

Actionstep

2025 Insights for Midsize Law Firms

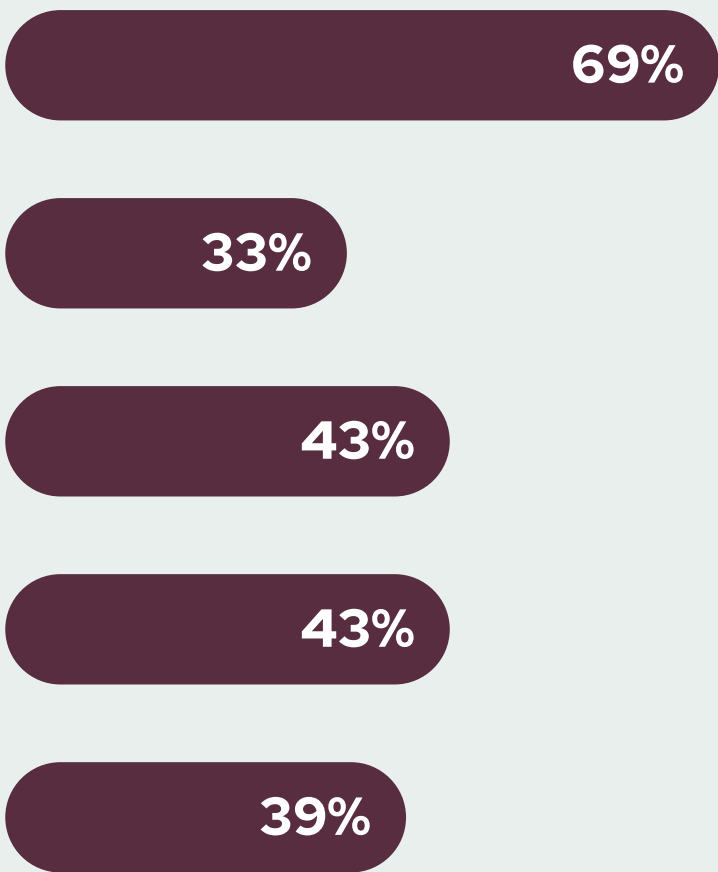
Strategies for Growth and Success



Top business priorities for driving and protecting revenue in 2025?



Most challenging to achieve?



People take centre stage

83%

My firm proactively addresses the varying needs of **legal and administrative support staff**

74%

My firm actively **seeks out the latest technology** to operate more efficiently

New clients vs client experience – Are law firms complacent about client relationships?

37%

focused on growing teams to better serve clients

Yet
59%

grapple with inconsistent service quality across teams

42%

leaders recognise a need to improve their firm's overall digital experience

And
70%

say time limitations of staff remain a major obstacle



AI adoption is slow, but automation is prioritised

54%

have
invested in
process
automation

Yet
21%

have implemented it at scale

74%

want more
automation
tools

Yet
13%

using
GenAI in
legal
work



What this means for UK midsize law firms

1

Talent & Technology Must Work Together

2

Client Experience Is a Competitive Advantage

3

AI Adoption Is Slow, But Automation Is Key

4

Change Resistance Is a Risk

5

Cybersecurity Is About People, Not Just Tech



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BUSINESS PRIORITIES

Amidst competing business priorities, leaders are most focused on employing top talent and driving new client growth

Law firm leaders are in a relentless pursuit of growth

For midsize law firms in the UK, the organisational challenges ahead are a balancing act between immediate operational demands and longer-term strategic ambitions. This research reveals that firm leaders' top priorities in terms of achieving growth goals centre on securing two unsurprising groups of people: the talent to thrive in the firm and develop future business (78%), and the clients that represent that future (60%), both critical for success.

Clearly, without these two groups, there is no firm growth. A firm's ability to recruit and retain top talent has long been a make-or-break factor for mid-market growth, with midsize firms often struggling with poor recruitment and retention. However, today, post-pandemic working patterns have given larger firms a competitive edge allowing them to outpace midsize firms by offering the perks, flexibility, and cultural investments that once set smaller firms apart. At the same time, clients are evolving too and expect their law firms to keep up. Clients want more flexibility in pricing and delivery of services as legal technology advances.

When it comes to strategy, larger midsize firms are pushing forward with transformation initiatives, while smaller midsize firms are more focused on managing costs. This reflects ongoing economic turbulence in the UK impacted by rising pressures from compliance, insurance, and salaries.

Talent, new clients and technology are the top three priorities for growth

Business priorities for driving and protecting revenue growth into 2025 (% of firms, by size)

● Up to 100 ● More than 100

Recruiting and retaining talent

59%

Attracting new clients

57%

Investing in technology

57%

Managing costs

57%

Other

57%

57%

57%

57%

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