



# BUILT TO LAST?

**A blueprint for developing future-proof  
in-house legal teams**

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## METHODOLOGY

This paper reviews current reports, surveys and various off-line and on-line literature on in-house legal teams and best practice working practices. As well as looking at the legal industry specifically, we draw on thinking from leaders and academics across many industries in order to synthesise and present a comprehensive set of insights. We have also analysed the websites, press coverage and recruitment advertising of the UK FTSE 100 companies, looking at their leadership, advertised benefits and working practices and promotion of careers within the legal team. This analysis was carried out using internet search engines and job boards in October 2019. This report was researched and written with Graham Jarvis of Media-Insert.

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## Crispin Passmore

*Consultant, Policy Maker and Reformer*

When I was first invited to contribute this foreword, none of us could know how quickly our working conditions would change in response to the coronavirus outbreak. We are living in truly unprecedented times, the like of which many of us have not seen in our working lifetimes. Whilst companies around the world are grappling with immediate changes to the way their employees work and live, as leaders we must also think about how we respond in the longer term. What changes really matter and where should we focus longer term? This report from Obelisk, particularly when put alongside earlier editions, can help those interested in lawyering to do just that.

Among the hype about AI and new model law firms replacing traditional firms, we can distil key trends and conclusions. First is that to handle the routine and the exceptional, it is your people who matter; second is that choices about how we work are increasingly wide; and, thirdly this means that General Counsel are fortunate that they have so many options to organise delivery of their clients' legal and business needs.

Enterprise legal services – what lawyers call alternative service providers – have been emerging for over 20 years. It is part of a longer-term trend that saw General Counsel initially move work in-house because law firms were not delivering what they needed at a proportionate price – especially for routine or lower priority work. It may seem absurd that law firms ended up with a delivery model that incentivised their clients to 'make it themselves', but that is what happened. However, building an in-house team creates fixed costs and we all know that our C-suite colleagues want to reduce them. That means less fixed headcount, less office space, less inflexible resources.

## Foreword

When we return to whatever the new “normal” will look like at the end of the current crisis, General Counsel will still have to offer the emerging workforce a compelling vision of the future that encompasses not only the exciting role the business will play, but also where they as individuals fit now and throughout their career. That requires openness, diversity, inclusion, flexibility and plurality. What else would we expect when as a society we have spent 40 years increasing employment, reducing unemployment and pushing female participation in the labour market? Just as employers used to talk about ‘total reward’, building in pensions, gym membership, onsite café and more to make work attractive, they now need to think about flexibility. There is no meaningful difference between full time and part time in a globalised profession: no-one really works 24 hours a day.

This report also brings to life the importance of flexibility not being at the expense of challenging work. Leaders must square that circle, facilitating bespoke solutions for their teams and enabling them to combine work and lifestyle aspirations. The very best leaders don't just value their team for the hours they put in – thanking them at the end of a deal with a drinking trip more appropriate to the 1980s – they reward them for values and behaviours too. Increasingly, that focus on culture is the foundation for attracting and retaining talent, for maximising performance and for managing risk.

What's all this doing to the legal market? Choice. Flexible models are crucial – not just flexible lawyer platforms but the very concept of lawyering. Whether a traditional City law firm, an enterprise legal business or some other new model law firm or an in-house team, the challenge is to build a model reflecting this new reality. Put alongside regulatory changes such as liberalising how lawyers can practise and the new Solicitors Qualification Examination, the opportunities to develop whole new approaches to legal workforce strategies are wide open.

It is easy to be paralysed by the challenges and the opportunities that all of this brings. Yet our industry, alongside our customers, has suffered from a rude shock, the consequences of which remain to be seen. If Dana Denis-Smith has taught us one thing, it is that change takes time – sometimes even 100 years is not enough. Obelisk has started the change process by offering a platform for flexible lawyering. Now change has now been forced upon us all, whether we like it or not. We mustn't squander the opportunities for reinvention that come with this crisis, and this report provides a solid foundation for future thinking.





## INTRODUCTION

Even before the current coronavirus crisis erupted, in-house legal teams have been facing an ever increasing number of challenges. These include cost pressures, evolving expectations from their commercial colleagues, an increasing variety of business risks, extra regulatory burdens, deploying talent effectively, managing a multi-generational workforce and staying ahead of changes in the way legal work can be carried out. They are now a significant employer in the legal sector, with around 17% of solicitors on the roll employed in-house, and 66% of these working in private sector organisations.<sup>1</sup>

The crucial ingredient for future success lies in attracting, retaining and developing the skills of the people who can meet these challenges and creating a working environment where innovation and excellence can prosper. Focusing only on “more for less” will eventually lead only to “less”, as staff become burnt out and productivity reduces. Rather, the leaders of in-house teams need to find ways to build a sustainable working culture that provides a platform for them and their teams to create value for their business.

In this report, written and researched before the extent of the current changes to our working lives

around the world became clear, we set out to define a blueprint that legal leaders can use to inform their future planning, putting practices in place that will ensure they are able to capitalise on, and drive, changes in the wider legal industry whilst also cementing their position as business leaders.

Based on our research and experience in the industry, Obelisk Support find that there are five strategic pillars which in-house leaders need to put in place in order to build a future-proof working environment. The first is the ability to offer flexibility to match career demands with individuals' life-stages; the second is to ensure that work is challenging and provides opportunities for development; the third is to focus attention on the health and wellbeing of individuals within their teams; the fourth is to embed a commitment to diversity and inclusion, and the fifth requires leaders to be role models of these practices, both in their own organisations and in the wider legal industry. We posit that, once the immediate crisis passes, it will be more important than ever for legal leaders to commit time and energy to developing sustainable working practices.

### Increasing Cost Pressures

Too often, the in-house legal team is seen as a cost to the business, rather than a contributor. This, coupled with the expansion of the number of in-house lawyers in companies over the last five years to a population of just under 30,000 or around a fifth of the profession,<sup>2</sup> means that legal leaders are under pressure to do “more with less”. The Law Society found that “the theme of limited resource and high workloads” was the most commonly cited challenge in their GC350 Report<sup>3</sup> and research by EY found that 82% of GC’s expected to have to cut their costs by at least 10% over the next 24 months.<sup>4</sup> This can be positive, leading to innovation in the use of technology and ways of working. However, it can also lead to in-house teams becoming under-resourced, struggling to find the time to introduce new practices and to make a contribution to the business as they are overwhelmed by operational work. Research in 2019 published in The Times found that 63% of in-house lawyers surveyed felt under increased pressure compared to the previous 12 months.<sup>5</sup>

For too many teams, it is difficult to measure where time is being spent, leading to work being inappropriately resourced or cuts in headcount being made without

visibility of the resulting impact on the business. In the worst-case scenarios experienced team members leave the business, taking with them valuable knowledge, only for the work they would have handled to end up being passed over to expensive external counsel.

### Staying ahead of risk, regulation & litigation

In-house teams have to be able to protect their business in the face of increasing external risks, regulatory changes and litigation. In the past two years alone, the UK has seen the impact of increasing consumer concern around data privacy and the introduction of GDPR, increased consumer power and threats from reputational risk, extra regulation of the financial services sector and increased shareholder scrutiny of listed companies in areas such as executive pay, diversity and their impact on climate and the environment. That’s before we even consider the impact of the coronavirus outbreak on the global economy and uncertainty of the UK’s future relationship with the EU, and associated economic and political risks, plus the relentless pace of change that comes with operating in the fourth industrial age. In this environment, the sheer volume of issues that in-house teams have to cover is staggering.

## Evolving expectations of the business

As in-house teams have begun to grow, both in terms of the numbers of lawyers (and non-lawyers) involved and in seniority within the business community, they need to keep up with a shift in expectations from their commercial colleagues and the pace of change in business. Where most of their counterparts in the Finance or Commercial functions are likely to have progressed through their careers in close contact with the basic levers of the business, in-house lawyers have typically had a very different start to their career, usually in private practice. This distance, combined with their responsibility for managing risk and perception that they are the ethical heart or “moral compass” of the business, gives them a unique perspective on the business, which CEOs are increasingly keen to leverage. For example Devin Wenig, then chief executive of eBay, told the Financial Times that he considered the purpose of Marie Oh Huber’s legal team at the business to be “to empower people and create economic opportunity for all”.<sup>6</sup> The downside is that this adds to pressure on legal leaders and their teams to adopt a number of (sometimes conflicting) roles; confidante & consigliere, compliance and ethics watchdog, commercial enabler and legal expert. Managing these conflicting demands on their time, and finding space to develop their

own management style, can add to overloading of the in-house leader and their team.

## Managing a multi-generational workforce

As lawyers, like the rest of us, tend to be working longer, legal leaders need to become experts at managing multi-generational teams. Millennials (those born between 1980 and 1996) in the workforce have very different expectations from the generations that have come before them, expecting rapid career progression and greater opportunities to influence the strategy of their business.<sup>7</sup> Whereas their Boomer and Generation X predecessors have had relatively uniform expectations – work hard, be rewarded with more or harder work and a promotion, repeat, retire – Millennials want more. They, and the Digital Natives (those born from 1997 onwards) want to be paid well and be treated as individuals, expecting greater accommodation for life outside work, and to feel that they are working towards a greater purpose, connected to their values. They feel less loyalty to an employer than previous generations, with 49% of those surveyed recently by Deloitte aiming to leave their current role in the next two years.<sup>8</sup> They are also likely to have to plan for a variety of phases in their careers, as Lynda Gratton and Andrew Scott outline in their book *The 100-Year Life* – with the priority they assign to work ebbing and flowing as they

age. Delegates at November 2019’s Women, Influence and Power in Law conference outlined how this poses a challenge for legal leaders. Not only do they have to develop their own management style and working practices in order to flex across the different preferences in their team; they also have to build a working environment that encourages collaboration across the generations. Whilst attitudes to age vary across different sectors, the potential for inter-generational conflict is only set to increase as the Digital Natives begin to enter the workforce and four separate generations with very different expectations and priorities have to work together.

Together, these factors combine to create potentially unhealthy and unsustainable working environments. Whilst in previous years we have seen an increase in lawyers, particularly women, moving to the in-house sector, there are now extra options for those who don’t necessarily want to stay in private practice, with a proliferation of different alternative service providers offering work opportunities, plus looser SRA-regulations now opening up the profession to greater freelancing. This means that smart in-house leaders are working harder to create attractive working environments, in order to prevent burnout, continue to attract and retain the best talent and enable the innovation they need to stay ahead of business expectations.



## THE PILLARS OF A SUSTAINABLE IN-HOUSE TEAM

In order to evolve and succeed in the face of the challenges outlined above, legal leaders need to evaluate their operations and people strategy against the following five pillars.

### Pillar #1: Flexibility

At different points in their working lives, employees need, and are coming to expect, greater flexibility to accommodate a variety of demands. Professor Clare Kelliher, Professor of Work and Organisation, Changing World of Work at Cranfield University comments:

“There are life-stages or life-events that are relevant to caring activities, such as elderly and childcare, plus there is increasing recognition that flexible working is not just about care, all employees have a variety of events going on in their lives.”

She adds: “Employers need to be aware of all these events. For example, certain religious festivals or activities or local politics – including local councillors,

may require time off. People may also need time to recover from ill health. There is some interesting work in Canada which includes pets in work-life policies. So it needs to go beyond relating to life-stages and caring activities.”<sup>9</sup>

#### The key business benefits of flexible working are:

- Increased employee satisfaction and retention;
- Greater employee productivity;
- A less stressed and tired in-house legal team;
- Reduced costs of employee absenteeism and sickness;
- Reduced recruitment costs.

To capture these benefits now and in the future, a PwC report, **‘Secure your future people experience’**, argues that there is a need to provide a flexible workplace ecosystem. It finds that 71% of the leaders and HR professionals it surveyed feel “supporting remote and virtual working is important to their future.”<sup>10</sup> It also argues that it’s important to give people the



opportunity to combine coming into work with working outside the office.

Yet, despite the benefits of flexible and remote working, there is still more to be done to change the traditional mindset that often requires employees to be at their desks in an office and overseen by their managers. Our analysis found that just 17 of the FTSE 100 companies made it clear that specific flexible working practices were available for open roles in their job advertisements.<sup>11</sup> With regards to remote working, only three of the FTSE 100 companies recruiting at the time made it clear in publicly-available job advertisements that remote working was available for the advertised roles.<sup>12</sup>

With lawyers working to the clock and long hours, childcare can be an issue, yet only four of the FTSE 100 companies advertised some form of onsite childcare in their head office.<sup>13</sup>

### Offering support

Prof. Kelliher underlines the importance of employers thinking about their employees' non-work lives: "It's really saying who are our employees, and what are they likely to look for in relation to flexible working?"<sup>14</sup> she points out: "There is significant payback for employers in terms of more loyal employees, and improved performance based on annual reviews. If one only focuses on caring activities, you could argue that the employer may be missing



a trick. Employees may have other life challenges, such as health problems or a difficult commute – allowing them to work remotely can decrease stress. Showing concern for employees leads to some significant payback."

### New metrics needed

Introducing flexible working raises the question of how in-house legal team managers can measure performance when lawyers are not working in an office environment. Introducing any kind of time-recording tends to be resisted, as escaping from the six-minute billing unit is often one of the main motivations for lawyers moving in-house from a private practice role. Instead, in-house legal leaders need to focus on understanding the profile of their team's workload and setting measures that focus on output, rather than time-taken. Logging activity metrics, such as number of contracts delivered

alongside quality metrics, such as customer satisfaction scores from commercial colleagues, can enable in-house leaders to analyse and monitor workload.

"Think about implications of people working in different ways. One thing that has worked quite well is when companies have run experiments, allowing people to work in a different way for a period. This can open up people's eyes and demonstrate the short-term advantages. You don't need to rely on the good will of employees, you can ensure that there is client cover. Experimentation allows them to see how it works, and for line managers to work out whether it works for them and their employees."

**Prof. Kelliher<sup>15</sup>**

## Making flexible working work

Prof. Kelliher adds: "Consider the implications of other ways in which employees are managed, reaching an agreement on communication and collaboration. Judge people associated with the outcomes, rather than making a general assessment that they are just doing a good job. One company I worked for hadn't appreciated, until they introduced flexible working, how much they learnt from listening and watching their colleagues. Once you've recognised that this can be lost, you can replace it."<sup>16</sup>

In Obelisk Support's experience of managing hundreds of remote and flexible working assignments, where consultants are frequently supporting teams in different cities or even different countries, most of the perceived barriers can be overcome by consistent

communication. Says Dana Denis-Smith, CEO of Obelisk, "First, ensure everyone in the team has a clear understanding of their objectives and deliverables and how this will be measured. Then lay down some simple ground rules in terms of communicating availability and make sure everyone agrees and sticks to these. Once you have done this, 90% of the reluctance relating to working outside the office evaporates."



### Legal leaders can make greater flexibility a reality by:

- Understanding the profile of their teams and individual wants and needs

- Analysing their workload and questioning whether all work needs to be done in one place, at set times
- Identifying potential drawbacks of flexible working and putting in place measures to overcome these with colleagues, for example regular training sessions or team meetings to make sure tacit knowledge is shared
- Advertising that flexibility, including remote working, is an option as part of the description of job roles
- Shaping policy within the wider business to make flexibility more widely accessible



## Pillar #2: Challenging work and career paths

Tess Bridgman, General Counsel and Company Secretary of recycling and waste disposal firm Cory Riverside Energy, won the much-coveted title of General Counsel of the Year 2019 at The Lawyer Awards, recognition of how she played a key role in turning her company into a focused and profitable infrastructure business. In parallel, Bridgman changed Cory's in-house legal team from a siloed structure to a department that is now considered not just an enabler, but also a creative leader of change.

She therefore believes that being in-house is no longer just about being just a lawyer today. It's now about being a trusted adviser to the board, the CEO, the senior management team and to the entire business.<sup>17</sup> This is a common view – if not the ambition of most in-house lawyers. Yet a report by CMS, *"From in-house lawyer to business counsel"*, revealed only one-third of in-house legal teams currently operate in the top half of the "value pyramid."<sup>18</sup>

At the very top of the value pyramid, General Counsel will have Board influence. They will also be involved with:

- Strategic business planning;
- Change and process management;
- Introducing commercial



- opportunities;
- Complex problem solving;
- Crisis management;
- Reputation management.

This transformation is likely to widen the challenges and opportunities for in-house lawyers to develop their skills, though Bridgman adds that it all takes up quite a lot of energy "to manage multiple issues and projects at one time, and determination and empathy, to lead and influence others and navigate multiple and varied stakeholders."<sup>19</sup>

Preparing in-house lawyers to rise to the challenges of senior leadership requires dedicated planning and careful consideration of the skills and experiences they will need in order to develop. As Simon Davis, partner at Clifford Chance, told the Law Society Gazette, the main reasons for moving in-house are "lawyers want to be involved in cases and deals from the beginning to an end. Another reason is that they enjoy contributing to the overall business of their employer."<sup>20</sup>

However research shows a trend towards in-house lawyers feeling under-employed, with the EY report *"Reimagining the legal function"* finding that 67% of in-house leaders felt their teams were spending 20% or more of their time on routine or low-value tasks.<sup>21</sup> Examination of the FTSE 100's websites showed only 29 of them had spent time creating content to showcase their legal team as a place to work. Legal leaders need to find new ways to deploy staff, providing the right amount of challenging work and finding new models to look after routine work that has to be done but doesn't make best use of their future leaders' skills.

### Embrace technology

Emerging technologies, such as artificial intelligence, are also going to have an increasing impact on lawyers' job roles – as they create opportunities to automate more mundane, lower risk work such as document assembly for simple contracts and NDAs. To keep ahead, in-house lawyers must develop an enquiring mind, have the confidence to ask questions, to speak up and to make a stand on



issues that matter.

Those issues may relate to a range of matters – including commerce, governance, sustainability, diversity or any other important issue facing your organisation. Lawyers also need to be comfortable with new technology, and how to use it. Writing in the Law Society Gazette, Jonathan Rayner says “The vastly increased use of technology in law promises much, but technology is also complicating business and risk.”<sup>22</sup> Aviva’s Group General Counsel, Kirsty Cooper, told the Financial Times that her company needed people to be generally inquisitive and able to understand data, laws on privacy, as well as anything to do with online and digital law. She says Aviva has trained its lawyers to “take myriad problems and come up with a solution. And I want them to use that for the business, and for the business to see that lawyers can be called on for support in a broader way”.<sup>23</sup>

### Create innovative career paths

Women who want to return to work after child birth and maternity leave are another source of potential talent, yet just seven of the FTSE 100 companies appear to offer returnships to Legal or associated roles. Outside of the legal function, only 25 of the FTSE 100 firms are either planning to offer, or are offering, returnships – compared with 92 who offer a graduate programme.<sup>24</sup>

Returnships are essentially a form of internship that provide a bridge back into senior roles for experienced professionals who

have taken an extended career break (usually 24 months or more) for whatever reason, which could include parental leave. Unlike many internships, returners are paid as professionals for their work as part of short-term employment contracts that run for a period of three to six months. At the end of the contracted period, returning employees have the “strong possibility of an ongoing role at the end of the programme”,<sup>25</sup> says **Women Returners**. In the legal context, offering these opportunities can provide in-house teams with a route to tap into talent that has been overlooked by the industry traditionally.

The upcoming changes to how solicitors qualify that are coming with the launch of the Solicitor’s Qualifying Examination (SQE) in 2021 will open up new opportunities to hire more junior lawyers earlier in their career. Bringing talent into the in-house legal team earlier will give leaders the opportunity to manage their costs and create bespoke roles tailored to their business needs. These requirements could be met through embracing apprenticeships, as companies such as Direct Line are already doing in their legal organisation. Whether apprentices join with GCSE or equivalent qualifications or through a degree apprenticeship, bringing talent into the legal team this way allows large employers to tap into funds for training available under the Apprentice Levy introduced in 2018 and, more importantly, to train for exactly the skills and

qualities their business needs.

### Engage with employees

Numerous studies have found a correlation between superior employee engagement and productivity, with the benefits being so great it was called out as a key recommendation in the Taylor Review of 2017.<sup>26</sup> Ensuring legal colleagues have a voice and are able to influence decision-making within their team and within the wider business is critical. The impact of not allowing them to have opportunities to develop through commercial engagement with the rest of the business can lead to job dissatisfaction, a lack of motivation and higher employee



#### Create a future-proof team by:

- Understanding the volume and nature of the work your team needs to deliver
- Working with relevant providers to investigate the case for technology and managed services to augment your team
- Maximising usage of your feedback and appraisal processes and using HR team to help team members plan individual career paths

and stretching goals, where required

- Creating new roles, career paths and entry points for legal team members
- Partnering with other areas of your business to exchange skills, organise secondments and design projects together

churn as mid-level lawyers leave to go on to more enticing opportunities.

### Pillar #3: Health and wellbeing

The legal industry as a whole is waking up to the importance of addressing health and wellbeing issues, with the growing realisation that the very traits that are perceived to make a good lawyer: attention to detail; awareness of risk; stamina and the ability to work long hours; are also those that can lead to habits that encourage poor physical and mental health and high levels of stress.<sup>27</sup> Whilst traditionally in-house lawyers are perceived to have a better work-life balance, increasing workloads and responsibilities mean that in-house leaders too need to find ways to support their employees.

This raises the question posed by an article in Legal Cheek, published on 29<sup>th</sup> April 2019 and written by Professor Richard Collier: "How do we tackle the

legal profession's mental health problem?".<sup>28</sup> The piece suggests that many lawyers are surviving, rather than thriving. Prof. Collier says "The past three years or so, in particular, has seen extensive discussion and an array of policy developments and practical initiatives introduced across the legal profession seeking to better understand, and address, practices and cultures that exacerbate these problems." However more needs to be done.

#### Addressing mental health

As Hamish McNicol writes in the In-house Lawyer Magazine, "The focus on mental wellbeing has intensified in most forms of public life, but the legal sector has been slower on the uptake. In a Law Society Junior Lawyers Division survey in April, 48% of trainees reported suffering from poor mental health, a notable jump upwards from the 38% that reported the same last year."<sup>29</sup> This has prompted in-house leaders and law firms to work together to tackle the crisis as McNicol explains: "Pinsents and Addleshaw Goddard teamed up with Barclays to develop the Mindful Business Charter (MBC), an initiative aimed at reducing unnecessary stress for in-house and external lawyers. Eleven signatories initially committed to the charter, including Lloyds Banking Group and NatWest, as well as eight law firms. That number is a small minority in the context of Barclays' 100-strong external advice panel. But with the bank now counting more than 2,700 staff as full-time legal



employees – split between 840 in-house and a further 1,900 FTE externally – the initiative has scale given the gravitas Barclays carries in fronting the MBC."

This type of initiative can do a huge amount to make an impact and change organisational cultures, stereotypes and attitudes to illnesses related to poor mental health. The MBC is therefore a positive step forward, highlighting as it does the potential for in-house leaders to use their influence to drive change industry-wide, and offers a model that other organisations from across the profession can get involved in or emulate.

### Making changes

A change in culture and attitudes is needed to show a more caring attitude to people with both mental and physical health conditions, and there is more that can be done to build healthy work environments for all, as well as making adjustments to suit individual's requirements. This requires more than just a charter. Putting words and policies into action is essential. Initiatives

ranging from increased access to flexible or remote working, access to counselling and employee assistance programmes, job-sharing and provision of mental health first aiders can all help support wellbeing. Most importantly, legal leaders need to start by creating an open culture that supports people's physical and mental health issues, without prejudice and without discrimination, no matter who they are.



### Head-off burnout in your team by:

- Proactively watching out for signs of stress amongst your team – remembering these might look different for different people
- Supporting individuals who need extra help with mental or physical conditions, including adjustments to their working hours or location

- Publicising wellbeing tools available in your business, such as employee assistance programmes, which provide counselling and advice
- Creating a culture of openness, using initiatives such as Mental Health Day to raise awareness of potential issues and available solutions
- Being conscious of the demands you are placing on external colleagues, such as those at your law firms

## Pillar #4: Diversity & inclusion

In order to compete in an increasingly chaotic and unpredictable world, it is important to build diverse teams that encourage the expression of different ideas and opinions. A 2018 study by management consultants Boston Consulting Group<sup>30</sup> found that companies with above average diversity on their management teams had innovation revenue that was 19% points higher than those with below average diversity. Similarly, McKinsey found that greater diversity in leadership correlates with higher financial outperformance by companies, and has done consistently since they started studies in 2015.<sup>31</sup> Around 57% of solicitors outside

of private practice are women, compared to 48% in firms. Of all practising certificate holders, 14% identify as Black, Asian and Minority Ethnic (BAME) according to the Law Society.<sup>32</sup> While there is now greater diversity across the profession, it remains the case that this significantly decreases at leadership levels, particularly in private practice. One particular area that has received attention is encouraging more women to strive for senior positions. Prof. Susan Vinnicombe, Professor of Women and Leadership: Strategy, People and Leadership at Cranfield University, who co-authored reports on this issue entitled *"The Female Board Report 2018"* and the *"Female Board Report 2019"*, describes how in-house leadership looks different to that of law firms:

About a third of General Counsel in FTSE 100 companies are women. More women are represented in that role as opposed to leading within firms. "All the law firms I speak to say they struggle to get 50% men at partnership level. They view the women as being more competent. Yet in general they don't worry about how few women they have." She continues, "Law firms are not managing their female pipeline well, and the one key reason that came out of the study in 2012 is the way that legal work is organised which involves very long hours – accounting for revenue based on lawyers' time - an archaic way of looking

at performance."<sup>33</sup> An in-house career allows women to move away from the practices and policies that favour hours over achievements. In-house legal leaders are also increasingly embracing the opportunity to shape diversity in the profession overall by demanding evidence of change as part of their law firm selection process. Talking to the IBA, Richard Price, General Counsel at Anglo American, comments: "One of the things we do is find opportunities to make it clear to the law firms that we actually care about the wellbeing of their people and we expect them to care too," he says, adding 'We're coming up with rules of engagement and coming up with a document for a legal function around how to engage with law firms to help them on inclusion and diversity."<sup>34</sup> March 2019 saw 65 European in-house GC's, including Rosemary Martin of Vodafone and Donny Ching of Shell, sign a public letter committing to asking their law firms to increase their diversity efforts. This followed a similar campaign with 165 signatories in the US earlier in the year.<sup>35</sup>

### Strive for parity

There is certainly more to do, even in FTSE 100 companies. From our recent analysis using publicly available data, 30 of the FTSE 100 companies have women in General Counsel or equivalent roles.<sup>36</sup> Whilst this is closer to parity than the profile of

leaders of major law firms (and the leadership of the Finance function, where only 15% of Finance Directors at FTSE100 companies are women),<sup>37</sup> there is still work to do to accelerate change and to build diversity across all dimensions at senior levels. A survey by PwC found that 61% of women and 49% of men look at the diversity of an organisation's leadership team when deciding whether to work for them or not<sup>38</sup>, making those companies who don't focus



### Nurture inclusive working practices by:

- Recruiting for a diverse team, asking recruiters to work with you by introducing people from a range of backgrounds to your team
- Celebrating a range of cultural events and championing the work of employee affinity groups such as BAME, LGBT+, people with disabilities, carers', older workers' and women's networks
- Creating opportunities for your team to share ideas and collaborate –



making sure everyone's voice is heard

- Influencing law firm behaviour at the firms you work with and ensuring spend is allocated across firms and other vendors with diverse leadership teams
- Influencing policies and practices across your business.

attention in this area more likely to miss out on talent tomorrow as well as today.

## Pillar #5: Leadership & role models

As sustainable working often necessitates a change of mindset and organisational culture, effective change management becomes vital and General Counsel must take a leadership role in communicating why change is necessary, overcoming any resistance to change, and promoting the benefits of change.

This requires the ability to show flexibility in thinking and approach to work, to show empathy as well as sympathy and the nous to help individuals within legal teams to grow by offering them the required support to permit them to develop as individuals, legal counsel and as a team member.

Building up these skills means General Counsel need to expose themselves to new challenges and learn from their experiences, becoming what the Korn Ferry Institute terms, "The Learning-Agile General Counsel"<sup>39</sup>.

### Demonstrate value

Through internal communications, formal and informal meetings, senior role models can demonstrate the value of sustainable working to themselves, and to others who've benefited from it. This may show individual or team performance increases as well as improvement in the work-life balance of individual team members. Role model visibility may also provide members of staff someone to turn to for help and inspiration.

### Bring new behaviours to life

In terms of visibility of senior role models, attempting to introduce changes in work patterns only through HR policies is likely to have limited success. Individuals need to see new behaviours role modelled by senior people within the organisation. Without these role models there is likely to be a lack of trust around the acceptability of the new policy. New policies do not necessarily lead to new practices – these have to be enacted by figures. As Professor Ruth Sealy, Associate Professor of Organisation Studies and Director of Impact, at the University of Exeter warns: "It is very difficult to be a change



agent if you don't act accordingly, demonstrating the behaviour, or you have to demonstrate the practice in question is acceptable. So, even if you work 70 hours a week as a senior lawyer, but someone else works just 35, it has to be demonstrated that this is okay by someone senior."

She adds that senior role models can create visibility over their adoption and practice of sustainable working by talking about it, being vocal about what they are doing, and explain what they are encouraging other people within their teams to do. Why? "If you want to change the cultural and working practices of the organisation, you have to be proud and shout about it",<sup>40</sup> she adds.

### Making change visible

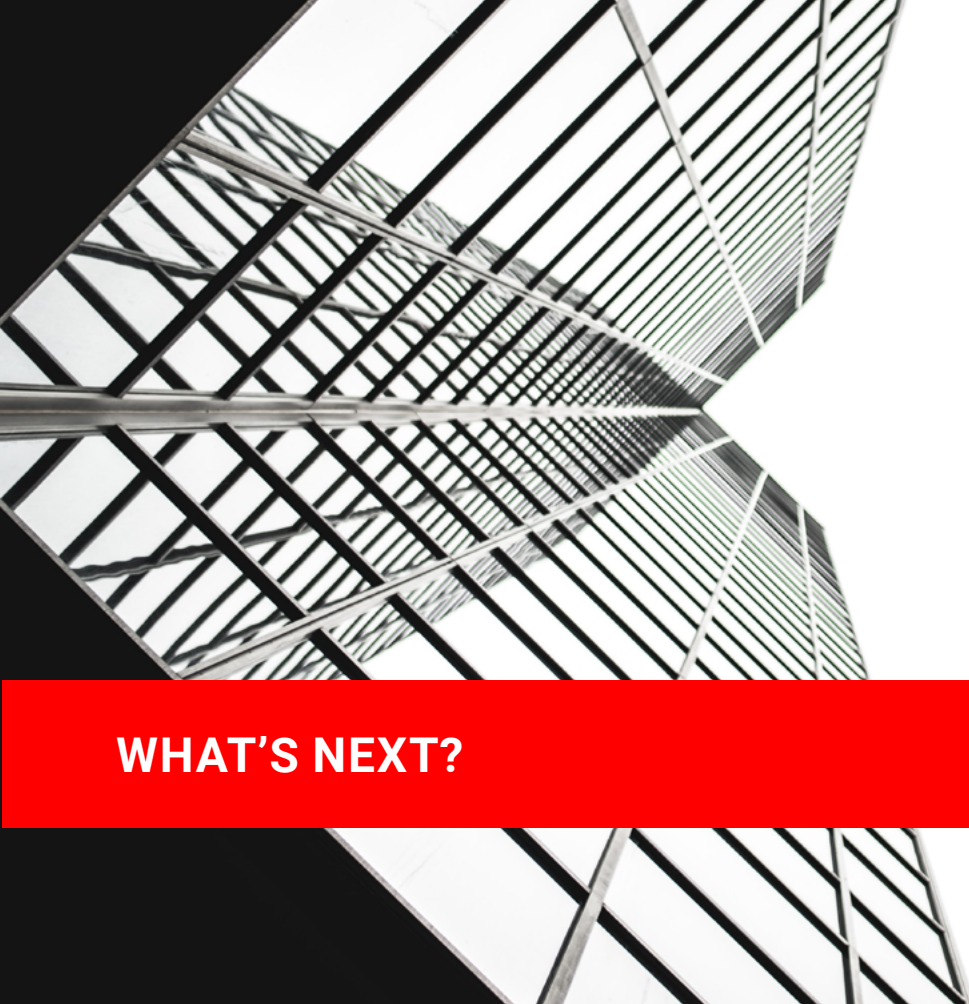
Senior role models can make sure they're visible by investing time in entering awards, contributing to articles, conferences and hosting regular internal meetings. Ultimately, the key to success lies in organisations and their senior role models embracing behaviour that promotes sustainable working both internally and across the industry, helping to attract and retain the talent that will drive competitive advantage now and in the future.



### Develop your leadership practice by:

- Communicating a clear strategy for the Legal function to team members and across the business
- Dedicating time to your own continued learning
- Creating opportunities to mentor and reverse-mentor with team members and colleagues outside your team
- Developing a flexible management style
- Role-modelling the behaviours you want to see in your team





## WHAT'S NEXT?

At the time of writing, none of us know how the coronavirus pandemic will develop. At some point, we will find ourselves in a new reality. Whatever that looks like, the pace of change will continue to increase, risks will multiply and the significance of the in-house legal team will only grow. However, this growth won't just mean more of the same. Far from it, the in-house legal team of the future will need to be leaner, smarter and more agile. This will only be possible if these teams can attract, retain and develop the skills of talented people.

In order to recover and find new opportunities in the post-pandemic world, in-house leaders will need to focus on their people and particularly these five pillars:

- Creating truly flexible work environments that enable people to thrive across their different life stages
- Developing varied and challenging career paths that ensure in-house lawyers build business and legal skills
- Paying attention to employees' health and wellbeing, through actions as well as policies
- Driving diversity across all dimensions and at all levels, building inclusive cultures that prompt superior performance
- Being role models for the change they want to see, both for their teams and companies and also for the wider legal industry.

This will require consistent effort, on top of what is already a crowded agenda. However, a failure to take action will lead to in-house teams losing the very people who are best-placed to answer the challenges their businesses face.

Building and developing sustainable working practices is an investment in the future. Obelisk Support is committed to working with leaders in-house and in private practice to challenge the status quo, share and benchmark best practice and make sustainable work a reality. Let's make this happen together.

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## ABOUT OBELISK SUPPORT

Obelisk Support is an award-winning legal services provider and an active member of the London tech community, providing flexible legal solutions to law firms and in-house legal teams, including those of many of the FTSE 100. Dana Denis-Smith, the founder of Obelisk Support, is an outspoken champion of women in law. She is the LexisNexis Legal Personality of the Year 2018 and is also the founder of the First 100 Years Project. Founded in 2010, Obelisk Support has developed a unique flexible working model, designed to deliver high-quality legal expertise to law firms and in-house legal teams without the constraints of traditional office hours. Obelisk can set up remote legal services in a matter of days for urgent projects or work with you and your teams on longer-term engagements.

## CONTACT

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