

We Need Leaders, Not Just Lawyers

It is clear that the General Counsel and Chief Legal Officer of the future now need to be so much more. Is yours up to the challenge?

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Lawyers have traditionally been hired for their legal expertise – their knowledge of rules, governance and regulations, their negotiating skills, their ability to navigate an organization out of legal jeopardy.

All critical skills, of course, but hardly sufficient to serve in today's complex business world. Today, an organization needs far more than legal advice from its legal function. Today's business needs its General Counsel/Chief Legal Officer and its teams of lawyers to be top-notch leaders.

It is about stepping up and not waiting to be asked

The leadership strengths of General Counsel, Chief Legal Officers and their teams is and will be in demand across a wide spectrum of activities. A General Counsel and other legal professionals will be called upon to guide and inspire others to do the right thing – having an eye on the horizon, anticipating and mitigating risks around the corner before they materialize. They are custodians of reputation. They must be willing to step up and make clear that answers can't simply be found by looking at the law. Instead, they must be the voice at the table that pushes the organization to ask hard questions and to make the right call.

This is not a job for a lawyer who views the job as something of a box ticker – one who sits on the sidelines and offers quiet counsel when asked. Instead, it is a role that is often in the fray, calling for courage, proactivity, resilience and problem-solving in the organization's most pressing and complex interactions.

It is about having the courage to ask how a decision will be judged in the future

Today, lawyers may be needed to lead the way forward when others have lost the path or at the risk of doing so.

"This is not about knowing the law and merely applying it. It is about interpreting shades of grey that have nothing to do with the law. It is thinking about how something will be judged with the benefit of hindsight in future years. It may be okay today and even legal but is it going to be seen as the right thing to do in the future? You need to be the person sitting around the Board table who asks those questions and provides that challenge," said one top European General Counsel.

Put another way, "Lawyers need the courage to call out the decisions, the behaviors, the failures in the moments that matter, and tell leaders when they are not living up to the purpose of the organizations which they have committed to," said the leader of the legal function at a major energy infrastructure company.

It is about bringing a broad strategic voice to the table and not “staying in your lane”

Egon Zehnder's Legal, Compliance and Risk Practice Group is deeply involved in executive search and advisory work with some of the world's most significant public, private and PE-backed organizations and law firms. Leveraging their global network, the team recently surveyed 120+ members of the business and legal community asking what business leaders really want and need from their General Counsel/Chief Legal Officers and their teams. What came back was clear: organizations need their lawyers to be active, strategic voices in the business, stepping up to manage the challenges presented by issues such as digital technology and reputation management in the broadest possible sense. And they need to deliver this in an evolving way - drawing on their connection, awareness and understanding of both the outside world and the business itself to help the organization get to the right answer. And the right answer? This is one that is judged not just from the perspective of people today but based on how society will judge these decisions tomorrow.

Indeed, the lawyer companies need is not a specialty player, called in to handle a specific task. Instead, the lawyer is an embedded part of the leadership team, engaged in strategic challenges and opportunities the CEO and business faces on a daily basis.

“The successful General Counsel of today and tomorrow needs to be a fully functioning member of the senior executive team who just happens to view things through the eyes of a lawyer,” said one former NASDAQ General Counsel. “They have to be more than ‘just’ an attorney. They need to be strategic business executives, who understand the business, who balance risks and rewards and who have a strong understanding of the business, the strategy and the company's overall goals.”

It is about bringing a broad “toolkit” of innovative solutions

To meet these new demands, lawyers need both the mindset and skillset of leaders. Our survey respondents said loud and clear that the General Counsel and their legal teams must be solution-focused, doing more than just identifying a problem, but also bringing answers and options to the table. They must be team players who can connect and work effectively across the organization and externally. They must possess the leadership skills to build and empower diverse teams. They must have that drive to innovate and be agile to evolving business needs so they are the first point of call the business makes, and not the last team member brought to the table when things go wrong.

“When I am sitting with the Board or CEO, they are looking more for my views on business and strategic perspective, rather than whether something is purely and technically legal,” said one international General Counsel who has worked across the technology and automotive sectors “The GC needs to be comfortable and able to play that role.”

“The future GC needs to be a complex problem solver,” agreed another survey respondent. “Industries are blending together - retail companies are technology companies, technology companies are services companies, every company is a data company, and so on. There are numerous changes in how business is being conducted that will require a GC to bring stakeholders together to analyze problems with new perspectives and ultimately solve problems in new ways.”

At its heart, it is about curiosity

Perhaps most importantly, what is clear is that the lawyer/leader must be curious – about themselves and the world around them. Curiosity is what enables lawyers to dive into the emerging topics organizations face and to deeply understand the business priorities and risks. But most of all, curiosity is at the heart of the self-development that truly unlocks great leadership. A willingness to understand and embrace sources of strengths, seek feedback and opportunities to improve, and find ways to constantly improve oneself is what enables legal experts to take that next step – from being technical experts into fully-fledged leaders.

And it requires an organization to re-think the way they hire and develop their General Counsel, Chief Legal Officers and legal teams... with a true focus on leadership.

Expecting more from the legal team has implications for the way in which organizations hire their General Counsel/Chief Legal Officer and legal teams. At the hiring stage, it requires a pivot from focusing on legal competencies and past experience to focusing on core leadership capabilities, growth orientation and assessing potential to grow and have impact as a leader beyond the legal function. For those lawyers already in the organization, and for the law firms where many junior lawyers start their careers, it also requires an investment in development and learning support that goes beyond ensuring lawyers are technically strong, and focusses on building the business-savvy, agility, operational excellence and leadership muscle.

So, what does this mean for businesses as they look at their in-house legal functions? If your lawyer isn't on the front line, embracing the demands of leadership or looking to develop themselves to meet these new demands, you've got the wrong one. In today's tumultuous environment, business needs better and now is the time to do something about it.

Egon Zehnder's recent global survey of 120 business leaders has said that the very best General Counsel and Chief Legal Officers need to be:

- **Courageous, Resilient and Forward looking** – with the highest ethical and professional standards and personal integrity, s/he leads and inspires others to do the right thing. In touch with the outside world, they are able to anticipate risks on the horizon and ways to mitigate those. They are custodians of reputation and realize the answer cannot just be found in looking at the law as it stands right now, but push their organisations to ask “How will we be judged in the future?”
- **Solution and results focused** – s/he bring answers, options and recommended ways forward. Creating simplicity out of complexity, they are true partners who focus on solutions, not just identifying the problem.
- **Inclusive, collaborative and connected** – with excellent listening, verbal and written communication skills, s/he connects and works effectively with others across organizations and externally. They build, lead and empower diverse teams to do the same and be their very best.
- **Innovative and Tech-savvy** – focussed on creating an agile and innovative ways of working, they constantly look for new and better ways of delivering. S/he sees technology as an enabler making their teams more efficient, effective and focussed on the things that matter.
- **Curious**– s/he is curious about themselves, others and the world around them. They look to develop themselves, their teams and those they work with.

If lawyers were once only consulted in times of trouble, today they're asked to be out front in the thick of decision-making. Companies now need their legal function to be an active part of the leadership team. Turbulent times demand no less.

Authors

Egon Zehnder's Legal, Regulatory & Compliance Practice, with consultants from more than 20 countries, has conducted over 500 assignments globally in the past 3 years – spanning the full spectrum of the in-house legal, compliance, regulatory and law firm leadership roles.



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About Egon Zehnder

Egon Zehnder is the world's preeminent leadership advisory firm, inspiring leaders to navigate complex questions with human answers. We help organizations get to the heart of their leadership challenges and offer honest feedback and insights to help leaders realize their true being and purpose.

We are built on a foundation that supports partnership in the truest sense of the word and aligns our interests with the interests of our clients. Our 525 consultants across 63 offices and 37 countries are former industry and functional leaders who collaborate seamlessly across geographies, industries and functions to deliver the full power of the Firm to every client, every time.

We partner closely with public and private corporations, family-owned enterprises, and non-profit and government agencies to provide a comprehensive range of integrated services, including executive search, leadership solutions, CEO search and succession, board advisory and diversity, equity & inclusion. Our leadership solutions cover individual, team and organizational effectiveness, development and cultural transformation. We work with world-class partners including Mobius Executive Leadership, a transformational leadership development firm. In addition, we have partnered with Paradox Strategies, co-founded by Harvard University Professor Linda Hill, to develop the Innovation Quotient (IQ), a proprietary culture diagnostic.

We believe that together we can transform people, organizations and the world through leadership.

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