

**LEGALTECHTALK**

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# Research Report

**Balancing Innovation & Trust:  
Practical AI Integration for Law Firms**



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# Foreword

## iManage

As Global Insights Director at iManage, I have the privilege of witnessing firsthand the transformative potential of artificial intelligence across industries. Yet nowhere is this transformation more nuanced or more consequential than in the legal profession. The findings in this report, “Balancing Innovation, Trust, and Practical AI Adoption,” are more than a snapshot of where we are today, they are a roadmap for where we must go next.

We stand at an important moment. The legal sector, long known for its caution and rigor, is now embracing a new era of intelligent systems that promise to enhance, rather than replace, the expertise of legal professionals. This is not about disruption for disruption’s sake. It’s about evolution: embedding AI capabilities into the very fabric of legal workflows in a way that is secure, scalable, and above all, trusted.

What excites me most is the shift in mindset we are seeing across the global legal community. No longer is the question “Should we use AI?” Instead, it’s “How can we use AI responsibly, effectively, and in a way that enhances our client relationships and professional standards?” This report captures that shift drawing on insights from some of the most forward-thinking legal minds around the world.

The legal profession is uniquely positioned to lead in the responsible adoption of AI because it already operates within a framework of accountability, confidentiality, and ethical rigor. These are not barriers to innovation but are the very foundations upon which trustworthy AI must be built. The firms featured in this research understand that. They are not rushing headlong into the latest applications. Instead, they are piloting, testing, and co-creating AI solutions that align with their values and their clients’ expectations.

One of the most compelling themes in this report is the importance of collaboration. The most successful AI initiatives are not driven by IT departments alone. They are co-led by practicing attorneys, knowledge managers, and innovation leaders who understand the day-to-day realities of legal work. This collaborative approach ensures that AI solutions are not just technically sound, but also contextually relevant and practically useful.

Equally important is the role of strategic governance. As this report shows, the firms that are thriving in the AI era are those that have invested in robust governance frameworks that allow for experimentation while maintaining the highest standards of data security, regulatory compliance, and client confidentiality. These are not optional extras, especially in professional services; they are essential enablers of sustainable innovation.

At iManage, we believe that AI should take a human-centric approach and be embedded, not bolted on. That means designing capabilities that work within the applications professionals already trust and use every day. It means offering early access programs that allow firms to test and refine AI in real-world environments leveraging their actual documents without fear of exposing sensitive data. And it means understanding the unique needs and workflows of legal professionals and their clients.

This report is a testament to what's possible when innovation is guided by trust, and when technology is developed not in isolation, but in partnership with the people who will use it. The future of legal AI is not in replacing lawyers, it's in empowering them. It's in freeing them from repetitive tasks so they can focus on what they do best: deliver insight, judgment, and value.

As we look ahead, I am filled with optimism. The legal profession is not just *adapting* to AI; it is *using the power* of AI to shape its future. And that future, as this research makes clear, is bright, bold, and built on trust.

**Laura Wenzel**

Global Insights Director, iManage

## Executive Summary

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This study explores how legal teams are navigating AI adoption, balancing the drive for innovation with the need for trusted, structured solutions that fit within their existing workflows. Based on interviews with leading experts from top global law firms, this report examines the strategies, challenges and opportunities in AI integration for legal practices.

Our findings reveal that successful AI adoption in legal settings requires a balanced approach that addresses confidentiality concerns, involves practicing lawyers in the selection and implementation process, and proceeds at a pace that allows for proper governance while capturing innovation opportunities.

The research highlights the importance of starting with clear use cases, establishing robust governance frameworks, and creating a culture that encourages experimentation while maintaining appropriate guardrails.

# Contributors



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# Adoption of Law and AI

## Maintaining Client Confidentiality and Data Security

"Maintaining client confidentiality and data security standards are values we refuse to compromise on. We knew from the outset that we wanted to encourage an open and ongoing dialogue with our clients and our people about our use of AI technologies."

— Shilpa Bhandarkar,  
Partner - Client Tech and AI,  
Linklaters

"We very early on came up with the policy. We distinguished public from private - being the systems where we could negotiate our agreement just like we would any other contract or cloud contract. It allowed us to keep using Chat GPT but definitely not for client confidential work."

— David Cunningham,  
Chief Innovation Officer,  
Reed Smith

Client confidentiality and data security remain paramount concerns as law firms integrate AI technologies. The research indicates most firms have adopted structured approaches to ensure the highest standards are maintained while adopting innovative tools.

The most successful firms establish robust governance structures with dedicated teams to ensure adequate guardrails for safe AI use without discouraging innovation. Many have published client AI charters outlining their key principles, ensuring clients remain at the center of their approach.

A common approach involves developing clear policies distinguishing between public and private systems. This classification allows attorneys to understand which tools can be used with client confidential information. Many firms have also analysed client guidelines to identify specific AI requirements and established communication channels to address concerns proactively.

Education plays a significant role in preserving confidentiality and security. Leading firms have implemented mandatory firmwide training on AI to ensure every employee understands both the potential and inherent risks of AI use.

## Regulatory Compliance in a Changing Landscape

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"It's been I would probably say a 10 year effort when we first started thinking about and putting in place our machine learning initiative. We have a very solid technical infrastructure that allow us to react to those changes, and a very solid governance infrastructure."

— Enrique Ascanio, COO  
EMEA+, Baker McKenzie

"For an EU company that is used to dealing with EU regulation at all times, it's quite predictable. They haven't come out, one executive order at a time. They come out, with sufficient time for people to get acquainted and for the regulations to begin."

— Paula Gomes Freire,  
Managing Partner,  
Vieira de Almeida

Ensuring AI systems remain compliant with evolving regulatory requirements presents a significant challenge. The most effective compliance strategies involve close collaboration between technology teams and practice groups specialising in AI regulation.

Compliance isn't something improvised in response to new regulations but built on long-term efforts to adapt technical infrastructure and governance. This sustained investment allows firms to react nimbly to regulatory changes across different jurisdictions.

Leading firms take a multi-faceted approach to maintaining compliance:

- 1. Monitoring regulatory developments** - Dedicated teams actively track changes in legislation, regulation, and case law that impact AI
- 2. Geographic compliance tables** - Creating jurisdiction-specific guidance for lawyers
- 3. Certification processes** - Requiring lawyers to understand local requirements before accessing AI tools
- 4. Ongoing review of use cases** - Ensuring alignment with the latest regulatory developments

This challenge can be more manageable for firms accustomed to navigating complex regulatory frameworks, as they generally have sufficient time to adapt to new regulations before implementation.

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"We've certainly found summarising content has been particularly helpful, especially when we have either long email trails or lengthy documents. It gives us a quick sense of content before a more robust review. Data extraction is another great use case"

— Caryn Sandler, Partner  
- Chief Innovation and Knowledge Officer,  
Gilbert + Tobin

"AI has significantly improved several legal workflows, enhancing efficiency and accuracy while freeing up lawyers' time for higher-value work. We have used AI to help automate tasks such as clause extraction and eDiscovery for years, but the advent of GenAI is beginning to transform more complex and lengthy tasks."

— Shilpa Bhandarkar,  
Partner - Client Tech and AI,  
Linklaters

## Impactful Legal Workflows

The research revealed consistent patterns in which legal workflows have been most positively impacted by AI implementation. The most frequently cited areas include:

1. **Document summarisation and analysis** - Condensing long email trails, documents, agreements, and extracting key content
2. **Contract drafting and review** - Creating first drafts, comparing contract terms, identifying deviations from standard forms
3. **Legal research** - Finding precedents, legislation, and relevant case law
4. **Due diligence** - Analysing large volumes of documents for transactions
5. **Knowledge management** - Capturing insights from matters that would otherwise be lost as attorneys move to the next matter

Additional workflow benefits include increased accuracy and reduced costs. By automating routine administrative tasks like proofing and time recording, lawyers' time is freed for more strategic work.

AI integration moves firms beyond individual productivity gains toward end-to-end transformation of legal services. Some firms have already established AI-powered applications for specific clients, such as chatbots for legal departments and tools for navigating data breach reporting requirements.

# Evolution vs. Revolution

## Determining the Appropriate Pace of AI Adoption

Finding the right balance between innovation speed and responsible implementation emerged as a critical challenge for all firms. Rather than rushing to adopt every new technology, successful firms have developed structured approaches to determine the appropriate pace.

Some firms position themselves as “fast followers” rather than first movers, ready to quickly adopt technologies that have proven effective while maintaining security and confidentiality standards. This approach allows them to benefit from innovations without assuming unnecessary risks associated with untested tools.

**"I do feel very fortunate that we have been on this legal transformation journey for over a decade. It hasn't happened overnight. Over time, we've built strong processes and protocols for adopting rolling out technology, upskilling our people and really developing a culture of innovation across the firm."**

**— Caryn Sandler, Partner - Chief Innovation and Knowledge Officer, Gilbert + Tobin**

**"We define ourselves as fast followers, but we're not trying to be first at anything. We are ready to quickly adopt things that are proven to work, accounting for confidentiality and security standards."**

**— Enrique Ascanio, COO EMEA+, Baker McKenzie**

**Most firms described a deliberate, phased rollout strategy for new AI tools:**

1. Initial testing with a limited user group
2. Pilot programs with selected practice groups
3. Gradual expansion with tailored training
4. Full implementation with ongoing support

Several firms deliberately restrict initial access to new tools, limiting their use to external data before expanding to internal documents. This staged approach allows attorneys to become familiar with the technology before applying it to client-sensitive information.

The research consistently highlights a “test and learn” model – building and experimenting with technologies to understand capabilities and limitations before firmwide implementation. This iterative approach enables firms to identify potential risks proactively and address them before scaling.

## Evaluating Long-Term Value

Measuring the success and long-term value of AI investments remains a developing area for most firms. The research identified several approaches and metrics:

- 1 Efficiency gains:**  
Time saved per task compared to baseline measurements
- 2 Adoption rates:**  
Tracking usage by attorney and by use case
- 3 Return on investment:**  
How quickly investments pay for themselves and their impact on revenue
- 4 Client impact:**  
Measuring client satisfaction and outcomes

Client-driven metrics emerge as particularly valuable. This client-centered approach focuses on cycle time - how quickly the firm can solve a client's problem - rather than internal efficiency alone.

**"In some deals we've talked to our clients and they would say if you can get this done twice as fast I will pay you just as much and I'll give you more work. One of our metrics is cycle time - how fast do we solve the problem?"**

— David Cunningham, Chief Innovation Officer, Reed Smith

Several firms are exploring how AI will transform their business models beyond simply making current processes more efficient. An important question surfacing in the research is whether law firms will remain simply users of AI, or whether they will become an integral part of the creation of new products and services powered by the technology.

**"Another big question is whether a lot of firms will just be AI takers, in the sense that they will just be buying solutions, or whether you will see some firms evolving towards being AI makers. Not just consumers of AI but having a relevant role in developing AI-based legal products and legal services."**

— Paula Gomes Freire, Managing Partner, Vieira de Almeida

## Deliberate Slowing of Adoption

Despite enthusiasm for AI capabilities, the research uncovered numerous instances where firms deliberately slowed adoption to ensure proper adoption or address potential risks.

In one example, a firm rejected a tool despite receiving favorable pricing when only 11% of pilot participants recommended proceeding with it. They recognised that prematurely implementing inadequate technology would damage attorney confidence and adoption. Similarly, another firm delayed the release of their internal AI tool by a month to improve integration with their systems and enhance value for attorneys.

Several firms implemented staged access restrictions, initially prohibiting using AI with client confidential information, then gradually permitting use for reviewing client work after validation, and only later authorising using AI as the first step in document creation. This gradual approach ensured proper understanding of the tools before risking client matters.



# Relationships and Collaboration

## Involving Practicing Attorneys

**"Involve lawyers early: don't start with the technology; start with the lawyers' pain points. Ask them what tasks are repetitive or frustrating. This should give you a clear idea of lawyer-driven AI use cases."**

— **Natasha Ahmed, Partner, Akin Gump**

**"We typically like to do large pilots with a particular jurisdiction or a practice group with around 100 users. When we're talking about use cases, the definition and implementation of the use cases is being driven by the practice groups."**

— **Enrique Ascanio, COO EMEA+, Baker McKenzie**

The research consistently emphasised the critical importance of involving practicing attorneys throughout the AI evaluation and implementation process. Rather than having technology teams select tools in isolation, successful firms engage attorneys from the earliest stages.

The most effective approach starts with attorneys' pain points rather than with technology: asking them what tasks are repetitive or frustrating to identify lawyer-driven AI use cases. Leading firms form evaluation committees that include both senior lawyers for strategic input and associates for workflow insights.

Many firms conduct large-scale pilots involving significant user groups from specific practice groups or jurisdictions. This approach ensures comprehensive feedback before broader implementation. More importantly, they empower practice groups to drive use case development, with each group having core teams of practitioners working alongside knowledge lawyers and AI specialists.

Contrary to expectations, partners and senior attorneys often adopt AI tools more readily than associates. This appears partly due to partners' greater experience allowing them to better evaluate AI outputs critically, while associates might accept results at face value.

Several firms have implemented incentive programs to encourage attorney involvement, such as providing billable credit for lawyers working on strategic AI projects, recognising the value of their contributions to technology innovation.

"I think there is almost a bias towards senior lawyers when it comes to AI – and for a good reason. They have the most subject matter expertise and can quickly spot hallucinations or misinterpretations in documents. That puts them in a really strong position to guide our junior lawyers, who may not have the same depth of understanding of the subject matter, through this."

— Caryn Sandler, Partner – Chief Innovation and Knowledge Officer, Gilbert + Tobin

## Building Trust and Adoption

Building trust and driving adoption among attorneys requires tailored approaches that address attorneys' specific concerns and demonstrate clear value. The research highlighted several effective strategies:

1. **Tailored demonstrations** – Showing practice-specific examples rather than generic demos
2. **Individual support** – Offering one-on-one training and "AI office hours" for questions
3. **Leadership endorsement** – Having firm leaders visibly champion AI initiatives
4. **Storytelling** – Sharing success stories from peer attorneys
5. **Capability building** – Focusing on developing skills rather than just deploying technology

In one notable approach, AI specialists initially provided hands-on assistance to partners but deliberately refrained from doing all the work themselves, instead showing partners how easily they could use the tools. These partners then became advocates, telling their teams, "This is the only way we're going forward. We should not be doing our work without these tools."

"We have some great partner examples. At the beginning, some of the partners would turn and ask if things could be done for them. The response to which is 'my role is to help you with the tool, not to be an associate to you,' you can then show them how easy it is to get started."

— David Cunningham, Chief Innovation Officer, Reed Smith

"Focus on tasks that lawyers already dislike: billing, admin, checking cross-references. Emphasise that AI will assist lawyers with these tasks, and will not take over their jobs. Frame things in a positive manner – show how much time can be saved by using a tool."

— Natasha Ahmed, Partner, Akin Gump

## Incorporating Client Feedback

Clients play a crucial role in shaping firms' AI strategies. The research described a shift in client attitudes from cautious questioning to active encouragement of AI use.

**"We've been proactively speaking to clients about our approach and collaborating closely to ensure that our use of AI aligns with their specific needs and expectations."**

— Shilpa Bhandarkar, Partner -  
Client Tech and AI, Linklaters

Client conversations have evolved dramatically over the past year, with most discussions now focusing not on whether firms should use AI but on how they're using it and what benefits they're achieving.

**"Over the past six months or so, the attitude has changed from 'are you using AI' to 'of course you're using AI' to 'tell us how you're using AI, what are the benefits you're getting out of it.' The clients are asking us to use AI but trying to learn from us at the same time."**

— David Cunningham, Chief Innovation  
Officer, Reed Smith

Clients expect transparency and have key concerns around data privacy, security, confidentiality, explainability, and accountability. Leading firms have developed robust policies addressing each concern and educate clients about their AI capabilities through demonstrations and examples of successful implementations.

Firms incorporate client feedback through several channels:

1. Transparent communication about AI use and capabilities
2. Seeking explicit consent for AI use on specific matters
3. Showing clients both AI-generated drafts and final attorney-reviewed outputs
4. Regular briefings and webinars on AI capabilities
5. Case-specific feedback collection

**"It is essential to incorporate client feedback and concerns into your AI strategy. Clients expect transparency - you should be informing your clients of any proposed use of AI technology and seeking their consent or giving them the opportunity to opt out of AI use on their matters."**

— Natasha Ahmed, Partner, Akin Gump

The research found that many firms are actively partnering with clients on AI initiatives, not only implementing tools for their own operations but also helping clients develop AI capabilities for their internal legal departments. These collaborations create mutual learning opportunities and strengthen relationships.

**"We engaged very early with our clients on the AI journey, explaining what we were doing. For many years, we've supported our clients on their broader transformation journeys - AI is now a natural extension of that work."**

— Caryn Sandler, Partner - Chief Innovation  
and Knowledge Officer, Gilbert + Tobin

# Conclusion

The research findings demonstrate that successful AI integration in legal practice requires balancing innovation with responsible implementation.

The most effective approaches combine:

1. **Strong foundations** - Investing in adaptable technology infrastructure and governance frameworks before rushing to adopt specific tools
2. **Client-centered thinking** - Prioritising confidentiality and security while leveraging AI to deliver faster, more effective client service
3. **Attorney involvement** - Engaging practicing lawyers throughout the evaluation, customisation, and implementation processes
4. **Phased adoption** - Implementing AI in stages with appropriate guardrails that evolve as tools and user capabilities mature
5. **Cultural transformation** - Building an innovation mindset that values experimentation while maintaining professional standards

The legal profession's integration of AI is neither purely evolutionary nor revolutionary but follows a "progressive innovation" model that combines careful evaluation with strategic acceleration. The firms that have navigated this balance most successfully are those that invested early in building flexible foundations, involved attorneys in the process, and maintained a clear focus on client value throughout their AI journey.

As AI capabilities continue to advance, the distinction between firms that merely use AI and those that develop AI-enhanced legal products may become increasingly significant. The most forward-thinking organisations are already positioning themselves not just as consumers of AI technology but as creators of AI-powered legal solutions tailored to their specific practice areas and client needs.



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