

Communicate, compete,
differentiate in an AI-driven market

January 2026

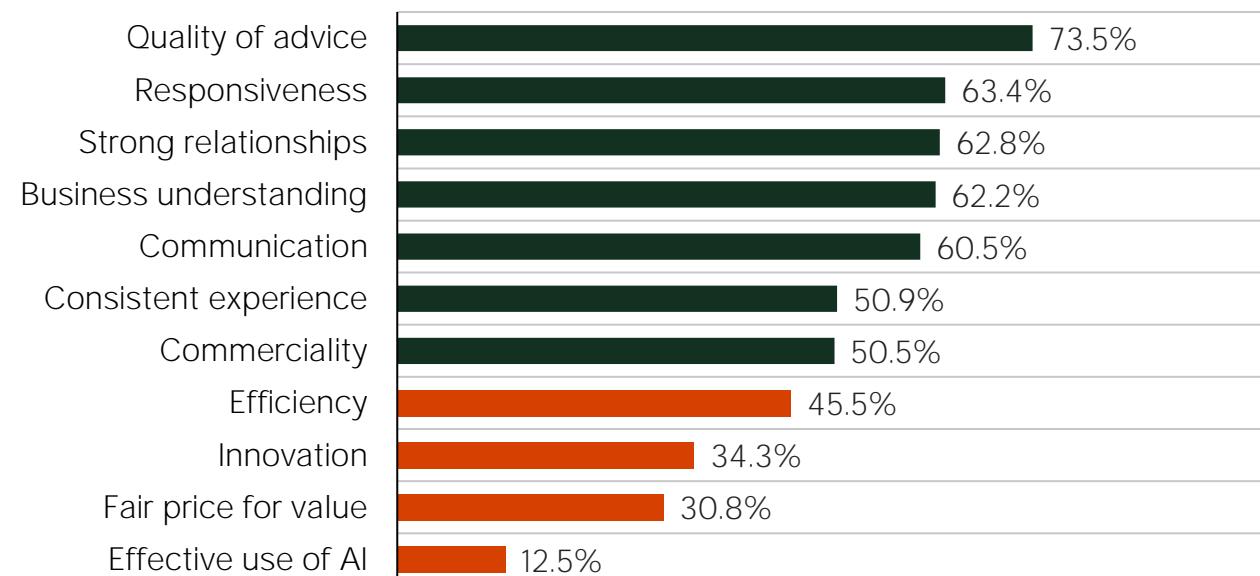




Bridge the gap between potential and reality

While clients recognize the potential for firms to differentiate through AI and its benefits, many firms struggle to effectively implement and showcase their AI capabilities and the value those provide.

Clients rate firms' use of AI, innovation, value, and efficiency the lowest of service traits
(Percent rating their most-used firm a 9 or 10)



GenAI transparency
builds client trust
and elevates law
firms to strategic
advisor status

A lack of transparency
can erode trust and
impact client retention.

72% of in-house respondents **aren't sure**
if their law firms are using Gen AI

If you use AI: Communicate
clearly

Share how it improves
efficiency, value, and cost-
effectiveness.

If you don't: Start a
conversation

Ask clients about AI
expectations perceived
benefits to guide strategy.

59%

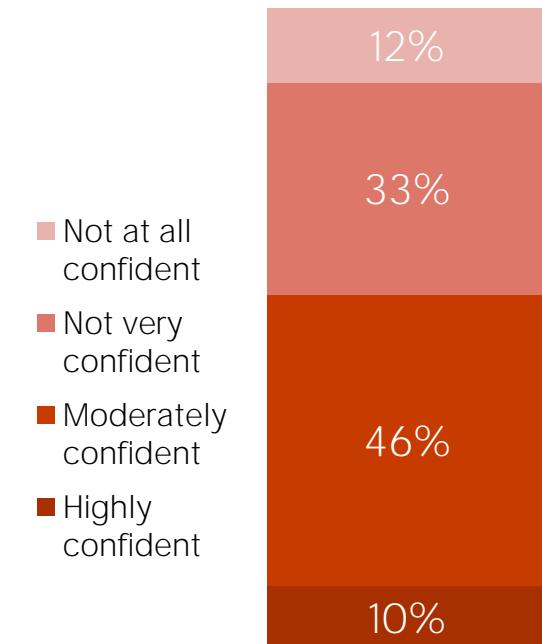
In-house respondents want their law firm to use GenAI (28% aren't sure)

Buyers are looking for law firms that leverage AI, but to deliver, lawyers need to build their own expertise and confidence in this area.

Self-assessment: knowledge of AI capabilities and limitations



Confidence articulating value of AI to clients



Only 15% of firm lawyers use AI more than once a week

Articulating value in an AI-powered world

Example micro-stories to help lawyers quickly articulate the added value of what they're delivering

Example 1: Faster drafting

On a vendor-paper negotiation, we used AI to structure the first-cut markup against your playbook. After attorney validation, we cut the first-round draft time by ~40% and you saw fewer back-and-forth cycles. The matter stayed within the original estimate, and we accelerated execution.

Translation for the client: speed, fewer iterations, steadier fees.

Example 2: Research triage

On an urgent regulatory question, AI helped surface the controlling authority and edge cases in minutes. We confirmed sources, narrowed the issues, and scoped a smaller research sprint—keeping the work inside budget and timeline.

Translation for the client: clarity early, less rework, on-budget delivery.

Strategy and individual goals move the needle for legal practitioners to experience AI benefits



VS

70%

Respondents with a formal AI strategy have already experienced at least one benefit from AI.

48%

Respondents without a formal strategy, but with access to AI tools, have experienced the same.

VS

70%

Respondents with personal performance goals related to AI adoption have already experienced at least one benefit.

60%

Respondents who **don't have a personal goal** haven't yet experienced any benefits.

Number of responses: US In-house teams (76); US Law firms 501+ employees (98)

Your AI Journey

Wherever you are in your AI journey, we meet you there, offering unparalleled access to **Thomson Reuters' breadth of capabilities and resources**



AI Adoption

Establish a comprehensive understanding of your AI readiness and apply tailored recommendations to advance your strategic priorities



AI Integration

Embed AI-enabled tools to develop integrated workflows, expand use cases across practice areas and geographies, and understand business implications

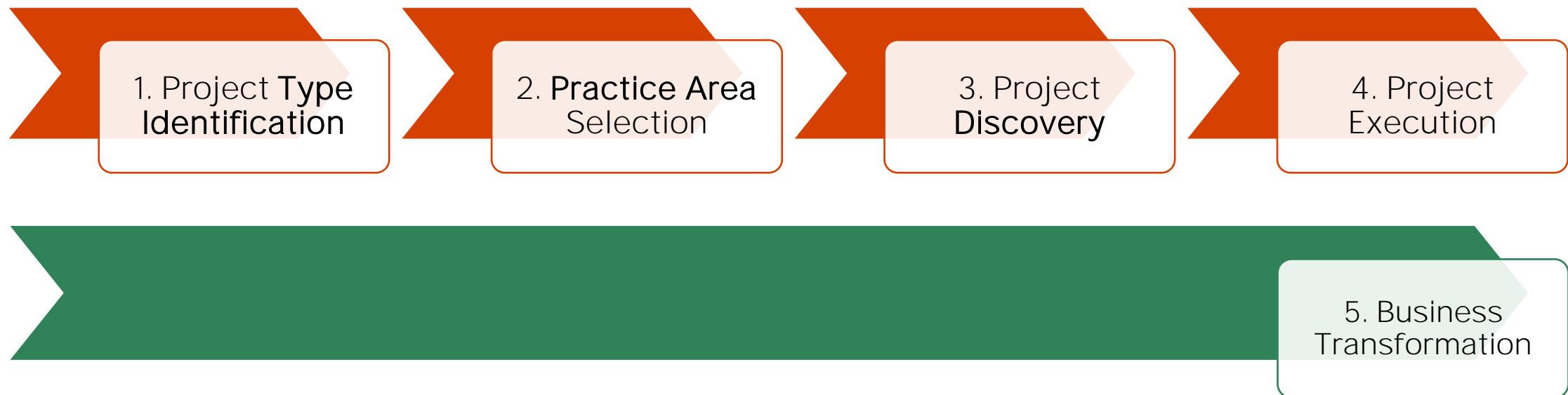


AI Transformation

Optimize your use of AI technology to deliver exceptional client outcomes, improve firm profitability, and capture more value

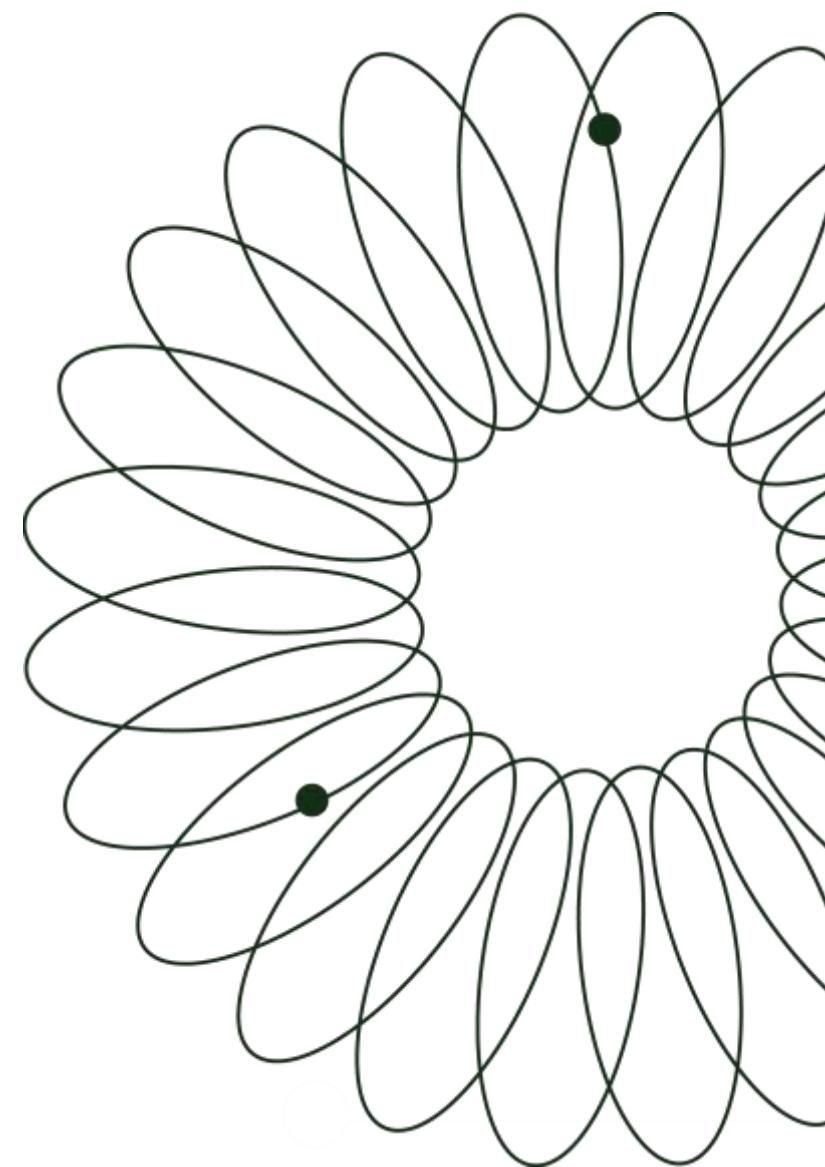
Transformation Methodology

Our consultative framework is anchored in structured proof-of-concept projects that rigorously test transformation hypotheses. We target high-impact, scalable opportunities and then innovate, integrate, and expand.



For more information:

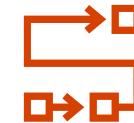
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Soft skills will be increasingly critical

Half of law firm professionals predict these soft skills will increase in demand

Problem-solving



Creativity



Proactivity



Communication skills



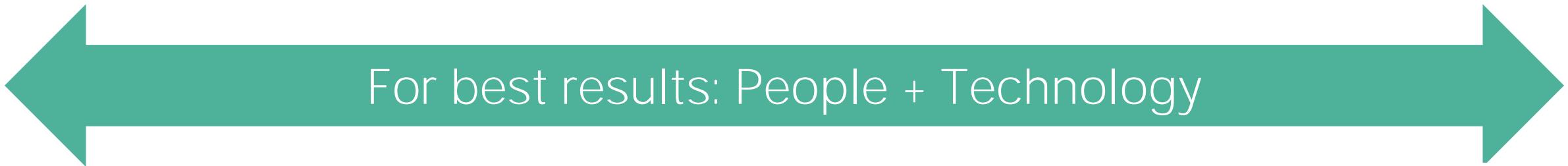
Resilience



Emotional intelligence



For best results: People + Technology



Number of responses: 2024 Future of Professional (752)

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Misalignment between innovation and compensation is common

56% of standout lawyers
consider their firm more
innovative than traditional



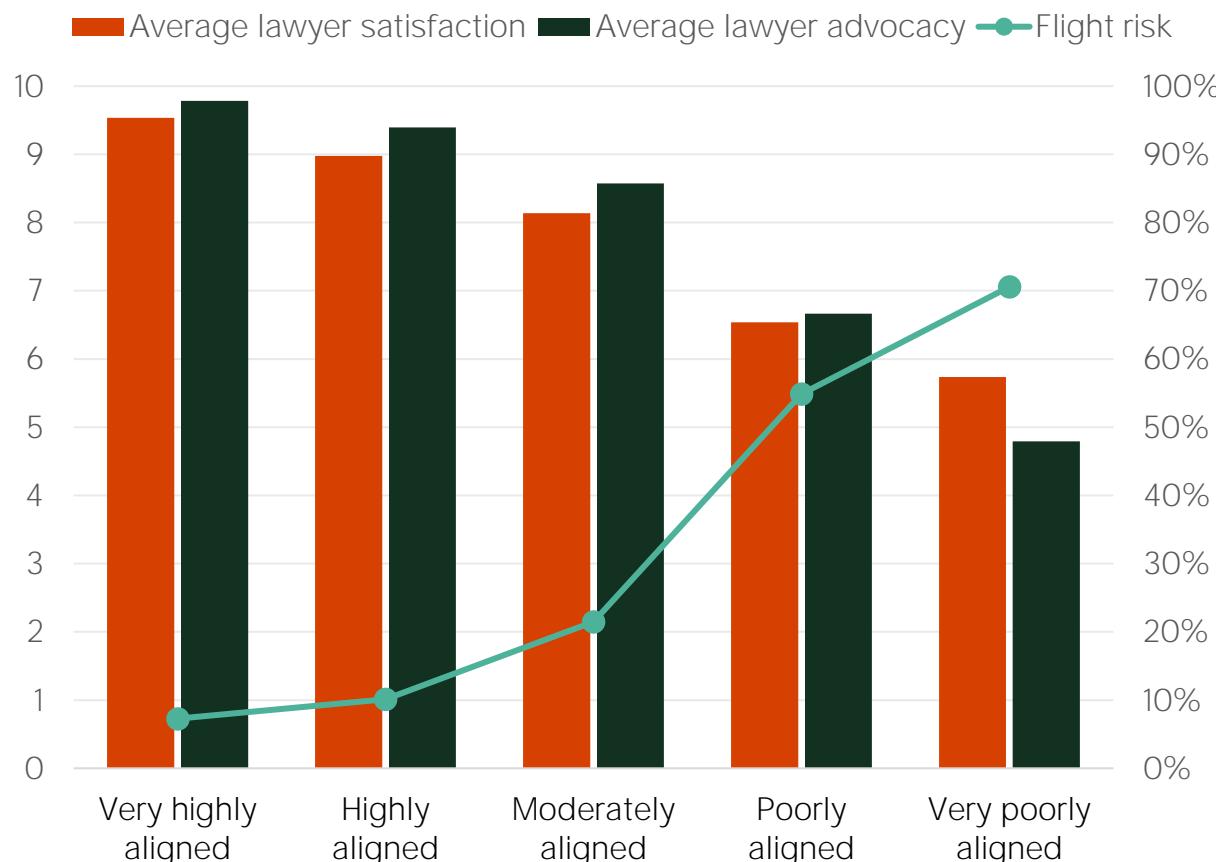
Only 9% of those so-called
innovative firms reward
innovation in compensation
model

13% of lawyers have
innovation included in
compensation



31% of lawyers would like
innovation to be included in
their compensation

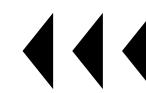
The impact of aligning compensation with firm culture and strategic goals
Source: Thomson Reuters Institute Talent Insights



The superpower of cultural and structural alignment.

+66%

stronger lawyer satisfaction when there is a perceived alignment of compensation to the firm culture and strategy



4 in 10 stand-out lawyers say their firm's compensation model is only moderately or poorly aligned with the firm's desired culture and strategic goals