

**Mindset, Judgment, and the Limits of Tools:
How Legal Technology Is Changing Legal Practice in Real Terms**

IADC Annual Meeting – Continuing Legal Education Written Materials
Prague | Panel Date: July 8, 2026

Authors:

Nicole M. Brunson – Vice President, Litigation, Domtar – Fort Mill, SC

Donna Haddad – Northwestern University - Chicago, IL

Lloyd Johnson – Chief Legal Executive – Oakland, CA

Tarek Nakkach – Kyndryl – Dubai, UAE

Moderator: Christian Murad, Lucid Motors, Riyadh, Saudi Arabia

I. Introduction

Legal technology, and in particular, the rapid development of artificial intelligence (AI) and data-driven tools, has become a defining theme for legal departments and law firms. The market narrative often centers on efficiency, automation, and cost reduction, with some forecasts suggesting a fundamental re-ordering of how legal services are delivered. Yet adoption across organizations remains uneven, and the practical impact on day-to-day legal practice is more nuanced than headline claims.

These written materials support a discussion-based CLE program. They address three topic pillars that are commonly central to modern legal-technology panels: (i) legal tools and the issues they raise in legal practice; (ii) how technology changes day-to-day work for legal and procurement teams, including dispute strategy and the relationship with external counsel; and (iii) the “mindset, skillset, and toolset” framework, with an emphasis on the lawyer’s mindset and the business-partner role in-house teams are increasingly expected to play.

The central premise is straightforward: technology can accelerate work and improve access to information, but it does not replace judgment, supervision, or professional responsibility. In many settings, the lawyer’s value proposition is shifting from “what we know” to “how we think,” including the ability to synthesize facts, apply context, manage risk, and advise stakeholders under uncertainty.

II. Legal Tools: Promise, Reality, and Adoption Challenges

Legal technology today spans contract lifecycle management (CLM) systems, clause libraries and playbooks, document automation, matter management, e-discovery and analytics, and AI-enabled research and drafting. These tools are increasingly accessible to both legal professionals and business users, which expands potential value but also expands governance risk.

A recurring theme in practice is the gap between promise and adoption. Many organizations remain in a pilot or experimentation phase. Tools may be deployed for a specific contract type, a subset of matters, or a single region. Broader rollout can stall due to integration challenges, data quality issues, unclear ownership, limited training, or skepticism about reliability. In some environments, particularly those with complex regulatory overlays or cross-border operations, tools struggle to reflect jurisdiction-specific requirements and nuanced approval processes.

Adoption also varies by seniority and role. Junior teams may be more open to experimentation, while senior lawyers may prioritize certainty, defensibility, and reputation risk. This is not simply resistance to change. It reflects the fact that senior lawyers are accountable for outcomes and may be less tolerant of tools that cannot explain their reasoning or that produce confident but incorrect outputs. A realistic conversation about legal technology should therefore include not only capabilities, but

also failure modes, supervision expectations, and how the organization assigns responsibility for decisions influenced by technology.

III. Impact on Day-to-Day Legal and Procurement Work

The most visible impact of legal technology is on workflow. Contract review tools can flag deviations from standard terms, identify missing clauses, and surface risk areas more quickly than a manual first pass. Intake and triage can be streamlined through structured questionnaires and automated routing. Procurement teams may experience faster turnaround for standardized purchases and clearer escalation pathways for exceptions. Efficiency gains, however, introduce new questions. If a tool flags risks, who decides which risks are material? If a tool misses a non-standard term, who is accountable for the omission? These are governance and supervision issues, not technology issues. Successful implementations typically pair tools with an explicit operating model: what must be reviewed by a lawyer, what can be reviewed by trained non-lawyers, when escalation is required, and how exceptions are documented.

Technology also changes how legal teams interact with internal clients. Business users increasingly expect faster responses and more self-service. That expectation can be healthy if it is matched with clear guidance and guardrails, but it can be risky if speed becomes a substitute for judgment. In this environment, legal teams are often measured not only by legal correctness but by service delivery—clarity, responsiveness, and the ability to enable business outcomes responsibly.

IV. Illustrative Scenarios: Where Tools Help, and Where Judgment Must Lead

Because legal technology affects different organizations in different ways, it can be helpful to ground the discussion in practical scenarios. The following examples are not jurisdiction-specific and are intended to illustrate common patterns where tools add value and where lawyer judgment remains determinative.

First, consider standardized procurement contracting. A tool may accurately identify deviations from a playbook and help a business user understand which clauses are non-negotiable. The lawyer's judgment, however, determines whether a deviation is acceptable in context—such as when commercial urgency, supplier leverage, or operational constraints justify a tailored approach. Tools can accelerate detection and comparison; they do not decide risk appetite.

Second, consider dispute and investigation work. Technology can help identify relevant documents, cluster communications by topic, and build timelines more efficiently than manual review. Yet strategic decisions—such as whether a fact pattern supports early resolution, how privilege should be asserted, or how a narrative should be presented to a tribunal require legal judgment, experience, and advocacy skills. In this domain, the lawyer remains accountable for the defensibility of decisions and the ethical integrity of the approach.

Third, consider legal research and drafting. AI tools can generate summaries and draft language quickly, which can be useful for initial brainstorming or for translating complex issues into plain language for business stakeholders. The peril arises when a draft is treated as authoritative without validating sources, checking jurisdictional nuance, and ensuring that the final advice reflects the client's objectives and risk profile. The best practice is to treat tool output as a starting point, then apply legal analysis, verification, and context before the work is relied upon.

V. Disputes, Privilege, and the Limits of Automation

In disputes, investigations, and litigation, technology can assist with document review, timeline building, and issue spotting. Yet tools do not replace strategic assessment: what claims matter, how a judge or regulator may view a fact pattern, how a case should be framed, or where a settlement posture should land. Those decisions remain judgment-driven and contextual.

Privilege and confidentiality considerations are especially acute. Tool usage may involve third-party processing, cloud storage, or vendor terms that are inconsistent with strict confidentiality expectations. Technology is not, by itself, privileged communication. Lawyers therefore need disciplined practices for what information may be entered into a tool, what must remain within privileged channels, and how outputs are validated and incorporated into advice.

VI. External Counsel Relationships and the Re-Definition of Value

As in-house teams become more capable—through tools, playbooks, and standardized processes—the external counsel relationship often shifts. Work that is highly repeatable may be pulled in-house or handled with lighter-touch outside support. At the same time, external counsel is increasingly engaged for complex judgment calls, strategic advice, advocacy, and foresight. This re-defines value away from routine execution and toward differentiated expertise.

Technology influences this dynamic in two ways. First, it increases the volume and speed of information available to in-house teams, which can reduce reliance on outside counsel for basic research or first-draft outputs. Second, it elevates the importance of counsel who can interpret information, evaluate risk, and advise on strategy under uncertainty. As access to information becomes commoditized, judgment becomes more valuable.

VII. Governance: Guardrails, Not Policing

In many organizations, the internal debate about governance is framed as “guardrails versus policing.” A guardrails approach focuses on permitted uses, accountability, and practical training, while a policing approach emphasizes strict controls and enforcement.

Most mature programs blend both: guardrails for day-to-day use, with targeted controls for high-risk categories such as privileged material, regulated data, or litigation strategy.

Key governance elements generally include: a clear policy on permitted and prohibited uses; data classification rules that determine what can be shared with which tools; a review and supervision model; and a monitoring and continuous improvement loop. Governance should also address human factors: how to prevent over-reliance on tool outputs, how to foster appropriate skepticism, and how to keep judgment central rather than optional.

A useful adoption framing is “promise versus peril.” Even where mass adoption is not yet present, legal teams can prepare by identifying high-value use cases, establishing guardrails, and building internal capabilities that emphasize judgment, business fluency, and sound risk management.

VIII. Ethics and Professional Responsibility Considerations

Mandatory CLE jurisdictions frequently require that educational materials address professional responsibility and ethics considerations applicable to attorneys. The use of AI and legal technology is increasingly relevant to these obligations. Technology can support legal work, but it does not change the lawyer’s core duties of competence, confidentiality, candor, supervision, and responsibility for the work product provided to clients or internal stakeholders.

Competence includes understanding the material benefits and risks of the tools a lawyer uses. This does not require becoming a technologist. It does require a practical grasp of limitations (including hallucinations, incomplete context, and over-confidence in outputs), appropriate validation steps, and the circumstances in which human review is essential. Lawyers should be able to explain, at a high level, why a tool is reliable for a particular use case and what controls are in place.

Confidentiality remains paramount. Lawyers should consider whether tool usage involves disclosure of client or employer confidential information to third parties, how data is stored or used, and whether contractual protections and technical safeguards are adequate. Where privileged or highly sensitive information is involved, a conservative approach is appropriate, aligned with professional obligations and organizational policy. Supervision is another central duty. Whether work is performed by junior lawyers, staff, or augmented by technology, attorneys remain responsible for supervising the work and ensuring that legal advice and deliverables meet professional standards. In practice, supervision often means treating AI outputs as a first draft or research input, then verifying sources, correcting inaccuracies, and applying context before advice is delivered.

Finally, lawyers must exercise independent professional judgment. AI can support research and drafting, but it cannot replace judgment, strategic reasoning, or ethical decision-making. Technology-assisted outputs should be treated as inputs to analysis—subject to verification, refinement, and contextual application—rather than as authoritative conclusions.

IX. Mindset, Skillset, and the Changing Profile of Legal Leadership

A recurring theme in legal technology discussions is the tendency to over-index on tools. Tool proficiency matters, but it is not a substitute for professional effectiveness. Legal leaders increasingly emphasize judgment over output, context over speed, and business fluency over technical fluency alone.

The “mindset, skillset, toolset” framework is useful here. Toolset refers to the technologies and process assets a team uses. Skillset includes legal analysis, communication, negotiation, and risk assessment. Mindset includes how lawyers think and behave: curiosity, skepticism, accountability, and the ability to engage the business as a partner rather than as a gatekeeper. In practice, many organizations find that mindset is the most under-developed lever, even while toolset receives the most attention.

In-house lawyers are also increasingly expected to operate with a customer-experience lens. Legal advice that is technically correct but commercially disconnected is less effective. Lawyers who thrive are those who understand what the business makes, where it makes it, and how it makes money; who can translate legal risk into business impact; and who can offer options rather than only constraints. This is particularly relevant in procurement, where speed and clarity can be as important as precision.

X. Career Development and Training in a Tool-Augmented World

Technology adoption raises a practical concern about professional development. The traditional “pyramid” of legal growth often begins with expertise built through repetition and feedback, leading to judgment, wisdom, and eventually foresight. If foundational tasks are automated too early, junior lawyers may have fewer opportunities to learn through controlled mistakes, iterative drafting, and close supervision.

Organizations can address this by intentionally designing learning pathways. Automation can free junior lawyers from purely administrative work and allow them to spend more time on issue spotting, structured risk analysis, and supervised client interaction. Mentorship and review protocols can be adjusted so that tool-assisted outputs are used as learning materials, with explicit discussion of what the tool did well, what it missed, and how a lawyer should validate and improve the result.

Ultimately, training must evolve alongside tools. The goal is not to preserve inefficient work for its own sake, but to ensure that the next generation develops the judgment, resilience, and business fluency required for complex practice.

XI. Conclusion

Legal technology is reshaping parts of legal practice, but it does not supplant the core functions of lawyers as advisors, risk managers, and ethical professionals. Tools can enhance efficiency and insight, but judgment, context, and responsibility remain human functions.

A balanced approach—grounded in governance, professional responsibility, and business fluency—allows legal teams to capture the promise of technology while mitigating its peril. The most effective legal professionals and teams will be those who integrate tools thoughtfully, supervise rigorously, and maintain the mindset required to deliver value in an increasingly complex environment.