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**More than
“just a
lawyer”**

**General counsel
as senior leaders.**

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More than legal expertise.

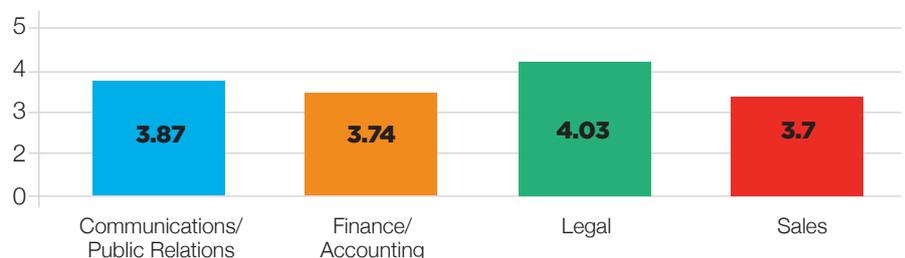
General counsel today bring more to the table than just their legal expertise. Acting increasingly as legal and business advisors to the CEO and senior leadership team, general counsel draw upon broader business knowledge and a wider skill set. Having the legal pedigree—deep knowledge of the law and regulations, negotiating skills, and specializations such as securities law—is a given. Differentiation comes from being, in the words of one general counsel, “more than just a lawyer.”

“To be effective means being someone who is not only a good attorney, but also someone who has an appropriate influence on the overall activities of the business—someone whose advice is sought out and heeded,” said Brian Woram, executive vice president and general counsel, KB Home.

As professionals, attorneys are trained and valued for their technical skills and expertise. Assessments of legal executives illustrate their strengths in influencing and negotiation (Figure 1), which is to be expected. Some legal executives try to advance their careers by increasing these strengths and developing greater breadth and depth of legal knowledge.

Figure 1

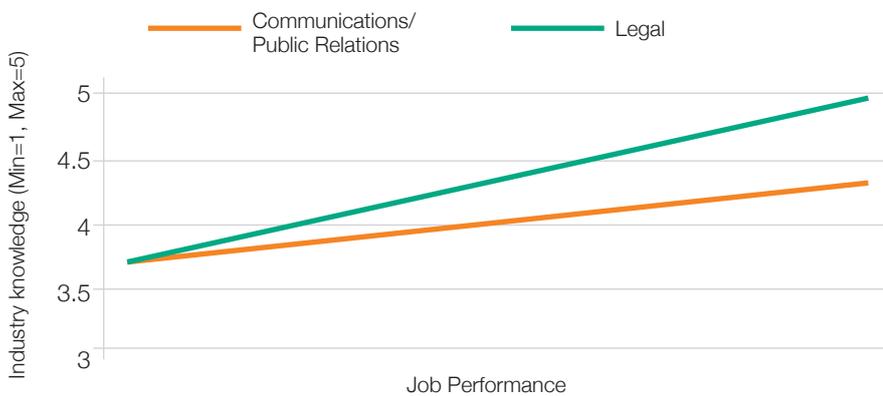
Average competency scores in influencing and negotiating for legal executives compared to scores for other corporate functions. (Landis 2014)



To truly distinguish themselves, however, legal executives must develop other attributes, such as greater knowledge of the business, as illustrated in Figure 2. The more attorneys know or learn about an industry, the better they perform as legal and business advisors; they then can advise a company in the context of the business issue and are not merely dispensing pure legal advice.

Figure 2

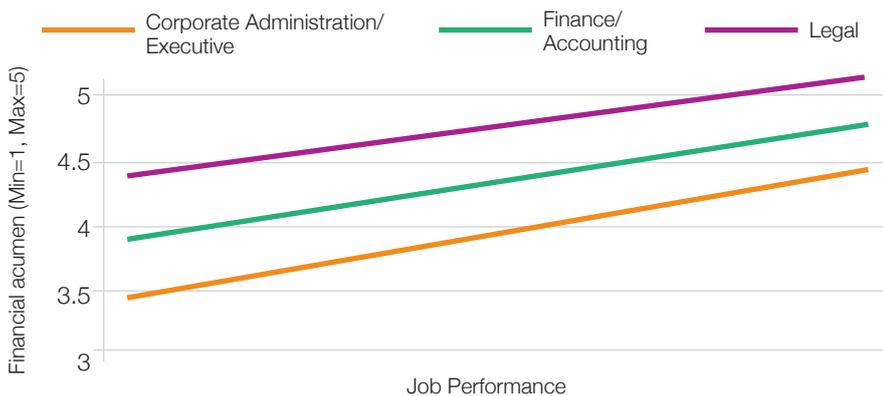
Greater industry knowledge accelerates job performance for legal executives—in this example, even more so than for their colleagues in communications/public relations. (Landis 2014)



Further, as Figure 3 illustrates, lawyers’ overall job performance improves with increased financial acumen, following a track similar to that of corporate administration/executives. High-performing general counsel develop reputations as business-savvy advisors on a range issues and strategies, and often simultaneously hold non-legal positions in their companies. The best-in-class general counsel is a fully functioning member of the senior leadership team who “just happens to be an attorney.”

Figure 3

Increased financial acumen accelerates job performance for legal executives. (Landis 2014)



Given the benefit of greater business and industry knowledge and financial acumen for legal executives, when recruiting general counsel CEOs and boards should look for candidates who possess these traits. For those who aspire to become general counsel, intentionally seeking out development assignments to build their business and financial knowledge and skills will be essential and also may open doors to general management positions.

Standing out from the legal crowd.

While organizations frequently retain outside law firms, general counsel play a special role: they are the go-to advisors for CEOs and boards on laws and regulations as well as public policy, ethics, and risk. With broader knowledge and skills, general counsel participate in leadership discussions of complex problems and creative solutions.

Often, a best-in-class general counsel contributes as much around strategy and driving the business as do other senior leaders, such as the chief financial officer (CFO) or chief marketing officer (CMO). As *Harvard Business Review* observed, “The general counsel is now a core member of the top management team and offers advice not just on law and related matters but helps shape discussion and debate around business issues.” (Heineman 2012)

Among in-house legal talent, lawyers who stand out can read balance sheets, understand profit and loss statements, possess at least a working knowledge of finance, and have good relationships with the finance team. They also possess team building and leadership skills, and collaborate well with leaders of other functions such as finance, human resources, information technology, research and development, marketing, and sales.

“A good general counsel has to be a strong leader who can attract the right talent and not be afraid to make tough decisions,” said Keith Nelsen, executive vice president, general counsel, and corporate secretary of Best Buy. General counsel also must possess “the gravitas and knowledge required for credibility with the board and senior management,” he added.

Thinking broadly about the business and shareholder value.

General counsel never take off their legal hats. Their thinking, however, should be broader than purely legal matters to consider the longer-term implications of a transaction, litigation, or other corporate matter. In fact, there are times when general counsel think more about the impact on the business over time than a short-term legal strategy. For example, when the senior leadership team makes a decision, general counsel can help project and analyze the likely outcomes, including the long-term impact on business strategy and shareholder value. “If you are thinking about things from that perspective all day long, you aren’t going to make decisions based on the short-term, quarterly impact. It’s much longer-term, broad-based thinking,” said Martha Wyrsh, executive vice president and general counsel of Sempra Energy.

If they display broader thinking, general counsel can dispel the perception that having a law degree means they are only interested in legal issues. Instead, legal talent is recognized for being business minded. Lawyers also must take it upon themselves to dispel stereotypes that they are risk averse and excessively detail oriented. Giving explanations in “plain English” and business terms instead of in “legalese” can help tremendously.

In-house lawyers must be intentional about their own career development. Although organizations have brought more legal work in-house, much of it tends to be transactional in nature and potentially overwhelming in volume. As a result, in-house lawyers may end up going deep into a particular issue without the broader context of the overall enterprise. To develop business perspective, lawyers must seek out opportunities to learn more about the enterprise and the industry. For example, serving on the internal legal team working on mergers and acquisitions establishes the bridge between law and business. To develop the lawyers who report to them, general counsel (especially those who held operations roles earlier in their own careers) may move legal staff into general management assignments to broaden their knowledge. As Wyrsh commented, “We have moved someone into the finance department, two people into operations, and someone into the lead environmental role for one of our utilities.”

Besides seizing on these developmental assignments, in-house legal talent must be proactive in finding opportunities and not shy away from tough, complex projects. These experiences also can help build emotional intelligence and judgment, which are crucial to becoming a better leader. “You need the skills and intelligence that people expect from an attorney, as well as the personality and emotional maturity to engage everyone from the field to the board of directors, as well as the ability to tolerate politics and difficult personalities,” Woram said.

The learning-agile general counsel.

To expand their business knowledge, gain financial acumen, and develop leadership skills, legal executives who aspire to be general counsel must learn from a variety of experiences. This requires learning agility, which Korn Ferry defines as the willingness and ability to learn from experience and subsequently apply that learning to perform successfully under new or first-time conditions. People who are learning agile are more willing to seek out challenges and take risks. Learning agility amplifies the ability to be successful in difficult, ambiguous, and first-time situations—a highly desirable trait for all leaders, including legal executives.

Legal talent that aspires to general counsel positions must develop and demonstrate learning agility by seeking out new challenges that allow them to see the bigger picture. Joining cross-functional teams, even for one project or as part of an in-house task force, exposes legal talent to other parts of the business. It is less about dispensing the “right” answers on demand and more about being recognized for collaboration and broad-based thinking.

As Korn Ferry research shows, prior experiences and the lessons gained from them are instrumental to readiness for new challenges and roles. Thus, experiences are considered one of four dimensions of leadership, along with traits (personality characteristics that exert a strong influence on behavior), competencies (leadership skills that matter most for success), and drivers (the preferences, values, and motivations that influence a person’s career). (Crandall, Hazucha, and Orr 2014)

For learning-agile general counsel, all four dimensions enhance their contribution to the organization as part of the senior team.

“Don’t ever feel like you’re confined by your title. You can add value in different ways,” Nelsen of Best Buy advised. “Attorneys have advanced degrees, a high level of intelligence, and are capable of doing a lot more than just drafting contracts.”

Mentors inside and outside the legal department also can foster learning in areas such risk taking and relationship building across the business. “The CEO who hired me introduced me to several dozen people when I first started. That gave me an immersion into the business quickly. You also need to be good at building relationships,” Nelsen said. “As a general counsel who has been in different industries, I can tell you that the chassis changes, but the other parts remain the same.”

In summary, qualifications for general counsel extend beyond legal expertise to broader business and industry knowledge and financial acumen. As CEOs and boards address general counsel succession and development of in-house legal talent, legal expertise, business perspective, and financial acumen are a highly valued combination.

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