



the global voice of
the legal profession®



Future of Legal Services Global Heatmap Survey Report 2025

International Bar Association



The International Bar Association (IBA), established in 1947, is the world's leading international organisation of legal practitioners, bar associations, law societies, law firms and in-house legal teams. The IBA influences the development of international law reform and shapes the future of the legal profession throughout the world. It has a membership of more than 80,000 lawyers, 190 bar associations and law societies and 200 group member law firms, spanning over 170 countries. The IBA is headquartered in London, with offices in São Paulo, Seoul, The Hague and Washington, DC.

© 2025

International Bar Association
Chancery House, 53–64 Chancery Lane
London WC2A 1QS, United Kingdom
www.ibanet.org

About the Future of Legal Services Commission: Formerly known as the IBA Task Force on the Future of Legal Services, the IBA Management Board agreed to formally establish a commission to coordinate the IBA's activities and projects around the future of legal services – one of the key areas of focus for the whole organisation.

The aim of the Future of Legal Services Commission will be to analyse and report on the state of the legal profession, specifically looking at changing client demands, new entrants to the legal industry, regulatory changes and education, and digitisation/technology. Once this step has been completed, the Commission will recommend how to respond to these challenges affecting the profession and design projects and programmes to prepare the legal profession for the future.

All reasonable efforts have been made to verify the accuracy of the information contained in this report. The International Bar Association accepts no responsibility for reliance on its content. This report does not constitute legal advice. Material contained in this report may be quoted or reprinted, provided credit is given to the International Bar Association.

Introduction

When the Heatmap of the Legal Profession was first launched in 2023 by the IBA's Future of Legal Services Commission, it was intended as both a wake-up call and a practical guide. The inaugural edition identified the key issues facing the profession worldwide, assessed their likely impact and measured our readiness to respond. It revealed a legal community aware of many of the challenges ahead – from talent retention to shifting client demands and the pressures of ESG (environmental, social and governance) matters – yet often slower to prepare for them. At the time, artificial intelligence (AI) was only beginning to register as a potential disruptor, political uncertainty was a background concern and the prevailing message was clear: those who anticipate and prepare will thrive; those who do not, will not.

The 2024 edition, building on this foundation, expanded the scale and reach of the survey, doubling the number of respondents and bringing in an even broader range of perspectives. It provided a sharper, more detailed view of the profession's global risk landscape, grouped once again around the four core themes of People, Clients, Business and the Rule of Law. AI was no longer a distant prospect, but a rapidly emerging force; political instability and threats to the rule of law were gaining visibility; and while some challenges, such as climate change and wellbeing, remained present, others began to shift in perceived urgency. The report's findings were both a benchmark and a call to collaborate – to share knowledge and best practice in preparing for an uncertain future.

Now, in 2025, we present the third edition of the Heatmap. This latest research confirms the accelerating pace at which priorities can change – sometimes faster than our readiness to address them. People-related challenges remain dominant, but their order has shifted: change management and training in AI now tops the short-term impact list, overtaking talent attraction, which has been the leading concern in previous years. For the first time, two Rule of Law issues – political uncertainty and threats to judicial independence – feature prominently among the top immediate challenges. AI's presence is unmistakable, with three of its related themes occupying top positions for both short- and medium-term impact. By contrast, ESG, once expected to grow in importance, has continued its downward trajectory in the rankings.

The methodology remains consistent with earlier editions: a global survey of IBA members and legal professionals from diverse regions, practice areas and roles, measuring four dimensions – short-term and medium-term impact, current organisational focus, and readiness to respond. This continuity allows us to track changes over time, distinguishing between transient concerns and entrenched structural shifts.

The 2025 findings portray a profession at a decisive inflection point. AI's rapid rise demands urgent investment in skills and change management. Political instability has moved from a general backdrop to a direct, operational challenge. Competitive pressure from unregulated entrants is growing. And while the legal sector has made progress in preparing for certain long-standing issues – such as talent retention – other high-impact risks still show worrying gaps in readiness.

As in 2023 and 2024, our aim is that this Heatmap will be used not just as a record of trends, but as a strategic tool: a resource for law firms, in-house teams, public institutions and individual practitioners

to benchmark their position, assess their preparedness and take informed, proactive steps. The Heatmap is now an established annual fixture, its growing dataset offering an increasingly valuable longitudinal perspective on the evolving global legal market.

The pace of change in our profession shows no sign of slowing. The 2025 Heatmap reinforces a truth that has been evident since our first edition: foresight, agility and collaboration are no longer optional, they are essential. We are deeply grateful to the many colleagues who contributed their insights to this year's survey, and we look forward to expanding this dialogue in the years to come.

Soledad Atienza

Co-Chair, Future of Legal Services Commission

Dean, IE Law School, Madrid

IBA Future of Legal Services Commission – Steering Committee and report contributors

Christopher Howard

Co-Vice Chair, Future of Legal Services Commission

University Partnerships Director, BARBRI Global, London

Hideaki Roy Umetsu

Co-Vice Chair, Future of Legal Services Commission

Managing Partner, Mori Hamada & Matsumoto, New York

Soledad Atienza

Co-Chair, Future of Legal Services Commission

Dean, IE Law School, Madrid

Lamp House Strategy has supported the design and data collection of the heatmap survey for the last three years, as well as undertaking the data analysis and working closely with the IBA Future of Legal Services Commission on interpretation and report writing.

Background and methodology

The remit of the Future of Legal Services Commission is to analyse and report on the state and evolution of the legal profession.

Specifically, it considers challenges around changing client demands, new entrants to the legal industry, regulatory changes and education and digitisation/technology. The Commission will deliver recommendations on how to respond to these challenges and design projects and programmes which prepare the legal profession for the future.

To support with this aim, the Commission launched a global survey to capture feedback from the profession around 16 prominent themes impacting upon legal services providers and professionals.

These themes have evolved from the inaugural research published in 2023 and remain largely consistent with the themes tracked in 2024. The full list is below.

Figure 1 – Sixteen themes tested in this year’s Heatmap research, organised by pillar

People	Clients	Business	Rule of Law
The drive for diversity, equality and inclusion (DEI) at all levels of the legal profession.	Meeting client expectations around the internal deployment of AI and legal technology in the delivery of legal services.	Competition from new unregulated entrants to the legal services market including legal tech specialists and AI platforms.	Challenges to the independence of the legal profession, including the judiciary.
Mental health and wellbeing within the legal profession and work/life balance.	Globalisation and increased volumes of transnational client work.	The impact of climate change and other environmental concerns on business models for the delivery of legal services.	The use of AI in dispute resolution and the delivery of justice.
Change management and training of people in relation to adoption of AI-based technologies.	Increased demand for the provision of multiple services from a single provider including legal and non-legal work, eg, financial services.	Addressing concerns of stakeholders outside of the business, including employees, government and wider society.	Limitations on access to justice, including economic and social inequality.
Attracting and retaining talent, including employee desires such as remuneration, remote working and social impact.	Client desires for demonstrable commitment by legal services providers to the ESG (environmental/ social/ governance) agenda.	The internal deployment of AI and other legal technologies to streamline the delivery of legal services and enhance business performance.	Impact of domestic/ international political uncertainty on legal/ regulatory environments.

The research sought to gather views from the market on four key metrics related to these themes and developments, including:

- Predicted short-term impact [next 12–18 months] (No/some/high impact)¹
- Predicted medium-term impact [next five years] (No/some/high impact)²
- Organisational focus/attention currently given to each development (0–100 scale)
- Readiness to respond to each development (0–100 scale)

1 Impact scale = Mean average of the impact area (No impact=0, some impact=1, high impact=2 (Max impact =2.0).

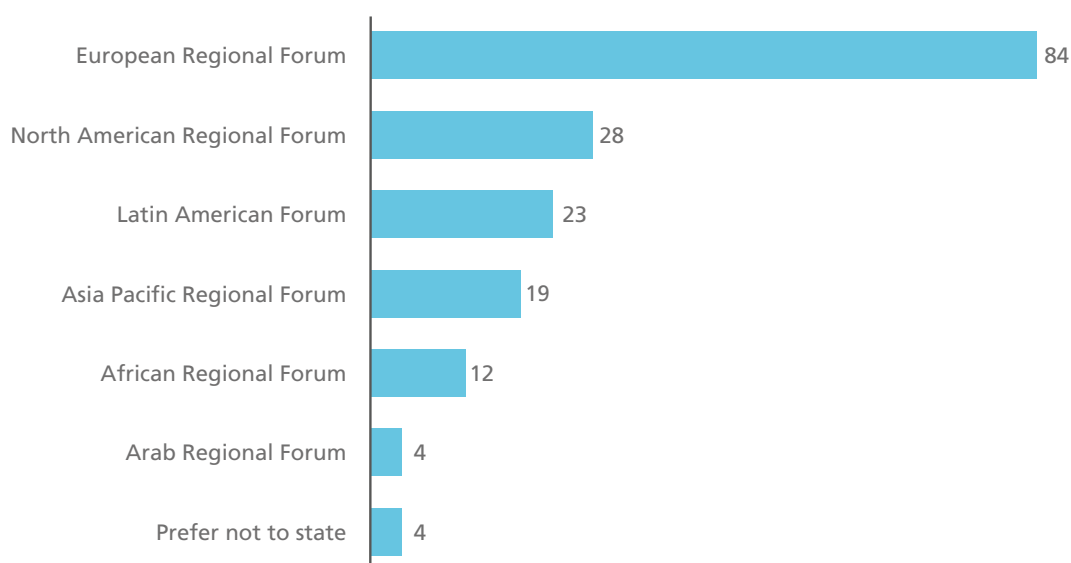
2 Impact scale = Mean average of the impact area (No impact=0, some impact=1, high impact=2 (Max impact =2.0).

The research targeted a representative group of IBA members, with a direct approach to its members and an emphasis on capturing high-quality data.

A range of legal professionals contributed their thoughts via the survey. This included practising lawyers, legal academics, members of the judiciary, business services professionals and law students.

In total, there were 174 fully completed survey responses across the IBA's different regional fora, with European responses making up almost half of the sample.

Figure 2 – Which IBA regional forum most closely represents the jurisdiction you are based in?



Around three quarters of respondents were from law firms, almost all of whom were in fee-earning roles and the majority of which were partners.

Highest impact headline challenges

As we have seen in previous years, people-related challenges still dominate the top ten areas with the highest predicted impact on the profession, with all four themes related to people represented in the top ten. However, what has changed is the order and relative importance of each theme:

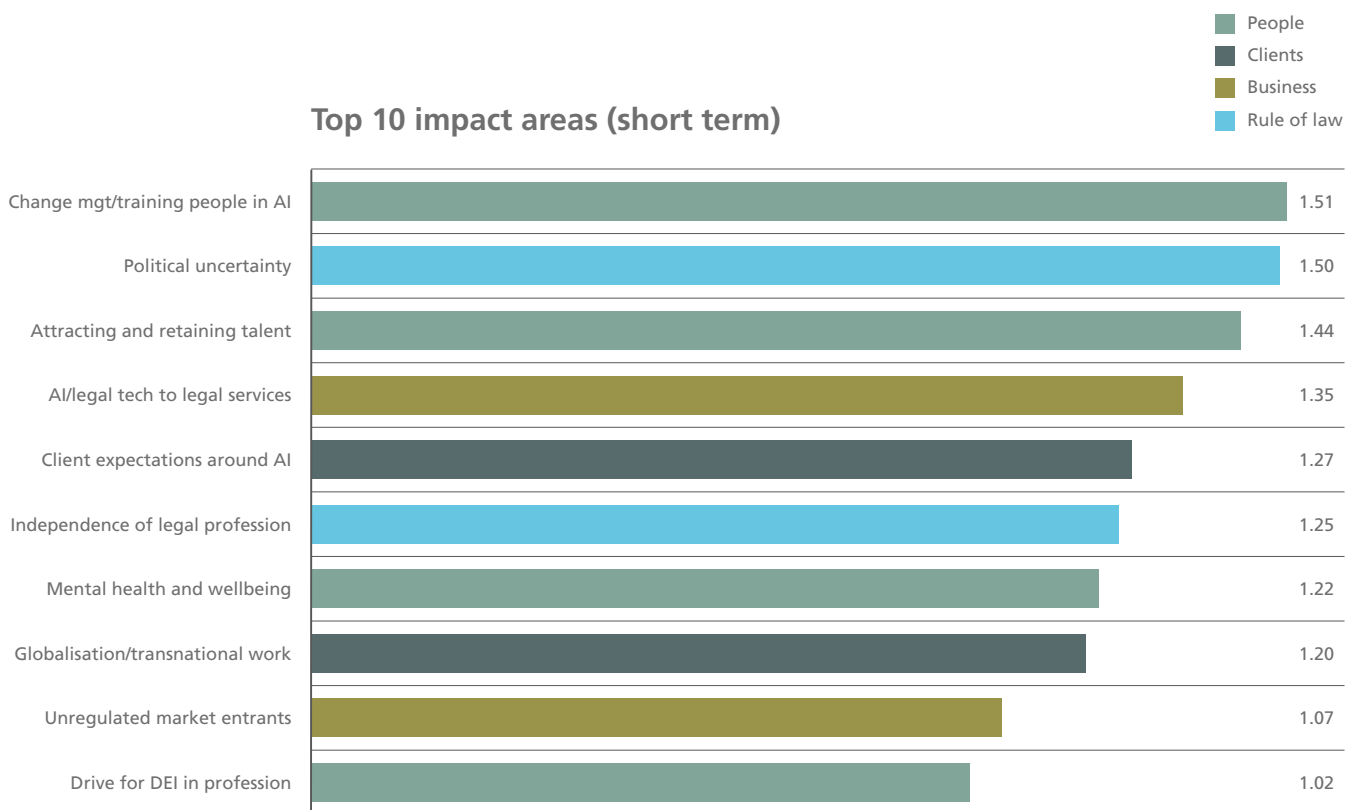
- **Change management and training people in the use of AI** moves into top position for projected short-term impact.
- Last year, **attracting and retaining talent** was in the top spot; it has moved down to third place in this year's research.
- **Mental health and wellbeing** is still solidly in the top ten; however, a year ago this was ranked in third position, and it has now dropped to seventh place overall.
- Similarly, **the drive for diversity, equality and inclusion (DEI) in the profession** still features highly among factors with the greatest perceived short-term impact, but it has dropped from eighth place a year ago to tenth place now.

This year also represents the first time in our research that two Rule of Law-related factors have featured in the top ten.

- **Political uncertainty and its impact on the legal and regulatory environment** is the biggest riser in terms of its position on the impact index; it now sits in second place, only a fraction behind the top factor overall.
- **Challenges to the independence of the legal profession** has also rapidly emerged as a top-of-mind challenge, sitting just outside the top five areas overall.

Undoubtedly, the key trend this year is the rise of AI. Three out of four AI-related themes now sit within the overall top five issues facing the profession in the short-term.

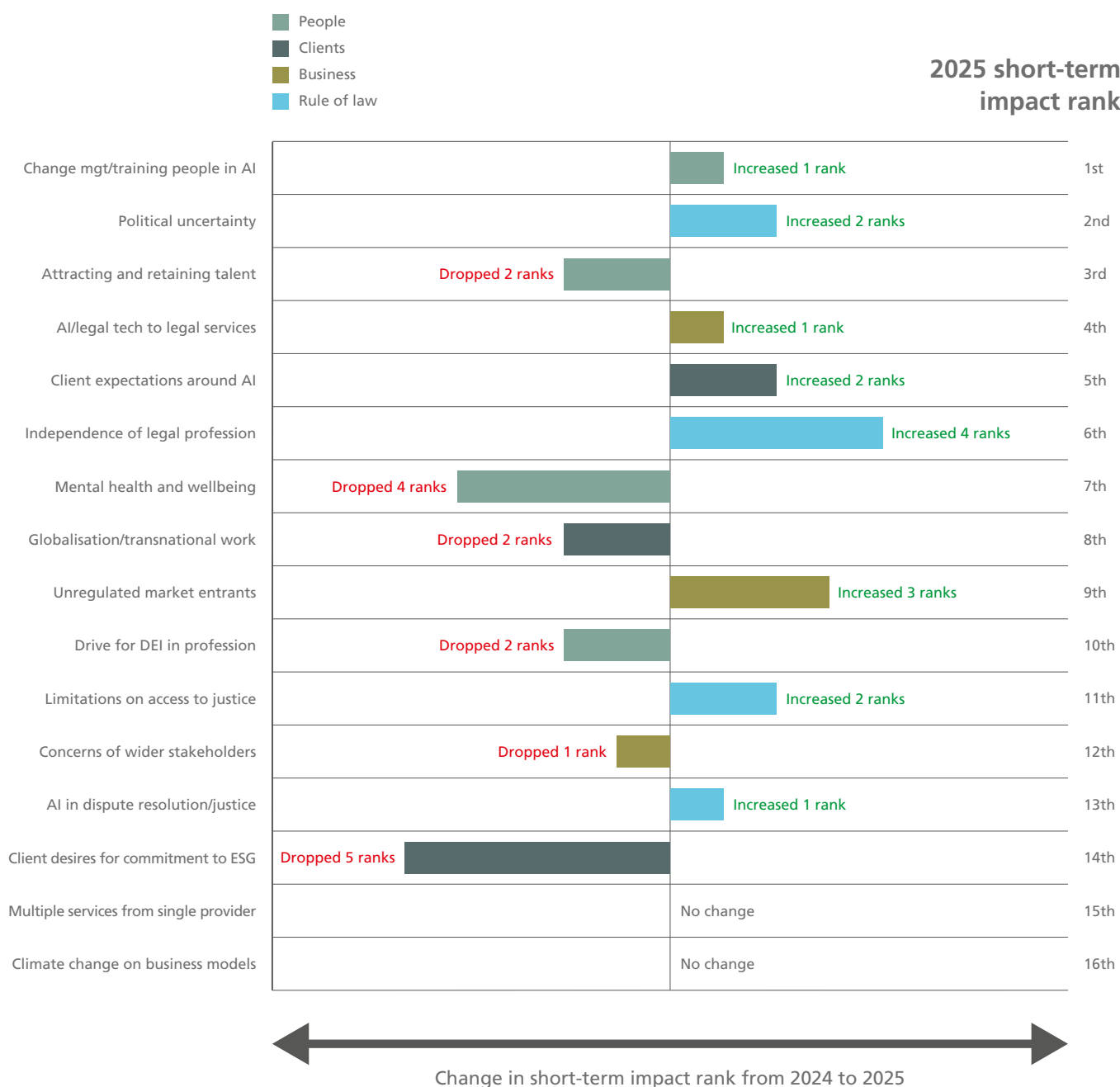
Figure 3 – Top ten impact area predictions (short term)



How are the factors impacting the profession changing over time?

This year’s results present a number of clear trends for the profession, but at the same time demonstrate how quickly things can change from one year to the next. Some trends which were expected to be highly impactful in previous rounds of this research have fallen away, whereas others have emerged contrary to expectations and some are accelerating faster than anticipated.

Figure 4 – Change in short-term impact ranks from 2024 to 2025



AI has accelerated in impact

In 2023, this research highlighted that **use of AI/legal tech in the delivery of client services** was expected to be a major growth area over the next five years. This is one area where there was perhaps an underestimation of the perceived impact of this development when it was first tested only three years ago, given that it has moved up the agenda to become one of the top five factors expected to impact the profession in the short term.

The impact of AI across different areas tested is high – and rapidly growing in the short- to medium-term horizon. The top three factors for projected medium-term impact are all AI-related factors, with **change management and training of people** in the number one spot (as it is for short-term impact) closely followed by the **deployment of AI in legal services**.

Reflections on the rise of AI

The Global Heatmap Survey is deliberate in not allocating a separate theme to AI, instead making it a pervasive issue across all the other themes: People, Clients, Business and Rule of Law. This reflects the dynamic and all-encompassing impact of AI, which is having a profound effect on personal and professional lives. Training teams in AI use is now a top priority, leading the field of the survey in terms of short-term impact, but fast on its heels are the rising concerns around client expectations and industry standards in relation to AI. The profession is, at present, ahead of the curve, but needs to retain focus in order to avoid being outmanoeuvred by startups.

The medium-term indicators suggest that it will remain a central transformative issue for the next five years at least, including the evolving issue of the impact of AI on dispute resolution and judicial process, a potential positive influence for access to justice. The IBA recently added a legal technology competency to its global legal competency framework, part of its 'International Principles of Conduct for the Legal Profession', further reinforcing the need for ongoing preparedness in the face of continuing change.

Christopher Howard *Co-Vice Chair, Future of Legal Services Commission; University Partnerships Director, BARBRI Global, London*

Attention from the sector on AI right now is high (as it was in the last edition of this research), but the pace of change means that perceived 'readiness' from the sector falls behind other areas. Notably for this year, **change management and training of people in AI** now surpasses **talent attraction and retention** in both short- and medium-term impact. This is a big shift which last year's data correctly predicted.

AI was a consistent topic which respondents chose to proactively mention throughout the survey. AI trends were often talked about in a generalised way, but sub-themes on the topic also emerged:

Ethical concerns

'The use of AI in the delivery of legal services and ethical considerations, and bias around using AI tools in the delivery of legal services.'

Theme with greatest impact, in respondent's own words

'The idea of legal issues [being] covered without a human perspective through the AI.'

Theme with greatest impact, in respondent's own words

Client impact

'AI tools and their impact on the client-attorney relationship – what is the client willing to pay for? Some services currently rendered and over-paid will no more be of interest for the clients.'

Theme with greatest impact, in respondent's own words

'The application of AI and the use of technologies. The expansion will hit firms that are not ready but also some are reluctant to change the way they do business. However, the clientele expectations are fast changing.'

Theme with greatest impact, in respondent's own words

Speed of change

'The growth of AI use in business, law and government is the greatest wild card within the next 18 months, due to the speed of change in AI systems and implementations.'

Theme with greatest impact, in respondent's own words

Rule of Law themes have escalated on the agenda

The preceding iterations of this research have shown that Rule of Law-related themes rarely feature highly in the list of trends which are expected to impact the profession, with attention on these issues also relatively low compared to other themes. This is shifting quickly, with an escalation in perceived short- and medium-term impact of **political uncertainty** and **independence of the judiciary**.

This was not wholly unexpected; last year's research (where data was captured prior to all the most significant elections of 2024) showed that attention being placed on political uncertainty was high, but readiness for dealing with this was low, reflecting the uncertain nature of the future political landscape. Now that landscape has revealed itself, the data has shifted: **political uncertainty** is now ranked second for short-term impact on the profession (only fractionally below **change management and training people in AI**). This is the first time a Rule of Law theme has placed right at the top of the list of impactful themes.

94 per cent expect political uncertainty to impact the profession in the short term

Threats to the independence of the legal profession, including the judiciary, was perhaps a less anticipated change, with this challenge now only sitting below AI-related challenges, talent attraction and political uncertainty for short-term impact.

'Legal and economic uncertainty halting business on which legal services depend on.'

Theme with greatest impact, in respondent's own words

'In our jurisdiction, the independence of the judiciary, and political and economic factors, will have the greatest impact.'

Theme with greatest impact, in respondent's own words

'Rule of law and polarisation. Deteriorating democratic and legal principles.'

Theme with greatest impact, in respondent's own words

Reflections on changes to Rule of Law themes

The 2025 Heatmap registers a pronounced spike in both 'political uncertainty' and 'independence of the judiciary', each vaulting into the top tier of short-term impact. This inflection point underscores the utility of the survey's annual cadence: only a longitudinal instrument can capture so abrupt a re-ranking of risk factors.

The root causes are self-evident. The 2024 electoral super-cycle – in the United States, across Europe and throughout Asia-Pacific – has ushered in policy volatility, populist rhetoric and, in certain jurisdictions, overt challenges to the authority of courts and the legal profession. In some countries, law firms and the judiciary – including judges – are facing increasing criticism and negative sentiment, which has been widely reported in the media.

Conversely, the modest decline of these two variables in the medium-term projections is telling. It may reflect the profession's continued confidence in the institutional resilience of the rule of law: a belief that an independent bench and bar can withstand present turbulence and reassert their constitutional equilibrium.

Whether that optimism is warranted remains to be seen. Monitoring the trajectory of political risk and judicial independence through the latter half of 2025 and into 2026 will be critical for prudent strategic planning.

Hideaki Roy Umetsu *Co-Vice Chair, Future of Legal Services Commission; Managing Partner, Mori Hamada & Matsumoto, New York*

'Public education. When the public does not understand government or law, they will vote and voice opinions which steer the course of history the wrong way. An uneducated public is the worst poison for the rule of law.'

Theme with greatest impact, in respondent's own words

'Challenges to rule of law in the US.'

Theme with greatest impact, in respondent's own words

ESG continues to decline in relative impact

Two years ago, **pressure from clients related to ESG issues** was expected to be a major growth area, with the impact predicted to be on a par with key challenges such as financial performance and profitability. Last year's research gave an early indication of a decline in sentiment, with the theme starting to drop down the list of challenges rather than rising as expected.

Last year, we hypothesised that this may have been driven by the fact the industry was reporting a higher level of 'readiness' to deal with this challenge, therefore reducing its perceived impact as organisations invested in the resourcing and professionalisation of their responsible business teams.

This year the theme has dropped to 14th out of the 16 factors tested in terms of short-term predicted impact, and 13th out of 16 for medium-term impact. Attention on the issues has also dropped compared to the previous year. Hostile political rhetoric and action towards the broad tenets of ESG has likely played a role here, with a number of high-profile events encouraging some (but by no means all) organisations within the legal industry (alongside other industries) to renege on their commitments to ESG principles, at least publicly. Alongside this, the theme has lost ground when measured against more immediate and topical concerns, such as AI and political uncertainty.

'All the AI-related themes [are] now more important existential themes for future young lawyers than ESG and diversity concerns.'

Theme with greatest impact, in respondent's own words

Not all themes were tested in all three editions of this research. The table below summarises the key shifts in the ten areas which have been covered consistently across all three editions.

Only 14 per cent now expect client ESG pressure to have a 'high impact' in the short term, compared to 26 per cent stating it will have 'no impact'

Reflections on decline in ESG as a theme

The marked decline in the short-term impact rankings for both ‘the drive for DEI in the profession’ (down two places) and ‘client desires for commitment to ESG’ (down five places) is particularly striking in this year’s Heatmap. Notably, DEI remains within the top ten, underscoring its continued relevance and the profession’s sustained interest.

Political factors appear to be a significant driver of these shifts. In the United States, changes in government have led to substantial policy reversals on ESG and DEI, with some DEI initiatives facing strong criticism. Similarly, in Europe, regulatory simplification – such as the Omnibus law – reflects a shift toward balancing industrial competitiveness with ESG mandates.

Given current political climates and the trends observed in the Heatmap from 2023-2025, it seems likely that this pattern will persist. However, it is important to recognise that ESG and DEI remain fundamental values for many legal professionals, rooted in human rights and social justice. The importance of these themes is unlikely to disappear entirely, even as their prominence fluctuates in response to external pressures.

Hideaki Roy Umetsu

Figure 5 – Summary of theme changes from 2023-2025

Trend	2025 ST Impact	Summary of change 2023–2025
Client desires for commitment to ESG	14/16 ↓	Impact dropping considerably contrary to 2023 predictions: attention on the topic is trending down.
Provision of multiple services from single provider	15/16 ↔	Consistently amongst lower impact areas, no trajectory of growth or decline.
Limitations on access to justice	11/16 ↓	Consistently amongst the lower groupings of themes tested in terms of impact.
Mental health and wellbeing	7/16 ↓	Impact has steadily dropped from 2023 to 2025 and has moved from a top issue to ‘middle of the pack’.
Attracting and retaining talent	3/16 ↔	Consistently a top three issue across short- and medium-term impact and attention in all years; however other topical themes beginning to overtake it as the leading issue.
Challenge to independence of legal profession	6/16 ↑	Increased to approaching a top five impact area where previously had sat outside of the top ten. Biggest riser in terms of expectations from 2024–25.
Globalisation and transnational client work	8/16 ↔	Held as a mid-pack challenge with high attention but also high readiness. Does not typically feature as a top-of-mind issue.
The drive for DEI in the legal profession	11/16 ↓	Slowly reducing in impact as other areas take focus. Has not been seen as a high-impact area, with readiness high compared to impact.
New unregulated entrants to legal market	9/16 ↑	Growing in impact consistently over the last three years. Has not emerged as a key top-of-mind challenge and has not attracted high levels of attention compared to other areas.
Deployment of AI/legal tech to legal services	4/16 ↑	Has been expected to grow in impact and this has been realised. Amongst the highest areas of attention in 2025.

Predictions for coming years

As seen in previous years, survey respondents generally expect the impact of all tested areas to increase from the short to the medium term. For some areas, the growth is considerably faster than others, providing a steer as to which factors will attract the attention of the market in a few years' time.

Consistent challenges

Attracting and retaining talent is a perennial challenge, placing towards the top of the impact list for all iterations of this research. This is expected to remain just as impactful going forwards, with a modest growth in impact, and still towards the top of the spectrum in terms of attention placed on this issue.

Well over 90 per cent expect talent attraction and retention to be a challenge in both the short- and medium-term

Consolidated challenges

AI looks set to hold the top three spots across our metrics into the medium term. **Change management and training of people around AI, bringing AI into legal services and meeting client expectations around AI** are all expected to grow substantially in impact from an already high start point. All three are currently receiving the highest levels of attention across the sector, with readiness comparable across the trio.

Plateauing challenges

The impact of political uncertainty has shown rapid growth as an impact area to this point, but looks to have peaked. Medium-term impact is highly comparable to short-term impact, and it is expected to drop from the second highest impact area right now, down to sixth in the medium term.

Challenges to watch

Two themes we have tested sit slightly under the radar in our reporting, but are expected to grow rapidly in terms of impact going forwards.

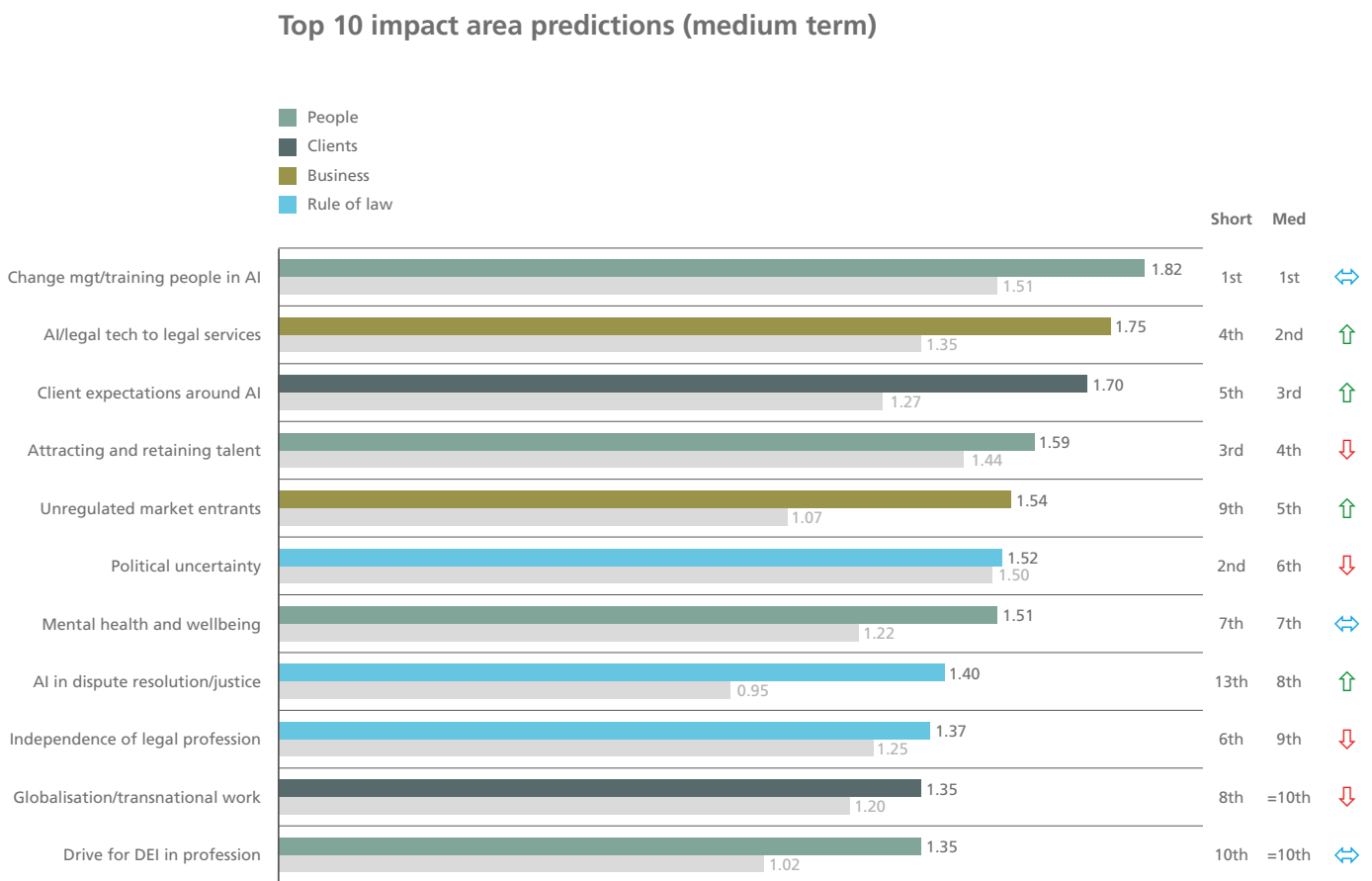
The use of AI in dispute resolution and the delivery of justice has not been seen as a high-impact area in the short term but shows the highest growth in potential impact moving to the medium term.

92 per cent expect the use of AI in dispute resolution and delivery of justice to be an impactful challenge in the medium term

The **emergence of new, unregulated entrants to the legal services market** (including legal tech specialists) is another area which is indicating rapid growth going forwards; currently sitting in ninth place as a short-term issue, it is expected to rise to fifth place in the medium term.

Critically, both areas receive very little attention from the industry in comparison to other themes. The legal sector’s readiness to respond to these challenges is also very low overall.

Figure 6 – Top ten impact area predictions (medium term)



* Scale = Mean average of the impact area (No impact=0, some impact=1, high impact=2 (Max impact =2.0).

Reflections on the shift in medium-term priorities

In the medium term, key 'people' issues, such as DEI, mental health and wellbeing, and attracting and retaining talent, have remained static in terms of importance but are outweighed by other concerns – AI in particular. In the short term, the trend is even more pronounced, with such people concerns dropping down the rankings significantly.

The only people issue remaining in the top priority status is 'change management/training in AI', reflecting the high level of concern about the need for staff to stay ahead of the technology. This indicates both the economic concern importance of maximising the value-creation of new technologies, and the need for lawyers at all levels to maintain their relevance in the face of potential replacement by legal tech.

Finally, how are we to interpret diminishing concern about issues such as retention and wellbeing? This may be due to the increased focus on these points in recent years embedding better systems and practices. It may also be that the importance of training for AI is a proxy for the need to shield staff from the mental health impacts to come, and to retain younger staff who may be attracted to the tech space outside of private practice.

Christopher Howard

How prepared is the legal sector?

Like any sector, the legal industry will continue to face challenges over time, but it is the ability of organisations to prepare for – and respond to – these challenges which will influence their relative success. With this in mind, this research has assessed the level of attention each challenge is receiving, as well as the levels of readiness from organisations in terms of responding to each challenge.

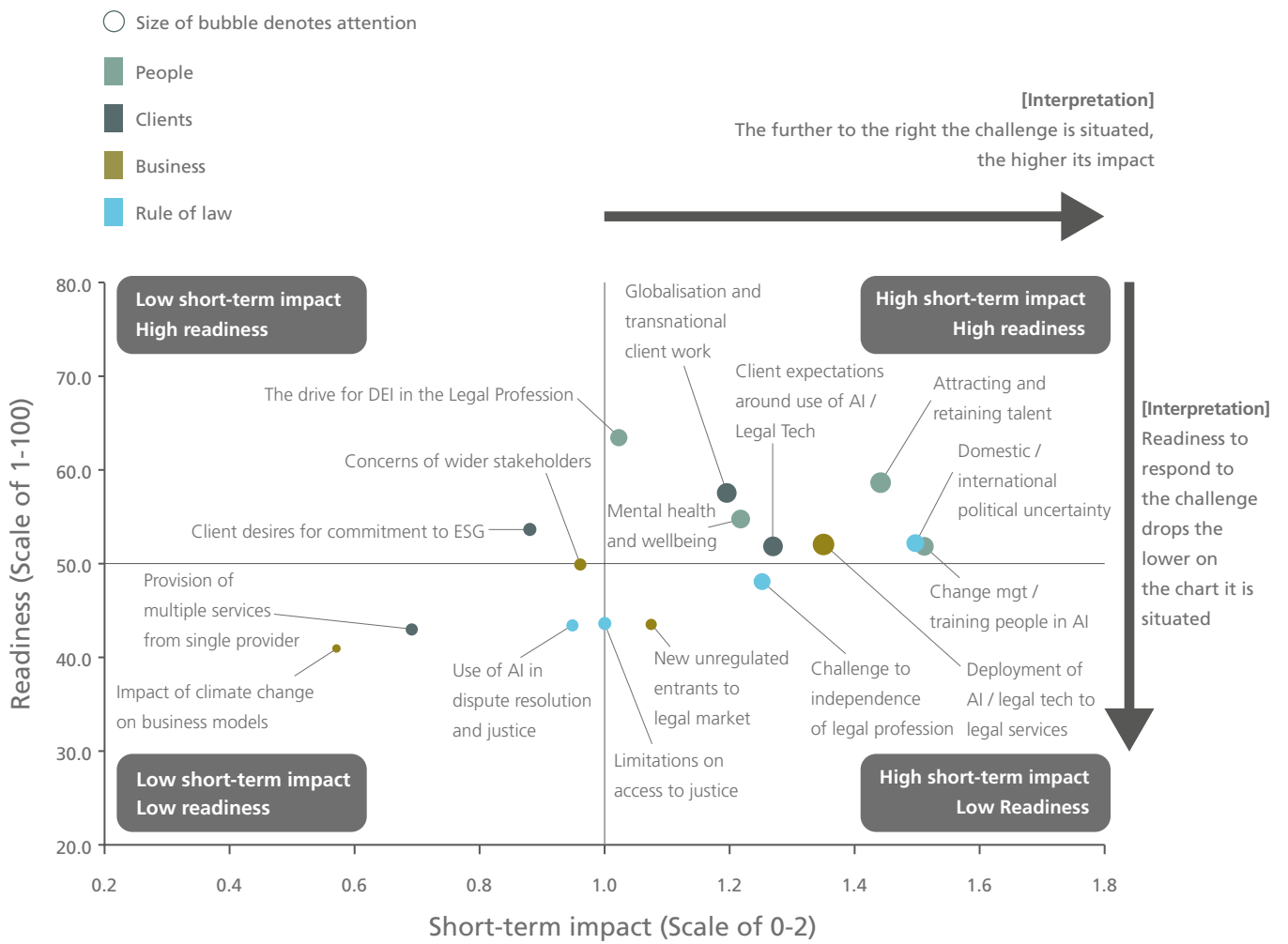
To unpack this, we have analysed each of the 16 challenges at the intersection of all three metrics:

- Likely impact
- Attention received
- Readiness to respond

Figure 7 – Main challenges at a glance

<p>The impact of political uncertainty, as well as change management and training people in the use of AI, are the highest impact areas – both are getting attention, but readiness needs to increase.</p>	<p>The sector is feeling most prepared for short-term challenges around attracting and retaining talent and the drive for DEI in the profession – both receive high attention.</p>
<p>Challenges to the independence of the profession and deploying AI/meeting clients’ AI expectations are some of the highest impact areas where readiness is low.</p>	<p>Use of AI in dispute resolution and justice delivery, limitations on access to justice and new unregulated entrants to the market generally see little attention and low readiness; however short-term impact is also expected to be limited.</p>

Figure 8 – Themes by short-term impact, attention and readiness



Attracting and retaining talent – one of the most consistently highly-ranked challenges – sits clearly in the top right quadrant of the distribution, indicating high short-term impact, but correspondingly high levels of readiness and an indication of high attention from organisations. This follows a consistent trend from last year where we reported a rebalancing of the data that showed the sector was increasingly prepared to deal with this challenge overall. This is one of the areas with the lowest interquartile range of data in terms of attention and readiness results, indicating a relatively uniform agreement from the market, as opposed to polarised views.

Only 20 per cent expect the impact of climate change on business models to be a high-impact challenge in the medium term (up from ten per cent in the short term)

At the other end of the spectrum, the challenge the sector feels least prepared to deal with (and which is receiving very low attention) is around **the impact of climate change on business models**. This is also the ‘lowest impact’ area in both the short term and the medium term, indicating an area the market does not yet have on its core risk radar. Whether the data shows a shift in this attitude moving forwards will be an area to watch – especially as opinions on this are less consistent than other areas, with a relatively high interquartile range related to attention and readiness.

‘Climate change disruption and impact to public health.’

Theme with greatest impact, in respondent’s own words

Alongside AI trends (for which the data shows highly consistent – and high – levels of attention), **threats to the independence of the legal profession** was identified as having a high short-term impact. This challenge has one of the lowest levels of overall readiness relative to its impact on average. The interquartile range of data shows this is a less consistent trend, potentially explaining the growing level of attention it is receiving compared to last year. The **impact of domestic and political uncertainty** shows slightly higher readiness, but the impact is also expected to be much higher – an area which arguably has more commercial imperative in terms of its potential impact on legal services providers and their clients’ needs.

A key area to watch over the coming years is one which currently receives very low (albeit relatively consistent) attention and has low levels of readiness: **the emergence of new unregulated entrants to the legal services market (including legal tech specialists)**. Sitting towards the bottom half of the list in terms of short-term impact, there is an expectation that this will increase considerably into the medium term, potentially highlighting a need to shift focus to this challenge going forwards.

97 per cent expect the emergence of new unregulated entrants to be an impactful challenge in the medium term

Where to focus attention?

AI was expected to grow in terms of impact, and the attention it is now receiving from the industry is in line with this trajectory. However, additional challenges will emerge alongside it. A number of

responses to this research highlighted the ethical concerns around AI use; the data indicates that the use of AI in the provision of justice and dispute resolution is set to become a rapidly growing challenge, moving from the short- to the medium-term horizon. Similarly, the competitive landscape will continue to shift as AI becomes more embedded, and legal services buyers may begin to challenge their firms on how they deliver their services. This year's data highlighted that the emergence of new unregulated entrants to the legal services market is a growing challenge that is yet to receive the same level of attention as factors like AI training and change management, potentially creating new challenges to business models going forwards.

Our data indicates the significant attention placed on retaining and attracting talent in recent years has shown the sector keeping pace with the challenge. However, the challenge is likely to continue to shift as law firms in particular grapple with AI provision and training, as well as assessing how their strategies around DEI align with talent expectations and the external environment. Our respondents expect talent to remain a key impact area going forwards.

The market anticipated that domestic and international political uncertainty would be a rising challenge for the profession, though subsequent challenges to the independence of the legal profession were far less expected in last year's research. This has proven much more impactful – and high profile – than was expected. Critically, this theme has one of the lowest levels of consistency in terms of perceived 'readiness' from the market. This serves to reinforce that events may overtake expectations, and new challenges can quickly emerge that parts of the market are unprepared for. For instance, this year's research data indicates that the impact of climate change on legal business models is not high on the agenda, but even one high-profile climate-related event could massively impact the industry or its clients, quickly changing this and forcing a traditionally resilient industry to further adapt.

Concluding remarks

We are extremely grateful to the individuals who took the time to participate and provide their perspectives on the key challenges they face in their organisations. This report is now an annual publication and we hope we can rely on the support of those who read this report to participate next year. Our three principles to continually improve on this research are below.

- **Using less of your time.** We will make the participation process easier, more flexible and shorter.
- **A focus on longitudinal data.** Part of the value of this research is tracking and benchmarking: we will repeat key questions to track changes and only introduce new areas if they are warranted to keep the research topical.
- **Quality over quantity.** We aim to expand our coverage, but not at the expense of quality; our report will be built on reliable, robust data.

The findings in this report evidence the need for ongoing vigilance and mutual support in order to maintain a robust, effective and independent global legal profession in the face of multiple developing challenges. As such, the need for this to be a dynamic and continuing research project continues.

As we move into 2026, the Future of Legal Services Commission is already planning the next iteration of the project, and we would welcome all comments and feedback on the surveys and reports in this project to date. Equally, if you would like the Commission to present the findings of the report to your organisation, please reach out to us via divisions@int-bar.org.

Finally, we would like to thank all the contributors once again for their efforts in compiling this report and encourage all readers to disseminate this critically important review to their professional networks.

The IBA Future of Legal Services Commission: <https://www.ibanet.org/Future-of-Legal-Services-Commission>



the global voice of
the legal profession®

International Bar Association
Chancery House, 53–64 Chancery Lane
London WC2A 1QS, United Kingdom
Tel: +44 (0)20 7842 0090
Fax: +44 (0)20 7842 0091
www.ibanet.org