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**LAMP HOUSE**  
STRATEGY



# International Bar Association

## Future of Legal Services 2024

### Survey Results

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- Research coverage
- Key data findings
- Top impact areas
- Sector readiness
- Focus areas for future

# Reminder of research coverage

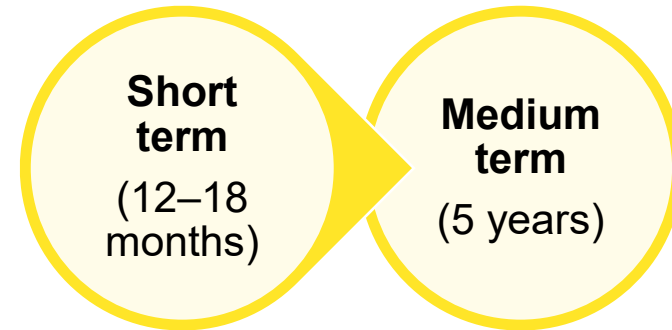
The research assessed...

**17 themes** affecting the sector...

Across **four main pillars**:

- People
- Clients
- Business
- Rule of law

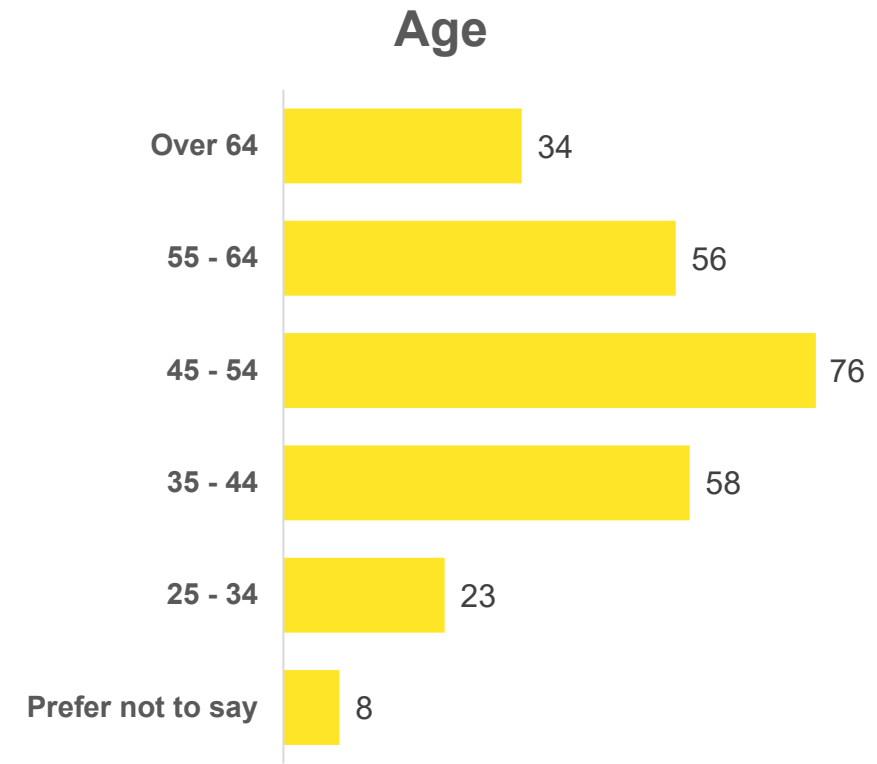
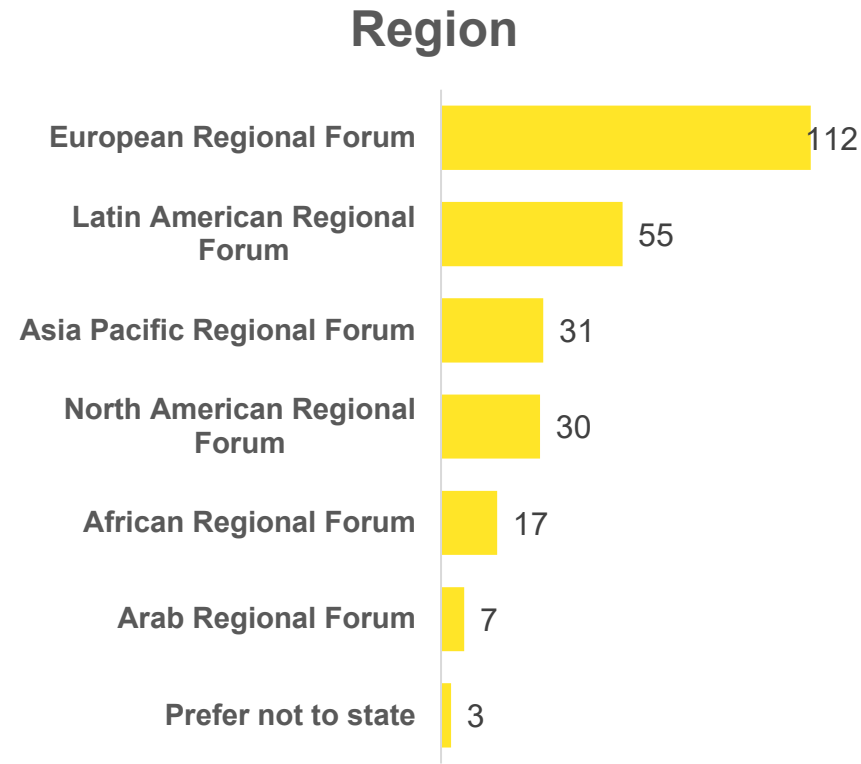
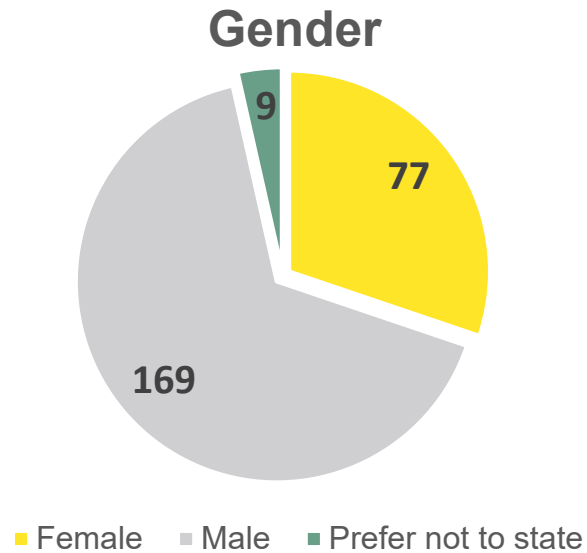
How much of an **impact** will this challenge/development have in the...



- **Attention:** How much focus/attention is this challenge/development receiving in your firm/organisation?
- **Readiness:** How ready (as in how well prepared/equipped) is your firm/organisation to respond to this challenge/development?

# Response rates

- 255 fully completed responses received during fieldwork: **double the number from the previous year.**



# reminder of research coverage

People	Clients	Business	Rule of law
The drive for equality, diversity and inclusion at all levels of the legal profession.	Meeting client expectations around the use of AI and legal technology in the delivery of legal services.	The emergence of new unregulated entrants to the legal services market including legal tech specialists.	Challenges to the independence of the legal profession, including the judiciary.
Mental health and wellbeing within the legal profession, including concerns such as 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 environmental, social and governance (ESG) agenda.	The 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 environment.
		Increased focus on financial performance and profitability.	

# Key data finding #1

**People issues** remain the most common challenges – especially in the short term.

**Talent attraction** and **retention** is the highest short-term **people** challenge and second highest across all 17 challenges.

Attention given to these talent challenges remains high. Readiness has increased slightly year-on-year, as the sector reports greater preparedness overall.

Mental health and wellbeing in the sector remains a key short- and medium-term challenge – especially among younger respondents.



Highlight in presentation – demographic difference. Blind spot in the readership

# Key data finding #2

The impact of challenges relating to **artificial intelligence** feature strongly, especially in the medium term.

In the short term, the highest impact challenge is related to **change management and training of people to use AI**.

Into the medium term, **change management**, the **deployment of AI within legal services** and **increased client expectations around the use of AI** occupy three of the top five impact areas, including the top two spots.

There is currently a moderate level of attention to these areas, but readiness is comparatively low. As we enter medium-term timescales, the growth in impact necessitates a strong focus on these challenges.



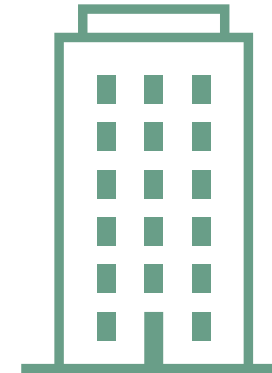
Highlight in presentation –  
attention versus  
preparedness point

# Key data finding #3

Increased focus on **financial performance and profitability** is the highest impact short-term theme and remains in the top three for the medium term – only overtaken by AI-related challenges.

Along with talent attraction and retention, financial performance and profitability show the least growth in impact from the short-to medium-term time periods.

Starting from a high bar, the expectation is that these two areas will require a consistent level of attention and remain key challenges in the longer term.



# Key data finding #4

The impact of **political uncertainty** on the legal/regulatory environment was the only 'rule of law' challenge to enter the top five impact areas for the short-term time period.

This received moderately high attention, yet readiness is relatively low. This is likely to be driven by several macro-political factors at the time of data collection.

*The majority of data was captured before the European Parliament elections, the French elections and the UK General Election, as well as before the early US presidential debate. Within 2024, around half of the global population will vote, the largest proportion in history.*



# Key data finding #5

Two challenges are relatively low on the short- and medium-term impact scale; however their growth trajectory is among the highest.

1. Climate change/environmental impact on legal business models
  - Lowest amount of **attention given**
2. Use of AI in the delivery of justice/dispute resolution
  - Lowest **current readiness**

Both challenges are bottom five for both attention and current readiness, but growth trajectory indicates they are quickly emerging as key impact areas.



# High-level overview

- Key impact areas related to financial performance and talent are key, but they do receive a high amount of attention, with readiness relatively high.
- Clustering of results indicates that the AI-change agenda needs clear attention.
- Mental health and wellbeing challenges also drop on readiness relative to attention and impact.

Highest readiness and attention are 'old' issues – longer term challenges that the sector is more ready for

Top ten areas (average of short/medium term impact)	Attention	Readiness
Financial performance and profitability	73.9	68.5
Change management/adoption of AI	56.4	47.9
Attracting and retaining talent	65.2	62.2
Deployment of AI/legal tech to streamline delivery	58.1	49.0
Mental health, wellbeing, work-life balance	56.0	53.9
Client expectations related to AI and legal tech	56.7	50.5
Political uncertainty impact on legal/regulatory environment	53.8	51.6
Globalisation transnational client work	66.0	68.7
Drive for equality, diversity and inclusion	58.5	61.9
Client pressure related to ESG agenda	56.8	56.3

# Top impact areas

## People issues remain the highest impact area

- People issues show greatest impact in both the short and medium term.
- The general perception is that impact of challenges across all four pillars will increase over time – client and business issues show the largest increase

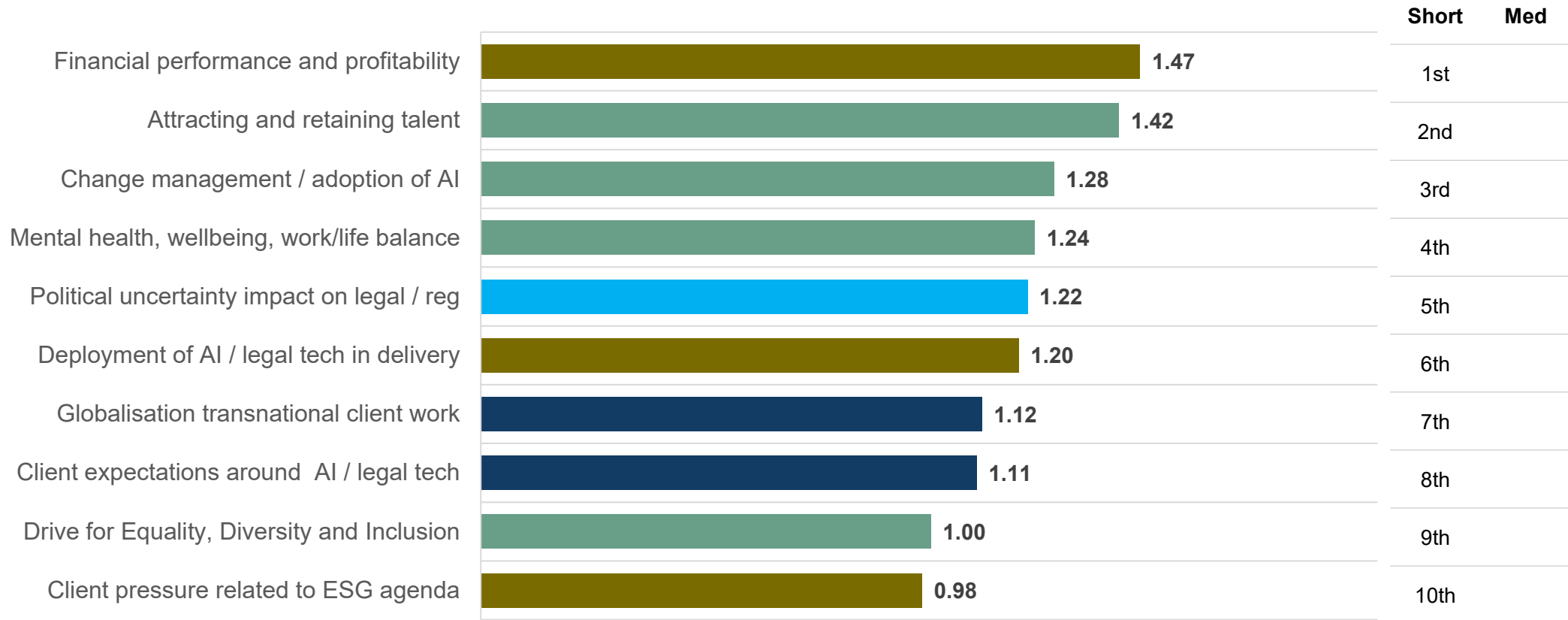
Average of constituent parts – core pillar areas*				
Impact of challenge:	People issues (avg of four areas)	Client issues (avg of four areas)	Business issues (avg of five areas)	Rule of law issues (avg of four areas)
Short term (12–18 months)	1.24	0.97	1.02	0.94
Medium term (5 years)	1.55	1.30	1.36	1.20

\*Number = mean average of the combined parts of each pillar (No impact=0, some impact=1, high impact=2  
**Max impact = 2.0**) (Darker colour = higher average impact)

# Top ten impact areas (short term)



- Financial performance is top of the short-term impact areas. However, people factors make up three of the top five.
- Impact of political uncertainty rounds off the top five areas, coming in higher than any rule of law factors last year.

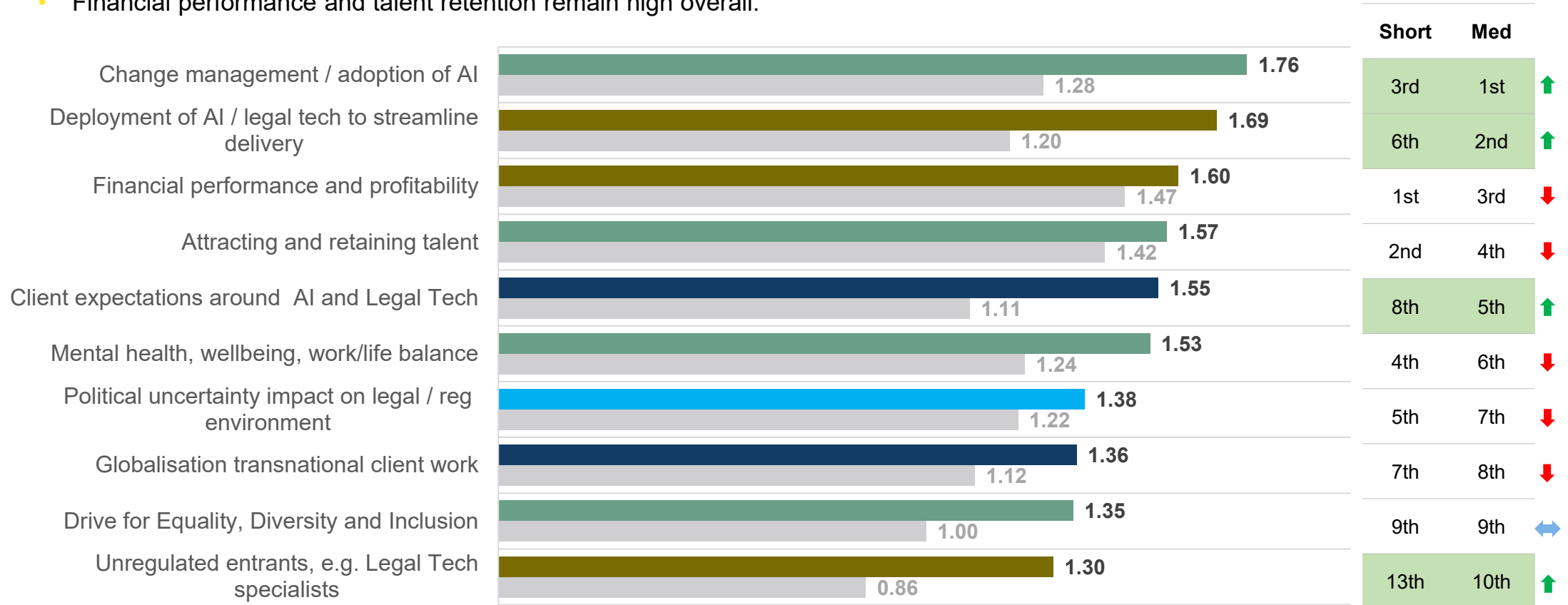


\*Scale = mean average of the impact area (No impact=0, some impact=1, high impact=2 (Max impact =2.0))

# Top ten impact areas (medium term)



- Most themes related to AI are the primary climbers from short to medium-term – change management and training of people climbs from third to first.
- Financial performance and talent retention remain high overall.

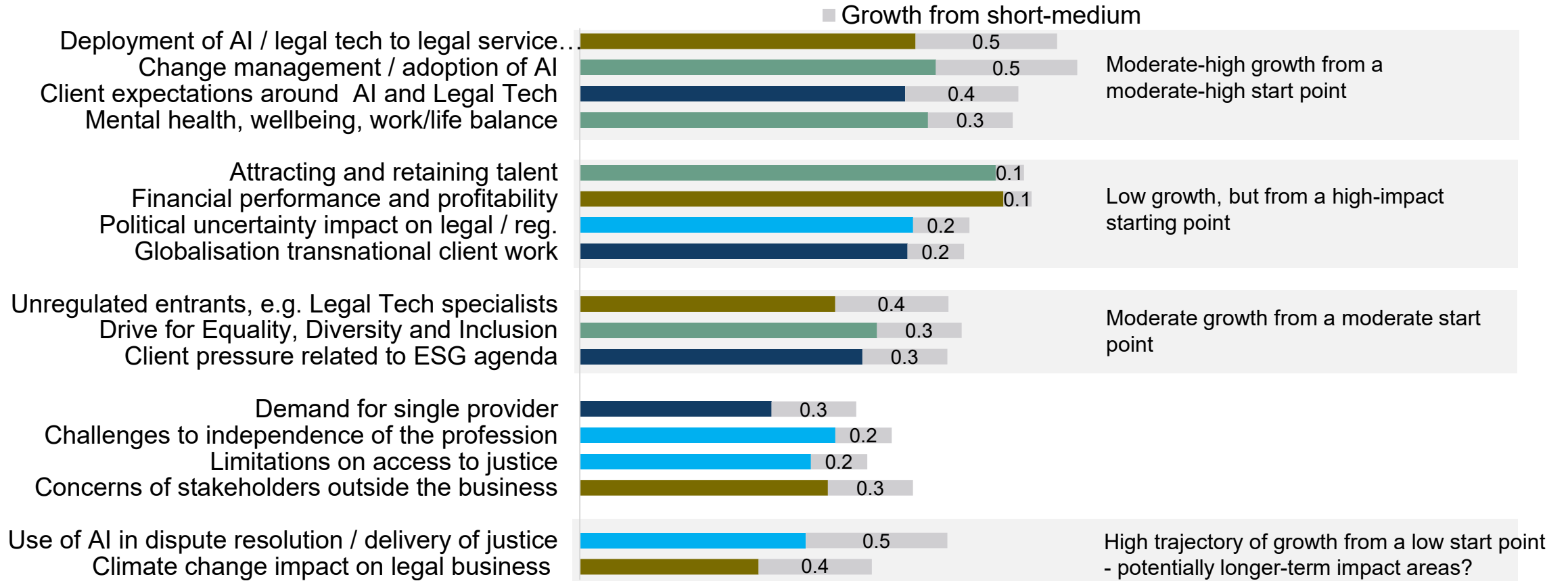


\*Scale = mean average of the impact area (No impact=0, some impact=1, high impact=2 (Max impact =2.0))

# Highest impact areas not always showing the highest growth from short to medium term



- AI challenges consistently showing highest average growth



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

Strong crossover in top five areas – talent, financial performance, AI change management and mental health – all tend to feature



Highest impact short-term themes				
Rank	APAC	Europe	Latin America	North America
1st	Attracting and retaining talent	Financial performance and profitability	Financial performance and profitability	Financial performance and profitability
2nd	Mental health, wellbeing, work-life balance	Attracting and retaining talent	Attracting and retaining talent	Attracting and retaining talent
3rd	Deployment of AI/legal tech to streamline legal service delivery	Change management, training people/ adoption of AI	Mental health, wellbeing, work-life balance	Change management, training people/ adoption of AI
4th	Change management, training people/ adoption of AI	Impact of political uncertainty on legal/regulatory environment	Change management, training people/ adoption of AI	Mental health, wellbeing, work-life balance
5th	Client expectations related to AI and legal tech	Deployment of AI/legal tech to streamline legal service delivery	Impact of political uncertainty on legal/regulatory environment	Deployment of AI/legal tech to streamline legal service delivery

Base: APAC (31); Europe (112); LatAm (55); North America (30).

Change management/AI training top medium-term impact in all regions, with the use of AI to streamline service delivery also prevalent in every region.



Highest impact medium-term themes				
Rank	APAC	Europe	Latin America	North America
1st	Change management, training people/adoption of AI	Change management, training people/adoption of AI	Change management, training people/adoption of AI	Change management, training people/adoption of AI
2nd	Attracting and retaining talent	Deployment of AI/legal tech to streamline legal service delivery	Financial performance and profitability	Deployment of AI/legal tech to streamline legal service delivery
3rd	Deployment of AI/legal tech to streamline legal service delivery	Financial performance and profitability	Mental health, wellbeing, work-life balance	Attracting and retaining talent
4th	Client expectations related to AI and legal tech	Client expectations related to AI and legal tech	Deployment of AI/legal tech to streamline legal service delivery	Client expectations related to AI and legal tech
5th	Unregulated entrants, eg, legal tech specialists	Attracting and retaining talent	Attracting and retaining talent	Financial performance and profitability

Base: APAC (31); Europe (112); LatAm (55); North America (30).

Highly consistent expectations of the medium-term impact of challenges across gender: AI adoption and deployment, along with financial performance are consistently in top three.

**The under-45s see mental wellbeing as a top medium-term challenge.**



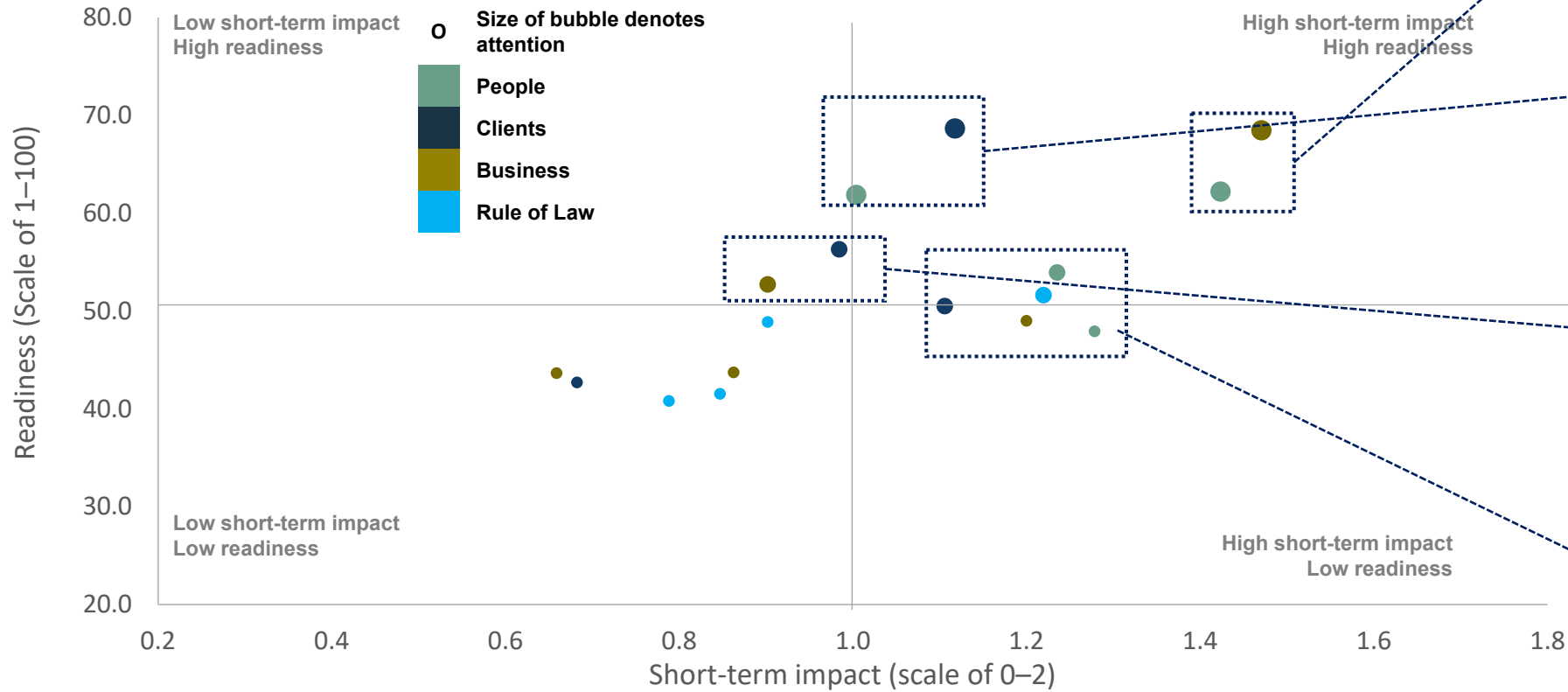
Highest impact medium-term themes					
Rank	Total	Females	Males	Under-45s	Over-45s
1st	Change management, training people/adoption of AI	Change management, training people/adoption of AI	Change management, training people/adoption of AI	Mental health, wellbeing, work-life balance	Change management, training people/adoption of AI
2nd	Deployment of AI/legal tech to streamline legal service delivery	Deployment of AI/legal tech to streamline legal service delivery	Deployment of AI/legal tech to streamline legal service delivery	Change management, training people/adoption of AI	Deployment of AI/legal tech to streamline legal service delivery
3rd	Financial performance and profitability	Financial performance and profitability	Financial performance and profitability	Financial performance and profitability	Client expectations related to AI and legal tech
4th	Attracting and retaining talent	Client expectations related to AI and Legal Tech	Attracting and retaining talent	Deployment of AI/legal tech to streamline legal service delivery	Attracting and retaining talent
5th	Client expectations related to AI and legal tech	Mental health, wellbeing, work-life balance	Client expectations related to AI and legal tech	Attracting and retaining talent	Financial performance and profitability

Base: Total (255); Females (77); Males (169); Under 45s (81); Over 45s (166)

**How ready is the sector?**

# Short-term impact versus readiness

## Top ten areas



### Short-term challenges

Sector feeling most prepared for short-term challenges related to **financial performance, and attracting and retaining talent** – both receive high attention

Readiness is similarly high for **drive for DE&I, as well as globalisation and transnational client work** – however attention remains high despite the short-term impact being less acute.

**Client pressure related to ESG agenda and bringing in concerns of wider stakeholders** receiving comparatively high attention relative to short-term impact.

Readiness to tackle **mental health/wellbeing challenges and AI-related factors** still relatively low, but attention given is quite high.

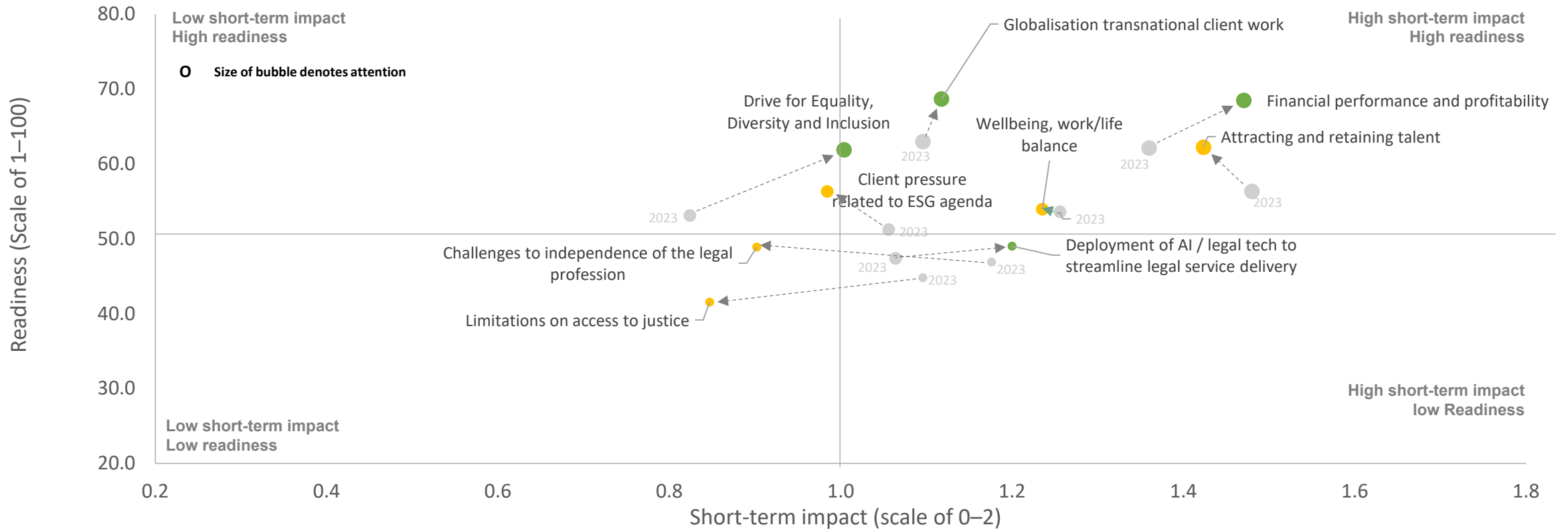
Similar picture for **impact of political uncertainty**.

# 2023 to 2024 comparisons\*

## Short-term impact versus readiness

Short-term impact and readiness has increased for financial performance, transnational work, and drive for DE&I.

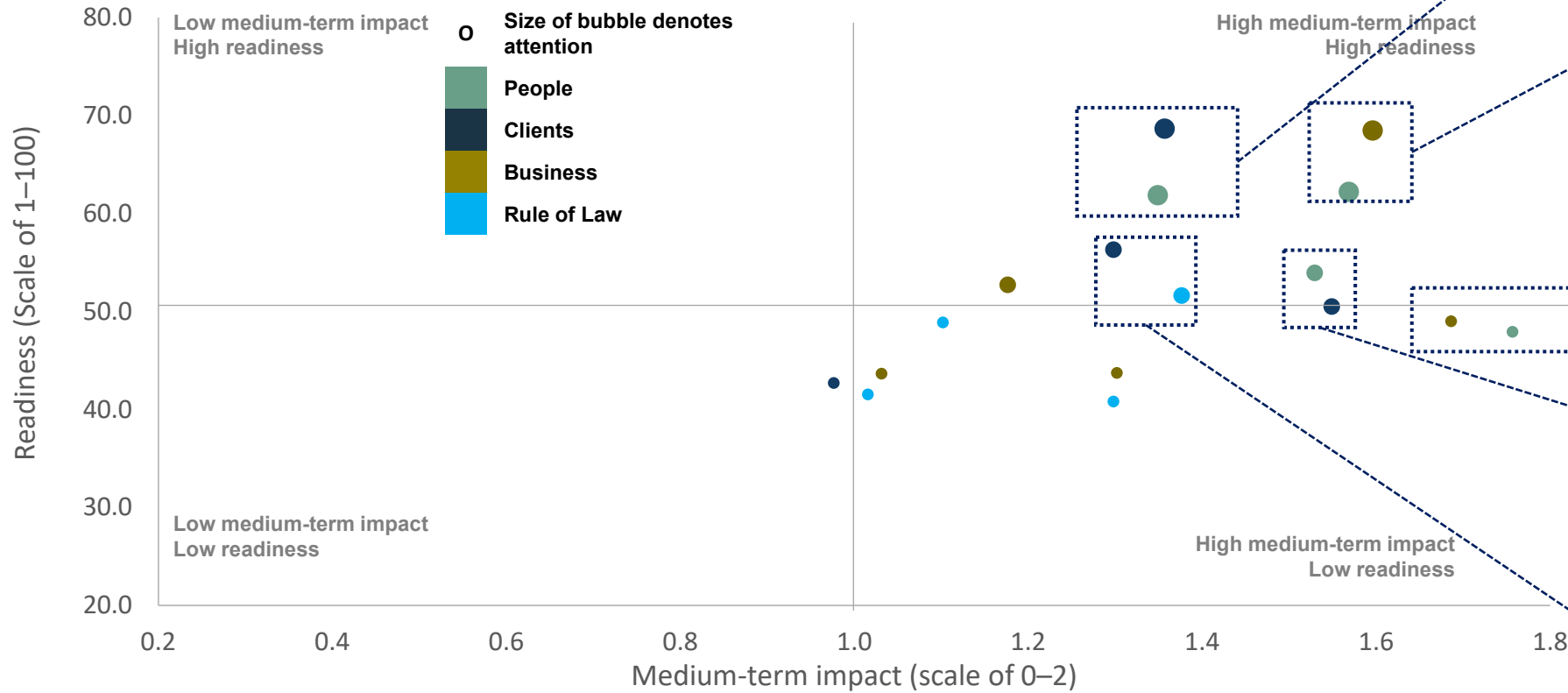
Rule of law areas have shown the biggest decrease in impact since the last round of research.



\*Note – some statements are not exactly the same year-on-year

# Medium-term impact versus readiness

## Top ten areas



### Medium-term challenges

**DE&I and globalisation/transnational client work** shift considerably higher on the impact scale into the medium term.

**Financial performance and attracting/retaining talent** both predicted to remain high impact into the medium term.

**Change management and training around AI, as well as deploying AI** form the biggest medium-term impact area – and the highest risk relative to attention and readiness.

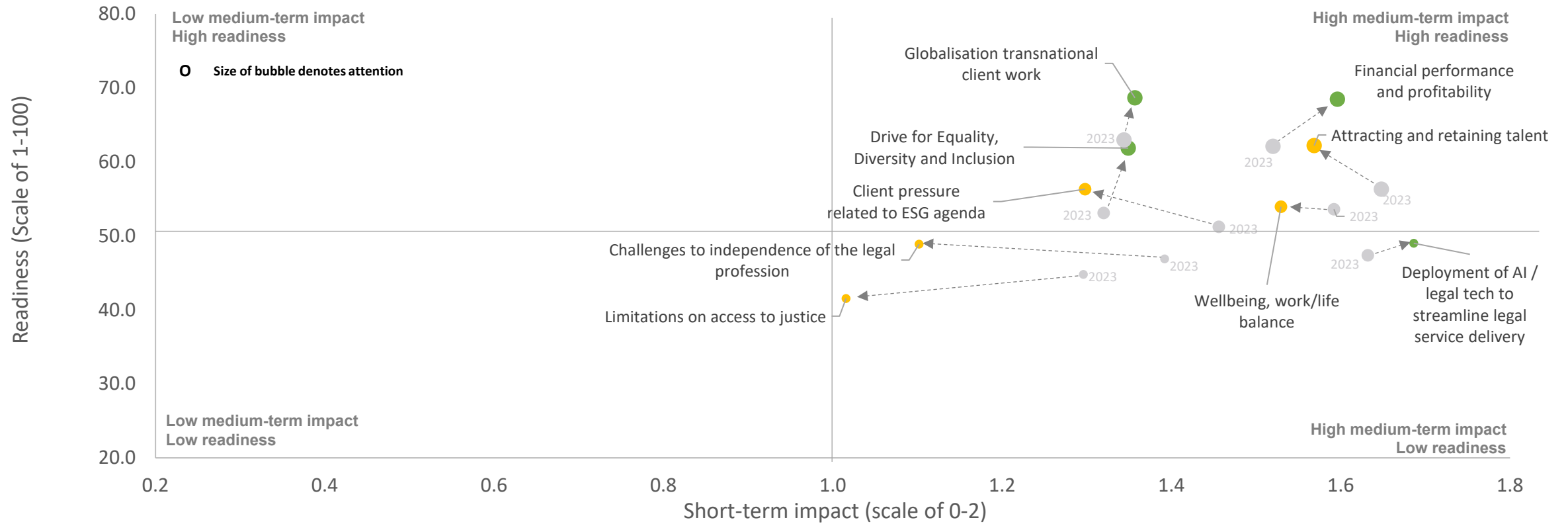
**Mental health and wellbeing, along with managing clients' AI expectations**, also show considerable impact growth in the medium term.

**Client pressure around ESG agenda and political uncertainty** also expected to increase as impact areas.

# 2023 to 2024 comparisons\*

## Medium-term impact versus readiness

Similar fluctuations in medium-term results compared to short-term results



\*Note, some statements are not exactly the same year-on-year.

# Preparing for the future

# Gap analysis: where is more attention needed?

## Short term (12–18 months)

Where current readiness well below attention being given

- ✓ Deployment of AI legal tech to legal service delivery
- ✓ Change management, training people in adoption of AI
- ✓ Client expectations around AI and legal tech

## Medium term (5 years)

High growth in impact from short to medium term

*All challenges related to AI, plus:*

- ✓ Mental health, wellbeing, work-life balance
- ✓ Drive for equality, diversity and inclusion
- ✓ Client pressure related to ESG agenda
- ✓ Unregulated market entrants

## Other challenges with high impact trajectory

Low starting point but emerging quickly

- ✓ Use of AI in the delivery of justice/dispute resolution
- ✓ Climate change/environmental impact on legal business models

## Ongoing challenges

Where impact starts and remains high over time

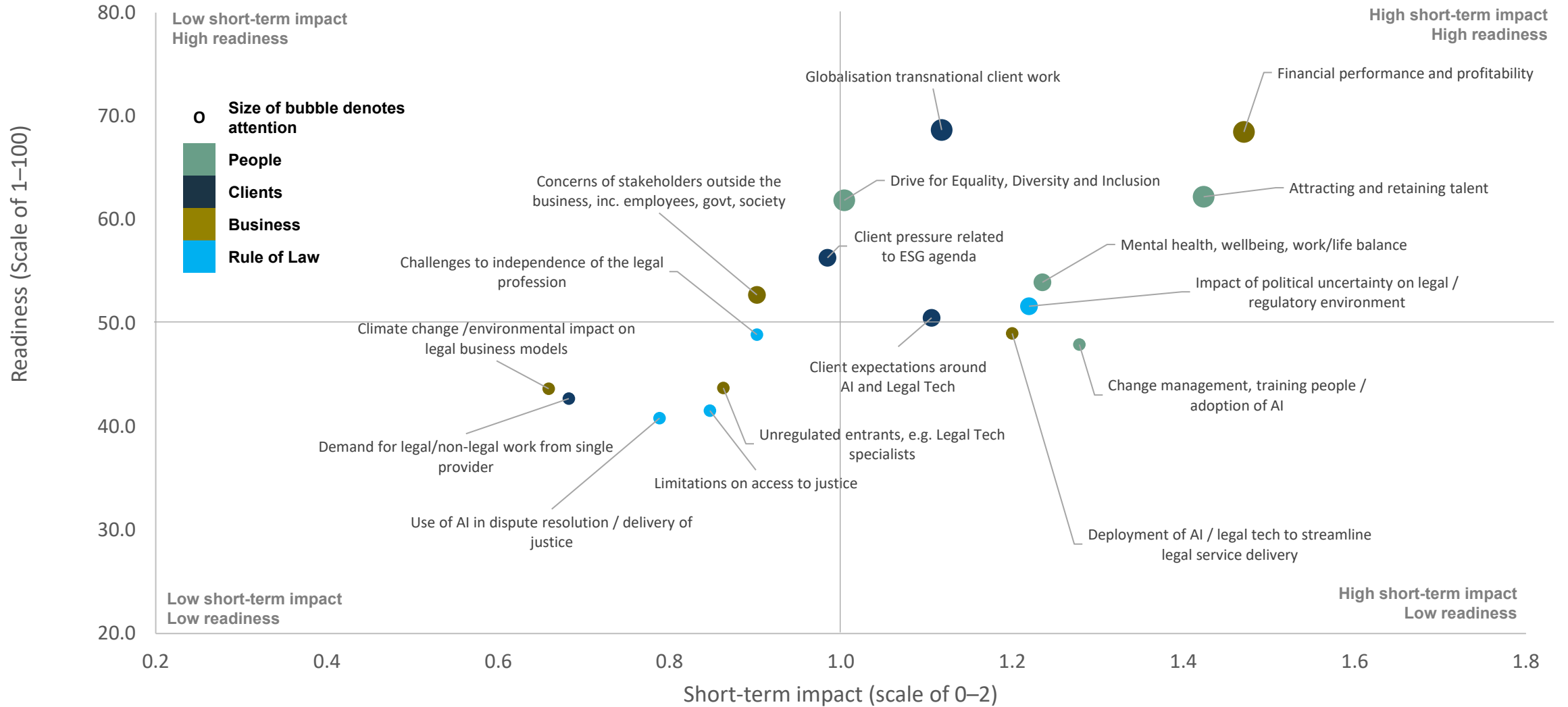
- ✓ Financial performance and profitability
- ✓ Attracting and retaining talent

To a lesser extent:

- ✓ Globalisation/transnational client work
- ✓ Impact of political uncertainty on legal/regulatory environment

Base = 125 Respondents

# Appendices

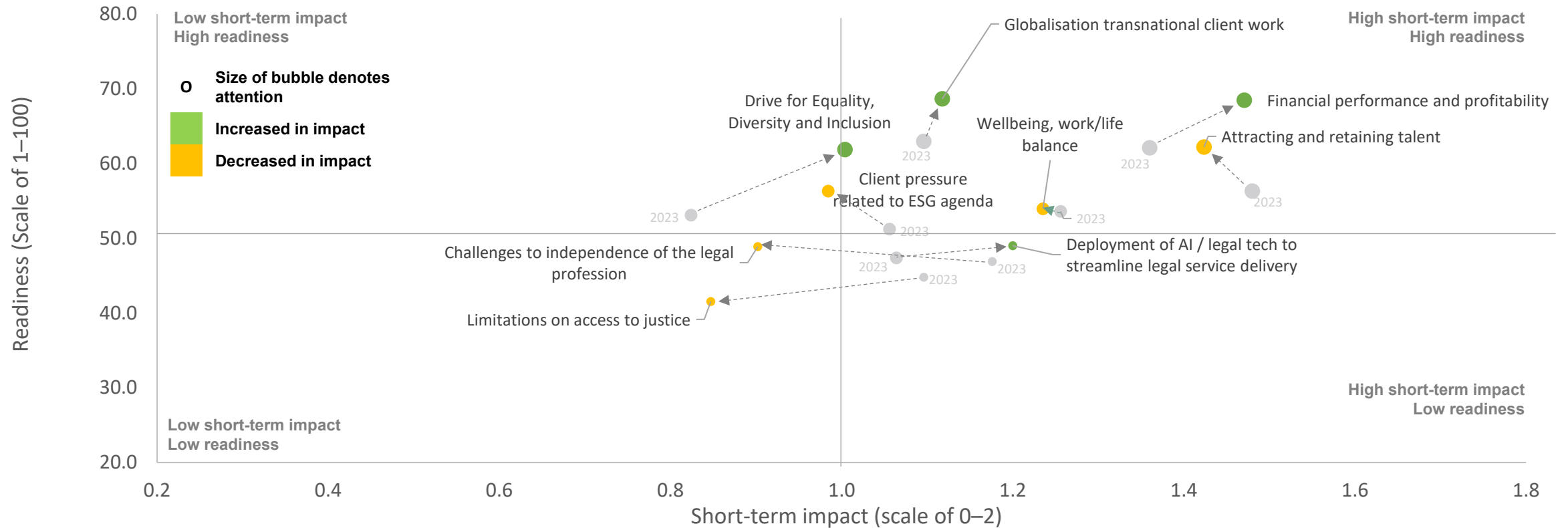


# 2023 to 2024 comparisons\*

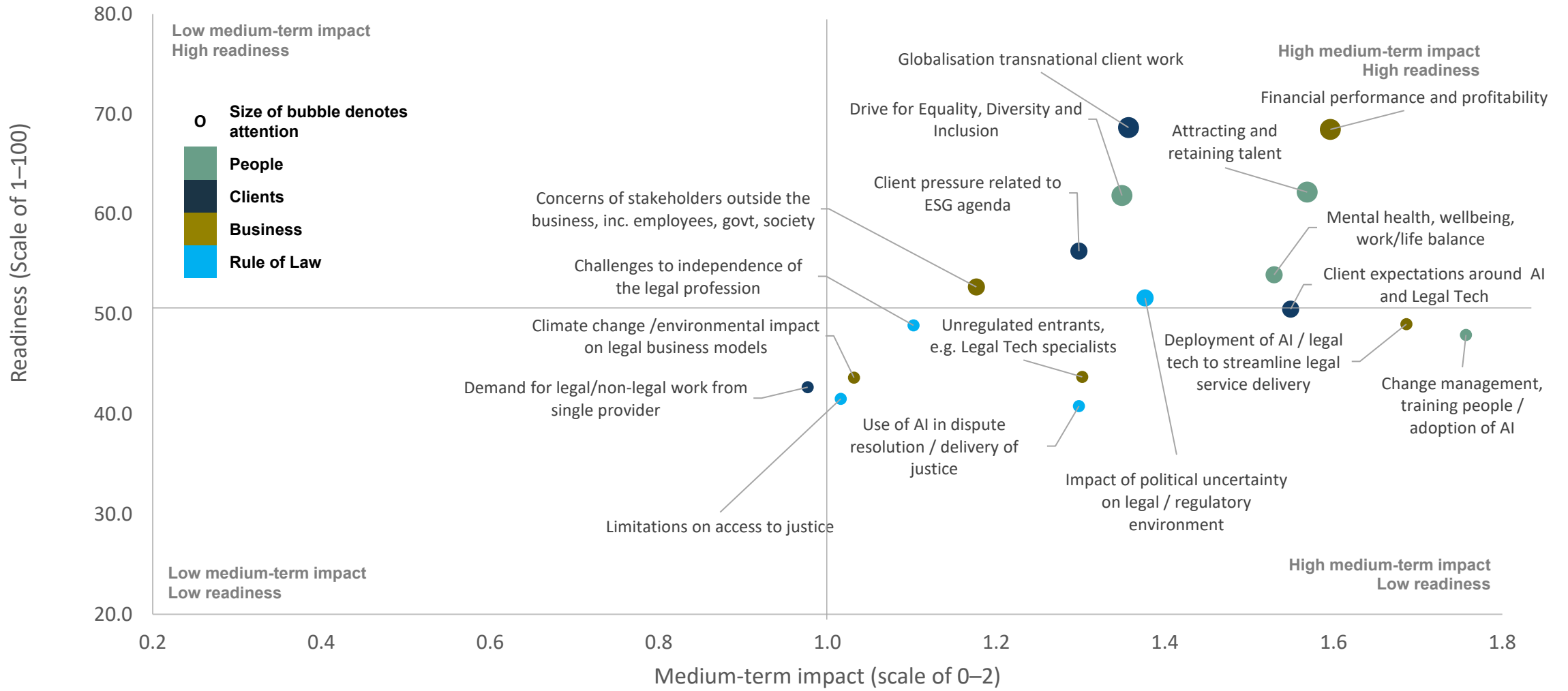
## Short-term impact versus readiness

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Rule of law areas have shown the largest decrease in impact since the last round of research.



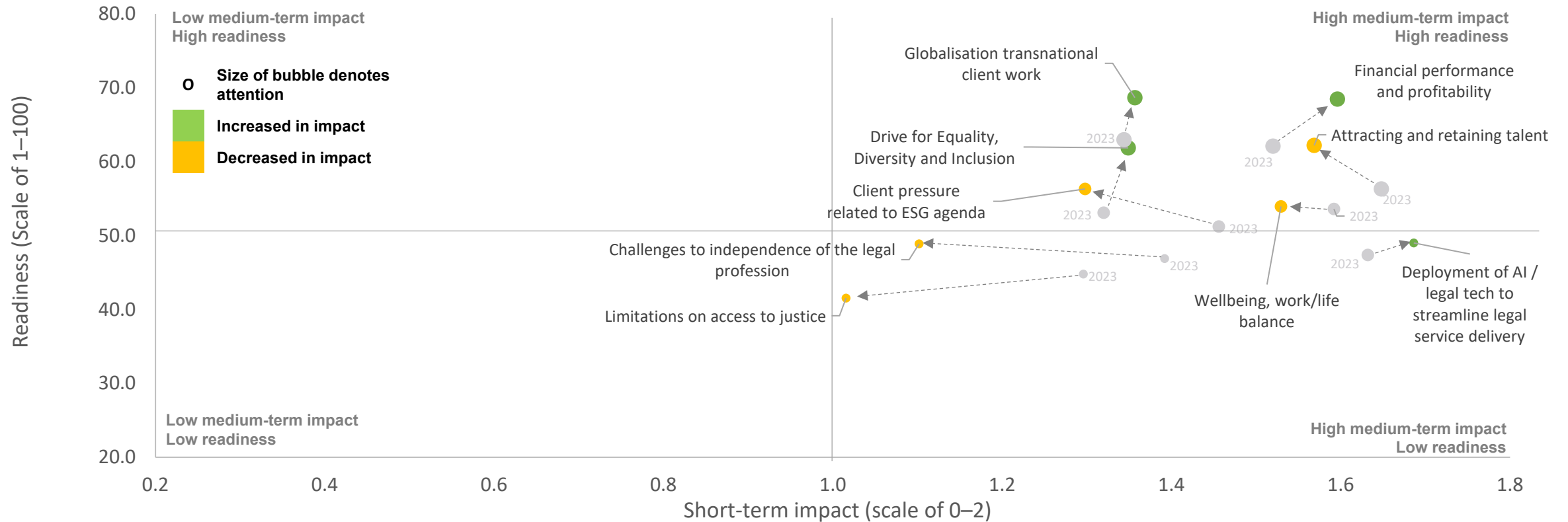
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# 2023 to 2024 comparisons\*

## Medium-term impact versus readiness

Similar fluctuations in medium-term results compared to short-term results

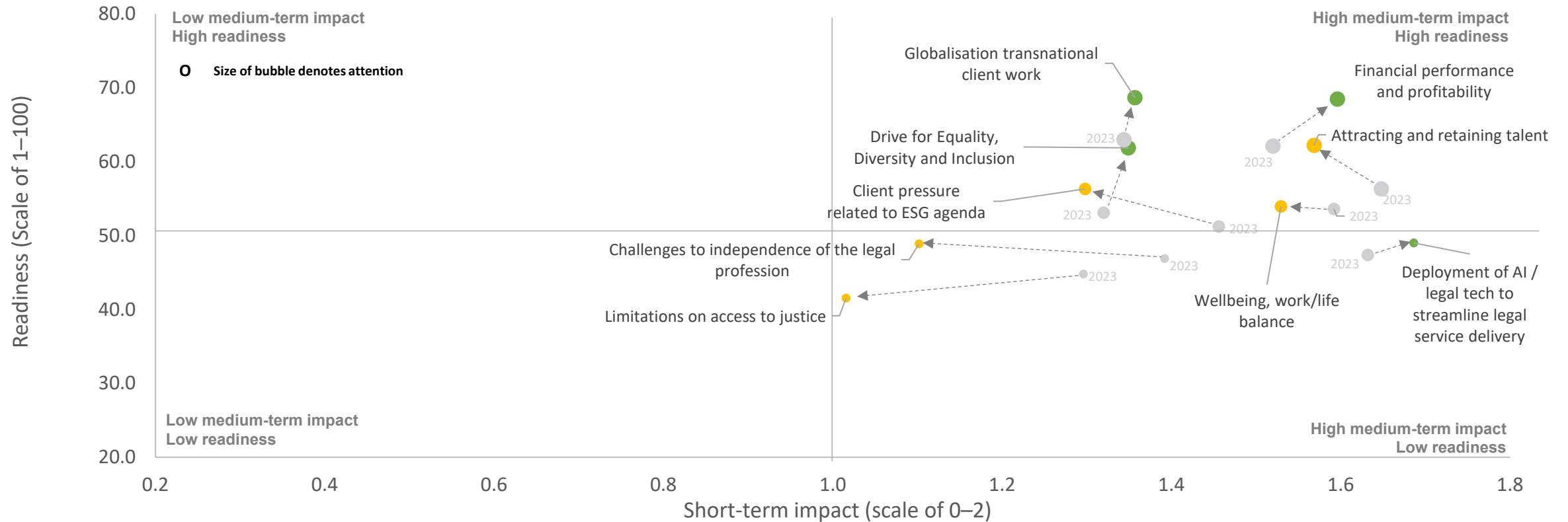


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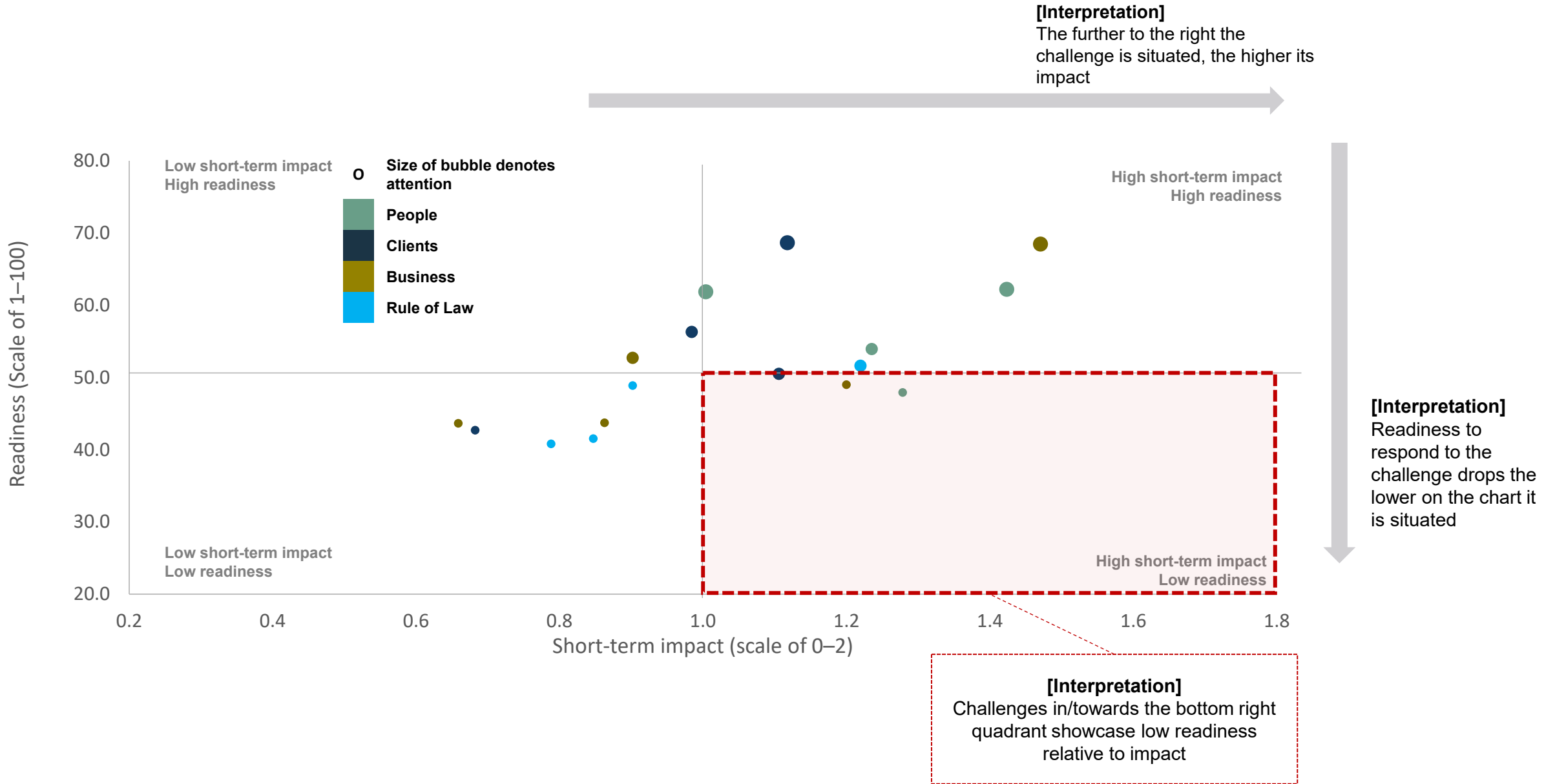
# 2023 to 2024 comparisons\*

## Medium-term impact versus readiness

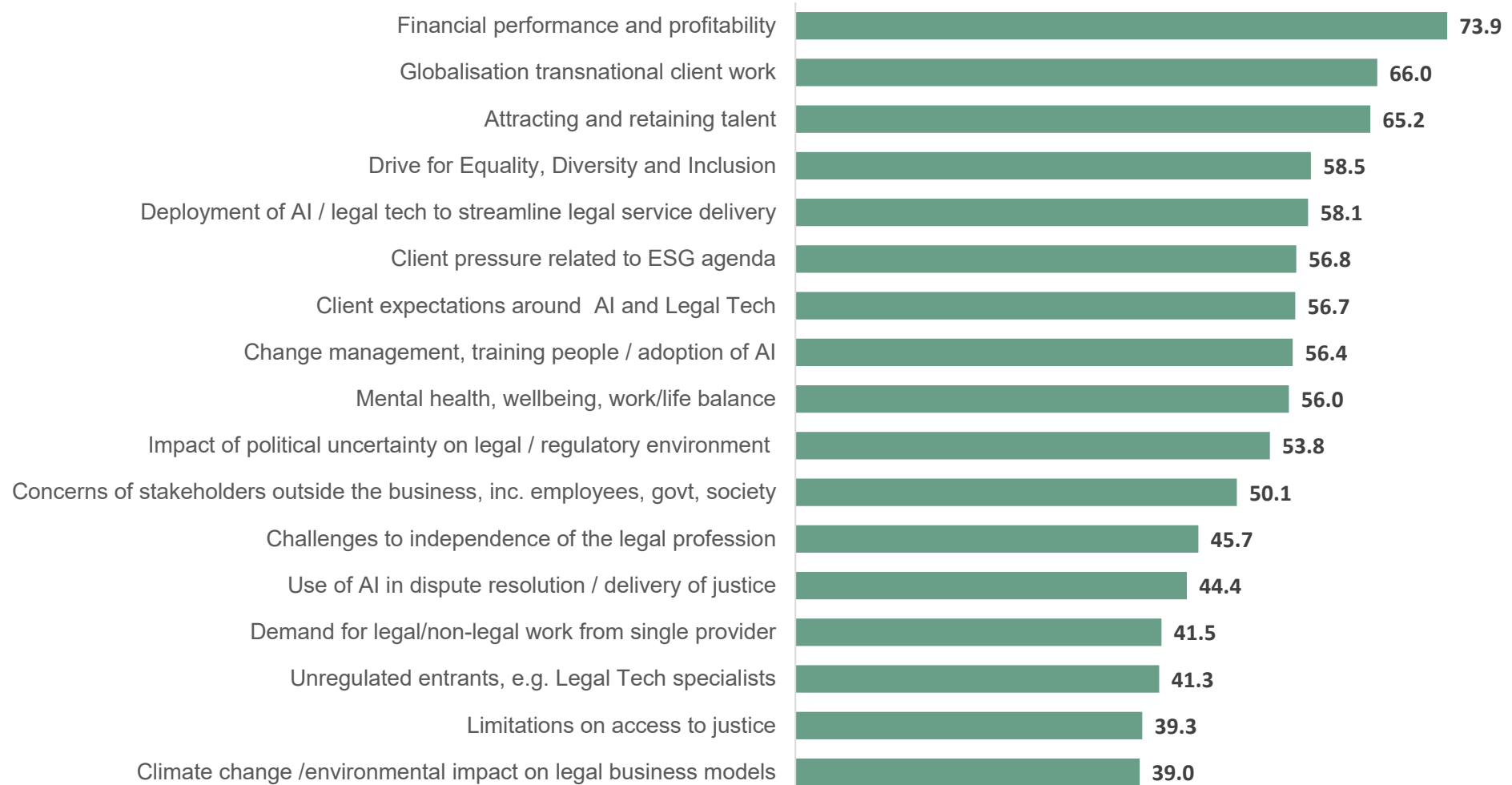
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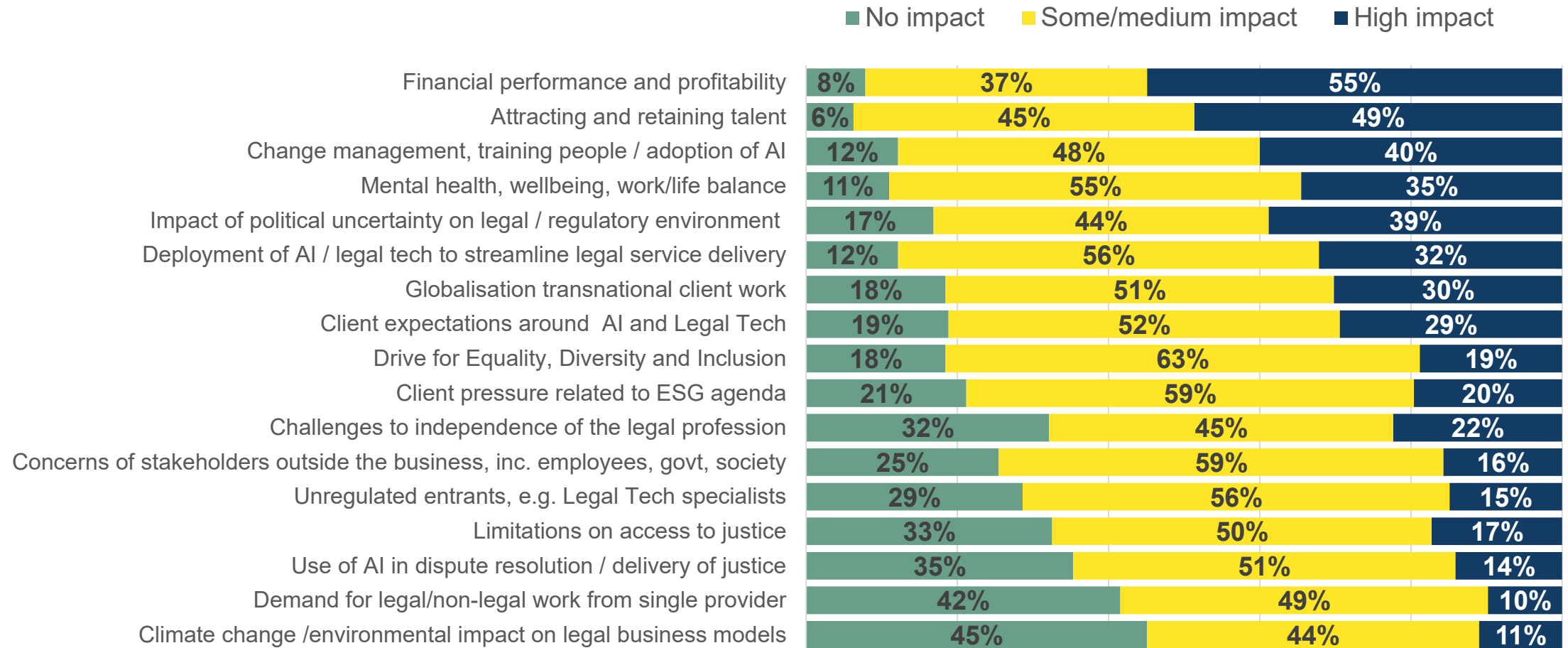
# Attention being paid (scale of 1–100)



# Readiness of organisations (scale of 1–100)



# Short term: impact of issues



# Medium term: impact of issues

