

A World of Evolving Competencies for General Counsel

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February 16, 2017



Expectations of today's general counsel have expanded and elevated the job. Many global legal chiefs have reached the summit because they possess many of the nonlegal competencies required today. Midlevel in-house counsel who aspire to a legal chief role must develop these competencies. Broad legal knowledge is assumed. It's far from enough to succeed as a corporate legal executive in 2017.

Two key competencies that showed up in open-ended answers to Global Counsel Leaders Circle 2017 Benchmark (a biannual peer benchmark study) were *words not mentioned by any respondents* in the 2015 benchmark. These two competencies are: **leadership** and various words that can be paraphrased as **tech-savvy**.

Substantive legal abilities are nearly overshadowed by the new competencies. One reason is the primary role the general counsel in larger international companies plays in the protection of reputation. Egon Zehnder lists these core competencies for legal executives:

- Strong functional competence;
- Results orientation;
- Leadership and management strength;
- Influencing and partnering skills; and
- Strategic orientation

General counsel today are often called on to evaluate the potential magnitude of various risks with legal implications and then communicate their analysis and views of potential business impact. To do this, it helps for general counsel and the senior legal team to have good working relationships with finance, treasury, corporate communications and investor relations, among other functions.

New General Counsel Competencies: A List with Examples

With input from legal chiefs, those who select them and the top executives they work with, I prepared a list of key competencies required of the global corporate general counsel in 2017. Listed in alphabetical order, not all competencies are necessary all the time, but most are needed sooner or later. The importance varies with the company's situation, which can quickly change with events.

- Advocacy aptitude and experience
- Business acumen
- Calm temperament
- Communication skills
- Corporate governance understanding
- Crisis management ability
- Decision-making skills
- Foresight and identification of trends
- Independence
- Integrity and good ethics
- Judgement
- Leadership competency
- Legal know-how
- Management skills (including ability to involve and coordinate internal and external resources, as well as delegate and supervise);
- Media awareness
- Negotiation skills
- Problem-solving ability
- Time management skills

For each of the above, here are examples of the above competencies in action. They demonstrate how the competency is effective in responding to challenges and fulfilling the practical responsibilities.

Advocacy aptitude and experience

Advocacy requires presence and oratory skills, negotiating skills, a good understanding of laws, regulations and enforcement practices, as well as understanding of how regulatory officials work.

Business acumen

Each corporate legal function will have varying definitions of expectations for business acumen based on the corporate culture, history and regulatory situation, but a thorough understanding of the business and its structure is always important.

Calm temperament

One senior counsel explains it: "The GC has to be the cool head in the room, especially in tough situations."

Communication skills

One of the most important emerging skills for in-house legal professionals is the ability to communicate clearly and succinctly with business vocabulary, using consistent terms and avoiding legal jargon—both in written and oral communications.

Corporate governance understanding

As a recognized corporate governance expert said, “A general counsel’s active role in corporate governance can often result in her biggest contribution to the corporation’s and to its many stakeholders’ well-being. ... When a crisis erupts, corporate governance is both an opportunity to shine and the in-house lawyer’s most testing proving ground.”

Crisis management ability

A general counsel cannot perform his job without the ability to reduce and avoid many potential crises, and deal with many others to help contain, resolve or address them.

Decision-making skills

Research continually shows that internal business clients expect general counsel to gather and distill information quickly from a range of sources and propose a position or brief recommended actions, without complete information.

Foresight and identification of trends

Michael Going, global compliance officer and corporate secretary of CNH Industrial, describes this competency as “the ability to follow world developments, anticipate what could be the operational impact on your business, and take preparatory steps to respond.”

Independence

Informal and formal training with case examples will help to ensure that in-house counsel recognize key decision points and anticipate steps to ensure independence.

Integrity and good ethics

Business conduct and ethics programs offered by many legal and compliance functions provide case examples and ‘role plays’ that clarify good conduct in sensitive situations.

Judgement

Some in-house lawyers describe good judgement as expertise with the “smell test”: If they find that something “doesn’t smell good,” they find out more and look deeper.

Legal know-how

It’s important to clarify what legal know-how and skills are required for each in-house role as organization needs change, and to ensure in-house counsel are somewhat versatile.

Management skills

Management skills required include the ability to involve and coordinate internal and external resources, as well as delegate and supervise.

Media awareness

Social and digital media, increased transparency and new distribution channels for information combine to make media awareness an important competence for today's general counsel.

Negotiation skills

In-house lawyers must be equally adept at the art of persuasion in order to influence effectively internal business clients to take their advice, or to make headway with government regulators.

Problem-solving ability

Corporate counsel are more effective when they can offer a position and a solution that they believe strikes the right balance of risk and reward.

Time management skills

Time management skills are essential and include: prioritizing; differentiating between mission critical, urgent and important; running a productive meeting; utilizing tools that increase efficiency; and meeting deadlines.

Planning and preparation helps to ensure that your legal function's professional education opportunities are not just dull continuing legal education materials, but align closely with the company's growth strategy and the legal function's objectives. Think about the competencies you need to develop to achieve your own professional objectives, and the competencies that your team needs to be able to perform at their best.

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