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WHITE PAPER

AI: Igniting legal strategy and case intelligence



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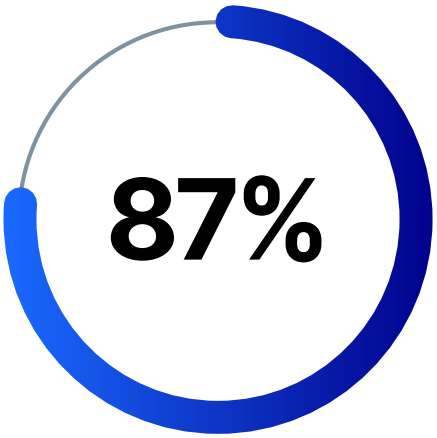
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Executive summary

In the rapidly evolving legal landscape, law firms and legal departments are no longer viewed as mere risk managers, but as strategic partners critical to client and organizational success. AI has emerged as an essential tool in facilitating the legal profession's transition from reactive legal guardian to proactive business strategist. Traditional methods of document interrogation and review are being revolutionized by AI technologies that offer unprecedented insights for strategic legal advisors who are focused on driving client value and business outcomes.

This white paper explores how AI is fundamentally reshaping legal practice to empower legal teams to deliver greater value to clients. By combining advanced technological capabilities with human expertise, law firms and legal departments can unlock strategic insights, accelerate case preparation, gain critical competitive advantages, and optimize operational efficiency. AI automates routine tasks, freeing legal professionals to focus on strategic analysis and advisory work that directly advances client objectives and business outcomes.





of respondents agreed that the role of general counsel is shifting from legal advisor or risk mitigator to a strategic and influential partner to other senior executives.[1]

eDiscovery and investigations challenges

Managing digital information in litigation and investigations has grown increasingly complex. As business communication volumes surge, legal teams face converging pressures: technological disruption, heightened expectations, and constrained resources.

Limitations of traditional approaches

Growing data volumes and complexity strain budgets and schedules. Traditional review methods—linear document analysis and keyword searching—are both over- and under-inclusive, missing nuanced context while generating excessive results. The work isn't slowing down, but smarter approaches can accelerate it.

Escalating costs and risks

In-house counsel and law firms face mounting pressure to control costs while mitigating risk. Large-scale manual review drains resources, erodes client value, and increases the likelihood that privileged information is mishandled or critical evidence overlooked. These inefficiencies undermine competitive positioning for firms and threaten budget compliance for legal departments. They also impede the rapid, data-informed decision-making that clients expect.

Evolving strategic expectations

Legal professionals must deliver actionable intelligence that supports business objectives and delivers measurable value. In the OpenText/Corporate Counsel Business Journal Modern General Counsel Survey, 87 percent of respondents agreed that general counsel are shifting from risk mitigators to strategic partners with senior leadership. Law firms must similarly position themselves as advisors who understand business context, anticipate challenges, and contribute to competitive advantage.

The technology imperative

Corporate counsel require sophisticated tools that can provide comprehensive, rapid, and insightful analysis that supports proactive decision-making. It is no surprise then that 91 percent of The Modern General Counsel Survey respondents said technology is critical or important to meet legal strategy, objectives, and challenges.[2]

For law firms, technological sophistication has become a key factor in winning and retaining clients, making AI adoption not merely an operational enhancement but a competitive necessity. At about 28 percent, GenAI adoption at law firms is one of the highest adoption rates among professional services sectors, with eDiscovery and document review highlighted as key early workflows.

1 OpenText, *The Modern General Counsel – Legal Advisor and Strategic Partner*, 2023

2 Thomson Reuters, 2025 Generative AI in Professional Services Report



Technical foundations of AI for legal tasks

Leveraging technology to automate costly and time-consuming legal tasks is not a new concept. The explosion of digital communications over the past 30 years has necessitated reliance on increasingly sophisticated technology to keep pace with the volume and velocity of data at issue in modern litigation and investigations. Legal teams have witnessed a steady evolution—from optical character recognition to make scanned paper documents searchable; to machine learning techniques, semantic enrichment and analysis and textual, conceptual, and visual analytics; and most recently, large language models (LLMs) and generative AI to streamline or eliminate costly and inefficient tasks. Modern AI now offers sophisticated technological approaches to deliver unprecedented insights for legal teams, improving efficiency, accuracy and speed to facts along the way. Whether managing litigation at scale, conducting digital investigations, or rethinking the best approach to completing work, this technical foundation keeps legal professionals ahead of the curve.

TAR 1.0 and 2.0: Laying the groundwork

Early technology-assisted review (TAR) technologies represented a significant leap forward in legal document processing. TAR 1.0 used basic machine learning algorithms to learn from human reviewer decisions on a control set, extrapolating classifications across entire document population. TAR 2.0 introduced continuous model updates and intelligent document prioritization, enabling more dynamic and responsive review processes.

These technological advancements delivered remarkable benefits to legal teams. Document review teams experienced dramatic reductions in review time—often up to 80 percent—while simultaneously improving accuracy and consistency.[3] As a result, legal departments could meet tight deadlines, reduce outside document review and litigation expenses, and redirect attorney time from repetitive document sorting to high-value analytical work.

The emergence of large language models (LLMs)—from TAR to HAR

In the March 2025 Foundry MarketPulse Survey for OpenText, IT and Legal, 64 percent of respondents reported that their legal departments are exploring or piloting GenAI technology.[4] The survey revealed that the top use cases for generative AI included compliance, intelligent search, eDiscovery, document summarization, and knowledge management.

The evolution of document review and analysis technology has reached a pivotal moment, with generative AI—particularly LLMs—representing the next frontier in legal technology. This next evolution emphasizes a collaborative intelligence model that integrates human expertise with artificial intelligence capabilities. Known as human-assisted review (HAR), this approach facilitates more intuitive interactions through natural language prompts, enables continuous learning and adaptation, significantly enhances investigative capabilities, and has the potential to drastically reduce the time and cost of document review and analysis.

3 Corporate Counsel Business Journal, *10th Annual 2025 Directory of Leading Technology and Project Management Solutions*

4 Foundry MarketPulse Survey, ***Igniting change: How IT and Legal are joining forces to spark innovation***, 2025 (publication pending)



The potential of LLMs and generative AI

As discussed above, TAR offers legal practitioners significant efficiency gains by rapidly identifying documents most likely to be relevant, substantially reducing manual review efforts. However, traditional TAR has notable limitations: it requires manual training by subject matter experts to establish and refine relevance criteria, and while it analyzes textual patterns and statistical relationships, it typically relies on simpler statistical modeling and feature extraction techniques, lacking the deep, nuanced contextual understanding of modern LLMs.

Unlike traditional TAR, LLMs are pre-trained on extensive textual data, enabling them to grasp complex semantic relationships and context with minimal task-specific training from legal experts. LLMs also offer advanced capabilities such as sentiment analysis, complex named entity recognition, semantic relationship mapping, underlying narrative identification, and natural language processing approaching human-level comprehension. Additionally, LLMs are capable of adaptive learning through natural language prompts. As legal practitioners become adept at prompting LLMs to recognize key documents and differentiate between relevant and non-relevant data, the speed, efficiency, and accuracy of document review and investigations will continuously improve.

Retrieval-augmented generation (RAG) has emerged as a critical technique in this technological landscape, combining two key components:

1. **Retrieval:** The system searches through a large database or corpus of documents to find relevant information related to a given query or context.
2. **Generation:** The AI uses the retrieved context to generate more informed and contextually accurate responses.

In legal document review and analysis, RAG enables AI systems to pull relevant documents or excerpts from large collections and generate precise insights, summaries, or connections between seemingly unrelated pieces of evidence that might escape human reviewers. For instance, an LLM might identify subtle linguistic patterns, thematic consistencies, or contextual references that link disparate pieces of evidence, providing investigators with a holistic view of complex information landscapes.

AI's transformative capabilities in eDiscovery

Artificial intelligence represents a fundamental shift in how legal professionals approach document review and analysis. Where manual review and traditional investigation methods once dominated, AI now offers a revolutionary approach to understanding complex information ecosystems. These technologies go beyond simple data processing, providing deep contextual analysis that can uncover hidden connections, predict strategic opportunities, dramatically compress the time required for comprehensive case assessment, and reduce the risks and costs associated with traditional outsourced document review.



The natural language processing capabilities of modern AI systems enable comprehensive data extraction that was previously unimaginable. These systems can now navigate multiple languages, extract key insights across diverse document types, and identify intricate patterns and connections that might escape human perception.

Key capabilities and use cases

LLMs can be used by many legal teams and investigators to support critical litigation, internal investigations, and regulatory compliance activities to enhance the ability to:

- **Identify key custodians:** Analyze communication patterns to identify which individuals were most involved in relevant discussions.
- **Make critical connections:** Identify connections between seemingly unrelated documents or communications that human reviewers might miss.
- **Conduct communication analysis:** Process digital data to identify discussions relating to the investigation topic, spotting patterns and relationships that might indicate misconduct.
- **Expedite document identification and summarization:** Analyze large volumes of documents, flagging those most relevant to the matter, significantly reducing manual review time.
- **Rapidly classify data:** Quickly analyze and categorize data by identifying themes, concepts, legal issues, personally identifiable information (PII), protected health information (PHI), etc.
- **Improve privilege review:** Identify potentially privileged communications and attorney work product, reducing the risk of inadvertent disclosure.
- **Facilitate data redaction:** Suggest content for redaction based on privacy requirements, confidential information, or other sensitive data.
- **Monitor policy compliance:** Compare employee communications and actions against company policies to identify potential violations or improper behaviors.
- **Detect early warning signs:** Identify language patterns and behaviors that might indicate fraud, harassment, or other misconduct.
- **Assist in interview or deposition preparation and transcript analysis:** Generate targeted interview or deposition questions based on document review findings and later analyze transcripts for inconsistencies or areas requiring follow-up.
- **Analyze financial transactions:** Review financial records, expense reports, and transaction data to identify unusual patterns or potentially fraudulent activities.



- **Reconstruct timelines:** Compile chronological sequences of events from various document sources to establish factual timelines.
- **Enhance sentiment analysis:** Analyze the tone and emotional content of communications to identify potential conflicts, pressure, or coercion.

The unique capabilities of LLMs can be deployed across a number of different use cases including:

Early case assessment

In litigation support, AI transforms early case assessment by providing rapid, comprehensive evidence identification and summarization. Information can be turned into actionable insights by using a variety of analytics from cognitive search, visualizations, intelligent analytics and innovative AI. Legal teams can now conduct predictive risk analysis with unprecedented speed and accuracy.

Early insight into key evidence provides legal and investigative teams with a significant strategic advantage. By seeing the big picture quickly and assessing strengths, weaknesses, and potential vulnerabilities, legal practitioners can anticipate challenges and align legal functions to organization and client objectives to uncover timely data insights, and unlock strategic decision-making. The result is a transition from reactive problem solving to proactive strategic advisement. This shift is crucial in demonstrating the true value of legal and positioning as essential contributors to client organizational success. Scoping with content awareness will make expensive guesswork obsolete.

Internal investigations

Internal investigations benefit from AI's ability to monitor compliance, detect potential fraud, investigate employee misconduct, and prepare comprehensive responses to regulatory inquiries.

Document review and production

Whether for litigation or regulatory document requests, legal practitioners can use LLMs to categorize large sets of documents based on relevance, privilege, or specific issues. Legal teams not only improve efficiency and lower costs of document review and production, but they also gain critical insight into the evidence before documents are produced to opposing parties or regulators—empowering them to make early strategic recommendations about pursuing/defending or settling matters.

Data breach response reporting

LLMs have the potential to revolutionize data breach response reporting by dramatically accelerating critical processes while improving accuracy and compliance. The AI systems can rapidly classify compromised data identifying affected individuals and determine applicable notification requirements across multiple jurisdictions—tasks that would otherwise require extensive manual review.

Data privacy

LLMs can efficiently process data subject requests by rapidly scanning vast databases to locate and compile all personal information related to the requesting individual. They can analyze unstructured data sources like emails and documents to identify personal information that traditional systems might miss, ensuring more comprehensive compliance with privacy regulations.

Additionally, LLMs can assist in evaluating exemptions or redactions required by privacy laws, streamlining the review process while maintaining regulatory compliance across different jurisdictions.

Quantifiable benefits

The benefits of AI in eDiscovery are not merely theoretical. With the power of LLMs, legal teams can realize levels of efficiency and accuracy that exceed the advantages of TAR alone, dramatically compress investigation and document review timelines, and handle document volumes that would have been unmanageable just a few years ago. The consistency and comprehensive coverage provided by the latest AI systems represent a fundamental improvement over traditional review and investigation methods, and even over advanced TAR methodologies on their own.

With the ability to automate evidence synthesis and summarization legal teams can streamline operations and free up time to focus on higher value legal work. Improved resource allocation efficiency means that legal will deliver results faster and drive better business outcomes.



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Conclusion: Embracing technological transformation

The role of the legal advisor is undergoing a profound metamorphosis, shifting from traditional risk managers to strategic business partners. No longer confined to reactive gatekeeping roles, modern legal practitioners are expected to be proactive value creators who deeply understand their clients' business objectives and contribute directly to organizational strategy. This evolution demands that lawyers move beyond mere legal compliance and risk mitigation to become integral strategic advisors. They are now required to leverage technological capabilities like AI to provide predictive insights and drive operational efficiency.

The most successful legal counsel are those who can translate complex legal issues into actionable business intelligence, using tools like advanced AI-powered analytics to not just protect their clients' interests, but to actively enable its strategic goals. This requires a new skillset that blends deep legal expertise with business acumen, technological literacy, and strategic thinking

Legal practitioners stand at a pivotal moment in technological adoption. By strategically integrating AI-powered document review technologies, legal teams can enhance operational efficiency, reduce cost structures, improve investigative capabilities, and maintain the highest standards of legal rigor and precision.

Successful implementation requires a balanced approach that respects technological potential while preserving fundamental legal principles of accuracy, defensibility, and strategic judgment.

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