#### Practice Update

# The AI Legal Landscape in 2025: Beyond the Hype

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The conversation around AI in legal practice has fundamentally shifted. We're no longer debating *if* AI will transform legal work, but *how* we implement it effectively. After 25 years navigating the intersection of law and technology, I've developed a clear-eyed view of where we truly stand in 2025 and where the real opportunities lie.

#### The Reality Check: Where We Actually Are

Despite vendor proclamations about autonomous legal assistants and alarming headlines about lawyer replacement, the reality is more nuanced and more interesting. What we're witnessing is a profession in transition where specific tasks are being augmented or automated while new skills and roles emerge.

The data tells an interesting story: approximately 79% of law firms have integrated AI tools into their workflows, yet only a fraction have truly transformed their operations. Most implementations focus on pattern recognition tasks such as document review, legal research, contract analysis. These implementations aren't replacing lawyers; they're redirecting attention to higher-value work.

This technological shift doesn't happen in isolation. It's occurring amid client pressure for efficiency, competition from alternative providers, and the

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expectations of a new generation of lawyers who have never known a world without AI assistance.

# Beyond Basic Automation: Where Real Value Emerges

The most powerful implementations go beyond routine task automation. They create entirely new capabilities.

#### **Predictive Analytics Reshaping Strategy**

Forward-thinking litigation teams are leveraging AIpowered predictive analytics to transform strategy by analyzing vast datasets of past cases, judges, and opposing counsel behaviors. These systems don't make strategy decisions. Instead, they provide empirical evidence that complements lawyer judgment. These tools identify patterns such as a judge's ruling tendencies or an expert witness' success rate, enabling lawyers to tailor their approach, prioritize motions, and allocate resources more effectively. When properly implemented, predictive systems can help forecast case outcomes, settlement probabilities, and litigation timelines, enhancing lawyers' abilities to make data-informed decisions while maintaining professional judgement.

#### Knowledge Platforms Transforming Client Experience

Leading corporate legal departments are deploying AI-powered self-service portals that allow business teams to get preliminary answers to routine legal questions. Unlike static FAQs, these systems understand natural language questions and provide contextual guidance based on specific policies and past advice.

These systems don't replace counsel. Instead they triage issues, handling routine matters while escalating complex questions. The result? Higher satisfaction from business units who get faster responses, while legal teams focus on higher-value work. This isn't just efficiency; it's transformed client service.

#### Due Diligence That Discovers New Value

M&A due diligence has been reinvented by AI systems that process thousands of contracts to identify not just risks but opportunities. What once required weeks of associate time now completes in days, with higher consistency and fewer oversights.

Yet the most successful implementations still feature lawyers reviewing flagged issues and making judgment calls about materiality and remediation strategies. The AI identifies patterns; the lawyers determine what those patterns mean for the transaction. This partnership yields better results than either could achieve alone.

# Why Many AI Projects Fall Short: The Implementation Challenge

Despite these promising examples, many legal AI initiatives fail to deliver expected results. The blockers are rarely technological, they're organizational and strategic.

#### The Process Design Failure

AI implementations often falter when organizations simply layer technology onto existing workflows. Successful adoption requires rethinking processes from first principles, considering how human and machine capabilities complement each other.

Implementing new technology isn't the end goal. It's about operational transformation.

#### The Data Readiness Gap

Many legal organizations underestimate the data preparation required for effective AI. Clean, structured data is the foundation of any successful implementation, yet many legal documents exist in formats that require significant processing before they can be used effectively.

The quality of the data matters as much as the sophistication of the algorithms.

#### The Human Element Oversight

Technology transformation is, ultimately, human transformation. Organizations that don't invest in training, communication, and incentive alignment often find their expensive AI tools unused or underutilized.

The technology is ready. The question is: are your people ready?

#### The Solution-First Misstep

The most successful implementations start with clearly defined problems rather than a desire to implement specific technology. When the focus shifts from "We need AI" to "We need to reduce contract review time by 50%," the resulting solutions tend to be more effective.

Define the problem first. Then select the technology.

## The Emerging Ethical Framework

As AI becomes embedded in legal practice, ethical considerations have moved from theoretical to practical. Several key principles are emerging as best practices.

#### Supervision and Responsibility Models

The legal profession is converging on models that ensure lawyers maintain supervision over AI systems and take responsibility for their output. This preserves the core professional obligations of competence and accountability while leveraging technology's strengths.

#### **Client Transparency Protocols**

Leading organizations are developing clear policies about when and how AI is used in client matters, including billing approaches that pass appropriate efficiency savings to clients. This transparency builds trust and aligns incentives.

#### **Confidentiality Safeguards**

Law firms and legal departments are implementing sophisticated data governance frameworks to ensure client confidentiality is maintained when using third-party AI tools. It's an ethical necessity, but it's also a competitive differentiator.

#### **Bias Mitigation Systems**

As legal AI systems learn from historical data, they risk perpetuating existing biases in the legal system. Forward-thinking organizations are implementing monitoring and testing protocols to identify and mitigate these issues. This isn't just about fairness; it's about better results.

### The Evolving Legal Workforce

Perhaps the most significant impact of AI is the evolution of legal roles and required skills. While entry-level document review work is decreasing, new hybrid roles are emerging that combine legal expertise with technical knowledge:

- 1. Legal Knowledge Engineers who structure legal information for machine consumption
- 2. Legal Process Designers who reimagine service delivery models
- 3. Legal Data Analysts who extract insights from legal data
- 4. **AI Ethics Counsel** who specialize in governance of automated systems

Law schools are beginning to adapt, with futureoriented institutions offering courses in legal technology, process design, and data analysis alongside traditional doctrinal education. Law firms and legal departments are similarly rethinking their professional development pathways.

Legal jobs are going to change; the focus is now how we prepare for and shape that change.

# Moving Forward: A Strategic Approach

For legal organizations considering or expanding their AI implementation, I recommend a structured approach:

- 1. **Start with problems, not solutions.** Identify specific pain points that technology might address.
- 2. **Build cross-functional teams.** Successful implementation requires legal, technical, and operational perspectives working together.
- 3. **Invest in data infrastructure.** Clean, accessible data is the foundation of any AI initiative.
- 4. **Prioritize governance from day one.** Establish clear policies on ethical use, confidentiality, and quality control.
- 5. Focus on augmentation, not replacement. The most successful implementations enhance human capabilities rather than attempting to replace them.

# The Augmented Future of Legal Practice

From manuscripts to printing, from typewriters to word processors, from libraries to online research platforms, the legal profession has weathered technological transitions before. Each transition changed how lawyers worked, but ultimately strengthened the profession by allowing lawyers to focus on the uniquely human aspects of legal work: judgment, creativity, empathy, and advocacy. AI represents the next step in this evolution. The lawyers who will thrive won't be those who resist technology, nor those who abdicate their judgment to algorithms. The future belongs to augmented lawyers who leverage technology to enhance their distinctly human capabilities.

As we navigate this transition, we have an opportunity to create a legal profession that delivers better outcomes for clients, more fulfilling careers for legal professionals, and greater access to justice for society.

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