

WHAT'S CHANGING IN THE LEGAL MARKET

A LOOK AT WHERE BIG LAW, MID-SIZED FIRMS, AND SMALL PRACTICES ARE HEADING—AND WHAT IT MEANS FOR YOUR FIRM.

We spoke with legal strategist **Shireen Hilal** to understand what's happening across the legal market—from Big Law to boutique firms—and how those shifts are beginning to impact smaller practices. Her perspective: while large firms are moving cautiously, smaller and mid-sized firms have a unique opportunity to move faster, adapt, and win higher-value work.

MARKET SHIFT VS OPPORTUNITY VS CONSOLIDATION

Market Shift

Big Law is evolving—but cautiously. Firms are relying more on lateral partner hiring, pulling back on junior associate investment, and gradually adopting AI tools.

At the same time, clients are demanding more practical, business-oriented legal advice—putting pressure on traditional models.

Opportunity

Mid-sized and boutique firms are best positioned to capitalize. They are moving faster, advising in grey areas, and delivering more commercially practical guidance.

In a slow-growth market, firms that specialize, move quickly, and leverage AI have a real opportunity to capture market share.

Consolidation

With real demand for legal services growing only ~2%, firms are expanding by acquiring practices rather than organic growth.

This includes lateral partner moves, practice group acquisitions, and full firm combinations—making consolidation one of the dominant growth strategies in today's market.



SHIREEN HILAL
legal strategist

WHAT THIS MEANS FOR SMALL FIRMS

1. SMALL FIRMS ARE MOVING UPMARKET

More firms are targeting higher-value clients with larger budgets. This shift is creating opportunities for smaller firms to compete on expertise rather than size.

- Focus on niche positioning
- Build services around higher-value work
- Compete on insight, not scale

2. AI IS A REAL ADVANTAGE FOR LEAN TEAMS

AI adoption is expected to impact smaller firms faster than Big Law, allowing them to streamline work and reduce reliance on junior-level support.

- Improve efficiency in legal work
- Streamline back-office operations
- Increase leverage without adding headcount

3. BUSINESS DEVELOPMENT IS EVOLVING

Firms are looking beyond referrals and building more intentional business development strategies.

- Develop systems beyond word-of-mouth
- Create more consistent outreach
- Focus on long-term growth engines

4. CLIENT EXPERIENCE IS A DIFFERENTIATOR

Clients are looking for more than technical advice—they want insight, connection, and curated experiences.

- Smaller, high-touch interactions (salons, roundtables, dinners)
- Education-driven engagement
- Stronger peer-to-peer connections

MARKET INSIGHT

Firms that succeed in this environment are not the ones copying competitors — they build around their clients' needs.

STRATEGIC TAKEAWAY

Decide what you want to be known for and build a clear, consistent presence around it.

You don't need to be the biggest firm—but you do need a defined position and a strong client experience.

"BEST PRACTICES" ARE A PATH TO MEDIOCRITY. THE MOST SUCCESSFUL FIRMS FOCUS ON WHAT THEIR CLIENTS ACTUALLY NEED—AND BUILD AROUND THAT.

STEPS YOU CAN TAKE NOW TO STAY AHEAD

- Define your niche – Clarify what you want to be known for
- Evaluate your clients – Identify opportunities to move upmarket
- Explore AI tools – Look for ways to improve efficiency
- Strengthen relationships – Create more intentional client touchpoints