

The power of data for law firms

Whitepaper



Powering your law firm

oneAdvanced



The importance of being data-driven

The legal sector is undergoing rapid change. From technological disruption and rising client expectations to fierce market competition, law firms face pressures unlike ever before. Amid this transformation, data has become one of the most valuable assets a firm can possess as a critical driver of insight, efficiency, and competitive advantage.

Being “data-driven” is no longer reserved for innovators, large law firms, or a buzzword used only amongst savvy legal tech circles, instead it’s now a strategic necessity for any firm that wants to thrive, deliver measurable client value, and drive sustainable growth in a modern digital landscape.

As such, data is a vital component to all areas of legal work, from client service and compliance to resource management and profitability.

Harnessing that data correctly can unlock more efficient and accurate ways of working, new pricing strategies, client satisfaction, reporting and much more. In many cases, it can surface insights that would be impossible to access through manual means alone, unlocking greater opportunities and increasing productivity.

To ignore the role of data is to fall victim to what some are calling the “data gap”, the loss quantifiable in pounds and pence, as not utilising available data to optimise workloads, mitigate risks or maximise client value can have a real impact on billable hours. So, law firms now face a choice: continue relying on instinct and tradition or embrace data as a catalyst for innovation. When managed wisely, data is not just informative, it’s transformative.



This whitepaper explores what it means to be an intelligent, data-driven firm, the challenges along the way, and how emerging AI technologies both depend on and enhance effective data use.



What it means to be data-driven

A law firm truly powered by its data means actively utilising that data in all aspects of reporting, decision-making and operational improvement.

Data-driven law firms centralise this information and organise it in a way that ensures their teams can have live access to the datapoints they need, when they need them, so it can be effectively analysed and leveraged at every level.



This can be done in a number of ways across a law firm:

- **Strategic decisions:** Board-level decisions on investment and growth are guided by measurable trends, such as which practice areas are expanding fastest or where new client demands are emerging.
- **Client service improvements:** real-time feedback and workflow analysis can help firms spot bottlenecks or poor feedback quickly and effectively.
- **Financial planning:** More precise and accurate data on cash flow, projections, and which case types deliver optimal margins quickly; allows firms to allocate resource more effectively and enables smarter forecasting.
- **Regulatory compliance and risk management:** Proactively monitoring matter-level data enables firms to boost their compliance and mitigate risk, using the data to detect potential gaps before they become issues, ensuring the firm stays audit-ready and resilient.



Power in proactivity

Data-driven law firms differentiate themselves from their competitors by being able to proactively address and respond to matters before they become concerns. This moves firms away from needing to make knee-jerk reactions and protects their reputation by having a greater focus on providing client service and ensuring sustainable growth.

In placing importance on data, such firms identify areas of improvement before they become areas of concern, identify opportunities to quicker reach their goals, and refine their processes to become more efficient and extract greater value. This creates a culture of constant improvement which permeates across the firm enhancing service, building profitability and agility when operating in a rapidly changing environment.





The power of data for law firms

Utilised with intelligence, data can play a transformative role for law firms. The benefits that can be gleaned from turning raw information into actionable insights include a wide array of functional and commercial benefits.

Better and faster strategic decision-making

Law firms can leverage a current and historic case, client and other business data that can allow leaders to leverage insights for a number of strategic decisions including training and development, product development, investment advice, financial planning, case outcome trajectories and more.

By leveraging these, you can better predict your firm's trajectory, analyse your current pace against your market and gain insight into how you can utilise the tools you have to reach your goals.

Streamline your workflows

By harnessing case and client data, repetitive administrative case tasks can be automated with ease using data-reliant templates in case management systems. This accelerates document creation and comparison, boosts accuracy, improves compliance and frees up time so firms can leverage greater billable hour maximisation.

This is also the difference between having AI tools and using AI to its full potential. It's the data you put into it that drives productivity and efficiency gains as it produces meaningful outputs with less effort.

Manage your financial health

Having live dashboards to analyse metrics such as billing rates, realisation rates, and profitability allows firms to understand their cash flow, financial performance and be able to review pricing structures.

Meanwhile increased visibility into overdue accounts and outstanding debt, highlights financial risks to your firm to ensure greater focus on the overall financial health of your organisation.

Compliance and risk management

Regularly reviewing matter files for workflow completion and hitting deadlines ensures strong matter health, proactive compliance and client service, as well as overall matter quality with your fee earners and teams.

If you can see offending items by type, department and fee earner, you can identify who needs additional training, or what systems and processes need amending to improve matter quality and regulatory compliance across your law firm.

Sustained competitive advantage

Ultimately, the key advantage of being data-driven is using data to make smarter, more informed decisions, to gain a sustainable edge over competing firms.

Data empowers law firms to innovate and focus their resources on high-impact areas so they have more time to provide excellent client services that make them stand out in a competitive market.



How to unlock your data

Despite the clear benefits of utilising data, firms often see significant challenges on their journey to harnessing it effectively. Overcoming these obstacles is crucial for realising the true potential of data-powered operations and innovation.

Making data truly powerful for law firms requires more than just collecting data, it demands thoughtful integration, a supportive culture, and robust technology working together for success.

Legacy systems and data silos

Many law firms still rely on outdated software that struggles to integrate with modern platforms, resulting in fragmented data, clunky reporting and limited visibility. Departments may also retain their data in silos, preventing holistic analysis and collaboration across teams and the wider business. These barriers slow progress and limit the strategic value that unified data can offer.

Firms should aim to integrate their systems to a centralised, single source of truth. This will ensure that data can be accessed across different teams within the firm and can easily be presented via dashboards or reports. Using a modern legal software system capable of handling both business intelligence and live reporting of data from a single source of truth, will ensure transparency and accuracy when it comes to decision making.

Poor data quality

When making the move to being more data-driven, trust in your data is paramount. Without it, the reporting that comes back is often inaccurate, slows down decision making and impacts operations.

Governance and policies around data inputting need to be implemented, training must be provided, and processes must be monitored continuously going forward to ensure accuracy, completeness and reliability.

Remember, data is most valuable when it's clean and secure. Review and scrub practice management system information routinely by removing errors, redundancies, and gaps as an ongoing practice. Strong data governance and cybersecurity measures protect sensitive client and firm data from growing privacy risks and regulatory requirements.

Change resistance

Lawyers and staff may be sceptical of new technologies or processes, especially if they are accustomed to traditional methods. This resistance can slow adoption and impede the success of data initiatives.

Cultivating a culture where everyone understands the value of good data insights is crucial to creating a data-driven practice. Stakeholders need to be engaged early and educated on the importance of the strategy and the impact and benefits that it will have for them and for the business.

Staff should be trained on data tools, practices, and encouraged to participate in processes in their day-to-day. Consider how each team might utilise the tools in their role and how it can improve those processes quickly. Also, as with any sustained change, be sure to recognise and celebrate the individual successes at each level to drive buy-in across the firm.



How data powers AI

Artificial Intelligence (AI) is having a transformative effect amongst UK law firms. According to Gartner, for example, [36% of general counsel](#) now list AI adoption, skill-building or AI risk-management as a top priority. More generally, our [OneAdvanced 2025 Legal Trends Report](#) found that a vast majority of firms across the industry are harnessing the power of digital transformation to improve not only their internal processes, but also the service they can offer to their clients with 65% of firms reporting that they use digital methods for client interactions wherever possible, and 22% of firms stating they use AI to do so.

When we consider data through the lens of generative AI tools, which have the power to unlock a new dimension of automation, analytics, and workflow innovation, the value of data is multiplied. In fact, it is predicted that over the next 2-5 years, large language models will [boost legal-department productivity by 10-20%](#).

Modern AI-powered systems can analyse documents for risk or inconsistencies before a lawyer reads them, suggest optimal legal strategies based on extensive case law analysis. These capabilities don't just save time; they bring a strategic, proactive dimension to legal work that was previously impossible with manual methods. Artificial intelligence such as compliance agents also excel at highlighting compliance issues, conducting automated file reviews, and surfacing trends hidden within massive data sets.

The effectiveness of AI, however, is directly tied to the quality of your firm's data. For algorithms to deliver accurate insights, the underlying information must be clean, well-organised, and robust. Poor data quality can lead to irrelevant recommendations, missed risks, and unreliable automations which have the potential to cause compliance headaches, hallucinations, inaccuracies and inefficiencies.

The Ministry of Justice as part of its [AI Action Plan for Justice](#) has recognised that it needs to improve data as a prerequisite for AI use cases, stating that 'high-quality, joined-up data is essential for AI to deliver value across the justice system' and that data inconsistencies currently 'limit our ability to personalise services, manage risk, and make timely decisions' while 'manual processes and siloed systems can also impact... frontline efficiency.'

One of AI's most significant contributions for law firms is in visualising complex data. Intelligent tools can create instant, easy-to-interpret dashboards, turning raw performance and case data into actionable graphics for partners and managers. This capability makes workflows transparent, helps quickly spot bottlenecks, and empowers teams to make databacked decisions at every stage of client service.

For law firms, the relationship between data and AI is cyclical and reinforcing. AI thrives on good data but also encourages better data practices as teams realise how valuable high-quality, well-maintained data becomes when utilised by machine learning and automation tools. Therefore, adopting AI promotes continuous data hygiene and a culture that values strategic data stewardship.



As law firms continue to seek new opportunities to improve efficiency, productivity, profitability and deliver exceptional client services, data has become the foundation for underpinning success. The firms that thrive in this new digital era will be those that treat data as a strategic asset, not an administrative burden. Those that use their data to fuel innovation, drive data-powered insights and enhance strategic decision making.

Poor data quality remains one of the biggest barriers to success, so a proactive approach that is built upon integration, security, transparency, effective technology, and a culture of continuous data stewardship, will be key to helping firms navigate the challenges they face when improving their data management.

Across the industry the direction of message is clear: **being data-driven is now essential.**

To achieve this firms must look to digital partners who truly understand their organisation and can support their goals with technology that ensures their information remains connected, secure, and actionable. This is why we created [IQ for Legal](#). A single, trusted Intelligent System of Work where people and AI work together. IQ empowers law firms to thrive by leveraging legal software to streamline processes, boost productivity and drive growth all in a unified, single software platform for your entire practice.

By combining strong data management with robust technology, firms have the ability to unlock new levels of automation, client service, and success. With the right mindset, leadership and tools in place, law firms can cultivate resilience, efficiency, and profitability by harnessing the full transformative potential of their data.



Powering your law firm

With decades of experience, OneAdvanced is at the heart of UK legal technology. Trusted by UK Top 200 law firms, we power over 80,000 users every day and two million cases each year. With IQ Legal, we're delivering intelligent legal workflows, UK-sovereign AI, as well as robust compliance and security. By transforming productivity into profitability, we empower firms to concentrate on what matters most: delivering exceptional service for their clients.

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