



Introduction

The legal industry is evolving fast, and AI is making a real difference, not just in theory but in everyday legal work. By automating repetitive tasks and improving precision, AI lets legal teams focus more on strategic, impactful activities. Whether it's streamlining contract management or enhancing risk assessment, AI is already delivering measurable benefits. This guide explores how AI is transforming legal practices today by showcasing practical use cases and offering insights into the role of Large Language Models (LLMs) in unlocking AI's true potential for the legal field.

As of 2024, 23% of in-house legal teams actively use GenAI, with 15% in pilot testing or beta testing and over half exploring use cases with vendors.¹

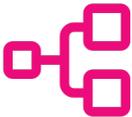
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Practical Ways AI is Shaping Legal Workflows



Legal Document Digitalization



Data Extraction



Risk Analysis and Contract Review



Standardizing Documents and Generating Contract

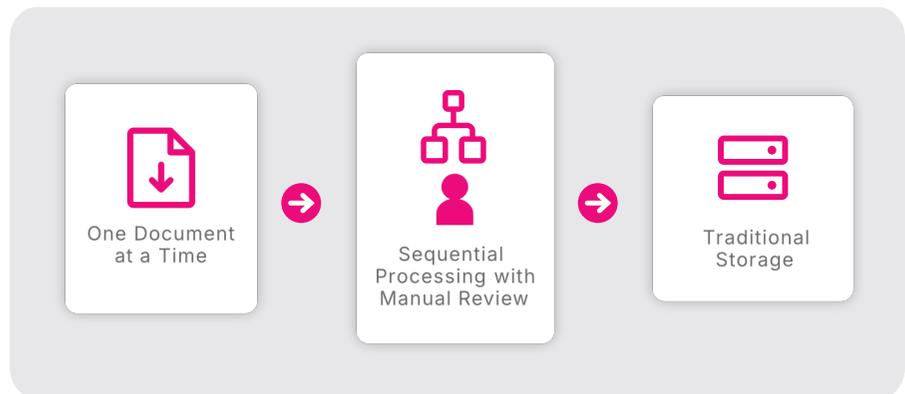


Democratizing Legal Knowledge

Legal Document Digitalization

Before AI

The digitalization of legal documents was a labor-intensive process, often handled manually. Legal professionals spent considerable time formatting, organizing, and extracting data from physical documents, resulting in inefficiencies and higher chances of human error.

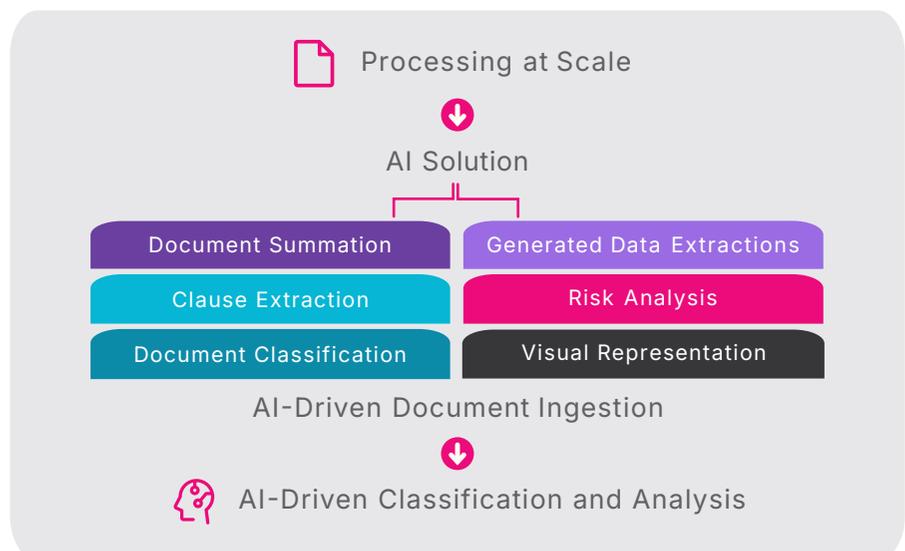


After AI

With the integration of AI, this process has transformed dramatically. AI allows for document ingestion at scale while understanding context, enabling swift and accurate digitalization. Automated data extractions provide comprehensive insights while clause extraction and summarization streamline document analysis, significantly reducing turnaround time and increasing accuracy.

Practical Outcomes

1. Enhanced Efficiency and Productivity
2. Improved Accuracy and Consistency
3. Reduced Turnaround Time
4. Lowered Costs Through Automation



Data Extraction

Before AI

Data extraction was cumbersome, requiring extensive manual review and input. Legal teams often dealt with inconsistent data representation and faced challenges in retrieving relevant information efficiently.

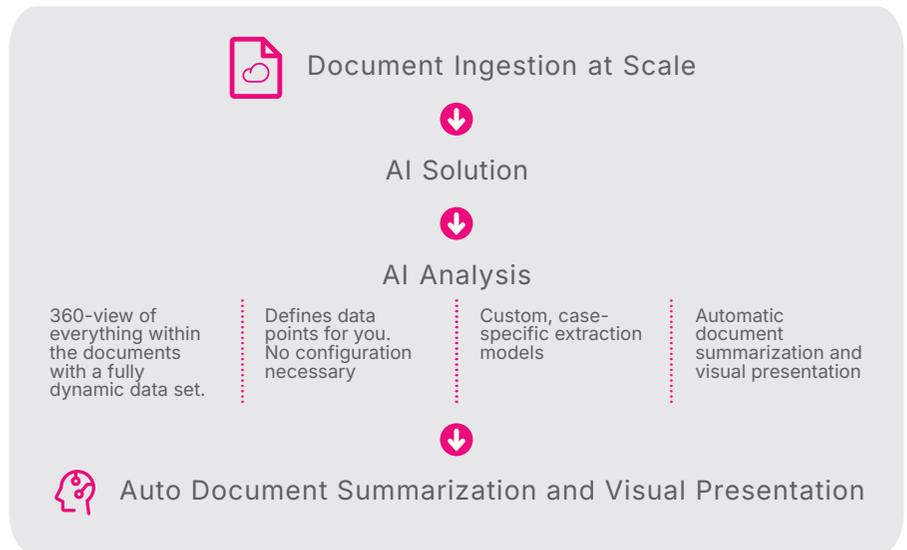


After AI

AI-driven data extraction has revolutionized this task, allowing for document ingestion at scale and providing a holistic view of document content. Custom, case-specific models ensure accurate data extraction, while automatic document summarization enhances accessibility and clarity, revolutionizing the approach to managing large volumes of data.

Practical Outcomes

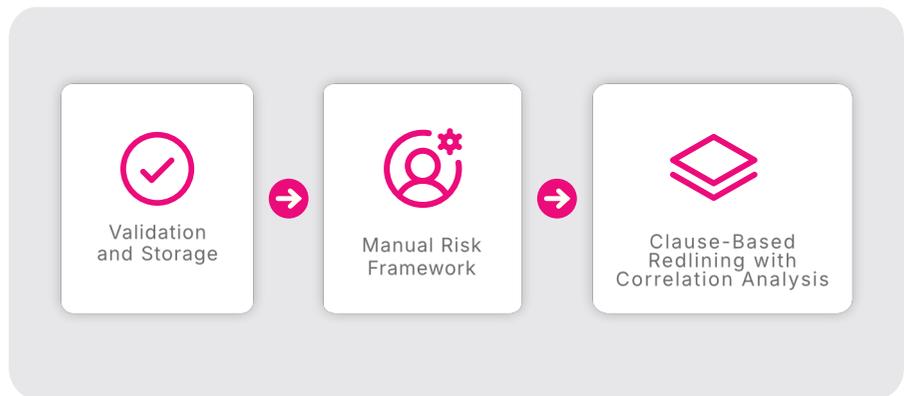
1. Faster Access to Critical Info
2. Reduction in Manual Data Entry Errors
3. Enhanced Decision Making with Data
4. Streamlined Work & Reduced Operational Bottlenecks



Risk Analysis and Contract Review

Before AI

Risk analysis and contract reviews were largely manual processes, prone to oversight and requiring significant time investment for thorough examination. Legal professionals often relied on experience and intuition, which led to variable outcomes.

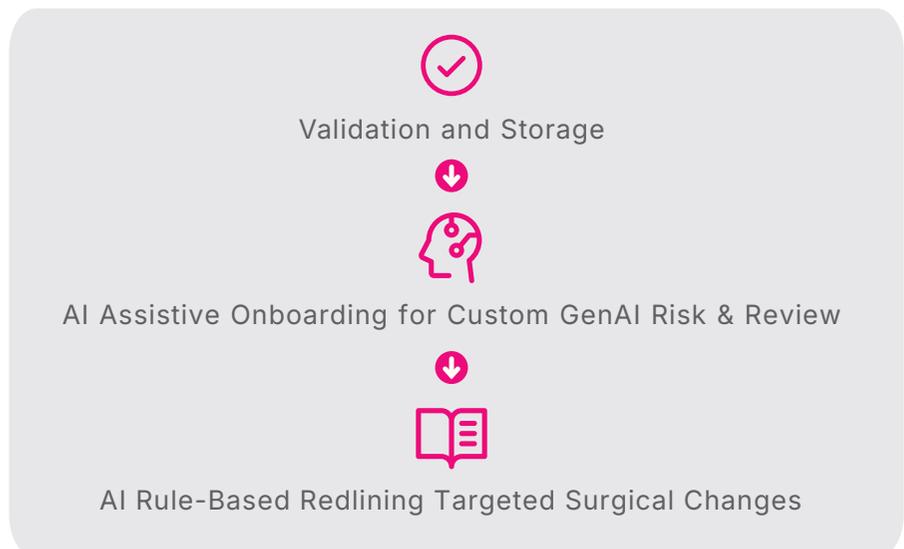


After AI

GenAI enhances these processes by extracting insights from golden standard contracts or even previously executed contracts, allowing for the development of tailored risk frameworks. The introduction of targeted, surgical redlining improves precision in reviews, while Embedded Legal Frameworks guarantee consistent analysis across contracts, resulting in enhanced risk management.

Practical Outcomes

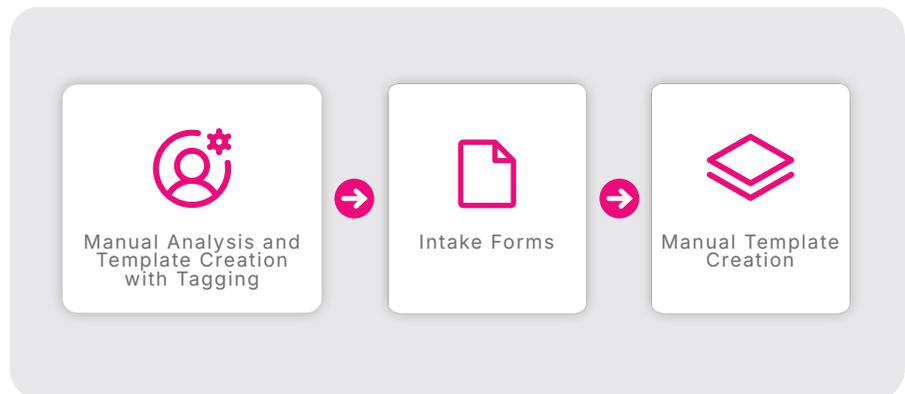
1. Enhanced Risk Identification and Mitigation
2. Improved Consistency in Contract Reviews
3. Accelerated Review Processes
4. Greater Confidence in Compliance and Risk Management



Standardizing Documents & Generating Contracts

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Practical Outcomes

1. Increased Consistency & Standardization
2. Faster Time to Market for Legal Docs
3. Improved Compliance with Regulatory Req.
4. Enhanced Focus by Reducing Repetitive Work



AI-Assistive Template Onboarding

Golden Standard of Legal Models Embedded within Solution



AI Driven Drafting Guided within Model Parameters

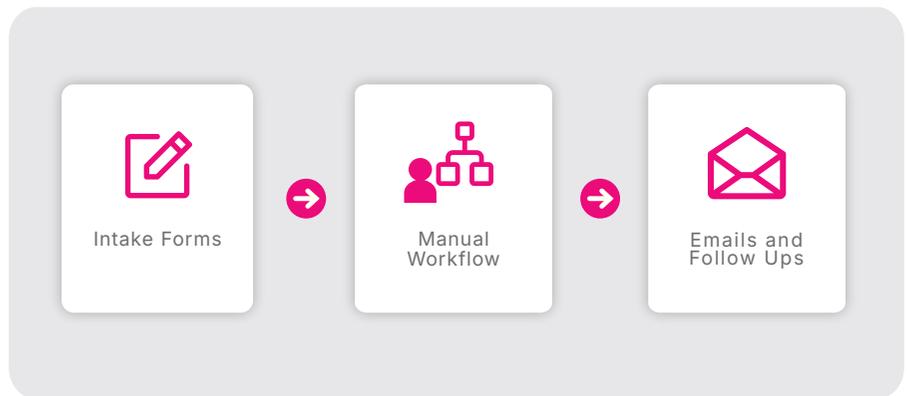


Microsoft Add in - Get Assistance and Ask Questions

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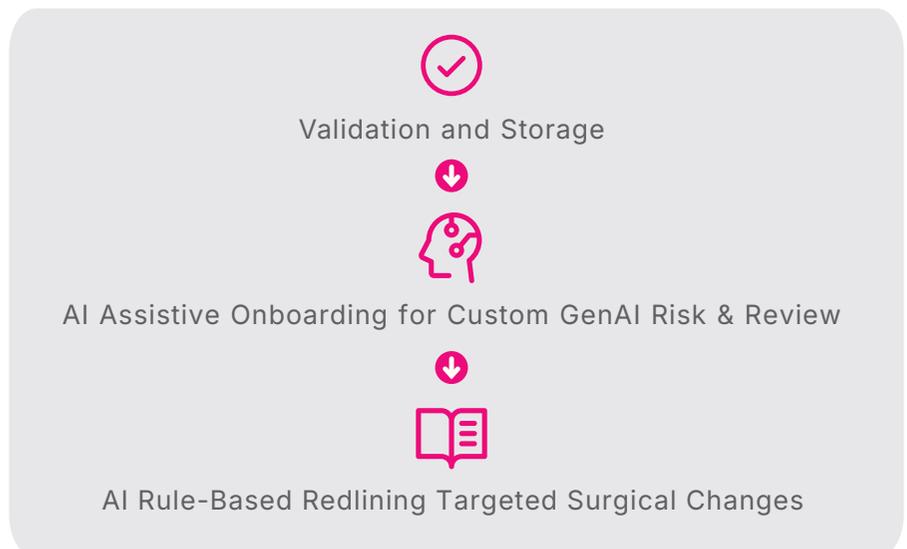


After AI

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Practical Outcomes

1. Quicker Resolution of Legal Queries
2. Increased Client Satisfaction via Prompt Service
3. Reduced Workload for Legal Teams
4. Higher Accuracy in Response with AI Driven Insight



Understanding Vertical and Horizontal Models

Understanding the technical differences helps legal teams evaluate solutions more effectively:

Horizontal Models

General models trained on public data

- High Variability in responses/ Hallucination
- Lack of control for security and privacy
- Lack of expert focus
- Limited use cases
- Examples: OpenAI, Google, Anthropic, Meta, and other LLM providers

These models are trained on a broad set of public data, making them versatile but not specialized in any domain. They offer high variability in responses and may lack the necessary security and privacy controls required for legal applications. Examples include models from OpenAI, Google, and Meta.

Vertical Models

Models trained with domain-specific (e.g., legal data)

- Models with high expertise in the targeted legal domain
- Industry-focused
- Deep domain knowledge

Vertical models are trained with domain-specific data, such as legal documents and cases. They exhibit high expertise in the targeted domain, providing industry-focused solutions with deep domain knowledge.

Vertical Solutions

Solutions and features built for solving legal specific use cases

- Frameworks
- Guardrails
- Security, privacy & data protection
- Legal and organization-specific models (business rules and knowledgebase)
- Engineering techniques to minimize hallucination
- Vertical applications ready to use at scale (e.g., Legal review, risk analysis, etc.)

The next step is Vertical AI Solutions. These are comprehensive solutions built specifically for legal use cases. They come with frameworks, guardrails, and security measures tailored to legal requirements. Vertical AI solutions are ready to use at scale, offering features like legal review, risk analysis, and contract management with minimized hallucination risks.



By 2027, over 50% of GenAI models employed by enterprises will be domain-specific, tailored to either a specific industry or business function; a remarkable increase from just about 1% in 2023, as reported by Gartner².

For a more indepth look at the different GenAI models - check out our [Practical Guide to GenAI Solutions for Legal Teams](#).