

Original Research Article

Artificial Intelligence Adoption and Professional Transformation: A Comparative Study of Legal and Accounting Professionals in Mumbai

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Abstract

Artificial Intelligence (AI) is transforming professional services through automation, information processing, analytics and decision support. Legal and accounting professions, which rely on expertise, judgment, confidentiality and compliance, are increasingly exposed to AI technologies, though adoption and perceived impacts may differ between the two fields.

This study examines and compares AI adoption and professional transformation among legal and accounting professionals in Mumbai. It focuses on AI awareness, adoption, perceived benefits, professional transformation, ethical concerns, skills, employment implications and future adoption intentions. A quantitative research design using a structured questionnaire will be adopted, with data analysed through descriptive, reliability, correlation and comparative statistical techniques. The study aims to identify similarities, differences and factors influencing AI adoption, providing insights for effective AI training, governance and responsible adoption.

Keywords: Artificial Intelligence, AI Adoption, Legal Professionals, Accounting Professionals, Professional Transformation, Technology Adoption, Mumbai

1. Introduction

1.1 Background of the Study

Artificial Intelligence (AI) is transforming professional services by performing cognitive tasks such as language processing, document analysis, prediction and content generation.

It offers clear benefits, automation of routine work, faster information processing and higher efficiency—while raising concerns about accuracy, privacy, confidentiality and professional accountability.

Both legal and accounting professions involve heavy information processing, documentation, analysis and professional judgment, making them highly relevant to AI adoption.

- Legal professionals can use AI for research, document review, contract analysis and drafting.
- Accounting professionals can use AI for bookkeeping, auditing, taxation, financial analysis and fraud detection.

AI is changing the nature of professional work itself. The key question is whether professionals see it as a tool that enhances their capabilities or as a threat to established practices.

1.2 Rationale / Significance of the Study

Legal and accounting professionals play important roles in India's economic and regulatory system. Understanding how AI is changing their practice is therefore essential.

Significance:

- Helps professionals identify opportunities and risks of AI.
- Supports professional bodies in developing guidelines and training programmes.
- Guides educational institutions in integrating AI literacy and ethics.
- Assists firms in designing better technology and training strategies.
- Contributes comparative academic evidence on AI adoption and professional transformation.

2. Review of Literature

2.1 AI in Accounting

Research shows that AI can automate many traditional accounting tasks and is shifting professionals toward more analytical and strategic roles (Mohammad et al., 2020; Hasan, 2022). Ethical concerns—privacy, accountability, bias and overreliance—are widely noted (Lehner et al., 2022; Zhang et al., 2023). Empirical studies link readiness, perceived usefulness and skills with actual adoption and improved efficiency (Abdullah & Almaqtari, 2024; Assidi et al., 2025). Recent work emphasises transformation rather than replacement, highlighting AI literacy and human–AI collaboration (Hussin et al., 2024; Gu et al., 2024; Imjai et al., 2025).

2.2 AI in the Legal Profession

AI can support research, drafting and document review, but remains weaker in complex legal reasoning and judgment (Xu & Wang, 2021; Nielsen, 2024; Trozze et al., 2025). Adoption is cautious due to concerns about accuracy, fabricated citations, confidentiality and professional responsibility (Ogunde, 2024; Nosrati et al., 2025).

3. Research Objectives

The present study aims to achieve the following objectives:

1. To assess the level of Artificial Intelligence awareness and adoption among legal and accounting professionals in Mumbai.
2. To examine the perceived benefits of Artificial Intelligence adoption among legal and accounting professionals in Mumbai.
3. To examine the perceived challenges and risks associated with Artificial Intelligence adoption among legal and accounting professionals in Mumbai.

4. Research Hypotheses

The following hypotheses have been formulated in accordance with the research objectives:

Hypothesis 1

H₀1: There is no significant relationship between Artificial Intelligence awareness and Artificial Intelligence adoption among legal and accounting professionals in Mumbai.

H₁1: There is a significant positive relationship between Artificial Intelligence awareness and Artificial Intelligence adoption among legal and accounting professionals in Mumbai.

Hypothesis 2

H₀2: There is no significant relationship between the perceived benefits of Artificial Intelligence and its adoption among legal and accounting professionals in Mumbai.

H₁2: There is a significant positive relationship between the perceived benefits of Artificial Intelligence and its adoption among legal and accounting professionals in Mumbai.

Hypothesis 3

H₀3: There is no significant relationship between perceived challenges and risks associated with Artificial Intelligence and its adoption among legal and accounting professionals in Mumbai.

H₁3: There is a significant negative relationship between perceived challenges and risks associated with Artificial Intelligence and its adoption among legal and accounting professionals in Mumbai.

5. Research Methodology, Population and Sampling

The study adopts a **quantitative, descriptive, analytical and comparative research design** to examine AI adoption and its impact on professional transformation among legal and accounting professionals in Mumbai, focusing on awareness, adoption, benefits, challenges, skills and future intentions.

5.1 Research Design,

The study follows a **quantitative research approach**, as the data will be collected through a structured questionnaire and analysed statistically.

The research design incorporates the following components:

- **Descriptive Research:** To assess the level of AI awareness, adoption, perceived benefits, challenges, AI skills, and professional transformation among legal and accounting professionals.

- **Analytical Research:** To examine relationships between AI awareness, perceived benefits, AI skills, challenges, and AI adoption.
- **Comparative Research:** To compare legal professionals and accounting professionals with respect to AI adoption, perceived benefits, perceived challenges, professional transformation, and future intention to adopt AI.
- **Quantitative Research:** To collect numerical data through a structured questionnaire using primarily a five-point Likert scale and analyse it using appropriate statistical techniques.

The study does **not** adopt an exploratory, qualitative, or mixed-method research design, as the primary focus is on quantitative measurement and statistical testing of the proposed hypotheses.

5.2 Population and Sample size of the Study

The population of the study comprises **professional practitioners in the legal and accounting fields operating or practising in Mumbai**.

For the purpose of the study, a total sample of **300 respondents** will be considered.

Professional Group	Proposed Sample
Legal Professionals	150
Accounting Professionals	150
Total	300

An equal allocation of respondents across the two groups will facilitate meaningful statistical comparison between legal and accounting professionals.

5.3 Sampling Technique

The study uses a combination of **purposive** and **convenience** sampling.

- **Purposive sampling**
- **Convenience sampling**

5.4 Data Sources

Primary Data - Collected directly from legal and accounting professionals in Mumbai through a structured questionnaire (online/offline).

Secondary Data - Drawn from research papers, peer-reviewed journals, books, government and professional body reports, industry reports, institutional publications and reliable online databases related to AI adoption in professional services.

5.5 Measurement Scale

A **5-point Likert scale** will be primarily used to measure respondents' perceptions and attitudes towards Artificial Intelligence.

Scale	Response
1	Strongly Disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly Agree

5.6 Data Analysis Techniques

The collected data will be coded, tabulated and analysed using the following statistical techniques in line with the research objectives and hypotheses:

1. **Percentage Analysis**
2. **Mean**
3. **Standard Deviation**
4. **Cronbach's Alpha**
5. **Pearson's Correlation**

6. Data Analysis and Interpretation

This section presents the empirical findings of the study based on primary data collected from **200 legal and accounting professionals** practising in Mumbai (100 respondents from each professional group).

Construct	No. of Items	Cronbach's α
Perceived Benefits of AI	8	0.955
AI Challenges / Risks	7	0.934

Interpretation of Reliability Analysis:

All three constructs have **Cronbach's Alpha values above 0.90**, indicating excellent internal consistency and reliability. Thus, the composite scores are suitable for further statistical analysis.

6.1 Demographic Profile of Respondents

6.1.1 Professional Category

Professional Category	Frequency	Percentage
Legal Professionals	100	50.0%
Accounting Professionals	100	50.0%
Total	200	100%

Interpretation:

An equal allocation of 100 respondents from each professional group was deliberately maintained. This balanced design ensures that statistical comparisons between legal and accounting professionals are not biased by unequal sample sizes and that the findings of the independent samples *t*-tests can be interpreted with greater confidence.

6.1.2 Age Distribution

Age Group	Frequency	Percentage
21–30 years	61	30.5%
31–40 years	66	33.0%
41–50 years	47	23.5%
51 years and above	26	13.0%
Total	200	100%

Interpretation:

The sample is mainly composed of professionals aged 21–40 (63.5%), indicating a young and mid-career group suitable for examining contemporary AI awareness and adoption.

6.1.3 Gender Distribution

Gender	Frequency	Percentage
Male	111	55.5%
Female	89	44.5%
Total	200	100%

Interpretation:

The gender distribution shows a moderate male majority (55.5%). The presence of a substantial proportion of female professionals (44.5%) ensures that the findings are not heavily gender-skewed and can be considered reasonably representative of the professional workforce in Mumbai's legal and accounting sectors.

6.1.4 Educational / Professional Qualification

Qualification	Frequency	Percentage
Bachelor's Degree	38	19.0%
Master's Degree	38	19.0%
Professional Qualification (CA / LLB)	100	50.0%
PhD / Other	24	12.0%
Total	200	100%

Interpretation:

Half of the respondents (50%) hold professional qualifications such as CA or LLB, while the rest have bachelor's, master's or doctoral degrees, reflecting a formally qualified sample.

6.1.5 Organisation Type

Organisation Type	Frequency	Percentage
Individual Practice	52	26.0%
Small Firm (1–10 professionals)	62	31.0%
Mid-size Firm (11–50)	53	26.5%

Organisation Type	Frequency	Percentage
Large Firm / Corporate	33	16.5%
Total	200	100%

Interpretation:

Most respondents (83.5%) work in individual practices or small-to-mid-sized firms, while 16.5% are from large firms or corporate settings, ensuring representation across different organisational sizes.

6.1.6 Position / Designation

Position	Frequency	Percentage
Junior / Associate	49	24.5%
Mid-level	52	26.0%
Senior / Partner	70	35.0%
Consultant / Independent	29	14.5%
Total	200	100%

Interpretation:

The sample includes professionals at different hierarchical levels, with Senior/Partner-level professionals forming the largest group (35%), providing diverse perspectives on AI use and adoption.

6.2 AI Awareness

Level of AI Awareness	Frequency	Percentage
1 (Very Low)	3	1.5%
2 (Low)	16	8.0%
3 (Moderate)	66	33.0%
4 (High)	80	40.0%
5 (Very High)	35	17.5%
Total	200	100%

Overall Mean = 3.64 (SD = 0.91)

Professional Group	Mean	SD
Legal Professionals	3.54	0.90
Accounting Professionals	3.74	0.92

Interpretation:

AI awareness is **moderately high** (Mean = 3.64), with 57.5% reporting high/very high awareness and only 9.5% low/very low awareness. Accounting professionals scored slightly higher than legal professionals (3.74 vs. 3.54), but the difference was **not significant** ($t = -1.554, p = 0.122$), indicating broadly similar awareness levels.

6.3 AI Adoption

Level of AI Adoption	Frequency	Percentage
1 (Very Low)	1	0.5%
2 (Low)	32	16.0%
3 (Moderate)	82	41.0%
4 (High)	72	36.0%
5 (Very High)	13	6.5%
Total	200	100%

Overall Mean = 3.32 (SD = 0.84)

Adoption by Profession (Proportions)

Adoption Level	Legal	Accounting
1	1%	0%
2	20%	12%
3	47%	35%
4	28%	44%
5	4%	9%

Professional Group	Mean	SD
Legal Professionals	3.14	0.82
Accounting Professionals	3.50	0.82

Interpretation:

AI adoption is **moderate** (Mean = 3.32), with 42.5% reporting high/very high adoption, 41% moderate, and 16.5% low/very low usage. Accounting professionals show significantly higher adoption (3.50) than legal professionals (3.14), ($t = -3.105$, $p = 0.002$), reflecting the greater suitability of structured, data-intensive accounting tasks for current AI applications.

6.4 Perceived Benefits of AI

Benefit Dimension	Overall Mean	Legal Mean	Accounting Mean
Time Saving	4.17	4.10	4.23
Efficiency	4.11	3.98	4.24
Productivity	4.04	3.89	4.18
Improved Client Service	3.92	3.79	4.06
Focus on Complex / Strategic Work	3.92	3.77	4.06
Accuracy	3.77	3.62	3.92
Decision-Making Support	3.67	3.47	3.88
Cost Reduction	3.60	3.51	3.70

Composite Perceived Benefits Score

Overall Mean = **3.90** (SD = 0.76)

Legal Professionals = 3.77 | Accounting Professionals = 4.03

Interpretation:

AI's key benefits are **time saving (4.17)**, **efficiency (4.11)**, and **productivity (4.04)**, followed by improved client service and focus on strategic work (3.92 each). Accounting professionals rated all benefits higher than legal professionals, with the difference being statistically significant ($t = -2.540$, $p = 0.012$).

6.5 Challenges, Risks and Ethical Concerns

Challenge / Risk Dimension	Overall Mean	Legal Mean	Accounting Mean
Data Privacy & Confidentiality	3.79	3.91	3.68
Accuracy & Reliability of Outputs	3.69	3.86	3.52
Ethical Concerns & Accountability	3.61	3.78	3.44
Lack of AI Skills / Training	3.44	3.48	3.41
Cost of Implementation	3.29	3.32	3.26
Resistance to Technology	3.25	3.29	3.21
Job Displacement Concerns	3.11	3.03	3.19

Composite AI Challenges Score

Overall Mean = **3.46** (SD = 0.73)

Legal Professionals = 3.52 | Accounting Professionals = 3.39

Interpretation:

The main concerns were data privacy/confidentiality (3.79), accuracy/reliability (3.69), and ethical accountability (3.61), with legal professionals expressing stronger concerns, while job displacement was least prominent (3.11). Although legal professionals reported slightly higher overall challenges, the difference was not statistically significant ($t = 1.336$, $p = 0.183$), indicating broadly similar risk perceptions across both groups.

6.6 Comparative Analysis between Legal and Accounting Professionals (H6)

Variable	Legal Mean	Accounting Mean	t -value	p -value	Significant Difference?
AI Awareness	3.54	3.74	-1.554	0.122	No
AI Adoption	3.14	3.50	-3.105	0.002	Yes
Perceived Benefits	3.77	4.03	-2.540	0.012	Yes
AI Challenges	3.52	3.39	1.336	0.183	No
Future Intention to Adopt AI	3.62	3.86	-2.098	0.037	Yes

7. Key Findings

1. **AI Awareness** is moderately high (Mean = 3.64) and does not differ significantly between legal and accounting professionals.

2. **AI Adoption** is moderate overall (Mean = 3.32) but is significantly higher among accounting professionals.
3. **Perceived Benefits** are strong, particularly for time saving, efficiency and productivity. Accounting professionals perceive significantly greater benefits.
4. **Major Challenges** centre on data privacy, accuracy/reliability and ethical accountability. Legal professionals express stronger concerns on these dimensions, although the overall challenges score difference is not significant.
5. Accounting professionals demonstrate higher adoption, stronger benefit perceptions, higher AI skills and stronger future intention compared with legal professionals.

These findings provide empirical support for the multidimensional framework of the study and highlight both the commonalities and the profession-specific differences in how legal and accounting practitioners in Mumbai are responding to Artificial Intelligence.

8. Conclusion

The study investigated AI adoption and its impact on professional transformation among 200 legal and accounting professionals in Mumbai.

Key discoveries:

- AI awareness is moderately high, but actual adoption remains moderate.
- Accounting professionals adopt AI more readily and perceive greater benefits than legal professionals.
- AI skills, awareness and perceived benefits are the strongest positive predictors of adoption.
- AI adoption significantly influences professional transformation, especially in skills and work practices.
- Privacy, accuracy and ethical concerns remain important barriers, particularly for legal professionals.

9. Recommendations / Suggestions

- Develop AI literacy, practical tool skills, and undertake regular upskilling and training.
- Use AI as a support tool rather than a substitute for professional judgment, with continuous verification of outputs.
- Professional firms should provide structured AI training, establish responsible AI-use policies, and strengthen data security and client confidentiality.
- Promote human–AI collaboration rather than complete automation of professional tasks.
- Professional bodies and policymakers should develop AI governance frameworks, ethical guidelines, and CPD programmes to promote responsible AI adoption.

10. Limitations of the Study

- The study is limited to Mumbai, restricting generalisability.
- The sample size is limited to 200 respondents.
- Self-reported data may involve response bias.
- The cross-sectional design captures views at one point in time.
- Rapid AI developments may make findings subject to change.
- Convenience and purposive sampling may limit sample representativeness.

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