MANATECH

RESEARCH REPORT

2026 Strategic Briefing: The Evolution of AI in Professional Services

Executive Summary

As of 2026, Generative AI (GenAI) has transitioned from a novel experimentation tool to a pervasive, mission-critical component of professional services. According to the *2026 AI in Professional Services Report* by Thomson Reuters, GenAI adoption has taken root across legal, tax, accounting, and government sectors, with organizational use nearly doubling over the past 12 months. While GenAI handles drafting and summarization, the industry is now pivoting toward **Agentic AI**—autonomous systems capable of executing complex, multi-step workflows with minimal human intervention.

This technological shift is precipitating a fundamental evolution in business models. The traditional "pyramid" structure of professional firms—reliant on junior-level human labor for repetitive tasks—is being challenged by "agentic leverage." Consequently, firms are facing an urgent need to transition from billable-hour pricing to value-based models. While professional sentiment remains largely hopeful, significant concerns persist regarding AI governance, the longevity of entry-level skills, and a persistent "trust gap" between firms and their clients.

Detailed Analysis of Key Themes

1. The Proliferation of GenAI and the Rise of Agentic AI

GenAI is now a standard element of professional workflows. The Thomson Reuters report indicates that 40% of organizations now use GenAI, up from 22% in the previous year.

- **GenAI Usage:** Primarily used for internal work matters such as research, drafting, and summarization. Over 80% of current users utilize these tools at least weekly.
- **The Agentic Shift:** While only 15% of organizations currently use Agentic AI, 53% are in the planning or consideration phase. Unlike GenAI, which mimics human language, Agentic AI is "goal-oriented," capable of independent reasoning and executing tasks like researching regulations and revising documents without step-by-step guidance.
- **Adoption Curve:** Innovators and early adopters have already integrated these tools; late adopters now require structured "adoption plans" to realize ROI, as simply "turning on" AI does not guarantee productivity gains.

2. Disruption of Business and Economic Models

The professional services industry is moving from "humancentric" to "blended" or "asset-based" consulting.

Model Component	Traditional Approach (Pre-2025)	Future State (2026 & Beyond)
Pricing	Billable hours (hourly-based billing).	Value-based, subscription, or outcome-based models.
Leverage	Human leverage (junior staff to partner ratio).	Agentic leverage (AI agents to human ratio).
Deliverables	Static reports and manual analysis.	Reusable AI tools, dashboards, and co-pilots.
Client Interaction	High-volume junior support.	Strategy-focused human interaction supported by AI bots.

3. Workforce Transformation and Skill Longevity

The "bottom of the pyramid" is under significant pressure. Entry-level tasks—document review, data entry, and basic research—are the first to be automated.

- **Entry-Level Vulnerability:** Only 1 in 4 entry-level workers believe half of their current skills will remain relevant in three years.
- **The "Four-Collar" Workforce:** Roles are evolving into a framework of white, blue, green, and gray collars, where humans manage blended AI teams.
- **New Competencies:** The most critical skill for 2026 is **AI Governance**. This involves the ability to apply legal reasoning and ethical principles to AI outputs rather than technical coding skills.

4. Governance, Ethics, and the "Trust Gap"

Public trust in undisclosed AI content is low. In Australia, the 2025 Ethics Index indicates a record-high importance placed on ethics (92/100), yet perceptions of ethical behavior remain low (43/100).

- **The Client Disconnect:** 67% of corporate legal and 74% of corporate tax departments believe firms should use AI. However, 40% of firms report receiving conflicting instructions from different clients (some mandating AI, others forbidding it).
- **Measurement Deficit:** Only 18% of organizations collect metrics on AI's ROI. Most metrics are internal (cost savings) rather than external (client satisfaction).

Industry Case Studies: AI in Action

The following table outlines successful implementations of AI workflow automation as identified in the source context:

Industry	Organization	Challenge	AI Solution	Result
Education	Arizona State University	Slow manual enrollment and document	AI-powered data validation and digital	50% faster application

Industry	Organization	Challenge	AI Solution	Result
		verification.	workflows.	processing; fewer errors.
Technology	Accenture	High volume of IT support tickets; inconsistent responses.	AI-driven ticket categorization and self-service chatbots.	30% faster ticket resolution; increased productivity.
Travel	Booking.com	Lower engagement due to generic recommendations.	AI algorithms for personalization and real-time pricing.	30% increase in customer engagement.
Healthcare	Kaiser Permanente	Physicians spending excessive time on manual documentation.	AI-driven transcription and real-time clinical summarization.	Physicians saved up to 2 hours daily.
Aviation	JetBlue	Slow customer service interactions.	Generative AI chatbot for customer support.	280 seconds saved per chat; 73,000 agent hours saved in a quarter.

Important Quotes with Context

> ***"AI is not a magic button, and it's not a tool to be left to its own devices... The number one barrier we'll need to clear is the trust barrier."*** *— U.S. Corporate Risk Analyst, Thomson Reuters Report* ***Context:*** *Highlighting that despite GenAI maturity, integration into daily workflows depends on convincing employees and clients that AI outputs are reliable.*

> ***"Firms are reluctant—they claim it would compromise quality and fidelity. I think they are threatened by it."*** *— Corporate Chief Legal Officer, USA, Thomson Reuters Report* ***Context:*** *Illustrates the friction between clients who want efficiency and firms that fear AI may undermine their traditional value proposition or billing structures.*

> ***"If AI takes away repetitive tasks, it should allow these stellar performers more time to dedicate to those factors that truly set them apart."*** *— Gregg Wirth, Thomson Reuters Institute* ***Context:*** *Suggests that AI's true value lies in augmenting human-only skills like critical thinking, strategic planning, and relationship building.*

> ***"It's not AI that's going to steal your jobs. It's the person who's using AI who's going to steal your jobs."*** *— Guest speaker (CEO from Kenya), Prof Joe O'Mahoney Podcast* ***Context:*** *Emphasizes that professionals must attain AI fluency to remain competitive in a landscape where AI-enabled peers can work faster and cheaper.*

Actionable Insights

1. **Develop a Formal AI Adoption Plan:** Organizations should move away from ad-hoc experimentation. A structured program (e.g., a 6-week training cycle) is necessary to move employees from innovators to the "early majority" of users. Organizations with a formal strategy are three times more likely to realize positive ROI.
2. **Pivot to Value-Based Pricing:** As AI reduces the hours required for complex tasks (e.g., drafting internal documents moving from "days to minutes"), firms must shift away from hourly billing to protect profitability and reflect the value delivered.
3. **Invest in AI Governance Training:** Lawyers and consultants should prioritize learning AI compliance, risk management, and accuracy verification. This is identified as a more vital skill than technical coding for the 2026 professional.
4. **Close the Client Communication Gap:** Firms should take the initiative (75% of professionals agree firms should lead) to discuss AI usage with clients. Transparency regarding data handling, accuracy checks, and the human-in-the-loop process is essential to maintaining trust.
5. **Audit Workflows for "Agentic" Potential:** Identify "rules-based" tasks (suitable for Robotic Process Automation) versus "goal-oriented" tasks (suitable for Agentic AI). Start with high-impact use cases like marketing content, onboarding chatbots, or AI-augmented research.