One AI Readiness Diagnostic, one AI Governance Scorecard

Sample outputs from the Alt-V AI & Technology pillar - two tool artefacts for one invented firm

Accompanies the AI & Technology briefing · Alt-V Law

Derek Duffy, APAC Director, Alt-V

> **Every firm, person and figure in these reports is invented.** The two tool reports that follow are what the AI Readiness Diagnostic and the AI Governance Scorecard produce when run on the Enderby Finch scenario. The pillar's third tool, the Legal Tech Architect, is free to run at tools.derekduffy.com/architect/. The AI Operating Model Position that opens the pack is a companion artefact - the five-stage firm-level assessment a Phase 2 Diagnostic deliverable would carry.

The scenario

Enderby Finch LLP is a UK regional full-service firm with 220 fee-earners, four offices (Leeds, Nottingham, Birmingham and Bristol), £48m in fees, and an independent partnership structure. A 2026 Microsoft 365 Copilot pilot is in progress across sixty lawyers in corporate and employment; adoption on the pilot sits at 23 per cent of invited seats and the pilot owner (CIO) cannot say whether to scale, pivot or stop. The firm has stood up an AI governance committee (March 2026) chaired by the Risk Partner; no policy has been signed off; the committee has met twice. The current legal-tech estate carries eight AI-adjacent tools acquired piecemeal across practice groups - Harvey (corporate, procured 2025), Lexis+AI (knowledge, procured 2024), Luminance (contracts, 2023), Litera (platform, 2023), Legatics (transaction management, 2024), Kira Systems (M&A due diligence, 2022), Microsoft 365 Copilot (firm-wide pilot, 2026) and iManage Work (DMS, legacy). No overlap view; no measurement of productivity impact; no vendor consolidation plan. The CEO has started asking the committee which tools to double down on, which to retire, and how to run AI as a single programme.

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ARTEFACT	TOOL / TEMPLATE	WHAT THE SAMPLE SHOWS
1. AI Operating Model Position	Companion artefact (part of the AI Toolkit)	Five-stage firm-level assessment. Enderby lands between Experimenting and Deploying - the Copilot pilot has not reached a go-decision; six of eight AI tools predate 2025 and have no measurement data. Three capability moves for the Phase 2 build.
2. AI Readiness Diagnostic	Twelve-dimension capability assessment	Express path on a Mode-B scenario (AI deployed). Reads Developing on strategy and sponsorship (committee stood up, no policy); Nascent on governance, measurement and partner-economics alignment; Established on technology and integration. The floor rule fires on measurement, which is the headline gap.
3. AI Governance Scorecard	Five-cluster, 20-question governance check	UK edition. Reads Weak on policy and tool control (register not current, policy drafted but not endorsed), Weak on training and competence (ad-hoc sessions, no records), Red on output verification (no written procedure), Weak on supervision and accountability (nominal management ownership). Headline gap is output verification - the gating cluster for everything else.

How to read them

The **AI Operating Model Position** is a firm-level assessment against the five-stage anchor model. It opens the pack because the stage position frames what the firm can act on with the other two outputs. The **AI Readiness Diagnostic** reads capability across twelve dimensions; the floor rule names which dimension is capping the firm's overall band. The **AI Governance Scorecard** reads a slice of surface three - whether the firm's governance would survive external questioning from an insurer, a panel or a court. The three compose: the AI Operating Model Position stages the conversation, the Diagnostic reads the capability, the Scorecard reads the control. Each tool's output composes with the others - the Diagnostic's governance score and the Scorecard's cluster results must agree; where they disagree the engagement reconciles.

The tools and the methodology are management-consulting instruments. They focus the AI programme conversation and do not substitute for a scoped engagement; they do not stand up a governance committee or write an AI policy on their own.

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Enderby Finch LLP · AI maturity position

Phase 2 Diagnostic companion · five-stage firm-level assessment against the Reactive → Compounding anchor set

Sample output · fictitious firm, figures and findings · Alt-V Law

Derek Duffy, APAC Director, Alt-V

Enderby Finch sits in Experimenting, partly into Deploying, and measurement is the gating dimension. This position paper is what Phase 2 of an AI & Technology engagement produces at the end of week two, before the three tool diagnostics run on the firm's current estate. It names where the firm sits on the five-stage anchor model, surfaces the gating dimension, and names the three capability moves Phase 3 must set up. The firm, people and figures below are invented.

Five-stage firm-level position

STAGE	WHAT THE FIRM WOULD LOOK LIKE	ENDERBY POSITION
Reactive	No AI strategy; individual partners respond to client prompts; no committee; no budget line.	Past this stage. A governance committee was stood up in March 2026 and a Copilot pilot is live.
Experimenting	One or two pilots with no go-decision frame; pilots produce no usable data; strategy drafted at COO / CIO level without partnership endorsement.	**Current position (dominant).** The Copilot pilot has run for seven months without a go-decision. The committee has met twice. The AI strategy exists in draft but has not been to the partnership.
Deploying	Firm-wide tools procured; rollout across practice groups in progress; adoption uneven; the first measurement data is landing, usually inconclusive.	**Current position (partial).** Harvey, Lexis+AI, Luminance, Kira Systems and Legatics are deployed; six of eight have no measurement framework behind them.
Governed	Four control artefacts in place: partnership-endorsed strategy, published policy with teeth, vendor consolidation plan with retirement decisions landed, measurement discipline reading matter-type economics.	Not yet. The policy is drafted but not endorsed; no consolidation plan exists; measurement discipline is absent.
Compounding	Pricing moved to AFA on matter types where AI changes economics; leverage redesigned where AI replaces first-year work; partner pay reflecting AI-augmented delivery.	Not yet; Governed comes first. Compounding depends on the Pricing and Partner Pay pillars running against the AI efficiency reading, which does not yet exist.

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The gating dimension

Measurement is the gating dimension. The firm sits in both Experimenting (strategy and governance stance) and Deploying (tool procurement) because the two tracks have run in parallel without composing. The specific move that converts them into Governed is the measurement discipline that would let the Copilot pilot owner answer the CEO's "scale, pivot or stop" question, and the overlap audit of the eight-tool AI stack that would let the vendor consolidation plan land. Without measurement, the firm cannot know which of the eight tools is actually producing productivity shift; without the overlap audit, it cannot retire anything safely. Everything else in the Governed stage waits.

This is the pattern the operating model is designed to test for in a mid-tier firm that said yes to multiple point tools before standing up the governance frame. Until the firm measures what its tools produce, the committee has no evidence to govern with.

The three capability moves Phase 3 must set up

Each is a specific capability build. All three can run in parallel across the eight-to-sixteen-week engagement without exceeding the firm's change capacity.

1. **Stand up the measurement discipline, starting with the Copilot pilot.** Baseline KPIs for the two practice groups in the pilot (corporate and employment), measurement protocol for the next 90 days, go / pivot / stop decision date at week sixteen. The CFO and the pilot owner co-own; the AI Programme Health Dashboard is the artefact. Without this, every other move stays blocked.
2. **Run the Legal Tech Architect audit and land the vendor consolidation plan.** The eight-tool stack has overlapping tools, and retiring two of them would cut licence spend. It is a partnership decision, because retiring a tool a practice group is attached to needs a partnership-level frame. The Legal Tech Architect audit is the input; the committee is the decision forum.
3. **Finish the AI policy and land it in the partnership.** The policy exists in draft; the gap is the four cluster disciplines it must support - tool control, training, verification, disclosure. The AI Governance Scorecard sample report names which cluster will fail an insurer's proposal form first (verification); the Policy Stack Configurator stands the policy up with those disciplines in it.

What this does not solve

The AI Operating Model Position is a firm-level stage assessment. It does not read the current legal-tech estate for overlap - the **Legal Tech Architect** does that. It does not read capability on the twelve dimensions - the **AI Readiness Diagnostic** does that. It does not read whether the governance would survive external questioning - the **AI Governance Scorecard** does that. It does not price a matter type under AI efficiency - the Pricing Engine does that, driven by the AI readiness results. It does not redesign practice-group leverage - that is a partner-pay conversation driven by the Talent Economics Model. The point of the position is to make the other four engagements credible, by naming what stage the firm is actually on.

The firm, people and figures in this position paper are invented. The AI Operating Model five-stage anchor is documented in the companion briefing, the AI Toolkit (July 2026) and the Legal AI Refresh (October 2026).

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INDICATIVE READINESS PROFILE

AI Readiness & Value Realisation Diagnostic

Enderby Finch LLP

Prepared for the Managing Partner, Enderby Finch · Path: Express · Mode B: In-situ effectiveness · Date: 26 October 2026

HEADLINE

Your overall readiness band

OVERALL READINESS

Developing

Level 2 on the five-level scale (Foundational, Developing, Operational, Mature, Leading).

Biggest gap: Governance, Risk & Responsible AI.

No written AI policy. Ad-hoc guidance via email or partner conversations.

The question to raise internally first: Is your AI policy enforced (training-gated, breach-tracked, audit-able), or is it a posted document nobody references?

PER-DIMENSION RESULTS

Where each dimension stands

One anchor question per dimension. The descriptor in the right-hand column is the level descriptor you selected.

DIMENSION	REPORTED LEVEL	RAG	WHERE YOU ARE
Strategy & Leadership	L2 · ACTIVE	RED	An AI strategy has been drafted (by COO, CIO, or an innovation team) but has not been formally endorsed by the partnership; budget exists for tools but not for programme.
Partnership Governance & Sponsor Coalition	L2 · ACTIVE	RED	A single partner sponsor exists (often Managing Partner or innovation partner). The programme would not survive their departure.
Data & Knowledge Management	L3 · OPERATIONAL	AMBER	60% to 80% complete; a metadata remediation programme is underway, with a target date.

DIMENSION	REPORTED LEVEL	RAG	WHERE YOU ARE
Technology & Integration	L3 · OPERATIONAL	AMBER	Cloud-resident DMS with at least one AI tool reading from it via API; outputs return to a designated matter folder; matter-level access controls are enforced.
Talent & AI Literacy	L2 · ACTIVE	RED	Training attendance is tracked; no competence assessment.
Culture & Change Readiness	L2 · ACTIVE	RED	At least one enterprise-wide change has been completed, but late, over budget, or with documented adoption issues. Awareness is high; desire across the partnership is uneven.
Operating Model & Process Maturity	L2 · ACTIVE	RED	Spend is heavily weighted to algorithm / licence (60%+); change and process spend is below 20%.
Governance, Risk & Responsible AI	L1 · AWARENESS	RED	No written AI policy. Ad-hoc guidance via email or partner conversations.
Regulatory & Professional-Conduct Readiness	L2 · ACTIVE	RED	Awareness exists; no defined approach; relies on individual partner judgment.
Partner Economics & Pricing Realignment	L1 · AWARENESS	RED	The tension between billable-hour realisation and AI efficiency has not been modelled.
Value Realisation & Measurement	L1 · AWARENESS	RED	No baseline was captured. Benefits are described in anecdote: 'partners say it saves time'. No numbers.

GO FURTHER

Take it deeper: the Comprehensive Diagnostic

This Indicative Profile is based on one anchor question per dimension. The Comprehensive Diagnostic uses approximately seven questions per dimension with evidence prompts, five internal consistency checks (including the partner-economics triple-claim and the shadow-AI exposure flag), and a prioritised twelve-month intervention roadmap. Your Express anchor selections will pre-fill the corresponding Full-path questions; you continue from the first unanswered dimension.

What the Comprehensive adds that this Indicative does not: per-dimension evidence summary, "what Level N+1 requires" intervention text, bias / perception cross-check log, twelve-month sequenced roadmap, peer-context paragraphs, visibility flags from "don't know" patterns.

NEXT MOVE

Your next move

You are in **Mode B: In-situ effectiveness**. The tool is live. The question is whether the partnership is realising the value the business case promised, and whether the next wave is set up to compound on the first.

Your biggest gap is **Governance, Risk & Responsible AI**. Lifting this dimension is likely to do more for realised benefit than adding a second AI tool. The Comprehensive Diagnostic surfaces the adoption-lift, benefit-measurement and governance-maturation moves specific to your reported levels, and runs the partner-economics triple-claim check that live-AI firms often fail.

A typical in-situ next-wave sequence: partner-level adoption lift first; baseline-and-measure protocol second; governance maturation (NIST GMMM, ISO 42001 gap assessment) third; pricing and partner-pay realignment fourth.

ENGAGEMENT

How Alt-V can help

Book a scoping conversation

Book a 30-minute readout with Derek Duffy, APAC Director, Alt-V Law. We walk through your profile together, surface the one or two moves likely to shift the result in the next 90 days, and answer questions about the Comprehensive Diagnostic if you want a fuller assessment.

Book a readout: derek.duffy@altruisticventures.com

> **Also from Alt-V:** the *Business Services Operations Benchmark* (free: cost-of-function comparison against size-banded UK/AU benchmarks) and the *Legal Tech Architect* (free: AI benefit estimate + tool-stack overlap audit). If Technology or Operating Model flagged amber or red above, they quantify the gap this diagnostic located.

APPENDIX

Your eleven anchor responses

For each dimension, this is the anchor question we asked and the level you selected.

STR-001 · STRATEGY & LEADERSHIP · REPORTED LEVEL 2

Which best describes your firm's AI strategy?

Level 2: Active. An AI strategy has been drafted (by COO, CIO, or an innovation team) but has not been formally endorsed by the partnership; budget exists for tools but not for programme.

GOV-P-001 · PARTNERSHIP GOVERNANCE & SPONSOR COALITION · REPORTED LEVEL 2

Describe the sponsor coalition for AI at your firm.

Level 2: Active. A single partner sponsor exists (often Managing Partner or innovation partner). The programme would not survive their departure.

DAT-001 · DATA & KNOWLEDGE MANAGEMENT · REPORTED LEVEL 3

What proportion of documents in your DMS have complete matter metadata (matter ID, client, document type, custodian)?

Level 3: Operational. 60% to 80% complete; a metadata remediation programme is underway, with a target date.

TEC-001 · TECHNOLOGY & INTEGRATION · REPORTED LEVEL 3

How would you describe the current integration readiness of your DMS and PMS for AI tooling?

Level 3: Operational. Cloud-resident DMS with at least one AI tool reading from it via API; outputs return to a designated matter folder; matter-level access controls are enforced.

TAL-003 · TALENT & AI LITERACY · REPORTED LEVEL 2

How is AI competence measured at the firm?

Level 2: Active. Training attendance is tracked; no competence assessment.

CUL-001 · CULTURE & CHANGE READINESS · REPORTED LEVEL 2

What is the firm's track record on enterprise-wide change (PMS migration, merger integration, cloud rollout) over the last 36 months?

Level 2: Active. At least one enterprise-wide change has been completed, but late, over budget, or with documented adoption issues. Awareness is high; desire across the partnership is uneven.

OPM-001 · OPERATING MODEL & PROCESS MATURITY · REPORTED LEVEL 2

How has the firm allocated its AI programme spend across (i) algorithm / licence, (ii) tech & data, (iii) people & process / change?

Level 2: Active. Spend is heavily weighted to algorithm / licence (60%+); change and process spend is below 20%.

GOV-001 · GOVERNANCE, RISK & RESPONSIBLE AI · REPORTED LEVEL 1

Does the firm have a written, partnership-endorsed AI policy?

Level 1: Awareness. No written AI policy. Ad-hoc guidance via email or partner conversations.

REG-005 · REGULATORY & PROFESSIONAL-CONDUCT READINESS · REPORTED LEVEL 2

Does the firm have a defined approach for cross-jurisdictional matters where rules diverge in the same matter (e.g. NSW SC Gen 23 vs Federal Court GPN-AI; UK SRA vs EU AI Act)?

Level 2: Active. Awareness exists; no defined approach; relies on individual partner judgment.

PEC-001 · PARTNER ECONOMICS & PRICING REALIGNMENT · REPORTED LEVEL 1

Has the firm modelled what 20% / 40% time-compression on routine matters does to partner profit at current pricing?

Level 1: Awareness. The tension between billable-hour realisation and AI efficiency has not been modelled.

VRM-001 · VALUE REALISATION & MEASUREMENT · REPORTED LEVEL 1

Was a baseline (hours per matter type, cycle time, error rate) captured before AI rollout, and is the firm measuring against it?

Level 1: Awareness. No baseline was captured. Benefits are described in anecdote: 'partners say it saves time'. No numbers.

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ALT-V AI GOVERNANCE SCORECARD

AI governance: readiness scorecard

Your firm

FULL REPORT

Your readiness verdict

Exposed

L1 · Exposed

The firm cannot yet answer the questions being asked of it. At least one cluster has effectively nothing in place, and the outside question set (insurer, court, client) probes clusters independently, so the strongest areas do not offset the weakest. The distance from Exposed to Managed is mostly configuration and adoption; the artefacts involved are standard and fast to install.

SUMMARY

Your five clusters

Policy & tool control

L2 Ad hoc

L2 · Ad hoc

Training & competence

L1 Absent

L1 · Absent GATING CLUSTER

Output verification

L1 Absent

L1 · Absent GATING CLUSTER

Supervision & accountability

L2 Ad hoc

L2 · Ad hoc

Client disclosure & incident response

L1 Absent

L1 · Absent GATING CLUSTER

Levels run Absent → Ad hoc → Managed → Evidenced. The questions now being asked by insurers, courts and clients are answered at Managed and proven at Evidenced.

UNITED KINGDOM

The questions you will face: United Kingdom

The question set converging on UK firms, from three directions at once:

Insurers (proposal and renewal forms). Which AI tools are used, and across which practice areas · what policies and procedures govern use · how human oversight and verification are maintained · whether staff are trained · how client information is protected.

The regulator (SRA guidance, supervision expectations and the August 2026 Warning Notice). Named accountability at COLP and board level · written policies and procedures · training and awareness · monitoring · verification proportionate to risk · telling clients where they are interfacing with AI. The Warning Notice on misuse of AI (17 August 2026) restates the duties on verifying authorities, supervision and client confidentiality, and flags open AI tools and privilege; the SRA's announcement of the Notice records 42 reports in the year to July 2026.

Clients (panel questionnaires and outside-counsel guidelines). Now arriving, unevenly: disclosure of AI use on their matters · data-handling assurances · audit rights.

The courts. No England and Wales practice direction on AI disclosure exists as at October 2026 (the Civil Justice Council's final report is awaited), but judges are acting on fabricated authority: Munir [2026] UKUT 81 (IAC) amended the Upper Tribunal judicial review claim form to require a statement that each cited authority exists, can be located from the citation, and supports the proposition, and in Cork v Smith [2026] EWHC 1199 (Ch) the firm referred itself to the SRA after an AI tool produced a non-existent insolvency rule in letters to the court, and the judge ordered the judgment to be sent to the SRA.

A firm at Managed across all five clusters can answer these; a firm at Evidenced can prove its answers.

CLUSTER DETAIL

Cluster by cluster, and what closes each gap

POLICY & TOOL CONTROL

L2 Ad hoc L2 · Ad hoc

The firm has no view of which of the tools it bought are in use. A policy may exist on the intranet; practice is individual discretion, the pattern the mid-market survey data calls AI as personal tooling rather than firm capability.

What closes this gap: the Alt-V AI Use Policy and Approved Tools Register, partnership-ready templates configured to your firm, generated with the rest of the four-document governance stack.

TRAINING & COMPETENCE

L1 Absent L1 · Absent

People are using tools they have never been trained on, in a profession where the known failure mode (confident fabrication) is invisible to the untrained eye. This is the gap that turns an AI error into a personal conduct issue for the fee-earner involved.

What closes this gap: the training-gates section of the Alt-V AI Use Policy plus the one-page verification desk aid, the artefacts that turn "we ran a session" into a records-backed training regime.

OUTPUT VERIFICATION

L1 Absent L1 · Absent

Nothing stands between an AI hallucination and a client or court except individual conscientiousness. Every publicised AI disaster in the profession (struck citations, wasted-costs orders, referred practitioners) passed through this gap.

What closes this gap: the Alt-V AI Output Verification Protocol, a three-tier standard by output destination, citation checklist, sign-off matrix and matter-file recording, configured to the courts you appear in.

SUPERVISION & ACCOUNTABILITY

L2 Ad hoc L2 · Ad hoc

Ownership exists in name (IT, or an interested partner) without mandate, cadence or authority. Decisions about tools that touch client work are being made below the level that carries the risk.

What closes this gap: the Alt-V AI Governance Committee Terms of Reference, covering mandate, composition (scaled to firm size), decision rights, cadence and escalation, ready for partnership endorsement.

CLIENT DISCLOSURE & INCIDENT RESPONSE

L1 Absent L1 · Absent

The firm has no position on telling clients about AI use and no defined response if something goes wrong. Both questions are now being asked from outside; this cluster is where external scrutiny lands first.

What closes this gap: the client-communication and incident-reporting sections of the Alt-V AI Use Policy, plus engagement-terms language, which give the firm a position on disclosure and a route for the bad day.

ENGAGEMENT

How Alt-V can help

SHAPE A

Governance stack installation

A fixed-fee installation of the four-document Alt-V AI governance stack (use policy, governance committee terms of reference, pilot charters, verification protocol), configured to your firm's size, court footprint and tool set, ready for partnership endorsement, typically within weeks.

SHAPE B

AI readiness and governance review

The wider review: where AI pays at your firm, in what order, and with what controls. The governance scorecard is one lens of a broader readiness diagnostic that sequences adoption and governance together.

Send Alt-V two things: this report, and the one question from your insurer's proposal form you are least confident answering.

Email Alt-V

METHOD

How this was scored

How this was scored: each cluster is the median of your answered questions in that cluster (rounded down on ties); your overall verdict is the lowest cluster, not the average. Skipped questions are excluded; clusters with fewer than two answers are not scored. This is a self-assessment: in Alt-V's experience firms score themselves generously on governance, most often on training and verification. If any answer described an intention rather than current practice, re-run it honestly; the gap between the two is what the outside question set exposes.

This scorecard is a management diagnostic, not a compliance opinion and not legal advice. It measures your readiness to answer the questions insurers, courts and clients are now asking; it does not assess compliance with any regulation. Configured governance documents require your firm's own legal sign-off before adoption.

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