

The Law Department of 2030: Leading Through the AI Transformation

Law Department Management

Technology, Privacy, and eCommerce



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Fifteen chief legal officers gathered for a candid, peer-to-peer discussion on how AI is changing the operating model of the legal department. The conversation focused less on individual tools and more on what CLOs need to redesign now: work allocation, talent, governance, outside counsel relationships, metrics, and the legal department's value proposition.

A useful opening framing from Thomson Reuters: Legal is simultaneously expected to be Effective, Efficient, Enable the business, and Protect the enterprise (the four “spinning plates” of Legal). That balancing act is becoming harder as AI raises both expectations and possibilities. One striking data point underscored the communication challenge: 86 percent of GCs say their department significantly contributes to business objectives, while only 17 percent of C-suite executives agree.

Key takeaways

1. AI maturity is uneven, but experimentation is giving way to operational use.

Participants described organizations ranging from early pilots to broad, enterprise-supported adoption. Use cases already extend well beyond drafting: legal research, contract review, due diligence, litigation and discovery support, summarization, issue spotting, privacy and compliance

workflows, and analysis of legal spend. Several departments are testing multiple platforms rather than betting on a single tool.

2. The bigger question is not “Which AI tool?” but “What should legal work become?”

The discussion repeatedly returned to operating-model design. The future legal department is likely to blend several of the GCO 2030 archetypes: scaled self-service and automation, stronger strategic advisory capacity, closer integration with business and external providers, global leverage, and legal support embedded more directly into peer functions. A tech-forward mindset is the common denominator.

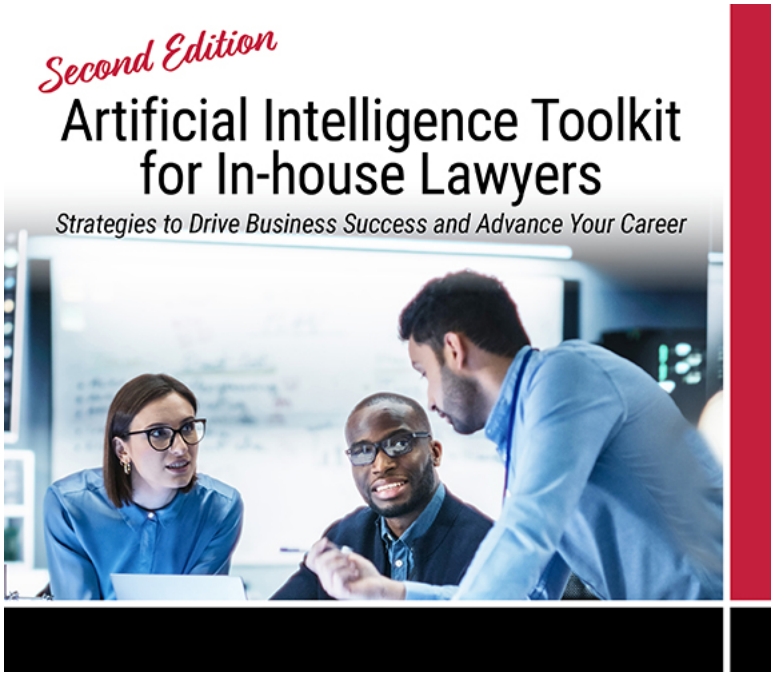
3. AI's highest-value promise may be capacity, not headcount reduction.

CLOs were cautious about treating AI simply as a cost-cutting exercise. The more compelling opportunity is to remove low-value work, accelerate decision-making and deals, and shift lawyer time toward judgment, business advice and enterprise risk counseling. In many departments, demand for legal support continues to rise, so productivity gains may be absorbed by higher-value work rather than lower staffing.

4. Measurement remains one of the hardest problems.

Participants emphasized the need to show CEOs and CFOs evidence of business value, not just adoption. Promising metrics include stakeholder satisfaction, team engagement, time removed from low-value tasks, increased time on higher-value work, cost-to-serve, cycle-time improvements, contract quality or deviation from preferred terms, and faster movement of products and transactions. The challenge is connecting these measures credibly to enterprise outcomes.

5. Talent development will have to be redesigned along with the work.



If AI takes over more first-draft research, drafting and review, junior lawyers may become productive

advisers earlier. At the same time, legal leaders will need to protect the learning that historically came from doing those tasks. Future-ready lawyers will need stronger judgment, business fluency, collaboration, AI literacy and the ability to interrogate machine output, not merely generate it.

6. Outside counsel economics are headed for pressure and experimentation.

CLOs expect greater scrutiny of work that technology can perform faster and at lower cost. The discussion pointed toward more fixed-fee and outcome-oriented arrangements, tighter staffing expectations, greater use of alternative providers and global delivery models, and a sharper distinction between work worth premium law-firm rates and work that should be automated, insourced or delivered differently.

7. AI governance is becoming a CLO-level leadership issue, but not necessarily a CLO-owned function.

Legal is already deeply involved in acceptable-use rules, privacy, compliance, contracting, risk thresholds and review of AI-enabled workflows. Participants did not converge on or bless a single governance structure. The emerging model is cross-functional: legal helps set the guardrails and escalation points while partnering closely with technology, security, privacy, compliance and business leadership. Human review (human in the loop) remains essential, particularly where AI output could become a final legal or business decision.

A related development: TEDLaw

TEDLaw is a new professional-development initiative from TED, brought to the in-house community through the ACC Foundation. Its immersive trainings combine curated TED content, facilitated dialogue, case simulations and real-world legal scenarios to strengthen judgment, collaboration, cultural competence, professional identity and values, and lawyering in the AI age. The emphasis is deliberately human-centered and includes the entire legal profession and value chain. TEDLaw seeks to help CLOs, GCs and senior legal leaders develop the capabilities that become more important, not less, as technology handles a greater share of technical work.

The bottom line

The Toronto discussion suggested that the legal department of 2030 will not be defined by one AI platform or one target operating model. The more consequential shift is from tool adoption to organizational redesign: deciding what work disappears, what work moves and where, what lawyers must become better at, how value is measured, and where the CLO must personally set direction. The departments that move fastest are likely to be those that treat AI as a catalyst for rethinking legal service delivery, not as a technology project layered onto the old model.

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