



Measuring the impact of AI on law firms

Ari Kaplan, a leading legal industry analyst, partnered with Legora to conduct a comprehensive qualitative survey on AI's impact on law firms. Over three months, he interviewed customers at 31 firms — spanning AmLaw, Magic Circle, and top international practices — dug into their numbers, and asked hard questions about what changed. This is what he found.



Ari Kaplan

Introduction

The legal industry is undergoing its most significant transformation in a generation. Firms that leaned into AI early are now seeing tangible returns, making measurement a strategic priority, not just an operational one. Developing a methodology to gauge returns has become imperative. This report puts a credible framework around what leading firms are already seeing, and what others can reasonably expect.

Participants span 14 countries, including Australia, Canada, the Czech Republic, Denmark, Germany, India, Ireland, the Netherlands, New Zealand, Norway, South Africa, Sweden, the United Kingdom, and the United States. Over a quarter (25.8%) are partners, 38.7% are innovation leaders, and 16.1% lead AI initiatives at their firms. More than 90% are from firms with over 200 lawyers.

TYPES OF ROLES



54.8% INNOVATION & AI LEADERS
25.8% PARTNERS
19.4% OTHER ROLES

NO. OF LAWYERS



51.6% 500+ LAWYERS
38.7% 200-500 LAWYERS
9.7% >200 LAWYERS

REGIONS



35.5% UK
29% EMEA
22.6% NORTH AMERICA
12.9% APAC



The impact of Legora on revenue



Productivity gains are universal

94%

RESPOND FASTER TO CLIENTS AND STAKEHOLDERS

At the heart of the ROI calculus is productivity, which is where Legora's customers are seeing immediate results. Every firm in the study reported productivity gains, and each one could share concrete examples: acquisition reviews that compressed from months to days, due diligence that moved from weeks to hours, class actions that would have required a team of paralegals completed by a fraction of the people in a fraction of the time.

On a scale of 1 to 5, with 5 being the highest, when asked whether Legora can change how quickly participants can respond to their clients or internal stakeholders, 94% said they can do so faster (4) or much faster (5). 65% said tasks that used to take hours now take minutes — freeing capacity for billable work and better client service.

They were also specific, and each one could share concrete examples of how Legora has saved time. Their examples included:

We had to review 9,000 contracts for specific provisions, and it was so much easier and faster to use Tabular Review, reducing what would have taken months to days and completely streamlining the acquisition process.

- A larger international corporate client wanted to consolidate its technology supply chain, so the firm worked with them to review all of their contracts to better understand pricing and other factors. What would have taken an exclusively human team weeks to perform and been cost-prohibitive took 4 to 5 days with Legora. The client was delighted, and it was work that we would not have done in the past.
- Investment reviews that require legal due diligence and analysis of deal documents used to take more than a week and now take hours or a day.
- The firm was asked for guidance on competition issues across seven jurisdictions, but instead of engaging local counsel in each country, we used Legora to obtain responses and draft the response to the client.
- I have used Tabular Review to conduct a thorough analysis of 90 global business plans, and that has saved me many hours.
- Our team had to review 4,500 trade slips for a financial matter within a limited timeframe, using Tabular Review to quickly identify the 50 trade slips at issue, and realized a 75% time savings on what would have been a 130-hour project that required several lawyers for almost a week.
- We used Legora in a motor vehicle class action that would have required 3 to 5 paralegals an entire day to extract key data points and analyze the documents, but it took only 3 hours.
- We can summarize contracts 60%-70% faster, negotiate contracts using playbooks 50% faster, and draft non-billable marketing submissions 50% faster.

ROI STRATEGY

Identify specific use cases and capture detailed time-and-billing metrics to replicate success more seamlessly.



74%

OF PARTICIPANTS INDICATED THAT LEGORA HAS EXPANDED THEIR CAPACITY

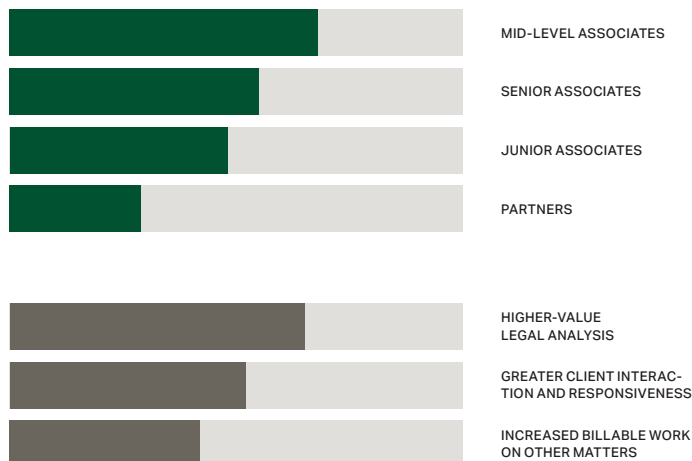
Most users are performing at a higher level

Almost three-quarters (74%) of participants indicated that Legora has expanded their capacity — enabling them to handle more work, generate more revenue, and redirect effort toward higher-value analysis and client development. “It provides quick insight to help us get to the heart of the matter much faster; it hasn’t changed our hourly rate, but it makes the hourly rates we charge easier to justify,” remarked one leader. “It absolutely allows us to offer clients a differentiated service that can help us win more work by using that speed of turnaround as a competitive differentiator,” added a peer. Beyond enhancing individual client service, almost half (45%) said that they can support more clients in the same amount of time.

ROI STRATEGY

Consider studying where junior associates have spent their time in the past and whether they are working on a broader portfolio of matters. Compare that data to associates at other levels.

Associates are realizing the benefits first



Associates are the primary beneficiaries of the time savings produced by generative AI, with mid-level associates cited by 68% of participants, followed by senior associates at 55% and junior associates at 48%. “Much of the work they had to do before involved reviewing documents, sorting them, summarizing them, and producing a first draft, which is done better with Legora,” noted a respondent. “Senior and mid-level associates will save the most time because they know what they want, and when you know what you want, you can instruct the AI more effectively to produce the results you expect,” added a peer.

Not to be left out, 29% also indicated that partners are experiencing substantial time savings. And when reallocated, the saved time by all users is typically spent on higher-value legal analysis (65%), followed by greater client interaction and improved responsiveness (52%), and increased billable work on other matters (42%).

ROI STRATEGY

Ask users to spend a brief period of time when they are billing their hours to supplement their entry in a separate note with feedback on where they used AI on a specific project to better calculate the benefits.



Recaptured time is converting into billable revenue

68%

OF PARTICIPANTS REPORTED THAT LEGORA HAS REDUCED NON-BILLABLE HOURS

4.3

AVERAGE NON-BILLABLE HOURS SAVED WEEKLY PER LAWYER

\$6.9m

POTENTIAL ADDITIONAL YEARLY BILLING PER 100 LAWYERS

NUMBER OF LAWYERS × NON-BILLABLE HOURS SAVED/WEEK × AVERAGE HOURLY RATE × 46 WEEKS

The ability to recoup time that lawyers cannot bill has the potential to completely transform how professionals practice. 68% of participants reported that Legora has reduced non-billable hours — and the numbers behind that shift are striking. On average, lawyers are recapturing 4.3 non-billable hours per week, which translates to a potential \$6.9 million in additional yearly billing per 100 lawyers. Since using Legora, more than a third (35%) of participants are seeing fewer write-downs that previously occurred because work took longer than expected. 19% are redoing less work, and 16% are writing off less junior time due to quality issues. "We are redoing work less often due to Legora's proof-reading capabilities, and since you are saving time, it is easier to adhere to a budget, reducing the need to write down time," noted one leader.

29% offered concrete examples of where these issues are now less common. "The firm is looking at realization rates and trying to determine whether the AI usage is improving the realization rates," advised one participant. "Wherever data extraction is required, we use Legora, which reduces write-downs because the initial quality level is so high," said another. "In late 2025, I had to produce a massive legal update that previously would've taken a week on a very small budget, but with Legora, I produced it in six hours on budget," added a peer.

When asked to rank Legora's impact on reducing write-offs, rework, or non-billable efforts on matters on a scale of 1 to 5, with 5 being the highest, 52% of participants described it as moderate (3) or large (4).

ROI STRATEGY

Study realization rates and create a cross-disciplinary team to evaluate performance, efficiency, and client feedback.

Use of Legora is positively impacting revenue generation

"You need to be agile in corporate M&A and do much of the work yourself in the early stages, so with Legora, you can do more earlier in the deal life cycle and avoid declining a potential opportunity,"

PARTNER, AMLAW 100

The objective of saving time on non-billable work is to reallocate that effort to new business, and 39% of participants said that, as a result of using Legora, they've been able to take on work that previously would have required more people, more time, or simply saying no. Another 19% said that it was possible in some cases, pushing that number into the majority.

"Every time Legora helps do something faster, I can do other things that are waiting to be done," said one respondent. "There are several projects we would not have been able to deliver, given the resources in time available, such as a comprehensive review of a portfolio of leases for a client," explained a third. In fact, with Legora, 23% of participants take on work they might otherwise decline, and 29% can scope matters more tightly with fewer professionals.

One crucial reason for this shift is that for 39% of the participants, Legora has made it easier to deliver or price alternative fee arrangements. "A partner now quotes a fixed fee on every matter," noted one



leader. "Pricing is still more complicated because the time savings are unclear, but once we have finalized the price, we are more confident we can deliver for that fixed fee," offered another. "Legora removes a significant number of variables from the equation, which allows us to be more certain about the time it takes to produce work, and makes pricing that work much easier," explained a peer.

ROI STRATEGY

Encourage partners to track new matters and any they decline to pursue, especially for staffing constraints or timing concerns.

Participants are winning new work and expanding client relationships

In addition to correlating time savings with revenue increases, 42% of participants also reported that Legora has helped them win new work, either directly or indirectly. "It increases the number of matters we can take, it makes us more competitive on pricing, and some clients are more likely to work with us because of our sophisticated use of AI with Legora," noted a respondent. "The firm includes Legora in its pitches for new work," said another. "We have had examples where we revealed the use of Legora and the client agreed with the approach supplemented by generative AI," indicated a third.

Related to that benefit, almost half (45%) reported that Legora has helped them expand existing client relationships, either directly or indirectly. "Clients are interested in learning about our legal AI tools, including Legora, which helps expand the relationship," explained a participant. "Clients ask about our approach to efficiency, and Legora has sufficient brand and name recognition that it puts them at ease, knowing they will receive sufficient value from hiring the firm," said a colleague. "The firm strengthens its client relationships by sharing experiences associated with generative AI," offered another.

In fact, 77% have cited Legora or AI more broadly, either implicitly or explicitly, when explaining pricing, value, or turnaround time. "More and more clients are asking about the value AI will provide when engaging the firm for a matter, so we need to explain it at a high-level, including whether we will use it, where we will use it on their tasks, and the tools we will use," advised a leader. "Our BD team is constantly asking the innovation team for support to enhance their pitches by emphasizing the firm's use of Legora, as well as how to use Legora to tailor the pitch itself, since we often use Legora to create a first draft," said another. "The firm was pitching to support a large due diligence project and emphasized its use of Legora to broaden the scope, but lower the price to increase our level of service and support," noted a peer.

On a scale of 1 to 5, with 5 being the highest, when asked how much of an impact Legora has had on allowing the firm to take on more or higher value work or support new matter types of fee structures, the majority (55%) described it as a moderate (3) or large impact (4).

ROI STRATEGY

Evaluate client feedback and interactions in a more granular manner to determine whether AI prompted that correspondence. Similarly, study new business opportunities to more closely correlate them to the advantages of leveraging generative AI.



The impact of Legora on quality



Participants are seeing improvements in work quality and consistency

71%

REPORT THAT LEGORA IDENTIFIES ISSUES THEY OTHERWISE WOULD HAVE MISSED

Beyond time and practice development, there was a meaningful discussion about the quality of work. On a scale of 1 to 5, with 5 being the highest, 61% reported being slightly more confident (4) or much more confident (5) in the quality of their work when supplementing it with Legora. "Generative AI is great at structuring ideas, which is how I use it," said one participant. "We typically receive high-quality project output, supplemented by insights and input that further enhance it, especially when the user had not considered those issues," offered another.

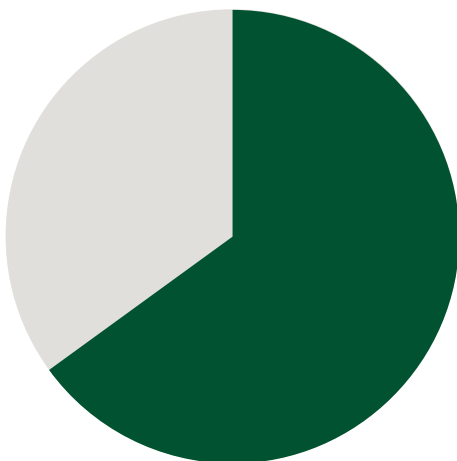
One factor supporting the increase in confidence, according to 71% of participants, is Legora's ability to identify issues they otherwise would have missed. One participant said: "We used Legora in a bankruptcy matter to identify substantially more assets for the creditors; it is always beneficial to have an extra set of eyes, and if you have an extra seatbelt, why not wear it?" Others expressed similar appreciation. "Legora is good at finding what is there and better at finding what is not," noted another. "Legora helps us to prepare preliminary mock-ups and issue lists before feedback from experts to provide a client with a rapid response that is very time sensitive," commented a third.

In addition to issue-spotting, 26% report redoing less work due to errors, and 16% are finding fewer missed issues later in matters. On a scale of 1 to 5, with 5 being the highest, 42% reported that Legora's impact on improving quality, issue-spotting, or reducing the risk of mistakes or near-misses is either large (4) or transformational (5). "It helps you think of more angles," said one. "It allows you to double-check your work in ways that were previously not possible, and it also frees more time to think through potential issues," noted another. "It has had a significant impact on handling project work at speed and scale, thereby improving quality assurance and risk management," remarked a third.

ROI STRATEGY

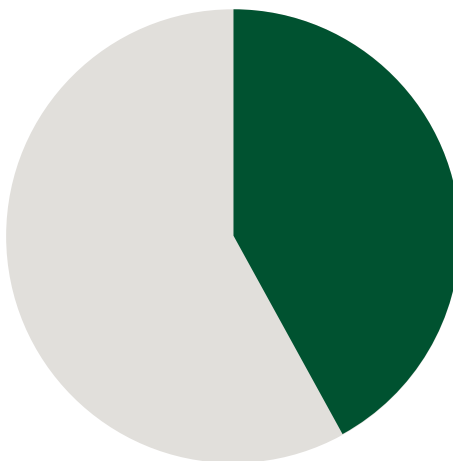
Study time entries with descriptions containing language associated with editing and revising content, and begin comparing periods before and after the firm deployed generative AI.

PERFORMANCE



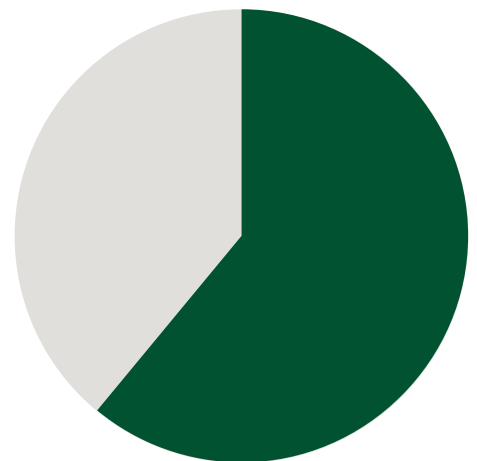
65% REPORTED THAT LEGORA OFFERS A SIGNIFICANT BOOST IN PERFORMANCE TO HIGH-PERFORMING PROFESSIONALS

QUALITY IMPACT



42% SAY LEGORA'S IMPACT ON IMPROVING QUALITY, ISSUE-SPOTTING, OR REDUCING THE RISK OF MISTAKES OR NEAR-MISSES IS EITHER LARGE OR TRANSFORMATIONAL.

CONFIDENCE



61% REPORTED BEING MORE CONFIDENT IN THE QUALITY OF THEIR WORK WHEN SUPPLEMENTING IT WITH LEGORA.



Legora can elevate talent

Beyond its effect on time, quality, and confidence, generative AI can elevate the work of professionals at all levels. For higher-performing professionals, Legora offers a significant boost, with 65% reporting an improvement. "Their performance is skyrocketing because they are smart about how they use it and where they apply it to add value for clients, especially because generative AI works best for people who already know the answer," explained a participant. "Higher performing professionals know what good looks like, so it makes them more successful," noted another. "Legora gives higher-performing professionals superpowers," said a third.

Almost one-third (32%) of participants are also seeing meaningful gains among professionals across the team. "Their writing is better, and they communicate more effectively," said one leader."

ROI STRATEGY

Initiate periodic performance reviews following the deployment of generative AI in specific practice groups that combine supervisory assessments and self-evaluations to better quantify the impact of the technology on an individual's work.



The long-term impact of Legora



The long-term value of using generative AI is likely to increase

61%

SAY THAT LEGORA IS HAVING A LARGE OR TRANSFORMATIONAL IMPACT ON THE FIRM'S ABILITY TO BUILD INTERNAL SKILLS, HABITS OR INFRASTRUCTURE

Among other benefits, the participating law firms are beginning to consolidate their tools and processes and expand their knowledge management programs to increase the accessibility and reliability of their prior work product. So, when asked whether they would recommend Legora, almost three-quarters (74%) of participants rated the likelihood as 9 or 10.

"What's not to like about it? It's high-quality AI designed for lawyers, and it is helping us transform how we work; I cannot think of another tool I would say that about," commented one leader. "If you are choosing a legal AI solution, Legora should be the foundation of your tech stack," said a peer. "There is enormous value in scope and using Legora, so for those working in legal matters, Legora is a 10," noted a third.

In fact, it has replaced or reduced the need for other tools or processes in the work of 55% of participants. "It has the potential to replace other software," explained a respondent. "We are questioning half the tools in our tool set, not just because of what we have, but what we expect to see," said a peer.

The most common area where Legora has replaced or reduced the need for tools or processes is document review, selected by 45% of participants, followed by first-draft generation at 23% and issue spotting at 16%.

More than half (52%) also indicated that Legora has helped their firm's knowledge management efforts by making it easier to find and reuse prior work product or know-how. "We can review an entire repository of contracts for a client to understand the typical position and draft one based on their specific precedent," noted a leader. "We have more engagement in our innovation issues because they tie into AI more effectively," said another.

On a scale of 1 to 5, with 5 being the highest, 61% indicated that Legora is having a large (4) or transformational (5) impact on the firm's ability to build internal skills, habits, or infrastructure for using AI in legal work. "Legora is a process improver," said one. "Legora serves as a focal point for encouraging our professionals to use AI," noted another. "It is a very big part of our change journey and helps us distinguish between tools that can have a transformative impact, such as Legora," remarked a third. It is currently the area where Legora has had the biggest impact so far, according to more than half (52%) of the participants.

87% also said that Legora has helped build internal skills and knowledge for using AI in legal work. The same number think clients see their firm more positively because they are using AI tools like Legora. 48% think Legora sets them apart from competing firms on matters they work on.

81% see reporting or discussion about how AI tools like Legora are being used, with much of that discussion focused on usage patterns (84%), followed by time savings (45%), and, at 23%, cost savings, profitability, and client satisfaction.

"We used Legora in a bankruptcy matter to identify substantially more assets for the creditors; it is always beneficial to have an extra set of eyes, and if you have an extra seatbelt, why not wear it?"

PROJECT LEAD
EUROPEAN LAW FIRM

55%

SAY THAT LEGORA HAS REPLACED OR REDUCED THE NEED FOR OTHER TOOLS OR PROCESSES

48%

THINK LEGORA SETS THEM APART FROM COMPETING FIRMS ON MATTERS THEY WORK ON

39%

39% THINK LEGORA HAS MADE IT EASIER TO DELIVER OR PRICE ALTERNATIVE FEE ARRANGEMENTS SUCH AS FIXED-FEE OR CAPPED-FEE WORK

ROI STRATEGY

Gamify the use of generative AI in your firm to capture metrics related to speed and accuracy, which you can use in your ROI calculations.



ROI use cases provide helpful guidance

Despite the lack of formal metrics, 68% could share concrete examples of times when Legora delivered clear ROI or value to a client. Their examples included:

- When any merger or acquisition takes place, we apply Legora to extract data, which helps inform our strategy. We had a client save 50% of the cost using Legora.
- Providing the client with a full summary of its exposure in a day rather than weeks after receiving a 4,000-page Writ of Summons from an adversary related to thousands of claimants.
- In an M&A transaction, the firm was reviewing car leases in 10 languages across Europe for potential high-risk issues. Prior to using AI, an attorney would have needed to translate the documents and review them for specific provisions. With Legora, the firm uploaded the lease agreements into Tabular Review, ran queries, and developed a comprehensive overview of all countries much more efficiently.
- We have performed high-value leasing work, and because we had good precedent documents, we could do the work at a higher margin.
- The firm undertook a project in which a client asked its lawyers to conduct risk-spot checks on a national real estate portfolio using Legora, and the firm delivered a comprehensive review at significantly less cost than the project would have required.



Like generative AI adoption, perfecting ROI calculations will take time

Expectations for generative AI are high, but still unmet in some instances. For instance, while the majority of participants are seeing reductions in write-offs, write-downs, and redoing of work, 29% reported no meaningful change. "It is too early to see any of these items, but we will try to use [AI] to prove it out and address areas with write-downs and write-offs," said a participant. In addition, more than half (58%) have not won new work as a result of using Legora, or have not yet seen those results, and 55% have not seen an expansion in existing client relationships.

We also embarked on this research because when I asked most participants how they measure the time savings, they offered general responses. "The firm currently has a dashboard that captures metrics on usage and correlates them to savings, but some reports are not new enough to know exactly how the tools are used," said one respondent. "We do not formally measure it, but we have a rough idea because with Legora, it takes 15 to 45 minutes to review an average contract, as opposed to 60 to 90 minutes without it," added a peer. "We compare time entry data and project management metrics, and also review historical data from time motion studies," noted a third.

Calculating ROI may be imperfect, but it should not be impossible if it becomes a collaborative effort among all users. By aggregating usage descriptions in greater detail, firms will be better able to supplement time metrics with those related to profitability, client satisfaction, and work allocation.

Despite these statistics, there was overwhelming optimism for the promise of this technology in many areas of practice, from training and talent, client service, and business development. "It is too early, and we have not been able to measure it, but it has allowed us to have favorable interactions with clients," said one participant. "We hope to see this and have been having conversations with clients about our use of AI, including Legora; being tech-forward and a trusted advisor on AI is helpful, but not Legora-specific," noted a peer.



Conclusion

Overall, productivity gains appears to be the primary benefit of deploying generative AI in law firms, quickly followed by performance enhancements, quality improvements, and revenue gains — and the data suggests that saved time is increasingly converting into greater productivity and new revenue opportunity. As professionals realize the benefits of using technology to streamline their work, they will continue to redeploy their efforts on higher-value work and greater client service that strengthens the firm's competitive advantages in their market

For their customers, Legora is an essential part of that growth. If it were unavailable, 29% of participants reported it would be very disruptive, as it is now embedded in their work. 52% described it as disruptive but manageable. The primary reasons were quality of life and the ability to take on more work. "Their quality of life would dip as they saw themselves doing things they knew they didn't have to do, and all the time savings would vanish, and it would make it impossible to do certain types of work at a fixed price," said one leader. "It would be disruptive, since we are able to do more work with fewer professionals now, and we have a faster turnaround time than would be possible without Legora," noted another. "It would be quite disruptive; the platform had performance issues today, and I received many frantic messages asking how quickly it would be restored because it is an essential tool for the average lawyer, and if lost, it would have a significant impact," concluded a peer.

A handwritten signature in white ink, appearing to be 'L. D.', is positioned below the text.