INDUSTRY SECTOR REPORT

FOR STUDENTS

Legal

JUNE 2026

ie UNIVERSITY
TALENT & CAREERS

Executive Summary

The legal sector in 2026 remains stable, but demand is shifting toward more specialized, technology-driven profiles. Employers increasingly seek professionals who combine legal expertise with business understanding, digital skills, and adaptability.

Six major trends are reshaping the market: AI integration, growing regulatory complexity, geopolitical uncertainty, the rise of hybrid legal-tech roles, increasing specialization, and stronger client pressure for efficiency and measurable value. AI has become a standard operational tool, particularly in document review, compliance, contract management, and legal operations.

The strongest growth areas include data protection, ESG, AI governance, cybersecurity, and international arbitration. Demand for generalist lawyers is declining, while specialists in complex regulatory frameworks such as the EU AI Act, GDPR, and sustainability reporting are increasingly valued. At the same time, ALSPs and AI-enabled legal operations are transforming traditional law firm models.

The talent market is also evolving. Employers now prioritize candidates with broader skill sets, including technological literacy, strategic thinking, and familiarity with LegalTech and AI tools. Fast-growing roles include AI Counsel, ESG Counsel, Privacy & Cybersecurity Counsel, Legal Operations Specialists, and Legal Technologists.

For IE University, this environment presents opportunities. Legal remains a strong placement sector, accounting for around 8.5% of total placements, with 183 placements across 89 law firms in 2025. IE benefits from strong relationships with leading law firms, Big 4 legal practices, and corporate employers, although placement concentration among a limited number of firms creates some structural risk that must be compensated with other strategic partnerships.

IE's interdisciplinary positioning is a key competitive advantage. Employers increasingly value graduates who combine law, business, and technology skills, creating opportunities in high-growth areas such as AI governance, compliance, ESG, data protection, international arbitration, and in-house legal teams.

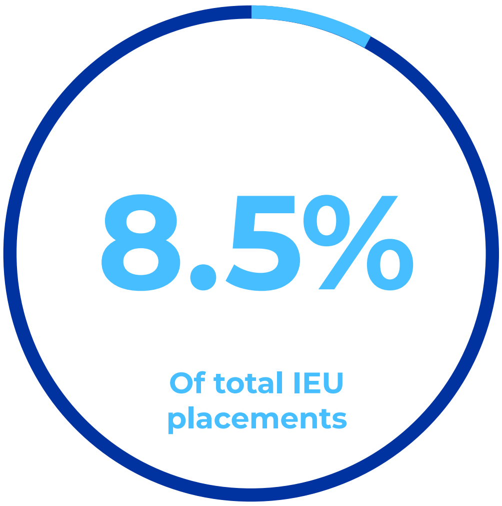
PURPOSE OF THIS REPORT

This report provides an annual update on the legal sector, including market trends, talent dynamics, employer landscape, and strategic recommendations for IE University stakeholders.

1. Industry Overview & Market Trends

STATE OF THE INDUSTRY

The legal market remains broadly stable, with moderate growth driven by regulatory complexity, corporate activity, and technological transformation. At IE University, this macro stability is reflected in consistent employment outcomes as the legal sector represents approximately 8.5% of total placements, maintaining similar volumes year-on-year. However, the structure of demand is evolving significantly and the profiles employers seek are changing faster than headline numbers suggest.



The sector is best understood in two distinct blocks:

1. **Top-tier and international firms maintain strong profitability but operate with highly selective hiring models.**
2. **On the other hand, mid-sized and boutique firms are gaining relevance by focusing on niche areas such as data protection, ESG, or international arbitration.**

Alongside both, in-house legal teams are expanding across industries, particularly technology, finance, and energy as companies seek greater control over legal costs and closer alignment between legal strategies and business objectives.

MARKET OUTLOOK & KEY TRENDS

The global legal services market reached approximately $1 trillion in 2024 and is forecast to grow to between $1.37T and $1.86T by 2030–2034, depending on the source (Grand View Research, Global Market Insights, Precedence Research).

This growth is selective rather than uniform. Law firms are prioritizing high-margin practice areas, specialized expertise, and strategic client segments. According to Robert Half's **2026 research, 93% of legal profession leaders feel confident about their business outlook, and 72% plan to increase permanent headcount in the first half of the year.**

Six interconnected trends are reshaping the sector:

1. From AI adoption to AI integration

2025 Fragmented adoption, focused on pilots (document review, drafting)

2026 AI embedded across workflows, with strong pressure on ROI, governance, and client transparency

AI is no longer a differentiator; it is a baseline expectation. The competitive advantage now lies in **how effectively firms integrate AI into their operations and client delivery models.**

2. Regulatory complexity as a growth engine

2025: Increasing regulatory pressure, often addressed reactively

2026: Regulation becomes a **core driver of business growth,** particularly through:
→ EU AI Act
→ GDPR evolution
→ ESG and sustainability frameworks

This shift is transforming legal services from a support function into a **strategic advisory role**, especially in compliance-heavy industries.

3. Globalization under pressure

2025 Growth in cross-border activity with local adaptation needs

2026 Rising geopolitical instability increases legal risk in international operations

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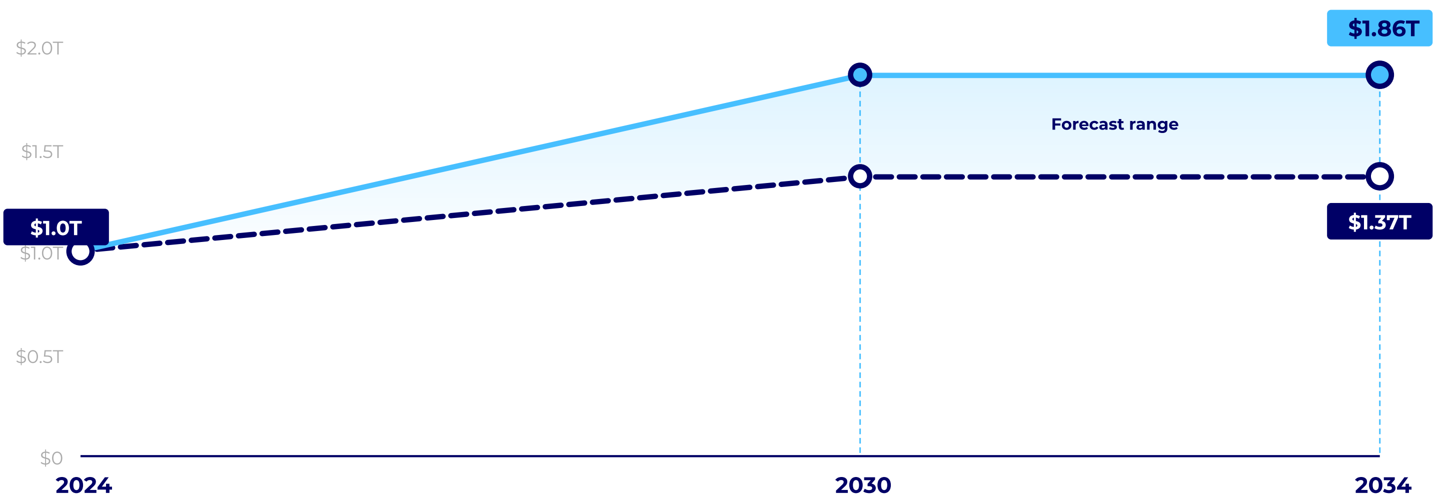
MARKET GROWTH & OUTLOOK · GLOBAL LEGAL SERVICES MARKET
Market size projection (USD trillion) · 2024–2034



Clients now demand lawyers who can combine:
→ Deep local expertise
→ Global coordination capabilities

This is particularly relevant for international programs and cross-border legal careers.

4. Workforce transformation and structural change

2025 Demand for hybrid skillsets (legal + soft skills)

2026 Structural shift in hiring:
→ Fewer traditional junior roles
→ Growth of hybrid profiles (legal + tech + operations)
→ Emergence of roles in AI governance and legal operations

The result is a **more competitive entry-level market**, where differentiation depends heavily on practical skills and technological fluency.

5. Acceleration of specialization

2025 Early movement toward niche expertise

2026 Hyper-specialization becomes critical

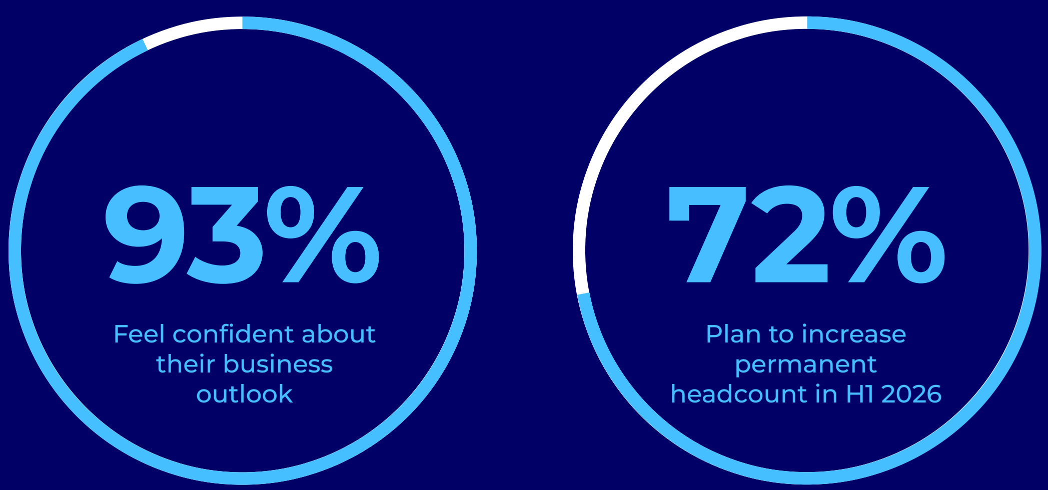
6. Economic pressure and client expectations

2025 Market uncertainty affecting demand
2026 Profitable but highly pressured environment

Clients are increasing:
→ Questioning legal fees
→ Demanding efficiency and transparency
→ Expecting clear delivery

This is reshaping business models and increasing competition, particularly from alternative legal service providers (ALSPs) and specialized boutiques.

MARKET GROWTH & OUTLOOK · LEGAL PROFESSION CONFIDENCE 2026
Source: Robert Half, 2026 research



2. Sector-Specific Insights

PRACTICE AREA EVOLUTION WITHIN LAW FIRMS

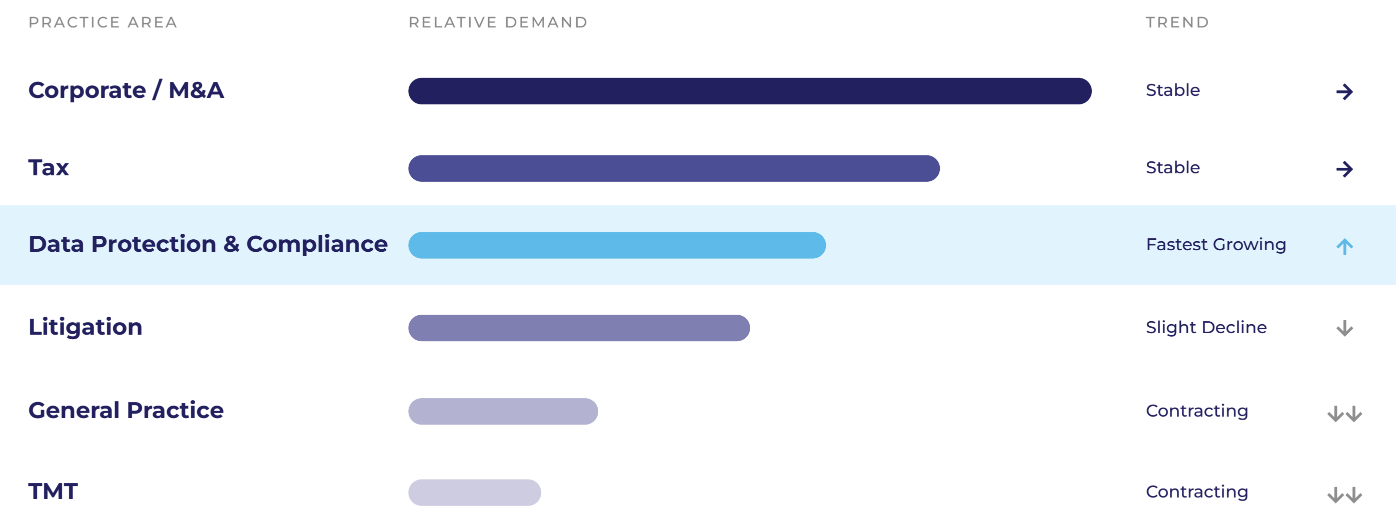
The distribution of legal roles reflects a clear shift toward specialization. **Corporate/M&A** remains the leading practice area among IE placements, consistent with the institution's business-school positioning. **Tax** continues to show steady demand. The fastest-growing areas are **data protection and compliance,** driven by GDPR maturation and the EU AI Act's impending full enforcement. **Litigation** maintains relevance despite a slight decline in placement share, while **general practice and TMT** have contracted significantly a clear market signal about the declining value of breadth relative to depth.

IN-HOUSE VS. LAW FIRM DYNAMICS

Law firms remain the primary destination for legal graduates, particularly at master's level. However, in-house legal departments have grown 37.9% over the past decade (BCG, 2026), as companies seek to align legal strategy with business objectives and manage costs.

PRACTICE AREA EVOLUTION · LAW FIRMS 2026

Distribution and trajectory of legal roles



IN-HOUSE

+37.9 %

GROWTH OVER THE PAST DECADE

Technology Finance Energy

LAW FIRMS

Primary destination for legal graduates

Technology, finance, and energy are the sectors showing the highest growth in in-house roles. Despite this expansion, in-house positions remain a relatively small proportion of total legal hiring at graduate level and typically require prior law firm experience meaning the pathway to in-house roles still runs through firms first.

INNOVATION IN LEGAL SERVICES

Legal services are undergoing significant transformation driven by **technology and new delivery models**.

Key developments include:

- Adoption of LegalTech tools for document automation, research, and case management
- Integration of AI into daily workflows, improving efficiency and reducing time spent on repetitive tasks
- Growth of alternative legal service providers (ALSPs), offering more flexible and cost-efficient solutions

These changes are increasing competition, particularly for traditional law firms, and raising expectations around **efficiency, transparency, and value delivery.**

The pathway to in-house roles still runs through firms first.

3. Talent Landscape & Recruitment Trends

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The legal talent market in 2026 is more selective, skill-driven, and competitive than in prior years. Demand is increasingly concentrated in specific roles, skills, and geographies, and the profiles that stand out are meaningfully different from those that succeeded five years ago.

IN-DEMAND SKILLS

Employers are no longer prioritizing only strong legal knowledge. Instead, they are looking for **well-rounded profiles** combining technical expertise, business understanding, and digital capabilities.

Key skills in demand include:
- Technical legal skills: Corporate law, regulatory frameworks (GDPR, ESG), contract drafting
- Digital and AI literacy: Understanding of LegalTech tools, AI risks, and governance
- Analytical and strategic thinking: Ability to connect legal advice with business decisions
- Soft skills: Communication, adaptability, and stakeholder management

EMERGING ROLES

Among the roles now appearing regularly in job postings (LinkedIn search), the most prominent are:

- Legal Operations Specialist
- AI Counsel / AI Compliance Officer
- Privacy & Cybersecurity Counsel
- ESG Counsel
- Contract Administrator (AI-enabled)

RECRUITMENT TIMELINES & SEASONALITY

Recruitment in the legal sector follows structured and region-specific timelines, making early preparation critical.

General Patterns

- Full-time roles and structured programs follow long recruitment cycles (12–18 months in advance)
- Internship and early career hiring peaks in Q2 (spring/summer)
- A second hiring wave often occurs in Q4, aligned with academic calendars

REGIONAL DIFFERENCES

Spain
Recruitment aligned with academic calendar
- Spring: Internship
- Fall: full-time hiring
- Early planning required for Master de Acceso

United Kingdom
Highly structured system (vacation schemes)
- Recruitment starts up to 12–18 months in advance
- Early application is critical

EMERGING ROLES · LEGAL SECTOR 2026

New job titles scaling now vs. junior entry roles in demand

Senior & Specialized

Roles scaling now · 12–18 months

- LEGAL OPERATIONS SPECIALIST
- AI COUNSEL / AI COMPLIANCE OFFICER
- PRIVACY & CYBERSECURITY COUNSEL
- ESG COUNSEL
- CONTRACT ADMINISTRATOR (AI-enabled)
- LEGAL TECHNOLOGIST / LEGAL ENGINEER

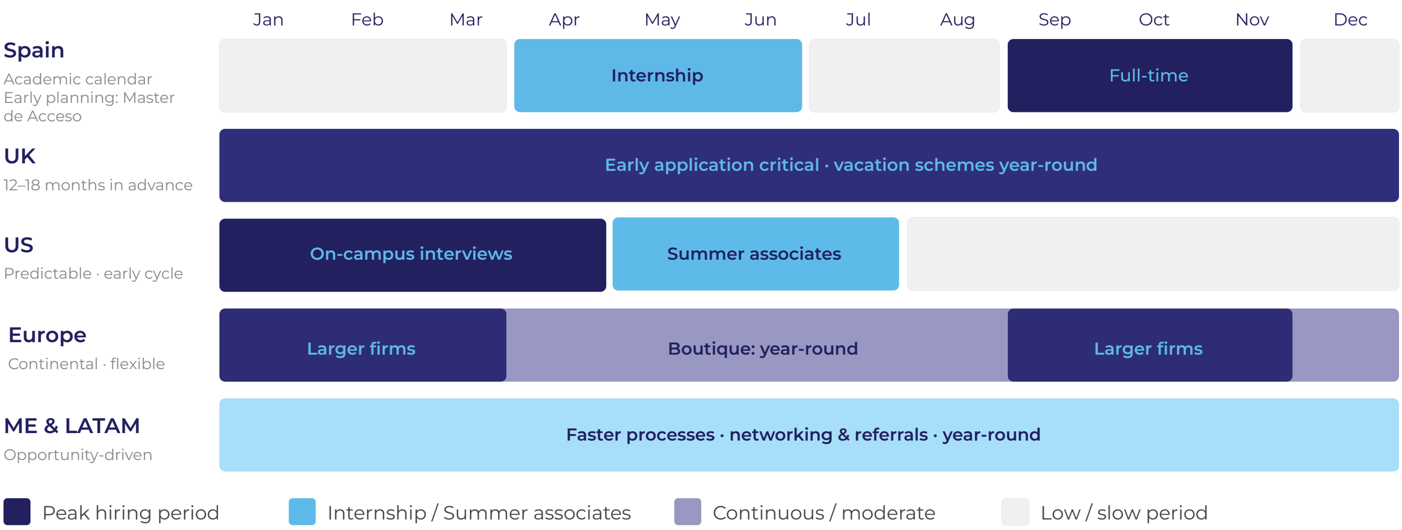
Junior Entry Roles

Fastest-growing entry points · 2025–2026

- JUNIOR COMPLIANCE ANALYST
- JUNIOR DATA PROTECTION / PRIVACY ASSOCIATE
- ESG JUNIOR ANALYST (Legal Focus)
- JUNIOR LEGAL OPERATIONS SPECIALIST
- LEGAL INTERN / TRAINEE WITH AI FOCUS
- REGULATORY AFFAIRS ASSOCIATE
- CONTRACT ADMINISTRATOR (junior)

RECRUITMENT TIMELINES & SEASONALITY

Key application and hiring windows by region and role type



United States

Very predictable and early cycle
→ On-campus interviews in early academic stages
→ Summer associate roles secured well in advance

Europe (continental)

More flexible depending on country
→ Boutique firms recruit year-round
→ Larger firms follow structured timelines

Middle East & LATAM

Less structured and more opportunity-driven
→ Faster processes
→ Strong reliance on networking and referrals

RECRUITMENT PROCESS

Selection processes are becoming more rigorous and standardized. Typical stages include:

→ Application screening (CV + cover letter)
→ Psychometric and language tests
→ Case studies and group assessments
→ Multiple interview rounds (HR, associates, partners)

There is a clear shift toward evaluating:

→ Practical skills
→ Problem-solving ability
→ Cultural and team fit

IMPLICATIONS FOR IE TALENT

These trends have direct implications for IE students, who must be aware of:

→ Timing is critical: students must engage with recruitment processes earlier
→ Preparation must be practical: beyond academic knowledge
→ Differentiation depends on specialization and tech skills
→ International opportunities require strategic planning, especially in structured markets

Overall, employability in the legal sector now depends on the ability to combine strong fundamentals with adaptability to a fast-evolving and competitive environment.

4. Key Employers, Partnerships & Alumni

IE University's legal employment ecosystem is defined by strong relationships with a concentrated group of firms, high engagement through campus events, and a growing diversification into corporate legal roles.

TOP EMPLOYERS

Placement is distributed across four main different groups of law firms:

Large national firms
Cuatrecasas, Uría & Menéndez, Garrigues, Pérez-Llorca.

International and Magic Circle firms
White & Case, Freshfields, DLA Piper, Baker McKenzie, Linklaters, Hogan Lovells, Herbert Smith Freehills.

Big 4 legal practices
EY, KPMG, Deloitte, PwC — significant employers particularly in tax, compliance, and regulatory advisory.

Specialised boutiques
Ecija, Barrilero, and others with strong niche positioning.

Beyond traditional law firms, companies in finance (Santander, BBVA, BNP Paribas), technology (Amazon, Telefónica, Amadeus), energy and infrastructure (Acciona, Iberdrola), and global institutions (EU Commission, WIPO, UN agencies) represent a growing share of legal placements.

KEY PARTNERSHIPS WITH IEU

IE's strength in the legal sector comes not just from which firms hire, but from how well those relationships are maintained over time. The 2025 numbers tell a clear story: 58 law firms took part in IE events — 49% more than in 2024 — and every firm that had attended the previous year came back. Firms that attend IE events go on to hire IE students at a rate of 77%, compared to 42% for firms attending for the first time. **The more consistently a firm engages with IE, the more likely they are to hire.**

The engagement works on several levels throughout the year. Two large career forums: one in spring and one in autumn form the backbone of the calendar, bringing together the widest range of firms and students.

EVENTS & ENGAGEMENT 2025

The 2025 data reveals a clear trend

100%	LAW FIRMS IN IE EVENTS 58	RED-CARPET MEETINGS 6
Every firm that attended the previous year came back	+49% vs 2024	+2 confirmed for early 2026

The **Feria Talento Jurídico** adds a dedicated legal sector event, while individual on-campus recruiting days give specific firms direct access to the students they are looking for. Training sessions and networking events, organized jointly with the Law Students Club and IE Law School, keep relationships active between hiring seasons.

In 2026-2027, a new format called Legal Days will be introduced: a smaller, more focused event with four or five carefully selected companies, based on a model already working well in other sectors.

At a senior level, the team has been building deeper relationships through the Red-Carpet strategy direct meetings with key decision-makers at the most important firms. Six of these took place in 2025, two more are already confirmed for early 2026, and formal partnership agreements (MOUs) are being discussed with several firms.

Internationally, the team makes annual visits to the BENELUX region, where partnerships with firms like Arendt, Cleary Gottlieb, Clifford Chance, and White & Case are well established. Visits to Geneva and Paris focus on international organizations such as the WTO, UN, and WIPO. New York, Riyadh, and LATAM are the next targets for 2026, as IE works to build a stronger presence in the markets where its graduates want to build careers.

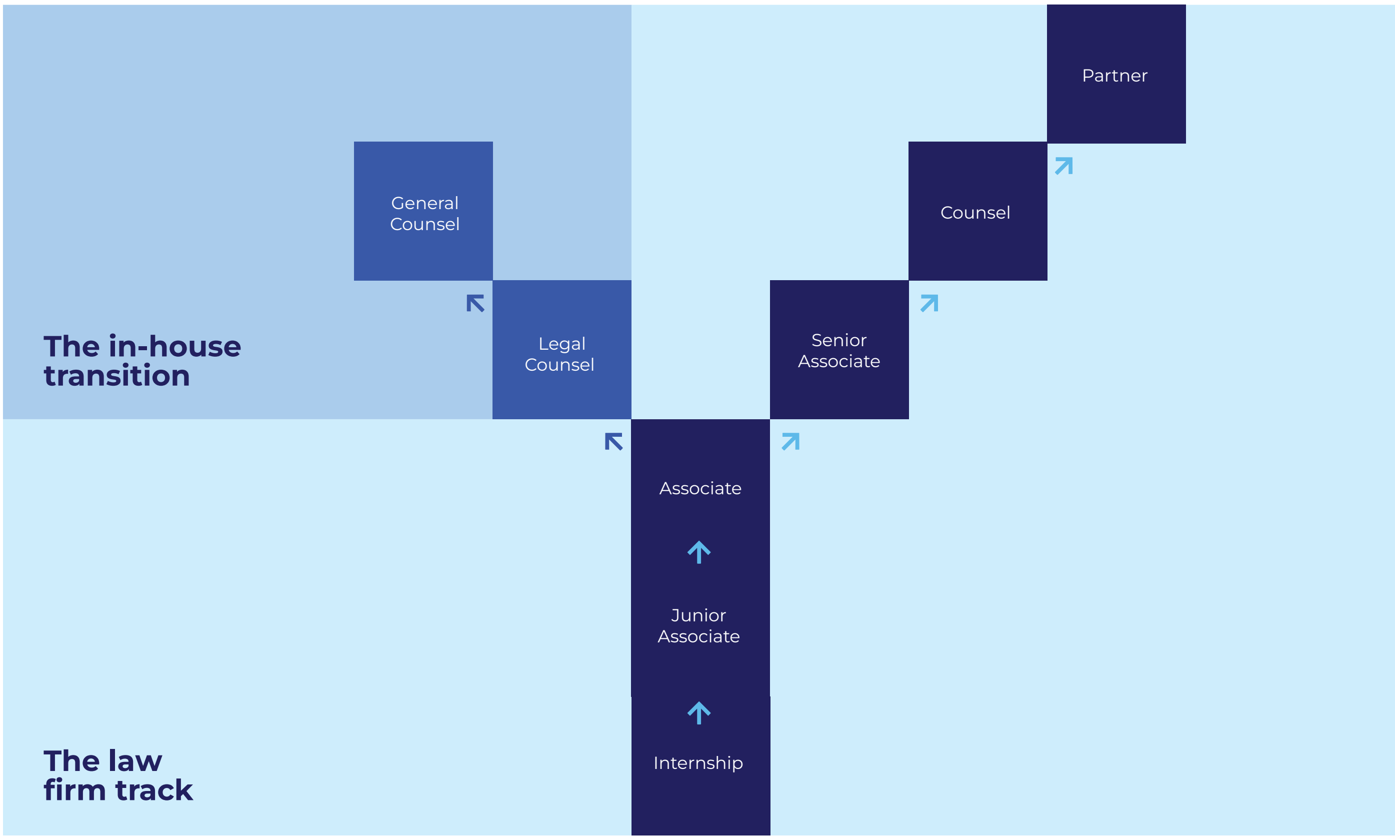
ALUMNI ANALYSIS

Placement Concentration and Top Employers

Alumni are placed predominantly in three employer clusters: leading Spanish firms (Pérez-Llorca, Uría Menéndez, Cuatrecasas, Garrigues), international and Magic Circle firms (Baker McKenzie, Dentons, Herbert Smith Freehills, Hogan Lovells, Linklaters), and Big 4 legal practices, where EY has the strongest representation followed by KPMG, Deloitte, and PwC. Placement follows a clustered, high-quality pattern: a recurring ecosystem of employers that signals strong program reputation and established trust among leading legal recruiters.

Career Trajectories

The two most common career paths are:



Alternative pathways into finance, regulatory roles, and executive leadership are also increasingly evident, reflecting the versatility of the IE legal profile.

5. Data & Bibliography

The following sources were consulted in the preparation of this report. Internal IE University data reflects 2024–2025 academic year placement and employer engagement records

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Internal IEU Data

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- Employer event participation and hiring conversion records, 2024–2025. Internal Data.
- Alumni network data, career trajectory analysis, and industry mapping, 2025. Internal PPT.

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