



**LEGAL**

**INNOVATION & TECH FEST**

# **LEGAL INNOVATION REPORT 2026**

**PART 1 | TECHNOLOGY**

**Understanding the Journey  
and Illuminating the Future  
of Legal Innovation**

# Introduction

**The legal industry is in the throes of change, and the future of legal work was a key point for discussion at this year's research discussion groups.**

Through these groups we connected with professionals navigating the shifting nature of the legal industry to understand the evolving challenges and emerging opportunities that they are facing.

This report will unpack how technology is impacting legal and allied legal professionals and examine how prepared the Australian legal industry is as it enters a new era of possibilities.

## The Research Process

We've conducted research groups in Sydney, Melbourne and Brisbane and had conversations with leading legal professionals Australia wide 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 and Tech Fest.

## The Event

The Legal Innovation and Tech Fest, 28-29 April will be held at the Hyatt Regency Sydney. We are bringing together more participants, speakers and exhibitors than ever before 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 in ANZ.

Across two days attendees will be able to hear from keynote speakers a 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 and Tech Fest**



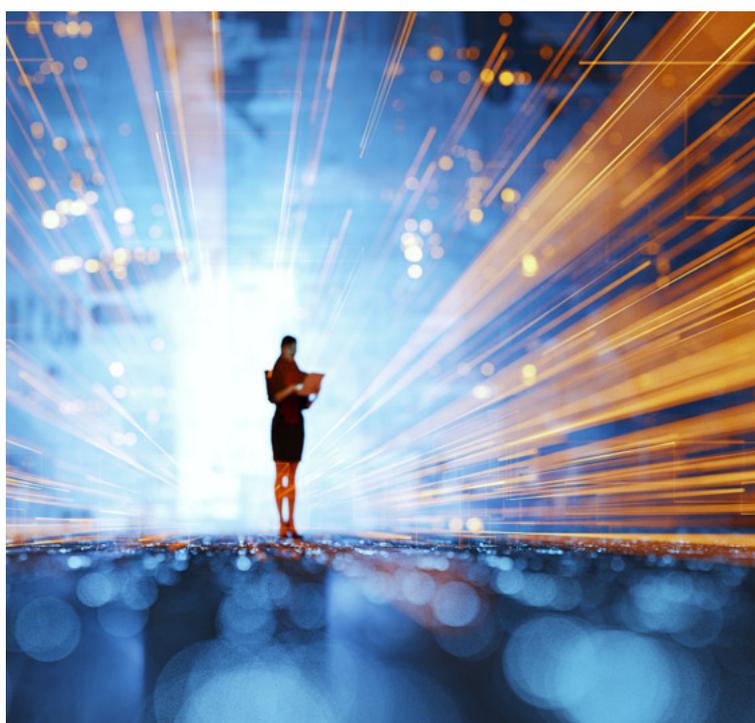
# 2025 Research Collaborators

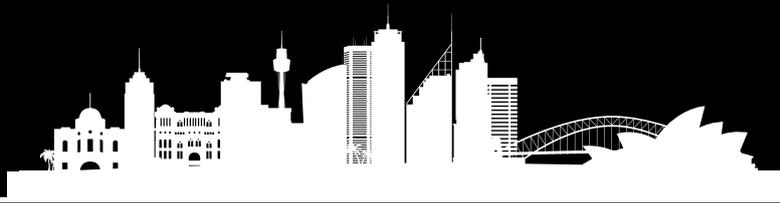
A huge note of thanks to the following organisations who participated in the research process:

Allens Lawyers	Frv Services Australia	Monash University
Ashurst	Gilbert + Tobin Lawyers	Moores
Ashurst Advance	GLG Legal	NBN Co
AustralianSuper	Herbert Smith Freehills	QBE Insurance Group
Bartier Perry Lawyers	Kramer	Queensland Curriculum and Assessment Authority
BT Australasia	Hive Legal	Samsung Electronics Australia
Canva	K&L Gates	Slater & Gordon Lawyers
Centre for Legal Innovation	Lander & Rogers	The College of Law
CIE Legal	Leaf Logic	The University of Melbourne
Clyde & Co	Lexer	Thomson Reuters Legal Australia Limited
Cowell Clarke Commercial Lawyers	McCabes Lawyers	Transport for NSW
Danny King Legal	McCullough Robertson Lawyers	
DLA Piper	Meridian Lawyers	
Elevate	MinterEllison	
	Mollusc	

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## INTRODUCTION

At this year's legal innovation research discussion groups, I was struck by how the legal and allied legal professionals in attendance were embracing the tides of change (and generative AI), with sights set firmly on the future and the realities in store for law firms, in-house legal teams and legal tech alike.

There is so much likely to change in as little as five years, and the research groups this year have given me the impression that the industry is gradually piecing together the puzzle and that the image of the legal practice of the future is becoming clearer.

This first part of the report, focussed on technology, will explore the journey and obstacles that law firms and in-house legal teams are facing when it comes to technology selection, implementation and ongoing integration, with an inevitable focus on generative AI. In Part 2 of the report on people and process (coming in early 2026), I will examine the impact that this is having on people, process and the business of law as a whole.

# Identifying Use Cases and Business Value



Evidently, generative AI is here to stay, and adoption is quickly becoming essential for businesses across the board, the expectation is to embrace it, or risk being left behind.

However, this technology comes with a cost – often quite a high cost for legal tech specific tools, as many of the research group participants pointed out.

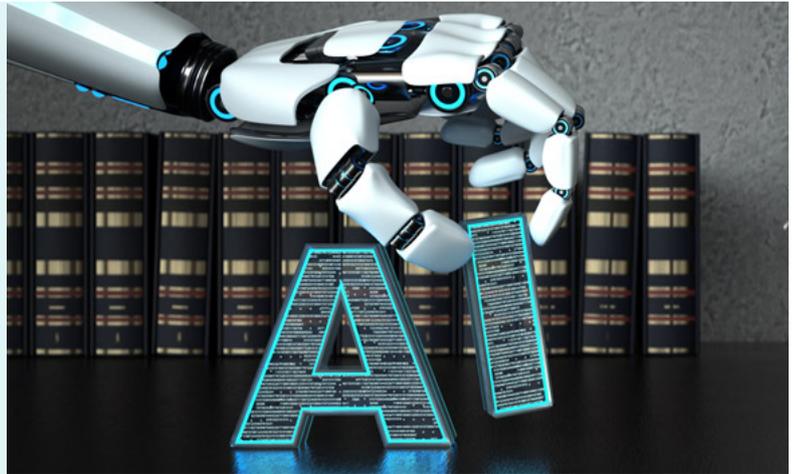
Our attendees, who are on the tech champion end of the spectrum, agreed that in most cases the argument of needing to invest in generative AI to keep up was not enough, many law firms and businesses required use cases that demonstrated the value of the technology, the process change and return on investment.

Participants felt that this is easier said than done, and that there needed to be a balance between embracing the technology and ensuring that they were making the most of generative AI and using it for the most relevant cases.

Despite high expectations, generative AI is not yet an obvious productivity gain, as effective use requires redesigning processes and integrating AI into workflows. The long-term opportunity lies not in cost cutting but in enhancing service quality and enabling higher-value work.

## Demonstrated areas of impact for AI:

- Third-party contract review
- Contract drafting and redlining
- Research summaries
- Matter triage and classification
- Internal knowledge retrieval



Although there are more use cases emerging for generative AI when it comes to legal work, it is evident that we have only scratched the surface of its potential and research group participants expressed that they wanted to see vendors putting an emphasis on sharing client facing use cases.

Law firm attendees expressed that it can be difficult to figure out use cases without trialling the technology, and there is a very real time pressure for adopting this tech.

Stakeholder expectation management was also raised as an issue, with some stakeholders expecting generative AI to be a silver bullet that could completely solve an issue, and then being disappointed to find that this is not often the case.

Lawyers are very conscious of how they use their time, and it can be complicated understanding their expectations and then communicating which of these expectations are realistic from AI.

Research group participants agreed that when looking at implementing this technology, it was important to take a step back and ask how much of the process or problem you needed AI to solve, all or just some of it?

Participants felt that it was important to remove themselves from the hype and noise around generative AI, and to embrace the classic process piece of looking at the problem first rather than starting with the solution.

## DATA READINESS FOR GENERATIVE AI TOOLS

When considering all the above, research group participants also highlighted that data readiness is becoming a critical foundation for any successful legal tech or generative AI initiative.

Law firms and in-house legal teams need to ensure their information is captured in usable formats, stored in the right systems, and accessible in the ways required for automation and AI tools to function effectively. This often involves significant 'housekeeping' clarifying what data exists,

where it sits, how it is structured, and why it is retained.

Investing time upfront in strategic data preparation, including consistent naming conventions and clear taxonomies, prevents downstream issues and enables smoother implementation of new technologies.

Participants stressed that, in many cases, adding an AI layer simply exposes long-standing data quality problems, making it even more important to get the basics right before scaling advanced tools.

It is also important to remember that there are a variety of other tools available to solve problems faced by lawyers or to enhance efficiency, and some of them may be more suitable in certain instances than generative AI.

While clear use cases help adoption, it was argued that firms can no longer wait for

perfect business cases, as clients and markets expect AI capability; delay risks competitive disadvantage.

Legal and allied legal professionals need to find the balance between diving in and not being swept away by the potential generative AI offers, to ensure that adoption can be sustained and widespread.



**Barbara Vrettos**

Senior Associate,  
Cowell Clarke



*In my view, the true value of legal AI is as an enhancer rather than a creator.*

*Relying on AI to generate the foundation of legal advice can conflict with our professional obligations as we need to be able to answer questions about the original material.*

*Instead, AI is best used to prompt us to consider issues we may have overlooked, helping to identify gaps in our analysis.*

*The discussion around AI's ROI should move beyond simply counting hours saved; we must recognise and communicate more nuanced benefits.*



*Australian law firms hold a huge wealth of knowledge across matter files, advices, precedents, playbooks, and the day-to-day expertise of their lawyers. How well that knowledge is integrated across systems and practices is what can set a firm apart and it's where the value proposition lies.*

*The success of platforms like Harvey or Legora isn't just about the model; it depends on whether a firm can capture its knowledge, convert it into usable formats within these platforms, and make it accessible in ways that reflect and improve existing lawyer workflows.*

*When firms get these foundational elements right - knowledge capture, workflows, and document guidelines - they unlock meaningful opportunities to differentiate themselves and showcase their unique expertise and approach to legal work.*



**Franc Spanti**

Legal Technology  
Manager, DLA Piper



*Legal tech and tools have taken care of the simple stuff – making work more efficient and people more effective. But the hard part, the part we’re facing right now, is systemic and cultural.*

*It demands that we let go of legacy thinking and reshape the legal ecosystem through curiosity, courage, collaboration, relentless experimentation, and determined reinvention.*



**Terri Mottershead**

Director - Ashurst Advance,  
Digital Enablement



*What stood out most in this year’s discussions is that legal innovation is no longer about adding new tools – it’s about redesigning the operating system of legal work.*

*The next wave won’t be defined by which AI a firm buys, but by how well they re-engineer their processes, data foundations and decision-making models to let intelligent systems operate alongside humans.*

*The legal teams that thrive by 2030 won’t simply ‘adopt’ AI; they will reorganise around it – shifting roles, reshaping workflows and elevating human judgment to the tasks that matter most. We’re watching the early signals of that transformation right now.*



**Alison Laird**

Director, Centre for  
Legal Innovation  
(College of Law) and  
Director, Consulting,  
Elevate



**Timothy Fraser**

Business Analyst Lead,  
GLG Legal

*Just as Uber succeeded by addressing consumer friction, the integration of AI now forces law firms to identify and monetize new types of client value and service delivery.*

*This is the push before the nosedive of the hourly billing model – an increasingly economic risk that compels leadership to pursue new value based on results.*

*Success in this shift will not be defined by purchasing power or organisational size, but through the familiarity with internal operations and their ability to adapt and be digitally enabled.*

*Combined with strategy that is disciplined against market noise, firms that move adventurously but intelligently will demonstrate what the future of legal services look like.*



# Managing the Tech Stack & Vendor Landscape

The next stage of the tech journey discussed at the research discussion groups was evaluating the tech stack and navigating the vendor landscape.

Many law firms and legal teams are already working with a comprehensive tech stack, and with end users facing fatigue from all the different tech available to them, now is the perfect time to evaluate your stack.

With so much on the market it is easy to obtain many products over time, and assessing and ensuring that everything is current and meeting the needs of your team, providing a solid foundation for then acquiring new tech.

Knowing what is already available also has the potential to save time and resources and is imperative to ensuring that any generative AI tools that are selected will integrate seamlessly into existing platforms, rather than creating more challenges.

Participants felt that having the tech stack current before wading into the depths of the legal tech market was crucial. With what was described by participants as a 'tsunami of vendors' on the market, along with the rapid rate of development for existing solutions, it is clear that selecting technology has never been more challenging.

Participants expressed their frustrations with how the speed of technological advancement often meant that by the time they were ready to make a decision, a number of new and often better options had emerged. Participants also felt fatigued by the number of demos and increased amount of vendor contact as

more and more products and solutions come on the market.

Law firm participants explained that clients from in-house teams were often coming to them for assistance on selecting legal tech and understanding the vendors in the market (highlighting the evolving purpose and nature of legal teams and law firms, something I will explore more in Part 2 of this report).

Legal and allied legal professionals are faced with a variety of choices when it comes to selecting a vendor, including:

**Consolidation vs. specialisation - Consolidated platforms offering convenience and specialised legal tools offering greater depth.**

**Build vs. Buy - As models become cheaper and easier to deploy, some firms question whether to build internal capability instead of buying.**

**Building a deeper relationship with one vendor - which can lead to better terms and cost savings - vs. The flexibility of embracing separate tools.**

Whilst large law firms have the capabilities for tech selection, in-house teams and smaller firms usually do not, and there is not often enough appetite or budget to pay a consultant to help with tech selection.

If legal teams do go down this road, they usually expect ongoing help with implementation as well. It is clear from discussion at the research groups that there is an appetite for comprehensive aggregators for legal tech.

Beyond the choice of legal tech, there are also a variety of other challenges to bringing a new vendor on board. Professionals from in-house legal teams explained that they often struggled to get approval for legal tech specific tools and tech from organisations newer to the market, especially from smaller vendors, delaying innovation.

Across the board, participants agreed that there is a lot of scaffolding around bringing a new vendor on board, particularly for information governance, which is more pertinent with the acceleration of generative AI.

## Data Governance, Sovereignty and Client Requirements

Data and information governance was highlighted as a key concern by research group participants, and it is evident that there is a need for greater clarity and communication between law firms, in-house legal teams, vendors and their respective clients on how data is being captured, stored and used.

Many law firms face significant restrictions on using AI for client matters due to ongoing concerns about data location, access, and sovereignty.

With clients increasingly asking where their data is stored - within Australia or overseas - and in some cases prohibiting the use of cloud-based AI tools altogether, the pool of matters on which lawyers can apply generative AI is sharply reduced. This not only limits organisational learning but also slows broader adoption across legal teams.



*With deep experience in implementing and supporting the rollout of digital systems both in trials and full deployments, to teams who may not be 'digital natives', my key criteria in assessing any platform are:*

**a) Does it do what it says on the can?**

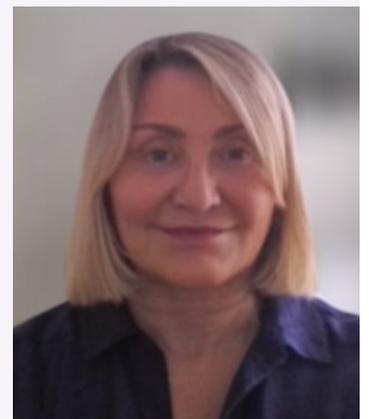
*A proper trial is essential to not only test the functionalities but also to test in your own organisational environment. Your own ecosystem may present problems - this is especially the case in a complex matrix organisation with a central IT support team who [understandably] can only fully support enterprise-wide solutions, not rollouts of one-off, division-specific products.*

**b) What is client support like and where is it based?** *Any system will present glitches, whether user error and/or the organisational ecosystem, even if the tool is perfect (unlikely!). You need responsive people on local time on the vendor side - even if they are directing your queries to other teams such as systems engineers, in other parts of the globe, they need to be helpful and attentive. This is critical for successful deployment and ongoing management of any digital platform, and to optimise user engagement.*

*Above all, you don't want anyone on your team to have to be on line at 1am AET to resolve a problem. Tech is meant to bring time savings, not more stress!*

### Sarah Blatchford

Group Manager  
Legal Operations  
& Strategy, Monash  
University



Trust in technology providers further complicates the landscape. Firms remain cautious about vendor security practices, especially as new AI startups emerge rapidly, and there is still limited transparency around how AI models store, reference, or recycle prompts and training data.

At the same time, governance challenges have intensified, with the rapid post-COVID migration to cloud platforms resulting in large volumes of data being moved without adequate oversight, and without strong governance controls, AI systems such as Copilot can surface unexpected or sensitive information, creating confidentiality risks. Overly rigid guardrails or vague, inconsistent policies often exacerbate

the issue, discouraging safe experimentation and driving lawyers toward shadow AI tools. To address these challenges, AI governance must be a cross-functional effort rather than a responsibility isolated within IT.

Effective oversight requires coordinated input from risk, compliance, legal leadership, information security, and technology teams, ensuring that policies balance innovation with protection.

Firms also need to prepare for potential audits on AI usage, data handling, and model interactions, making governance not only essential to responsible adoption but also increasingly resource intensive as expectations continue to rise.

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## Pilots, Experimentation & Success Metrics



A number of the participants in the research discussion groups were from large law firms and have been piloting a variety of generative AI tools and discussed the different strategies they are developing.

Law firm attendees agreed that when getting pilot program participants on board it is crucial to be clear in communications to ensure that the relevant data was being collected and there were no misinterpretations around what kind of feedback was desired.

One attendee gave the example of participants interpreting the question of 'which tool is easiest to use' to mean 'which tool do you prefer' - which had the potential to significantly alter the outcome of the pilot. Other challenges that were identified included unclear baselines, differing needs between pilot participants and the broader organisation, and difficulty in determining what makes a pilot successful.

Generative AI presents a paradox for legal teams because the paradigm of what 'good' looks like is still emerging, making success difficult to define. The way individuals use these tools is often highly personalised, which complicates consistent measurement and comparison across teams.

Metrics such as how many hours were saved, how many were invested in set-up and training, and what baseline they are measuring against are often difficult to determine, and without clear benchmarks, it becomes easy to feel as though progress is falling short.

Ultimately, the most reliable way to assess success is to return to the core question: what problem were you trying to solve? Participants felt that if the technology meaningfully solves that problem, whether by reducing time, improving quality, or enabling new capabilities, then arguably the pilot can be considered a success, even if the metrics are imperfect.



*I am beginning to see a growing appreciation for the fact that Gen AI affects every aspect of firms and organisations.*

*It's not just about technology and efficiency gains. It influences how services are delivered, the types of products and services offered, and how they are priced. It also creates opportunities for new skills, new career paths, and new ways of learning.*

*The challenge for traditional firms and organisations is to take a coordinated approach across often-siloed areas, and in doing so, unlock the value of multidisciplinary teams*



**Melissa Lyon**

Executive Director & Experience Designer,  
Hive Legal



*To successfully navigate the legal tech vendor landscape in the fast-changing world of AI, it is imperative to have a strong grasp of what the technology can do and a vision of how it can be utilized to its highest value for your clients and people.*

*This requires doing your homework methodically and continuously as what is leading today may not be leading in six months.*

*Equally important is having your business processes streamlined. Without a solid foundation and clear goals, it becomes challenging to select and implement the right technology that aligns with your objectives.*



**Mira Renko**

Special Counsel, Practice Innovation and  
Knowledge, K&L Gates



*Adopting and taking advantage of generative AI requires a mindset change. The real challenge isn't learning a new tool, but rather reimagining how we work, and enhancing our practice while delivering value to our clients.*

**Anja van der Weerd**

Manager, Practice Innovation and Knowledge, Australia, K&L Gates

# AI Adoption & Change Management

Once the use cases are identified, the technology is selected and tested, it is time for the wider rollout.

During the research groups participants discussed how they were seeing generative AI adoption in legal teams be shaped by human behaviour and discussed how change management frameworks must evolve to meet that reality.

Participants felt that we are now past the point where generative AI is predominantly used by early adopters, and area at the stage where most of the business is being pushed to use it.

Some expressed how they were challenged by those in their organisations who were resisting change on Monday and wanted generative AI to do everything for them on Tuesday.

Arguably, this sudden switch is driven by fear, fear of being left behind, fear of making mistakes, or fear of looking incapable with new technology.

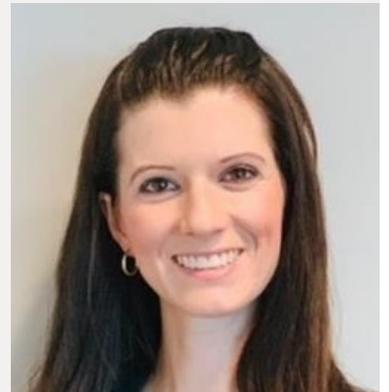


*Mindset change is the foundation of successful legal innovation. It's about moving from a transactional approach to a strategic one, where technology is seen as an enabler rather than a threat.*

*At Transport, we've demonstrated that when teams embrace tools like AI for routine tasks, they unlock capacity for meaningful legal work and create a culture that values continuous improvement.*

## **Olivia Blackburn**

Director, Legal Operations, Planning and Enablement, Legal and Governance, Transport for NSW



*The rapid pace of AI-driven change requires a genuine curiosity about AI's potential to support and enhance day-to-day work, together with a mindset that normalises testing and iterating.*

*If lawyers can get comfortable that AI can get them to a first draft quicker (while still needing to review, edit and finalise), it will allow them to refocus their time on more strategic value-add on matters and delivering a better client outcome.*

## **Kim de Kock**

Senior Manager - Ashurst Advance, Digital Experience

With limited time and pressure to avoid errors, sticking to 'the way things have always been done' often feels safer than experimenting with unfamiliar tools.

One poor experience with an AI product can entrench avoidance, especially when expectations have been inflated by media noise or internal hype.

Compounding this, most organisations under-resource change management, investing heavily in technology and then treating change as an afterthought, and traditional change frameworks are struggling to keep pace with generative AI's rapid evolution.

New approaches must be more practical, honest about limitations, and grounded in understanding who the resisters are and why. As discussed earlier in the report, clear

expectation-setting is essential: AI cannot do everything, but it can meaningfully reduce time and cost for specific, task-driven activities.

Adoption grows when people hear relatable success stories and use cases, experiment safely in their personal lives, or discover that they already use AI in existing systems.

Ultimately, mindset is the critical lever, and shifting conversations from fear to opportunity, without pretending that AI carries no risks, creates space for genuine engagement.

But achieving this requires early investment in change, transparency about what AI can and cannot do, and an acknowledgment that lawyers, many already risk-verse by nature, are being asked to embrace a fast-moving technology that still contains many unknowns.



*As Australian law Firms start to embed the use of professional grade proprietary AI tools across both legal and support functions, it's critical that the main issue delaying full scale adoption is addressed head on – the verification paradox.*

*With client expectations for legal accuracy, precision and matter contextualisation at an all-time high, rigorous Government guidelines around the use of AI across all tiers of Government in place and tight Court practice notes on AI usage across various jurisdictions, the human element is more important than ever.*

*AI tools cannot reason, judge, contextualise or empathise. These are human skills that are required now and in 2030.*

*It would be a courageous litigant or practitioner that relies on AI alone to deliver a legal outcome in a complex matter, without verifying the content and applying human oversight.*

*To drive adoption with confidence, AI technology vendors must ensure their proprietary tools are further refined to eliminate hallucinations,*

*errors and bias and Law Firms need to ensure humans are at the centre.*

*Successful AI adoption isn't about replacing lawyers, it's about empowering them - in a culture of people centred change, tech' innovation and mindset growth.*

*Bartier Perry has partnered with several AI vendors to ensure we provide our team with the right tools for the specific task they need to perform, more efficiently.*

*This is helping us transform workflows, eliminate legal drudgery and speed up administrative tasks to focus on higher order legal work and better client outcomes.*

### **Roger Habib**

Chief Transformation Officer, Bartier Perry





*We don't know exactly what the future holds, but we need to be curious and engage with the disruption and opportunity that comes from change to the legal industry (however disorientating).*

*Our ability to adapt (in real time) to what we learn and anticipate will really make the difference.*

*Readiness is a continuous state, not a final destination!*

**Libby Jarvis**

Division Director, Ashurst Advance



*One thing we've learned is that acquiring technology isn't a one-and-done decision.*

*Success comes from setting clear metrics early and reviewing the tech stack regularly because products are evolving fast. What wasn't right a year ago might now be exactly what we need.*

*That's why we keep reassessing and avoid locking down too early, making sure our choices stay aligned with the way the market and our needs change.*



**Jeanette Merjane**

Legal Transformation Analyst,  
Lander & Rogers



*Legal research has long relied on primary sources as its bedrock and secondary sources as the scaffolding of interpretation. Generative AI now introduces a third category, tertiary sources, which is neither primary or secondary; it neither originates from law or comments on it, but synthesises patterns to create new content and insights.*

*This evolution requires not only skill in leveraging these tools but guidance and oversight across their application, anchoring innovation in a future where human judgment and AI co-author the next dynamic chapter of law.*



**Amanda Fajerman**

Head of Digital Change (Digital Projects),  
Australia, Herbert Smith Freehills Kramer



# What's next for legal tech?

Following a comprehensive discussion on the current challenges around embracing legal tech and generative AI, and taking the rapid pace of change into account, the discussion turned to what is next for legal tech, and for the future of the legal industry?

Coming to the forefront is agentic AI, systems that act autonomously and collaborate with other tools, can adjust to shifting contest, independently source the information they need and enhance results without needing constant human oversight.

These systems introduce more automated decision-making, new workflow designs and will likely lead to the blurring of role definitions across firms and legal teams, as democratisation of data and tools shifts who does what within an organisation. Legal teams are watching how other industries experiment with these models, and starting to experiment themselves.

Participants are anticipating significant disruption, and stressed that agentic AI also comes with a new variety of risks and will

inevitably require human circuit breakers in its processes for legal work.

Looking into the crystal ball for predictions a little further into the future, participants expressed that there would likely be changes to the structure of law firms and legal teams, as well as a shift in the skills lawyers will need in the future. The number and types of allied legal professionals in a team are likely to grow as these different skills are required to complete legal work.

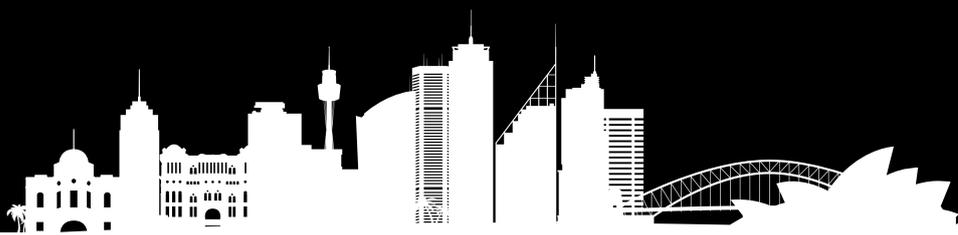
Participants stated that they see the expansion of in-house legal teams in the future, as well as the likely amalgamation of more law firms, as well as legal tech companies, and the likely integration of the two.

Part 2 of this report, focussed on people and process will explore these themes further.

## CONCLUSION

There is an extensive amount of evolution happening in the legal industry, and I hope that you have found Part 1 of the **2026 Legal Innovation Research Report** informative and illuminating.

Part 2 will explore **People and Process**, which will be released in the New Year.



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