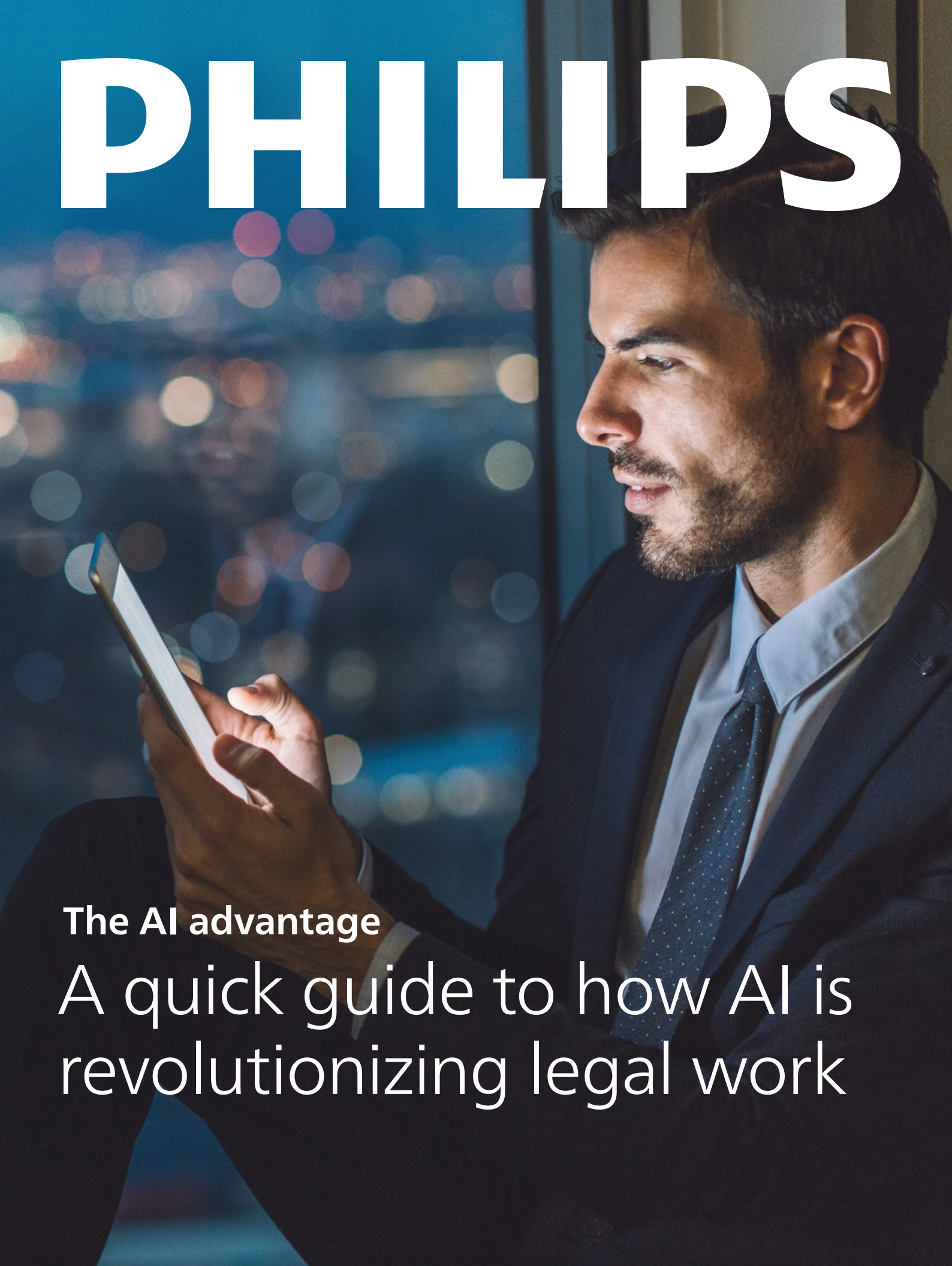

PHILIPS

The AI advantage

A quick guide to how AI is revolutionizing legal work

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AI's growing role in legal practices

Generative artificial intelligence is already changing our work and personal lives in many ways. Even the legal industry – traditionally slow in the latest tech adoption – is increasingly reviewing how they can and must incorporate AI into their processes to stay competitive.

Generative AI is no longer an abstract trend – it's already reshaping how legal professionals work, research, document, and collaborate. Even industries traditionally slow to adopt new technology are now reassessing how AI can support everyday tasks and improve efficiency.

This eBook highlights the ways AI is being used in the legal sector today, along with the opportunities and challenges that come with it. It explores where AI can meaningfully reduce routine workload – such as document review, transcription, drafting, or data analysis – and where human judgment, accuracy, and oversight remain essential.

The goal is to offer a clear, realistic framework for understanding how AI can support legal work now and in the near future.

Many claim that the legal sector to this day works the same way it did 100 years ago – with pen and paper, piles of printed documents, and secretarial staff taking short-hand notes.

With new artificial intelligence capabilities, this way of working is rapidly changing. It's important to try out new AI tools to not be left behind.

Luckily, trying out these technological innovations does not require complicated instructions or specialty know-how. Instead, operations are intuitive and simple – and often, it suffices just to speak.

Therefore, it does not come as a surprise that many firms and employees are quickly embracing AI tools to help speed up their daily work chores and become more self-sufficient.

What's the hype?

On November 30, 2022, the Californian technology company Open AI presented ChatGPT to the public and allowed free access for anyone to work with it. What's new about it? It is generative AI which is a significant advancement of previously available (simple) artificial intelligence.

AI encompasses a wide range of technologies that can analyze data, make predictions, and automate tasks. Generative AI, on the other hand, is constantly producing new content – a significant shift from simply retrieving or analyzing what already exists.

Every generative AI is AI, but not every AI is generative

Good to know

The different types of AI

1 Reactive AI

This is the simplest form of AI – systems that respond predictably to specific inputs without learning or storing past experiences. A famous early example is IBM's Deep Blue, the chess computer that defeated world champion Garry Kasparov in 1997. While groundbreaking at the time, it was designed only to play chess and couldn't adapt to anything else.

2 Generative AI

A rapidly advancing subset of narrow AI, generative models can create new text, images, audio, or video by learning from vast datasets. Examples include ChatGPT, Google Gemini, and Anthropic's Claude. These systems synthesize information and produce entirely new outputs rather than just retrieving what already exists.

3 Artificial General Intelligence (AGI)

Often called strong AI, AGI would be capable of understanding, learning, and applying knowledge across different domains – similar to human cognition. AGI remains theoretical today, but ongoing advances in reasoning and multimodal systems continue to move research in that direction.

AI is becoming a new virtual colleague

How do people feel about AI in the workplace?

The topic of AI is dividing professionals in the legal field. Many are already using it, while others are hesitant when considering the possible pitfalls of combining AI with everyday legal work.

These pitfalls are also discussed as the first steps of how AI can be meaningfully and securely combined with everyday legal work.

Current AI applications are already taking over simple and monotonous tasks, especially in the areas of administration and documentation.

In the legal field, AI also supports transcription workflows by automatically adding punctuation, corrections, and speaker identification – helping professionals produce accurate, polished documents more efficiently.

AI is meeting rising pressure in the legal industry

The legal sector faces growing workloads, higher client expectations, and mounting cost pressures. At the same time, firms struggle with talent shortages and the need to maintain quality under tight deadlines.

A clear divide is emerging between traditional methods and the tech-driven approach favored by a new generation of lawyers. This shift is driving wider adoption of AI as firms look for practical ways to manage complexity. Rather than a threat, AI offers an opportunity to streamline repetitive work, boost morale, and improve client service – helping law firms stay resilient in a changing market.

Law firms opening up to AI, but uncertainty remains

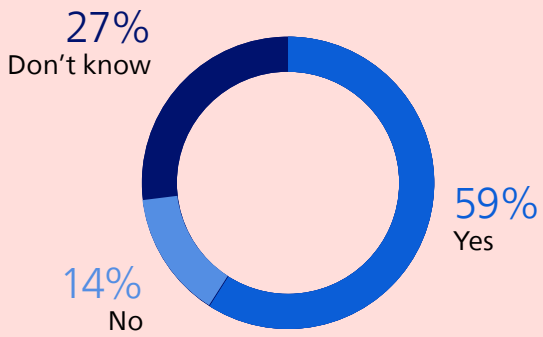
According to Reuters' 2025 Generative AI in Professional Services Report, nearly 60% of law firms believe generative AI should be applied to legal work. While most firms recognize its potential to improve efficiency and accuracy, around 27% remain unsure and 14% say no, reflecting continued caution around regulation, data privacy, and client confidentiality.

Conclusion

Most law firms see the promise of AI, but adoption is still limited by uncertainty.

Should GenAI be applied to legal work?

(Law firm responses, Reuters, 2025)



How AI is reshaping everyday legal work

Search large amounts of data

AI tools can now analyze vast amounts of legal material – from case law and contracts to transcripts and client correspondence – within seconds. They not only retrieve information but also help organize, summarize, and refine it for faster preparation of legal documents. This intelligent assistance saves valuable time and ensures legal professionals always have clear, accurate information at hand.

Timeline of events

AI can automatically create timelines from emails, documents, and transcripts, giving lawyers a clear overview of how a case unfolded. Modern speech recognition now produces transcripts with the option for automatic punctuation, corrections, and speaker identification. These capabilities turn spoken content into precise, ready-to-use text for faster and more consistent document preparation.

Cluster and analyze

Once information is extracted, AI can group related materials, summarize key points, and identify patterns across cases or topics. These tools provide quick, well-structured overviews and highlight relevant connections, enabling legal professionals to focus on deeper analysis and strategy rather than manual data sorting.

Search for quotations with sources

AI-powered research assistants can now verify citations and provide direct source links, reducing the risk of errors and improving the reliability of legal writing. This ensures every quotation or reference is backed by verifiable material, enhancing accuracy and credibility while speeding up the research process.

Easy to use

Today's AI systems are designed for natural, intuitive interaction – they can understand plain language and adapt to individual workflows. They integrate seamlessly into existing legal tools, helping teams draft, edit, and organize content more efficiently without needing specialized training or technical skills.

Great time savings

AI now supports nearly every stage of legal work, from research and transcription to drafting and review. Automating repetitive and time-consuming tasks allows professionals to focus on strategic, high-value work. The result is faster turnaround, improved accuracy, and more time for client-focused service – a crucial advantage in today's competitive legal environment.

Current concerns

Where there is light, there is shadow

Can AI outputs be trusted for accuracy?

Accuracy and misinformation remain the leading concerns. According to Reuters (2025), the top reason for hesitation in adopting AI is uncertainty about the reliability of its results. Even small factual or citation errors can have serious legal consequences. Human verification and oversight remain essential to ensure AI-assisted work meets professional standards.

What about liability?

Liability when using AI is still being defined. When AI contributes to a legal document or decision, determining who is responsible for any resulting errors is complex. Human verification is typically required, yet liability boundaries between the professional and the technology remain unclear – especially in high-stakes legal contexts.

How secure is client data?

The handling of confidential and sensitive data continues to raise questions. Legal professionals seek greater clarity about where information is stored, how it is processed, and whether it is used to train external systems. Regulations are evolving, but maintaining data sovereignty and privacy across jurisdictions remains a central challenge.

Can AI make ethical judgments?

While AI can assist with drafting and analysis, it cannot replicate the empathy, discretion, or contextual reasoning needed in legal work. Many professionals worry about over-reliance on automation and the gradual loss of human judgment. Responsible use requires keeping people in the loop for every critical decision.

Is the data good enough?

AI's effectiveness depends on the quality of the data it works with. Incomplete, outdated, or inconsistent datasets can produce unreliable results. Many firms are now strengthening their data management and governance practices to ensure structured, accurate information – the foundation for trustworthy AI performance.

Examples

Legal work with AI

1
Preparations for mass proceedings

The challenge

In mass proceedings – such as damages claims or class actions – firms often receive hundreds of similar documents. Each must be processed and finalized within strict legal deadlines, creating a heavy administrative load of sorting, comparison, and verification.

The solution

AI can quickly identify similarities and differences across large document sets, enabling standardized processing. Tools now extract and analyze key information – such as claimant details, case numbers, or disputed amounts – in seconds. Automatically generated summaries and case overviews can give lawyers a clear starting point and reduce repetitive manual work.

2
Analyze standardized contract terms

The challenge

Contracts often go through multiple revision cycles, making it difficult to track accepted clauses, detect changes, or spot omissions. Maintaining accuracy across versions can be both time-consuming and error-prone.

The solution

AI tools can analyze contract language at every stage, comparing new terms with previous versions and highlighting inconsistencies. Generative AI can even draft preliminary summaries or flag unusual wording for review. This speeds up contract analysis while keeping legal teams in control of final decisions.

3
Incorporate voice technology

The challenge

The legal sector has long relied on dictation and transcription, but manual processes can slow productivity and require additional admin support. Finding skilled staff for routine documentation tasks is increasingly difficult, leaving lawyers to handle typing and formatting themselves.

The solution

Modern AI-powered speech recognition now transforms spoken content into accurate, punctuated text in real time. Beyond pure transcription, advanced systems can even generate summaries, highlight key action points, or even detect sentiment – turning voice recordings into usable, structured content. Cloud-based speech tools make it possible to dictate, edit, and finalize documents securely from anywhere, streamlining daily workflows across legal teams.

Looking into the future

AI – and now what?

AI is rapidly becoming part of everyday legal work, helping firms handle rising workloads, tighter deadlines, and increasing client expectations. Instead of replacing legal professionals, modern AI tools support them by taking over repetitive, time-consuming, or documentation-heavy tasks.

Today's solutions can assist with drafting, organizing information, and processing large amounts of data far more quickly than before. Many legal teams now rely on AI-powered speech-to-text, clean transcripts, structured outputs, and smarter review workflows to improve efficiency without compromising quality.

Adopting these tools still requires thoughtful change management. Accuracy checks, data protection, and clear internal guidelines remain essential as firms explore responsible use.

With the right balance of human judgment and technology, AI can meaningfully support legal professionals and enhance the way work gets done.

AI will not replace lawyers, but lawyers who use AI will replace those who do not.

Sources

2025 Generative AI in Professional Services Report

Thomson Reuters Institute

Types of Artificial Intelligence

IBM

Practical AI features supporting legal documentation today

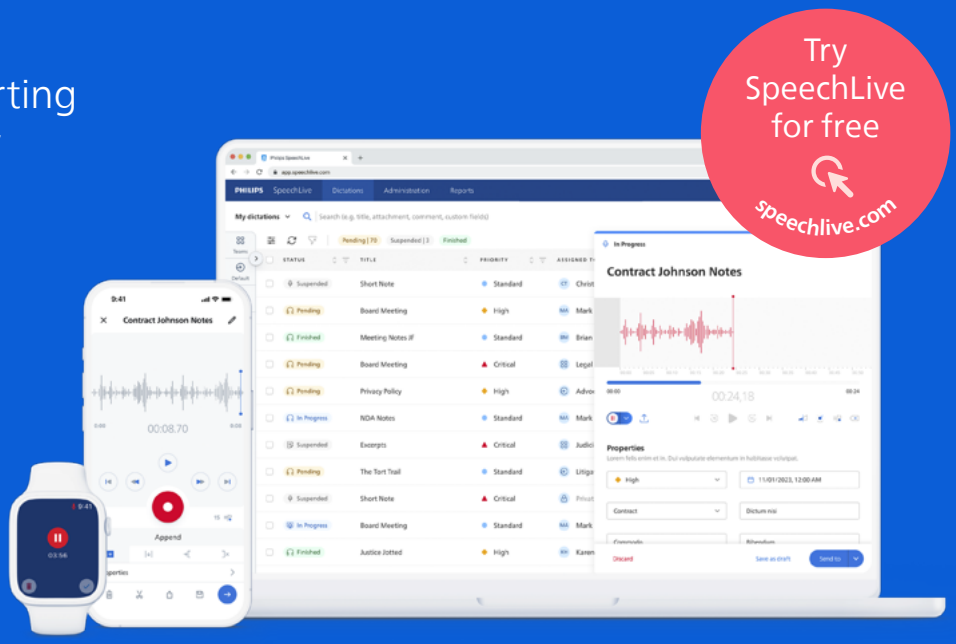
AI-powered speech recognition
Turn spoken content into accurate text instantly.

Smart Transcript
Automatic punctuation, formatting, and clean-up.

Multi-Speaker Identification
Detects and labels different speakers in meetings, interviews, or hearings.

Smart Refine
Improves clarity, structure, and readability of any draft.

AI Insights & Summaries
Extract key points, deadlines, tasks, and case-relevant information in seconds.



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