

2024 Future Ready Lawyer Survey Report

Legal innovation: Seizing the future or falling behind?



Legal professionals facing the impact of GenAI and ongoing regulatory changes



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Foreword

The legal industry is at a pivotal moment, as technological advancements continue to reshape the way legal professionals work. In the *2024 Wolters Kluwer Future Ready Lawyer Survey Report*, the impact of generative artificial intelligence (GenAI) and the significant trends shaping the industry are brought to light. The report describes how law firms are embracing technology to meet the needs of their clients and in-house legal professionals to support their businesses in an increasingly complex environment. As technology progresses, legal professionals are looking to adapt their practices, service offerings and workflows to remain competitive in this changing landscape.

While accelerating change makes it ever more challenging to look ahead, this report unveils key trends that will significantly impact the legal industry in the next three years. These include increasing costs and price pressures, the escalating challenges of information security management, coping with the growing volume and complexity of information, and the ability to attract and retain top legal talent. GenAI's rapid progress is intertwined with all these trends, putting pressure on law firms and corporate legal departments to remain vigilant, curious, and open to change to stay ahead.

The *2024 Future Ready Lawyer Report* provides valuable insights for us — Wolters Kluwer Legal & Regulatory leadership — to understand our customers' ambitions, challenges, and their ways of dealing with these. It is this understanding that helps us deliver the added value that we set out to provide every single day. Moreover, the report aims to empower legal professionals to navigate the changing landscape, inspire them to embrace technological advancements, and position themselves as future-ready leaders in the industry.



Martin O'Malley
CEO, Wolters Kluwer Legal & Regulatory

Opening statement

The rise of generative AI (GenAI) and other advanced technologies continues to raise, if not set, the bar for law firms, corporate legal departments, and other members of the legal ecosystem seeking to make a legitimate claim to being “future-ready.” As the *2024 Wolters Kluwer Future Ready Lawyer Survey* shows, legal professionals around the world are adopting and using GenAI in ever-increasing areas of their work, but it’s not without challenges and obstacles to adoption.

The potential benefits of using advanced technologies are already impressive, and survey participants confirm that expectations continue to grow around improving efficiency, process automation, and legal research.

As technology progresses, regulations evolve, the workforce changes, and the legal industry adapts, the sixth annual *Future Ready Lawyer Survey* focuses on GenAI’s influence on the legal profession and significant trends shaping the legal sector over the next three years.

However, the report also looks beyond GenAI and touches upon potential re-evaluation of business models, diverse talent management strategies, and how legal professionals are dealing with growing demands for environmental, social, and governance (ESG) expertise.

The survey results provide insight into the key challenges and opportunities that legal professionals are experiencing now - and with that, provide guidance on navigating the near future.



What's new: Key survey findings



GenAI

The most notable trend is the integration of GenAI, which is fundamentally transforming how legal professionals approach their daily tasks. No less than 76% of legal professionals in corporate legal departments use GenAI at least once a week, as do 68% of their counterparts in law firms; 35% in corporate legal departments and 33% in law firms even use it daily. Also, 65% of legal professionals expect an increase in AI technology investment at their workplace over the next three years.

This surge in GenAI adoption illustrates that the industry is embracing technology to address complex legal challenges and the growing demands of clients.

Billable hours

Technological innovation could potentially reshape traditional business models. A total of 60% of legal professionals expect AI-driven efficiencies to reduce the prevalence of the billable hour. More than half of the surveyed legal professionals (56%) feel well-prepared to adapt their business practices, service offerings, workflows, and pricing models in response to the implementation of AI technology. Adaptability will prove crucial as innovation continues to permeate the legal industry.

Talent attraction and retention

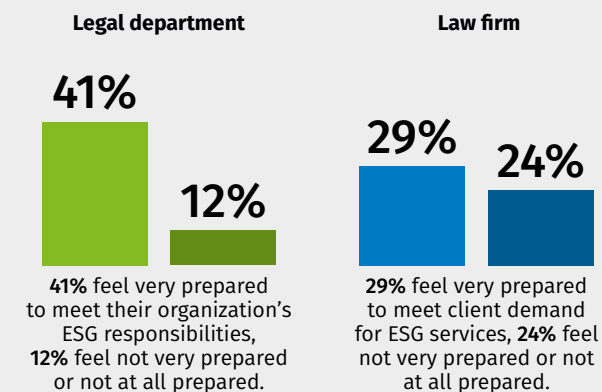
When it comes to their workplace, most legal professionals (81%) emphasize the need for an acceptable work-life balance; interestingly, 82% agree that their organization performs well in that area. Other key factors for attracting and keeping talent include competitive compensation packages and professional development and training. When hiring legal staff, 72% say that technological expertise is an important attribute for potential hires.

Environmental, Social, and Governance (ESG)

There are gaps between corporate legal departments and law firms when it comes to being prepared to meet rising demand for ESG expertise. The findings reveal that 41% of corporate legal professionals feel very prepared to address the demand for ESG-related legal expertise; 12% indicated that they are not very prepared or not at all prepared. On the other hand, law firms expressed less confidence, with only 29% indicating they feel very prepared and 24% saying they are not very prepared or not at all prepared. There is also a difference in providing ESG training for staff - 56% of corporate legal departments provide ESG training, versus 45% of law firms.



Meeting ESG demands



What's next: Five key trends expected to have a significant impact on the legal industry over the next three years



1. Addressing cost and price pressures

This was mentioned as a key trend by 74% of respondents — but 80% feel prepared to address these cost and price pressures effectively over the next three years. Technology is one avenue to address productivity as a means to bridging gaps to deal with these pressures. In that context, 65% of survey participants say they expect to increase investment in AI.

2. Rising challenges in managing information security

Nearly three-quarters (74%) of legal professionals see the escalating challenges of information security management impacting their organizations; 33% even expect there to be a significant impact. And while 80% say their organizations are generally prepared to tackle the evolving security hurdles over the next three years, only 29% feel 'very prepared.'

3. Growing impact of GenAI

The majority of surveyed professionals (71%) expect GenAI's fast-paced progress to continue to affect firms and corporate legal departments in the next three years, with 31% expecting a significant impact. While 69% of participants say they are generally prepared to address this impact, only 26% feel 'very prepared.'

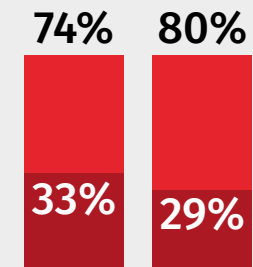
4. Coping with the increasing volume and complexity of information

A considerable 73% of legal professionals surveyed expressed concerns about having to cope with the increased volume and complexity of information. At the same time, 82% feel prepared to address this challenge over the next three years.

5. Ability to recruit and retain talent

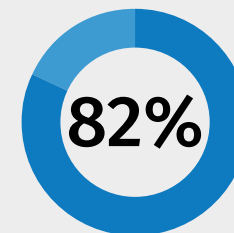
Attracting and retaining top legal talent will continue to require a multi-pronged approach, with a strong emphasis on fostering an acceptable work-life balance in addition to offering competitive compensation packages and professional development and training. The good news is that most legal organizations recognize the importance of these factors.

Impact of managing information security challenges

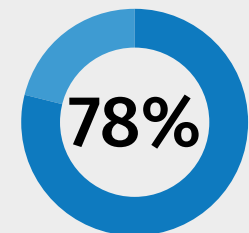


74% of legal professionals see rising information security challenges, with 33% expecting a significant impact. While 80% feel prepared for future security hurdles, only 29% feel 'very prepared'.

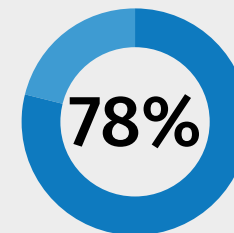
How legal organizations are attracting talent



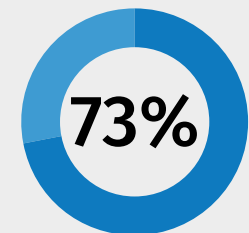
Prioritizing an acceptable work-life balance



Competitive compensation packages



Providing professional development and training



Investing in the latest legal technologies

Embracing GenAI: The future of legal innovation



Key insights

- Legal professionals are actively adopting GenAI to enhance efficiency and their ability to meet growing client demands.
- GenAI's primary applications in the legal field include research, analysis, and document automation.
- The three main challenges in GenAI adoption are difficulties with integration, trust issues regarding GenAI outcomes, and ethical concerns surrounding AI and data privacy.

The 2024 *Future Ready Lawyer Survey* results show that legal professionals are making a concerted effort to leverage GenAI to enhance efficiency and meet growing client demands: findings show that 76% of legal professionals in corporate legal departments and 68% in law firms use GenAI at least once a week; 35% in corporate legal departments and 33% in law firms even use it daily.

On the flip side, 18% of professionals in law firms and 8% in corporate legal departments report no engagement with GenAI in their legal work.

So, just how are legal professionals benefiting from GenAI in their work? The survey shows that the primary use has been for legal processes that involve managing a lot of detailed information – to increase efficiency and reduce manual tasks. Legal research, analysis, and document automation are becoming increasingly AI-driven, primarily due to GenAI's ability to process large datasets quickly.

Luminary insight

“The single greatest challenge lawyers face in implementing GenAI is fear – and that fear is driven by lack of understanding. Law firm leaders have a critical role to play in helping overcome these fears.”

Robert Ambrogio

Publisher, LawSites blog/LawNext podcast

The top 5 tasks where legal departments and law firms see an impact of GenAI in terms of efficiency

	Legal department	Law firm
1. Automation of processes	79%	67%
2. Time management	76%	66%
3. Training and development	76%	60%
4. Strategic planning of objectives and tasks	72%	62%
5. Collaboration	74%	58%

Law firms do not find GenAI as impactful on efficiency and effectiveness as corporate legal departments do. Still, recognizing the potential positive impact of GenAI, more than half of law firms (58%) and almost three-quarters of corporate legal departments (73%) plan to significantly increase their AI investments over the next three years.

Enthusiasm for GenAI's benefits is only part of the story; there are also concerns and challenges.

When it comes to integrating GenAI into existing workflows, the barrier seems higher for corporate legal departments: more than a third (37%) of law firm employees and 42% of their corporate counterparts say they experience challenges in integrating GenAI with existing legal systems and processes.

Part of the challenge around GenAI integration is knowing how to use the technology to leverage it responsibly, ethically, and to maximum effect. There is an overwhelming consensus on the importance of GenAI training: 71% of survey participants say they are either already required to participate in formal training or will be required to do so within the next year. However, 30% of law firms and legal department respondents indicated that their organizations do not currently offer such training programs.

Law firms and legal departments policy on GenAI training

71%

of survey participants will need to participate in formal GenAI training in the next year.

30%

state their organizations do not currently offer such training

Besides the technical aspects, trust issues around GenAI are also prevalent. Doubts about the quality of GenAI outcomes were expressed by 41% of law firm respondents - a sentiment echoed by 37% of colleagues in corporate legal departments. Ethical concerns surrounding AI and data privacy are also significant issues for around 37% of law firms and 41% of legal department professionals.

Luminary insight

“As an in-house counsel, I want outside counsel to leverage technology, particularly where it positively affects the bottom line – but I also want to trust counsel to be thoughtful in how new technologies are used.”

Janet LeVee

Vice President and Associate General Counsel, Wolters Kluwer Legal & Regulatory



Verdict

GenAI is no longer optional, but a reality in the legal industry. In order to stay relevant and deliver efficient services, legal professionals need to effectively apply GenAI to their work. At the same time, legal workplaces need to create the environment to make this possible. This requires ongoing training on how to use GenAI both technically and ethically, seamless integration into existing workflows and technology, and hiring legal professionals with the right technological skills.

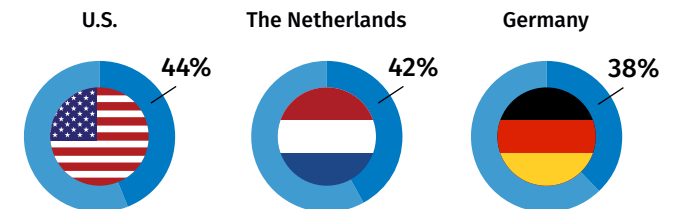
Regarding the mentioned trust issues, lawyers should remain vigilant to detect GenAI-specific issues such as hallucinations. This may require firms to optimize their review processes to catch errors and misinformation in a timely manner.



Country facts

Countries leading the way in GenAI use

Percentage of legal professionals using GenAI in their legal work at least once a day



Redefining legal business practices



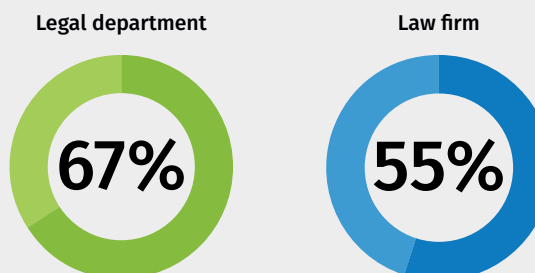
Key insights

- The vast majority of legal professionals expect GenAI to transform traditional legal business models and pave the way for more efficient service delivery and innovative pricing models.
- The impact of GenAI is changing client expectations, forcing law firms to adopt the technology to provide quicker responses, greater billing transparency, and personalized legal strategies.
- Legal professionals are also increasingly leveraging alternative legal service providers (ALSPs) to manage tasks that can be outsourced cost-effectively.

The legal industry is seeing several shifts in traditional legal business models – from the impact of GenAI to using external providers to support their work.

One of the more widely debated topics is the effect of GenAI on the billable hour. No less than 60% of all respondents believe that AI-driven efficiencies will have an impact on the prevalence of the billable hour, while 20% even foresee a significant impact (highest score on a 5-point scale). Overall, corporate legal departments convey a slightly more pronounced expectation than law firms that GenAI will impact the prevalence of the billable hour as a business model - 67% versus 55%.

Expectation that AI-driven efficiencies will impact the prevalence of the billable hour



Another expectation is that GenAI may reduce the need for legal staff - more than a third (38%) of respondents indicated this.

The good news is that legal professionals are optimistic about adapting to the ever-changing legal landscape. More than half of survey participants (56%) feel well-prepared to adjust their business practices, service offerings, workflows, and pricing models in response to the implementation of AI technology. This adaptability is pivotal as GenAI continues to evolve and integrate further into the legal industry.

Luminary insight

“Without question, AI will reduce the need for staff who handle routine work. At the same time, however, GenAI is already accelerating the need for law firms and legal organizations to bring on a new generation of tech-savvy professionals.”

Robert Ambrogi

Publisher, LawSites blog/LawNext podcast

With or without GenAI, one continued business trend is the practice of outsourcing work to alternative legal service providers (ALSPs). Rather than seeing ALSPs as a threat, most law firms and corporate legal departments turn to them as valuable partners. Among the top tasks, more than half (57%) of legal professionals surveyed plan to outsource document automation, about half (49%) plan to reallocate legal research and analysis tasks, and 48% look to use ALSPs for contract drafting and review. With this approach, firms and legal departments expect to optimize their operational efficiency and, ultimately, save costs.

Categories of work legal professionals anticipate to be reallocated to ALSPs as a result of AI technology

	Legal department	Law firm	Total
Document automation	58%	55%	57%
Legal research and analysis	52%	46%	49%
Contract drafting and review	54%	44%	48%



Verdict

To do business in a more efficient and effective way, legal teams are expanding their toolkits. Through GenAI, they have an opportunity to redesign workflows and adjust and optimize staffing. Firms have the opportunity to potentially rethink service delivery to clients including the use of alternate fee arrangements that depart from the traditional legal business models of the billable hour, including around billable hours and staff assignments. In addition, ALSPs are providing additional ad-hoc help with tasks that are less expensive to outsource.

Luminary insight

“AI tools will be indisputably impactful on the legal profession, particularly in areas driven by data, and — as the tools improve — they will likely reduce time spent on routine tasks. But there will always be a need for the professional judgment of lawyers.”

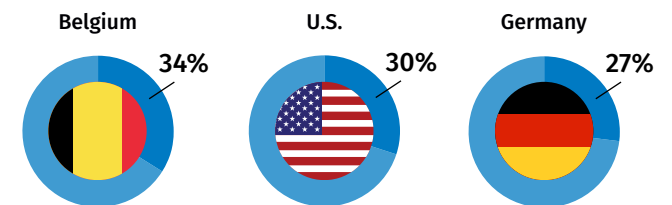
Janet LeVee

Vice President and Associate General Counsel, Wolters Kluwer Legal & Regulatory



Country facts

Countries that foresee the highest levels of significant impact by AI-driven efficiencies on the prevalence of the billable hour



Attracting legal talent with compensation, culture, and continuous learning



Key insights

- Demand for a healthy work-life balance and competitive compensation packages significantly impact talent retention and attraction strategies in the legal industry.
- When looking to recruit new legal talent, technological expertise is an important attribute of potential hires for legal organizations.
- The majority of legal professionals have significantly increased their in-office workdays, with a stronger increase among corporate legal departments than law firms.

The 2024 *Future Ready Lawyer Survey* gives valuable insights into the workplace from both the employee and employer perspectives.

When asked which key trends they expect to impact law firms and legal departments over the next three years, 73% of survey participants said it's the ability to attract, recruit, and retain talent. The good news is that 80% of respondents say their workplaces are ready to address this need.

But what exactly attracts legal talent? Three areas particularly stand out: 81% of legal professionals say an acceptable work-life balance is a critical factor; 79% expect competitive compensation packages; and 79% want professional development and training.

A notable difference is that law firms are seen as less likely than legal departments to offer competitive compensation – 74% versus 81%.

Luminary insight

“Law firms and in-house legal departments should definitely allocate more resources, both time and financial, to development and training related to team management, leadership, and emotional intelligence.”

Kamila Kurkowska

President and founder of the Women in Law Foundation

Beyond the three top areas, several other factors are worth noting around the workplace.

Interestingly, from the employee perspective, work culture is also seen as important for attracting legal talent: nearly three-quarters (72%) of respondents are looking for diverse and inclusive workplaces, and 75% think their organizations promote such an environment.

When it comes to recruiting, employers evaluate technological expertise in potential hires differently: 78% of corporate legal departments versus 67% of law firms think this is an important attribute.

Finally, in regard to remote work, the survey showed a surprising trend around the world in returning to the office. The majority (73%) of respondents say their staff is required to work in the office for four or more days per week; more so in corporate legal departments (77%) than in law firms (69%).

Luminary insight

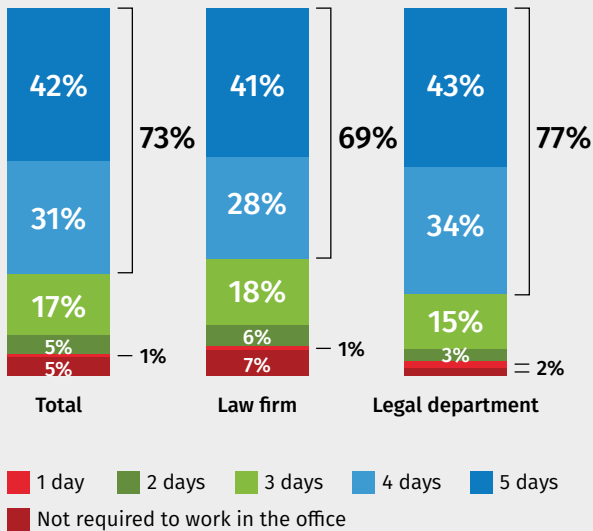
“With the increasing integration of technology in legal practice, there is a growing need for lawyers proficient in cybersecurity, AI, blockchain, and legal tech. Additionally, there is a heightened interest in professionals adept at navigating tech-driven legal issues, such as data privacy and intellectual property in the digital age.”

Stefano Mele
Partner, Gianni & Origoni

Verdict

Recruitment and retention remain top-of-mind for both legal professionals and their employers. Attracting top legal talent requires a holistic approach. If law firms and corporate legal departments hope to stay ahead in the talent acquisition game, it’s crucial to provide acceptable work-life balance, competitive compensation, and continuous professional development opportunities. Furthermore, promoting a diverse and inclusive work environment helps secure an attractive employer. Meanwhile, legal professionals should ensure they hone their technology skills and be prepared to return to the office.

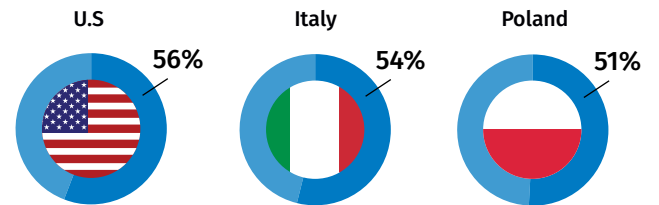
Presence of in-person vs. remote staff



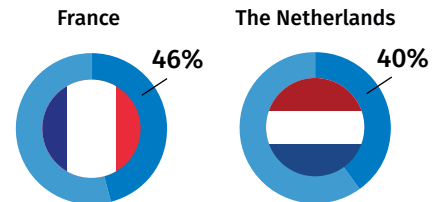
Country facts

Number of days legal professionals are required to work in the office

Over half of the employees in the U.S., Italy, and Poland are required to work in the office **five days** a week



Almost half of the employees in France and the Netherlands must work in the office **four days** a week



Navigating ESG as demands grow

Key insights

- ESG matters are now central to corporations and stakeholders, increasing demand for ESG-related legal expertise.
- Law firms and corporate legal departments are both feeling the strain of increasing ESG demands, but corporate legal departments are better prepared to handle this challenge.
- Legal professionals must adapt to the complex regulatory environment around ESG considerations to stay relevant and to better serve their clients.

ESG continues to be a major topic for workplaces and staff, but there are nuances. In the *2024 Future Ready Lawyer Survey*, 68% of legal professionals surveyed – 77% in legal departments, 61% in firms – see an increased demand for ESG-oriented legal expertise.

What's behind this? The three main drivers include an increasingly complicated global regulatory system, ESG data challenges, and expectations around ESG standards.

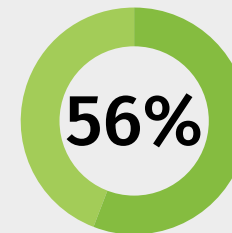
For one, half (50%) of all respondents cite increased regulatory demands and compliance complexity as a key factor impacting demand for ESG services.

In addition, 42% of survey participants point to challenges related to ESG data quality and access, and 40% of all respondents say the increased demand for services is because employees, in general, prefer companies with higher ESG standards.

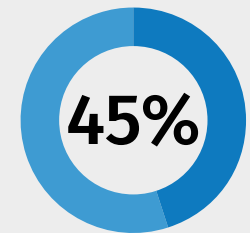
How to address this? The primary response is to provide ESG training to existing legal staff. Over half (56%) of corporate legal departments and 45% of law firms are administering training to existing staff.

Legal organizations providing ESG training to existing staff in response to increased ESG demands

Legal department



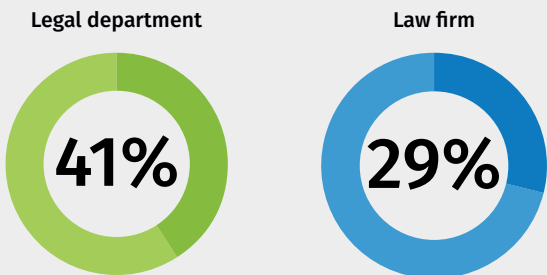
Law firm



Other measures include developing internal policies and guidelines for ESG compliance and working with external experts or consultants to meet ESG responsibilities.

Additionally, 42% percent of law firms and 41% of corporate legal departments have established dedicated ESG departments - specialized units focused solely on ESG matters, ensuring concentrated expertise and dedicated resources for clients' specific needs.

Legal organizations' preparedness to meet client demand for ESG services



Despite all these adaptive strategies, there's a noticeable gap in preparedness: 41% of corporate legal departments say they're "very prepared" to tackle the surge in ESG demands, compared with 29% of law firms.

Luminary insight

"In-house legal departments are certainly leaders in the legal industry when it comes to ESG. In a sense, they influence law firms, their suppliers, to also incorporate ESG into their policies."

Kamila Kurkowska
President and founder of the Women in Law Foundation



Verdict

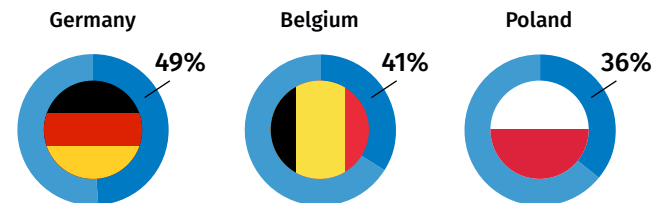
The rising demand for the legal industry to provide ESG services looks to be more than just a passing trend — it represents a fundamental shift in how legal services are delivered in a world increasingly concerned with sustainability, social responsibility, and governance. For legal professionals to better serve their clients, they need to focus on training, creating specialized departments, and having a thorough understanding of the evolving regulatory ESG landscape. And there is definitely room for improvement; 51% of all respondents say they're providing ESG training to existing legal staff (45% of law firms and 56% of corporate legal departments). Conversely, that means around half are not (yet) providing this training.

It's important to realize that ESG is more than a legal practice area. Law firms and corporate legal departments continue to be expected to adhere to policies and customs in the areas of sustainability, societal ethics, and diversity and inclusion, all of which provide ample room for further improvement and growth.



Country facts

Countries that are very prepared to meet client demand for ESG services



Closing argument

The question of whether legal professionals are future-ready remains relevant and compelling, even after six years of *Future Ready Lawyer* research. This sixth edition continues to show an overall picture of lawyers adapting to technological change over the years, changing the way they work slowly, but surely.

Over the past year, however, GenAI took the world and all industries by storm, and once again legal professionals were put to the test. Judging from the 2024 *Future Ready Lawyer Survey* results, they seem to have jumped on the GenAI train more rapidly than they've ever jumped on new technology before. It is a promising development, which says a lot about the agility and adaptability of legal professionals. We look forward to monitoring this trend, and many others that will inevitably emerge in the coming years. The annual *Future Ready Lawyer Survey*, hence, will continue to serve its purpose in the years to come.



Luminary insights

Industry luminaries from Europe and the U.S., known for their innovative insights in the field, share their vision on AI, talent, ESG, and the transformative journey of the legal sector.

Q *What players or areas in the legal industry will face the most disruption ahead – for better or worse – and why?*

Stefano Mele: Several areas within the legal industry are poised for significant disruption in the coming years, including cybersecurity law.

In the cybersecurity law sector, the increasing frequency and sophistication of cyberattacks, along with the proliferation of data breaches, are compelling jurisdictions worldwide to strengthen their regulatory frameworks. The rise of AI and the Internet of Things (IoT) further complicates this landscape. Lawyers specializing in cybersecurity law will need to continuously adapt to new regulations to better support clients in protecting against criminal organizations, espionage activities, and state-sponsored actors.

The ability to anticipate and adapt to these disruptions will define the success of legal professionals in the years ahead. Lawyers will need to remain agile, continuously update their knowledge and skills, and collaborate across borders to navigate the complexities of these emerging fields.

Q *Do you see an increase in clients' digital expectations? If yes, in what ways do you see this as a challenge or an opportunity for law firms, or both?*

Robert Ambrogi: Clients themselves are more digitally savvy than ever before, and it only follows that they expect the same of their law firms. In meeting those expectations, the greatest challenge law firms face is overcoming their lack of preparedness. Firms that have not thoroughly adopted and integrated technology will face greater implementation costs, potentially disruptive integration issues, hurdles in training, and cultural resistance from lawyers and staff. But for firms that are already digitally savvy or that overcome these challenges, the opportunities are significant. Tech-savvy firms are able to better serve their clients, better drive profitability, better understand their strengths and weaknesses, better drive operational efficiency, and, as a result of all this, better position themselves for competitive advantage.

Q *Do you feel that the legal industry is lagging behind other sectors when it comes to digitization, and what might be a reason for this?*

Janet LeVee: I expect lawyers to be thoughtful and cautious in how digital technologies are adopted and used. AI, like other digital technologies, can present numerous challenges for lawyers to address, including ethical considerations. Lawyers must carefully consider, for instance, how AI tools might affect issues of confidentiality and attorney-client privilege.

As an in-house counsel, I want outside counsel to leverage technology, particularly where it positively affects the bottom line – but I also want to trust counsel to be thoughtful in how new technologies are used.

Meet the luminaries



Robert Ambrogi

Robert Ambrogi is a Massachusetts lawyer and journalist who has been covering legal technology and the web for more than 20 years, primarily through his blog LawSitesBlog.com and now also his podcast LawNext.com.



Kamila Kurkowska

Kamila Kurkowska is a legal coach and mentor for women lawyers, and an academic teacher. Kamila is a graduate of the Leadership in Law Firms program at Harvard Law School and the Lead program at Stanford University. She is the President and Founder of the Women in Law Foundation. Kamila is an international expert in innovation, communication, marketing, diversity, and new technologies in the legal industry.



Janet LeVee

Janet LeVee is Vice President and Associate General Counsel for Wolters Kluwer Legal & Regulatory, where she has practiced for the last 15 years as a valued legal advisor. Janet brings to her practice over 30 years of legal experience across a broad array of commercial matters with a particular focus on technology transactions.



Stefano Mele

Stefano Mele is a Partner at Gianni & Origoni in Rome, Italy, where he is Head of the Cybersecurity & Space Economy Law Departments and co-Head of the Data Protection Department. He works at national and international levels on the political, strategic, and legal aspects of the impact of technologies on the lives of citizens, businesses, and national security.

Luminary insights

Q *Do you expect law firms' business models to change as a result of technology such as GenAI?*

Robert Ambrogi: If GenAI has generated anything, it is speculation about the death of the billable hour. Although reports of the billable hour's death may be greatly exaggerated, as Mark Twain might have said, it is inevitable that GenAI will reshape firms' business models in fundamental ways. With AI handling more of their professionals' routine tasks and streamlining more of the complex ones, more law firms will shift from hourly billing to alternative models such as flat fees, subscription services, or value-based billing. GenAI can also lead to reductions in firm overhead and headcount, further enabling firms to offer more competitive pricing – and clients to expect it.

Q *What challenges do you foresee for legal professionals in implementing GenAI in their legal work?*

Robert Ambrogi: The single greatest challenge lawyers face in implementing GenAI is fear – and that fear is driven by lack of understanding. They fear that AI could threaten their jobs, is too complex to learn, could too easily generate inaccurate results, or could compromise their compliance with ethical requirements. Law firm leaders have a critical role to play in helping overcome these fears. Not only do they need to lead by example, but they should also spearhead programs to educate and train about AI, create pilots to enable lawyers to experience AI, and share success stories that demonstrate the technology's value. As with any technology, adoption starts at the top, with clear vision and strategy.

Stefano Mele: While GenAI has significant potential to transform legal practice, its implementation presents various challenges that legal professionals must address. These challenges include – among others – ensuring data privacy and security, mitigating bias, verifying the quality of AI outputs, maintaining accountability and transparency, ensuring regulatory compliance, and building client trust.

Regarding data privacy and security, GenAI systems require large datasets to function effectively, often involving sensitive and confidential information. Additionally, protecting client confidentiality and securing data against breaches are paramount concerns that need to be addressed.

Legal professionals must also be vigilant in preventing AI from reinforcing biases in legal decision-making. Ensuring fairness and avoiding discriminatory outcomes require careful selection and preprocessing of training data, ongoing monitoring, and potentially the inclusion of bias mitigation techniques.

Because the regulatory landscape for AI is still evolving with varying standards and requirements across different jurisdictions, legal professionals must also stay informed about changes in AI regulations and ensure their AI tools comply with all relevant laws.

Lastly, building client trust and demonstrating the value of AI-enhanced legal services is essential. Legal professionals must clearly communicate the benefits and limitations of AI to clients, ensuring that its use enhances rather than undermines the client relationship.

Q *In terms of winning or retaining talent, what do you see the most successful organizations doing?*

Kamila Kurkowska: I have the impression that in the legal industry, recruitment and retention of valuable employees is a much greater challenge in law firms than in in-house legal departments. Certainly, law firms that are successful in this area recruit and manage employees consciously and strategically. There is no single profile of the ideal candidate or employee. The most important thing is that the recruitment process, and later the management of lawyers, is consistent with the firm's business strategy. Unfortunately, many law firms do not even have a developed and prepared business strategy, which is why recruitment is often random, and lawyers leave after a short period. Another problem is that law firms operate like silos, and each team has different rules for recruiting and retaining employees.

Q *In terms of winning or retaining talent, what do you recommend organizations do?*

Kamila Kurkowska: Law firms and in-house legal departments should definitely allocate more resources, both time and financial, to development and training related to team management, leadership, and emotional intelligence. Lawyers are very demanding employees, intelligent, hungry for success and feedback, yet operating under stress and high pressure. This is not an easy group to manage and motivate. Leaders of law firms and in-house legal departments should seek knowledge from the best market experts and leaders should train in this area.

Q *Do you believe it is likely that GenAI will reduce the need for legal staff?*

Robert Ambrogi: GenAI will not so much reduce the need for legal staff as reshape the type of staff who handle routine work, such as document review, due diligence review, and document drafting. At the same time, however, GenAI is already accelerating the need for law firms and legal organizations to bring on a new generation of tech-savvy professionals. These organizations will need to hire professionals who are specialists in areas such as innovation, AI and legal technology, data analysis, cybersecurity and compliance, project management, process management, and client support. So, while some positions will become unnecessary, many new types of positions will become essential.

Janet LeVee: I don't believe that GenAI will have a near-term impact on significantly reducing law jobs. AI tools will be indisputably impactful on the legal profession, particularly in areas driven by data, and – as the tools improve – they will likely reduce time spent on routine tasks. But there will always be a need for the professional judgment of lawyers. With AI tools, the legal profession will need to consider how to best train the next generations of lawyers for whom the routine tasks were once training opportunities, and lawyers will undoubtedly need to be more agile in the future.

Luminary insights

Stefano Mele: It is highly probable that GenAI will significantly reduce the need for certain categories of legal staff, particularly those engaged in routine, repetitive, and labor-intensive tasks. Technologies driven by AI, such as natural language processing and machine learning algorithms, can automate a wide range of legal processes. This includes activities such as legal research, document review, contract drafting, due diligence, and e-discovery. The automation of these tasks not only leads to increased efficiency, but also to a reduction in the demand for junior lawyers, paralegals, and support staff who traditionally perform these functions.

However, it is important to note that while AI can handle many routine tasks, the need for skilled legal professionals who can provide strategic advice, make complex legal judgments, and manage nuanced client relationships remains strong. Legal practice involves a high degree of critical thinking, emotional intelligence, ethical judgment, and client interaction: all areas where human expertise is indispensable.

Furthermore, the implementation of AI in legal practice introduces new challenges that require human oversight, such as ensuring the ethical use of AI, managing data privacy concerns, and addressing biases in AI algorithms.

Q *How do you see hiring trends in the legal industry evolving?*

Stefano Mele: Hiring trends in the legal industry are rapidly evolving due to several dynamic factors, including technological advancements, shifting client expectations, and the globalized nature of legal practice.

With the increasing integration of technology in legal practice, there is a growing need for lawyers proficient in cybersecurity, AI, blockchain, and legal tech. Additionally, there is a heightened interest in professionals adept at navigating tech-driven legal issues, such as data privacy and intellectual property, in the digital age.

The rapid development of new industries like cybersecurity, space economy, biotech, and environmental law is creating niches that require specialized legal expertise. This trend also extends to traditional fields that are evolving due to technological influences, such as M&A, privacy, IP, healthcare, fintech, and telecommunications law.

Moreover, as the role of lawyers expands beyond providing legal advice to include strategic business counseling, there is a greater emphasis on hiring individuals with strong soft skills and business acumen. Firms are seeking candidates who can communicate effectively, work collaboratively, and understand clients' business objectives. Skills in negotiation, leadership, and client relationship management are increasingly valued.

Q *Hybrid working is commonplace, but many employers want people back in the office full-time. How do you see this tug-of-war playing out in the legal industry?*

Janet LeVee: The practice of law can be time-intensive, and having flexibility in where one works can positively impact work-life balance. Still, young lawyers need to appreciate the value of office-based work, where training and opportunities that impact advancement may come from being in the right place at the right time. I don't know who will "win" the tug-of-war, but I hope the legal profession overall does not regress.

Q *What are the implications of the increasing importance of ESG on the legal industry?*

Kamila Kurkowska: I have the impression that although law firms are beginning to advise clients in the area of ESG, they have not yet fully addressed this issue within their own operations. Particularly when we talk about "S" for "Social," which includes people, especially employees, law firms have not yet realized how important people, and more precisely employees, are. There is a lot of talk about Diversity, but not enough is being done in the area of Inclusion, and exceptionally little has been done regarding Equity.

Q *How do you see law firms and corporate legal departments respond to the increasing importance of ESG?*

Kamila Kurkowska: In-house legal departments are certainly leaders in the legal industry when it comes to ESG. In a sense, they influence law firms, their suppliers, to also incorporate ESG into their policies. I am waiting for the moment when ESG will become an important part of the business strategy for many law firms.

Wolters Kluwer Legal & Regulatory

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Wolters Kluwer (WKL) is a global leader in information, software, and services for professionals in healthcare, tax and accounting, financial and corporate compliance, legal and regulatory, and corporate performance and ESG. We help our customers make critical decisions every day by providing expert solutions that combine deep domain knowledge with specialized technology and services. Wolters Kluwer reported 2023 annual revenues of €5.6 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 21,400 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

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About the 2024 Wolters Kluwer Future Ready Lawyer Survey

The 2024 Future Ready Lawyer Survey from Wolters Kluwer's Legal & Regulatory division included quantitative interviews with 712 lawyers in law firms and corporate legal departments across the U.S. and nine European countries – Germany, the Netherlands, the United Kingdom, Belgium, France, Italy, Spain, Poland and Hungary – to examine how client expectations, technology, and market trends are affecting the future of the legal profession and how legal organizations are prepared to address these. The survey was conducted online for Wolters Kluwer by a leading international research organization from May 6 to May 28, 2024.

Methodology

This report contains the results of the 2024 Wolters Kluwer Future Ready Lawyer Survey – a current and in-depth perspective on law firms and corporate legal departments, with insights from 712 legal professionals across the U.S. and nine European countries – namely Germany, the Netherlands, the United Kingdom, Belgium, France, Italy, Spain, Poland, and Hungary. The survey examines issues and trends affecting the future of law, as organizations adapt to a new world of digital transformation. This sixth edition of the annual report also provides the perspective of legal luminaries on these topics.

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