Legal Trends Report



Clio

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About the **Legal Trends Report**

Since 2016, the Legal Trends Report has set the benchmark for understanding how legal services are changing. Aggregated and anonymized operating data from tens of thousands of law firms has created a decade-long record of how legal work is performed, delivered, billed, and collected.

The Legal Trends Report is the only major industry study that combines this operating data with large-scale research into what legal professionals and consumers think, experience, and expect. That combination gives Clio a view of the legal industry that can't be recreated through surveys, interviews, or financial reporting alone.

Survey research captures what people say is changing. Clio's operating data records what firms do in practice: how much work is recorded, which matters receive attention, how quickly work moves, what gets billed and collected, how clients enter the firm, and how technology is used.

This distinction is especially powerful in the age of AI. Legal professionals can report that AI saves time, improves their workday, or helps their firm handle more work. Clio can examine whether corresponding differences appear in utilization, collection, revenue, matter activation, intake, and other measures of firm performance.

The 2026 research moves beyond counting how many firms have adopted AI. It shows where AI is entering legal work, what changes alongside adoption, and how the economics and operating models of law firms are beginning to shift. **The result is the clearest available view of what AI is already changing across legal practice and what the profession will have to redesign next.**



Where the data comes from

Clio operating data
Aggregated and anonymized data from Clio's products. We use it to examine measures including revenue, utilization, collection, billable activity, matter activation and progression, lockup, intake, and use of Clio's AI capabilities. Some analyses compare firms that adopted Clio AI tools with comparable firms that did not, including changes before and after adoption.

Legal-professional surveys
Two 2026 surveys of **2,542 U.S. legal professionals** in total, including lawyers and other professionals involved in delivering or managing legal services, such as paralegals and administrators. The surveys examine AI adoption and use, the experience of work, staffing, skills, firm performance, pricing, and governance.

Consumer surveys
Two 2026 surveys of **2,000 U.S. adults** in total. The research examines how people approach legal problems, find and choose lawyers, use AI for legal questions, and think about price, quality, speed, trust, privacy, disclosure, and human review.

Qualitative interviews
Interviews with **12 legal professionals and 16 consumers** provide additional context for the quantitative findings. Participants' experiences and quotations are illustrative: They help explain what a finding can look like in practice, but are not estimates of how common an experience is.

Terms used in this report

Consumer and client
We use **consumer** when referring to people discussing legal services generally or what they might do in the future. We use **client** when referring to people describing a lawyer or legal service they actually hired.

Clio Work
Clio Work refers to Clio's AI-powered environment for substantive legal work, such as legal research, document analysis, drafting, and working with matter information.

AI in Manage
AI in Manage refers to AI capabilities within Clio Manage that support practice-management and operational work, such as matter monitoring, deadline tracking, time capture, billing, and related workflows.

Any Clio AI tool and Clio's AI tools
"Any Clio AI tool" and "Clio's AI tools" refer to an analysis grouping, not the name of a product. We use them when an analysis includes firms using one or more of Clio's AI tools. When a finding applies specifically to Clio Work, AI in Manage, or another product, we name that product directly.

Percentage points
When we compare rates, we sometimes report the difference in percentage points (pp) rather than relative growth. For example, a move from 40% to 42% is an increase of 2 percentage points, or 5% relative growth.

Firm size
We group law firms by total employees: solo firms have one employee, small firms have 2–4 employees, large boutique firms have 5–19 employees, and mid-sized firms have 20–199 employees.

Growing and shrinking firms
In historical Legal Trends Report comparisons, "growing firms" are firms whose revenue increased by at least 20% over a five-year period, and "shrinking firms" are firms whose revenue fell by more than 20% over the same period.

Responsible lawyer
A responsible lawyer is the lawyer assigned to oversee a matter and ultimately accountable for the firm's work on it. Typically, one responsible lawyer is assigned to each matter.

Law firm performance measures

Utilization rate
The share of an eight-hour workday recorded as billable work. A 40% utilization rate, for example, means 3.2 hours of an eight-hour day are recorded as billable.

Realization rate
The share of recorded billable work that ultimately gets invoiced to clients. Work can be recorded as billable but not realized if, for example, it is written down or never makes it onto a bill.

Collection rate
The share of invoiced work that clients actually pay for. Once work has been recorded and invoiced, collection is the final step that converts it into revenue.

See the Appendix A for the in-depth year-over-year tables of these measures.

INTRODUCTION

A decade of gradual gains.

Then a projected leap.

The billable day is on track for the biggest annual increase in the Legal Trends Report's history

For most of the past decade, utilization, the share of a lawyer's day recorded as billable work, climbed slowly. In 2016, the average lawyer recorded 28% of an eight-hour workday as billable, representing about 2.2 hours. By 2025, utilization had reached 39.1%. Clio's current full-year projection puts it at 42.2% in 2026, representing about 3.4 hours of an eight-hour day.

If the projection holds, **this 3.1-percentage-point jump from 2025 will be the largest single-year increase we have recorded in the decade-long history of the Legal Trends Report**.

For years, firms adopted technology, automated administrative work, and tightened billing to recover more of the lawyer's day, yet gains remained gradual. **The 2026 projection marks a break from a decade of incremental improvement, but that data point doesn't tell us what's driving the change.**

Alongside the broader increase, Clio's operating data shows that **AI-adopting firms are recording higher utilization, collection rates, and revenue per responsible lawyer compared with non-adopters**. We explore why that is, how AI adoption might relate to the industry-wide utilization increase, and what other impacts AI is having on every aspect of the law firm.

The AI paradox: Faster tasks, more recorded billable time

At first glance, faster AI-assisted work and higher recorded billable time seem to pull in different directions. **AI can shorten the time it takes to complete individual tasks, yet firms using it record more billable time overall.** Under hourly billing, a faster task would result in a smaller invoice.

The explanation lies in scale. Utilization is measured across the lawyer's workday and caseload, not at the individual task level. **Time released from one task becomes capacity the firm can direct elsewhere. A task can get faster while the firm advances more client work overall.** Whether that capacity sits idle, improves service, or becomes additional billable activity depends on the systems that the firm builds.

Clio's operating data shows why that distinction matters. Firms using AI record more billable time, collect more of what they bill, and reach early matter milestones sooner. AI can reduce the time required inside the work while increasing the amount of work a firm is able to move forward.

That is the paradox: Individual tasks can take less time while the firm records more billable work overall. Putting that saved time back into the business is a deliberate choice, not an automatic result.

The billable day is on track for a 3.1-percentage-point jump, the largest single-year increase in the Legal Trends Report's history.

AI is changing the day-to-day for professionals, firms, and consumers alike

AI is changing the day-to-day experience of legal work. Legal professionals using it describe tedious work receding, confidence growing, and complex tasks becoming more manageable. For some, AI is also part of why they want to remain at their firm.

The effects extend beyond the individual workday. Legal professionals report improvements in work quality, client responsiveness, capacity, invoicing, and the conversion of prospects into clients.

Consumers are approaching legal problems differently too. Some use AI to understand an issue, research their options, prepare questions, or decide whether they need professional help. That can bring a better-prepared prospect to the firm, move someone toward contacting a lawyer, or help them resolve a question on their own.

Across these changes, legal professionals and consumers continue to value judgment, specialized expertise, human-centered skills, and the ability to review AI-assisted work. Consumers are willing to accept AI in the work, as long as a skilled legal professional stands behind it.

AI's reach across legal work, firm operations, and the client journey separates this transition from the technology shifts that came before.

AI is profoundly different from the cloud—and more transformative

Technology has created competitive gaps before. Through the 2010s, growing law firms adopted online payments, client intake software, client portals, and business reporting earlier than other firms.[1]

The Legal Trends Report analysis defined growing firms as those whose revenue increased by at least 20% over five years, while shrinking firms saw revenue fall by more than 20% in the same period. By 2021, growing firms were 37% more likely to use online payments, 46% more likely to use intake and CRM software, and twice as likely to use firm reporting tools. **Early adoption gave them an edge, but not for long.**

The gaps closed as adoption spread. Tools that once set leading firms apart became the baseline clients expect. Online payments, once a competitive offering, are now a standard part of the client experience.

Cloud technology followed the same arc. Adoption built gradually until the pandemic compressed years of it into months as firms scrambled to work from anywhere.[2] It changed where legal work happened and how people accessed it, while leaving the lawyer's workday recognizable.

Lawyers still conducted the research, produced first drafts, and reviewed the work. Cloud software made matters and documents available from anywhere, but the context remained with the professional.

Clio AI can draw on the unique context of a firm's matters and documents to help conduct research, produce drafts, and review work. This is why AI belongs to a different class of technological evolution.

It changes more than where people work or how information moves. It can actually do parts of the work itself.

It's what economists call a general-purpose technology, the kind of change that resets how work is done across an entire economy, as the steam engine and electricity once did.

In **Co-Intelligence**, Wharton professor Ethan Mollick places today's AI in that category. In the legal industry, AI changes the economics of producing the service itself: how money is made, what drives revenue, and how time relates to value.[3]

Tasks that legal practice has long organized around human effort can now take less professional time. Much of the firm operating model was built around that human effort. Work moves from one person to the next. Junior lawyers develop by producing first passes. Hours make effort visible.

Under hourly billing, revenue rises with the professional time a matter consumes. **If parts of the work take less of that time, the structures built around it no longer hold the way they did.**

Professional time can now be redirected toward judgment, strategy, client relationships, and complex decisions, while a firm's past work can be captured and reused across future matters.

The competitive shift is bigger than saved time.

With AI adoption already widespread, access to the technology is unlikely to stay a durable advantage. **The next competitive advantage may come from what firms build around AI: how they redesign workflows, roles, training, pricing, and service delivery as parts of the work take less professional time**. AI changes the economics of producing legal work, putting pressure on an operating model built around that production.

[1] Clio, 2021 Legal Trends Report, pp. 29–33. [2] Clio, 2021 Legal Trends Report, pp. 56–57.
[3] Timothy F. Bresnahan and Manuel Trajtenberg, "General Purpose Technologies 'Engines of Growth'?" Journal of Econometrics 65, no. 1 (1995): 83–108; Ethan Mollick, Co-Intelligence: Living and Working with AI (New York: Portfolio, 2024).

CHAPTER ONE

Almost everyone has AI.

Rebuilding the operating model is the next test.

What's hiding inside the AI adoption rate

An adoption rate tells us people are using AI. What it hides is how far into the work itself the technology has reached.

Eighty-five percent of surveyed legal professionals report some AI adoption at their firm, up from 79% in 2025. That top-line figure covers everything from limited use by a few individuals to AI used widely across the firm. Use also frequently extends beyond a single tool.

Seventy-four percent of legal professionals report using two or more AI tools, and 49% use three or more.

AI is spreading across the work, and some legal professionals now rely on it. **Fifty-two percent of legal professionals who use AI say losing it would disrupt their work**, including 28% who expect significant or severe disruption and 24% who expect moderate disruption. The expected disruption rises at firms with more extensive AI adoption.

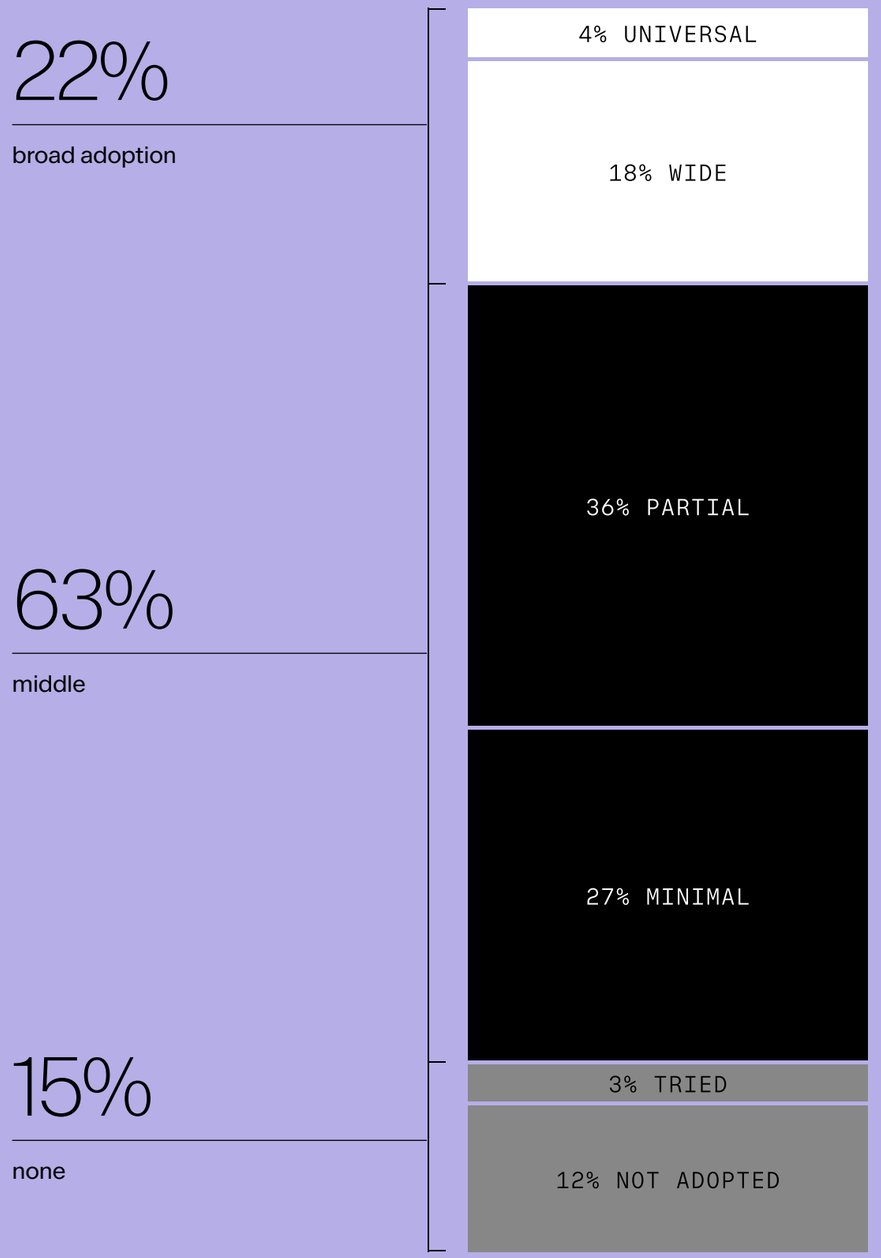
Clio operating data shows where that reliance is taking hold. Among individual Clio AI users:

- → Lawyers are more likely than non-lawyers to use conversational research (49.6% versus 20.9%) and document analysis (30.1% versus 15.2%).
- → Non-lawyers are more likely than lawyers to use AI for expense entry (49.9% versus 34.0%), scheduling and deadline extraction (46.0% versus 31.0%), and drafting client communications (9.3% versus 5.6%).

For lawyers, adopting AI coincided with greater use of the surrounding practice-management system. After adopting Clio's AI tools, lawyers recorded more activity in first client contact (+33.9%), engagement or scheduling (+24.1%), invoicing (+21.3%), payment processing (+18.8%), bill approval (+18.0%), and time capture (+17.2%).

The pattern suggests that **AI may draw lawyers further into the operational tools around their work, rather than remain an isolated layer of technology**.

THE AI ADOPTION SCALE



Research, drafting, and document review lead AI use

Legal professionals report using AI most often in the information-heavy center of legal work. In Clio's legal-professional survey, **legal research is the most common use of AI**, reported by 54% of legal professionals at AI-using firms, **followed by document drafting and document review or summarization** at 49% each.

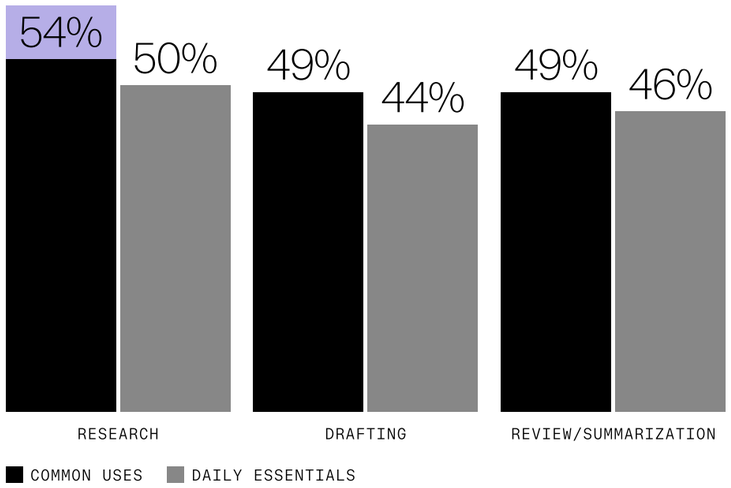
The same three uses also lead when legal professionals are asked which AI applications have become essential to their daily work: research at 50%, summarization at 46%, and drafting at 44%. Nearly one in four report using AI across all three.

The 2024 Legal Trends Report found that documenting, retrieving, and analyzing information made up about **66% of hourly billable work and carried substantial automation potential**.[4]

That pattern is now visible in product use: Clio's operating data shows document-related AI activity growing faster than activity in legal workflows or billing.

AI is moving first into tasks that have historically taken up much of the billable day.

WHERE AI IS CONCENTRATED

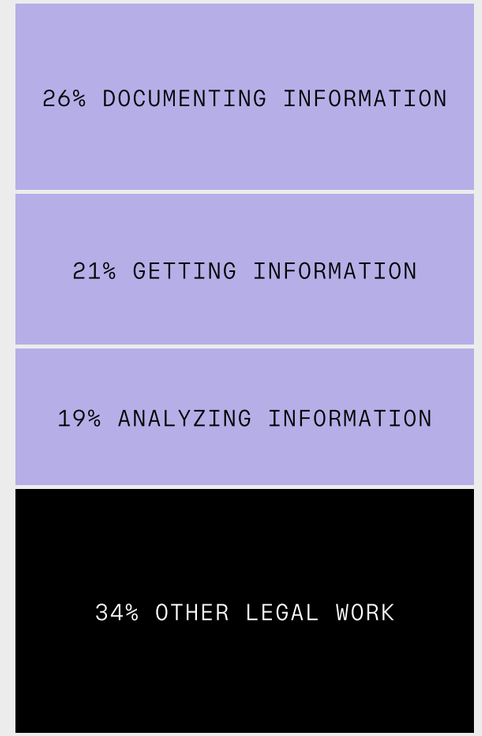


AUTOMATION POTENTIAL AND OBSERVED AI ACTIVITY

2024 hourly billable work

66%

of hourly billable work was information-heavy



2026 monthly growth in Clio AI product activity

+75.7%	+28.1%	+17.6%
Document drafting	Legal workflows	Billing

Adoption is only the first stage

The 85% adoption rate tells us whether firms are using AI. It doesn't tell us how much the work around the technology has changed. A firm can make an individual task faster while leaving the surrounding review process, handoffs, staffing model, pricing, training, and measures of performance largely unchanged.

Access, adoption, and operating-model redesign are different measures of progress.

Two models help firms understand that progress.

- → **The Law Firm Maturity Model**[5] **asks:** How well is the firm performing and serving its clients?
- → **The AI Progression Model asks:** How deeply has AI changed the work and the systems around it?

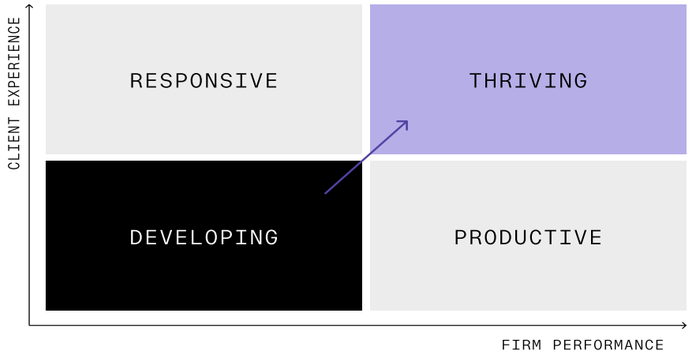
Clio's Law Firm Maturity Model evaluates firms across two dimensions:

1. **Firm performance:** productivity, financial health, revenue-generating work, organized operations, utilization, realization, and collection.
2. **Client experience:** responsiveness, communication, client satisfaction, ability to attract business, and clarity of the client journey.

Firms can identify their maturity position by considering their relative strength across these dimensions. **Developing** firms have room to improve on both dimensions. **Productive** firms are stronger on firm performance. **Responsive** firms are stronger on client experience. **Thriving** firms combine strong performance with a strong client experience.

The 2026 findings touch both dimensions. Legal professionals at AI-using firms report gains in client responsiveness and the volume of work their firms can handle. Clio's operating data separately records higher utilization and more activity across firms' existing caseloads among AI adopters.

LAW FIRM MATURITY MODEL



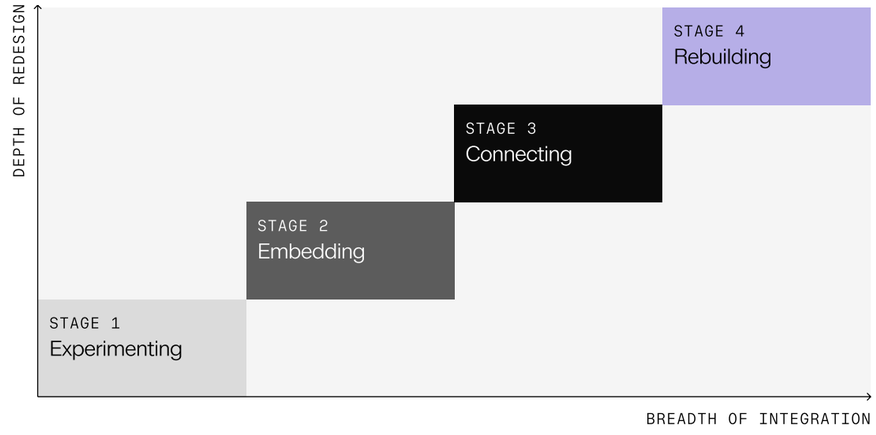
The AI Progression Model describes how the work around AI changes. Because that change can happen at different speeds across the firm, the model can also be applied to individual workflows. A firm might be **Rebuilding** the workflow around document review while still **Experimenting** with AI in intake.

The AI Progression Model has four stages:

1. **Experimenting:** Individuals use AI for isolated tasks such as research, summarization, drafting, or document review. The task may get faster, but the surrounding workflow remains largely unchanged.
2. **Embedding:** AI becomes part of recurring legal workflows. Firms decide where AI enters the process, what it handles, where professional review occurs, and how work moves from one step to the next.
3. **Connecting:** AI reaches across both substantive legal work and the operations around it. Research, drafting, matter management, time capture, billing, intake, and other processes begin to work as a more connected system rather than as separate tasks and tools.
4. **Rebuilding:** The firm redesigns the structures around the work itself. Workflows, roles, training, pricing, capacity, and measures of performance begin to change around what AI makes possible.

Redesign is one of the hardest parts. In 2026, Economist Enterprise surveyed 1,221 executives across 18 countries and interviewed senior technology leaders.[6] The research identified **the hardest part of making AI work as the organizational change around it: redesigning jobs and workflows, training people, changing incentives, and strengthening governance**.

THE AI PROGRESSION MODEL



HOW THE MODELS WORK TOGETHER

MATURITY MODEL POSITION	WHERE AI-ENABLED REDESIGN MAY HAVE THE MOST IMPACT
Developing Both firm performance and client experience need work.	Firms can review their most important workflows to see where AI is already being used and how deeply it is integrated. Focusing redesign on one workflow at a time allows the firm to test whether the change improves the outcome before expanding elsewhere.
Productive Firm performance is stronger than client experience.	Firms can examine intake, responsiveness, follow-up, and other client-facing workflows to see where AI is already being used, where it could be integrated more deeply, and which workflows could be redesigned and scaled to improve the client experience.
Responsive Client experience is stronger than firm performance.	Firms can examine matter workflows, capacity, time capture, billing, collection, and other operational processes to see where AI is already being used, where it could be integrated more deeply, and which workflows could be redesigned and scaled to improve firm performance.
Thriving Firm performance and client experience are both strong.	Firms can examine and connect AI-enabled workflows across the business, explore where broader redesign could support new services, pricing models, or ways of delivering legal work, and scale the changes that strengthen both firm performance and client experience.

A **Productive** firm, for example, would focus on its client-facing workflows. It might be **Embedding** AI into intake while only **Experimenting** with it in follow-up. Looking at those workflows separately shows the firm where redesign should happen next.

Adopting AI is a technology decision. Redesigning the firm around it is a competitive strategy.

But the business of law also has to keep pace. When AI makes one task significantly faster, professionals can move sooner to the next and take on more work.

Firms saw this same pattern when word processors and email were introduced: They were able to do more work at better quality. The impact, however, is that **increased work means increased coordination, handoffs, and client service**. The practice of law can't move faster unless the business of law keeps pace.

The pressure to redesign will vary with what clients pay the firm to provide

As the production of work becomes faster and cheaper, more of a firm's value will sit in prioritizing, advising on next steps, negotiating, advocating, applying judgment, and standing behind the legal work delivered to the client.

Practices built around repeatable production may be impacted first because AI can reduce the effort required for parts of that production. Firms competing on highly specialized advice, negotiation, advocacy, or complex judgment may experience less immediate pressure, but should still examine their operating models for opportunities to increase the value to the client.

For example, a practice can use lower production costs to serve a higher volume of matters, change pricing, add professional attention elsewhere in the service, or concentrate on work where expertise and judgment remain central.

- → **In immigration**, AI can assist with form population, document organization, and information gathering from the record. The lawyer still has to identify the facts that change the legal analysis, such as an inadmissibility issue or criminal history that affects the petition.
- → **In personal injury**, AI can help organize medical records and build a chronology. That can leave more professional time for valuing the claim, resolving liens, assessing evidence, and negotiating the settlement.
- → **In estate planning**, AI can help produce a first draft of a standard will or trust. The lawyer remains responsible for determining whether the structure fits the client, whether the documents are executed correctly, and whether the plan works in practice, including issues such as trust funding and family circumstances.

Workflow redesign starts by matching supervision to risk. Lower-risk, repeatable work can require less hands-on supervision. Higher-risk work and anything requiring legal judgment need closer lawyer review.

[4] Clio, Legal Trends Report 2024, p. 17. [5] Clio, Legal Trends Report 2019, pp. 4–5.
[6] Economist Enterprise, Making AI Deliver: A Benchmark on How Leading Companies Operationalise AI for Impact, May 4, 2026.

CHAPTER TWO

Firms see gains in quality and capacity.

AI users see a better workday.

Firms report gains in quality, responsiveness, and capacity

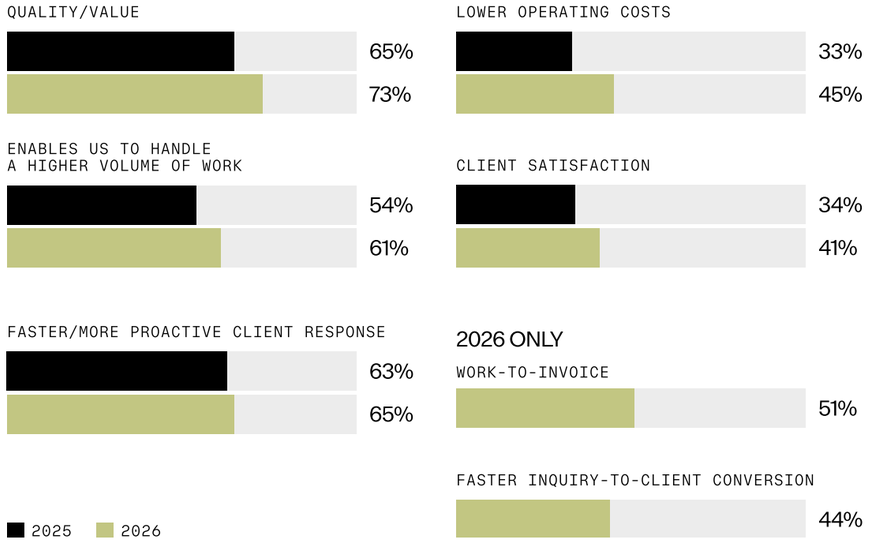
The firm is seeing the benefits of AI. Among legal professionals whose firms use AI, **73% say it has improved the quality or value of the work, 65% say it has helped the firm respond to clients faster or more proactively, and 61% say it has let the firm take on a higher volume of work**. Since 2025, the quality of work rating has risen by about 8 percentage points and capacity for a higher volume of work by about 7 percentage points.

The gains from AI reach into how work turns into revenue. **Fifty-one percent say AI has shortened the time between finishing work and sending the invoice, 44% say it has sped the conversion of inquiries into clients, and 45% say it has lowered operating costs.** Forty-one percent report better client satisfaction based on client feedback.

These reported outcomes span both dimensions of the Law Firm Maturity Model. Client response and satisfaction reflect client experience, while the ability to handle a higher volume of work, faster invoicing, and lower operating costs reflect firm performance.

As with the workday gains, the quality benefit tracks the extent of adoption rather than firm size. Each step up the adoption scale roughly doubles the odds that a firm reports better quality, while firm size makes little difference. A solo practice near the top of the scale is about as likely to report the gain as a large firm.

WHAT FIRMS REPORT AI CHANGING



AI users report a better workday across every measure

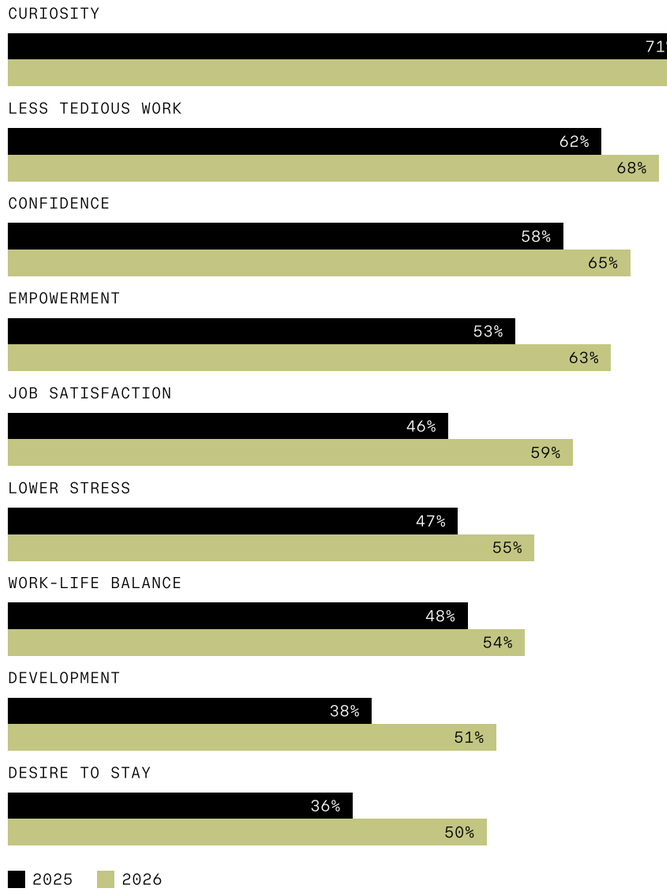
The reported benefits of AI extend to the work itself, people's confidence in doing it, their well-being, and how they feel about their careers. **Across all nine measures we tracked, legal professionals using AI were more likely in 2026 than in 2025 to say the technology had improved their working experience.**

Sixty-eight percent say it has cut tedious, disengaging work, up from 62% last year. Sixty-five percent feel more confident in the quality of what they produce, up from 58%. Sixty-three percent feel more capable of taking on complex work on their own, up from 53%.

The gains also extend beyond the tasks. Fifty-nine percent say AI has improved their job satisfaction, 55% report lower stress, and 54% report better work-life balance. Fifty-one percent say it has improved opportunities for professional development or advancement.

Curiosity about other legal technology remained high: 75% say using AI made them more curious, compared with 71% in 2025.

HOW AI USERS SAY AI HAS AFFECTED THEIR WORKDAY



Reported gains rise with the extent of AI adoption

Reported workplace benefits are more common further up the AI adoption scale. Job satisfaction shows the clearest relationship. After accounting for firm size, **legal professionals at firms reporting wide AI adoption have about six times the odds of saying AI improved their job satisfaction**, compared with those at firms reporting minimal adoption.

At firms reporting universal adoption, the odds are about seven times higher.

Work-related stress ratings remain similar from no adoption through partial adoption. The difference appears at the top of the scale. At firms reporting wide or universal adoption, **67% of legal professionals rate their work-related stress favorably, compared with 43% at firms reporting no adoption**.

Reported gains are stronger among users of legal-specific AI

Reported benefits also vary by the type of AI used. Legal professionals using legal-specific AI are more likely than general-purpose AI users to report improved job satisfaction, lower stress, better work-life balance, and a greater desire to stay at their firm. Some respondents use both types, and the differences remain after accounting for extent of adoption and firm size.

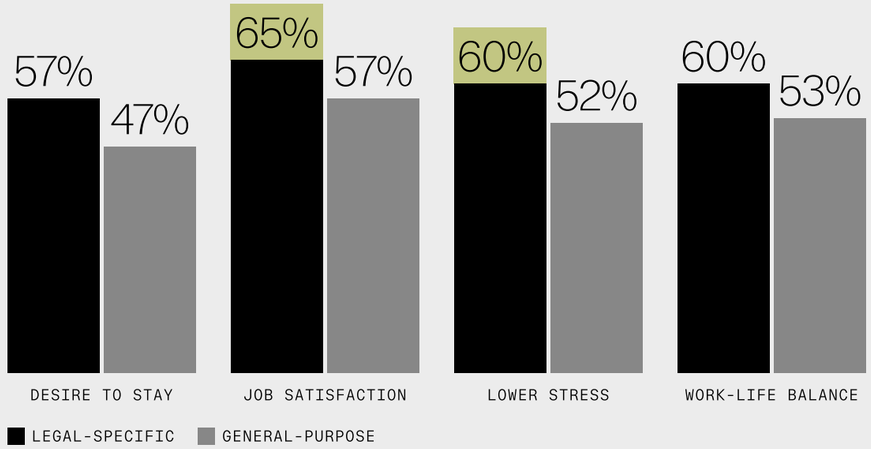
The strongest results appear among those using AI for drafting and automation: **82% report improved job satisfaction and 86% report less tedious work.**

IN THEIR WORDS

"Clients will call up with a question and I can jump on Clio Work and go through a few prompts, do a little bit of analysis, and get back with the client with a pretty quick, pretty comprehensive answer. That's an improvement in the quality and the speed of my work."

Solo attorney, contract law

LEGAL-SPECIFIC AI USERS REPORT STRONGER WORKPLACE OUTCOMES



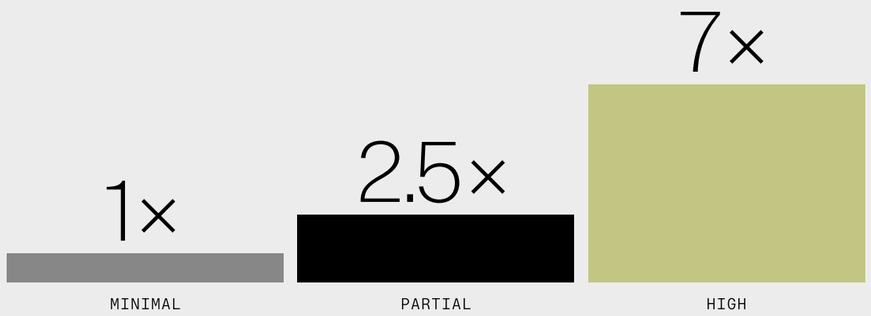
AMONG DRAFTING AND AUTOMATION USERS

82%
Improved job satisfaction

86%
Less tedious work

JOB SATISFACTION RISES WITH THE EXTENT OF AI ADOPTION

Odds of reporting improved job satisfaction, vs. minimal adoption



AI is becoming part of talent retention

Fifty percent of legal professionals using AI say it has positively contributed to their desire to remain at their current firm for the next two years, up from 36% a year ago. That is a 14-percentage-point increase in a single year. Legal professionals at firms reporting universal adoption have roughly six times the odds of saying AI contributed to their desire to stay, compared with those at firms reporting minimal adoption.

Earlier Legal Trends Report research shows why those workplace gains are relevant to retention. In 2022, 37% of lawyers who had left or were considering leaving a job cited better work-life balance, the same share that cited better pay.[7] That report also identified employee satisfaction and a positive working environment as priorities for firms trying to reduce turnover.

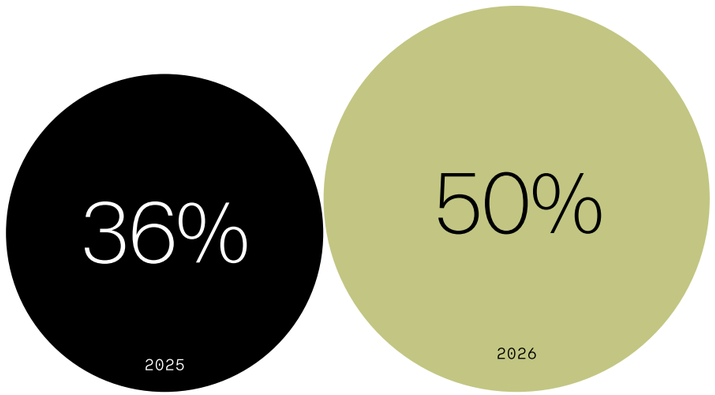
Associate churn is expensive, and it lands hardest on smaller firms.

The NALP Foundation's 2026 Update on Associate Attrition reported associate turnover at 19% in 2025, rising to 24% at firms of 100 or fewer lawyers, with 83% of departing associates leaving within five years of being hired.[8] That places much of the attrition inside the period when firms are still developing early-tenure lawyers.

The 50% figure measures intention to stay. It connects AI with job satisfaction and work-life balance, both established retention priorities. **Firms looking to reduce turnover, retain top performers, and promote stability can treat those workplace outcomes as part of their retention strategy.**

AI'S POSITIVE INFLUENCE ON EMPLOYEES' INTENT TO STAY INCREASED

Share of AI-using legal professionals who agree AI positively contributed to their desire to stay at their firm for the next two years.



Firms report little headcount change, while the work inside roles is changing

In the legal-professional survey, **most respondents report no AI-related headcount change across every lawyer and non-lawyer role**. Where firms do report a change, additions are more common than reductions. Junior associates and paralegals don't stand out as exceptions.

Research, drafting, and review are among the most common uses of AI. They have also traditionally played an important role in how junior lawyers learn: finding the authority, producing the first draft, spotting what doesn't fit, and defending a recommendation.

That work has historically served two purposes: producing work for the client and developing the professional who produced it.

If AI reduces the production effort those tasks require, firms will need deliberate ways to train and develop judgment.

A 2026 MIT Sloan paper describes how AI can change task mixes and redraw role boundaries as routine work becomes more automated.[9]

For law firms, that creates a potential training risk rather than an observed staffing outcome. **If AI takes on more first-pass research, drafting, or review, firms will need other ways for junior lawyers to build and demonstrate the judgment those tasks have historically developed.** That risk may be especially relevant in traditional up-or-out models, where early-career work has also helped firms assess readiness for greater responsibility.

Firms can preserve the learning while redesigning the manual task. A junior who uses AI to assemble a record still needs to examine and explain why one authority outweighs another, identify what the tool missed, and defend the judgment behind a revised draft.

The route to that judgment may change even if the skill the firm needs does not.

AI training should help build legal judgment

Research, drafting, and review are also where junior professionals learn how to think. **By doing the work themselves, they learn to pressure-test sources, spot issues, assess risk, and see how individual tasks fit a broader legal strategy.**

AI can reduce the manual effort these tasks require, but it doesn't replace the judgment that doing them builds. Training junior lawyers has to become more deliberate. They need repeated, accessible chances to do that thinking themselves and to build the skill an AI-enabled practice depends on most: judgment. That means catching errors in AI output, knowing its limits and what to feed it, deciding when AI is appropriate at all, and seeing past the task to how it fits the wider work.

Among **AI-using legal professionals, 43% report they are now spending more time on training and professional development**, 44% report no change, and 13% report spending less.

Researchers at King's College London and instructors at Stanford Law School are pairing AI use with critical evaluation of generated work.[10] Students test citations, identify weak reasoning and missing arguments, and use AI within supervised research and drafting workflows. Firms can apply the same approach.

Training should ask the legal professional to use critical thinking to frame the issue, test the sources, separate relevant facts from noise, compare possible answers, and judge the consequences. **AI training should make legal professionals faster at producing work and better at recognizing when the work falls short.**

AMONG AI ADOPTERS, 43% REPORT MORE TIME ON TRAINING AND DEVELOPMENT



Legal professionals and consumers prioritize the same 4 skills

Asked separately about the skills likely to matter most over the next two years, legal professionals and consumers name the same four among their leading choices. Legal professionals point to strategic judgment (31%), human-centered skills (30%), specialized expertise (29%), and reviewing AI-generated work (24%).

Consumers name the same four: specialized expertise (39%), human-centered skills (37%), strategic judgment (32%), and reviewing AI-generated work (27%). **The order differs, but both groups agree on judgment, human-centered skills, specialized expertise, and the ability to review AI-assisted work.**

AI may also change how much work sits under one professional's supervision.

When research, drafting, and review require less production time, a lawyer can oversee more matters or execute more AI-assisted work. That increases the amount of work requiring professional review and judgment. **As more work runs through their judgment, the lawyer's value moves up the chain, from producing the work to being accountable for it**, which is exactly what consumers say they want: expertise and human review they can trust.

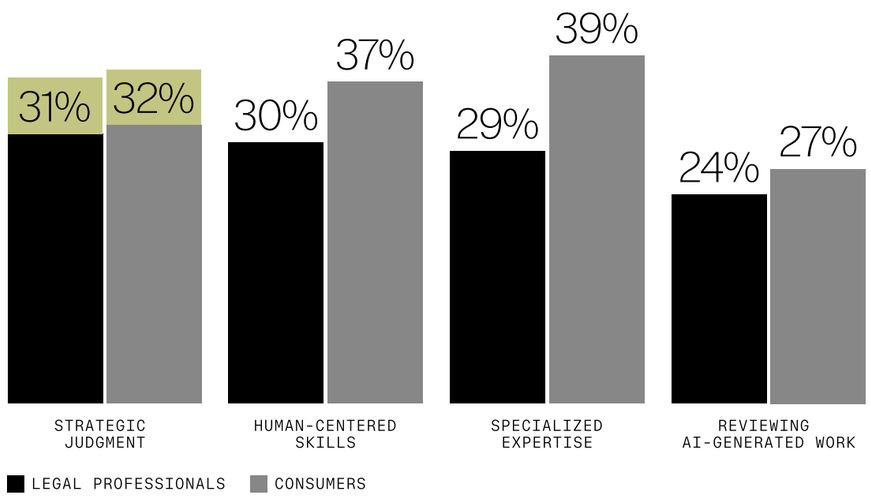
Consumers already place lawyer review among the top assurances that increase their comfort with AI.

IN THEIR WORDS

"If I can now get a case to settlement in 30 hours when it used to take me 100 hours, just do the math."

Law firm owner, securities law

TOP SKILLS FOR LEGAL PROFESSIONALS



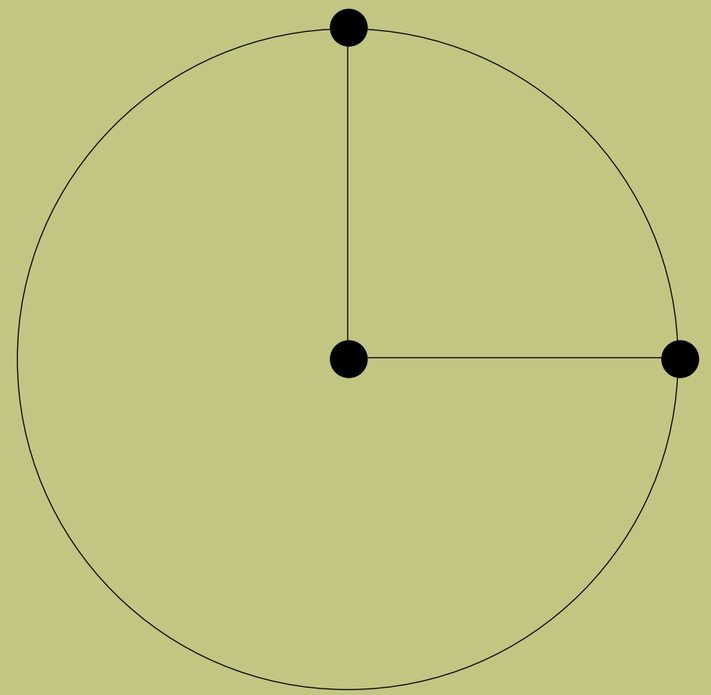
If professional capacity expands, lawyers may touch more work while remaining responsible for reviewing and standing behind the work delivered to the client.

When they were introduced, spreadsheets compressed routine calculation and expanded the analytical work accountants could do.[11] AI is creating a similar shift in legal work. As routine production requires less professional time, **more of the lawyer's contribution can sit in interpretation, risk assessment, issue spotting, advice, and judgment**. Those are the same skills consumers say they value most.

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[7] Clio, Legal Trends Report 2022, pp. 28–30.
[8] The NALP Foundation for Law Career Research and Education, "The NALP Foundation Releases Latest Update on Associate Attrition and Hiring (CY 25)," April 21, 2026.
[9] Mert Demirer, John J. Horton, Nicole Immorlica, Brendan Lucier, and Peyman Shahidi, "Chaining Tasks, Redefining Work: A Theory of AI Automation," NBER Working Paper No. 34859, 2026.
[10] Cari Hyde-Vaamonde and Anat Keller, "Testing the Frontier: Generative AI in Legal Education and Beyond," Law, Technology and Humans 7, no. 3 (2025): 52–61; Sharon Driscoll and Monica Schreiber, "Inside Stanford Law School's Evolving AI Curriculum," Stanford Report, April 2, 2026.
[11] David A. Bradbard, Charles Alvis, and Richard Morris, "Spreadsheet Usage by Management Accountants: An Exploratory Study," Journal of Accounting Education 32, no. 4 (2014): 24–30.

The lawyer's value is shifting from producing the work to providing the judgment and accountability consumers trust.



CHAPTER THREE

AI creates capacity.

Law firms decide what that capacity becomes.

Revenue differences from AI

Firms that adopt Clio's AI tools record more billable time, higher collection rates, and more revenue per responsible lawyer than comparable non-adopters. Revenue is the most directly measurable outcome. Capacity can also become broader access, stronger service, better quality, more professional judgment applied to the work, or different pricing.

The largest revenue differences appear among firms using AI across both substantive legal work and firm operations. Separately, survey responses show an association between billing model and reported AI revenue impact.

The operating data shows the impact

+8%	+1.3pp	+1.9pp
Revenue per responsible lawyer about +$1,772 per month	Utilization	Collection

Law firms using AI think it's paying off

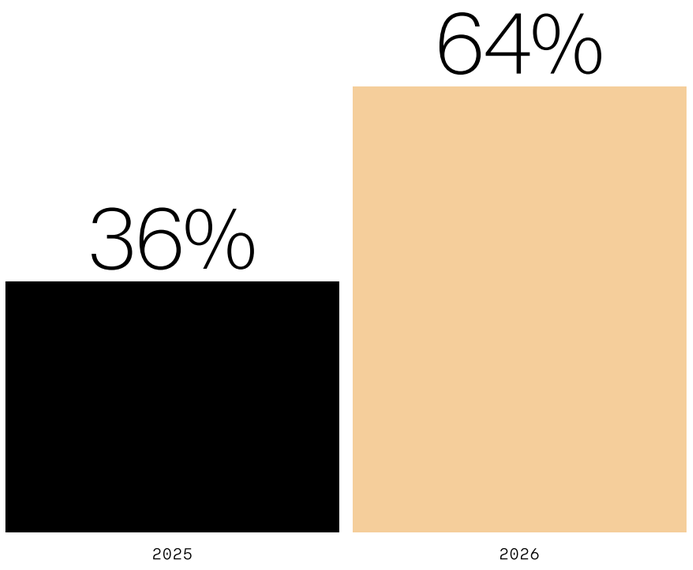
Among **legal professionals whose firms use AI, 64% say it has had a positive effect on revenue, up from 36% a year ago**. That increases with the extent of AI adoption: 46% of firms with minimal adoption report a positive effect on revenue while **81% of firms with wide adoption across their legal processes report AI having a positive effect on revenue**.

The reported revenue benefit is especially strong when using legal-specific AI tools.

Among firms using AI for drafting and automation, 84% report a positive effect on revenue, while 77% of those using it for client intake and reception say the same, compared with about 60% of other AI users.

WHAT FIRMS BELIEVE AND WHAT THE RECORDS SHOW

AI users report a positive effect on revenue



Clio's operating data shows higher revenue among AI adopters

Clio's operating data also shows higher revenue among AI adopters. We compared firms that adopted Clio's AI tools with similar firms that did not, and tracked each group against its own pre-adoption performance across dozens of operating metrics. (This approach is called difference-in-differences.)

The analysis looked at three groups of Clio firms:

- → **Non-AI firms:** using Clio, but none of its AI tools
- → **Any-AI firms:** using at least one Clio AI tool (AI in Manage, Clio Work, Draft AI, or Grow AI)
- → **Both-systems firms:** using AI in Manage together with Clio Work or Draft AI, meaning AI across both practice management and legal work

Firms using any of Clio's AI tools record about 8% more revenue per responsible lawyer than comparable non-adopters, equivalent to an average of $1,772 more per month. The size of the difference varies with firm size and whether AI reaches both substantive legal work and firm operations.

Among firms with 5–19 employees, those using both Clio Work and AI in Manage show a larger associated monthly revenue difference per responsible lawyer than the broader group using any Clio AI tool.

ADDITIONAL MONTHLY REVENUE PER RESPONSIBLE LAWYER ASSOCIATED WITH CLIO AI USE

FIRM SIZE	SOLO	FIRMS WITH 2–4 EMPLOYEES	FIRMS WITH 5–19 EMPLOYEES
Any Clio AI tool	+$798	+$1,530	+$2,423
Clio Work and AI in Manage	+$996	+$1,272	+$3,546

All figures in this table have a p-value less than 0.10.

The revenue difference is larger when AI reaches both legal work and firm operations

The largest operating differences appear when AI reaches both the practice of law (the substantive legal work) and the business of law (the systems that move that work through the firm). Firms using both Clio Work and AI in Manage show stronger differences from comparable non-AI firms than the broader group using any Clio AI tool.

Across three key measures, firms using both Clio Work and AI in Manage record:

- → **10% higher revenue per responsible lawyer**, compared with about 8% for the broader AI-adopting group.
- → **6.5% more recorded billable hours per responsible lawyer**, compared with 4.5%.
- → **Collection rates 2.5 percentage points higher**, compared with 1.9 percentage points.

More billable work is recorded, more of what is billed is collected, and revenue per responsible lawyer is higher. In this analysis, the largest differences appear when AI is connected across both the legal work itself and the systems that move that work through the firm.

Recorded time rose among adopters

AI use is concentrated in information-heavy work that has historically occupied a large share of the billable day. That concentration raises a practical concern for hourly firms: **When AI reduces the time a task takes, billable hours on that task can fall.**

But among AI adopters, recorded billable time didn't fall. Firms using any of Clio's AI tools show utilization rates 1.3 percentage points higher than comparable non-adopters, a relative increase of about 3%. Solo and small firms saw the biggest utilization gains, both up more than 4% over non-adopters.

At the projected 2026 utilization rate of 42%, a lawyer records about 3.36 billable hours in a workday. A 1.3-percentage-point increase takes that to about 3.46 hours. At the average lawyer rate of $362, **that difference represents about $9,400 in additional recorded billable value over a year.**

The utilization difference is larger when AI reaches both sides of the work. Firms using both Clio Work and AI in Manage show utilization 2.8 percentage points higher than comparable non-adopters, a relative increase of about 7%. **At $362 per hour, that amounts to about $20,000 a year in recorded billable value.** Solo lawyers saw the largest gain at 9% higher utilization rates when using both Clio Work and AI in Manage.

More of the caseload is active, and matters reach early milestones

AI-adopting firms record billable activity across a larger share of the matters already on their books. A separate analysis finds that matters at AI-adopting firms also reach early milestones sooner.

In an hourly-matter analysis, **firms using Clio AI recorded billable activity across about 6% more of their existing hourly matters** than comparable non-adopters. In plain terms, more of the matters already on the firm's books received billable work in the same month.

A separate matter-progression analysis also found earlier milestones among AI adopters. Compared with similar non-adopters, matters at AI-adopting firms were about 5.0 percentage points more likely to record their first activity within 14 days and 5.0 points more likely to record their **first billable activity (the first billable work recorded on a newly opened matter) within the same period**. They were also about 4.4 percentage points more likely to receive a first payment within 90 days.

MILESTONE	ANY CLIO AI TOOL
First recorded activity within 14 days	+5.0pp
First billable activity within 14 days	+5.0pp
First payment within 90 days	+4.4pp

Where the additional recorded time may come from

As shown earlier, AI adopters record billable work across more of the matters already on their books. That is one measured source of the extra billable time AI-using firms record. Two other mechanisms may also contribute.

- → **AI may reduce administrative drag that interrupts billable work.** AI in Manage can flag stale matters and approaching deadlines, surface completed work that hasn't been logged, and assist with bill creation. The utilization difference is largest among solo firms using both AI in Manage and Clio Work. Because solo lawyers often carry more of the firm's administrative work themselves, **one plausible explanation is that reducing that work creates more room for billable activity**.
- → **Integrated workflows may reduce time leakage.** When research, drafting, and client communication happen in a different system from timekeeping, recording that work requires another step. That creates opportunities for billable activity to be under-recorded or missed. When work and timekeeping happen in the same system, more of that activity may be captured as it happens. **Some of the utilization difference may therefore reflect work that was already being done but is now being recorded more consistently.**

These mechanisms may help explain how firms can record more billable time even when AI makes individual tasks faster. AI adopters are working more of the caseload already on their books, while connected tools may also create more room for billable work and help firms capture it more consistently.

IN THEIR WORDS

"I would do two weeks of work on billing … I have whittled down to being able to do billing in a day or two. We are billing clients more efficiently now and bringing in more money on a timely basis."

Office manager, family law

The revenue impact of AI and alternative fees

AI puts new pressure on the economics of the billable hour. With hourly billing, revenue is tied to the time required to complete the work. When AI reduces that time, the firm doesn't automatically capture the value of the efficiency gain. It has to redeploy the freed capacity into other billable work or change how the work is priced.

According to the Thomson Reuters Institute and Georgetown Law, about 90% of U.S. legal dollars still run through hourly billing.[12] Holding AI adoption and other factors constant, firms using alternative fees (flat, capped, blended, value-based, or success fees) were the most likely to report that AI improved revenue, and hourly-billing firms the least likely.

Fee structure shapes the economics in different ways:

- → **Flat fee:** If the price holds while the work requires less time, the saved time can increase margin or create capacity for additional work.
- → **Contingency:** Because the fee is tied to the outcome rather than hours worked, lower production effort can create capacity for additional matters or for professional attention elsewhere in the case.
- → **Hourly billing:** A faster task produces fewer billable hours on that task, so the firm has to put the freed capacity to work elsewhere or change how the work is priced.

The pressure on hourly billing is already visible in the data. Hourly-billing firms were the least likely to report that AI improved revenue, but the operating data also shows that firms using AI can record more billable time overall. The two findings point to the same conclusion:

AI can create financial gains under hourly billing, but it doesn't create them automatically.

Firms have to decide how they will turn the capacity AI creates into revenue: by redirecting time into more billable work, expanding the work they take on, or reconsidering how some work is priced.

Capacity can expand the market

The additional work firms take on doesn't have to come from the market they serve today. Economists have seen this pattern for more than a century: Greater efficiency can increase total demand rather than reduce it.

In the 19th century, William Stanley Jevons argued that more efficient steam engines could make coal more economical to use, expand its applications, and ultimately increase total coal consumption. The idea became known as **the Jevons paradox: When efficiency lowers the effective cost of something enough, total use can rise**.[13]

Legal services could follow a similar pattern. If AI lowers the cost of producing legal work, firms may be able to take on matters that weren't financially viable before, offer lower-cost or limited-scope services, and reach clients who were previously priced out of legal help.

The opportunity is larger than doing the same work faster: Lower production costs can expand who can be served, what can be offered, and which firms can compete.

[12] Thomson Reuters Institute and the Center on Ethics and the Legal Profession at Georgetown Law, 2026 Report on the State of the US Legal Market: Peak Prosperity and the Fault Lines Below, January 2026.
[13] William Stanley Jevons, The Coal Question: An Inquiry Concerning the Progress of the Nation, and the Probable Exhaustion of Our Coal Mines (London: Macmillan and Co., 1865).

CHAPTER FOUR

AI is changing how consumers orient themselves.

Firms still control what happens after contact.

A client-centered AI strategy begins with the client

It's important to understand where people get stuck, wait, repeat themselves, or can't tell whether they need a lawyer. Consumers now arrive having done more of the early work themselves, and the firm still decides what happens once they make contact.

The front door is moving upstream

How consumers arrive at legal help is changing. What makes them hire still looks familiar. Twenty-four percent of U.S. adults have used AI to answer a legal question, and another 40% say they would consider doing so. Separately, 46% say they would consult AI before contacting a lawyer.

For many consumers, AI is becoming the first stop on the legal journey.

Among the 462 consumers surveyed who would turn to AI first, the most common uses are about getting oriented. **Eighty percent would use it to understand their legal issue, 73% to research their options, 69% to prepare questions for a lawyer, and 65% to determine whether they need one.** Thirty percent would use AI to draft documents or correspondence.

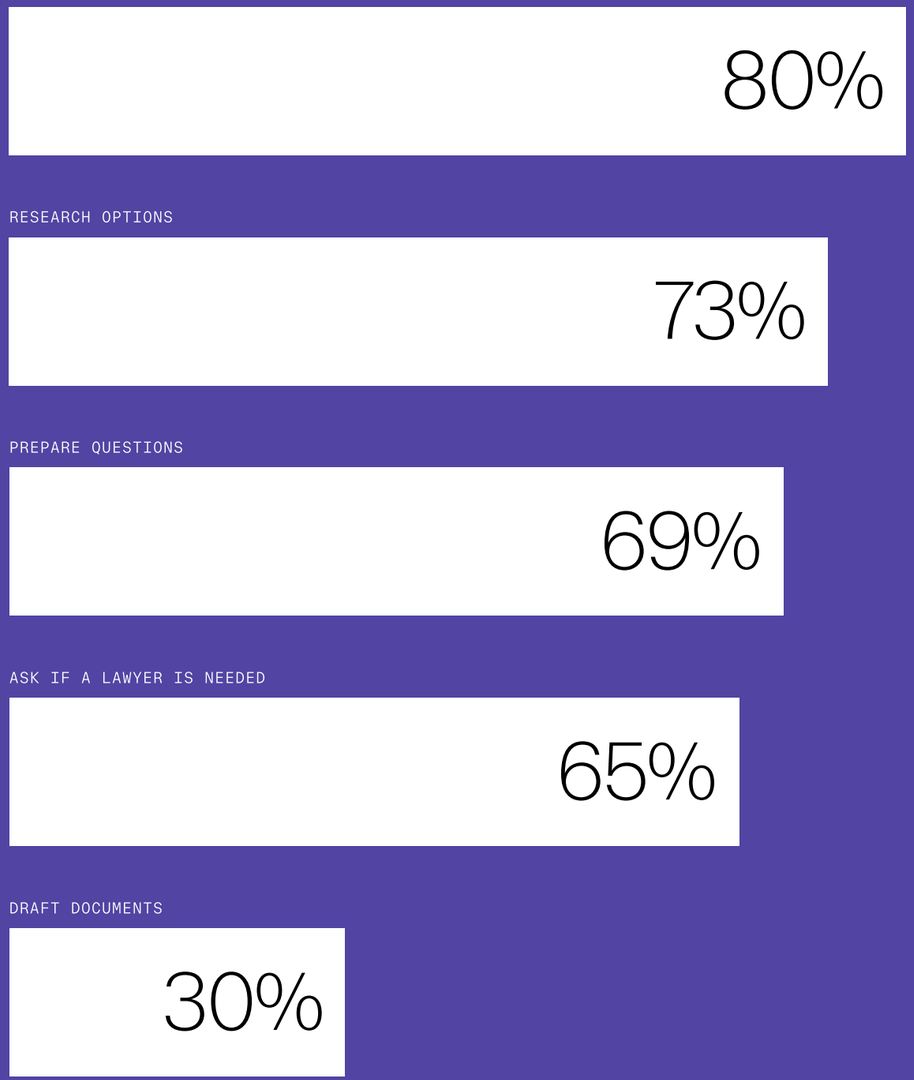
The consumers who have already used AI for a legal question show how those paths can overlap. Among these 241 consumers, 64% say AI answered their concern and 32% say it helped them decide the issue wasn't worth pursuing. At the same time, 45% used it to prepare questions for a lawyer, and 37% say it prompted them to make contact. **AI can resolve some consumers' questions while moving others toward professional help.**

IN THEIR WORDS

"I had ChatGPT walk me through it because I just need step-by-step directions on what to do, what websites to go to."

Consumer interview participant

WHAT CONSUMERS WOULD ASK AI BEFORE CALLING A LAWYER



Quality, experience, and cost still drive lawyer choice

When consumers search for a lawyer, the familiar marketing channels still rise to the top. They say they would turn to internet search (55%), referrals (54%), firm websites (45%), and reviews (42%). AI also appears in the mix, with 20% saying they would use an AI recommendation to find a lawyer. Separately, 6% of consumers who previously hired a lawyer say an AI recommendation played a role in that search.

What makes them choose one lawyer over another still looks remarkably familiar as well. Asked for the single most important factor in a routine matter, **consumers name attention to detail and quality (37%), prior experience (29%), and cost (23%). Speed of completing the legal work finishes last, at 3%**. Given more than one choice, experience moves to the front at 49%, followed by a reputable firm at 41% and positive reviews at 35%.

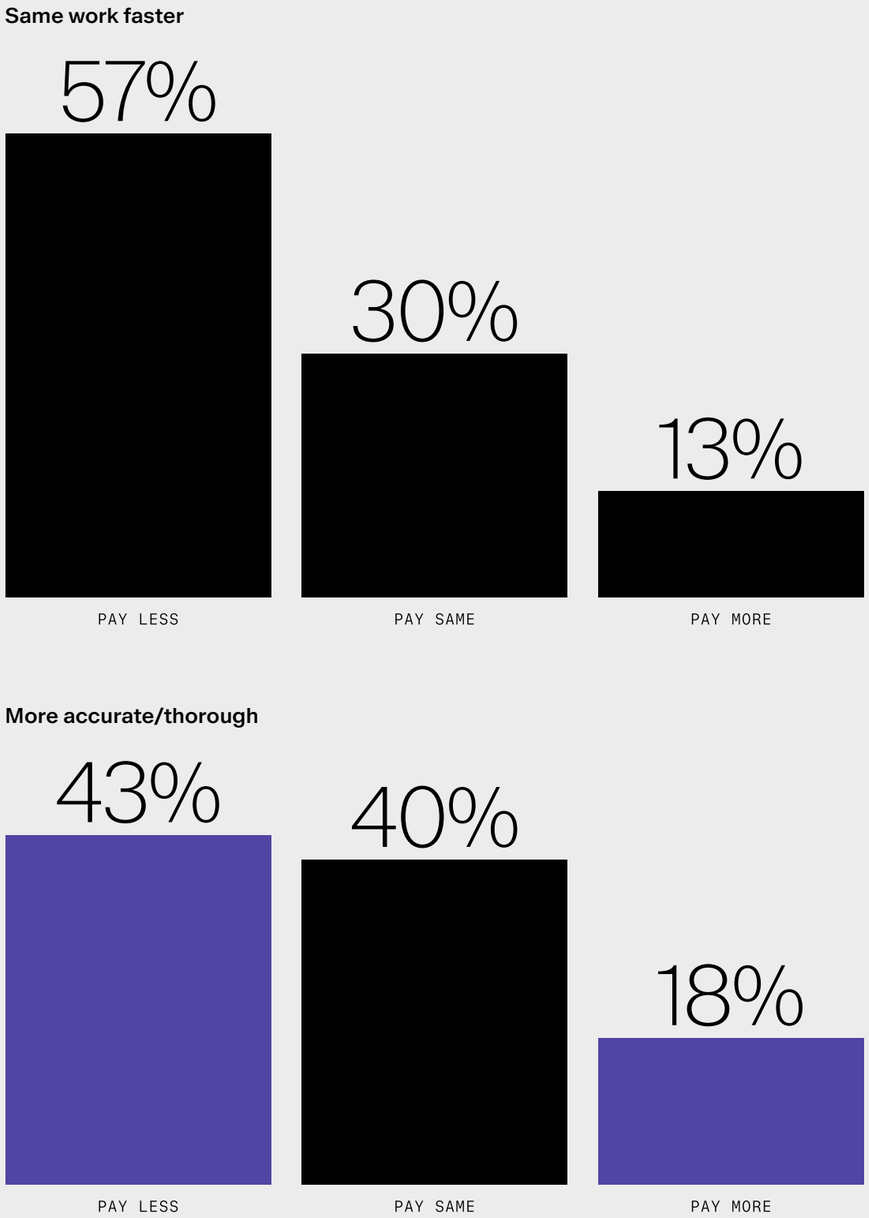
One thing most consumers don't choose a firm for is the technology it uses. Only 6% name modern tools or AI as a deciding factor in hiring. **Instead, firms use tools like AI to become better at the things clients have always valued: care, expertise, judgment, responsiveness, and quality work.**

Consumers still expect AI to lower the price

Consumers distinguish between value and price. Asked about value, **47% say AI reduces the value of legal services and 15% say it increases it**. On price, their expectations depend on what AI improves. When AI only makes the same work faster, 57% say it should cost less and 13% say it should cost more. **When AI makes the work more accurate or thorough, the gap narrows: 43% say it should cost less and 18% say more**.

Consumers expect a discount for speed more readily than for quality. Better work holds its price. Faster work alone does not. That puts the weight on the judgment behind the work: **what the lawyer catches, improves, recommends, and takes responsibility for, not how long the first draft took.**

CONSUMERS EXPECT AI TO LOWER THE PRICE, BUT LESS SO FOR BETTER WORK



What happens after contact still matters

Once a consumer contacts a firm, what the firm does next shapes whether they hire and how the business grows. Consumers rank speed of the legal work itself near the bottom of why they choose a firm, but they still expect a fast, organized response when they reach out.

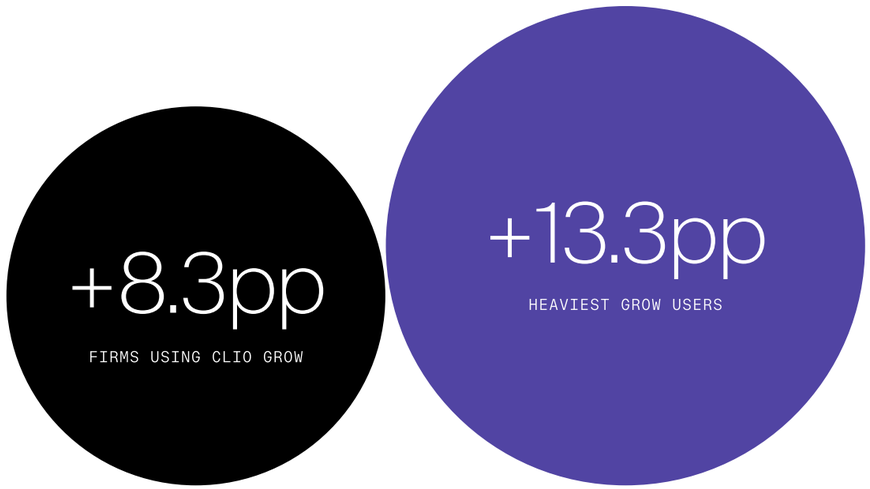
In a matched analysis over 24 months, firms using Clio Grow recorded **revenue growth 8.3 percentage points higher than comparable firms that didn't use Grow**. Revenue per responsible lawyer also grew 5.2 percentage points faster. Among firms making the heaviest use of Clio Grow, the revenue-growth difference reached **13.3 percentage points**.

The analysis is observational, but it points in the same direction as the consumer and intake findings: **systems that help firms capture, organize, and move prospective clients through intake are associated with stronger business performance.**

Technology can open the door, but the firm still has to follow through. A prospective client can find the firm, make contact, and begin intake, then disappear if nobody responds.

CLIO GROW USE IS ASSOCIATED WITH HIGHER REVENUE GROWTH

Difference in revenue growth over a matched 24-month period



Most stalled prospects receive no follow-up

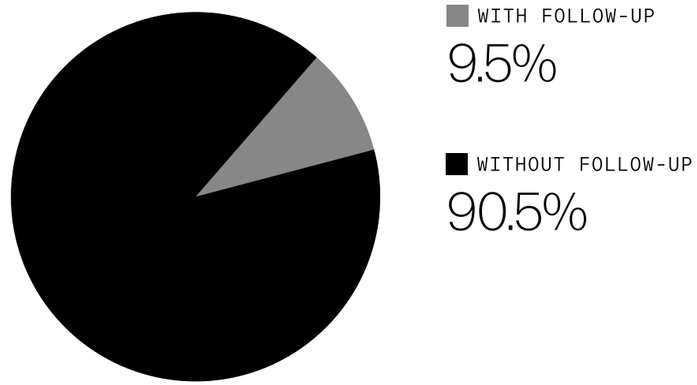
In Clio intake data covering 441,153 stalled U.S. matters between December 2024 and December 2025, where a stalled matter means an intake form went out and wasn't returned within seven days, only 9.5% received any follow-up within 30 days.

Fast follow-up is associated with a higher hire rate: **When firms followed up within the first 24 hours, the hire rate was 37%, compared with a 29% baseline.** Many firms fall short when it comes to responding quickly: Across 356,229 first contacts, the median firm took about 21 hours to make initial human contact with a new lead.

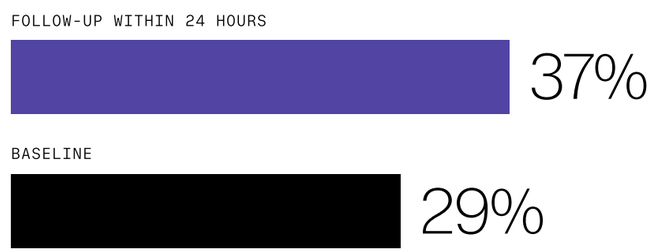
Follow-up is within the firm's control. A prospect who filled out a form or picked up the phone has already chosen to engage, yet most firms don't follow up while that intent is still fresh. **AI can create capacity inside the firm. One immediate opportunity is to use some of it to respond faster and more consistently to the people already knocking.**

MOST STALLED PROSPECTS RECEIVE NO FOLLOW-UP

Stalled matters: follow-up within 30 days



Hire rate



What AI at the start of a matter could look like in different practices

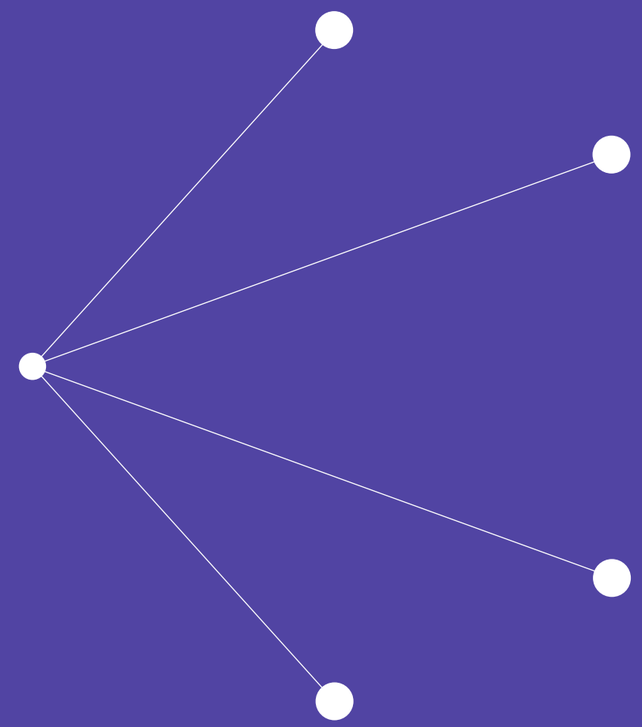
When and where AI enters a matter will vary by practice area and the uniqueness of the legal issue. **The more standardized the first step, the more likely a consumer can prepare or handle it on their own with AI.**

- → **In immigration**, for standard petitions and naturalization, a prospective client using AI may arrive already prepared, having run their own eligibility triage and form-filling.
- → **In estate planning**, a prospective client may show up with an AI-drafted will or an asset checklist, though execution formalities, trust funding, and complex family circumstances still need professional judgment.
- → **In personal injury**, a prospective client who may have researched their situation with AI still arrives needing the firm to value the claim, resolve liens, and negotiate.

AI can change both how a client finds the firm and what they bring when they arrive. A prospective client may come in with research completed, questions prepared, or documents already drafted. What happens next remains the firm's responsibility.

Once the client is inside the firm, the focus turns to where AI belongs, what review the work requires, and which decisions still need the lawyer's judgment.

AI can change both how a client finds the firm and what they bring when they arrive.



CHAPTER FIVE

Consumers accept AI support.

They still want the lawyer's judgment.

Comfort falls sharply for high-stakes matters

Consumers don't accept or reject AI as a category. Their comfort depends on what AI is doing, what's at stake, and how much lawyer judgment and supervision remain in the work.

Among people who recently hired a lawyer, comfort with their lawyer using AI splits almost down the middle: 38% are comfortable, 37% are uncomfortable, and 25% are neutral.

In a separate question asked of all 1,000 consumers, **comfort also depends on what AI is being asked to do**. Fifty-eight percent are comfortable with lawyers using AI to summarize documents, 57% with its use for drafting and scheduling, 52% for time tracking, and 51% for research. **That drops to 41% for client communication and 26% when AI makes decisions about a case.**

The higher the stakes, the lower the comfort.

Most consumers are open to AI in at least some matters, but that openness narrows as the stakes rise. Seventy-four percent would accept AI use in at least one of the matter types listed, including 14% who would accept it across all of them.

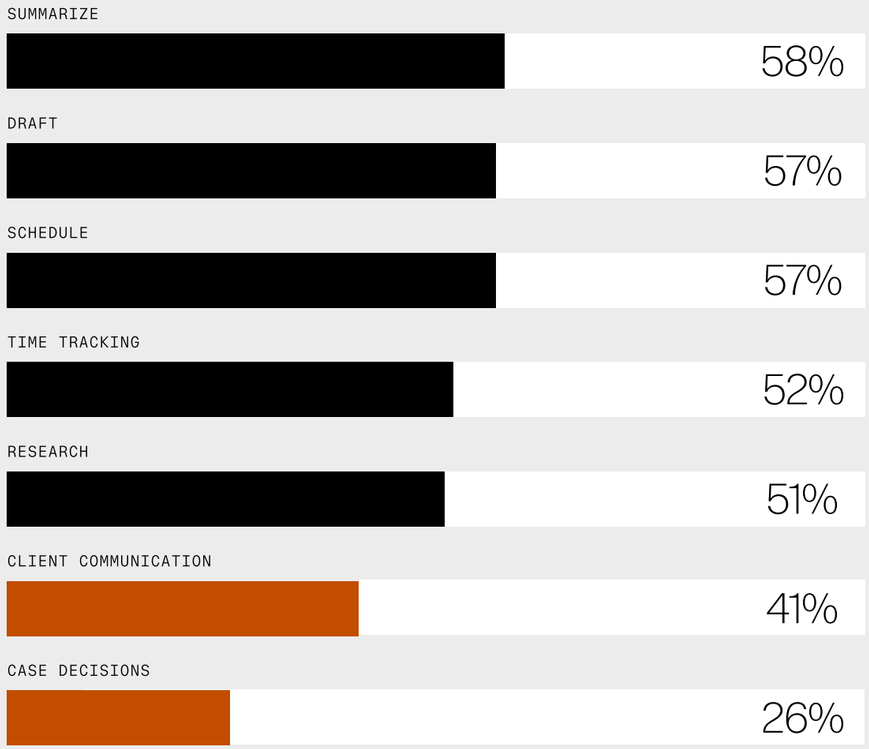
Including those who selected "all of the above," 57% would accept AI use in routine matters and 56% in lower-stakes personal matters. That falls to 27% for high-stakes financial matters and 20% for high-stakes personal matters.

Consumers are more comfortable with AI use when it supports a defined task and less comfortable when it approaches judgment or decision-making.

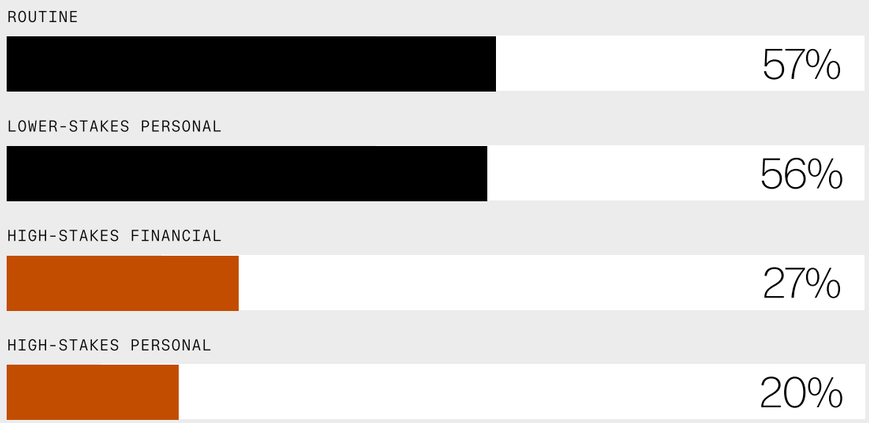
AI can assist with research, drafting, review, and analysis. The lawyer remains accountable for the advice, judgment, work product, and decisions delivered to the client.

CONSUMER COMFORT WITH AI

Comfort of AI use by task



Comfort of AI use by stakes



Consumers want review, privacy, and clear rules

The concerns consumers identify are specific. **Thirty percent worry that a lawyer will rely on AI instead of exercising professional judgment**, 26% about inaccurate advice, 24% that AI-assisted work won't be reviewed, and 20% about confidentiality.

Those concerns are also present inside the profession. In the American Bar Association's most recent legal technology survey, accuracy was the top concern about AI, named by about three-quarters of attorneys, followed by reliability and data security.[14]

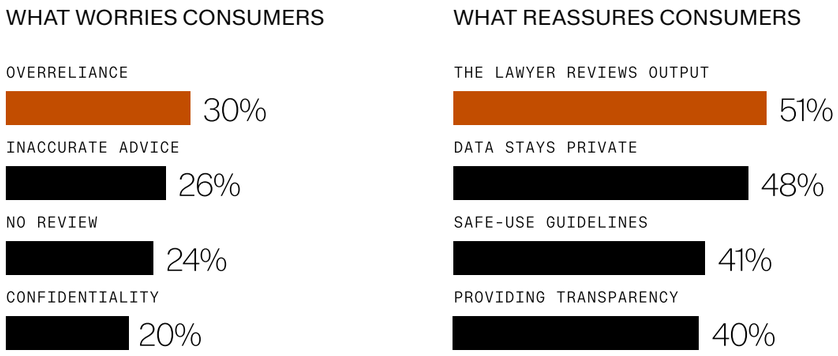
The reassurances consumers want closely mirror those concerns. Fifty-one percent want to know that a lawyer reviews the output, 48% want their data kept private, 41% want clear guidelines for safe use, and 40% want transparency about how AI produced the work.

IN THEIR WORDS

> "There's always a chance for error, human error or machine error. So it's just making sure that the quality of work that it's putting out is still checked by someone."
>
> Consumer interview participant

Disclosure is part of that reassurance. **Eighty-two percent of consumers want to know when their lawyer uses AI, and 70% say they trust a lawyer more for being open about it.**

In a choice between two firms equal on price and qualifications, 54% lean toward the firm that discloses its AI use, 23% have no preference, and 23% lean toward the firm that doesn't disclose. Disclosure ranks below experience, quality, reputation, and cost as a reason to choose a lawyer. It rarely wins the hire on its own, but it can settle a close decision.



Governance turns reassurance into practice

Among legal professionals, 51% say AI is allowed and encouraged at their firm, while 16% say it is allowed but not encouraged. Twenty-three percent report no formal policy, 6% don't know the policy, and 4% say AI is not allowed.

Formal governance lags exactly where adoption is thinnest. Among non-adopters and firms that tried and rejected AI, only 2% allow and encourage it, and 53% have no formal policy at all. Wide and universal adopters are the ones with rules in place. Only 4% of them lack a policy.

A policy gives the firm a way to translate broad responsibilities into repeatable decisions: which tools may be used, what client information may enter them, which outputs require review, when clients should be informed, and who remains accountable.

Those decisions reflect existing professional obligations. ABA Formal Opinion 512 says lawyers using generative AI must consider their duties of competence, confidentiality, client communication, supervision, candor to tribunals, and reasonable fees. It also makes clear that **lawyers remain fully responsible for work performed on a client's behalf, regardless of the tools involved.**[15]

The operational pressure is already visible. Sixty-seven percent of legal professionals at AI-using firms report new internal data-security concerns, up 20 percentage points from 2025. That increase may reflect greater awareness as well as greater exposure. It doesn't establish that firms using AI are less secure. It shows that as AI reaches more of the work, firms encounter more questions about where information flows, which tools can access it, and what safeguards are required.

Clients are asking those questions too. Forty-one percent of legal professionals at AI-using firms say a client has already asked how the firm uses or discloses AI. A firm without a clear answer is improvising at the moment a client is deciding whether to trust it.

Governance is how a firm makes its answer consistent. It connects the lawyer's responsibility for the work with the review, privacy, disclosure, and security controls clients expect.

[14] Mark Calaguas, "2024 Artificial Intelligence TechReport," American Bar Association, April 24, 2025.
[15] American Bar Association Standing Committee on Ethics and Professional Responsibility, Formal Opinion 512, "Generative Artificial Intelligence Tools," July 29, 2024.

CONCLUSION

The work has changed.

The firm is next.

When production gets cheaper, value moves

For most of modern legal practice, professional time has been what firms sell. It has set the price, shaped how junior lawyers learn, and driven the firm's growth. Clients pay for work priced on how much human effort it takes. AI is changing that game, and the effects are already visible.

Firms adopting Clio AI record more activity across their caseloads and stronger financial performance. Legal professionals using AI describe less tedious work, more capacity, and more confidence with complex tasks. Consumers reach for AI before they ever contact a firm, while still placing a premium on expertise, judgment, communication, and human review.

AI shifts where the value sits. When a first draft becomes easy to produce, producing it stops being what sets a firm apart.

More of the value sits in the judgment around it: understanding the question, building a strategy, testing the answer, weighing the consequences, and advising the client on what to do next.

The introduction of the spreadsheet is a modest parallel. It compressed vast amounts of calculation without ending the accountant's role. The work simply moved toward analysis, planning, and advice. In Clio's view, AI goes further than that, closer to the introduction of the steam engine or the automobile. The car was the tool, but its biggest effects showed up around it: roads, repair shops, insurance, traffic law, fuel infrastructure, whole industries that didn't exist before.

Inside the firm, legal work is no longer bound by the old constraints. Volume can grow because AI does what was once too costly to do by hand. Solo and small firms can take on work that used to belong to larger ones.

Beyond the firm, AI is changing how people find legal help, educating consumers before they ever call, and creating new kinds of legal demand as it changes how existing demand is met. New products and businesses bring new contracts, employment questions, intellectual-property issues, liability disputes, and regulatory regimes, along with new work in AI governance, verification, audit, supervision, and security. The needs are expanding, and some of them didn't even exist six months ago.

Capacity becomes depth, breadth, or something new

When production takes less effort, a firm has to decide what the freed capacity becomes.

- → **Depth:** more investigation, sharper analysis, stronger strategy, and more attention on the same matter.
- → **Breadth:** more matters, lower-cost offerings, and legal help for people the old economics couldn't serve.

Most firms will do some of both, and a few will find a third use that's hard to see from today's operating model, because the business it enables doesn't exist yet.

This is also why more capable AI doesn't have to make every firm look the same. As powerful models become common, what's scarce is the firm's own context: its clients, its matter history, its standards, its relationships, and its judgment.

And the lawyer stays responsible for what reaches the client. A professional overseeing more matters and more AI-assisted work has a larger surface on which judgment has to be exercised. Faster production raises the premium on that judgment.

Every gain pushes on the next limit

The effects don't stop at the firm. When one task speeds up, the constraint moves to the workflow around it, then to intake, supervision, billing, or client demand, and eventually outside the firm altogether. The consumer side is one part of that journey. Courts are another. As more people prepare filings and more firms move matters forward, judicial systems may have more to absorb, and the work around the decision—organizing records, tracing claims to evidence, verifying authority, and managing dockets—needs its own capacity while the decision itself stays with judges.

The same pressure will reach legal education, regulation, insurance, security, and oversight. In Clio's view, new standards will form around provenance, verification, disclosure, review, and accountability, and institutions may grow up to enforce them.

AI changes the work first. Then it changes the systems built around the work.

Where to focus next

Firms have stopped asking whether to use AI. Plenty who adopted it have left the practice essentially unchanged: Research gets faster while the matter still waits for review, and a document appears instantly while intake and billing move at the old speed. The bigger opportunity opens up when the assumptions underneath the firm change.

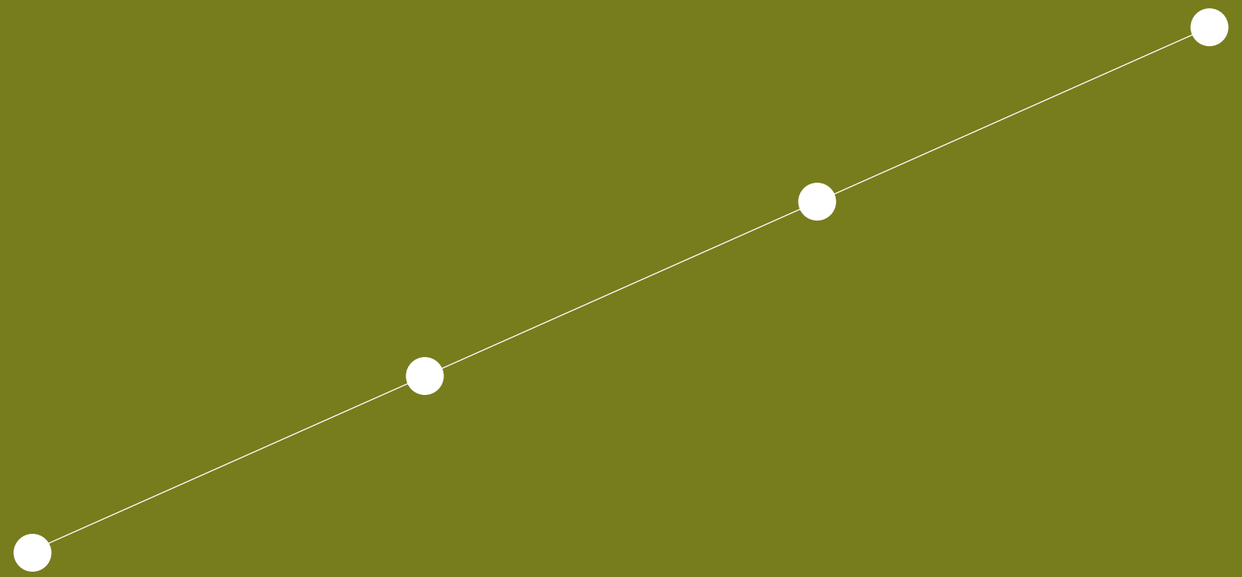
There's no single AI-native law firm. There's a new set of economics, and every firm decides what to build on top of it.

For a decade, the Legal Trends Report has measured how firms turn professional time into legal services, and the profession spent most of that decade trying to win back more of the lawyer's day. AI is changing the scarcity that put human time at the center in the first place.

The savviest firms won't stop at filling the hours technology hands back. They will focus on freeing lawyers to bring more judgment to more work, on what clients can access once the old limits fall away, and on the new businesses, roles, and challenges these capabilities will create.

The legal industry is being rewritten in real time, one firm, one client, one courtroom at a time.

The legal industry is being rewritten in real time, one firm, one client, one courtroom at a time.



APPENDIX A

Hourly rates and KPI data

Key performance indicators

Each Legal Trends Report includes data on average hourly rates and key performance indicators (KPIs) to help analyze lawyer and law firm productivity, efficiency, and revenue generation.

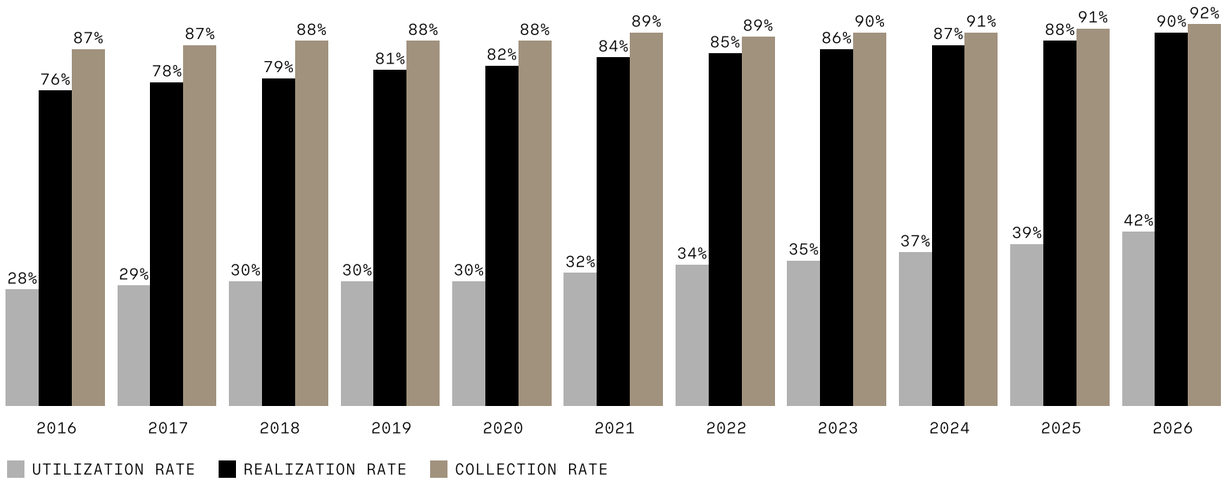
Clio's law firm KPIs benchmark how law practices perform over time, giving firms insight into how to measure and improve their performance. They include:

- **Utilization rate:** the percentage of an eight-hour day that gets recorded as billable work.
- **Realization rate:** the percentage of billable work that gets invoiced to clients.
- **Collection rate:** the percentage of invoiced work that gets paid.

Since 2016, firms have seen steady improvements across all three KPIs. In 2026, utilization is projected to reach 42.2%, realization 89.7%, and collection 91.9%.

Compared with 2016, firms are recording 53% more billable work per day, billing 19% more of their billable work to clients, and collecting 6% more of what they bill.

The lawyer's funnel shows how each KPI affects the amount of a lawyer's working day that ultimately becomes collected revenue.



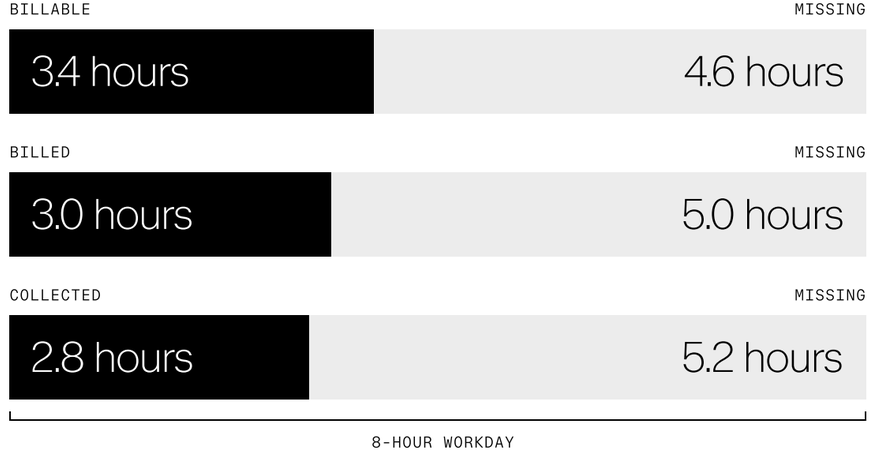
The lawyer's funnel

A utilization rate of **42.2%** means that about **3.4 hours** of an eight-hour day are recorded as billable work. A realization rate of **89.7%** means that about **3.0 hours** make it onto client bills. And a collection rate of **91.9%** means that firms ultimately collect the equivalent of about **2.8 hours** of work each day.

That represents a substantial change from 2016. Applying the same calculation to 2016's KPIs shows that firms collected the equivalent of about **1.4 hours** of work in an eight-hour day. In 2026, that figure is projected to be **93% higher**.

THE LAWYER'S FUNNEL

Average hours recorded, billed, and collected in an 8-hour workday



42.2%
Utilization rate

89.7%
Realization rate

91.9%
Collection rate

UTILIZATION, REALIZATION, AND COLLECTION RATES BY STATE

STATE	UTILIZATION LAWYER	UTILIZATION NON-LAWYER	REALIZATION	COLLECTION
AK	39%	29%	92%	94%
AL	41%	24%	84%	93%
AR	31%	21%	82%	89%
AZ	40%	29%	87%	92%
CA	39%	29%	83%	94%
CO	37%	28%	91%	95%
CT	32%	28%	77%	93%
DC	30%	26%	80%	95%
DE	34%	31%	87%	96%
FL	38%	28%	81%	91%
GA	36%	28%	82%	91%
HI	34%	23%	89%	96%
IA	39%	20%	80%	94%
ID	40%	23%	93%	94%
IL	40%	23%	85%	94%
IN	36%	20%	85%	89%
KS	37%	23%	84%	93%
KY	41%	22%	88%	94%
LA	38%	24%	85%	92%
MA	33%	25%	84%	92%
MD	34%	22%	86%	93%
ME	42%	21%	90%	95%
MI	38%	25%	84%	93%
MN	34%	24%	87%	93%
MO	38%	22%	85%	93%
MS	35%	22%	79%	88%
MT	41%	23%	88%	96%
NC	32%	23%	88%	90%
ND	33%	22%	92%	92%
NE	46%	27%	85%	94%
NH	32%	22%	88%	95%
NJ	41%	32%	78%	90%
NM	44%	30%	90%	96%
NV	45%	32%	88%	93%
NY	35%	23%	81%	92%
OH	37%	24%	85%	91%
OK	40%	22%	85%	93%
OR	36%	22%	87%	94%
PA	38%	24%	87%	94%
RI	44%	22%	86%	97%
SC	38%	26%	90%	91%
SD	44%	23%	86%	95%
TN	36%	23%	83%	90%
TX	38%	32%	86%	92%
UT	40%	27%	94%	96%
VA	32%	20%	88%	94%
VT	32%	21%	90%	96%
WA	38%	29%	90%	93%
WI	40%	21%	81%	93%
WV	38%	19%	75%	93%
WY	34%	21%	92%	92%

Source: Clio operating data, year to date through September 2026.

Lockup

Lockup measures how many days' worth of revenue are tied up in the billing and collection process. It consists of three measures:

- → **Realization lockup:** the number of days' worth of revenue sitting in unbilled work, also known as "work-in-progress lockup."
- → **Collection lockup:** the number of days' worth of revenue sitting in unpaid bills, also known as "debtor lockup."
- → **Total lockup:** the number of days' worth of revenue tied up across both unbilled work and unpaid bills.

Each measure is reported as a median and calculated separately, so realization and collection lockup do not add up to total lockup.

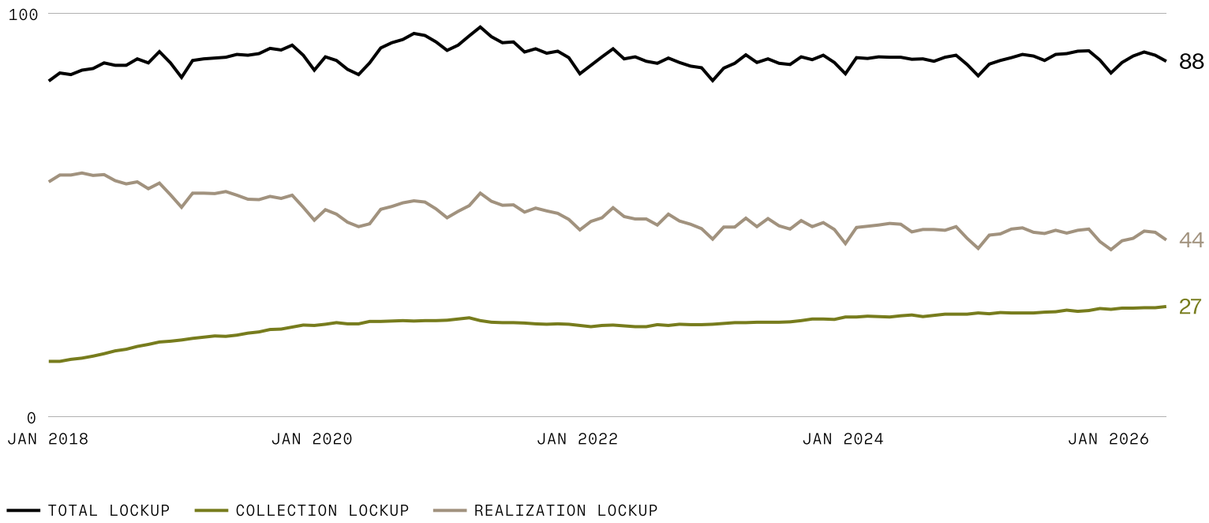
The longer-term shift in lockup shows firms moving work through billing faster, while collection lockup has remained relatively stable. In June 2026, realization lockup stood at 44.0 days, down from 45.8 days a year earlier. Collection lockup was 27.3 days, compared with 25.8 days in June 2025.

Despite those opposing movements, total lockup remained relatively stable at 88.2 days, compared with 89.6 days in June 2025. The typical firm therefore continues to carry roughly three months of work that has not yet made its way through the full billing and collection cycle.

LOCKUP DAYS

12-month rolling average

Days' worth of revenue



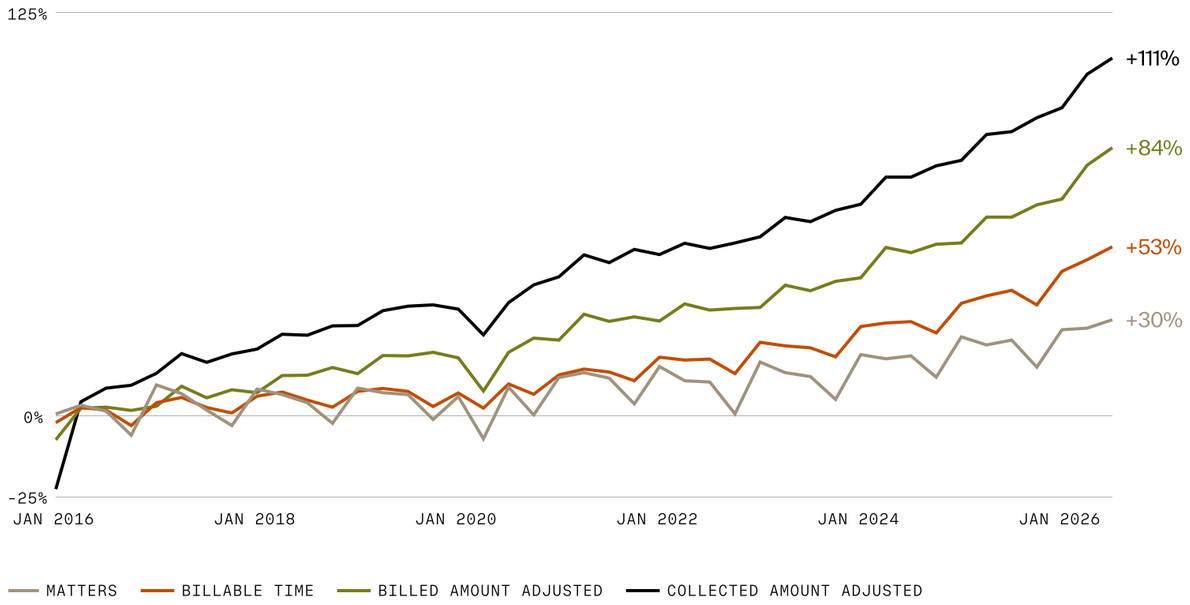
Legal productivity index

Preliminary data for the third quarter of 2026 shows that, compared with the 2016 baseline, the average timekeeper was handling about 30% more matters, recording about 53% more billable time, billing about 84% more, and collecting about 111% more after adjusting billed and collected values for changes in hourly rates.

Along with firms finding more clients, the steady increases in firm KPIs, and the resulting improvements to the lawyer's funnel, help explain these gains. As individual timekeepers put more of their time toward billable work, ensure that work gets billed to clients, and eventually collect upon that work, all of these factors contribute to the substantial increase in performance for individual timekeepers.

LEGAL PRODUCTIVITY INDEX

% change per timekeeper since 2016



Responsible lawyer revenue (year over year)

In 2025, responsible lawyers in firms with 20–199 employees averaged about **$494,000** in annual billings, compared with about **$156,000** at solo firms and **$240,000** at firms with 2–4 employees, roughly **3.2 times** and **2.1 times** as much, respectively. (Data shown for full years only.)

MEDIAN ANNUAL BILLINGS PER RESPONSIBLE LAWYER

YEAR	SOLO	2–4 EMPLOYEES	5–19 EMPLOYEES	20–199 EMPLOYEES
2016	$80,696	$123,250	$157,118	$144,286
2017	$66,417	$101,132	$124,135	$99,620
2018	$66,119	$107,887	$129,702	$107,368
2019	$69,201	$116,998	$141,681	$118,591
2020	$63,582	$110,538	$135,399	$113,351
2021	$67,334	$123,014	$156,600	$129,860
2022	$70,464	$132,222	$171,908	$163,228
2023	$75,900	$142,843	$192,710	$183,380
2024	$82,662	$154,188	$219,188	$235,209
2025	$96,924	$171,604	$262,547	$298,208

Source: Clio operating data. Full calendar years through 2025.

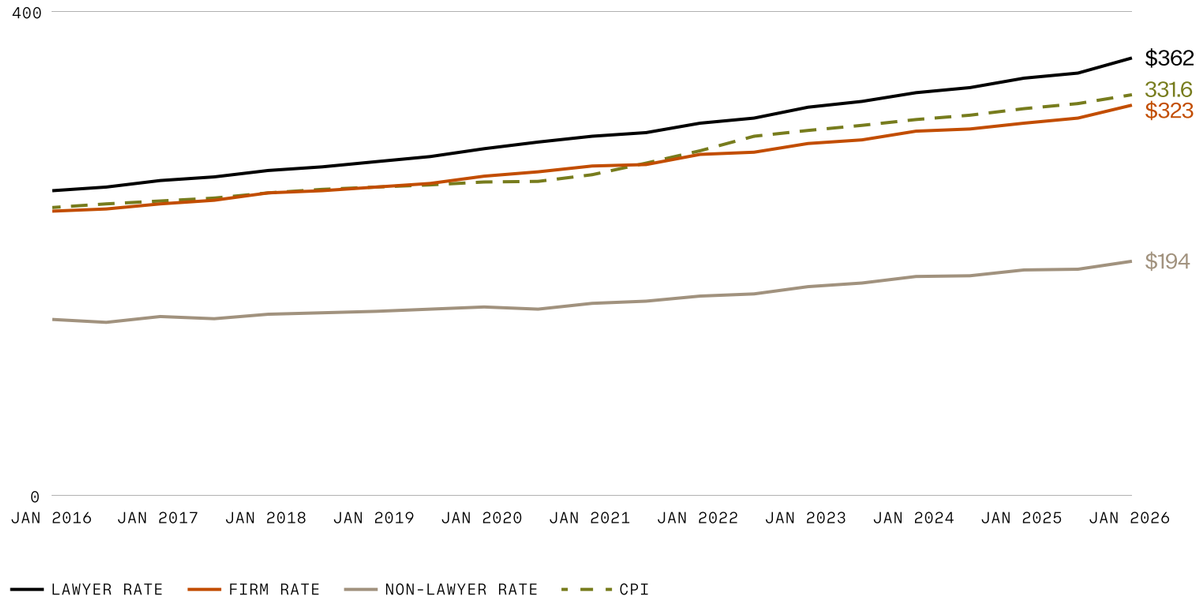
MEAN ANNUAL BILLINGS PER RESPONSIBLE LAWYER

YEAR	SOLO	2–4 EMPLOYEES	5–19 EMPLOYEES	20–199 EMPLOYEES
2016	$120,973	$168,057	$223,397	$273,740
2017	$105,925	$152,555	$201,579	$236,304
2018	$110,191	$161,383	$215,630	$258,161
2019	$114,334	$169,202	$231,911	$283,459
2020	$107,521	$163,428	$229,210	$275,201
2021	$116,321	$181,088	$259,894	$311,827
2022	$122,777	$193,229	$277,665	$348,582
2023	$129,734	$204,731	$300,276	$377,414
2024	$141,597	$219,365	$330,718	$422,060
2025	$155,712	$239,946	$375,038	$493,910

Source: Clio operating data. Full calendar years through 2025.

Hourly rates in legal

Through September 30, 2026, the average lawyer rate was **$362**, compared with **$323** across all timekeepers (the firm rate) and **$194** for non-lawyers. Since 2016, lawyer rates have risen about **42%**, compared with roughly **38%** inflation over the same period. Average firm rates have risen about **36%**, while non-lawyer rates have risen about **34%**.



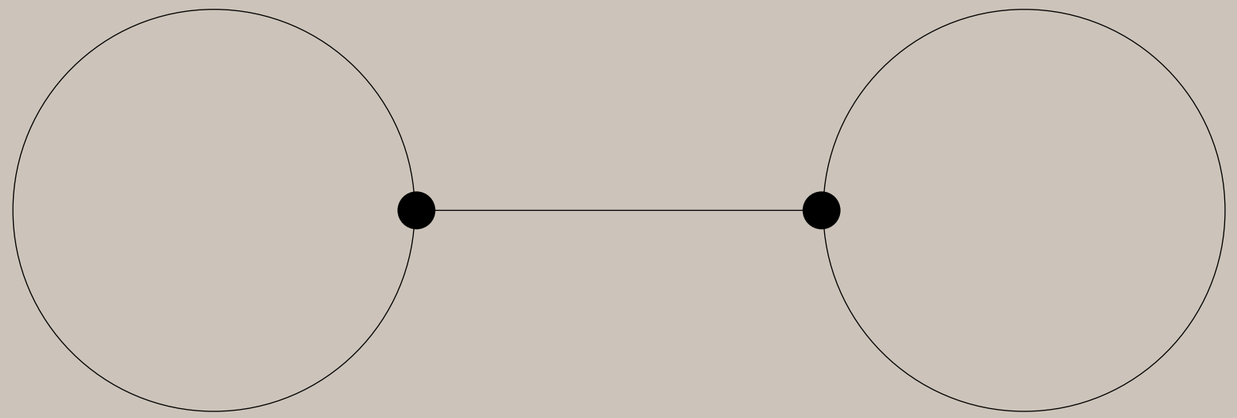
HOURLY RATES BY STATE

STATE	LAWYER	ADJUSTED RATE LAWYER	NON-LAWYER	ADJUSTED RATE NON-LAWYER	LAW FIRM	ADJUSTED RATE LAW FIRM
AK	$341	$331	$205	$198	$301	$291
AL	$251	$281	$146	$164	$232	$260
AR	$285	$328	$142	$164	$259	$299
AZ	$330	$328	$184	$183	$288	$286
CA	$430	$383	$220	$196	$377	$336
CO	$337	$331	$187	$183	$301	$296
CT	$433	$415	$234	$225	$378	$363
DC	$498	$449	$260	$235	$464	$419
DE	$506	$513	$255	$258	$432	$437
FL	$378	$365	$190	$183	$325	$314
GA	$372	$385	$209	$217	$328	$340
HI	$352	$321	$170	$155	$315	$287
IA	$274	$308	$163	$184	$255	$287
ID	$326	$353	$158	$171	$284	$308
IL	$361	$365	$210	$212	$336	$340
IN	$306	$332	$173	$187	$278	$302
KS	$328	$364	$164	$183	$296	$329
KY	$253	$281	$133	$148	$232	$258
LA	$278	$313	$123	$138	$251	$282
MA	$360	$334	$238	$221	$334	$311
MD	$376	$359	$210	$201	$342	$327
ME	$264	$270	$171	$174	$246	$251
MI	$305	$323	$173	$184	$279	$296
MN	$342	$348	$187	$190	$305	$310
MO	$314	$344	$164	$180	$283	$311
MS	$250	$288	$142	$164	$228	$262
MT	$273	$300	$146	$161	$249	$274
NC	$328	$348	$174	$184	$287	$304
ND	$322	$366	$192	$218	$292	$331
NE	$274	$303	$159	$177	$249	$276
NH	$321	$305	$195	$185	$287	$272
NJ	$349	$320	$205	$188	$318	$292
NM	$281	$309	$147	$162	$243	$268
NV	$338	$345	$168	$172	$287	$293
NY	$440	$408	$238	$221	$406	$377
OH	$287	$313	$151	$165	$260	$283
OK	$294	$331	$152	$172	$269	$304
OR	$344	$328	$174	$166	$301	$287
PA	$316	$324	$193	$198	$294	$302
RI	$387	$379	$221	$217	$364	$357
SC	$326	$349	$159	$171	$277	$296
SD	$256	$291	$139	$158	$240	$272
TN	$307	$333	$161	$175	$279	$303
TX	$380	$391	$188	$194	$322	$331
UT	$355	$371	$189	$197	$316	$330
VA	$395	$389	$217	$214	$357	$352
VT	$283	$291	$135	$139	$255	$262
WA	$363	$335	$200	$185	$317	$292
WI	$287	$308	$181	$194	$269	$289
WV	$205	$229	$129	$144	$195	$218
WY	$304	$332	$146	$160	$276	$301

HOURLY RATES BY PRACTICE AREA

PRACTICE AREA	LAWYER	NON-LAWYER	LAW FIRM
Administrative Law	$350	$158	$298
Appellate	$313	$186	$295
Bankruptcy	$481	$220	$412
Business Formation / Compliance	$400	$204	$370
Civil Litigation	$368	$179	$333
Civil Rights / Constitutional Law	$386	$173	$342
Collections & Debt	$339	$178	$294
Commercial / Sale of Goods	$426	$207	$405
Construction	$324	$152	$289
Contracts	$384	$193	$367
Corporate Litigation	$484	$241	$451
Criminal	$219	$163	$211
Elder Law	$308	$194	$274
Employment / Labor	$388	$183	$356
Family	$357	$192	$305
Government	$254	$162	$243
Immigration	$377	$258	$317
Insurance	$225	$116	$206
Intellectual Property	$461	$248	$419
Juvenile	$132	$133	$132
Mediation / Arbitration	$393	$221	$368
Medical Malpractice	$266	$145	$238
Personal Injury	$324	$162	$280
Real Estate	$399	$211	$366
Small Claims	$307	$172	$277
Tax	$446	$241	$393
Traffic Offenses	$345	$320	$337
Trusts	$419	$215	$350
Wills & Estates	$391	$205	$332
Workers' Compensation	$187	$124	$173

What firms charge is only part of the picture. How much work they record, bill, and collect tells the rest.



APPENDIX B

Detailed methodology

How the research was conducted

The 2026 research combines four primary sources of evidence: surveys of U.S. legal professionals, surveys of U.S. consumers, aggregated and anonymized Clio operating data, and qualitative interviews.

Survey data captures what legal professionals and consumers report about their experiences, behavior, and preferences. Clio operating data records activity and performance within the analyzed customer groups. Interviews provide context for how individual participants experience the changes described in the quantitative findings. The research also draws on external studies, historical Legal Trends Report findings, and perspectives from industry experts. Those sources provide context and forward-looking interpretation. They are kept separate from Clio's survey and operating findings.

Legal-professional surveys

The research included two surveys of 2,542 U.S. legal professionals in total. Respondents included lawyers and professionals involved in delivering or managing legal services, such as paralegals and administrators.

The first survey included 1,442 respondents: 500 from an independent market panel and 942 current Clio customers. It was fielded from April 30 to May 20, 2026. The second survey included 1,100 respondents: 500 from an independent market panel and 600 current Clio customers. It was fielded from June 25 to July 16, 2026.

The surveys covered AI adoption, tools and use cases, reliance, workplace outcomes, staffing, training, skills, firm performance, pricing, and governance. Some questions were asked only of respondents with relevant experience, including legal professionals whose firms use AI. The base therefore varies by finding and is identified alongside the relevant analysis.

Because the samples combine market-panel respondents and Clio customers, the findings describe the surveyed populations. They should not be interpreted as a census of all U.S. legal professionals.

Consumer surveys

Two surveys included 2,000 U.S. adults in total. The first surveyed 1,000 adults from an independent market panel and was fielded from April 30 to May 5, 2026. The second surveyed another 1,000 adults and was fielded from July 2 to July 7, 2026. Both samples were designed to represent the U.S. population by age, gender, region, income, and race or ethnicity, based on U.S. Census statistics.

The research examined how consumers approach legal problems, find and choose lawyers, use AI for legal questions, and evaluate AI use in legal services. Topics included price, quality, speed, disclosure, privacy, trust, and human review. Some questions use smaller bases because they were asked only of people with a particular experience. Examples include consumers who recently hired a lawyer, consumers who previously used AI for a legal question, and consumers willing to consult AI before contacting a lawyer.

Hypothetical preferences and stated intentions describe what respondents say they would do. They do not guarantee future behavior.

Clio operating data

The operating analyses use aggregated and anonymized data from Clio customers. The data captures activity recorded within the analyzed Clio systems, including revenue, utilization, collection, billable activity, matter activation, matter progression, product use, and client intake. Operating data cannot capture every activity performed outside Clio or every factor that may affect firm performance. Other factors may include management, demand, staffing, practice mix, pricing, and the use of technology outside the analyzed products.

Survey respondents and firms represented in Clio operating data are separate populations. Survey findings and operating measures are therefore reported separately.

Comparing AI adopters with non-adopters

The principal firm-level AI analyses use a difference-in-differences design. Firms that adopted Clio AI tools are compared with similar Clio firms that did not adopt them. Each group is also measured against its own pre-adoption performance. The design compares changes over time between matched groups, helping reduce bias from stable baseline differences and broader changes affecting both groups. It remains observational and does not establish causation. The findings identify operating differences associated with AI adoption and do not by themselves establish that AI caused the observed differences.

The primary analysis compares firms using any Clio AI tool with comparable non-adopters. A separate analysis examines firms using AI across both substantive legal work and firm operations through Clio Work and AI in Manage. Revenue differences are reported as percentages and average monthly dollar amounts per responsible lawyer. Utilization and collection differences are reported in percentage points. Percentage-point changes and relative percentage changes are identified separately.

Matter activation and progression

Matter activation measures the share of already-open hourly matters that record billable activity in a given month. The hourly-matter analysis also examines open matters per responsible lawyer, billable hours per active matter, and hourly rates. Looking at these measures together helps distinguish a larger share of the existing caseload receiving work from changes in caseload size, time spent on each active matter, or price.

Matter-progression analysis examines whether matters reach defined milestones within set periods. The milestones used in the 2026 analysis are first recorded activity within 14 days, first billable activity within 14 days, and first payment within 90 days.

The matter-activation and matter-progression findings use operating data from defined Clio customer groups. They are separate from legal professionals' survey responses about capacity, revenue, or client service.

Clio Grow and client-intake analyses

The Clio Grow analysis compares approximately 6,000 firms using Grow with approximately 6,000 firms that did not use Grow over a matched 24-month period. The analysis examines revenue growth and revenue growth per responsible lawyer. The Grow analysis is observational. The findings describe differences associated with Grow use and do not establish that Grow alone caused the differences.

The intake analysis covers 441,153 stalled U.S. matters from December 2024 to December 2025. A stalled matter is defined as a matter where an intake form was sent and had not been returned within seven days. The analysis examines whether firms followed up within 30 days and the relationship between follow-up timing and hire rates. Firms that follow up quickly may differ from firms that follow up slowly in ways the analysis does not measure. A separate response-time analysis covers 356,229 first contacts and measures the time between the initial inquiry and the first recorded human response.

Extent of AI adoption

The extent-of-adoption measure comes from the following survey question: “How extensively is AI adopted within your firm’s legal process?” The response scale includes not adopted, tried and rejected, minimal adoption, partial adoption, wide adoption, and universal adoption. Among the 1,442 legal professionals who answered the question, 12% reported no adoption, 3% reported that their firm had tried and rejected AI, 27% reported minimal adoption, 36% partial adoption, 18% wide adoption, and 4% universal adoption. Claims about the extent of adoption use these scale labels. “Wide adoption” and “universal adoption” refer specifically to the two highest response levels. The AI Progression Model is a separate editorial framework describing changes to the work surrounding AI. Firms were not empirically assigned to its Experimenting, Embedding, Connecting, or Rebuilding stages.

Reliance and disruption

Reliance was measured among 854 legal professionals using AI. Respondents were asked how disruptive losing access to AI would be to their work. Adjusted analysis examined the relationship between extent of adoption and reported disruption while accounting for role and firm size. The result is associational and reflects respondents’ expectations about losing access to AI. The follow-up survey did not collect the type of AI tool used for this question. Disruption therefore cannot be compared between users of legal-specific and general-purpose AI.

AI use cases

The most common AI uses come from the legal-professional survey, with a base of 1,225 respondents at AI-using firms. The applications described as essential to daily work come from the follow-up survey, with a base of 854 AI users. The questions use different wording and different respondent groups, so their percentages are presented separately. The share using AI for research, drafting, and summarization describes respondents who selected all three applications. It is a self-reported measure rather than a matter-level operating measure.

Clio’s in-app activity analysis is a separate source. It records activity within Clio’s AI products and groups that activity into areas such as document-related work, legal workflows, and billing.

Workplace outcomes and firm health

Workplace outcomes are self-reported by legal professionals whose firms use AI. The 2026 base is 1,178 respondents. The comparable 2025 base is 1,112. The findings capture whether respondents say AI improved aspects of their work, including job satisfaction, stress, work-life balance, confidence, professional development, and desire to remain at their firm. They are reported experiences rather than measured employment or retention outcomes. The work-related stress comparison comes from a separate question about current firm health. It compares favorable stress ratings across adoption groups at one point in time. It does not measure changes in an individual’s stress before and after AI adoption. Comparisons between legal-specific and general-purpose AI are also associational. Some respondents use both types of AI, so the groups overlap. Adjusted analysis accounts for extent of adoption and firm size.

Staffing, training, and skills

Staffing findings come from a survey battery asking legal professionals whether AI had contributed to increases, decreases, or no change across several roles. No change was the most common response in every role category, and reported additions outnumbered reductions. Training and professional-development findings come from the follow-up survey of 1,100 legal professionals. Of 854 AI adopters who received the question, 691 provided an applicable response. The percentages exclude respondents who selected “not applicable.”

The skills comparison uses separate questions asked of 1,100 legal professionals and 1,000 U.S. consumers. Respondents could select up to three skills, so the percentages do not total 100%.

Reported firm outcomes

Firm-level benefits are self-reported by legal professionals at AI-using firms. The 2026 base is 1,178 respondents, with a comparable 2025 base of 1,112. The survey asks whether AI has affected areas such as the quality or value of work, client response, capacity, time to invoice, operating costs, conversion of inquiries, client satisfaction, data-security concerns, and revenue. “Quality or value of work” is one combined survey item. The research does not measure quality and value as separate concepts within that question. Reported revenue impact reflects respondents’ assessment of AI’s effect on firm revenue. It is separate from the revenue recorded in Clio operating data.

Consumer AI use and outcomes

Consumer use of AI for legal questions comes from the first survey of 1,000 U.S. adults. Willingness to consult AI before contacting a lawyer comes from the second survey of 1,000 adults. Questions about intended uses of AI were asked of 462 consumers who said they would consult AI first. Questions about the outcomes of prior AI use were asked of 241 consumers who had already used AI for a legal question. Respondents could select more than one use or outcome. The percentages describe overlapping experiences and should not be read as stages in a single consumer journey. Task-level comfort, comfort by matter stakes, concerns, and preferred reassurances come from separate questions. The concern question allowed respondents to select up to two answers. The reassurance question allowed respondents to select all that applied. Concerns and reassurances are presented together for readability. They were not tested as direct cause-and-response pairs.

Qualitative interviews

The qualitative research included interviews with 12 legal professionals and 16 consumers. Legal-professional interviews explored how AI affects legal work, billing, workflow, training, and client service. Consumer interviews explored lawyer selection, AI use, pricing, trust, disclosure, and professional oversight. Interview evidence is illustrative rather than representative. Quotations show how individual participants describe an experience or decision. They do not estimate how common that experience is.

External research

External research provides context for findings on automation, training, professional development, associate attrition, pricing, market structure, and the justice system. External findings remain attributed to their original sources and populations.

How to read the findings

Percentages use respondents who answered the relevant question unless otherwise stated. Survey routing means the base varies across findings. Percentages are rounded for publication, so displayed values may not always total 100%. Questions allowing multiple responses may total more than 100% because each response option is calculated independently. Percentage changes and percentage-point changes are different measures. A rise from 40% to 42% is an increase of 2 percentage points and a relative increase of 5%.

Year-over-year comparisons are made only when the underlying questions, response options, and samples are sufficiently comparable. A numerical difference between years does not necessarily indicate a statistically significant change. Regression and other adjusted analyses test whether relationships remain after accounting for measured factors such as firm size, extent of adoption, role, age, or billing model.

Odds ratios describe differences in odds rather than differences in the percentage of respondents. Statistical adjustment can reduce some alternative explanations, but it does not establish causation.

Survey findings are described using language such as “legal professionals report” or “consumers say.” Operating findings use language such as “firms record.” This distinction separates reported experience from activity observed in Clio’s operating data.

About

Clio is the global leader in legal AI and the company behind the Intelligent Legal Work Platform, the industry's first system of action for the business and practice of law. By making AI native to research, drafting, matter management, and firm operations, Clio brings clarity and confidence to legal work at every scale. Trusted by legal professionals worldwide and endorsed by more than one hundred bar associations and law societies, Clio is the benchmark for modern legal work.

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