

# Annual Report 2025

LawAhead Center on the Legal Profession

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LAWAHEAD CENTER  
ON THE LEGAL  
PROFESSION

# Annual Report 2025

LawAhead Center on the Legal Profession



# Table of contents

4 **Welcome**

6 **Introduction**

9 **Mission & Vision**

## **Year Overview**

12 **I Seminars & Events**

**II Market Research**

52 **> Legal Management**

65 **> Legal Profession**

68 **> Legal Landscape**



In 2025, LawAhead consolidated its role as a bridge between legal education, research, and practice, bringing global debates on technology, governance, and professional responsibility into IE Law School's academic mission.

## Welcome from Soledad Atienza

2025 has confirmed the LawAhead Center on the Legal Profession as one of IE Law School's most significant academic initiatives. At a moment when the legal sector is being transformed by technology, regulation and evolving business models, the Center has advanced our mission to create rigorous knowledge, strengthen ties with practice, and foster reflection on the profession we are preparing lawyers to lead. From my perspective as dean, one of LawAhead's greatest strengths is its ability to bring teaching, research and professional practice into a single conversation.

Throughout the year, the Center convened leading voices from law firms, corporate legal departments, institutions, and the judiciary to discuss issues such as cybersecurity, artificial intelligence (AI), sustainability, legal service delivery, and governance. These conversations have not only enriched public debate; they have also sharpened the way we teach, research and think about leadership in the legal profession.

Another defining feature of 2025 has been the Center's growing international reach. Co-hosting the First Global Meeting of Academic Centers on the Legal Profession in Madrid alongside Harvard Law School marked an important milestone. Bringing together institutions such as Bucerius, Fordham, Georgetown, King's College London and Tilburg demonstrated that the challenges facing the legal profession are global in scope—and that Spain can play a leading role in convening this dialogue.





(...) educating the next generation of lawyers demands not only technical excellence, but also humanistic formation and a deep understanding of professional responsibility.

## Welcome from Soledad Atienza

Research has remained central to the Center's mission. *The report AI and the Future of the Creative Lawyer* underscores that legal creativity is no longer exclusively human, but increasingly shaped through human-AI collaboration, requiring lawyers to actively manage both its potential and its risks. For a law school, this message is particularly important: educating the next generation of lawyers demands not only technical excellence, but also humanistic formation and a deep understanding of professional responsibility.

I am deeply grateful to the faculty, researchers, speakers, partner institutions, and members of the LawAhead community who have contributed to this project throughout the year. Their generosity and intellectual ambition have helped consolidate a Center that reflects IE Law School's commitment to academic excellence, international openness and meaningful impact on the legal sector. I look forward to continuing this work together in the years ahead. ■

**Soledad Atienza** / *Dean, IE Law School*



LawAhead's 2025 agenda connected major shifts in legal services with the concrete management questions facing managing partners, general counsel, and senior decision-makers.

## Introduction from Luis de Carlos

2025 has been a year in which LawAhead has consolidated its role as a strategic forum for the legal sector. Law firms and in-house legal teams are operating in an environment marked by technological acceleration, pricing pressure, geopolitical uncertainty, regulatory complexity, and intense competition for talent. In this context, the Center's purpose is clear: to provide a trusted space where leaders can step back from day-to-day demands and engage in candid, informed discussions about the decisions that will shape the profession's future.

This year's agenda was designed with that objective in mind. Our sessions addressed issues that are already redefining legal services, including cybersecurity at board level, new models for legal service delivery, responsible AI, sustainability, the future of Europe, and the evolution of legal markets in Latin America and the United States. What made these conversations especially valuable was their practical focus. They connected broad trends with concrete management questions faced by managing partners, general counsel, and senior decision-makers.

Our ambition is to generate ideas that help firms and legal departments think more clearly about profitability, talent, operating models, client expectations and the capabilities lawyers will need in the years ahead.





The legal sector (...) needs places where disagreement can be productive, where ideas can be tested, and where innovation is examined with seriousness rather than treated as a passing trend.

## Introduction from Luis de Carlos

What distinguishes LawAhead is not only the quality of its speakers and publications, but also the quality of the relationships and conversations it fosters. The legal sector needs more dialogue across institutions, generations, and professional roles. It needs places where disagreement can be productive, where ideas can be tested, and where innovation is examined with seriousness rather than treated as a passing trend.

I would like to thank everyone who contributed to the Center's work throughout 2025: our sponsors, speakers, faculty, researchers and partner institutions. The challenges facing the profession are substantial, but so too is the opportunity for Spain to build a more competitive, innovative and internationally connected legal sector. I would like to thank Aena, CaixaBank, CMS Albiñana & Suárez de Lezo, Cuatrecasas, Garrigues, Gómez-Acebo & Pombo, Mapfre, Microsoft, Pérez-Llorca, RocaJunyent, Sagardoy, Telefónica, and Uría Menéndez for their trust and engagement. LawAhead will continue working with that ambition in view. ■

**Luis de Carlos** / *President, LawAhead Center on the Legal Profession*

LawAhead provides a neutral space for the legal sector to generate knowledge, strengthen dialogue, and address the challenges reshaping the profession.

# Mission & Vision

The LawAhead Center on the Legal Profession works closely with law firms and businesses to efficiently respond to challenges in the industry, providing a neutral space where stakeholders can work together to generate and share acquired knowledge to society as a whole.

The Center's mission is to be a research and dissemination hub focusing on the relevance of the legal sector. Its purpose is to bring together legal professionals so they can make a decisive, lasting impact on society, while advocating for the essential values of the legal profession.



## **The way society is evolving poses new challenges for companies and law firms:**

- | The enormous impact of technology.
- | Challenges in attracting and retaining talent.
- | Regulatory changes.
- | Environmental, social and governance (ESG).
- | Cybersecurity and data protection.
- | Crisis management and reputational risk management.
- | Changes in corporate governance.

## **The Center aims to:**

- | Serve as a national and international benchmark in legal research, development, and innovation, partnering with other centers in Europe, the United States, and Latin America.
- | Make a decisive impact on society, by creating a lasting legacy through sustained, long-term initiatives.
- | Act as a transformative center that influences and works with other organizations in decision-making, contributing to Spain's reputation as a legal benchmark through its endeavors.
- | Become a hub for various academic disciplines.
- | Stand as a place of inspiration and a privileged meeting point between the academic, professional, business, and legal institutional worlds.

## **The Center focuses on three key areas:**

- | Seminars and events.
- | Dissemination of articles
- | Applied research projects. ■

In 2025, the Center hosted 11 seminars, bringing together leading voices from law firms, companies, academia, and institutions to discuss the future of legal services.

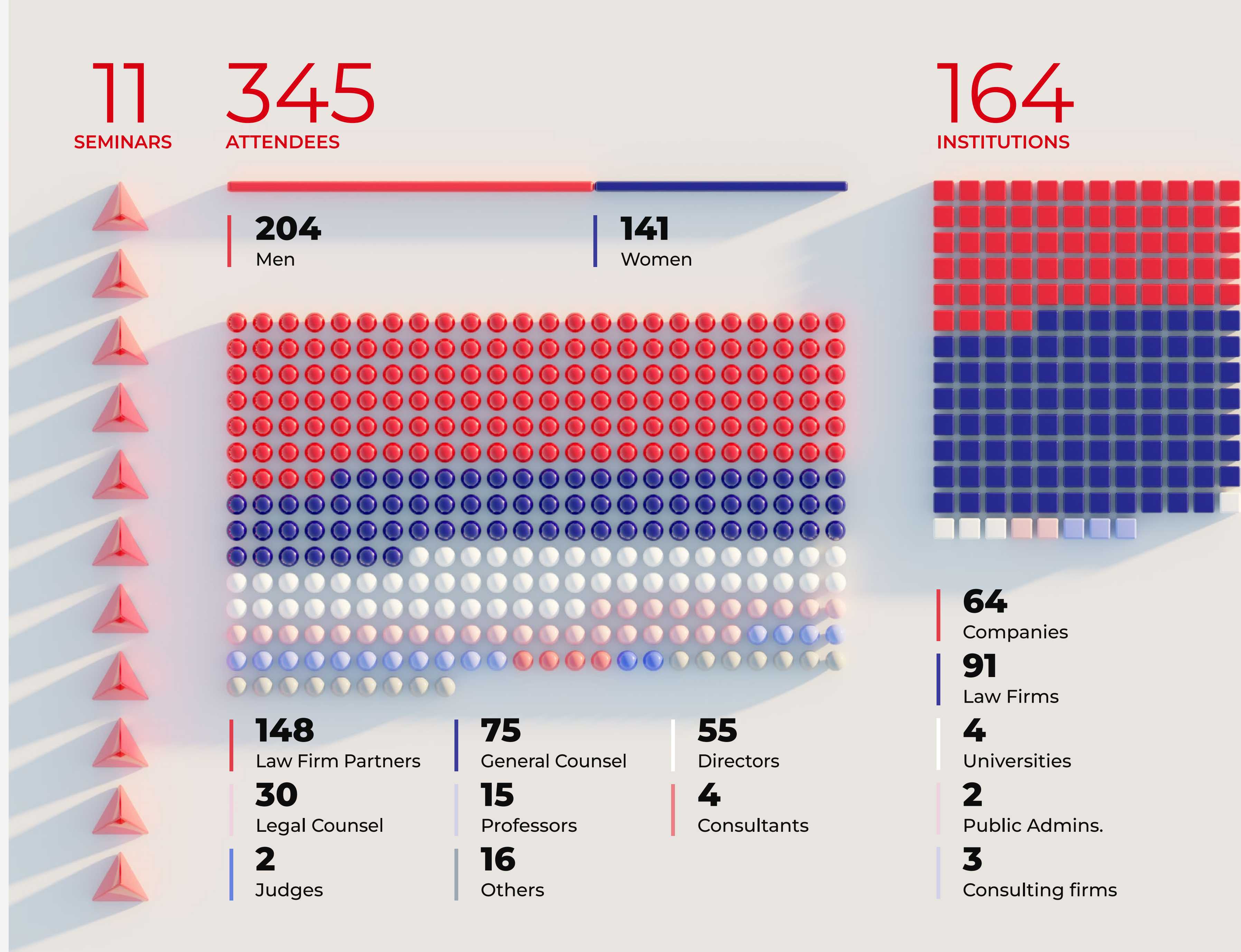
# Seminars and Events

At the LawAhead Center on the Legal Profession at IE Law School, we work to share the knowledge we generate, reaffirm the academic value of our activities, and generate academic and social impact.

IE University has long-standing relationships with leading national and international media outlets, helping to circulate the knowledge generated by the Center. In the Center's third year, the sessions held and experts invited have received coverage in a range of national, economic, and legal outlets. To this end, we have generated communication opportunities through news coverage, articles, and interviews with invited experts in the mainstream media.



Throughout 2025, LawAhead Center organized a wide range of activities and events to promote excellence in the legal profession and foster discussion on current legal challenges. ■

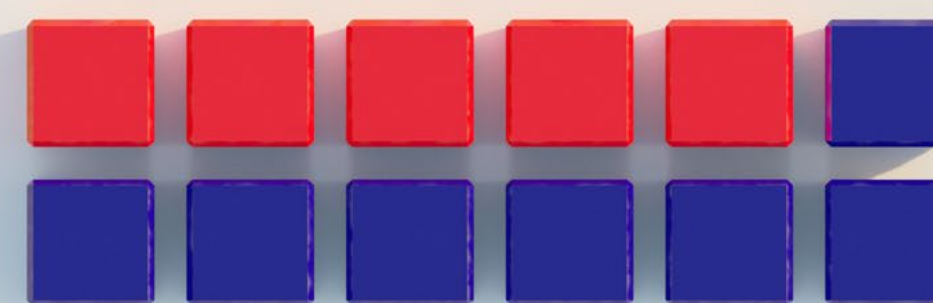
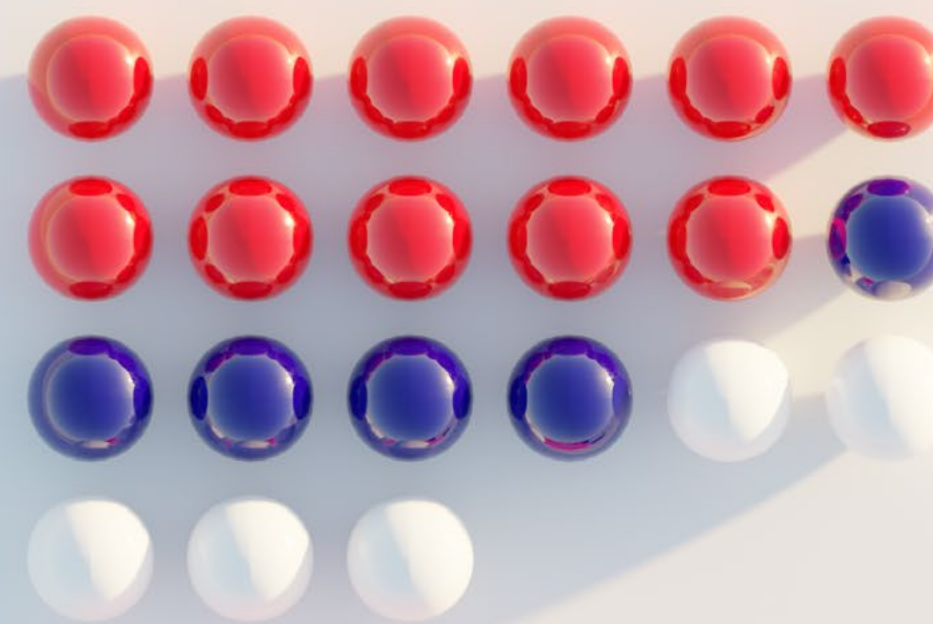


Across sessions on cybersecurity, legal service delivery, AI, and digital transformation, LawAhead examined how technology is reshaping governance, operations, risk, and the future role of legal teams.

# CYBERSECURITY CHALLENGES FOR CORPORATE BOARDS

Digital economy and regulatory expert Carlos López-Blanco led a session on digital challenges facing corporate governance.

In January, the LawAhead Center on the Legal Profession at IE Law School hosted a session at the IE Tower examining the digital challenges confronting corporate boards. The discussion was led by Carlos López-Blanco, chair of the ESYS Foundation (Enterprise, Security, and Digital Society).



\* Exclusive session for members

## Cybersecurity Challenges for Corporate Boards

The event brought together partners and directors from leading law firms and the Center's corporate collaborators to discuss the complexities of cybersecurity, its impact on corporations, and the implications for corporate governance.

López-Blanco argued that digitalization is not only transforming commerce and the economy, but also placing unprecedented pressure on legal systems. In this context, he emphasized that the legal profession faces significant challenges in areas such as corporate law, e-commerce, data privacy, taxation, and sustainability.

### **Cybersecurity: A priority challenge for corporate boards**

During his address, López-Blanco highlighted that cybersecurity has become a cornerstone of corporate governance due to increasing risks and heightened demands for preventive measures, particularly in regulated sectors. He pointed out that cyber incidents can lead to substantial economic, reputational, and operational costs.

He also discussed the evolving roles of corporate leadership, with positions such as chief information security officer (CISO) gaining greater prominence within organizational structures.

### **Recommendations for corporate boards**

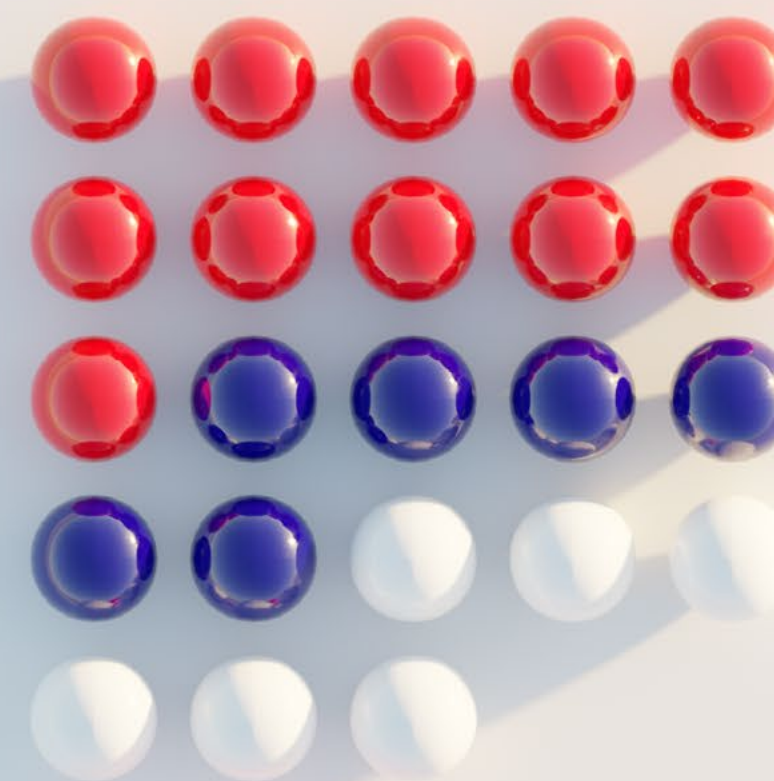
In response to these challenges, López-Blanco offered several practical recommendations for organizations. He urged them to review regulatory frameworks, develop legal risk maps, strengthen internal governance related to cybersecurity, and data management, and conduct self-assessments to ensure that the board's committees address all aspects of their responsibilities.

The session concluded by emphasizing the need for corporate boards to adopt a comprehensive approach to cybersecurity management, ensuring not only regulatory compliance but also organizational resilience in an increasingly digitalized world. ■



# STRATEGIC FRAMEWORK FOR LEGAL SERVICE DELIVERY

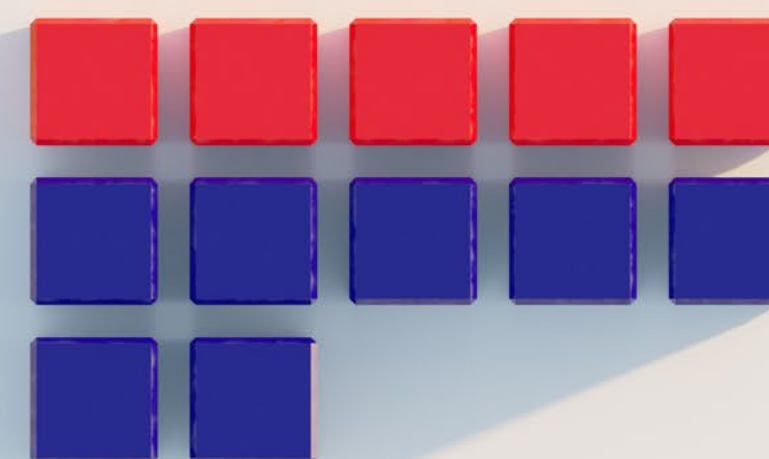
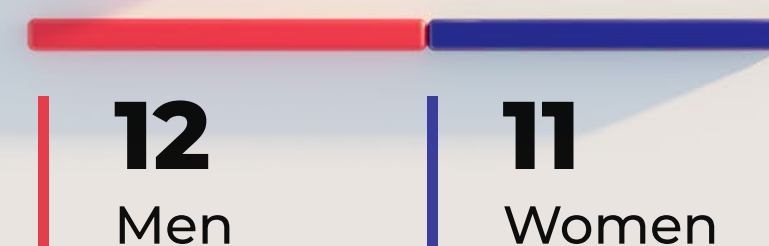
In March, the LawAhead Center on the Legal Profession at IE Law School hosted Sumi Trombley, President of UpLevel Ops, a consulting firm specializing in services for in-house legal departments and law firms. During her presentation, she shared a compelling strategic framework designed to optimize legal service delivery and help legal teams align their work with business objectives.



23

## ATTENDEES

- 11** Law Firm Partners
- 6** General Counsel
- 6** Directors



12

## INSTITUTIONS

- 5** Companies
- 7** Law Firms

\* Exclusive session for members

# Strategic Framework for Legal Service Delivery

## Optimizing legal resourcing and roles

In her presentation, Trombley introduced Resourcing Models that optimize the contributions of legal talent, enable scalability, and clarify roles and responsibilities. She highlighted how modern resourcing strategies can drive greater profitability for law firms by making Alternative Fee Arrangements (AFAs) a more viable and lucrative alternative to the traditional billable-hour structure.

## Risk alignment should always come first

Trombley emphasized that legal service delivery begins with a clear understanding of the legal function's role within the organization, ensuring maximum value contribution and a smooth cross-functional flow of information and services. A key priority, she noted, is risk alignment. She argued that legal teams must first understand their clients' objectives and ensure their actions are strategically aligned with business goals. True strategic legal service delivery occurs only when legal work is aligned with business objectives.

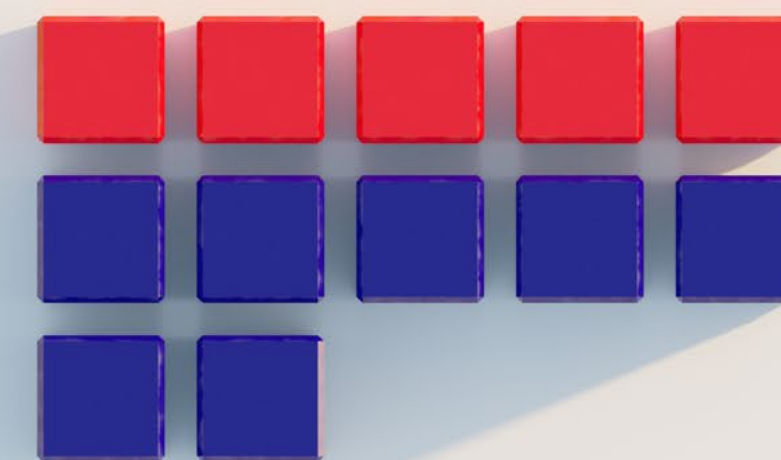
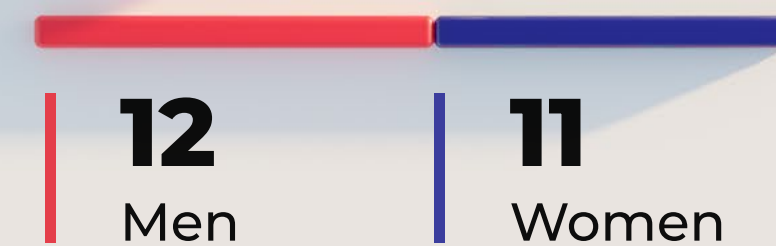
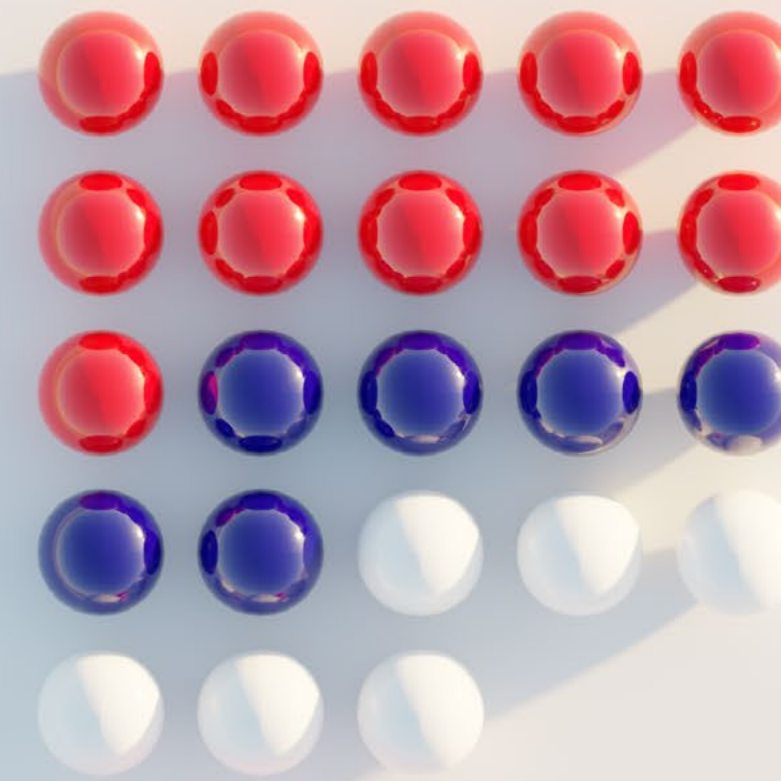
## Leveraging automation and Generative AI

Technology is a critical component in strengthening legal resourcing and process optimization. Trombley discussed the role of workflow automation, data analytics, and AI in enhancing legal service delivery. She emphasized the increasing adoption of Generative Artificial Intelligence (GAI) within legal teams, discussing how firms can effectively identify which tasks are best suited for automation to maximize efficiency and strategic value.

The session also addressed the importance of key performance indicators (KPIs) in evaluating legal performance. Despite having access to relevant data, many law firms do not track KPIs, missing opportunities to improve decision-making and demonstrate business impact. Implementing KPI dashboards, Trombley argued, can clearly illustrate and support strategic recommendations. ■

# THE IMPACT OF TECHNOLOGY AND GEOPOLITICS ON LEGAL SERVICES

In March, the LawAhead Center on the Legal Profession at IE Law School welcomed Jeff Bullwinkel, vice chair and deputy general counsel for Corporate, External, and Legal Affairs at Microsoft EMEA. Held at the IE Tower, the session brought together partners and executives from law firms and the Center's corporate collaborators to offer first-hand insight into the impact of AI and global trends.



23

## ATTENDEES

- 11 Law Firm Partners
- 6 General Counsel
- 6 Directors

12

## INSTITUTIONS

- 5 Companies
- 7 Law Firms

\* Exclusive session for members

# The Impact of Technology and Geopolitics on Legal Services

## A changing world

Bullwinkel began by tracing the historical evolution of technology—from the steam engine and electricity to the internet and artificial intelligence (AI). He emphasized that we are currently at a historic inflection point in technology, with AI playing a pivotal role in transforming a wide range of sectors, including legal services.

He highlighted the rapid adoption of generative AI, noting that it took only three months for ChatGPT to reach 100 million users, a testament to the technology's widespread impact.

## AI in legal services

Bullwinkel discussed how AI is reshaping the legal profession, noting that 72% of global industry organizations have adopted AI in at least one business function—with the legal sector leading the way.

## Responsible AI and data protection

Regarding Microsoft's approach to responsible AI, Bullwinkel outlined the company's core principles: fairness, transparency, accountability, reliability and safety, privacy and security, and inclusiveness. He also discussed the company's EU Data Boundary initiative, which ensures that professional services data, as well as customer and pseudonymized personal data, remains protected within the EU and EFTA regions.

## Global AI governance

Bullwinkel stressed the importance of governance and regulation in the AI landscape. He highlighted international efforts—including the OECD AI Principles, G20 AI Principles, UNESCO's Recommendations on the Ethics of AI, and the EU AI Act—and underscored Microsoft's commitment to advancing AI governance in Europe.

## The Impact of Technology and Geopolitics on Legal Services

The session offered valuable insights into the transformative power of AI and the importance of responsible practices. As the legal sector continues to navigate the complexities of technology and geopolitics, the LawAhead Center remains at the forefront of these vital discussions.■

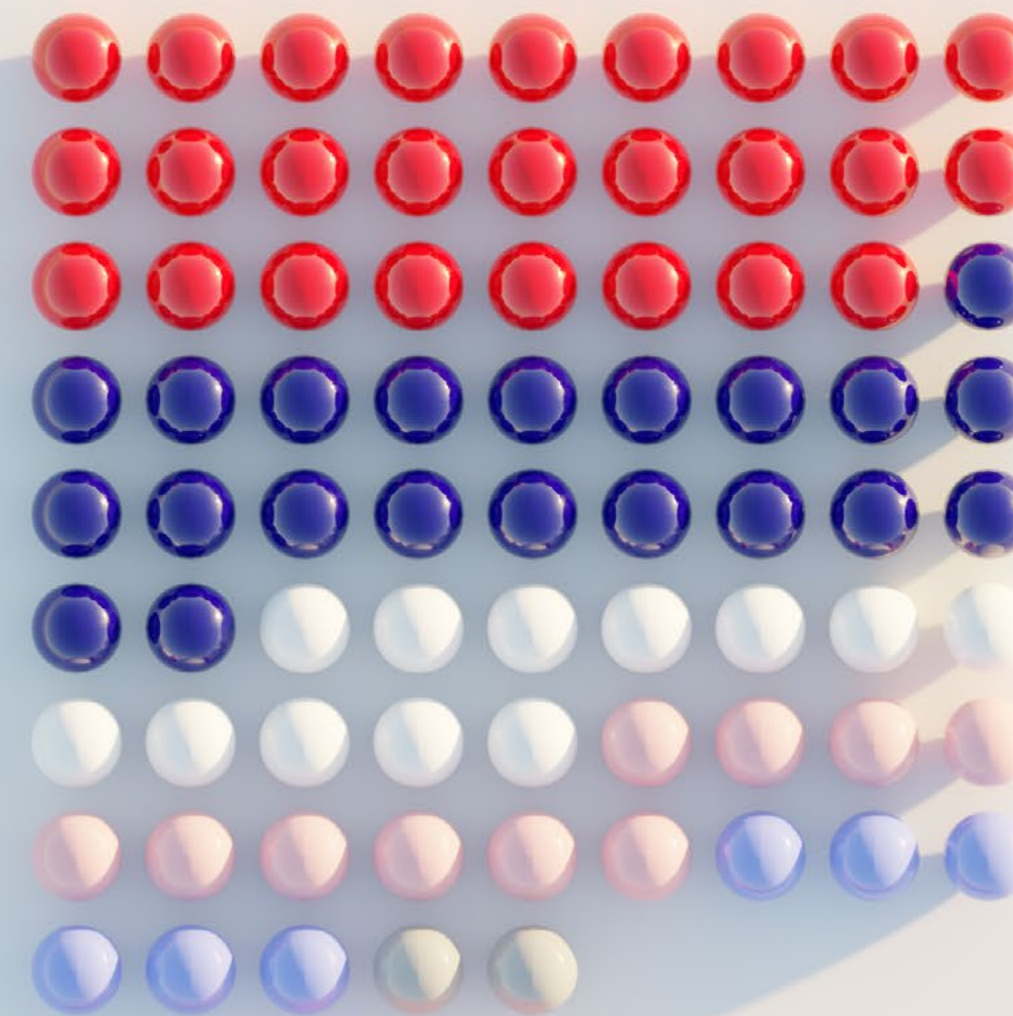


Co-hosted with Harvard Law School, the first Global Meeting of Academic Centers on the Legal profession launched a global network of academic centers committed to shaping the future of legal education and practice.

# THE FIRST GLOBAL MEETING OF ACADEMIC CENTERS ON THE LEGAL PROFESSION

IE Law School co-hosts the first global meeting of academic centers on the legal profession, alongside Harvard Law School, marking the launch of a new international network.

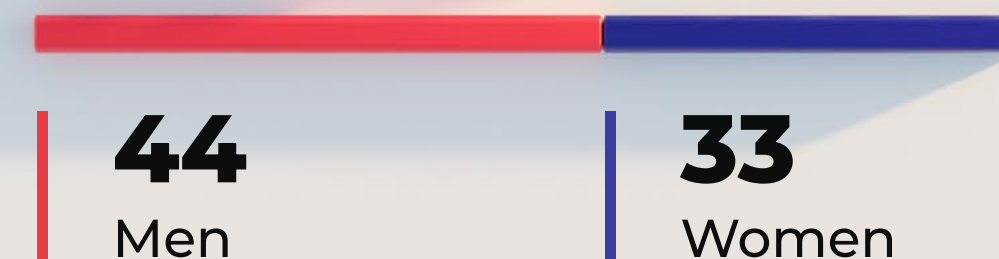
The LawAhead Center at IE Law School, in collaboration with the Harvard Law School Center on the Legal Profession, was pleased to co-host the First Global Meeting of Centers on the Legal Profession on April 6 and 7 at the IE Tower in Madrid.



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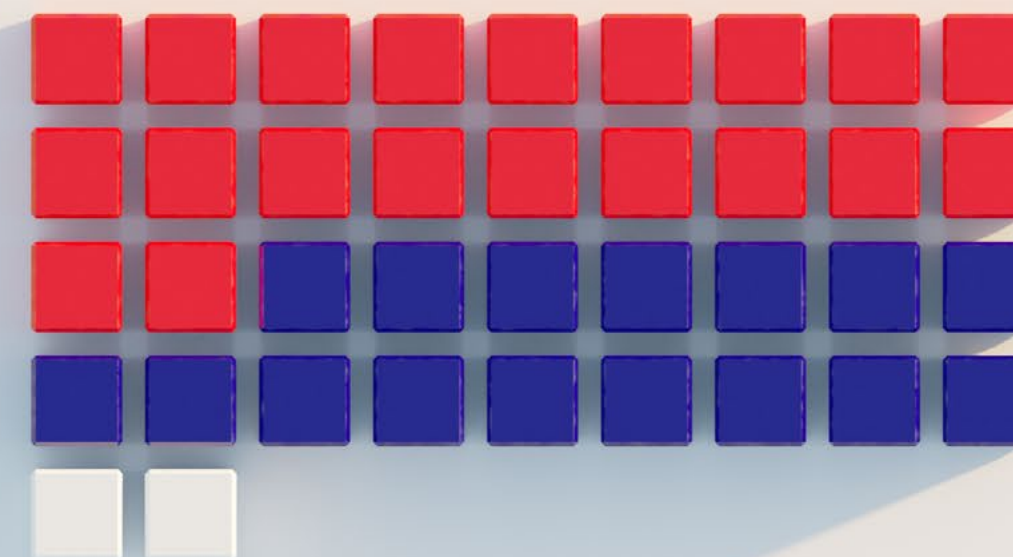
## ATTENDEES

- 26** Law Firm Partners
- 21** Directors
- 12** General Counsel
- 10** Legal Counsel
- 6** Professors
- 2** Others



**44**  
Men

**33**  
Women



36

## INSTITUTIONS

- 20** Law Firms
- 16** Companies

# The First Global Meeting of Academic Centers on the Legal Profession

This pioneering event brought together academic and professional leaders from the legal sector to launch a new global network of institutions dedicated to the future of legal education and practice.

The launch of the network was marked by an inaugural panel featuring representatives from all seven founding institutions—Bucerius Law School, Fordham University, Georgetown University, Harvard University, IE University, King’s College London and Tilburg University—who reflected on the major challenges currently shaping the global legal profession.

The meeting welcomed renowned experts from leading universities to share ideas, present key initiatives, and explore joint projects across jurisdictions, including:

- | **David B. Wilkins**, director of the Harvard Law School Center on the Legal Profession
- | **Luis de Carlos**, president of the LawAhead Center on the Legal Profession at IE Law School
- | **Madeleine Bernhardt**, director of the Bucerius Center on the Legal Profession
- | **Bruce Green**, Louis Stein Chair and director of the Louis Stein Center for Law and Ethics at Fordham Law School
- | **Chloe Sheppick**, senior lecturer and Deputy director of Professional Law Institute at King’s College London
- | **Jonah Perlin**, professor of Law and senior fellow at the Center on Ethics and the Legal Profession at Georgetown University
- | **Esther Keymolen**, full professor at the Tilburg Institute for Law, Technology and Society



## The First Global Meeting of Academic Centers on the Legal Profession

Together, these institutions examined some of the key challenges and transformations shaping the legal profession today, including the impact of new technologies, emerging business models, and the future of legal education and professional development.

The event also gathered over 70 legal professionals, including partners from top-tier law firms and general counsel from major corporations, highlighting the crucial role of collaboration between academia and the legal industry. ■

# FIRST GLOBAL MEETING OF CENTERS ON THE LEGAL PROFESSION



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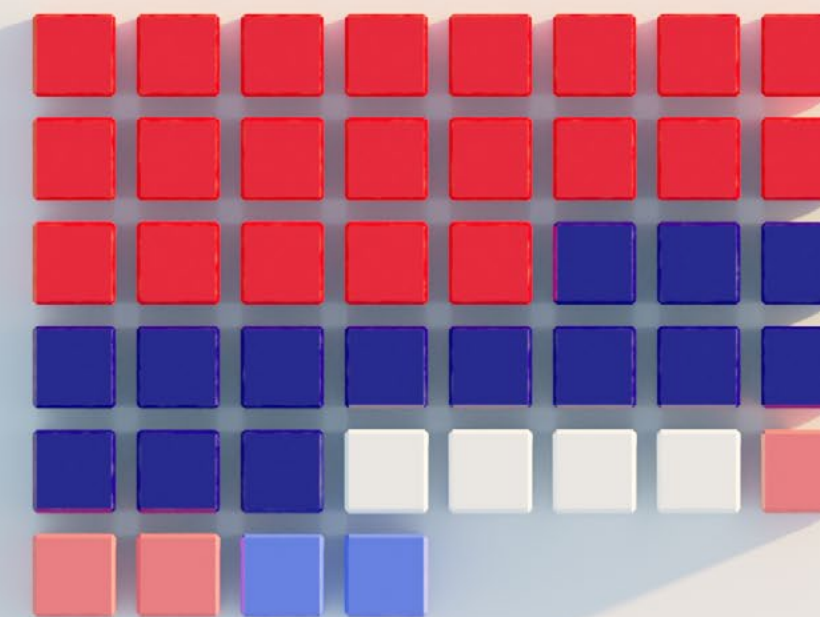
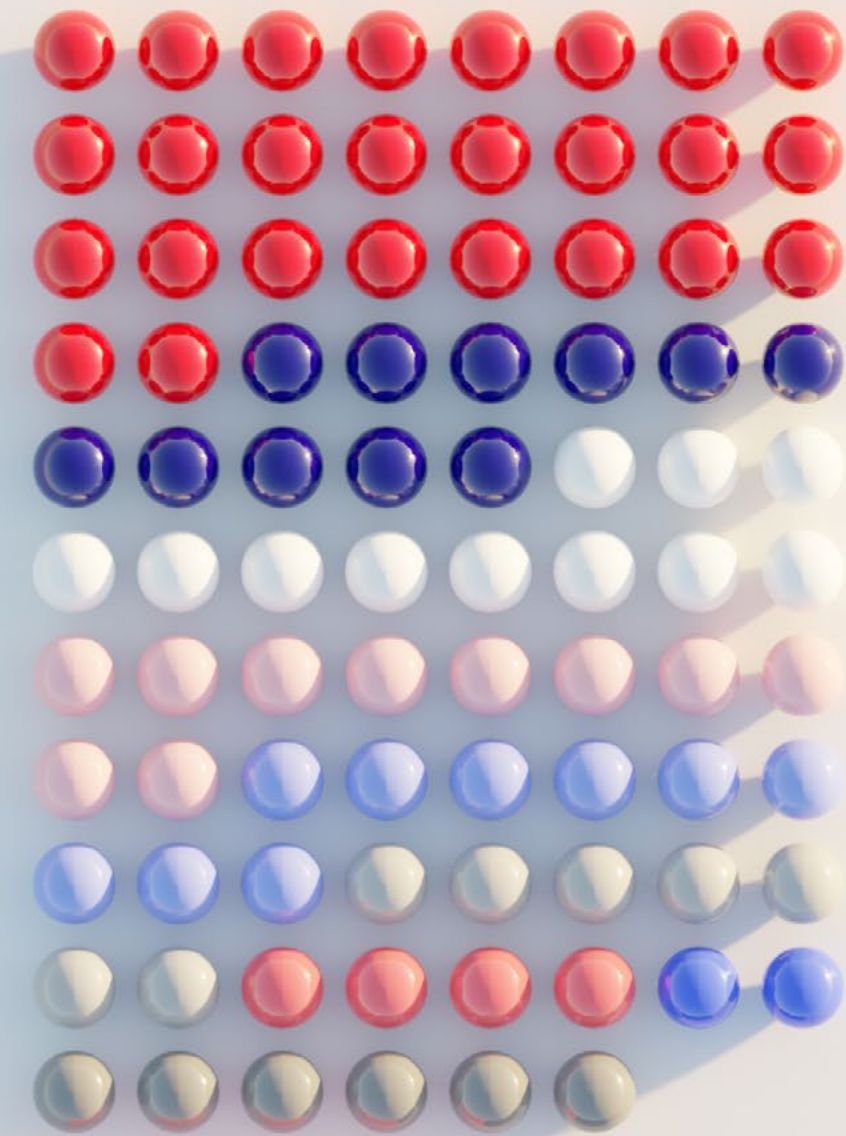
Based on a survey of 460 lawyers, the report shows that innovation in the legal profession depends not only on technology, but also on interpersonal skills and ethical standards.

# INNOVATION BEYOND TECHNOLOGY: THE CRUCIAL ROLE OF SKILLS IN DRIVING CHANGE IN THE LEGAL PROFESSION

Innovation in the legal profession extends far beyond technological adoption, highlighting the crucial role of interpersonal skills and ethical standards. This is one of the key conclusions of *Innovation Beyond Technology: The Crucial Role of Skills in Driving Change in the Legal Profession*, a report published by the [LawAhead Center on the Legal Profession at IE Law School](#)<sup>1</sup>.



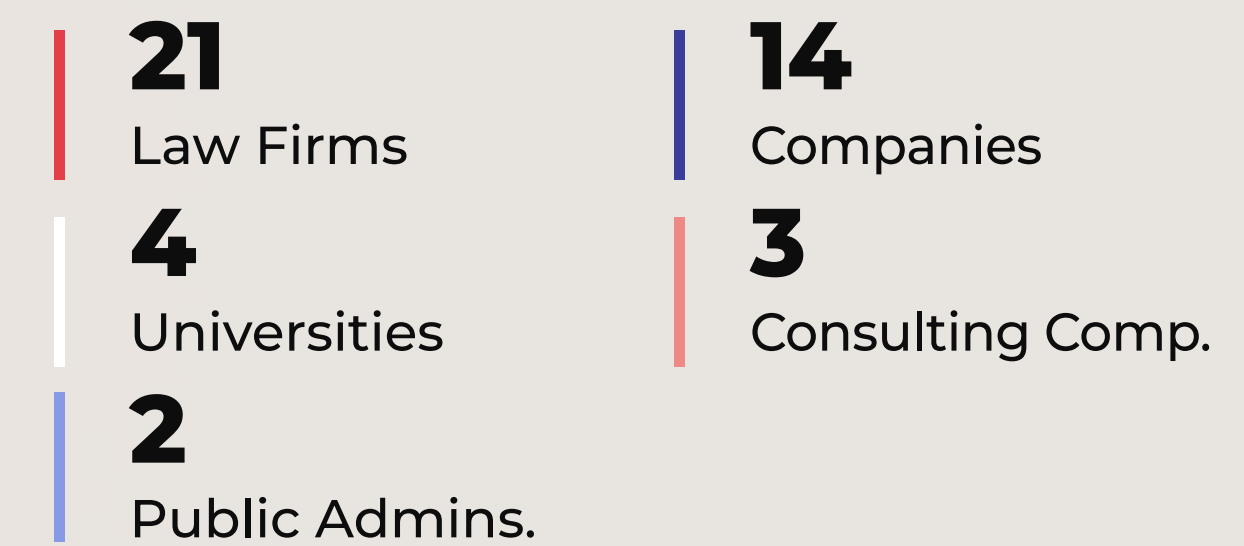
<sup>1</sup>Antonio Aloisi, Pilar Galeote, and Nicolás Parra-Herrera, *Innovation Beyond Technology: The Crucial Role of Skills in Driving Change in the Legal Profession: Perspectives from Lawyers at Major Firms in Spain* (IE Law School, 2025).



## 86 ATTENDEES



## 44 INSTITUTIONS



## Innovation Beyond Technology: the Crucial Role of Skills in Driving Change in the Legal Profession

The study challenges the traditional assumption that equates innovation solely with technological advancement, proposing a broader and more inclusive understanding instead. In doing so, it encourages reflection on the challenges and opportunities shaping the legal sector in Spain and globally

The report is based on a survey of 460 lawyers from seven law firms headquartered in Madrid. Its findings shed light on how legal professionals perceive the integration of artificial intelligence (AI) into legal practice. Overall, lawyers view AI as a valuable tool for increasing efficiency and automating routine tasks, noting benefits such as time savings (71%), cost reduction (52%), and process standardization (31%).

However, they also express caution regarding its limitations, particularly risks of inaccuracy (72%), confidentiality and privacy concerns (55%), and the potential loss of institutional know-how (32%).

The study also reveals that professionals particularly value interpersonal skills related to communication (40.9%), such as public speaking, active listening, and persuasion; while

also identifying communication (63.6%) and empathy (47.2%) as the skills perceived as most vulnerable to the impact of technology in the legal sector.

“AI will not eliminate jobs, but it will transform them,” notes [Antonio Aloisi](#), professor at IE Law School and co-author of the report.

“AI integration implies efficiency, but it must also imply ethics—and that is precisely what interpersonal skills help ensure,” adds [Pilar Galeote](#), professor at IE Law School and co-author of the report.

Against this backdrop, the study introduces a new framework for professional legal practice: the TIE Lawyering Model, which defines three essential dimensions for 21st-century lawyers—Technological mastery and digital skills (T), Interpersonal skills (I), and Ethics and professional standards (E). From this perspective, legal innovation requires an integrative approach that combines legal expertise, digital competence, and human-centered skills.

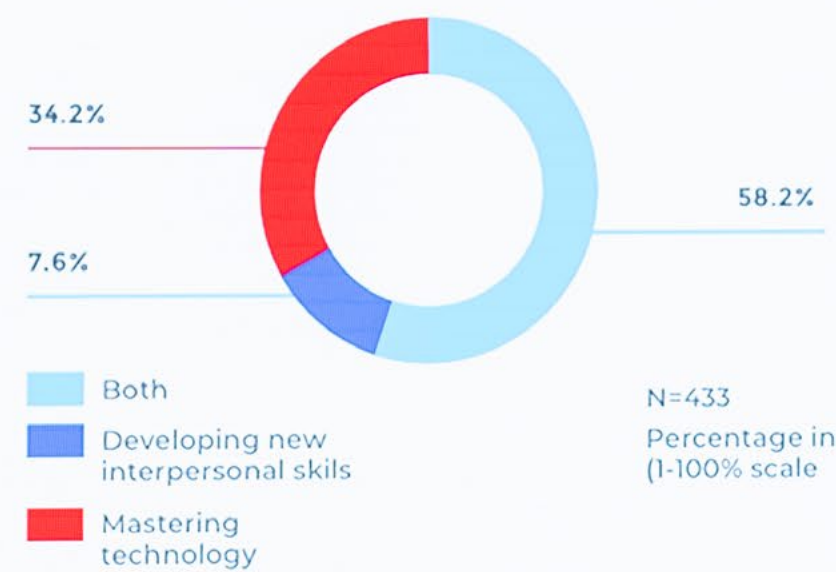
## Innovation Beyond Technology: the Crucial Role of Skills in Driving Change in the Legal Profession

Additionally, the report—authored by Antonio Aloisi and Pilar Galeote, professors at IE Law School, and [Nicolás Parra-Herrera](#), S.J.D. candidate at Harvard Law School—offers concrete recommendations for educational institutions, emphasizing the importance of embedding interpersonal skills training into academic curricula from the earliest stages, alongside technical and legal content.

The presentation of the report, held in May, brought together more than 80 attendees. ■

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### El abogado asocia **innovación** con...



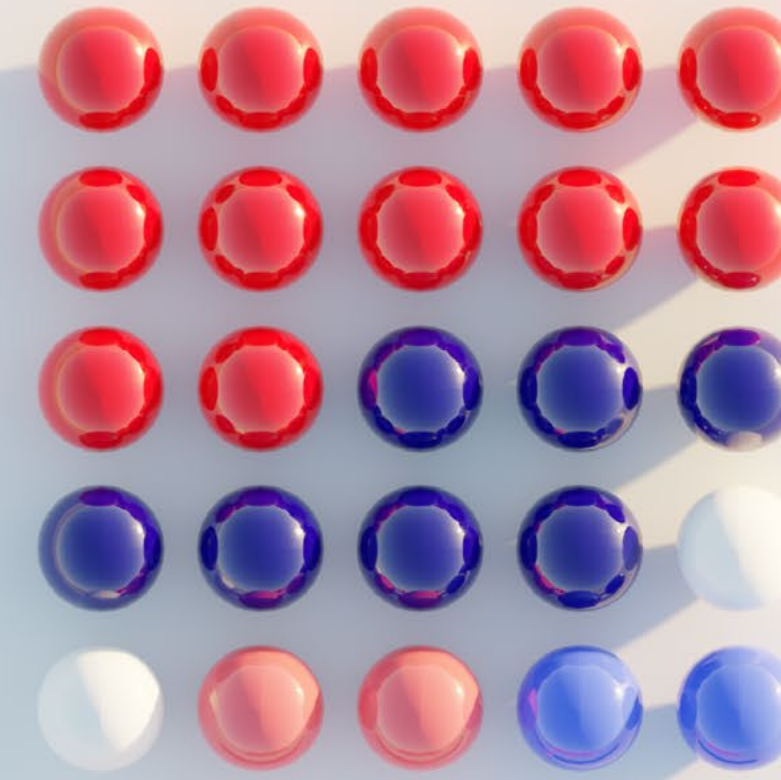
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**UNIVERSITY**  
LAW SCHOOL



16

# NESTLÉ'S STRATEGIC VISION FOR LAW, SUSTAINABILITY AND DIGITAL TRANSFORMATION

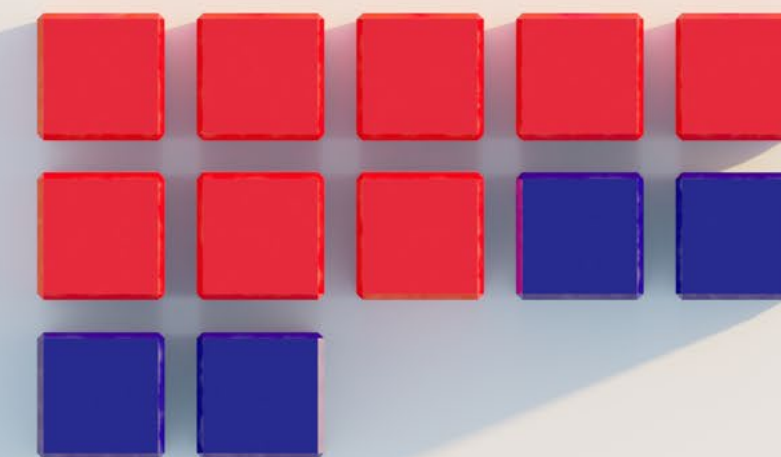
As part of its ongoing commitment to responsible legal leadership and innovation, the [LawAhead Center at IE Law School](#) welcomed [Leanne Geale](#), general counsel of Nestlé, in June.



25

## ATTENDEES

- 12** Law Firm Partners
- 7** General Counsel
- 2** Legal Counsel
- 2** Directors
- 2** Other



12

## INSTITUTIONS

- 8** Law Firms
- 4** Companies

\* Exclusive session for members

## Nestlé's Strategic Vision for Law, Sustainability and Digital Transformation

During her visit, Geale presented Nestlé's Legal and Compliance transformation strategy, designed to build a "future-ready" legal function.

She explained how the redesign prioritizes modernization, digital transformation, agility, and resilience to tackle global challenges such as fragmented regulation, human rights, sustainability, and data governance. Geale also highlighted the importance of building strong partnerships with law firms based on trust, operational efficiency and the ethical use of technologies such as artificial intelligence.

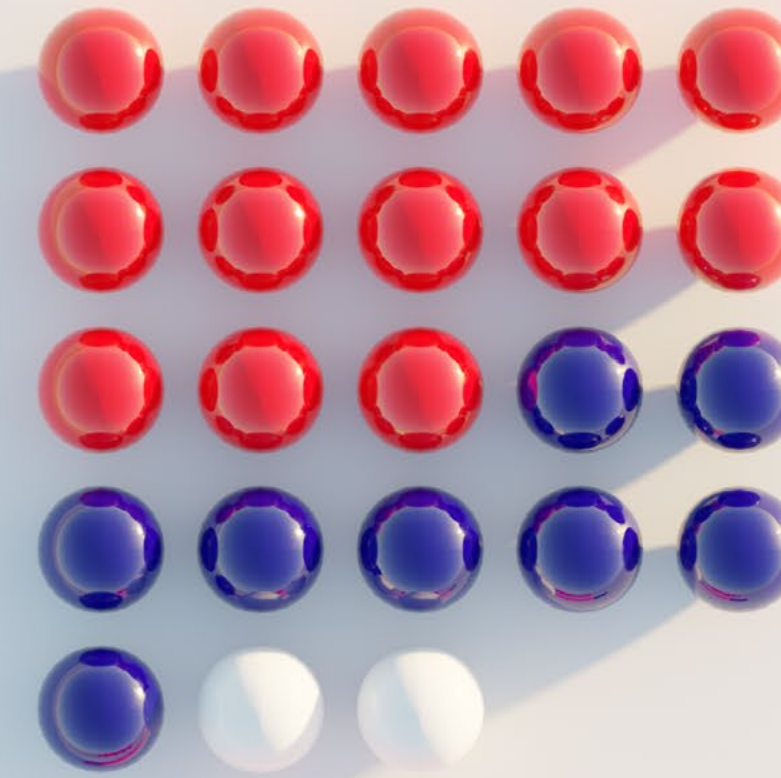
Her visit reinforced the LawAhead Center's role as a leading hub for applied legal research, innovation, and strategic collaboration in response to the global challenges shaping the legal profession.



Sessions on Europe, Latin America, and the United States offered a comparative view of legal markets facing integration, consolidation, AI adoption, talent competition, and shifting client expectations.

# EUROPE, LAST CHANCE: ENRICO LETTA EXAMINES THE FUTURE OF THE EU AND THE LEGAL SECTOR

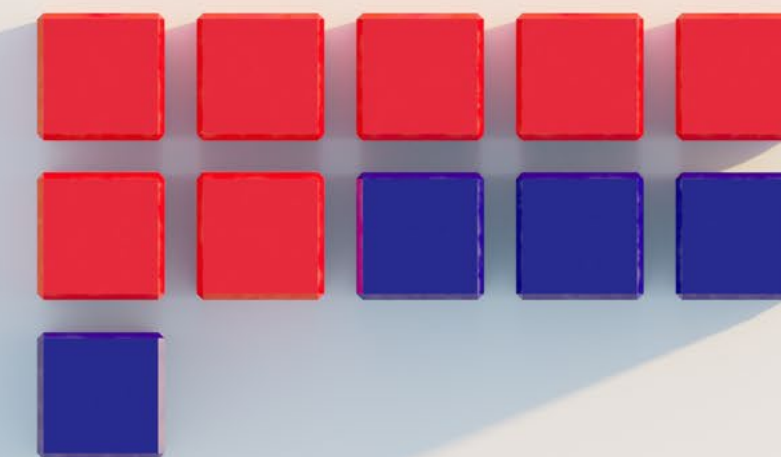
The session featured Enrico Letta, with the participation of the Center's partners, managing partners from law firms, general counsels, and executives from sponsoring companies, in a session focused on the challenges and opportunities facing the legal sector.



23

## ATTENDEES

- 13** Law Firm Partners
- 8** General Counsel
- 2** Others



11

## INSTITUTIONS

- 7** Law Firms
- 4** Companies

\* Exclusive session for members

## Europe, Last Chance: Enrico Letta Examines the Future of the EU and the Legal Sector

During his presentation, Letta outlined the key ideas from his book *Europa. Última oportunidad ('Europe, Last Chance')*<sup>1</sup>, which advocates for a stronger, more competitive, and more cohesive European Union in a rapidly changing global context. In this framework, he also discussed the conclusions of his report *Much More Than a Market*<sup>2</sup>, arguing that the Single Market was designed for a different world and that Europe must now move faster, operate at scale, and integrate key sectors to secure its competitiveness and long-term sustainability.

Following the presentation, an enriching discussion took place with attendees about the future of the legal profession and its role in society. The debate focused particularly on the impact of the Single Market on legal services, the feasibility of deeper sectoral integration, and the role legal professionals can play as drivers of innovation, guardians of fundamental values, and key actors in strengthening a more resilient Europe.

<sup>1</sup> Enrico Letta, *Europa. Última oportunidad* (Espasa, 2025)

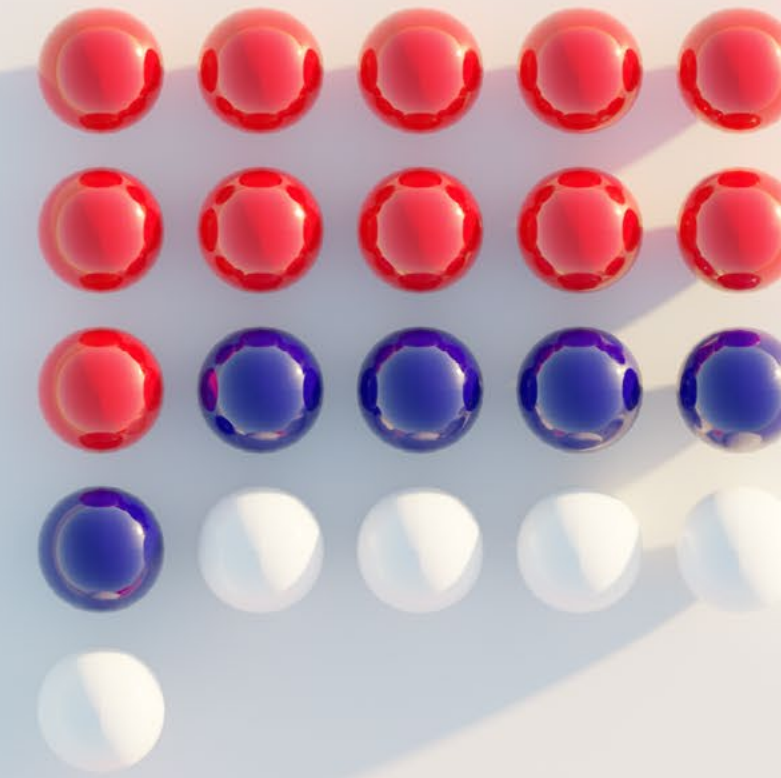
<sup>2</sup> Enrico Letta, *Much More Than a Market: Speed, Security, Solidarity: Empowering the Single Market to Deliver a Sustainable Future and Prosperity for All EU Citizens* (April, 2024)

The event reinforced the Center's role as a strategic forum for reflection on the evolution of the legal sector and its contribution to the European project. ■



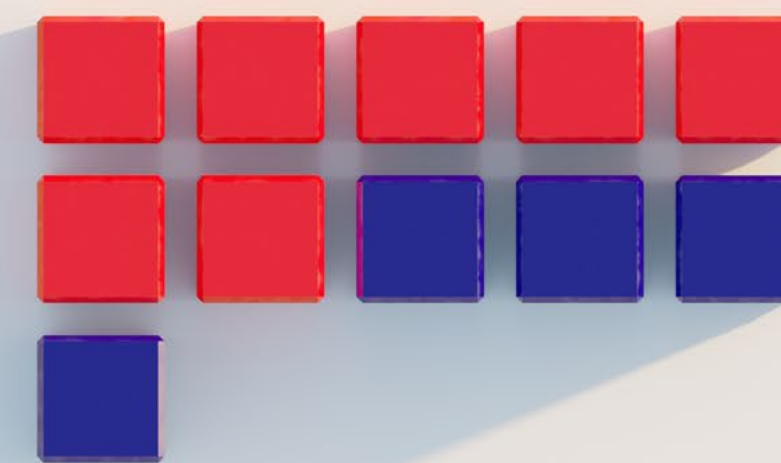
# ANALYSIS OF THE LATIN AMERICAN LEGAL SECTOR AND ITS MAIN CHALLENGES

In October, the *LawAhead Center on the Legal Profession at IE Law School* hosted Fernando Peláez, CEO of LexLatin, at an event held at the IE Tower, bringing together partners and senior executives from leading law firms and corporate members of the Center.



**21** ATTENDEES

- 11** Law Firm Partners
- 5** General Counsel
- 5** Directors



**11** INSTITUTIONS

- 7** Law Firms
- 4** Companies

\* Exclusive session for members

# Analysis of the Latin American Legal Sector and its Main Challenges

During his presentation, Peláez offered an in-depth analysis of the Latin American legal sector and discussed its main challenges, outlining a landscape as demanding as it is stimulating. He explained that the region's legal market is undergoing an accelerated transformation driven by three simultaneous forces: the arrival of top-tier international firms, the regional consolidation of local players in Central America, and the opening of Latin American offices in Spain.

## Adapting law firms to a changing environment

According to Peláez, Latin American law firms are facing unprecedented pressures that are redefining their business models, operational structures, and value propositions. These pressures—technological, competitive, regulatory, talent-related, and client-driven—require strategic, timely, and sustainable responses. “The future does not belong to the largest firm, but to the most adaptable one,” he stated.

## AI and LegalTech reshaping the legal profession

Peláez emphasized that artificial intelligence and LegalTech are reshaping the legal profession but warned that the challenge “is not technical, but cultural and ethical”: integrating technology without eroding human judgment.

He explained that document automation, contract management systems, and legal analytics can deliver time savings of between 40% and 60% in core operational processes. “AI does not replace lawyers; it replaces obsolete practices,” he stressed, highlighting the transformative potential of these tools when adopted with strategic vision.

## Talent: expectations and retention

The speaker also addressed the challenge of legal talent, which he described as “scarcer and more mobile than ever.” New generations seek purpose, flexibility, and accelerated development, prioritizing personal growth over salary.

## Analysis of the Latin American Legal Sector and its Main Challenges

More than 54% of young lawyers prioritize flexibility and personal development over financial compensation. In this regard, Peláez noted that new generations demand horizontal leadership structures, continuous learning opportunities, and more human-centered organizational cultures. “Talent is not retained; it is inspired,” he concluded. ■

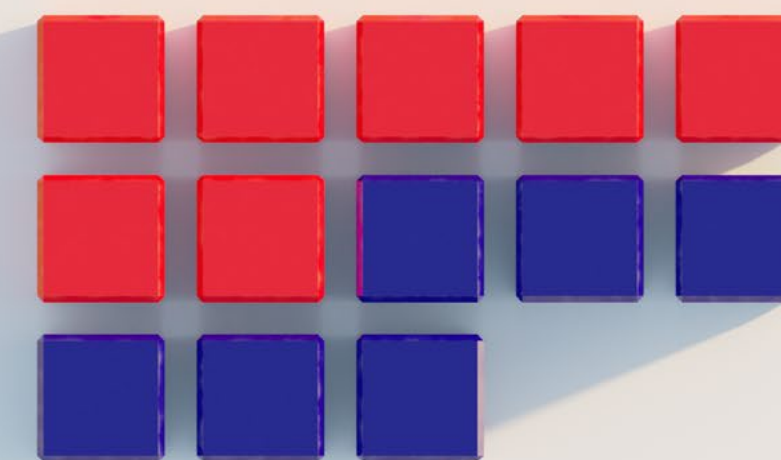
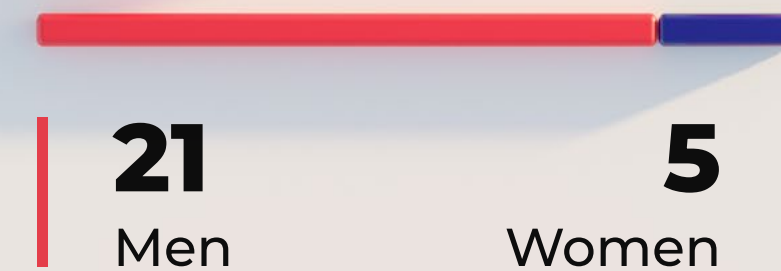
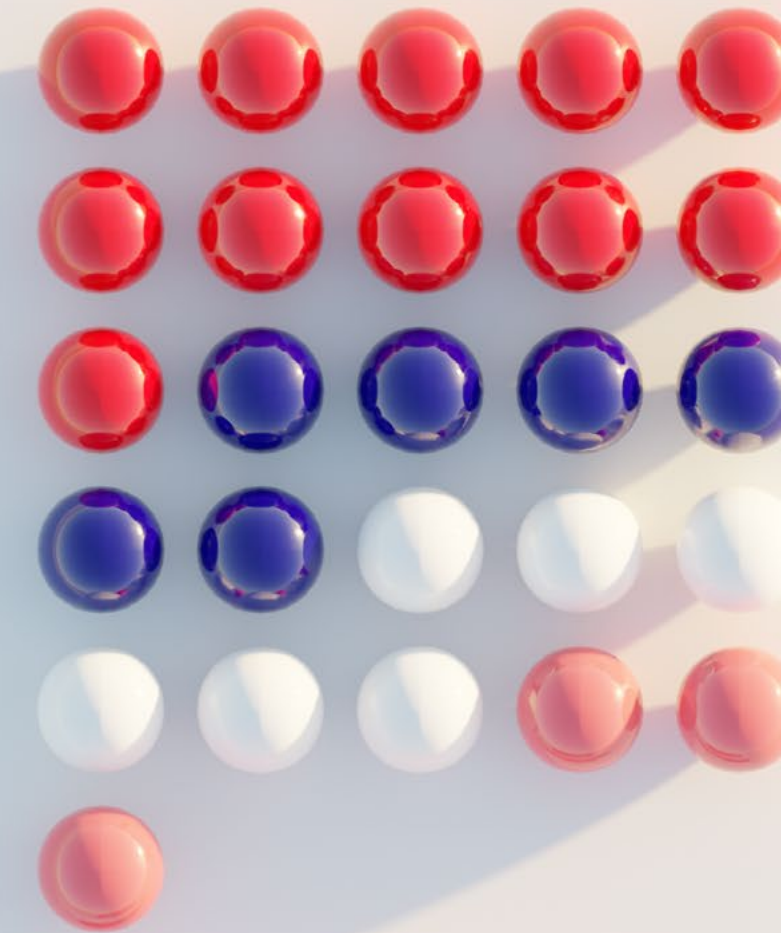


# CHALLENGES OF LAW IN A SOCIETY IN CONFLICT

In October, the **LawAhead Center** hosted a special session with **Manuel Marchena**, a justice of the Spanish Supreme Court, to mark the launch of his book *La justicia amenazada: Retos del derecho en una sociedad en conflicto* ('Threatened Justice: Challenges of Law in a Society in Conflict')<sup>4</sup>.



<sup>4</sup> Manuel Marchena, *La justicia amenazada: Retos del derecho en una sociedad en conflicto* (Espasa, 2025).



26

## ATTENDEES

- 11** Law Firm Partners
- 6** General Counsels
- 6** Directors
- 3** Others

13

## INSTITUTIONS

- 7** Law Firms
- 6** Companies

\* Exclusive session for members

## Challenges of Law in a Society in Conflict

During the session, Center members, along with representatives from sponsoring law firms, general counsel, and executives from partner companies, engaged in an open discussion on the key issues affecting justice and politics in Spain.

Marchena highlighted the main ideas of his book, emphasizing the current challenges facing the judicial system in a complex social context. He also shared several personal anecdotes from his professional career, illustrating the dilemmas and decisions that have shaped his path in the judiciary.

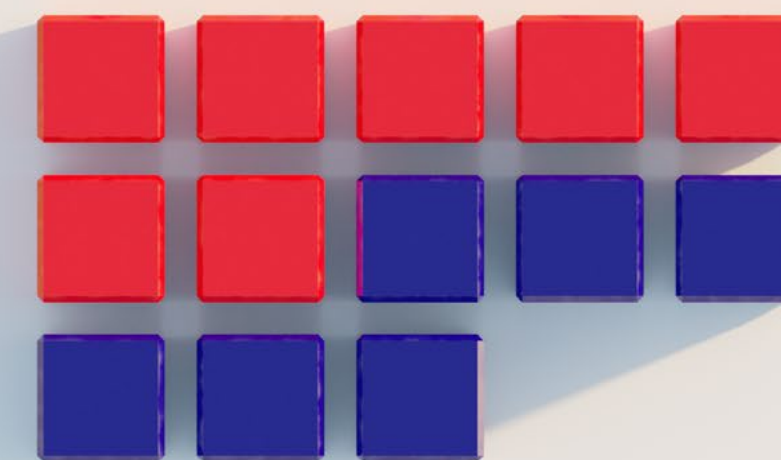
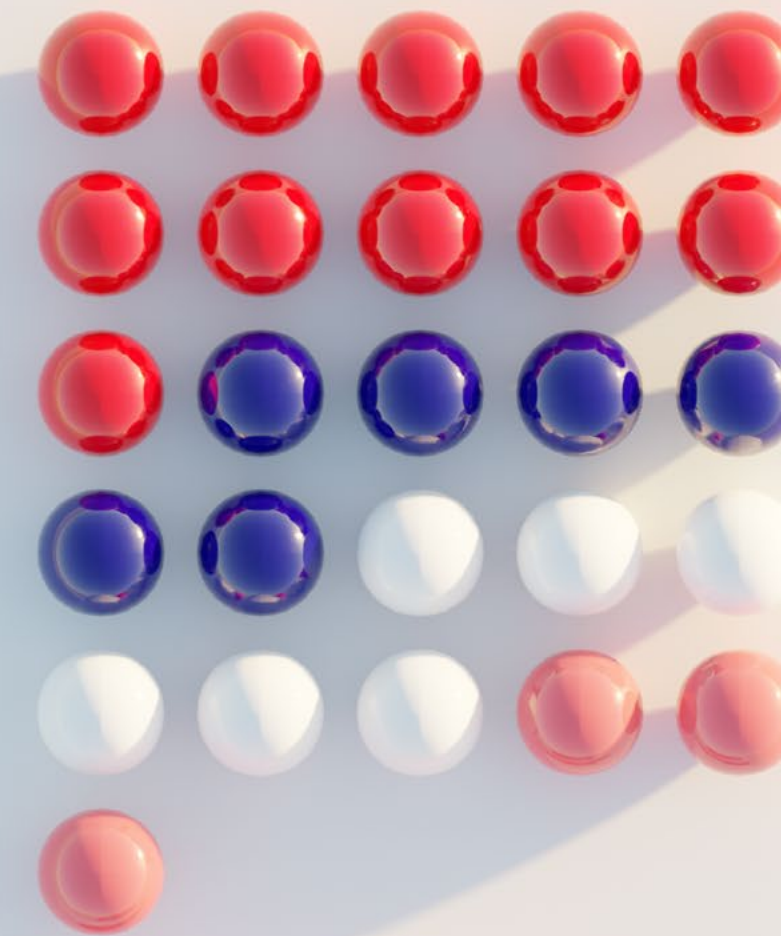
Attendees took the opportunity to ask questions about current judicial and political developments, sparking a close and enriching debate that offered firsthand insight into Marchena's views on judicial independence and the interaction between law and society.

The session concluded with an informal exchange between participants and the justice, fostering a reflective and engaging atmosphere on the challenges of law in times of change. ■



# YVETTE OSTOLAZA (SIDLEY AUSTIN LLP) ANALYZES THE AMERICAN LEGAL SECTOR AND ITS MAIN CHALLENGES

In November, the [LawAhead Center on the Legal Profession](#) at IE Law School hosted a new session with [Yvette Ostolaza](#), Sidley's Management Committee Chair and an Executive Committee member. Held at the IE Tower, the event brought together partners and senior executives from leading law firms, corporate legal departments, and the Center's sponsoring organizations.



26

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## Yvette Ostolaza (Sidley Austin LLP) Analyzes The American Legal Sector And Its Main Challenges

During the session, Ostolaza examined the key forces currently shaping the U.S. legal market, including technological transformation, shifting client expectations, increasing regulatory complexity, and a sustained rise in litigation and M&A activity.

A significant part of the discussion focused on the consolidation trend among U.S. law firms. Ostolaza noted that mergers are becoming increasingly frequent as firms pursue greater geographic reach, broader capabilities, and economies of scale. However, she emphasized that these combinations present substantial challenges, particularly in terms of cultural integration, financial alignment, and maintaining consistent service quality across larger organizations.

Turning to artificial intelligence in legal practice, Ostolaza explained that these technologies offer substantial efficiency gains and cost savings, enabling lawyers to focus on higher-value, more strategic work. At the same time, she highlighted

the challenges firms must address, including data security, ethical use, workforce training, and the integration of AI into traditional practice models.

Ostolaza also examined the ongoing talent wars in the U.S. legal market. Firms are investing heavily in recruitment, retention, and workplace culture to differentiate themselves. These dynamics are reshaping hiring practices, career paths, and firm operations across the industry.

The session provided participants with a comprehensive overview of the pressures and opportunities shaping the U.S. legal sector, while reinforcing the LawAhead Center's commitment to fostering informed debate on the future of the legal profession. ■



LawAhead's 2025 research explored two defining questions for the profession: how AI is reshaping legal creativity and how law firms can lead transformation without being held back by past success.

# REVISITING THE DA VINCI DILEMMA: WHERE DO ELITE LAWYERS ADD VALUE IN AN AI WORLD?

**Moray McLaren /**

*Partner at Lexington Consultants and Adjunct  
Professor at IE Law School LawAhead Centre on the  
Legal Profession*

AI is only one of the areas driving change in legal services, but it is forcing elite lawyers and their firms to answer some difficult questions. In this article, Professor Moray McLaren looks at how AI will be reshaping law firm economics and the delivery model in the years ahead



# 1. From commoditisation to disaggregation

During a strategy discussion with partners of an elite law firm, one asked how many assistants Leonardo da Vinci had. I didn't know.

He explained that da Vinci worked with a team of around 20, focusing himself only on what mattered most: painting the face and the hands.

At the time, we were discussing the increasing commoditisation of legal work and the growing pressure on the traditional law firm model. Even then, it was clear that legal work was no longer simply becoming more standardised - it was increasingly being broken into component parts, distributed across a wider ecosystem of providers and delivered through technology-enabled systems.

Elite firms were beginning to confront an uncomfortable reality. Some of their “bet the company” work was gradually sliding down the value curve towards process-driven and increasingly price-sensitive work.

I wrote about this in the article “Finding an answer to the da Vinci question” (Modern Legal Practice, October 2017). Almost ten years on, the context has changed quite radically, although the question is more relevant than ever.

In our new world of AI, whether legal work will change is no longer the issue. It already has. What has shifted, and what I want to revisit here, is how “value” itself is being viewed and delivered.



Even in 2017, change was already accelerating. Clients were demanding fixed fees, capped pricing and greater efficiencies. Work that had once justified premium hourly rates increasingly looked like a production line.

## 2. Redefining the “da Vinci” role

In 2017, what the “da Vinci” lawyer did was obvious - they painted the face and the hands.

My original framework for thinking about this was relatively simple: the legal value curve (set out in Insert A below). The model distinguishes between different forms of legal work according to both strategic importance and legal complexity, and how work gradually migrates from high-value bespoke advice towards more standardised delivery over time. At its heart was the idea that different forms of legal work create value in different ways. Some matters are strategically critical, legally complex and highly reputational. Others are important but more standardised. Others still are process-heavy, repeatable and increasingly price sensitive.

Over time, highly specialised work often becomes more familiar, more systematised and more standardised. What begins as “rocket science” gradually migrates towards relationship work and, in many cases, towards process work.

Even in 2017, change was already accelerating. Clients were demanding fixed fees, capped pricing and greater efficiencies. Work that had once justified premium hourly rates increasingly looked like a production line.

But commoditisation, it turns out, was only part of the story. The deeper shift is that legal work is no longer merely moving down the value curve; it is being disaggregated into separate elements across that axis.

At the same time, the economic foundations supporting the traditional law firm model were also beginning to weaken. For decades, value rested on an implicit assumption that it could be approximated - however imperfectly - through a combination of expertise, time and leverage: partners directing, juniors executing and profitability anchored in hourly billing.

The limits on this approach were clear. Significant amounts of time can be consumed on routine matters with limited incremental value, while a single moment of senior judgement can determine a client’s outcome. Clients have recognised this and are increasingly focused on outcomes, risk and speed rather than inputs. At the same time, work that once absorbed substantial amounts of lawyer time was increasingly being completed faster, more consistently and, crucially, through systems rather than individual effort.

All of which helps us frame the Da Vinci challenge in the future rather than answer it. If commoditisation, disaggregation, between them, reshape the work itself, what will be left that the elite lawyer does that nothing and nobody else can, particularly when clients have access to the same sophisticated AI tools? What, then, will they still turn to elite lawyers for?



Clients are increasingly focused on outcomes, risk and speed rather than inputs.



## The intermediary question

In a forthcoming paper, my colleague Paul Browne and I look specifically at the way AI may trigger a form of disintermediation - financial services, travel, media, recruitment and insurance, amongst others, all went through periods in which technology reduced the “information advantage” that had historically justified the intermediary’s position. In each case, part of the value previously captured by the intermediary moved elsewhere.

Law firms are clearly not immune. Historically, they gained their position for three reasons: knowing the law better than their clients, carry a regulated professional responsibility for the advice, and also providing judgement that was difficult to standardise. AI now mounts a credible challenge to the first of these foundations and, over time, may partially challenge the second. Work that historically consumed enormous amounts of associate time - can increasingly be completed faster and more cheaply through AI. The risk of disintermediation is therefore likely to appear first at the more standardised end of the market.

But the lessons from other sectors are clear. Firstly, the intermediaries that survived were usually those that moved furthest towards the

areas hardest to replace: judgement, trust, relationships, reputation and strategic business advice. In many ways, this is exactly where the “face and hands” of legal work now sit.

Secondly, what clients are buying is shifting from expertise towards accountability - towards the weight of the name and the reputation behind the advice. I recently saw this reflected in an engagement letter: sophisticated general counsel are now requiring named-partner sign-off on the AI-assisted elements of the work, and outside counsel guidelines are being rewritten to specify it.

The third is the new shape of the senior legal work. AI is most powerful in the middle of a process, where the question has been defined and the parameters are known. The elite lawyer’s value sits at the two ends: before the AI is used, in deciding what question is actually worth asking; and after the AI has produced its output, in deciding which parts to trust, which to discard, and what to recommend the client actually does. Both ends are critical and becoming more demanding, not less.

Taken together, these developments point to something larger, which I have come to think is perhaps the most important shift of all. The early framing was that AI would do the routine work while lawyers focused on the high-value work.



(...) what clients are buying is shifting from expertise towards accountability - towards the weight of the name and the reputation behind the advice.

What I am actually seeing is something more nuanced. AI is raising the floor on technical legal work - everyone will inevitably become better at the basics, including in-house teams and the “chasing pack” law firms.

At the same time, the ceiling on human work is also rising, as judgement, accountability and problem-framing become more valuable, not less. The elite lawyer’s role increasingly sits in the higher value creation that AI struggles to replicate. The floor is rising as more firms become competent at the basics and the ceiling, or quality requirement, is rising too - it is the middle of the profession that looks the most exposed. In terms of the value-curve, the pressure is likely to fall most heavily on the large body of less-strategic work sitting between elite “rocket science” advice and commoditised delivery.

### 3. Rebuilding delivery: who does the rest?

Which takes us back to the question posed in 2017. If the partner's value increasingly sits in judgement, accountability and assurance, everything else still has to be done by someone, or something. Who, or what, does the rest?

Recent US financial reporting suggests the answer is already beginning to change. While AI is absorbing much of the work that once defined the associate pyramid - due diligence, first-pass drafting, document review and discovery - the firms performing best in Profit per Equity Partner (PEP) terms are increasingly reducing junior lawyer numbers, slowing equity partner growth and expanding the salaried partner layer. PwC's 2025 UK Law Firm Survey points in the same direction, reporting that more than half of Top 50 firms are already seeing financial and productivity benefits from AI.

Historically, firms generated profit by leveraging large teams of junior lawyers. Juniors spent long hours on due diligence, document review, drafting and research. Those hours both

trained future partners and generated billable time. The model worked because clients accepted this as part of the cost of elite legal advice.

AI now changes that equation. Much of this work can increasingly be completed faster, more cheaply and more consistently through systems, reducing both the economic value of junior time and the training opportunities that work historically provided. At the same time, clients are becoming less willing to fund large amounts of junior lawyer time when alternative providers, legal operations teams and technology platforms can often deliver parts of the same work more efficiently.

This is already reshaping the talent model. Firms are looking to reduce junior hiring, being more deliberate about equity partner growth and expanding salaried partner layers. My prediction is that elite partners will become even more valuable, but the structure required underneath them is beginning to change.



This is already reshaping the talent model. Firms are looking to reduce junior hiring, being more deliberate about equity partner growth and expanding salaried partner layers.



If we follow the logic forward, however, a more interesting possibility also emerges. Some of the work firms spent the last thirty years pushing out may become economically attractive to bring back in again. The due diligence inside a major M&A, the discovery inside a piece of litigation, the document review inside a regulatory investigation - work externalised because the economics did not support it inside a high-cost firm - is again becoming profitable as AI materially reduces the cost of delivery.

In many ways, this is exactly what the major UK-headquartered global firms have spent the last two decades exploring through lower-cost centres, alternative delivery models and technology-enabled processes.

The difference today is that increasingly sophisticated AI becomes available not only to the global firms, but also to domestic elite firms and, of course, to their mid-tier competitors. From the client's perspective, however, there are clear advantages in keeping more of this work inside the one trusted and highly respected firm rather than having to manage increasingly disaggregated delivery across multiple providers. Hence the prize is high for those firms doing this well.

More simply, rather than AI weakening the leverage model itself, AI increasingly becomes the leverage. What changes is that the leverage becomes technological rather than human - and potentially far more profitable, although it does of course require a move away from the billable-hour model.

## 4. How the partnership model is changing

Which leaves the question of the partnership model itself. Looking forward, we cannot say how the elite legal market will be structured but the scenarios we are likely to see are already emerging.

In 2017, those choices looked to me like strategic alternatives. Today they look more like different firms altogether. Let me share some preliminary thinking below, the first two are where most elite firms will recognise themselves - the others are included as they will cause much of the competitive pressure on them.

### **The studio / The atelier / The new school / The platform**

It is no surprise that some firms will continue to operate as highly specialised elite partnerships focused on judgement-intensive work. These firms will become narrower, more selective and more deeply integrated around particular sectors, clients or forms of expertise.

These firms operate almost entirely at the top-right corner of the value curve: high-importance, high-complexity work where judgement and institutional confidence matter most.

Their traditional leverage models may reduce rather than expand, relying on smaller groups of highly capable lawyers operating at the top of the value curve. The partner here is closest to the original da Vinci – painting at the easel, focusing on the most challenging and recognised work themselves.

What may come as more of a surprise is that, in my view, these partners will heavily rely on their juniors - though with a stronger grounding in technology, alongside new skills and mind-sets. I have started to think of this as a “donut model”: concentrated senior expertise at the top, a selective junior layer beneath it, and a thinning-out of the traditional mid-ranking associates.

What will we need from those junior lawyers? Professors Scott



Westfahl and David Wilkins at Harvard Law School have argued that if AI absorbs much of the routine work through which junior lawyers historically learned, legal education is likely to move towards a more integrated model combining technical expertise with judgement, leadership, technology and problem-solving across organisational boundaries. The future lawyer may therefore need to be developed less as a pure technical specialist and more as a professional capable of operating within increasingly complex systems and as a lifelong learner rather than someone whose education effectively ends at qualification.

In my advisory work with elite law firms, the studio remains, in many ways, the most attractive of the future options although perhaps hard to actually reach.

The economics are not the problem. Wachtell, Lipton, Rosen & Katz hit \$12.15 million per equity partner in 2026, with an associate-to-partner ratio of 1.4:1 - the lowest leverage of any peer in the American market, and the highest profit.

But the majority of elite firms have already outgrown the studio, even if they may not want to realise it and walking it backwards would mean a significant reduction in practices and partners - hence it is unlikely to go down well at the partner meeting.

With such strong personalities and individual practices at its core, the studio can also be a fragile model. The structures that protect it - lockstep compensation, single-tier partnership and deliberate selectivity - depend on a settled culture and a partnership of like minds. Wachtell lost nine partners in 2025 alone to higher-leverage rivals offering eight-figure guarantees.

### **The studio / The atelier / The new school / The platform**

The atelier in the European tradition was a hybrid model: a master's studio sitting on top of a wider production workshop, combining elite advisory work with more systematised delivery underneath. The partner here is running the workshop - leading and managing the teams that generate the revenue.

The strategic logic is what one managing partner described to me as the need to “sell the chips to sell the hamburgers”. Clients want a broader relationship, and firms able to serve a wider range of needs hold the client more securely. The lower-margin work becomes the price of admission to the high-margin work.

In effect, AI may strengthen the atelier model because it allows firms to access leverage without necessarily building huge associate pyramids. Assuming firms can pivot away from billable hours, much of the work firms spent the last thirty years externalising will become economically attractive again as the cost of delivery falls. Again, from the client's perspective, there are also advantages in keeping more of this work inside one trusted firm rather than managing increasingly fragmented delivery across multiple providers.

### **The studio / The atelier / The new school / The platform**

The third model is more radical and is included here primarily to help us understand the emerging competitive environment: AI-native firms in which the leadership is more likely to consist of shareholders or employees than traditional partners.

As my original 2017 article observed, new entrants enjoy a structural advantage precisely because they start from a single question: what would a client want in a law firm?

Although these new firms are attracting substantial investor interest - with new and major investments announced every day - I can see three strategic challenges.

The first is the glass ceiling on higher value work - whether they can compete where the client is solving unique issues and, also, seeking institutional confidence.

My current expectation is that they will eat into the middle market first - the tier-two and tier-three firms with neither the brand to survive on reputation nor the systems to run a production line. Equally, in-house teams may absorb that work themselves. It would appear that the middle is always being squeezed from both ends.

The second is regulation. Concerns that regulators will materially constrain AI-led providers may be overstated. As more legal work becomes standardised and systematised, clients may not always require traditional regulated law firms.

The third is economics. Building an AI-native firm requires substantial upfront investment in engineering, data and platform infrastructure. The revenue model — per document, fixed fee, subscription - works at scale, but the path to scale is long and capital-intensive. Many current entrants will not survive. We may see the ones that do being acquired by “real” firms or consolidate into the AI providers such as Wv or Legora - who I believe may eventually become legal advisers in their own right.



## The studio / The atelier / The new school / The platform

The fourth scenario is the platform firm, sometimes called the legal consultancy. The historical parallel is the medieval guild: a shared infrastructure - a hall, regulatory standing, a recognised brand - within which individual craftsmen kept their own practices and their own earnings. The modern platform works the same way, with the infrastructure now including compliance, technology, knowledge management and billing. The lawyers operate as self-employed consultants, keeping the majority of the fees they generate. There are no equity partners in the traditional sense, no annual profit distribution, no leverage.

The model answers several of the structural challenges in partnership – which we will come to in the next section. The platform is a corporate entity that retains earnings, and the lawyers are paid by fee-share rather than equity-share. A platform that invests in AI is rewarded through better margins rather than punished through reduced billable hours. The interest from investors has followed: many are PE-backed or publicly listed.

The historical limit on the platform model has been junior leverage - they struggled to build the depth of support team that complex matters demand. AI takes that constraint off the table. I still doubt these structures can carry the most complex, highest-stakes work, where the client is paying for institutional weight over and above an elite partner's signature. The platform firms have grown most rapidly in the high-street and mid-market segments. Whether they can do the same at the top will be one of the more interesting strategic questions of the next few years.

The biggest question for the platforms themselves is what they offer their members that the consultant cannot get directly. AI is no longer the answer - they can buy that themselves. The platform's strategic proposition will rest on client relationships and brand. If the most valuable client relationships sit with the individual consultant lawyers, the platform is a service for self-employed practitioners. If the platform owners can build institutional relationships of their own, it becomes a firm in the traditional sense.

## 5. The partnership challenge

Although it is still early days, in my scenario-thinking workshops with law firms these future models are becoming increasingly clear.

Whichever direction firms move towards, they are likely to involve more complexity and require significant change. My concern is that this points directly towards the familiar weaknesses of the partnership model.

More than thirty years ago, academics such as Brock, Cooper, Greenwood, Hinings and Powell were already writing about the pressure on traditional professional partnerships to evolve into more managed forms of professional business. The challenge today is that AI accelerates those tensions significantly.

The first is incentives. Partners within elite firms may struggle to take these major future decisions. Over the years I have seen many strategy reviews produce broad agreement, only for relatively little to change afterwards. The reason is simple: whatever the partnership rewards is usually what gets done. The strategic plan may say one thing, but the compensation system often says another. Most firms still prioritise individual origination, individual hours and individual client ownership, while the future models being discussed are likely to require more collective, firm-first behaviour.

The second challenge is leadership. Elite firms have always been, to some extent, federations of highly talented and highly independent



(...) the future models being discussed are likely to require more collective, firm-first behaviour.

individuals. Who would really want to lead a partnership full of Leonardos?

As Professor Stephen Mayson wrote in *Making Sense of Law Firms* (Blackstone Press, 1997): “Lawyers confuse leadership with management. They appoint very able leaders to manage and almost always neglect leadership.”

The challenge is both cultural and structural. Managing partners are elected by their peers, usually for fixed terms, and rarely with a mandate to challenge the incentives system or take decisions that materially affect partner income. The expectation is often to keep the show on the road, not redesign the road itself. As firms become more complicated to run, the gap between what leadership may require and what the partnership is prepared to tolerate could widen significantly.

And of course, partners might reasonably ask: why change when many elite firms continue to experience record growth and increasing profits? Many of our elite law firm clients continue to report strong growth and rising profitability, but this does not contradict the wider argument.

The current global uncertainty, economic volatility and increasing regulatory complexity are accelerating the flight towards quality, reputation, trust and institutional confidence.



AI within legal services is going to reinforce rather than weaken this - I would predict a short-term boost in profits for firms embracing AI effectively.

My concern, however, is that current success may blind partners to the need for deeper thinking about the future. The firms performing best today may paradoxically face the weakest incentives to undertake the steps required.

Part of this is simply human nature. Partners closer to retirement may naturally ask why they should invest heavily in changes where much of the benefit will only emerge after they have left the partnership.

The biggest leadership challenge may be whether elite partnerships can recognise the scale of change required while the existing model still appears highly successful.

The third is capital. The next generation of elite firms is likely to require substantial investment in technology, systems and new delivery capability, yet the partnership model was built around annual profit distribution rather than long-term capital accumulation. AI investments will sharpen the tension further. Time is still easier to reward than outcomes, and greater efficiency could reduce revenue rather than increase it. I have started to think of



The biggest leadership challenge may be whether elite partnerships can recognise the scale of change required while the existing model still appears highly successful.

this as implanting a new brain in the old body. The economic structure around it struggles to recognise where value is actually being created.

One more point cuts through all three. Under each of these archetypes, partners will need to work much more closely with business professionals, many of whom will increasingly move into the senior leadership and operational roles previously occupied by lawyers. This remains uncomfortable territory within many firms. In my original 2017 article, I noted how some partners questioned the ability and authority of the “non-lawyers” being hired and, sadly, I have not seen much progress since.

Perhaps the debate about the future of elite firms is ultimately a debate about organisational form and, beneath that, the motivations of the partners within them and their ability to develop a shared vision of the future. The challenge may not simply be adopting AI. It may be whether the partnership model can adapt quickly enough to support the kind of firm the market increasingly demands.



The challenge may not simply be adopting AI. It may be whether the partnership model can adapt quickly enough to support the kind of firm the market increasingly demands.

## 6. Conclusion: value, delivery, and structure

The future of law is being redesigned. Law firms are not simply adapting; they are being forced to reconsider where they add value and how that value is delivered.

The question posed by Michael E. Schneider, founding partner of LALIVE and now Senior Counsel - our original “da Vinci partner” back in 2017 - remains the right one, but it now demands a more urgent answer: in an AI-enabled world, what will remain of the “face and hands” of legal work, and who, or what, does the rest?

The legal value curve itself is not disappearing, but AI is reshaping it fundamentally - accelerating the speed at which work moves across it, fragments within it, and is redistributed between firms, clients and systems.

Although these are still early days, we can already see clear trends and start working with law firm leadership and the wider

partnership on what needs to happen next. As we have seen, the pressure is unlikely to fall evenly across the market.

Some work will become increasingly systematised, while the lawyers and firms operating at the highest end of judgement, accountability and strategic counsel may become more valuable than before.

It is already clear that standing still is not an option. For me, the real challenge is whether the partnership model can adapt quickly enough to support the kind of firm the next phase of the market is likely to require. Most firms are still asking for new behaviours from their partners while continuing to reward the old.

I am a huge optimist about the changes and challenges ahead, but elite lawyers and their firms may have only a decade - perhaps much less - to determine whether they can move beyond the assumptions of the old model.

AI may not destroy elite law firms. But it may expose whether the traditional partnership model is structurally capable of supporting the scale of change that will be required.



(...) elite lawyers and their firms may have only a decade - perhaps much less - to determine whether they can move beyond the assumptions of the old model.

## Insert A: The legal value curve

In Finding an answer to the da Vinci question (2017) I set out a simple model for thinking about how legal work creates value. It plots legal matters along two axes: how important the matter is to the business (the Y axis) and how legally difficult it is (the X axis).

That gives four quadrants of work:

**Rocket science** (high importance, high difficulty): the “bet the company” matters where clients turn to the leading experts and pay the high prices required.

**Standard** (low importance, low difficulty): the routine work — volume tasks, repeatable processes, increasingly delivered through technology and managed-service models.

**Putting out fires** (high importance, low difficulty): the day-to-day issues that are technically straightforward but matter to the business, usually handled in-house.

**Risk and compliance** (low importance, high difficulty): regulatory work, parts of which have moved up the importance axis into mission-critical territory while other parts have become standardised.

A fifth category sits across the middle: **relationship work** — the everyday advisory matters that are neither rocket science nor standard, but where the trusted external adviser adds value through judgement, context and continuity. For many elite firms this is the bread and butter.

The value curve is the diagonal that runs from the top right (rocket science) down to the bottom left (standard) and as I argue in the main article, this marks the increasing speed of commoditisation of legal services.

In reality, a single matter rarely belongs in one quadrant: a major M&A transaction will contain genuinely strategic elements and a great deal of contractual review besides, and the line between the two is rarely as clean as the model implies. Clients and firms also disagree, often quietly, about which work belongs where — a piece of advice the client regards as routine may be one the firm has priced as bespoke. The value of the model is in the conversation it forces, not in the labelling.

Work does not always go where the model predicts. I know of a £10 million disposal that was handled by one of the leading London firms at full London rates — work that a comparable firm would have routed to its lower-cost offices, or declined. Brand, relationship and habit shape the flow of work as much as the value curve does. ■

*The model first appeared in Finding an answer to the da Vinci question (Modern Legal Practice, October 2017).*

Moray McLaren is a partner at Lexington Consultants and Professor at IE Law Schools LawAhead Centre on the Legal Profession, working with leading law firms worldwide on strategy, governance, and the future of the partnership model. He is also an Associate at the Møller Institute, University of Cambridge.

The author is very grateful to Luis de Carlos, former Managing Partner of Uría Menéndez and President of the LawAhead Center on the Legal Profession at IE Law School, for his comments on the draft article, and to Gideon Moore, former Senior Partner of Linklaters and former General Counsel of NatWest Group, for his separate insights and observations relating to the future of elite law firms and technology.

The views expressed are those of the author only.



# AI AND THE FUTURE OF THE CREATIVE LAWYER: A FRAMEWORK FOR ENHANCING CREATIVE LEGAL PRACTICE WITH GENERATIVE AI

**Norberto de Andrade, PhD /**  
*IE Law School*

What does it mean to be a creative lawyer in the age of artificial intelligence?

The question may appear straightforward, yet it exposes a fundamental tension at the heart of today's legal technology debate. The prevailing narrative—repeated across industry reports, academic programs, and professional conferences—offers a reassuring answer: AI will take over routine, repetitive, and data-intensive tasks, allowing lawyers to focus on what machines cannot do—creative thinking, strategic judgment, and client counseling.



This report contends that such a narrative is only partially accurate, and that its limitations are significant. It rests on two implicit assumptions that have been increasingly questioned by developments in cognitive science and empirical research: first, that legal work can be neatly divided between routine tasks suitable for AI and higher-order tasks reserved for humans; and second, that creativity is a sudden, ineffable, uniquely human faculty inaccessible to computational systems. Once these assumptions are examined, the picture changes.

Creativity is better understood as an extended, decomposable, and partially distributed cognitive process. AI already functions as a co-creator of legal ideas, and under certain conditions, human-AI collaboration produces more creative outcomes than either can achieve independently.

At the same time, uncritical adoption of AI introduces material risks, including over-reliance, cognitive anchoring, argument

homogenization, erosion of creative self-efficacy, reduced diversity of thought, and the weakening of the apprenticeship model through which creative legal judgment is developed.

Two conceptual frameworks structure the analysis throughout the report: the Crescendo Model of Legal Creativity, which conceptualizes creativity as a multi-stage process that combines human and AI contributions, and the AI Creativity Spectrum, which maps AI's evolving role from enabler to co-creator and, ultimately, autonomous creator. ■

This article constitutes the introductory section of the research report developed during the 2025–2026 academic year by Professor Norberto de Andrade, PhD in Law, Policy and Technology from the European University Institute (Italy) and Adjunct Professor at IE Law School Executive Education. In this report, Professor de Andrade will examine the key challenges and opportunities associated with the integration of AI into legal practice and propose an operational framework for its responsible and effective adoption. The report will be presented in October 2026 at the LawAhead Center.



# LEADERSHIP IN TIMES OF CHANGE

## How Law Firm Leaders Are Redefining Value, Navigating AI, and Overcoming the “Success Syndrome”

**Mari Cruz Taboada /**

*Adjunct professor at the LawAhead Center  
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The transformation is not an option; it is a question of survival in a world that does not wait.

This observation, drawn from Madeleine Bernhardt’s recent work on law firm transformation, captures a central tension facing the legal profession today. The forces driving this transformation are well understood. They include rapid advances in artificial intelligence, emerging competitors, evolving client expectations, and generational shifts within firms. What remains less clear is how law firms should respond, particularly when many continue to perform strongly under existing models.



The paradox is evident. Firms remain profitable, and demand for high-end legal services is resilient. Yet beneath this apparent stability, the foundations of performance are shifting.

Bernhardt's research underscores the scale of the challenge: approximately 70% of transformation initiatives fail, often because firms focus disproportionately on tools and processes rather than the human dynamics of change. In law firms, this difficulty is amplified by the partnership model, where autonomy, consensus-based decision-making, and deeply embedded professional identities shape how change is perceived and resisted.

This article addresses three interrelated questions:

1. **How is performance being redefined in the AI era?**
2. **What leadership behaviors enable transformation in partnership environments?**
3. **How can firms overcome the “success syndrome” that inhibits change?**

The answers point to a profound shift in how law firms define and sustain performance: from individual expertise to collective capability; from certainty to experimentation; and from historic success to future adaptability.



For decades, performance in law firms was relatively stable in its definition and measurement. It centered on technical excellence, individual productivity (billable hours), client management and/or origination, and financial contribution. These metrics were not incidental; they reflected and reinforced the traditional law firm model—a leveraged pyramid, clear hierarchical roles, and a billable-hour system that directly translated time and expertise into revenue.

Within that framework, performance was visible, measurable, and primarily individual. The most successful lawyers tended to know more, work harder, bill more hours, and build stronger client relationships. Success followed accordingly.

That alignment is now breaking down.

The pressures are well known. Clients are more demanding, more price-sensitive, and more sophisticated in how they procure legal services. New entrants, including alternative providers and technology-enabled platforms, are reshaping delivery models. Above all, artificial intelligence is accelerating the unbundling of legal work, automating aspects of analysis and production that were once central to the lawyer’s role.

The result is not merely operational change, but a redefinition of value itself.

As Madeleine Bernhardt notes, “It’s not about knowing anymore”; the challenge is to make decisions on the basis of the information currently available, without knowing what the future will look like.

This marks a profound departure from the traditional professional mindset. Lawyers have been trained to minimize uncertainty, provide definitive answers, and ground their authority in deep expertise. Performance, in this context, was closely associated with being right.

Today, that certainty is harder to sustain.

The complexity of client problems, the pace of change, and the availability of large volumes of often incomplete or evolving data mean that decisions must increasingly be made under conditions of uncertainty. AI can generate insights and outputs at scale, but it does not eliminate ambiguity. Instead, it shifts the lawyer’s role toward interpreting, validating and applying those outputs in context.

Performance, therefore, is no longer defined primarily by certainty or accumulated expertise. It is increasingly shaped by a different set of capabilities.

First, judgment under uncertainty: the ability to frame problems, evaluate imperfect information, and make decisions that balance risk and opportunity. This does not diminish expertise, but repositions it. Knowledge remains essential, but it is no longer sufficient.

Second, decision-making speed and quality. In a more dynamic environment, the cost of delay increases. Firms that can move decisively—without waiting for perfect information—gain a competitive advantage. This requires both confidence and organizational structures that enable timely decision-making.

Third, integration of diverse inputs: legal advice is no longer produced in isolation. It draws on data, technology and increasingly multidisciplinary teams. The effective lawyer must be able to synthesize these inputs, including AI-generated outputs, into coherent and actionable advice.

Fourth, capacity for learning and adaptation: perhaps most fundamentally, performance now depends on the ability to evolve. This includes learning from errors, experimenting with new approaches, and adjusting behavior in response to feedback.



“It’s not about knowing anymore”; the challenge is to make decisions on the basis of the information currently available, without knowing what the future will look like.



In a profession historically defined by precision and risk aversion, this represents a significant cultural shift.

Taken together, these developments signal a broader transformation: performance is moving from a static, individual, knowledge-based model toward one that is dynamic, collective, and adaptive.

This has important implications for how firms operate.

The traditional focus on individual metrics, such as hours billed, revenue generated, and clients originated, is increasingly insufficient as a proxy for value creation. Many of the capabilities now required, including collaboration, judgment, and adaptability, are harder to measure, but no less consequential.

It also raises questions about incentives. If firms continue to reward only individual productivity and financial outcomes, they risk reinforcing behaviors that are increasingly misaligned with future success. Encouraging collaboration, experimentation, and learning requires a broader view of performance.

Finally, it places leadership at the center of transformation. Redefining performance is not a technical adjustment. It requires leaders to

articulate what success looks like, to model new behaviors, and to create environments in which people feel able to move beyond established ways of working.

The challenge is not that law firms fail to understand these dynamics. It is that they are navigating them while still operating within models designed for a different era.

The transition is underway, but incomplete.

What is clear, however, is its direction. The firms that will succeed will be those that recognize that performance is no longer defined by having the right answers, but by asking better questions, making better decisions, and adapting more effectively over time.

# 1. How is performance being redefined in the AI era?

The redefinition of performance in law firms lies at the core of the broader transformation reshaping the profession. As outlined earlier, the shift is moving away from individual expertise and certainty toward collective capability and adaptability. Artificial intelligence is not the sole driver of this change, but it is its most powerful accelerant.



By automating aspects of legal analysis, document production and even aspects of reasoning, AI is challenging the traditional foundations of value in legal services: time and knowledge. For decades, these were the profession's primary currencies. The more a lawyer knew, and the more time they devoted to a matter, the greater the perceived value of their work.

That equation is now under pressure.

As AI absorbs a growing share of technical and process-driven tasks, the locus of value is shifting. Increasingly, it resides not in the execution of tasks, but in higher-order capabilities: framing the right problem, interpreting outputs, including those generated by AI, exercising judgment under uncertainty, and ultimately providing assurance to clients.

This points to what might be described as the judgment-intensive core of legal work. It is here, rather than in the mechanics of analysis, that lawyers continue to add distinctive value. But this shift raises a fundamental question for the profession: if AI can perform more of the work, what exactly are lawyers being paid for?

The answer lies less in what lawyers know, and more in how they think and decide.

Performance, therefore, is being redefined around decision-making: the ability to navigate ambiguity, integrate multiple inputs, and reach sound, defensible outcomes. This aligns closely with Bernhardt's observation that "it's not about knowing anymore"; rather, the modern lawyer must be willing to make decisions on the basis of the information currently available, without knowing what the future will look like.

Yet this is only part of the story.

Alongside this shift in what constitutes performance, there is an equally important shift in how performance is produced. The traditional model has been overwhelmingly individual. Contribution could be clearly attributed and measured at the level of the partner or lawyer: hours billed, clients originated, revenue generated.

But the demands of transformation are exposing the limits of this logic.

Increasingly, the most valuable work depends on collaboration across practices, integration with non-legal expertise, and coordinated delivery to clients. In this sense, performance is becoming fundamentally collective.

This presents a structural challenge. Individual

contribution is visible and quantifiable; team contribution is diffuse and harder to attribute. As a result, many firms continue to default to individual metrics, even as the nature of work evolves.

Bernhardt captures this tension clearly: "We're still appreciating individual contributions more than team contributions... just because it's so much more difficult to measure."

And yet, the capabilities required for success are increasingly collective. Transformation depends on behaviors that traditional systems have often struggled to incentivize:

- cross-practice collaboration;
- interdisciplinary working;
- integration of non-lawyers and business professionals;
- shared ownership of client outcomes.

These are not incremental adjustments. They represent a reorientation of how value is created within firms.

This shift brings into focus a crucial dimension of performance: trust.



Increasingly, the most valuable work depends on collaboration across practices, integration with non-legal expertise, and coordinated delivery to clients.



If performance is collective, it depends on how effectively people work together. And that, in turn, depends on trust. Trust enables delegation, open communication, and the willingness to share responsibility. Without it, collaboration remains superficial.

This raises a provocative question for law firms: can trust itself be treated as a performance metric?

Bernhardt suggests it may need to be: “How do I measure trust inside the firm... because we know that it helps for high performance?”

The implication is significant. High-performing teams are not simply aggregations of high-performing individuals. “They depend on conditions such as psychological safety, openness and shared accountability—factors that are difficult to quantify, but essential to sustained performance”, Bernhardt states.

In the context of law firms, this is particularly challenging. The partnership model has historically emphasized autonomy, individual accountability and, at times, internal competition. These features have supported performance in the past, but they can also constrain the level of collaboration now required.

The result is a tension at the heart of many firms: between the behaviors that have historically been rewarded and those that are increasingly necessary.

Resolving this tension is not straightforward. It requires changes not only to metrics and incentives, but also to mindset and culture. It requires firms to recognize that performance is no longer purely an individual construct, and that the conditions enabling collective success must be actively built and managed.

In this sense, the redefinition of performance is inseparable from the broader transformation of the law firm itself.

What emerges is a more complex, but ultimately more realistic, understanding of what it means to perform at a high level. It is no longer enough to be technically excellent or individually productive. Performance now includes the ability to contribute to something larger than oneself: a team, a system, a collective capability that generates value no individual could produce alone.

In an AI-enabled environment, this collective capability may become the most durable source of competitive advantage.



In times of transformation, clients need trust... but it is impossible to build it alone.

**Joan Roca**  
*Managing Partner*  
Roca Junyent

This applies internally as much as externally. As Joan Roca, managing partner of RocaJunyent, observes: “In times of transformation, clients need trust... but it is impossible to build it alone.”

Firms that fail to build trust struggle to collaborate, and those that struggle to collaborate ultimately struggle to adapt. In this sense, trust is not a “soft” cultural aspiration. It is a hard prerequisite for performance in an increasingly complex and interdependent model of legal service delivery.

## 2. What leadership behaviors enable transformation in partnership environments?

If performance is being redefined in this way, leadership cannot remain static. The traditional law firm model assumes that partners are both owners and leaders. In practice, however, leadership within partnerships is often rotational, part-time, consensus-driven, and, at times, constrained by internal politics.

This creates a fundamental structural tension. Transformation requires speed, clarity, and direction. Partnerships, by design, tend to prioritize consultation, inclusion, and consensus. These are valuable qualities, but they can also lead to delays, diluted decision-making, and, in some cases, inertia.

Bernhardt captures this challenge clearly: “If you have 60 partners and they have to take a unanimous decision the conversations stall.”

The implication is not that partnership governance is flawed, but that it is being tested by the pace and nature of contemporary change.

One response increasingly visible across leading firms is a shift toward more structured,

corporate-style governance. This includes clearer allocation of decision-making authority, greater delegation, and stronger, more empowered management teams.

As Bernhardt observes: “Law firms will have to be managed a little bit more like a corporation giving more authority to a few people.”

This does not suggest abandoning the partnership model or its underlying principles. Rather, it reflects a pragmatic effort to balance participation with effectiveness. Not every decision can, or should, be made collectively. In a rapidly evolving environment, the ability to act decisively becomes a competitive advantage.

The challenge, however, lies in preserving trust. Delegation of authority requires partners to accept that not all decisions will be theirs to make, and that leadership teams must be given both the mandate and the space to act.

At the same time, effective leadership in periods of transformation is not simply a matter of stronger direction. It is equally about how direction is developed and communicated.

Leadership in this context becomes less about control and more about facilitation. It requires the ability to listen, manage

competing perspectives, surface and address resistance, and build alignment across diverse stakeholders.

Bernhardt emphasizes the importance of high-quality conversations: “If you do not have these kinds of really high-value conversations... it’s difficult for law firms to move forward.”

These conversations are rarely comfortable. They involve confronting uncertainty, questioning long-standing assumptions, and navigating tensions that cannot be easily resolved. Yet they are indispensable. Without them, firms risk remaining stuck between competing visions of the future, unable to convert discussion into action.

The implication is clear. Leadership in law firms is no longer defined primarily by having the right answers. It is defined by the capacity to create the conditions in which better collective decisions can emerge—decisions that are informed, aligned, and ready to be implemented.

In this respect, the evolution of leadership mirrors the broader transformation of performance itself: from individual authority to collective capability, from certainty to exploration, and from control to adaptability.

### 3. The success syndrome: why high-performing firms resist change

One of the most significant barriers to transformation is what Madeleine Bernhardt describes as the “success syndrome”. It is not a failure of competence, nor a lack of awareness. Rather, it is the consequence of success itself.

In simple terms, firms resist change because their existing model has worked—often exceptionally well, and often for a long time. Under those conditions, the rationale for transformation becomes harder to articulate, and harder still to accept.

As Carlos Rueda, senior partner at Gómez-Acebo & Pombo, observes: “When things go well for several years, the difficult question arises: why transform?”

This question goes to the heart of the issue. Transformation, by definition, introduces uncertainty. It requires investment, shifts in behavior, and, in some cases, a reallocation of power and reward. When performance is strong, those costs are immediate and visible, while the



When things go well for several years, the difficult question arises: why transform?

**Carlos Rueda**  
*Senior Partner*  
Gómez-Acebo & Pombo

benefits remain uncertain and deferred.

The result is a dangerous dynamic: success reinforces the behaviors that produced it. Incentives align tightly with the existing model, while alternative approaches, however rational in theory, appear unnecessary, premature, or even risky in practice. Over time, this leads not to stability, but to a form of strategic inertia—a quiet but persistent resistance to change.

Paradoxically, the very alignment that underpins high performance can also become a constraint. In many law firms, remuneration systems, behaviors, and business models are deeply interconnected. This coherence is a source of strength, but it also makes adaptation more difficult. Introducing new approaches—whether in pricing, delivery, or collaboration—often requires disrupting that alignment. And disruption, even when necessary, is rarely comfortable.

The deeper challenge, however, is not merely structural. It is psychological.

Transformation calls into question the professional identity of lawyers. The traditional model rewards certainty, expertise, and risk minimization. Lawyers are trained to be right, to protect against error, and to rely on accumulated knowledge as the basis of authority. These are



not incidental traits; they are central to how the profession understands itself.

Transformation, however, demands a different orientation. It requires a willingness to operate under conditions of incomplete information, to experiment with approaches that may fail, and to accept that progress often emerges through iteration rather than precision.

As Javier Fontcuberta, managing partner at Cuatrecasas, observes: “Challenging what we do all the time goes against how we have been trained... but it is necessary.”

This is why transformation is not simply an operational challenge. It is, in a very real sense, existential. It asks individuals and firms to reconsider not only how they work, but also how they define value and success.

Against this backdrop, one of the more practical contributions from Bernhardt’s work is the idea of adopting a “scientist mindset.” It is a simple framework, but a demanding one in practice.

It begins with acknowledging current behaviors—recognizing that people act as they do for reasons that have historically been valid. It then moves to challenging underlying



Challenging what we do all the time goes against how we have been trained... but it is necessary.

**Javier Fontcuberta**  
*Managing Partner*  
Cuatrecasas

assumptions, asking where existing approaches may no longer hold. Finally, it requires transformation through experimentation: testing new behaviors, evaluating outcomes, and refining approaches over time.

The logic is straightforward. The difficulty lies in execution.

Transformation cannot be fully planned in advance. It unfolds through a process of trial, learning, and adjustment. This requires organizations to test new approaches, learn from what does not work, and iterate. In most industries, this is already well understood. In law firms, it remains countercultural.

Time, after all, is directly monetized. Failure is not easily tolerated. And short-term performance pressures often dominate decision-making. These factors combine to make experimentation feel costly and, at times, unnecessary.

Bernhardt highlights the consequence: “Many change projects fail because the new business is killed too early.”

The issue is not that firms fail to pursue innovation. Rather, they often lack the patience and structural support to allow new initiatives to develop. Early setbacks are interpreted as

failure, rather than as part of a learning process.

One response to this tension has been the emergence of more “ambidextrous” organizational models. Increasingly, firms are seeking to separate core business operations—focused on efficiency and reliability—from innovation efforts, which require flexibility and tolerance for risk. This can take the form of alternative service units, innovation labs, or technology-driven offerings operating alongside the traditional partnership structure.

These structures create space for experimentation without destabilizing the core business. But structure alone is insufficient. The more difficult challenge is cultural: ensuring that innovation is not marginalized or viewed as peripheral, but recognized as essential to future competitiveness.

### **Culture as the critical enabler**

Across every dimension of transformation, one factor consistently emerges as decisive: culture.

Bernhardt’s research suggests that firms with more adaptive cultures not only respond better to change but also achieve stronger performance outcomes. They grow faster, operate more efficiently, and are better able to navigate uncertainty.



At the center of this adaptability is a shift in how firms approach risk.

Traditionally, the legal profession has been defined by risk avoidance. This remains an important part of its role. But in a more dynamic environment, the emphasis is moving toward risk management—and, in some cases, the controlled exploration of risk.

This is a subtle but significant distinction. It does not imply abandoning caution. It reflects the recognition that avoiding all risk may itself become a risk, particularly where it limits the ability to adapt.

Closely linked to this is the need for a different relationship with failure. Historically, errors were penalized, often hidden, and rarely discussed openly. In a more experimental environment, this approach becomes unsustainable. Learning requires visibility. It requires organizations to acknowledge mistakes, analyze them, and use them as a basis for improvement.

As Pedro Pérez-Llorca, senior partner at Pérez-Llorca, reflects: “It is good for young lawyers to take responsibility, and if they make a mistake, that is acceptable. However, it is the firm’s responsibility to ensure that any errors are corrected before anything goes to the

client. That is where learning and quality are aligned.”

This represents a significant cultural shift. It challenges long-standing norms around perfection and accountability. And while it is essential for innovation, it remains uncomfortable for many firms.

Ultimately, the success or failure of transformation depends on whether partners actively engage with it. Strategy, however well conceived, is only effective if it is adopted and implemented.

This is where many firms encounter their greatest difficulty.

Partners may intellectually recognize the need for change, yet remain hesitant in practice—particularly where transformation appears to threaten individual advantage or introduce uncertainty into familiar ways of working.

One of the most effective ways to address this is through reframing. Rather than presenting transformation as a rejection of the past, it can be positioned as an evolution of it.

Bernhardt emphasizes this point clearly: “It’s not to say that what you have done in the past was not valuable... we may need to add



**It is good for young lawyers to take responsibility, and if they make a mistake, that is acceptable. However, it is the firm’s responsibility to ensure that any errors are corrected before anything goes to the client. That is where learning and quality are aligned.**

**Pedro Pérez-Llorca**  
*Senior Partner*  
Pérez-Llorca

something new.”

This distinction matters. It preserves a sense of continuity and respect for what has been achieved, while creating space for new behaviors. It reduces defensiveness and allows individuals to see change as an evolution, rather than a critique.

At the same time, engagement depends on broadening participation. Transformation cannot be driven solely from the top. It requires input from across the firm, including younger lawyers and non-legal professionals who often bring different perspectives and capabilities.

As Bernhardt notes: “We want diversity of perspectives younger people, non-lawyers, everybody can contribute.”

This is particularly relevant in the context of AI, where familiarity and openness to new tools often vary across generations.

Finally, effective engagement depends on how leaders interact with their teams. The instinct to direct, persuade or provide answers is strong, particularly in professional environments. But in conditions of uncertainty, this approach is often less effective than a more exploratory one.



Bernhardt’s advice is simple: “Don’t try to guess ask them: what do you need?”

This shift, from telling to asking, can have a profound impact. It signals respect, encourages dialogue and increases ownership. In doing so, it helps to bridge the gap between strategy and implementation.

Underlying these shifts in performance, leadership and culture is a more fundamental question: what is the future of the partnership model itself?

For all the pressure it currently faces, the model has proved remarkably resilient. It has adapted over decades to changes in markets, regulation, and client demand, while preserving its core features of shared ownership, autonomy and professional identity. Yet the current wave of transformation is testing those foundations more directly than before.

The pressures are cumulative. Firms need to make decisions more quickly in a more uncertain environment. They are being asked to integrate a wider range of capabilities, including technology, data, and project management, many of which sit outside traditional legal training. Competition for talent is intensifying, not only among law

firms but also from technology companies and alternative legal service providers. At the same time, capital requirements are increasing, particularly for investments in systems and infrastructure that are difficult to accommodate within the traditional partnership structure.

Taken together, these forces are prompting firms to reconsider long-standing assumptions about what partnership means and who should be included within that definition.

Bernhardt addresses the issue directly: “Why don’t you give non-lawyers partner status if they are creating high value?”

This is a provocative question because it challenges one of the legal profession’s most deeply embedded distinctions. Historically, partnership has been reserved for lawyers, reflecting both ownership and status. But if value creation is increasingly collective and multidisciplinary, that boundary becomes harder to justify.

In practice, change is already underway, albeit unevenly. Some firms are experimenting with broader definitions of partnership, incorporating senior business professionals into leadership and ownership structures. Others are differentiating roles more explicitly,

recognizing that not all partners need to be leaders, and that leadership itself requires a distinct set of capabilities.

There is also a gradual, though still cautious, integration of non-lawyers into decision-making processes, particularly in areas such as technology, operations, and client delivery.

These developments do not amount to a wholesale redefinition of the model, but they point to an incremental evolution. What is evident, however, is that the traditional boundaries are becoming more permeable.

### **Leadership in the new normal**

In summary, the legal profession is entering a period of profound transition. The principal drivers of change, including artificial intelligence, intensifying competition and evolving client expectations, are widely understood. The challenge is not diagnosing the problem but responding to it in a way that is both effective and sustainable. Across this landscape, three themes stand out.

First, performance is being redefined. It is moving away from a narrow focus on expertise and individual contribution toward a broader conception centered on judgment, adaptability, and collective capability. The ability to work



Why don’t you give non-lawyers partner status if they are creating high value?

**Madeleine Bernhardt**  
*Center on the Legal Profession*  
Bucerius Law School



across boundaries, integrate different inputs and make decisions under uncertainty is becoming as important as technical excellence.

Second, leadership must evolve. The traditional reliance on consensus and informal authority is increasingly difficult to sustain in a faster-moving environment. Firms are being pushed toward greater clarity in decision-making and stronger management structures. At the same time, effective leadership is less about control and more about facilitation—creating the conditions in which diverse perspectives can be brought together and translated into action.

Third, culture has become decisive. Trust, collaboration, and a willingness to learn are no longer peripheral concerns. They are central to how firms operate and compete. Without them, even the most well-designed strategies are unlikely to succeed.

Perhaps most importantly, firms must confront the inertia created by their own success. The practices and behaviors that generated strong performance in the past can become barriers to change in the present. This is the paradox at the heart of the “success syndrome”.

The evidence suggests that the greatest risk facing law firms today is not failure, but complacency. ■



Trust, collaboration, and a willingness to learn are no longer peripheral concerns. They are central to how firms operate and compete. Without them, even the most well-designed strategies are unlikely to succeed.

This article draws on a conversation between Madeleine Bernhardt, director of the Center on the Legal Profession at Bucerius Law School, and Mari Cruz Taboada, visiting professor at the LawAhead Center, IE Law School, and partner at Lexington Consultants. The discussion forms part of ongoing work on leadership and transformation in the legal profession.

Madeleine Bernhardt<sup>1</sup> is director of the Center on the Legal Profession at Bucerius Law School and a leading researcher on leadership, performance, and organizational transformation in law firms. Her work focuses on how professional service firms adapt to structural change, particularly against a backdrop of technological disruption, evolving client expectations, and shifting talent dynamics. She is the author of the book *Leading Transformation in Law Firms: How Top Leaders Unlock Performance to Win the Future*, in which she examines how leaders navigate complex, multilevel change that affects individual mindsets, team dynamics, and organizational structures. Her research combines academic insight with practical application, drawing on interviews and empirical studies across leading law firms and in-house legal departments.

<sup>1</sup> Madeleine Bernhardt, [\*Leading Transformation in Law Firms: How Top Leaders Unlock Performance to Win the Future\*](#) (Cham: Springer, 2026).



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