

LEGAL INNOVATION REPORT ASIA 2026

In Association with Asia-Pacific Legal Innovation & Technology Association

Al Meets Law: The Next Frontier



Innovation within the legal sector across Asia is advancing at an unprecedented pace. This report examines the transformative influence of technology, with a focus on generative AI on the legal landscape.

Drawing on research and facilitated roundtable discussion groups, we engaged with legal professionals from across the region to gain a deeper understanding of the evolving digital environment and the opportunities and challenges it presents.

The report analyses how technological developments are reshaping the roles and practices of legal and allied professionals, and assesses the extent to which legal industries in Asia are equipped to navigate and capitalise on this new era of innovation and possibility.

The Research Process

We have conducted research groups in Singapore, Kuala Lumpur & Hong Kong and had conversations with leading legal professionals across Asia Pacific to gain pure and accurate information on the challenges, opportunities and emerging trends in the industry.

The themes and ideas that have emerged throughout this report will be taken and used to inform the agenda for the 2026 Legal Innovation Festival.

The Event

Legal Innovation Festival SE Asia will be held at the Sands Expo & Convention Centre, Marina Bay Sands, Singapore. We are bringing together participants, speakers and exhibitors to discuss the issues that matter to the industry.

This event is a not-to-be missed networking opportunity and will also provide a forum to hear from a large contingent of technology providers from the APAC region. Across two days attendees will be able to hear from keynote speakers, real-world case studies and interact with panel discussions and product demos.

We hope this report informs and inspires you to embrace innovation and drive change in your organisation.



Anna Turner

Program and Content Director,
Legal Innovation Festival







Introduction from Asia-Pacific Legal Innovation & Technology Association



Asia-Pacific Legal Innovation & Technology Association (ALITA) is proud to collaborate with Legal Innovation Festival - Southeast Asia on two of the roundtables and this report summarising the engaged dialogue amongst key stakeholders from law firms, the bar, in-house legal departments and technology solution-providers.

It was wonderful that the roundtables were held in the two jurisdictions where our co-chairs reside, where Brian served as a facilitator for the Hong Kong Roundtable, and Adeline was an active participant for the Kuala Lumpur Roundtable.

Many of the themes discussed reflected the findings of our **ALITA State of Legal Innovation Report 2025**, which found that nearly 90% of our survey respondents currently use AI in their work, of which 51% currently use both general and legal specialist AI tools.

(ALITA SOLIA Report 2025 is available for free download – just click on the link at the bottom of the page).

This rapid rate of AI adoption across APAC provides tremendous opportunities and challenges, and demonstrates the urgent need for different segments across the legal sector to adapt their current mindsets, skillsets and business models.

ALITA looks forward to working across the different APAC jurisdictions and stakeholders to build a community of practice to foster responsible and inclusive legal innovation and technology across the Asia-Pacific region together.



Brian Tang

ALITA Co-chair & LITE Lab@HKU
Founding Executive Director



Adeline Chin
ALITA Co-chair & Co-Founder
/C00 Chambers Lab

ALITA SOLIA Report 2025

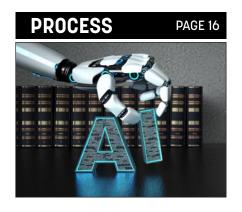
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The legal industry is undergoing an evolutionary change driven by new technologies, most prominently, generative AI, along with shifting attitudes and expectations from the next generation of lawyers. This report will unpack the opportunities, challenges and realities that legal and allied legal professionals are facing in Singapore, Malaysia and Hong Kong, and will explore how this shift is being managed.







2026 Research Collaborators

A huge note of thanks to the following organisations who participated in the research process:

A+E Networks Asia

Accenture

Air Asia

ALITA

Allied World

Amazon Studios

Artificial Intelligence

Association of Hong Kong

Ashurst

ASM

Bolttech

Borouge

CelcomDigi

ChainArgos

Chambers Lab

CITD

Cleantech Solar

Coda Payments

Deacons

Esquel

FactSet

GIC

GSG

Herbert Smith Freehills

Kramer

INOLABS

IOI Properties Group

Berhad

IPOS

Jardine Matheson

Johnson Stokes & Master

Kacific

LexisNexis Risk Solutions

LITE Lab@HKU

Linklaters

Linklaters Singapore

Madison Pac

Maybank

Messrs. Deol & Gill

MTR Corporation Limited

Nium

PetroChina International

PwC Hong Kong

PwC Singapore

Rajah & Tann Asia Academy

SARAH YONG & CO.

Advocates and Solicitors

Standard Chartered Bank

Stephenson Harwood LLP

Withers LLP

Xendit

TECHNOLOGY

Legal technology encompasses an increasingly wide variety of digital tools, software, applications and platforms that are transforming practice. These technologies include everything from document automation to contract review tools to e-discovery and are continually improving and evolving.



uring the roundtable research groups, the key technological development that was discussed was generative AI and the impact that it is having on legal work in both law firms and in-house legal teams. Attendees agreed that Artificial Intelligence is reshaping the management, delivery, and value of legal work, not by replacing lawyers, but by transforming how they operate.

The overarching sentiment is that lawyers who effectively leverage AI are positioned to outperform those who do not, however, quality assurance remains a critical consideration, with firms needing to rigorously measure the reliability, accuracy, and return on investment of these tools.

Selection of tech was identified as a challenge at all the roundtables, with so much on the market and, in some jurisdictions, no standards to vet them, participants felt that it was often difficult to get a clear understanding of what vendors are offering and what use of the system or tool will look like long term.

In addition to this, with the speed that these technologies are evolving, the legal sector can struggle to keep up. To assist with this challenge, entities such as the Malaysian Bar Council and ALITA have projects and ecosystem maps in development and published to help legal and allied legal professionals navigating the complex vendor landscape.

The next challenge when it came to technology for our roundtable participants was adoption. Budget constraints and return-on-investment pressures play a significant role in shaping technology adoption within the legal sector, particularly for smaller organisations that lack the financial capacity of larger firms.

This disparity creates uneven access to advanced tools and contributes to a widening market gap. Participants felt that even when technology is available, effective adoption required substantial investment in training, onboarding, and ongoing support – resources that are often stretched thin. A further challenge lies in the disconnect between the capabilities of new technologies and the willingness or ability of lawyers to integrate them into their daily work.

For those with businesses spanning different countries or regions, adoption is often not unified, with differences in language, regulatory environments, and levels of technological literacy causing implementation challenges across jurisdictions and teams.

Issues around adoption link into another key challenge of technology, in particular generative AI, for participants, that of data privacy and confidentiality. Driven by high client expectations, law firms are typically developing stringent governance protocols and taking a more conservative approach to how they adopt and implement AI.



To protect sensitive information, many firms are restricting or blocking access to external tools, opting instead to develop private or internal AI systems that meet stringent compliance and security requirements. While this approach offers greater control, it often comes with substantial financial investment, and in some cases, this approach has led to the rise of shadow use, where individuals turn to unauthorised tools to bridge gaps.

These precautions are understandable at this early stage; however, it was noted that 3rd party vendors will not survive in the marketplace if they are not secure, with some attendees suggesting that generative AI would likely follow a similar trust journey to Cloud.

Establishing clear governance frameworks from the outset is critical, not only to mitigate the risk of misuse but also to build trust and manage client expectations effectively. This proactive stance on governance and security is becoming a defining factor in responsible and sustainable Al adoption within the legal sector.

Attendees agreed that to ensure that technology adoption in the legal sector is successful, it needs to be purpose-driven, underpinned by clear communication of its value to the organisation and its people. Ignoring purpose and failing to communicate the value and use cases for new technologies was a common frustration that many roundtable participants reported seeing in their own organisations.

Cybersecurity was highlighted as a major pain point for firms and in-house teams alike.

Solutions discussed at the roundtables for managing mitigating threats included:

Strengthen data protection and access controls

Implement robust encryption, multifactor authentication, and strict user access policies to safeguard sensitive client and organisational information.

Regularly assess and update security infrastructure

Conduct frequent penetration tests, vulnerability scans, and system audits to identify and address evolving threats.

Build a strong incident response plan

Establish clear protocols for detecting, reporting, and responding to breaches, including communication strategies for clients and regulators.

Invest in staff training and awareness

Ensure legal professionals and support staff understand phishing, social engineering, and secure data handling to reduce human error risks.

Manage third-party and supply chain risks

Vet and monitor external vendors, cloud providers, and partners to ensure they meet rigorous cybersecurity and data privacy standards.



Education plays a critical role in this process, and lawyers and leaders alike need a solid understanding of what AI is, how to use it safely, and what realistic outcomes to expect in order to overcome fear and misconceptions.

The majority of roundtable attendees would fall under the 'tech champion' category in their organisations, and expressed that managing the expectations of others in the business when it comes to generative AI was a challenge.

Securing senior management buy-in is often a key hurdle, particularly when leadership lacks familiarity with generative AI and its practical applications.

Additionally, many lawyers operate within fixed mindsets shaped by traditional practices, meaning that shifting towards a growth mindset requires time, targeted education, and well-defined incentives. Together, these elements form the foundation for meaningful and sustainable adoption of Al and other emerging technologies.

"Recent discussions about legal AI reveal something important: technology by itself doesn't create change. Large language models need real legal expertise and active lawyer participation to deliver actual value, but we consistently underestimate how difficult implementation becomes in practice. The obstacles go beyond simple capability issues and touch every part of how a firm operates.

Leadership needs to drive cultural change while tackling skills gaps and time pressures, all as clients increasingly demand efficiency through different fee structures. Most firms face the classic learning curve dilemma where productivity initially drops, and they're still figuring out which applications work best and how to train people on techniques like effective prompting.

When you add budget limits, too many technology options, privacy issues, and scaling problems for smaller practices, the full scope of the challenge emerges. Instead of chasing individual solutions, the real value comes from how the whole ecosystem works together to solve these interconnected problems and match innovation with what lawyers actually need."



Jonathan Voo Senior Innovation Manager, Johnson Stokes & Master



"The nature of legal services is going through a paradigm shift. The legal profession must leverage technologies such as Generative AI (GenAI) to complement legal services by understanding both the strengths and limitations of GenAI. Both are equally important.

As a rule, GenAl must be leveraged to complement and not replace thinking. Skills in prompting in key."

Sarah Yong Li Hsien

Advocate & Solicitor, Sarah Yong & Co.,
Advocates and Solicitors

"Generative AI is already transforming how in-house legal teams operate, but its impact will ultimately depend on mindset and adoption.

At Xendit, one of our uses of AI is to reduce low-value work like contract triage and knowledge retrieval, giving lawyers back time to focus on judgment, relationships, and strategy. The challenge is less about the technology itself but ensuring accuracy, trust, governance, and speed keep up with the business.

The most successful legal teams will be those that embrace AI as an accelerator and sparring partner, not a replacement."







"The contrast of willingness to embrace AI is evident between private practice, where AI is often seen as competition eroding traditional models, and in-house roles that view it as a protégé to ease recruitment and retention challenges amid high turnover.

Looking ahead, the future of the legal industry, much like healthcare's evolution, lies in ethical AI integration to enhance efficiency, solve talent gaps, and redefine service delivery for greater innovation and satisfaction."

Joshua Chu Senior Consultant, Prosynergy Consulting

Client relationships, generative AI & pricing models

Discussions with legal and allied legal professionals from both law firms and in-house teams revealed evolving client expectations in the era of generative AI. Clients in technology-mature sectors increasingly expect their legal partners to mirror the efficiency and innovation found within their own organisations, placing pressure on law firms to adopt AI tools to remain competitive.

This shift raises complex questions around billing and disclosure, with research group participants offering varied perspectives.

Some suggested that disclosure should be generic and included in terms and conditions, others believed it should be addressed only when privacy or quality concerns arise, and many agreed that the key consideration is whether a human remains 'in the loop.'

There is also the issue of paying for the AI tool itself, although the use of generative AI saves time and therefore billable hours, the technology itself is expensive; to address this issue, some firms are starting to bill for the use of generative AI. Roundtable participants stressed that, as the

nature of legal work changes, it is crucial to have open conversations with clients and practice transparency.

The conversation around pricing models has intensified heading into 2026, with generative AI amplifying existing tensions between traditional billable hours and value-based billing. While some believe clients are ready for alternative pricing models, many still prefer the familiarity of hourly rates.

Transitioning to value-based pricing requires significant cultural and operational shifts, particularly in determining how to price work produced or augmented by Al. Attendees debated whether pricing should directly reflect value, how individual contributions factor into compensation, and how initial client engagement channels influence expectations.

As boutique firms increasingly experiment with values-based approaches, the industry continues to grapple with whether the billable hour will remain dominant or give way to new models in the Al-enabled legal marketplace.



"The business of law thrives on the seamless integration of people, technology, and innovation. Technology must be adopted with careful consideration of organisational culture, budget, and relevance, while people strategies hinge on effective collaboration, talent acquisition, retention, and growth. Innovation, often mistaken as purely technological, extends to business model transformation – as demonstrated by Chambers Lab through initiatives like Asia's first virtual chambers, Nusa Chambers, and Malaysia's premier barristers' chambers, Endeavour Group Law Practice."

Adeline Chin Co-Founder / COO, Chambers Lab & Co-Chair, ALITA



Ron Yu
Legal & Professional Services
Committee Co-Chair, Artificial
Intelligence Association of Hong Kong

"Rapid advancements in AI have enabled us to develop, deploy and introduce innovative AI tools that:

- allow lawyers to efficiently organise documents into polished case bundles,
- streamline invoice and receipt classification and listing,
- automate document creation for cases such as divorce or personal injury, with speed and costeffectiveness not possible just months earlier.

Given the new possibilities AI introduces, we need events like the Legal Innovation Festival and ALITA Research Group Discussion to provide the vital fora for legal professionals, academics and other interested parties need to explore and discuss the transformative impact of AI on the legal profession – and the related implications."

"Technology is here to stay. Technology is our past, our present, out future. We must adopt and adapt. Resistance is futile.

Technology, in general, and Artificial Intelligence (AI), in particular, will replace lawyers, who fear it or who refuse to embrace it.

Amid all the excitement about AI, let's be mindful that we have exclusive possession of the real AI - Actual Intelligence - human brainpower. It is designed by nature, developed by nurture, deployed by the human being. Let's use it! It's free."

Sathish Ramachandran

Partner, Messrs. Deol & Gill Advocates & Solicitors



PEOPLE

The first part of this report unpacked the challenges around technology that were discussed at the roundtable research groups, these next two segments will focus on the intersections between technology evolution and the obstacles and opportunities they present to people and process.



oundtable attendees felt that resistance to change remains a significant barrier to innovation within the legal sector, particularly when introducing new tools or processes. Adoption tends to increase when the benefits of change, such as cost savings, time efficiencies, or improved outcome, are clearly demonstrated and communicated.

However, many lawyers face substantial time pressures and competing priorities, leaving limited bandwidth to engage meaningfully with new technologies or ways of working. As a result, innovation often occurs 'on the side of the desk' rather than being embedded as part of core workflows.



To overcome this, firms and legal teams are increasingly recognising the importance of providing clear incentives, to encourage meaningful engagement and drive sustainable adoption of innovation initiatives, as well as creating and expanding roles such as legal operations to innovate in-house.

Many of the roundtable participants came from organisations that operate across different countries and regions, and in teams where multiple cultures often coexist, creating both opportunities and complexities for collaboration.

The rise of hybrid working models has amplified these dynamics, offering valuable flexibility but also introducing challenges around onboarding, cultural immersion, and the development of trust. Many legal leaders emphasise that trust is most effectively built through in-person interaction, especially during the early stages of employment.

As a result, a common approach is to prioritise in-person engagement during onboarding and initial team integration, before offering greater flexibility once trust has been established.

At the same time, evolving cultural boundaries and communication norms, such as expectations around contacting colleagues outside of work hours, are reshaping workplace interactions and, in some cases, creating uncertainty that organisations must actively navigate.

In addition to the challenges of hybrid working, generational differences are increasingly shaping workplace dynamics within the legal sector, influencing expectations around work, career development, and organisational culture. Attendees felt that older generations often approach work as transactional, prioritising stability and professional progression through established pathways.

In contrast, the younger lawyers that are entering the workforce place greater emphasis on purpose, meaning, culture, and work-life balance, and they expect more guidance, feedback, and a clear sense of direction from their leaders.

However, with the uptake of generative AI and greater automation in law firms and in-house teams, the responsibilities encompassed by many junior roles in legal practice are being digitalised, making it essential for leaders to re-imagine foundational tasks and re-develop pathways to long-term career growth and skill development.

In addition to this, participants felt that younger generations face a form of choice overload, with more diverse and flexible career options than ever before. Mentorship remains critical in bridging these generational gaps, but it is also evolving as the definition of what it means to be a lawyer shifts in response to technological change and new ways of working. Skills that combine legal expertise with technological



proficiency and business acumen are in particularly high demand, creating a highly competitive market for top performers.

Legal teams are increasingly seeking professionals who can operate at the intersection of law, technology, and commercial strategy, enabling them to support the business more effectively. At the same time, internal stakeholder management is becoming more complex, as legal teams must strike a balance between ensuring compliance and acting as strategic enablers rather than perceived blockers.

Internal collaboration remains a significant challenge for many legal teams, particularly in large or regionalised organisations where project ownership can be unclear.



"Digital fluency is now essential. In an era shaped by generative AI, success depends on understanding new technologies, working alongside technologists, and applying strong critical thinking and ethical judgement.

Lifelong learning and adaptability are the defining qualities in the legal profession."

Carl Li Lead Innovation Lawyer - Asia, Linklaters

Misalignment between regional offices and teams often leads to inefficiencies, duplicated efforts, or stalled initiatives. Leadership communication styles play a critical role in shaping team engagement, with clear, transparent, and inclusive communication helping to foster alignment and trust.

Overcoming individual egos and building psychological safety are essential to

creating collaborative environments where team members feel empowered to share ideas and challenge assumptions constructively.

Increasingly, legal professionals are expected to understand the broader business context and not just their specific legal niche, to contribute effectively to crossfunctional initiatives and drive meaningful organisational outcomes.



Joachim Ka-Tsung Lim

Head, Group Legal & Compliance I
Data Protection Officer,
IOI Properties Group Berhad

"Mindset change depends on the maturity of a person, juxtaposed to the environment the person is in. If a person does not appreciate the bigger picture that is prevalent, the mindset will always remain as a one-tracked mind without any room to navigate.

The trend that I observe these days are that the younger generation have been blind-sided through this concept of being "entitled" and make demands without self-reflection.

In this regard, unless and until a person selfreflects internally, realises that not everything is delivered on a silver platter, the person will continue to lead a disillusioned life. As such, with a mindset change, and evolving with the times, there will be room for growth."

"The legal profession is undergoing a transformative digital shift. Mastering technology (and its related tools), data literacy, and adaptive skills has become essential.

Legal professionals who proactively develop these capabilities, while preserving key human elements like trust, authentic communication, and empathetic client / peer / stakeholder support, are more likely to elevate their ability to deliver impactful legal and business services, and solidify their role as strategic and credible partners / advisors to the people and businesses around them.

While technology matters, people skills continue to matter more."



Santhi Latha

Dean, Rajah & Tann Asia Academy



"The global legal landscape is undergoing an unprecedented change with the rapid evolution and adoption of AI and legal technology. The rule of natural selection favours those who can best adapt to changes.

It will be interesting to see how stakeholders including law firms and fee earners strategically leverage the use of technology and modernise their workflow and service delivery models to fulfil clients' expectation and demand for high-quality and cost-efficient legal services during this transformative period."

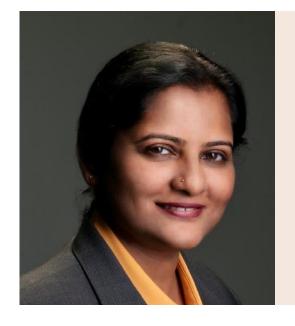
Andy Yu Senior Associate, Deacons

"As knowledge workers, we cannot afford to overlook the transformative wave of generative Al.

Our priority is to stay ahead of its evolution—by organizing our data and actively engaging with the advancements—so we are fully equipped to harness its potential as the technology matures."

Ann Leung
Legal Operations Manager, MTR Corporation





"Generative AI is transforming how we find answers, but not how we build trust. At CelcomDigi, we strive to ensure that collaboration between legal and business teams is always rooted in context, judgment, and integrity – qualities no algorithm can replicate.

In this new world, clients and lawyers will be defined less by transactions and more by the depth of understanding they bring to each other."

Gayathiry Ramalingam

Head of Legal for IT & Network, CelcomDigi

"The old adage that most people tend to overestimate what can be accomplished in one year and underestimate what can be achieved in ten years applies to the legal industry as much as it does to any other sector. While we have witnessed significant technological advancements in legal tech, the pace of structural change will be determined not only by what is technologically possible, but also by what the legal industry – and especially its lawyers – can implement and learn to embrace.

Unlearning established practices and adopting new, technology-centred approaches will take time. Looking back in ten years' time, we will likely see that both the industry and its professionals have evolved, delivering greater value to clients and becoming transformed to the point of being almost unrecognisable compared to who we are and how we operate today."



Simon Schmeing
Senior Innovation Manager, Asia,
Singapore, Stephenson Harwood LLP



"Al literacy and Al fluency will help lawyers unleash the future of legal service. We see a future where the best legal minds are augmented by optimised process and leading technology tools, focusing lawyers' time on high value, judgement-based work."

Eric Chin
Asia Pacific Director, PwC NewLaw

"Engaging with AI effectively requires two fundamental mindset shifts. The first involves reimagining legal work in terms of process design, then applying AI to deliver consistent, high quality outcomes.

The second shift is more profound and involves viewing Al as a thinking partner to challenge and expand perspectives. In both cases, the user's legal and commercial expertise still underpins the value created by these interactions."

Siew Fong Yiap

Senior Practice Technology Engagement Lead, Ashurst Hong Kong



PROCESS

All of the changes to technology and the impact on people require process re-engineering within law firms and legal teams, however roundtable participants felt that this is often hampered by poor communication and practical implementation challenges.



n law firms, where gathering all stakeholders in one place is rarely feasible, changes are not always communicated clearly or consistently, leading to confusion and uneven adoption.

Downstream impacts on clients, stakeholders, and operational workflows are sometimes overlooked, resulting in unintended consequences that undermine the intended benefits of the change. Implementation also demands significant manpower, which frequently competes with billable work, making it difficult to prioritise process improvements.

In addition to these issues, slow and bureaucratic approval procedures can delay implementation to the point where proposed changes risk becoming outdated or irrelevant by the time they are approved.

As with technology adoption which was discussed earlier in the report, effective

process change within legal teams requires a clear and well-communicated rationale to secure genuine buy-in. Articulating the 'why' behind a change is essential to ensure that teams understand not only what is changing, but how it aligns with the organisation's broader purpose and strategic objectives.

Successful change initiatives rely on both top-down leadership support and bottom-up engagement, creating a shared sense of ownership across all levels. Continuous improvement is not achieved through the constant layering of new processes, but through deliberate reflection and refinement of existing practices.

In regional or international organisations, stakeholder engagement across offices is critical to maintaining clarity, consistency, and alignment, ensuring that new processes are implemented in a way that supports cohesion rather than fragmentation.



Attendees discussed how balancing governance and agility is a core challenge for them as they navigate complex organisational structures and regulatory landscapes. Larger companies often have extensive policies and procedures in place, which support strong governance but can slow decision-making and innovation due to lengthy approval processes.

In contrast, smaller or younger organisations tend to be more agile and responsive, but may suffer from fragmented or reactive processes that increase operational risk. Regulatory variations across jurisdictions, for example, between Singapore and Malaysia, further complicate efforts to harmonise processes and maintain consistency.

Legacy systems and outdated processes frequently inhibit agility, persisting not because they are effective but because teams lack the time or resources to properly review and update them. Clearly defined roles, responsibilities, and process ownership are essential to strike the right balance between robust governance and operational flexibility.

CONCLUSION

There is an extensive amount of evolution happening in the legal industry. Through the discussions at the roundtables, it is clear that mindset, trust, communication and governance will be the biggest enablers or barriers across people, process and technology when it comes to legal innovation.

I hope that you have found the 2026 Legal Innovation Research report informative and illuminating.

The **2026 Legal Innovation Festival SE Asia** aims to address many of the challenges discussed in this report, I hope to see you there.

