2026 · BENCHMARK

State of AI in Law Firms

How far AI has really reached inside the top 500 US law firms: how fast it is spreading, which tools are winning, what it is doing to who firms hire and what the firms that adopt it have in common. Built from every firm's job postings and the public profiles of its people.

01
AI + Adoption
How fast AI is spreading through the largest law firms, and where it has reached

02
AI + Tools
Which AI firms hire for, and the legal stack it has to fit into

03
AI + Teams
Who law firms are hiring as AI arrives, and the new roles it creates

04
AI + Leadership
What the firms that adopt AI have in common

INTRODUCTION

Everyone has an opinion about AI in law. Very few have looked at what the largest firms actually do.

Most of what is written about legal AI comes from vendor announcements, conference panels and surveys of whoever chooses to answer. Rankings measure revenue and profit per partner. None of it shows how AI is actually arriving inside the firms: who they hire to bring it in, which tools those people are asked to know and what the firms that move first have in common.

This report looks at the top 500 US law firms by headcount, 505 firms in all, through the public record they leave behind: every job posting from July 2022 through May 2026, and the public profiles of their current people. 185 of those firms have hired for an AI tool. The benchmark shows what firms do, not what they say.

01

AI + Adoption

How fast AI is spreading through the largest law firms, and where it has reached.

02

AI + Tools

Which AI firms hire for, and the legal stack it has to fit into.

03

AI + Teams

Who law firms are hiring as AI arrives, and the new roles it creates.

04

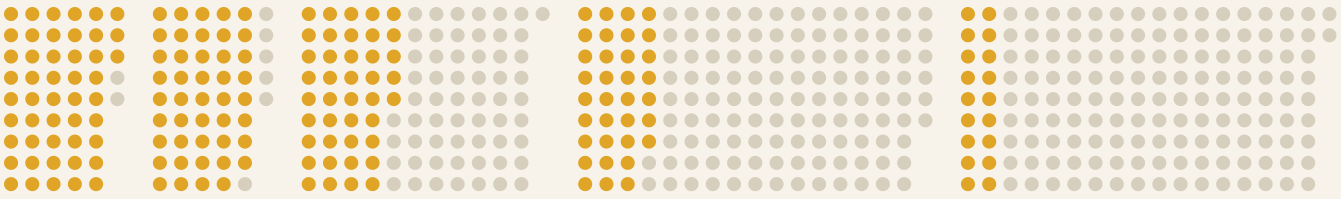
AI + Leadership

What the firms that adopt AI have in common.

2026 STATE OF AI IN LAW FIRMS

AI + *Adoption*

In under three years AI went from a curiosity to a routine hiring ask at the largest US law firms. How fast it is spreading, which firms are ahead and how much of the work it has actually reached.



Each dot is one of the top 500 US law firms, grouped by headcount, largest first.

● 185 have hired for an AI tool

AT A GLANCE

One in five law firms hiring each month now asks for AI. Among the 100 largest, nearly all have.

Before ChatGPT, two or three of the top 500 US law firms asked for an AI tool in a given month. By May 2026 it was 75. More than a third of the cohort has now hired for AI at least once, and almost every firm in the top 100 has.

Below the top 100 the picture changes fast, and even where AI has arrived it is still a small part of what firms hire for. The firms that started early have kept their lead.

20.9%	**of firms posting jobs in May 2026 asked for an AI tool** 75 of the 359 firms that posted that month. In 2022 the monthly share never passed 6%.
30x	**more firms hiring for AI each month than before ChatGPT** 2.5 firms a month in 2022, against 75 in May 2026.
36.6%	**of the top 500 have hired for AI at least once** 185 firms, up from 5% at the end of 2023. Adoption has crossed into the early majority.
92%	**of the 100 largest firms have hired for AI** Against 23% of the other 405. Below the top 100, adoption falls off a cliff.
3.7	**AI tools in use, on average, at the firms that moved first** Against 1.6 at firms that started in 2026. Early adopters have kept building.
1.5%	**of the software named in job posts is AI** In the second quarter of 2026. Firms ask for AI far more than they used to, and still far less than everything else.

01

THE TAKEOFF

Monthly AI hiring went from a rounding error to one firm in five.

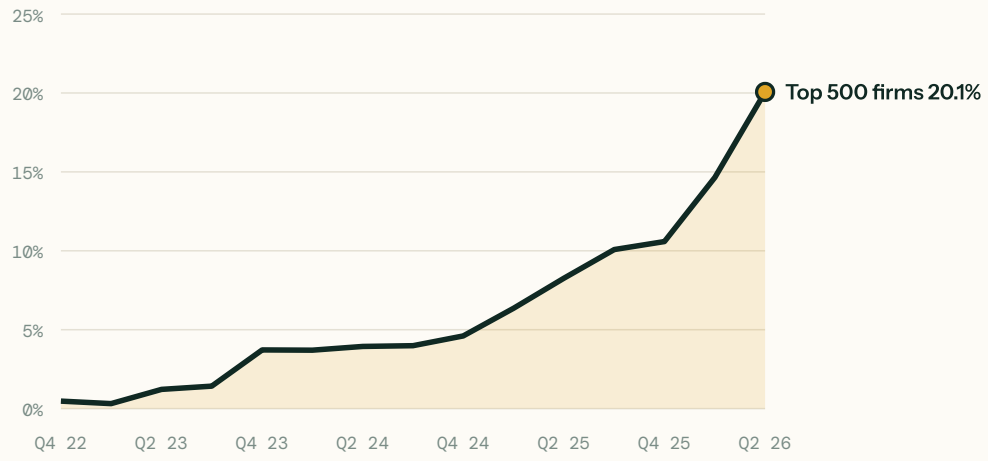
For most of 2022 and 2023, AI barely registered in the hiring of large law firms. In a typical month two or three of the top 500 asked for an AI tool, out of the two hundred or so that posted any job at all.

20.9%

of law firms posting jobs in May 2026 asked for an AI tool. In 2022 the share never passed 6%.

Then GPT-4 arrived. In December 2023 the number of firms asking for AI jumped from 4 to **25 in a single month**, the biggest jump in the data. It never went back. Through 2024 the count held in the low to mid teens, through 2025 it climbed into the thirties, and in 2026 it took off again: 42 firms in January, 61 in March and 75 in May.

SHARE OF FIRMS POSTING JOBS EACH QUARTER THAT ASKED FOR AN AI TOOL



Average monthly share of the firms that posted any job in the quarter whose posts named an AI tool. Q2 2026 is April and May.

Measured as a share of the firms that were hiring, AI went from 3.7% of hiring firms in the last quarter of 2023 to 8.3% in the second quarter of 2025 and 20.1% in the second quarter of 2026. In 2026 so far, an average of 58.8 firms a month have asked for it.

02

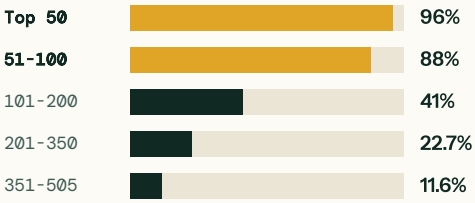
IT'S A SIZE STORY

Inside the top 100, AI is the norm. Below it, the exception.

Adoption does not fade gradually as firms get smaller. It holds near the top, then drops by more than half between the 100th-largest firm and the next hundred.

48 of the 50 largest firms and 44 of the next 50 have hired for AI. Among firms ranked 101 to 200 the figure is 41%, and it keeps falling: 22.7% of firms ranked 201 to 350 and 11.6% of the smallest 155 in the cohort.

FIRMS THAT HAVE HIRED FOR AN AI TOOL, BY HEADCOUNT RANK



Of all firms in each band. Top 50 and 51-100 highlighted.

Bigger firms post more jobs, so they have more chances to mention AI. But the drop is too steep for that to be the whole story. The largest firms have innovation teams, knowledge-management leaders and the budgets to make AI someone's job. As the last chapter shows, those are the strongest predictors of who adopts.

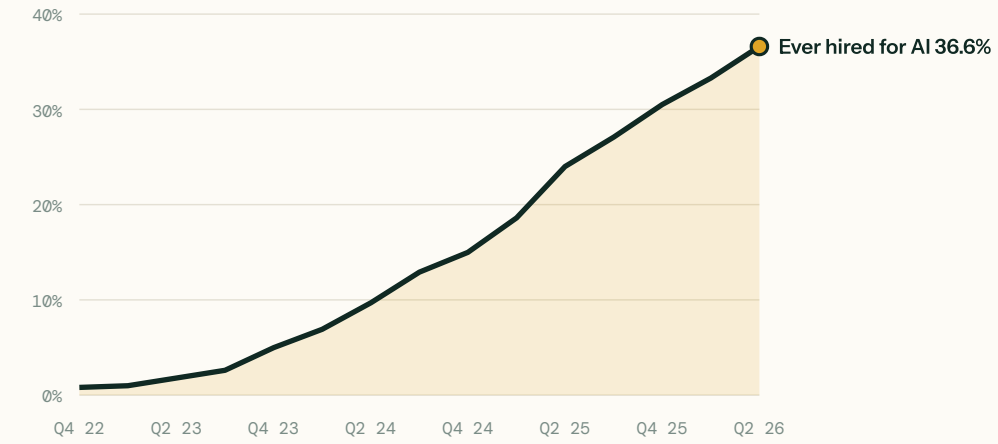
03

THE ADOPTION CURVE

More than a third of the top 500 have now hired for AI.

Counting every firm that has asked for an AI tool at least once, adoption follows the classic S-curve of a new technology, and it is still in the steep part.

SHARE OF THE TOP 500 THAT HAD EVER HIRED FOR AN AI TOOL



Cumulative share of all 505 firms whose job posts had named an AI tool by the end of each quarter.

At the end of 2023, 25 firms had asked for AI. By the end of 2024 it was 76, by the end of 2025 154, and by May 2026 **185, or 36.6% of the cohort**. In the language of diffusion research, legal AI has moved past the innovators and early adopters and into the early majority.

17	59	78	31
innovators: hired for AI before December 2023	fast followers: started from December 2023 through 2024	early majority: started in 2025	late movers: started in 2026

04

FIRST-MOVER ADVANTAGE

The firms that started first are still furthest ahead.

Getting into AI early did not just mean getting there first. The firms that moved before GPT-4 have kept adding tools and still run the deepest stacks.

AVERAGE MODERNIZATION INDEX TODAY, BY WHEN THE FIRM FIRST HIRED FOR AI



0 to 100. The index scores tool breadth, AI, cloud and leadership signals; see About this report.

The 17 innovators average **3.7 AI tools** today and a Modernization Index of 63.6. Fast followers average 3.3 tools, the early majority 2.8, and the firms that only started in 2026 just 1.6, with an index of 37.6.

Part of that is size again: the innovators are mostly large firms, with an average headcount rank of 63 against 190 for the late movers. But it also reflects time. Each tool a firm adopts makes the next one easier to evaluate, staff and govern, so the gap between early and late movers is widening rather than closing.

05

WHERE IT LANDS

The West leads on AI. The South trails every other region.

Adoption varies by where a firm is headquartered, even after the biggest markets are counted.

42.9% of firms headquartered in the West have hired for AI, against 37.6% in the Northeast, 35.6% in the Midwest and 27.8% in the South.

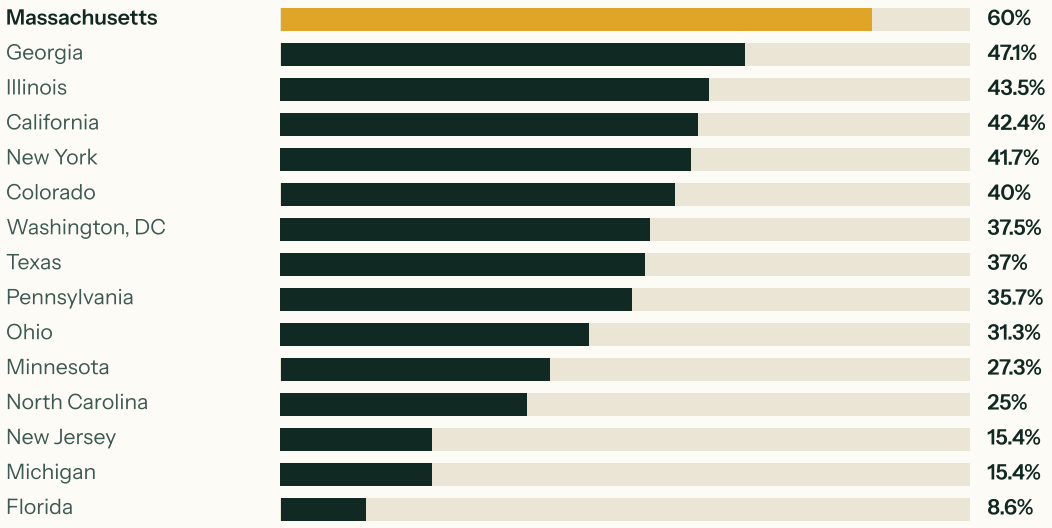
Among states with at least ten firms in the cohort, Massachusetts stands out: 60% of its 15 firms have hired for AI. Georgia (47.1%), Illinois (43.5%), California (42.4%) and New York (41.7%) follow. Florida is the outlier at the other end: 8.6% of its 35 firms, the lowest of any large state and a big reason the South trails.

FIRMS THAT HAVE HIRED FOR AN AI TOOL, BY REGION



By headquarters. West 98, Northeast 170, Midwest 90, South 126 firms.

FIRMS THAT HAVE HIRED FOR AN AI TOOL, STATES WITH 10 OR MORE FIRMS



By headquarters state. Shares are out of each state's firms in the top 500.

06

HOW DEEP IT GOES

AI is still a sliver of what law firms hire for.

For all the growth, AI remains a small part of the technology law firms ask their people to know. The runway is long.

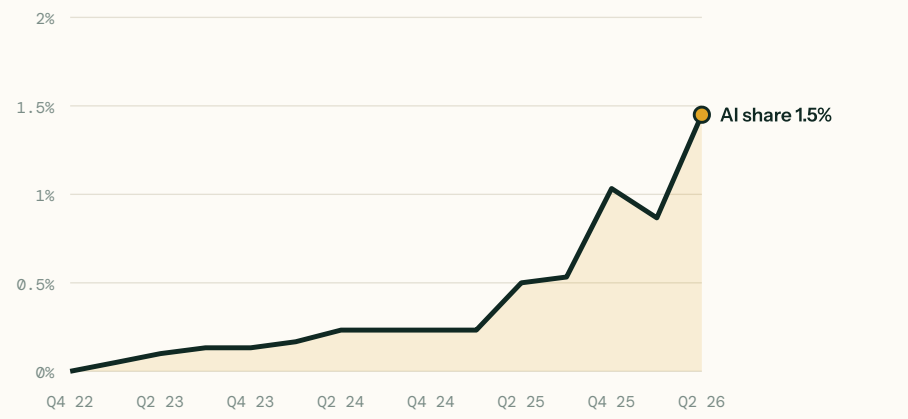
1.5%

of all software named in law firm job posts was AI in Q2 2026. In 2022 it was close to zero.

Job posts at large law firms name an enormous amount of software: Microsoft Office and Excel, document management, billing and time entry, research platforms, eDiscovery. Against all of that, AI is still small. Even in 2026, AI tools make up about 1.5% of the software firms name, up from a tenth of a percent in 2023.

That is the gap between adoption and depth. A firm that has hired for one AI role counts as an adopter, but the rest of its hiring still asks for the same systems it always has. The next chapter looks at which AI tools firms are asking for, and the legal stack those tools have to work alongside.

AI AS A SHARE OF ALL SOFTWARE NAMED IN JOB POSTS



Average monthly share of technology mentions in the cohort's job posts that are AI tools.

> Craft, test, and refine complex prompts for large language models (LLMs) to generate high-quality outputs that are contextually accurate and tailored to legal research and drafting workflows

FROM A JOB POST AT A TOP-50 LAW FIRM



07

WHAT IT MEANS

For the top 100 the question is depth. For everyone else, it is when.

At the largest firms, whether to adopt AI is settled. The open questions are how fast the rest of the market follows and how much of the work AI actually reaches.

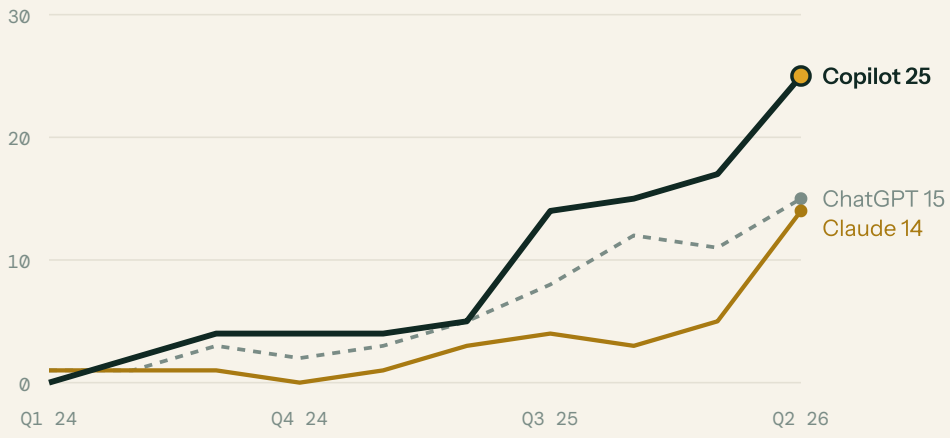
Nearly every firm in the top 100 has hired for AI, and the earliest movers are on their third and fourth tools. Below the top 100, most firms have not started hiring for it at all. The gap between those two groups is the size of the next wave, and the curve says it is coming.

The harder question is depth. AI is still a small share of what firms hire for, and a third of the firms that have adopted it run a single AI tool. The rest of this report looks at which tools are winning, what AI is doing to who firms hire, and what the firms that adopt it have in common.

2026 STATE OF AI IN LAW FIRMS

AI + *Tools*

The AI law firms hire for is mostly general-purpose: Microsoft Copilot, ChatGPT and a fast-rising Claude, with Harvey leading the legal specialists. And all of it has to work inside a legal stack that has barely changed.



Firms whose job posts named each tool, by quarter. Q2 2026 is April and May.

Top 500 US law firms

AT A GLANCE

Copilot leads the AI that law firms hire for. Claude is rising fastest. Microsoft runs nearly everything else.

The AI showing up in law firm job posts is mostly not legal software. It is the general-purpose assistant: Microsoft Copilot, which pulled clear of ChatGPT in 2025, and Anthropic's Claude, which nearly quintupled in a year. Purpose-built legal AI is a real category too, led by Harvey.

Whatever AI a firm picks has to work inside a stack that is remarkably uniform: Microsoft for productivity, cloud and automation, and a handful of legal incumbents for research, documents and billing.

25

firms asked for Microsoft Copilot in Q2 2026, more than any named AI tool

Five times the 5 of a year earlier. Copilot pulled clear of ChatGPT in the third quarter of 2025.

3 → 14

firms asking for Claude, Q2 2025 to Q2 2026

It now sits one firm behind ChatGPT (15) among the frontier models.

42

firms have hired around Harvey, the leading legal AI vendor

Since August 2024. Kira (29) and CoCounsel (26) follow.

54

firms ask for both Copilot and a frontier model

Of the 90 firms that have asked for Copilot. Owning the Microsoft stack does not settle the AI choice.

475

of the 505 firms ask for Microsoft Office

Azure leads the cloud (250 firms) and Power Automate leads automation (114), far ahead of UiPath (24).

313

distinct tools, on average, at firms using a frontier model

Against 50 at firms with no AI. The firms adopting AI were already the most technical.

01

THE RACE

Copilot pulled away from ChatGPT in 2025 and now leads the field.

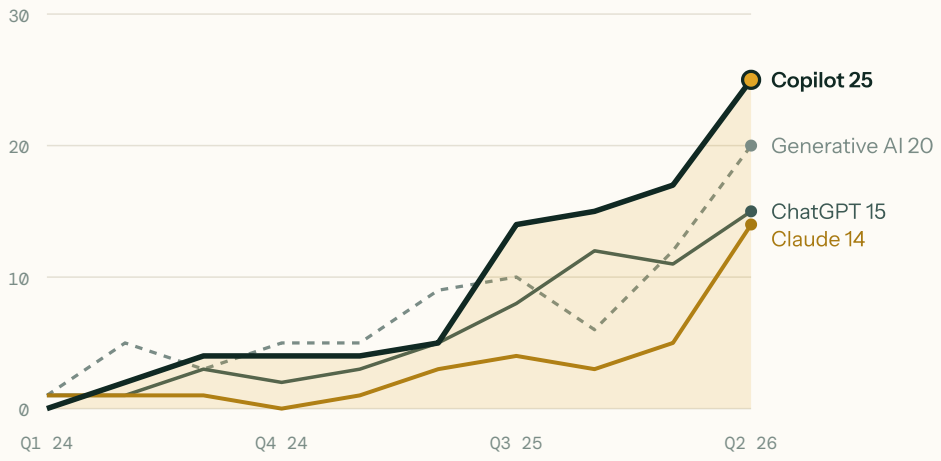
Through 2024, the AI that law firms named in job posts was a small, even field. ChatGPT, OpenAI's models and Copilot each turned up at a handful of firms a quarter, and the most common ask was for "AI" or "generative AI" with no product named at all.

25

firms asked for Microsoft Copilot in Q2 2026. A year earlier it was 5.

That changed in the middle of 2025. In the third quarter, the number of firms asking for Copilot nearly tripled, from 5 to 14, while ChatGPT went from 5 to 8. It has led every quarter since, reaching **25 firms in the second quarter of 2026**. ChatGPT kept growing too, to 15 firms, and so did the generic ask for generative AI, to 20.

FIRMS NAMING EACH AI TOOL IN JOB POSTS, BY QUARTER



Distinct firms whose job posts named each tool in the quarter. "Generative AI" counts posts that ask for it without naming a product. Q2 2026 is April and May.

Copilot has a built-in advantage. It sits inside the Microsoft software that almost every large firm already runs, as section 05 shows, so it is the easiest AI for a firm to standardize on and the easiest to put in a job description.

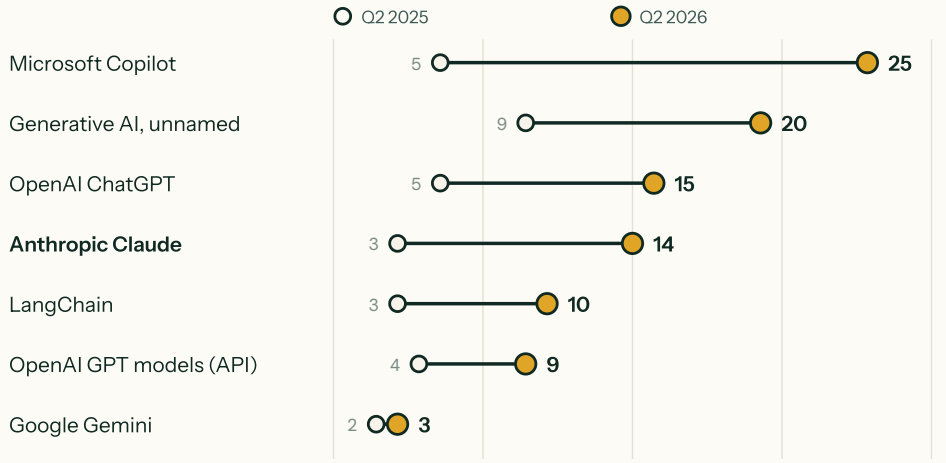
02

THE FASTEST RISER

Claude went from 3 firms to 14 in a year.

Copilot is the biggest name in law firm hiring. Claude is the fastest-growing one, and it has nearly caught ChatGPT.

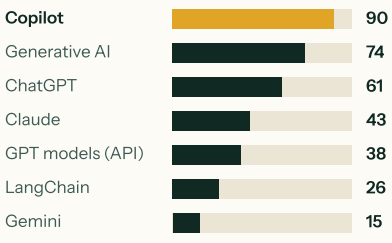
FIRMS NAMING EACH AI TOOL, Q2 2025 AGAINST Q2 2026



Distinct firms whose job posts named each tool in the quarter. LangChain and the GPT model API are developer tools: firms building their own AI.

In the second quarter of 2025, 3 of the top 500 firms named Claude in a job post. A year later it was 14, almost five times as many and one behind ChatGPT. Most of that came at once: Claude went from 5 firms in the first quarter of 2026 to 14 in the second.

FIRMS THAT HAVE EVER NAMED EACH AI TOOL



July 2022 through May 2026, top 500 firms.

The developer tools are rising too. LangChain, a framework for building applications on large language models, went from 3 firms to 10, and the GPT model API from 4 to 9. A growing group of firms is not just licensing an assistant but building on the models directly.

And firms are not picking one. 54 of the 90 firms that have asked for Copilot have also asked for ChatGPT, OpenAI's models or Claude. Being a Microsoft shop does not settle which AI a firm uses.

03

LEGAL AI

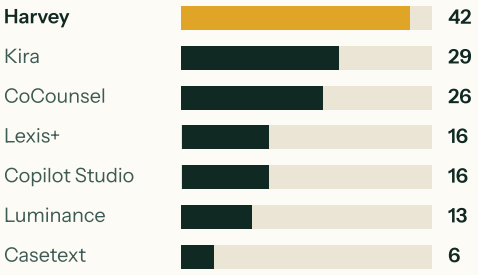
Harvey leads the breakout of purpose-built legal AI.

Alongside the general assistants, legal-specific AI has become a real hiring category, and one vendor has pulled ahead.

42 firms have hired around Harvey since its first appearance in August 2024, more than any other legal AI product. Kira, the contract-review tool that predates generative AI, follows at 29 firms, then Thomson Reuters' CoCounsel at 26, Lexis+ at 16 and Luminance at 13.

The timing is telling. Kira and Luminance have been in job posts since 2022. Harvey and CoCounsel both first appear in August 2024, and within two years Harvey had become the most-hired-for legal AI product in the cohort. Microsoft's Copilot Studio, which firms use to build their own assistants, has reached 16 firms since March 2025.

FIRMS NAMING EACH LEGAL AI PRODUCT IN JOB POSTS



July 2022 through May 2026. Copilot Studio is Microsoft's tool for building custom assistants.

> Act as point person for M&A/PE Attorneys to develop use cases, pilot and successfully deploy new AI technology such as Harvey, Copilot, ChatGPT, CoCounsel and other AI-enabled solutions for M&A/PE Attorneys

FROM A JOB POST AT A TOP-50 LAW FIRM

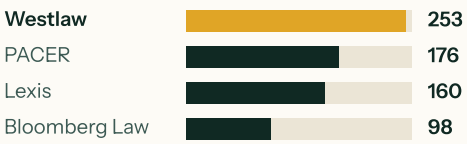
04

THE LEGAL STACK

AI has to fit into a legal stack that has barely changed.

Every AI tool a firm adopts lands next to the systems lawyers and staff already live in. Across the top 500, those systems are remarkably consistent, and a few incumbents own each category.

LEGAL RESEARCH



Lexis also appears under other names.

DOCUMENT MANAGEMENT



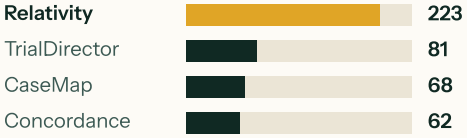
NetDocuments also appears as NetDocs.

PRACTICE MANAGEMENT & BILLING



Elite also appears as 3E.

EDISCOVERY



Firms whose job posts name each tool.

Westlaw and iManage each appear at 253 firms, half the cohort. SharePoint sits alongside iManage at 235. Aderant (228) and Intapp (193) run time, billing and intake at most of the rest, and Relativity appears at almost three times as many firms as the next eDiscovery tool. Chrome River leads expense and e-billing at 145 firms.

These are the systems where a matter actually lives: the documents, the time entries, the conflicts checks, the invoices. An AI assistant that cannot read from and write to them helps a lawyer draft, but it cannot move the work.

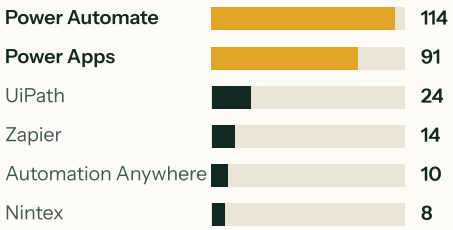
05

THE MICROSOFT FIRM

Nearly every firm runs on Microsoft, from Office to automation.

Beneath the legal systems sits one vendor. Microsoft is the productivity suite, the most common cloud and the default automation platform at the largest law firms.

FIRMS NAMING EACH AUTOMATION PLATFORM



Power Automate and Power Apps are Microsoft's.

Microsoft Office appears in job posts at **475 of the 505 firms**, Excel at 471, Word at 453 and Outlook at 412. Of the 257 firms that name a cloud platform, 250 name Azure, against 135 for AWS and 78 for Google Cloud.

The same holds for automation. 114 firms ask for Power Automate and 91 for Power Apps, while the dedicated automation vendors trail far behind: UiPath at 24 firms, Zapier at 14, Automation Anywhere at 10. Where large firms automate today, they mostly do it with the Microsoft tools they already license.

235

firms ask for Power BI

282

firms ask for SQL

196

firms ask for Python

Law firms are also more technical than their reputation. 282 firms hire for SQL, 235 for Power BI, 204 for PowerShell and 196 for Python: the toolkit of a data team, not just a back office.

06

TWO KINDS OF FIRM

Firms on frontier models run a different kind of stack.

The firms that hire for ChatGPT, OpenAI's models or Claude are not just picking a different assistant. They look like different organizations.

The 86 firms that have asked for a frontier model name **313 distinct tools** in their job posts on average and 4.4 AI tools. The 36 firms whose only named AI is Copilot average 201 tools and 1.9 AI tools. The 320 firms with no AI at all average just 50.

AI adoption tracks overall technical sophistication closely. The firms adopting AI were already running the broadest stacks, with the people to evaluate and support new tools. Their Modernization Index averages 66.8, against 45.6 for Copilot-only firms and 11.3 for firms with no AI.

AVERAGE DISTINCT TOOLS NAMED IN A FIRM'S JOB POSTS



Frontier model: 86 firms naming ChatGPT, OpenAI's models or Claude. Copilot only: 36. No AI: 320.

185

firms have hired for any AI tool

80

have hired for three or more

37

have hired for five or more



07

WHAT IT MEANS

The assistant is the easy part. Connecting it to the work is not.

Law firms are converging on a handful of general-purpose AI tools, bought or built on top of the Microsoft estate they already run.

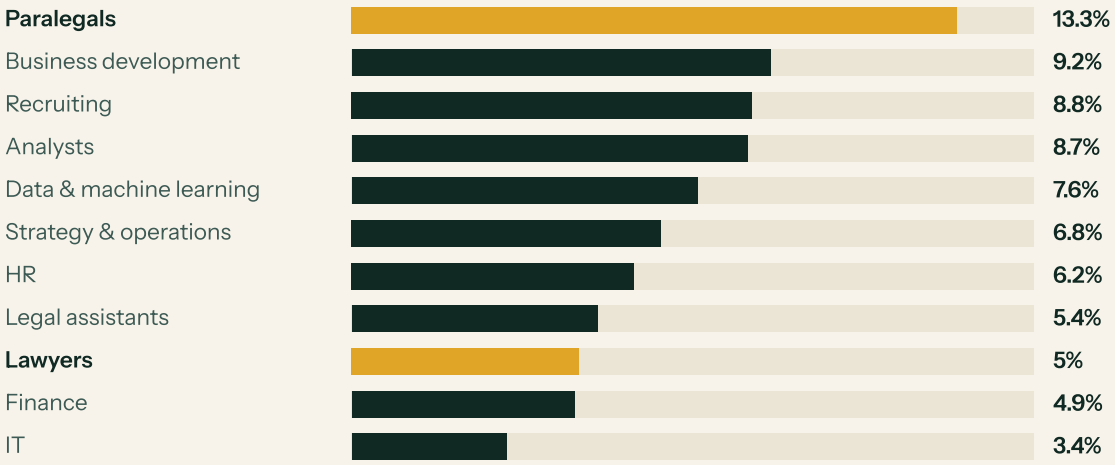
Copilot is winning on distribution, Claude on momentum and Harvey among the legal specialists. Most firms that adopt one try others, and a growing group is building on the models directly. None of that is unusual for a new technology.

What is unusual is how fixed the rest of the stack is. Research, documents, billing and discovery run on the same few systems at hundreds of firms. The value of AI in a law firm depends less on which assistant it picks than on whether that assistant can work across those systems, under the controls the firm already has.

2026 STATE OF AI IN LAW FIRMS

AI + *Teams*

As AI arrives, the largest law firms are adding business and operations staff faster than lawyers, growing paralegals fastest of all and creating roles that barely existed three years ago.



Headcount growth by role, June 2025 to June 2026, top 500 US law firms. Paralegals and lawyers highlighted

AT A GLANCE

Law firms are adding operators faster than lawyers. Six in ten new people work on the business side.

Across the top 500 US law firms, headcount grew about 6.5% in the year to June 2026. The growth was not evenly spread. Business and operations staff grew faster than lawyers, and they account for most of the net new people.

At the same time, firms are creating the roles that bring AI in: innovation, AI, knowledge management. Those titles have multiplied since 2022. What has not grown much is IT.

6.4%	**growth in business and operations staff, against 5% for lawyers** 190,552 to 202,770 people in a year. Lawyers went from 72,425 to 76,044.
59%	**of net new people were business and operations staff** 12,218 of 20,716. Lawyers were 17.5% of the growth.
13.3%	**growth in paralegals, the fastest of any large role** 22,329 to 25,297. Paralegals grew at more than twice the rate of lawyers.
6 → 34	**job posts a quarter for innovation roles, mid-2022 to mid-2026** Posts for dedicated AI roles went from 0 to 30 a quarter over the same period.
2	**firms in the top 500 have a Chief AI Officer** Against 120 with an innovation leader and 109 with a knowledge-management leader.
3.4%	**growth in IT staff, about half the rate of the firm** Data and machine learning grew 7.6% and analysts 8.7%.

01

WHO FIRMS ARE ADDING

Business and operations staff are growing faster than lawyers.

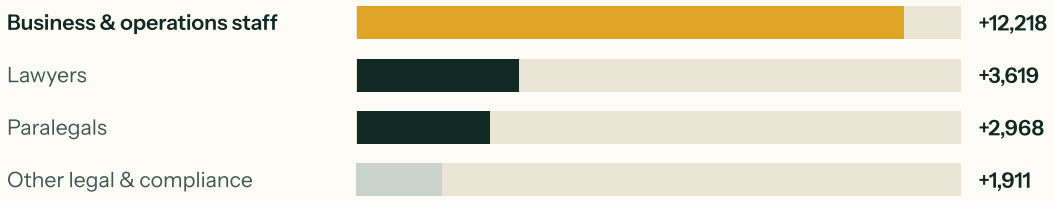
A law firm sells lawyers' time, so it is natural to assume lawyers drive its growth. In the year to June 2026, they did not. Business and operations staff, the people in finance, HR, IT, marketing, business development and administration, grew 6.4%. Lawyers grew 5%.

In absolute terms the gap is wider. The top 500 firms added **20,716 people** across their four main function groups. 12,218 of them were business and operations staff. 3,619 were lawyers, 2,968 were paralegals and 1,911 were in other legal and compliance roles such as legal assistants and compliance staff.

59%

of the people the top 500 added in the year to June 2026 were business and operations staff. 17.5% were lawyers.

NET NEW PEOPLE AT THE TOP 500 FIRMS, JUNE 2025 TO JUNE 2026



Change in headcount across the four top-level function groups, which cover about 93% of people. Business and operations staff are general and administrative, sales, marketing and business development, and engineering.

The firm overall grew about 6.5%, so operations is not outgrowing the firm; it is growing with it while the lawyer ranks grow more slowly. Every new lawyer at these firms came with more than three new people on the business side.

02

THE FASTEST-GROWING ROLES

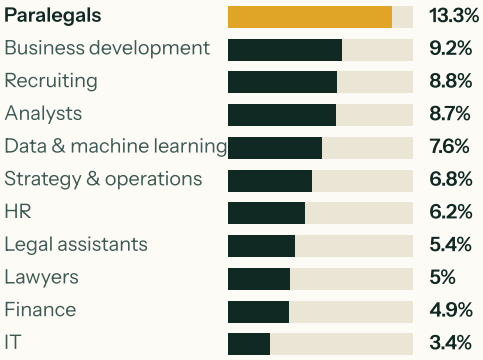
Paralegals are the fastest-growing role in big law.

The fastest growth is not among lawyers, and not in technology. It is in the roles that sit closest to the process work around a matter.

Paralegal headcount grew **13.3%** in a year, from 22,329 to 25,297, more than twice the rate of lawyers. Business development (9.2%), recruiting (8.8%) and analysts (8.7%) follow. Legal assistants grew 5.4%, in line with lawyers.

Paralegals do much of the work AI is supposed to touch first: document review, drafting first versions, assembling filings, keeping matters moving between systems. Firms are still adding them faster than anyone else. Whatever AI is doing at these firms so far, it is not yet replacing that work; it is arriving alongside it.

HEADCOUNT GROWTH BY ROLE, YEAR OVER YEAR



June 2025 to June 2026, from employees' public profiles.

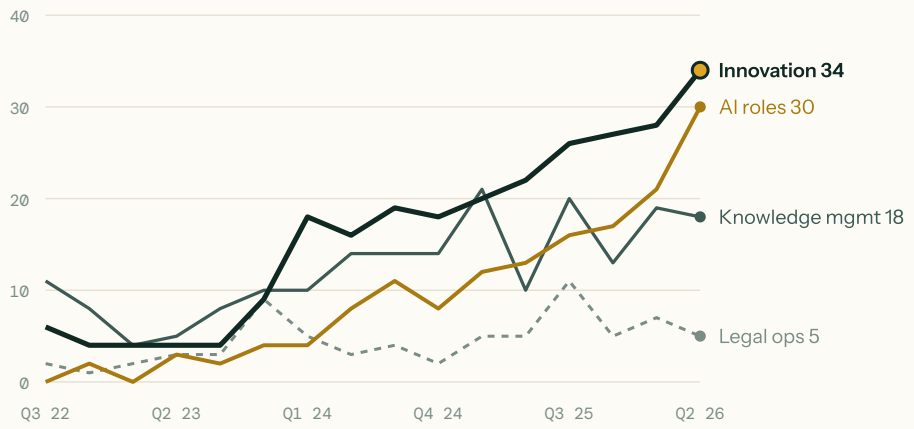
03

THE NEW ROLES

Firms are hiring the people who bring AI in.

AI is arriving with its own job titles. Posts for innovation and AI roles have climbed steadily since 2023, and they are still climbing.

JOB POSTS PER QUARTER WITH EACH KIND OF TITLE



Job posts across the top 500 whose title names innovation, AI, knowledge management or legal operations, by quarter. Q2 2026 is April and May.

In the third quarter of 2022, the top 500 firms posted 6 jobs with innovation in the title and 0 with AI. In the second quarter of 2026 they posted **34 and 30**. AI roles grew fastest of all in the last year, from 13 a quarter to 30. Knowledge-management and legal-operations titles grew less, and less steadily.

Many of these roles are not engineers. They evaluate tools, run pilots with practice groups, write prompt libraries, train lawyers and set the rules for what can go into which system. The firms are hiring people to translate AI into the way their lawyers already work.

> Lead the adoption and responsible use of GenAI tools (Copilot, Harvey, Legora, etc.), building prompt libraries and supporting colleagues in their use

FROM A JOB POST AT A TOP-200 LAW FIRM

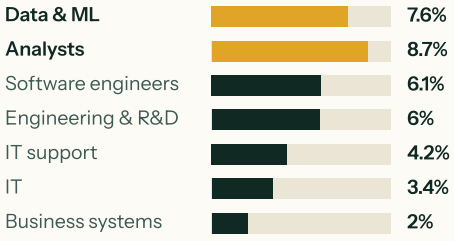
04

WHERE IT FITS

IT is growing at half the firm's rate. Data and analytics are not.

If AI were arriving as a traditional technology project, IT would be growing fast. It is growing at about half the rate of the firm.

HEADCOUNT GROWTH IN TECHNICAL ROLES



June 2025 to June 2026.

IT headcount at the top 500 grew 3.4% in the year to June 2026, and business systems staff just 2%. Data, analytics and machine learning grew 7.6% and analysts 8.7%, and software engineers 6.1%.

The pattern fits what the job posts describe. AI work at law firms is landing with innovation teams, knowledge management and the business side as much as with IT. The firms are adding people who work with data and processes, and keeping the team that runs the infrastructure roughly the size it was.



05

WHAT FIRMS ARE BUILDING

The projects behind the job posts.

Many of the AI job posts describe the project the new hire will work on. Read together, they fall into six themes.

FIRM-BUILT AI ASSISTANTS

Secure, in-house applications, some built on the models directly with retrieval and fine-tuning, that let lawyers draft, summarize and analyze documents without sending client data to public tools.

PILOTING AND ROLLING OUT LEGAL AI

Evaluating purpose-built legal AI, running practice-group pilots and promoting the winners into firm-wide production.

DOCUMENT AUTOMATION AND DRAFTING

Template-driven assembly and AI-drafted memos, letters and routine documents that still come back to a person for review.

KNOWLEDGE MANAGEMENT AND SEARCH

Semantic search across a firm's own work product, so lawyers can find and reuse what already exists.

BACK-OFFICE AND FINANCE AUTOMATION

Automating billing, accounts payable, intake and general-ledger work with OCR and process automation.

GOVERNANCE, TRAINING AND ENABLEMENT

Acceptable-use rules and data-governance policies, plus prompt libraries and training to get staff productive.

The themes span the whole firm. Some are lawyer-facing: drafting, research, knowledge. Others are pure operations: accounts payable, the general ledger, intake. And one, governance, is about controlling all the others.

> Lead the redesign of GL processes to reduce manual effort and improve data accuracy through automation, AI-assisted reconciliation, and workflow optimization

FROM A JOB POST AT A TOP-100 LAW FIRM



06

WHAT IT MEANS

AI is not shrinking law firm teams. It is changing who they hire.

So far, the largest law firms are growing through the arrival of AI, and growing fastest on the business side.

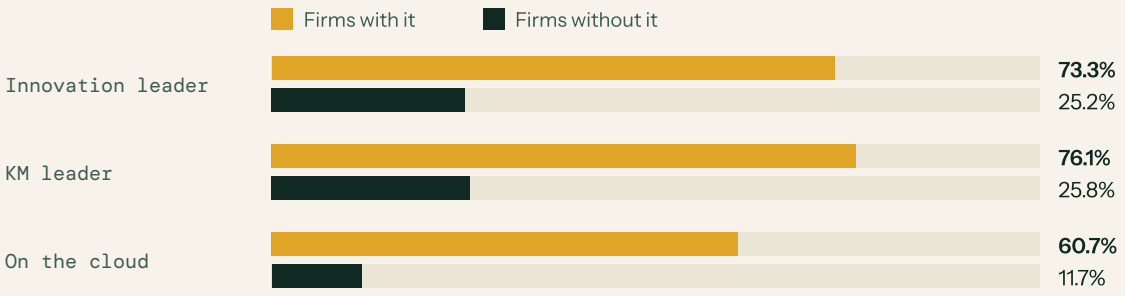
Firms added more than three business and operations staff for every new lawyer, and paralegals grew fastest of all. Alongside them, a new layer of innovation and AI roles is taking shape, mostly outside IT.

That puts the people who run a firm's operations at the center of its AI plans. They own the processes AI is supposed to improve, and increasingly they are the ones asked to make it work. The last chapter looks at what the firms that have adopted AI have in common.

2026 STATE OF AI IN LAW FIRMS

AI + *Leadership*

The firms that adopt AI are not a random sample. They have someone whose job is innovation or knowledge, they are already on the cloud and they run broad technology stacks. What predicts adoption, and how far most firms have to go.



Share of firms that have hired for an AI tool, with and without each signal. Top 500 US law firms.

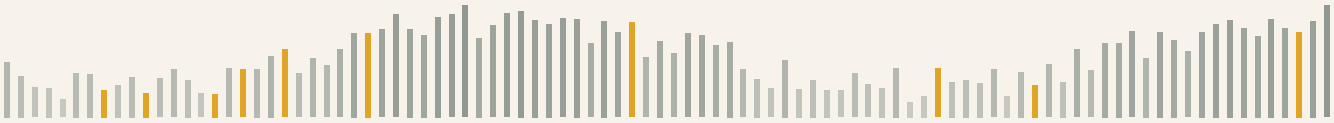
AT A GLANCE

Firms with an innovation or knowledge leader are three times as likely to use AI. Only two have a Chief AI Officer.

Size matters for AI adoption, but it is not the whole story. The strongest predictors are organizational: a named leader for innovation or knowledge management, a move to the cloud and a broad stack of tools that someone already maintains.

By those measures most of the top 500 have a long way to go. On a 100-point Modernization Index, nearly two thirds of firms score under 30.

73.3%	**of firms with an innovation leader have hired for AI** Against 25.2% of firms without one. 120 of the 505 firms have one.
76.1%	**of firms with a knowledge-management leader have hired for AI** The strongest single signal. Against 25.8% of firms without one.
2	**firms have a Chief AI Officer** AI is owned by innovation, knowledge and IT leaders, not by a dedicated executive.
60.7%	**of firms on the cloud have hired for AI** Against 11.7% of firms still off it. Cloud is the foundation AI is built on.
93.4%	**of firms in the top quarter by stack breadth have hired for AI** Against 4.9% in the bottom quarter.
327	**firms score under 30 on the Modernization Index** Out of 505. 21 score 80 or more, and the median is 18.1.



01

SOMEONE OWNS IT

Firms with an innovation leader are three times as likely to use AI.

The clearest dividing line in the data is not size or geography. It is whether someone at the firm has innovation in their title.

120 of the top 500 firms have a named innovation leader. **73.3% of them have hired for an AI tool**, against 25.2% of the 385 firms without one. The firms with a leader average 2.4 AI tools, four times the 0.6 of the rest, and a Modernization Index of 53 against 17.4.

2.9x

as likely to have hired for AI when a firm has a named innovation leader.

FIRMS BY INNOVATION LEADER AND AI TOOL

88 Innovation leader and AI tool	**32** Innovation leader, no AI tool yet
97 AI tool, no innovation leader	**288** Neither

Innovation leader: a current employee with innovation in a leadership title. AI tool: the firm's job posts have named one.

Having a leader and hiring for AI go together. 88 firms have both, and only 32 have a leader but no AI hiring yet. 97 firms have hired for AI without one, often a single tool or role. And 288, more than half the cohort, have neither.

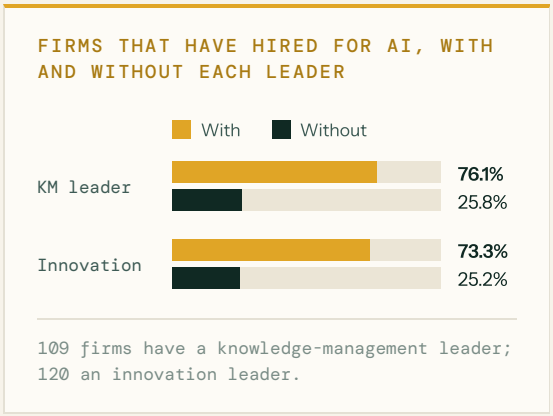
02

KNOWLEDGE FIRST

A knowledge-management leader is the strongest signal of all.

Generative AI runs on a firm's documents and know-how. The firms that already had someone in charge of that knowledge are the most likely to have adopted it.

109 of the top 500 have a knowledge-management leader, and **76.1%** of them have hired for AI, the highest rate for any signal in the data. Without one, the figure is 25.8%. Firms with a KM leader also average the most AI tools, 2.7.



It makes sense. The first useful thing most firms do with generative AI is point it at their own work product: precedents, templates, past matters. A firm that already curates that knowledge has a head start on making AI useful, and a person who can say what it is allowed to see.

03

WHO OWNS AI

Innovation and KM leaders are common. Chief AI Officers are not.

AI at the largest firms has owners, but almost never a dedicated executive. It sits with the innovation, knowledge and operations leaders who were there before it.

FIRMS WITH EACH KIND OF LEADER



Of the 505 firms, from the titles of current employees.

120 firms have an innovation leader, 109 a knowledge-management leader and 82 a legal operations leader. Just **2** have a Chief AI Officer.

So the governance of AI, which tools are allowed, what data they can touch, who reviews what they produce, is landing on people who also run everything else. The job posts show it: firms ask their innovation and knowledge hires to define use cases and guardrails as part of the role.

> Track and assess developments in generative AI; define use cases, guardrails, and ROI; and collaborate with Information Security and the General Counsel on risk, ethics, confidentiality, and data governance.

FROM A JOB POST AT A TOP-200 LAW FIRM

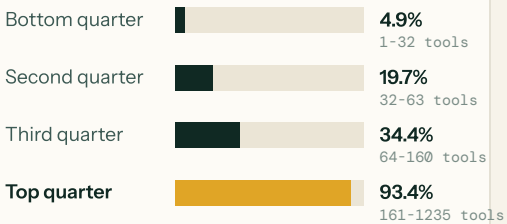
04

THE FOUNDATIONS

Cloud and a broad stack come first. AI follows.

Before a firm hires for AI, it has usually done two other things: moved to the cloud and built a broad stack of tools with people to run it.

FIRMS THAT HAVE HIRED FOR AI, BY BREADTH OF TECH STACK



Firms ranked by how many distinct tools their job posts name, split into quarters.

60.7% of the 257 firms whose job posts name a cloud platform have hired for AI. Of the 248 that name none, 11.7% have. Most of those cloud firms are on Microsoft Azure.

Breadth tells the same story more sharply. Rank the firms by how many distinct tools their job posts name and split them into quarters: 4.9% of the bottom quarter have hired for AI, 19.7% of the second, 34.4% of the third and **93.4%** of the top. A firm that already supports hundreds of tools has the people and processes to add one more.

05

THE MODERNIZATION INDEX

A small group of leaders, and a long tail.

Put the signals together and score every firm from 0 to 100, and the top 500 split into a small group of leaders and a long tail that has barely started.

21 firms score 80 or more and 54 score between 60 and 79. Then the numbers fall away: 103 firms in the middle and **327 under 30**, nearly two thirds of the cohort. The median firm scores 18.1.

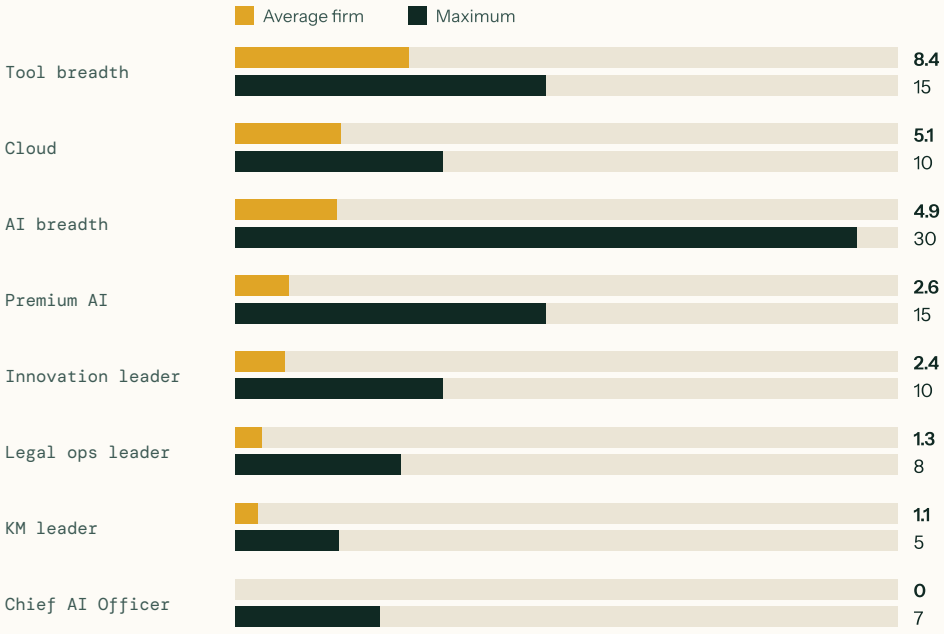
Size explains much of it. The correlation between a firm's headcount and its score is 0.7, and the top 50 firms average 67.4 against 9.6 for the smallest band. But size is not destiny. A firm ranked 228th by headcount scores 70, ahead of most of the top 100, and one ranked 25th scores under 15.

FIRMS BY MODERNIZATION INDEX SCORE



Of 505 firms. Median 18.1.

AVERAGE POINTS SCORED ON EACH PART OF THE INDEX, AGAINST THE POINTS AVAILABLE



Most firms score on having a broad, cloud-based stack. AI breadth, worth up to 30 points, averages 4.9.



06

WHAT IT MEANS

AI follows ownership. The firms that adopt it decided someone would own it.

Across the top 500, the firms that have adopted AI have something in common: a person whose job is to make new technology work, on a modern foundation.

Firms with an innovation or knowledge leader are about three times as likely to have hired for AI. Firms on the cloud, and with broad stacks already, are far ahead of firms that are not. Almost none have a dedicated AI executive, so AI is owned by the people who already run innovation, knowledge and operations.

For the long tail of firms that have not started, that is the lesson. The first step is not choosing an AI tool. It is deciding who owns it, what it is allowed to touch and how its work gets checked, so that whatever the firm adopts can be trusted with real matters.

ABOUT THIS REPORT

How it was built

The benchmark covers the top 500 US law firms by headcount: 505 US-headquartered law firms with 172 or more employees, where the cutoff fell. For every firm we analyzed two public sources: its job postings from July 2022 through May 2026, and the public profiles of its current employees (title, function and how headcount changed over the year to June 2026). No firm supplied data, and no firm is named anywhere in the report; firms are described by size only.

A firm counts as using a tool, AI or otherwise, when its job posts name it. That is a hiring signal, not a software audit: firms run plenty of software no job post mentions, so adoption figures are floors. Shares are out of all 505 firms unless they say otherwise. Monthly and quarterly shares are out of the firms that posted any job in that period. Size bands rank firms by headcount, largest first.

The Modernization Index scores each firm from 0 to 100 on eight public signals: breadth of AI tools named in hiring (up to 30 points), premium or frontier AI (15), breadth of the overall tech stack (15), cloud (10), a named innovation leader (10), a legal operations leader (8), a Chief AI Officer (7) and a knowledge-management leader (5).

THE CHAPTERS

AI + Adoption	How fast AI is spreading through the largest law firms, and where it has reached
AI + Tools	Which AI firms hire for, and the legal stack it has to fit into
AI + Teams	Who law firms are hiring as AI arrives, and the new roles it creates
AI + Leadership	What the firms that adopt AI have in common

The 2026 State of AI in Law Firms is published at trycaddi.com/state-of-ai-in-law.

Caddi