

Will AI Eliminate Half of All Entry-Level White-Collar Jobs Within the Next Five Years?



By John Tredennick

That's not a dystopian science fiction prediction. It's a stark warning from Dario Amodei, CEO of Anthropic, one of the world's most powerful GenAI companies, in this week's [Axios.com](https://www.axios.com). When the person building the technology that could reshape society overnight says unemployment could spike to 10-20% by 2030, every professional should pay attention.

As someone who has spent over 25 years in legal practice and another two decades building legal technology companies, I've witnessed multiple waves of technological transformation in our profession. But nothing I've observed comes close to the magnitude of change that artificial intelligence is bringing to legal practice—and the urgency with which we must respond.

The question isn't whether this will happen. The legal profession—with its document-intensive workflows, analytical processes, and hierarchical training structures—sits directly in the crosshairs of this transformation. The question is whether we'll adapt in time, or find ourselves wondering what happened.



Why this Transformation is Happening Now

Amodei's stark predictions aren't speculative—they're grounded in observable technological trajectories and economic realities he witnesses daily as CEO of one of the world's leading AI companies. His warnings carry particular weight because they come from someone building the very technology driving this transformation.

Three converging factors make this timeline credible:

Accelerating Capabilities: Major AI companies are systematically improving their models to exceed human performance across expanding tasks. Amodei points specifically to Claude 4's near-human coding ability—a capability that directly threatens entry-level analytical work across professions, including law.

Economic Inevitability: When AI can perform equivalent work "instantly, indefinitely, and exponentially cheaper" than human professionals, market forces create overwhelming adoption pressure. This isn't about technological possibility—it's competitive necessity.

The Automation Shift: AI deployment is rapidly evolving from augmentation (helping humans work efficiently) to automation (performing work independently). Amodei estimates this transition will occur "as little as a couple of years or less," validated by current corporate behavior—Microsoft, Meta, and others are already implementing workforce reductions in anticipation of AI capabilities.

This convergence creates what Amodei describes as transformation that happens "gradually and then suddenly." The legal profession, with its document-intensive workflows and analytical processes, sits directly in the crosshairs.

I Don't Mean to Say I Told You So . . .

These technical and economic realities align disturbingly well with patterns I've been observing in the legal technology landscape. In my recent analysis "[Don't be Kodak: A Parable About AI and the Legal Profession](#)," I warned legal professionals about the risks of ignoring technological disruption. Amodei's comments validate these concerns while adding crucial specificity about timing, scope, and the underlying forces driving change.

The parallels are unmistakable. Just as Kodak saw digital photography coming but couldn't imagine sacrificing their profitable film business, many law firms today recognize AI's potential but struggle to envision transforming their billable-hour model. Meanwhile, their more adaptive competitors—like Fujifilm in the photography industry—are already repositioning themselves for the AI-driven future.



Current AI Capabilities Transforming Legal Practice

Current AI systems already demonstrate operational capabilities that firms are implementing today. These include processing thousands of pages of depositions and medical records in minutes rather than days, drafting and reviewing complex agreements with increasing sophistication, and generating comprehensive reports on massive document sets—work traditionally requiring teams of attorneys for weeks can now be completed in minutes with unprecedented accuracy.

Perhaps most significantly, platforms like our Alchemy system can rapidly analyze and report on information buried within extensive document collections, while TranscriptPartner can create detailed deposition summaries in minutes. Our platform's ability to generate substantial legal arguments—including a 60-page closing argument in approximately one hour—demonstrates how AI has moved beyond experimental features to operational capabilities.

The question isn't whether this technology works, but how quickly it will become standard practice and fundamentally alter the economic structure of legal service delivery.

The Economics of Change

What makes this transformation particularly urgent is its economic logic. As Amodeli noted, AI agents can perform work "instantly, indefinitely, and exponentially cheaper" than human professionals. When technology can deliver equivalent output at a fraction of the cost, market forces create inexorable pressure for adoption.

In my conversations with legal department leaders and BigLaw partners, I consistently observe the same pattern: firms are systematically cutting back on first-year associates and junior lawyers whose work can now be performed by powerful LLMs like Claude and GPT in a fraction of the time. These aren't theoretical discussions—they're operational decisions happening right now.

A particularly striking example came from a head of international litigation at a global company with nearly a million employees. After seeing what our TranscriptPartner platform could accomplish in just a couple of minutes, he looked at me and said: "I will never pay another lawyer to summarize a deposition again." The combination of speed, accuracy, and cost savings—delivering in minutes what previously required hours of billable time—fundamentally changed his perspective on legal service delivery.



This represents the broader transformation occurring across legal departments. When AI can perform routine analytical tasks at a small fraction of traditional legal fees, the economic pressure becomes overwhelming.

Consider the current trajectory:

- **Major corporations** are already reducing workforces in anticipation of AI capabilities (Microsoft, Meta, Walmart, CrowdStrike)
- **Entry-level positions** face immediate vulnerability as AI masters routine tasks
- **Document-intensive work** is rapidly shifting from human-dominated to AI-assisted to AI-controlled
- **Billing models** based on time spent are becoming economically unsustainable

Learning from Industrial Transformation

The photography industry's digital transition offers instructive lessons. Kodak's bankruptcy wasn't caused by missing the digital revolution—their leadership saw it coming. Their failure lay in protecting existing revenue streams rather than embracing transformation. Fujifilm faced identical pressures but chose adaptation, leveraging their expertise to enter new markets and investing in digital capabilities rather than resisting them. Today, Fujifilm thrives as a \$20+ billion company while Kodak remains a shadow of its former self.

The legal profession now faces a similar inflection point: adapt proactively while resources and market position allow for successful transformation, or react defensively and risk displacement by more adaptive competitors.

A Framework for Proactive Response

Based on my experience building legal technology solutions and observing industry transformation, legal professionals must focus on three essential actions:

Dig Into AI Now: Start experimenting with AI tools immediately. The knowledge gap around AI capabilities represents the profession's greatest vulnerability.

Abandon the Billable Hour: Shift toward outcome-based pricing. When AI can perform equivalent work in minutes rather than hours, time-based billing becomes economically unsustainable.

Transform Before You're Forced To: Redesign your operations to incorporate AI capabilities while focusing human talent on high-value strategic work. The firms that proactively embrace change will dominate those that react defensively.



The Urgency of Now

The train I warned about in “Don’t be Kodak” isn’t coming. It’s already here, and some are already aboard. As I told my friend Jack in my Kodak parable, “Your only choice is to board one of the front cars, where the cushions are soft and the drinks are free. Otherwise, you may find yourself riding in the caboose, or even left on the tracks.”

Amodei’s warnings provide crucial validation for what many in legal technology have been observing: the transformation of legal practice through artificial intelligence is not a distant possibility but an immediate reality requiring urgent response.

The legal profession has always adapted to change—from typewriters to personal computers, from law libraries to digital research, from paper files to cloud storage. This AI transformation represents the next chapter in that evolution. The question isn’t whether it will happen, but whether we’ll lead it or be overwhelmed by it.

The choice, as always, is ours. But the window for proactive decision-making is narrowing rapidly.

John Tredennick is CEO and founder of Merlin Search Technologies and a former litigation partner with over 25 years of experience in legal practice and legal technology innovation. He is the author of eight books on legal technology and former Chair of the ABA’s Law Practice Management Section.