In-house legal teams: Identifying and nurturing value

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On 28 February 2013, the LexisNexis In-house Advisory Board held a discussion on the challenges and opportunities facing the in-house legal profession. The topic for the meeting was how leaders of in-house functions can better understand and develop the value they deliver to their businesses.

The meeting was facilitated by Paul Hughes of Cranfield Business School. Last year Paul led a piece of research commissioned by LexisNexis, seeking to understand the value of the in-house legal function from the perspective of business colleagues and stakeholders

This note summarises some of the questions and thoughts that emerged during the discussion. We recommend that you read the full research report for a more comprehensive outline of the key issues before moving on to the discussion notes below.

The report focuses on five core capabilities:

- The Legal Expertise Dimension
- The Business Expertise Dimension
- The Independent Function Behaviours Dimension
- The Collaborative Function Behaviours Dimension
- The Ethical Champion Dimension

The Advisory Board discussed ways of identifying, recruiting and developing these capabilities in practice.

Bridging the gap between private practice and in-house

The advisory board recognised that developing genuine business insight is a critical first step before encouraging in-house lawyers to develop closer relationships with business colleagues.

However, the vast majority (>90%) of in-house lawyers are initially recruited from private practice. While they might advertise commercial awareness on the CV, they are less likely to have developed the skills necessary to truly understand their business in a way that helps them add value.

This knowledge and experience gap might include:

- Understanding the business model of a "non-legal" business
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However it was acknowledged that while this approach is key to growing value and "untraining" private practice lawyers, it is not widely adopted. Some junior lawyers are even penalised for spending too much time "on the shop f oor". In these cases a shift in focus and mindset is required from the leaders of in-house teams.

Why identifying and nurturing value is critically important

In-house lawyers are facing extremely challenging times. The cliché of "do more with less" is not losing its imperative urgency through repetition in the market. Time, money, energy and focus are often in very short supply.

Against this background, the advisory board considered whether growing the value of the legal team

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lan Leedham Senior Counsel (Disputes & Commercial) National Grid PLC	lan has been involved in numerous re-organisations, mergers, acquisitions and outsourcing with National Grid and is responsible for a 45 strong team dealing with commercial legal matters, disputes, construction, IP, employment, health & safety, property and Global Records Management and Group IP portfolio. Within the department, Ian has been involved in various legal panel reviews and technology innovation within the Group and assisting other in-house teams. National Grid won the "In-house Legal Department Initiative of the Year" at the Legal Technology Awards 2006 and were recognised in The FT Legal Innovation Awards 2007 and 2008 and the only in-house entry shortlisted in the British Legal Awards Best Use of Technology 2006 and 2008. Ian speaks regularly on innovation and technology in the legal industry which are topics he feels passionately about.
Hank Udow Chief Legal Officer and Company Secretary Reed Elsevier	Hank joined Reed Elsevier in March 2011 as Chief Legal Off cer for Reed Elsevier as well as Company Secretary for Reed Elsevier PLC and Reed Elsevier Group plc. Prior to this appointment Hank was Chief Legal Officer and Company Secretary of Cadbury plc until its takeover by Kraft in 2010. A US citizen who is admitted to the Bar of NewYork State, he has been resident in London for the past 18 years. Having started his legal career as a securities and M&A lawyer at Shearman & Sterling in NewYork and London, Hank spent over 20 years at Cadbury where he acquired substantial experience managing global legal and M&A departments, becoming Chief Legal Officer and Company Secretary in 2005 An 2009 the National Law Journal named Hank as one o

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