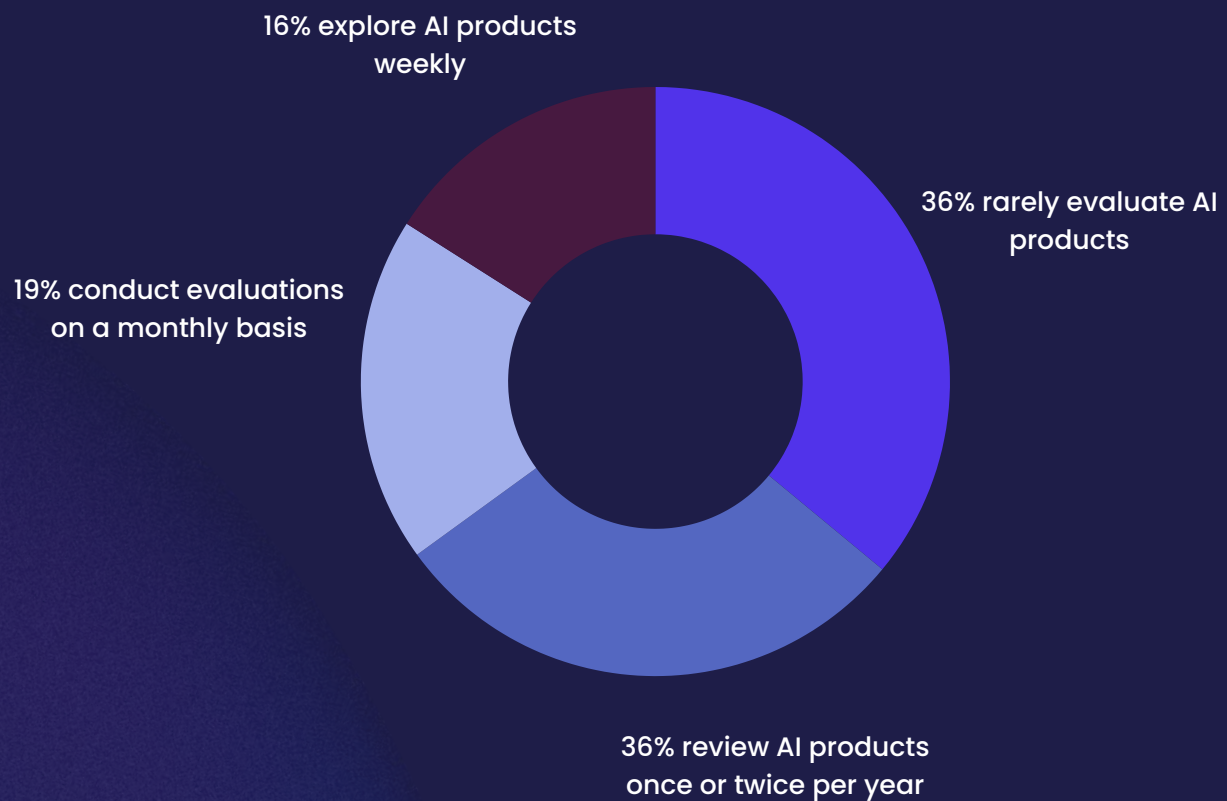# How Often Firms Use GenAI in Legal Work

Firms report varying levels of AI usage in their daily operations:

Daily — 38%
Weekly — 24%
Monthly — 21%
Never — 17%

0% 10% 20% 30% 40%

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Frequency of AI Product Evaluation

Law firms vary in how often they assess new AI tools for potential adoption:

16% explore AI products weekly

36% rarely evaluate AI products

19% conduct evaluations on a monthly basis

36% review AI products once or twice per year

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Biggest Barriers to AI Adoption

Firms report varying levels of AI usage in their daily operations:

Accuracy | 91% **cite concerns about the accuracy of AI-generated outputs**, making reliability the most significant barrier.

Security | 57% **highlight data privacy and security risks**, reflecting concerns about confidential client information.

Cost | 53% **point to the cost of implementation**, suggesting that financial barriers play a major role in adoption hesitancy.

Compliance | 52% **express regulatory uncertainty**, indicating a lack of clear guidelines and compliance frameworks.

Technical | 47% **mention a lack of technical expertise**, suggesting that firms may struggle to implement and manage AI tools effectively.

Internal | 41% **cite resistance from lawyers**, showing that cultural and professional skepticism remains a challenge.

Development | 31% **worry about the impact on professional development**, fearing AI may reduce learning opportunities for junior lawyers.

Clients | 26% **indicate client restrictions**, where external limitations prevent firms from integrating AI into workflows.

Revenue | 19% **are concerned about the impact on billable hours**, highlighting potential revenue shifts.

Practicality | 17% **believe AI offers limited value for their work**, showing skepticism about its practical benefits.

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Who Benefits Most From GenAI?

Survey respondents identified multiple beneficiaries of AI adoption in law firms, with many selecting **more than one group**.

| Associates | 53% | believe associates stand to benefit the most, as AI helps streamline research and drafting tasks. |

| Clients | 53% | see clients as major beneficiaries, as AI enhances efficiency and reduces costs for legal services. |

| Partners | 45% | of firms think partners will gain advantages, leveraging AI for strategic decision-making and case oversight. |

| Staff | 43% | highlight staff, including paralegals and administrative professionals, who can use AI to automate repetitive tasks. |

| Students | 36% | mention students and junior professionals, who may use AI as a learning tool and to support legal education. |

| Other | 3% | indicated other potential beneficiaries, showing some variation in perspectives on AI's impact. |

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Implications & Recommendations

Education first: Firms should prioritize AI training to improve awareness and responsible use.

Pilot AI in key areas: Start with AI-assisted legal research and drafting support.

Evaluate risks & ethics: Establish policies to ensure compliance and mitigate risks.

Monitor AI performance: Continuously assess AI-generated outputs for accuracy and reliability.

Steps for AI Integration

- Identify repetitive legal tasks where AI can add value.

- Set clear usage guidelines and oversight mechanisms.

- Collaborate with AI vendors to tailor solutions to legal needs.

- Implement a gradual AI adoption strategy.

AI Risks to Consider

- Ensuring AI-generated content accuracy.
- Managing potential biases in AI models.
- Client confidentiality and data security concerns.
- Navigating potential changes in AI-related legal regulations.

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Conclusion

Generative AI is poised to reshape the legal industry, but firms must approach adoption thoughtfully.

By investing in AI literacy and integrating it in targeted ways, law firms can gain efficiency without compromising quality or ethics. The coming years will determine which firms leverage AI effectively to maintain a competitive edge.

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Contact Alexi for a consultation on AI adoption in your practice.