

Clients Expect Value From AI: How to Deliver Without Compromising Ethics

Gone are the days when the phenomenon of generating paragraphs of text within seconds using generative artificial intelligence (AI) was a novelty, and automating tedious tasks like document review and billing felt revolutionary. AI-powered technology has matured beyond its initial experimental phase to become a foundational element of daily operations for companies across industries.

For California law firms, this means leveraging AI is no longer optional but essential for staying competitive. As new tools enable unprecedented speed and accuracy, value is now measured not just by outcomes but by how efficiently those outcomes are delivered. As a result, many clients expect faster contract reviews, risk assessments and regulatory guidance, according to a recent [Law.com report](#).

There is a significant difference between implementing AI tools and actually using them to create value for clients. Here's how to ensure your firm is being strategic and ethical with its AI use.

1 Lean into efficiency

In an industry where efficiency has historically been at odds with traditional billing models, AI presents a powerful opportunity for California law firms to rethink what value means to their clients. Implemented effectively, AI can help firms clear bottlenecks that have plagued the legal profession for decades. Rather than taking away billable-hour revenue, these tools can free up time to be spent on higher-value work.

Some strategies include:

- **Automate routine tasks:** Leverage AI to handle time-intensive processes or low-hanging fruit like document review, e-discovery and initial analysis. The more time you can save by processing large volumes of information, the more lawyers can focus on more complex work. [CEB's Practitioner](#) includes attorney-drafted forms and contracts that can serve as a jumping-off point to help ensure you aren't missing any vital language, clauses or best practices by providing accurate and up-to-date templates.
- **Predict case outcomes:** AI-powered analytics can analyze historical case data to forecast results, allowing your firm to offer clients more strategic, informed guidance and base decisions on actionable insights.
- **Optimize billing practices:** AI tools can track and allocate time more accurately, ensuring transparency and fairness in billing while also facilitating a shift toward value-based pricing models that better align with client expectations. Using AI, firms can also evaluate how they're staffing cases and suggest adjustments, improving the balance of partners, associates and paralegals for efficiency and profitability.
- **Strengthen quality:** Billing write-offs in legal matters are often driven by time spent revising work, training new attorneys on a case and managing administrative duties. AI can mitigate those inefficiencies by providing associates with key information and summaries early on, improving overall work quality and minimizing the need for corrections. Because this technology still has a tendency to hallucinate and make incorrect leaps, ensure anything produced by AI is thoroughly vetted by a human lawyer.

2 Be upfront about your AI use

Transparency is key to building trust with clients and demonstrating value. As businesses and their legal departments grow more sophisticated in their AI use, they expect law firms to be transparent about their tools and methodologies. Clients need to understand how you're using AI in their cases, how it improves their experience and what guardrails are in place to prevent errors or misuse.

The American Bar Association and the California Bar have said that lawyers must consider whether they have a duty to disclose generative AI use to their clients or obtain their informed consent to use a particular tool, reasoning that it will depend on the facts of each case.

Here are practical ways to disclose your AI use with clients:

- **Clearly articulate where and how AI is helping:**

If you're using AI tools to streamline processes, reduce turnaround times and enhance accuracy at particular stages of a case, explain that to clients. Demonstrate the function and practical benefits of each tool you're using to show that they're not just cost-effective but also critical in driving better results and making informed decisions.

- **Set realistic expectations:** AI brings many benefits but is not a perfect solution. Be honest about its limitations and how human oversight ensures quality and ethical standards are maintained. AI can quickly process vast amounts of data and perform tasks with remarkable speed, but it still requires skilled attorneys to interpret results, make strategic decisions and ensure compliance with legal standards. By setting clear, realistic expectations, you can help clients understand that AI is a tool to support, not replace, human expertise in delivering effective legal services.



- **Incorporate AI in client discussions:** Make sure AI isn't a one-time conversation with clients but a frequent topic of conversation. Discuss AI use, ethics and other concerns in regular updates as well as onboarding, ensuring you explain how it fits into the firm's workflow and the benefits.
- **Be transparent with billing:** Ensuring trust and fairness in AI usage requires clear billing practices. This is emphasized in the ABA and the California Bar's guidelines, which say fees should reflect the time spent and value provided.

3 Empower your team with training

AI implementation is only as effective and responsible as the team using the tools, so make sure your firm is well-trained and aware of ethical considerations.

- **Establish firmwide policies:** As you think through the above elements of your firm's AI use, develop guidance for responsible AI use at your law firm. Key areas to cover include technology use cases and explainers, quality control, ethical oversight, client consent and data security protocols.
- **Provide ongoing training:** Educate attorneys and staff on the latest AI tools, their proper application in the legal profession and best practices for disclosing AI use to clients. As well as understanding what the technology can do, your team should be clear on what it can't do and how certain misuses can land them in ethical hot water. It's important to provide this training regularly as AI capabilities are continually evolving.
- **Lock down your data:** We don't need to tell you how sensitive your client's data is, so think twice before inputting it into any AI-powered platform — and if you do, make sure you know where the information will be stored and how it will be shared. Use private, secure AI platforms and train attorneys to avoid inputting sensitive information unless necessary. Ensure service providers meet stringent security standards, such as SOC 2 Type 2 compliance and ISO/IEC 27001 certification.
- **Stay compliant:** As the most heavily regulated state with the largest court system in the country, California is often a trendsetter for legal standards and its regulations around AI and technology use will continue to evolve. Staying ahead of these changes ensures your firm avoids potential penalties and maintains professional integrity. And don't forget about international regulations such as the [General Data Protection Regulation](#) (GDPR), which are crucial when handling cross-border matters or working with clients who operate overseas. CEB's [compliance checklists and explainers](#) can help you identify areas of risk, establish necessary policies and procedures and support informed decision-making.



4 Position AI as a competitive advantage

Once you've found practical and strategic uses for AI technology at your firm, don't shy away from promoting them. Highlighting your firm's innovative thinking and adoption of technology can set you apart in a crowded market, showing a commitment to adding value for clients.

- **Showcase innovation:** Highlight your firm's AI capabilities with marketing materials, public relations strategies, and client pitches and discussions, emphasizing how your approach translates to better results. Have a lawyer who's an AI champion? Leverage them as a thought leader to show you are actively engaged in the conversation around new technology. Clients and prospects alike will notice.
- **Demonstrate value with examples:** Share strategic success stories or case studies on your website, social media channels and in proposals where AI tools helped achieve faster resolutions or significant cost savings for clients. If your use of AI tools has led to quicker resolutions or significant cost savings for clients, trumpet those examples.
- **Collaborate with clients:** Consider every client's specific needs and tailor AI solutions to address their pain points, demonstrating your firm's commitment to innovation, problem-solving and client service.

Meet the moment with AI

What happens when clients adopt cutting-edge tools faster than your firm does? The answer is simple: They start asking why they're paying for inefficiencies they can solve themselves.

Firms that resist incorporating AI risk appearing outdated and less responsive to client needs. Meanwhile, those adopting tools that aid their attorneys, rather than replace them — will stand out for offering better value, faster results and higher-quality insights, all of which foster stronger client relationships.

By prioritizing efficiency, ethics and transparency, internal training and external messaging, you can turn AI challenges into opportunities — positioning your firm as a leader in legal tech.

At CEB, we believe AI is a transformative and exciting technology for the legal profession, but attorneys remain the primary content creators and curators of our legal content and offerings. Get in touch to [schedule a quick demo](#) or request a [seven-day free trial](#).



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