



AI for the Legal Industry: Case Studies and Tangible Benefits

White paper by Neodata group

Executive Summary

The **AI technological revolution has also impacted the legal world.** Having overcome initial privacy concerns, companies in the sector are increasingly *adopting intelligent systems capable of automating tasks, reducing errors, and, above all, saving time and resources.* In this white paper, we will analyze **the impact this technology is having on the sector** with **concrete examples and use cases.**

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01

**The New Scenario: The
Evolution of LegalTech, the
Growing Role of AI, and
Opportunities for the Sector.**

Far from replacing lawyers, AI tools are becoming true “digital co-pilots”

Artificial Intelligence is revolutionizing the legal industry, transforming a traditional sector into a *dynamic ecosystem where automation, efficiency, and technology converge*.

AI can support legal professionals throughout their work cycle: from legal research to contract analysis, from case management to client consulting services, saving time and resources.

According to Goldman Sachs, **44% of legal tasks could be automated** thanks to generative AI. A joint study by Microsoft and the Tech Council of Australia also estimates that **10% of legal work** will be fully automated, and **32% will be "augmented"** by AI assistance.



Only 31%

of the lawyers' time is billable

While 48%

of non-billable hours are absorbed by administrative activities

Source: Guide on the use of Artificial Intelligence-based tools by lawyers and law firms in the EU, European Lawyers Foundation

The implications for work organization are enormous. AI is being implemented precisely to reduce this burden and improve overall productivity.

Two examples:

JPMorgan has developed a tool capable of completing tasks in seconds that **previously took 360,000 man-hours.**

The Attorney General's Office of the State of São Paulo, which handles over **20 million cases** and processes an average of **10,000 notifications** per day, has introduced GPT-4 to streamline its judicial processes.

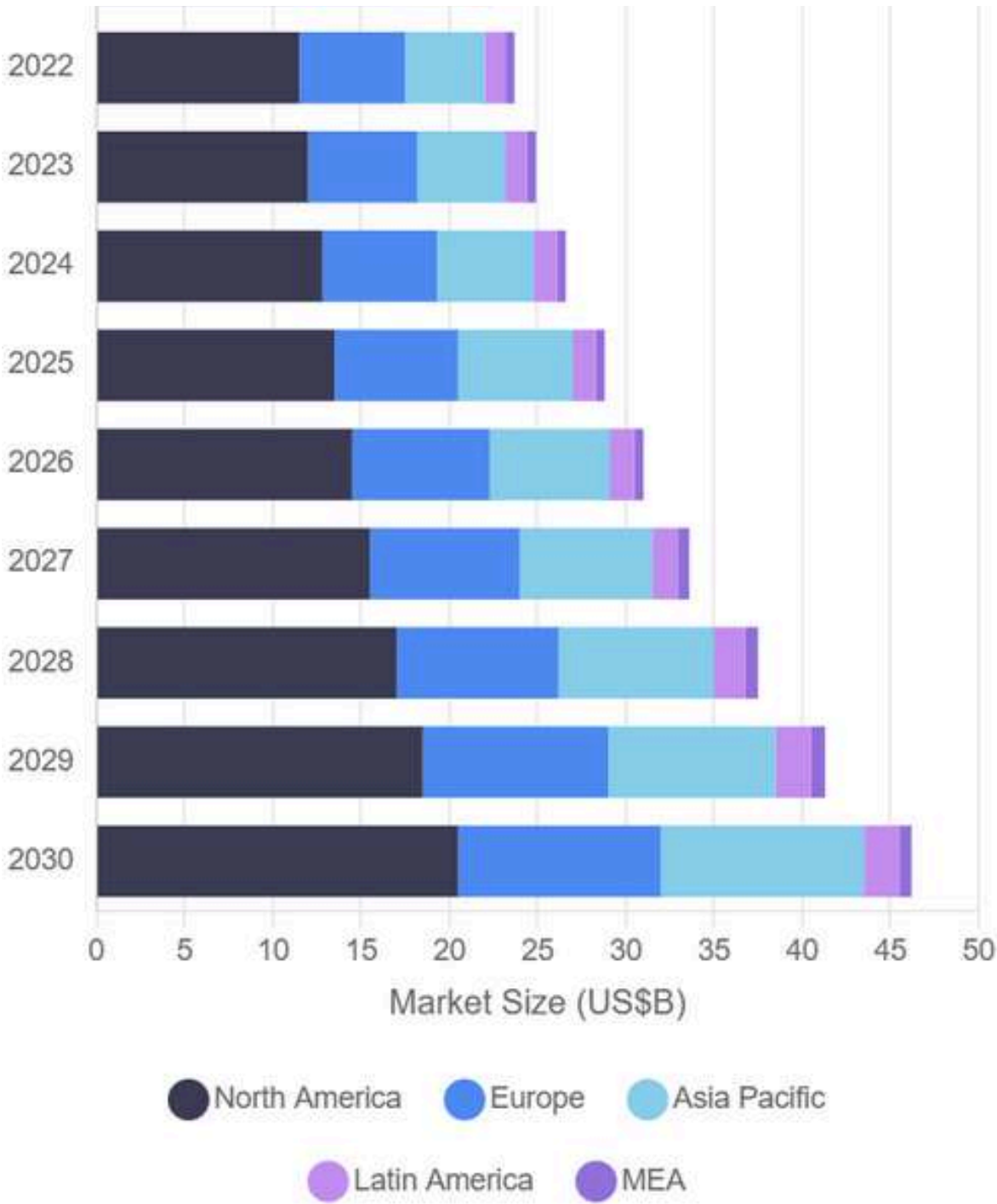


02

Overview and Trends:
Key technologies, application
areas and market data

Legal Technology Market

Size, by Region, 2018 – 2030



Source: Grand View Search

The global legaltech market was estimated to be worth **\$26.7 billion** in 2024 and is expected to reach nearly **\$47 billion by 2030**, with a compound annual growth rate (**CAGR**) of **10.2% between 2025 and 2030**.

The market is unevenly distributed. Some technology areas are experiencing strong growth, with Legal AI being the fastest-growing, currently valued at **\$1.45 billion** and growing at a compound annual growth rate (CAGR) of 17.3%.

Integrating analytics and *AI tools into workflows helps identify risks, uncover patterns, and improve operational efficiency*. Law firms are increasingly adopting AI solutions for legal research, e-discovery, and decision support. In Europe, the use of AI-based *Contract Lifecycle Management platforms* to automate contract creation and negotiation is growing.

Market trends

DIGITAL INVESTMENT

62%

of CLOS & Sr. Legal and Compliance executives expect digital investments to continue despite cost containment measures.

Deloitte.

ADOPTING NEW TECH

42%

of CLOS say they plan on adopting new legal tech solutions to improve their department over the next year. 10% say they have already recently done so.

ACC AMERICA
Association of Corporate Counsel

LEGAL TECH SPEND

+200%

Gartner predicts that legal technology department budgets will triple (or increase by 200%) by 2025.

Gartner

LEGAL OPERATIONS

37%

of General Counsels say their most important strategic initiative is legal operations.

ACC AMERICA
Association of Corporate Counsel

MORE COMPANIES ADOPTING

57%

of legal departments are increasing their tech budget over the next 3 years.


Wolters Kluwer

Source: killer whale strategies

“AI may cause the ‘80/20 inversion; 80 percent of time was spent collecting information, and 20 percent was strategic analysis and implications. We’re trying to flip those timeframes.”

Robert Couture, Senior Research Fellow at the Center on the Legal Profession and the former the Executive Director of McGuireWoods LLP

With the dominance of the billable-hours business model (estimated to account for **at least 80% of fee-for-service arrangements**), the significant increase in productivity could radically change law firm business models.

To what extent, then, will artificial intelligence tools change the traditional practice of law?

Views on this topic range from “*completely transformational*” to “*moderate*.” However, according to the Harvard Law School study, **respondents unanimously agreed on one thing: AI will significantly increase lawyer productivity.**

Already, several pilot projects have demonstrated the potential of this technology. For example, in high-volume litigation and disputes, **a complaint response system has reduced associates' time from 16 hours to 3-4 minutes.** Lawyers have reported a **more than 100-fold increase in productivity.** Furthermore, the use of AI to automate initial drafting has demonstrated not only time savings but also greater accuracy.

A close-up photograph of a human hand and a white robotic hand typing on a laptop keyboard. The human hand is on the left, and the robotic hand is on the right. The background is dark and out of focus.

03

Legal Process Automation:
Real-World Examples of
Automation and Operational
Benefits

More than half of law firms already use forms of automation in document production

[Legal Industry Report 2025](#)

Automation is now one of the main drivers of innovation in the legal sector. Unlike simple digitization, which simply converts traditional activities into electronic formats, automation **introduces a new paradigm**: replacing or complementing human intervention in repetitive, analytical, and low-strategic processes, delegating them to intelligent systems capable of operating autonomously or with minimal supervision.

According to the latest data, over half of law firms already employ automation in document production, **while 14% use it in case and case data analysis**. Harvard CLP confirms that **this trend is integral to the transformation of law firms'** business models: more efficient, scalable, and focused on value, not just hours.



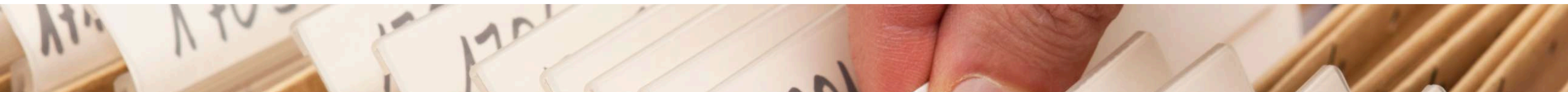
This transformation is already underway in many areas of legal work.

- **Due diligence:** massive analysis of documents for acquisitions or compliance checks.
- **Contract management:** automatic clause extraction, anomaly identification, and alert generation.
- **Regulatory and case law research:** Intelligently query legal databases to find relevant sources.
- **Legal drafting:** Automatically compile drafts, letters, and standard documents.
- **Decision support:** Predictive models that assess the likelihood of outcomes or risk levels.

Unlike traditional workflows, these automated processes do not require manual sequences.

Instead, they use machine learning models and modular architectures to:

- Automatically trigger an action based on the type of document or content received
- Extract key information (names, dates, obligations, values, deadlines)
- Organize them according to a predefined scheme;
- Validate and report anomalies
- Return consistent, ready-to-use output



Use case:

End-to-end automation for due diligence

In this context, Neodata has developed an advanced automation solution to support law firms in analyzing large volumes of legal and financial documents, typical of due diligence operations.

The challenge: thousands of files to read, understand, classify, and summarize in a short time—with the obligation to avoid making mistakes.

A repetitive task, highly susceptible to human error and difficult to scale.

Neodata's answer is a Smart Document Analysis platform that automates the entire process, thanks to:

- **Agent-based architecture:** a modular structure where specialized software agents (extraction, synthesis, validation) operate in parallel, coordinated by a central system.
- **Retrieval-Augmented Generation (RAG):** An integration between generative language models and semantic search systems, which ensures answers rooted in the actual content of documents.

The automation of some phases of due diligence has enabled faster analyses (up to 80% time savings), standardized and accurate outputs, and scalable volume management, allowing teams to focus on strategic assessments.

AI Agent Operational Cycle





04

Intelligent Contracting:
AI in the management and
analysis of corporate
contracts

70% of law firms

believes that contract management will be among the first areas to be transformed by AI within the next three years

Contracts are the silent engine of companies: they govern agreements, commitments, obligations, and opportunities. Yet, in most organizations, they are still managed as static objects—read when needed, archived manually, forgotten until the next deadline.

Artificial intelligence is changing this paradigm. With intelligent contracting, contracts become dynamic assets, machine-readable, monitorable in real time, and packed with useful data for operational and strategic decisions.

Reinforcing this vision, the main *CLM* (*Contract Lifecycle Management*) platforms are evolving towards “intelligent” models capable of proactively analyzing, suggesting, and notifying.

The technologies currently in use allow for:

- **Automatically recognize critical clauses**, expirations, renewals, and hidden obligations in contracts;
- **Report inconsistencies** or deviations from company policies or pre-approved templates;
- **Extract structured data** for integration with ERP or CRM systems.
- **Classify contracts** by type, counterparty, or legal risk;
- **Activate intelligent alerts** to monitor future events like automatic renewals or negotiation milestones.





06

Ethical and Regulatory Challenges:

Privacy, Bias, and Compliance
in the Responsible Use of AI

While artificial intelligence *brings enormous advantages in terms of speed, efficiency, and quality of legal analysis*, **it inevitably raises new ethical and regulatory challenges**. The responsible use of AI is becoming a fundamental prerequisite for maintaining client trust, ensuring regulatory compliance, and safeguarding the reputation of firms and companies.

Privacy and data protection

AI systems in the legal sector *frequently handle sensitive information*—personal data, confidential clauses, and documents. In Europe, **the GDPR imposes stringent requirements** regarding data minimization, purpose, accountability, and transparency.

With the entry into force of *EU Regulation 2024/1689 (AI Act)*, many AI applications, including legal tools, will be classified as “high-risk” systems.

and subject to governance, transparency, auditability, and risk mitigation requirements.

Among the emerging requirements is the transparency of training data: under the AI Act, providers of generic models must make public structured summaries of the datasets they use.

Algorithmic Biases and Unbiasment

AI models can *inherit or amplify biases present* in the data they are trained on. In the legal field, this risk is particularly acute: an error in recommendations, clause classification, or risk prediction can have significant consequences.

The concept of automation bias, i.e., the operator's tendency to passively trust automatic responses, is explicitly referred to by the AI Act when it imposes human supervision on high-performance systems.



Risk. Further research highlights various forms of bias (functional, statistical, discriminatory) that should be monitored at every stage of the AI cycle.

Compliance, responsibility and governance

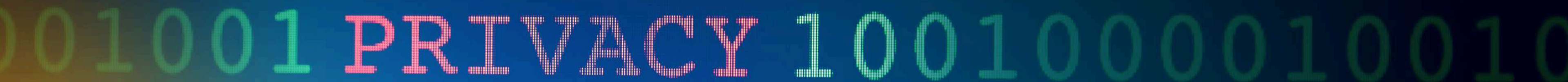
The AI Act introduces obligations not only for providers (those who develop AI models) but also for deployers/users (those who integrate them into processes), imposing governance, human oversight, fundamental rights impact assessments, and transparency obligations.

Fines can be significant: for operators of high-risk systems, they can reach up to 7% of annual global turnover or 35 million euros.

In legal cases, this dimension takes on concrete importance: the application of AI in legal documents has already led to sanctions for lawyers who have submitted incorrect citations attributed to AI tools.

The legislation also requires mandatory training (from 2 February 2025) for entities providing or using AI systems, so that staff have adequate AI literacy.

Finally, the relationship between the AI Act and the GDPR is not yet fully harmonized: some studies warn that the interaction between the two regulations may generate legal uncertainties that will need to be resolved with guidelines or reforms.



A dimly lit office scene with a man in a white shirt standing and gesturing while speaking to two seated colleagues, a man and a woman, who are listening attentively. A whiteboard with diagrams is visible in the background.

06

Strategic Impact:

Effects on the organization
and competitive advantages

Don't be left behind

Artificial intelligence, as we've seen, is no longer a topic of experimentation: it's a disruptive force that's reshaping the legal and business landscape. For business and law firm leaders, the challenge isn't just to understand how AI improves processes, but to quickly decide how to integrate it so as not to be left behind in a rapidly evolving market.

AI use among legal professionals **has grown from 19% in 2023 to 79% in 2024**, according to Clio's Legal Trends Report—a leap that shows adoption is becoming nearly ubiquitous.

At the corporate level, more than two-thirds of organizations plan to increase investment in Generative AI by 2025, a sign that top management support for AI projects is not just experimental, but strategic.

Organizational redefinition

- **Roles and Skills:** AI frees legal teams from manual tasks, shifting their focus to oversight, strategic consulting, and risk management. This requires new hybrid skills: legal expertise, knowledge of AI technologies, and data governance.



- **Workflow Agility:** Linear processes are giving way to modular pipelines, where previously sequential tasks are handled in parallel, increasing productivity.
- **Culture of innovation:** adopting AI means introducing a mindset of continuous adaptation, testing, and improvement, transforming the legal department from a cost center to a strategic business partner.

Concrete competitive advantages

- **Faster time-to-decision:** Reduction of up to 80% in review and reporting times, with direct impacts on M&A, financial transactions, and negotiations.

- **Regulatory resilience:** AI enables proactive management of compliance and new regulatory requirements (e.g., the AI Act), avoiding reputational risks and penalties.
- **Scalability:** Growing contract portfolios and document flows can be managed without multiplying resources and costs.
- **New business models:** from hourly billing to value-based pricing, thanks to faster, more transparent services that deliver measurable results for the customer.
- **Market positioning:** Early adopters of AI solutions position themselves as innovative leaders, more attractive to clients and high-potential talent.



Launch Your Legal AI Project

Artificial Intelligence in the legal sector is no longer a futuristic concept — it's a concrete competitive advantage. If you're looking to explore how AI can be applied to your organization, Neodata offers a free, personalized assessment based on your specific needs.

Two ways to get started

1. Request a free assessment

Complete [our short self-assessment questionnaire](#) and receive a free tailored analysis to identify automation opportunities and process improvements in your legal workflows.

2. Explore our dedicated Legal AI services

Discover our AI solutions and our training programme dedicated to law firms. [Request a brochure.](#)



About neodata



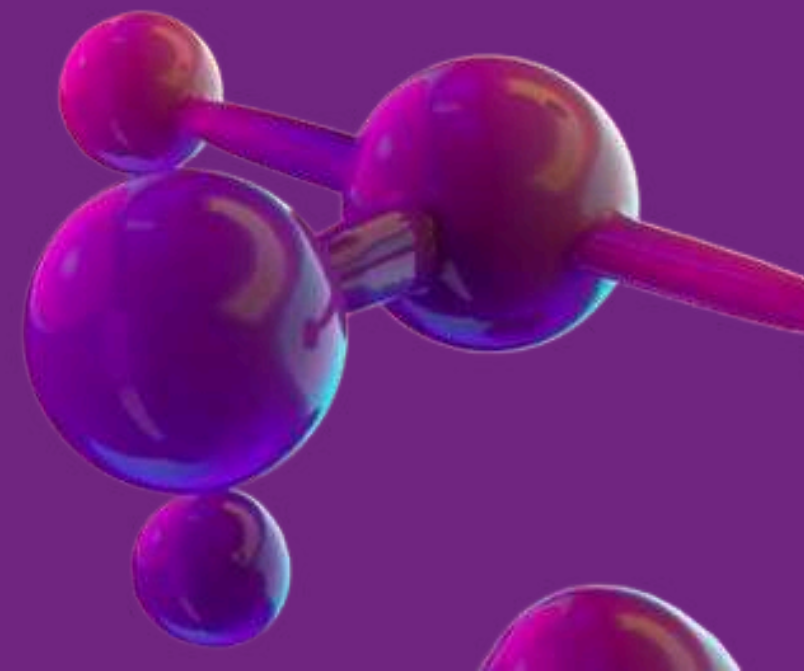
Neodata Group is a leader in Artificial Intelligence and data management solutions, with over 20 years of experience in the Big Data, AdTech, and AI sectors.

We support companies in the media, legal, financial, mobility, and education sectors, transforming complex data into actionable insights and measurable value.

With more than 100 satisfied customers and over 50 completed AI projects, Neodata combines innovation, research, and strong partnerships with Microsoft, academia, and leading players in their respective sectors.

Our proprietary approach – Discover, Design, Deploy – ensures tailored AI solutions, driven by a clear strategy and focused on return on investment.

AI for your business. Delivered.





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