

Business case for law firm adoption

Source-linked legal intelligence for substantial documentary matters

OCTOBER 2026 • UK LITIGATION PRACTICES

DECISION REQUESTED	approve a six-week, security-gated evaluation with a litigation team, followed by a measurable go/no-go procurement decision.
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Audience: managing partners, heads of litigation, practice managers, innovation leads, compliance officers and prospective pilot partners.

THE CASE FOR EVALUATION

01 Executive proposition

LegalRAG Pro is designed to help litigation teams transform substantial collections of documentary evidence into organised, reviewable legal work. The intended operating model combines paralegal preparation, junior-solicitor analysis and qualified-solicitor supervision.

The principal commercial benefit is additional case-handling capacity: reducing avoidable time spent locating documents, assembling chronologies, preparing source-linked summaries and chasing outstanding tasks. Better capacity can support revenue growth, faster delivery, or reduced need for additional hires. It does not, without further evidence, establish a case for redundancies.

This paper distinguishes the proposed product value from independently verified outcomes. No LegalRAG Pro staff-saving percentage, market price or production-security certification has yet been established by this business case.

INTENDED OPERATING MODEL

PREPARE	ANALYSE	CHECK	APPROVE
Paralegal	Junior solicitor	Supervising solicitor	Qualified solicitor

DELIVERY CHALLENGES

02 The operational problem

- 01** Evidence is fragmented across large document sets, correspondence, reports and attachments, making review and chronology construction labour-intensive.
- 02** Junior staff repeatedly search for facts, reconcile dates, prepare first drafts and reconstruct how claims relate to supporting documents.
- 03** Supervising solicitors need to understand what was reviewed, which source supports each assertion and which important gaps remain.
- 04** Conventional AI tools may produce convincing but unsupported answers; users need disciplined validation, data protection and professional oversight.

Market context: Thomson Reuters' 2026 law-firm report identifies client demands for AI-enabled improvements and evolving pricing expectations; the SRA's August 2026 warning notice identifies hallucinations and confidentiality as risks requiring active mitigation. [1] [2]

WORKFLOW COVERAGE

03 Proposed LegalRAG Pro solution

Workflow	Intended benefit / use
Document intake and matter organisation	Make material easier to locate, categorise and review within a defined matter.
Evidence search and Ask	Answer matter questions with linked supporting sources for professional checking.
Chronologies and issue tracking	Accelerate event sequencing, issue identification and gap analysis.
Case Operator and tasks	Expose outstanding work, review priorities and next actions.
Working drafts	Prepare reviewable summaries and draft material, not unsupervised final advice.
Supervisory workflow	Enable a solicitor to interrogate sources, request corrections and control approval.

Feature availability, performance, permissions, export behaviour and suitability for live client files must be checked in the actual pilot environment. This document is not a representation that all controls have passed independent assurance.

ADOPTION MODEL

04 Users and purchasing stakeholders

Role	Likely usage	Value
Paralegals / support	High-frequency	Evidence organisation, chronology preparation, document triage.
Trainees / junior solicitors	High-frequency	Research within the matter, issue analysis, drafts and follow-up.
Supervising solicitors	Regular, decision-focused	Source inspection, corrections, approvals and responsibility.
Partners / practice managers	Procurement / oversight	Capacity, matter economics, service quality and risk governance.

The product should be marketed to litigation teams as a supervised workflow, not as a substitute for the solicitor. The SRA's supervision guidance, updated on 12 June 2026, emphasises appropriate direction, management, supervision and control of delegated litigation work. [3]

ILLUSTRATIVE SCENARIOS

05 Quantified economic case

PLANNING ASSUMPTIONS — NOT MEASURED PERFORMANCE

Example assumptions for a six-person team: 1,500 productive working hours per person annually; 30% of those hours spent on tasks in scope; fully loaded productive-hour value of £35; all AI generation, checking, corrections and supervising time included in the net savings measure.

ELIGIBLE ANNUAL HOURS

2,700 hours

FORMULA

$$6 \times 1,500 \times 30\%$$

Eligible annual hours = $6 \times 1,500 \times 30\% = 2,700$ hours. These are planning assumptions, not measured LegalRAG Pro results.

Net saving on eligible work	Capacity hours freed/year	FTE equivalent ¹	Illustrative capacity value ²
5%	135	0.09	£4,725
10%	270	0.18	£9,450
20%	540	0.36	£18,900
30%	810	0.54	£28,350

¹ FTE is calculated at 1,500 productive hours/year. ² Hours freed $\times$ £35/hour; this is capacity value, not automatically cash savings.

At the illustrative 20% net saving level, 540 annual hours would be released. If all-in first-year costs were hypothetically £8,000, the arithmetic value of capacity would exceed that cost by £10,900 (136% simple illustrative ROI). The first-year cost is an assumption only; LegalRAG Pro pricing and customer deployment costs must be quoted and confirmed. Break-even under these assumptions requires approximately 229 hours freed annually, or 8.5% of eligible work.

Realisation matters: unused capacity has no immediate cash value. Financial benefit arises only when the firm can redeploy time to chargeable or otherwise valuable work, avoid a planned hire, improve collections, or reduce verifiable expenditure. Hourly-billed firms must also consider the possibility that faster work reduces billable hours unless pricing and demand adjust.

WORKFORCE IMPACT

06 Staffing implications

The most defensible workforce claim is increased throughput per team, not a promised percentage reduction in headcount. Repetitive preparation performed by paralegals and junior lawyers is the initial automation opportunity, whereas professional judgement, client advice, supervision and responsibility remain with appropriately authorised practitioners.

NEAR-TERM	reduced overtime, shorter backlogs and faster preparation of supervised work.
MEDIUM-TERM	additional matters handled by the same team and potential avoidance of incremental hiring.
LONGER-TERM	staffing mix may change, but only after measured results, client demand, training and supervision effects have been assessed.

A law firm should retain meaningful learning opportunities for junior staff rather than remove the experience on which future independent judgement depends. Thomson Reuters' 2026 legal report highlights this development risk. [1]

GOVERNANCE REQUIREMENTS

07 Risks, safeguards and procurement

Risk	Required control before adoption
Fabricated / incorrect legal material	Human verification of every material legal proposition, source and citation; unsupported outputs clearly flagged.
Client confidentiality / privilege	Written data-flow review, retention/subprocessor checks, access controls and contractual confidentiality assurances.
Personal data / UK GDPR	Controller/processor mapping, appropriate processing contract, risk screening and DPIA where required.
Operational reliability	Pilot proof of recoverability, audit records, user access, document isolation and usable export paths.
Loss of supervision	Recorded roles, review checkpoints, escalation and solicitor approval of external work.
Benefits overstated	Independent timing and quality baselines, fully costed calculation and published limitations.

The SRA has expressly warned that AI use does not displace solicitors' existing responsibilities. The ICO requires a DPIA where processing is likely to result in high risk and explains the importance of processor contracts. [2] [4] [5]

PILOT PROTOCOL

08 Six-week pilot and decision criteria

Phase	Activity / deliverable
Week 1 — assurance	Scope synthetic matters, agree participant roles, verify access controls, decide whether any live data use is lawful and permitted.
Week 2 — baseline	Manual completion of agreed tasks; record elapsed time, quality, corrections and reviewer involvement.
Weeks 3–4 — supervised trials	Complete identical or equivalent tasks with LegalRAG Pro; record prompts, outputs, sources, rework and supervision time.
Week 5 — quality review	Independent practising solicitor assesses accuracy, completeness, citations, confidentiality controls and usability.
Week 6 — decision	Compare net hours, quality and total cost; decide adopt, revise, extend or stop.

Proposed sample: 28 controlled task comparisons across seven representative workflows, drawing on synthetic demonstration matters where suitable. Sample composition and results must be documented; comparison tasks should be matched for complexity and not reuse memorised answers.

Recommended acceptance gates: (a) no unresolved material citation or factual defects in outputs approved for use; (b) 100% professional approval of substantive external-facing work; (c) demonstrable compliance with agreed confidentiality, access and export requirements; (d) at least 15% quality-adjusted net time saving across eligible tasks as an initial commercial hurdle; and (e) realistic benefit greater than total cost. The 15% figure is a proposed threshold, not a prediction.

PROCUREMENT DECISION

09 Commercial deployment recommendation

Start with one specialist litigation team rather than firm-wide rollout. The first viable customer profile is a UK firm with recurring evidence-heavy disputes, a named supervising solicitor, enough structured matters to test, and leadership willing to measure costs and quality. Only after independent validation should LegalRAG Pro offer quantified case studies or contractual productivity commitments.

Preferred sales message: "Give litigation teams faster access to their documentary evidence, source-linked analysis and reviewable work—under solicitor supervision."

Decision sought: authorise a bounded, synthetic-data-first practitioner pilot; nominate a supervising solicitor and operational lead; document procurement/security requirements; and approve adoption only if the gate evidence is satisfactory.

Sources and evidence status

[1] [Thomson Reuters, Future of Professionals 2026 — Legal Report](#)

[2] [SRA, Misuse of AI — Warning notice \(2026\)](#)

[3] [SRA, Effective supervision \(updated 12 June 2026\)](#)

[4] [ICO, When do we need to do a DPIA?](#)

[5] [ICO, Contracts and liabilities between controllers and processors](#)

Evidence classification: third-party market/regulatory claims are cited; described product workflows come from LegalRAG Pro project material and require live pilot verification; all staffing, cost, productivity, ROI and pricing figures are explicitly illustrative.