

Outside counsel often regard in-house roles as a release from the billable hours treadmill. Yet the grass is not necessarily as green as it appears. Lawyers preparing to move in-house, and those new to in-house roles, may be interested in 10 secrets of working in-house.

## 10 Little Secrets of Working In-house

BY RONALD F. POL

- 1. Profits and costs.** In a law firm, you were a profit center. In-house, you're a cost center. If you don't see the distinction, read the last sentence again; and again. The business knows the difference. This is why the best legal departments communicate their achievements in ways that resonate with the business; for example by showing their impact on profits, not simply hours worked or the cost of the legal function.
- 2. You have to be just as good, for about a third of the cost.** You represent one of two choices for the business: Fixed costs for the legal department, or outside counsel at three times the cost. For outside counsel, this means they have to prove themselves on every job. To stay credible, you have to make sure you can match them.
- 3. Zero to hero, and back.** Are the lights on as you read this? Lawyers are like utilities; hardly noticed until something goes wrong. When the lights go out or you face a surprise lawsuit—you pour resources in and become an instant hero the moment the lights go back on or the lawsuit is dismissed. But don't expect it to last long, because you were only

“doing your job,” and nothing's progressed much anyway: It hasn't added to profits and you're simply back to the normal state, with the lights on and no unexpected lawsuit.

- 4. Generalists are the new specialists.** Amongst hundreds of lawyers in a law firm, you may have developed deep specialist expertise. This may even have helped land your dream in-house role. Now that you're there though, anything remotely 'legal' and you're expected to deal with it; in a small team, personally, and in a large team, where you will be expected at least to spot all the issues and make sure they're addressed.
- 5. Work tools still come with the corner offices.** In the outside world, the tiniest laptops and PDA's that do everything except make the coffee always went to partners; the office-bound partner who hadn't yet found the 'on' button would always get the latest technology before any mobile-warrior associate. In-house is no more democratic, so if your deserving

request is rejected, remember the old adage that the best lawyers really need little more than an agile mind and a sharp pencil. Deliver great solutions and your brilliance will shine through, unimpeded by perceptions that you're mostly just the bag carrier for whatever gadget might otherwise be perceived as the conduit to the solution.

- 6. Perception is reality.** If you haven't figured it out yet, life's not fair. Get over it. Many lawyers do great work shaping the best deals, yet are not always rewarded according to their contribution. One lawyer habitually turned up in overseas cities just as months of transactions were being finalized, shortly before the CEO arrived to sign the deals. Promotion soon followed. He was as least a good lawyer, and better still at “managing upwards.”
- 7. Good is good; fast and good is better.** As outside counsel, you might spend months negotiating a great contract, rejecting onerous terms sought by the other side, and weaving in the best protections for yours; to praise from the partners for your legal expertise, nego-



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tiation skills, and budget-beating capabilities. Business-unit clients of in-house counsel, however, are keen to book the revenue and move on to the next opportunity. Delays “negotiating the deal we’ve already done” or “adding all that legal stuff” hinder their hunt for the next deal, amidst implications that “the lawyers” are the cause of delays jeopardizing the deal, and managers’ bonuses. Sure, follow secret #2, but also do everything you can to streamline the process.

**8. Great contracts are overrated; less is more.** Paired with secret #7, if you want any contract you prepare to be used, not just in closing the deal finalised by contract negotiators and lawyers, but also by the managers actually respon-

sible for its implementation, make it short and legible. Enough said.

**9. Get the business ticket.** In firms, some lawyers pride themselves on their lack of business expertise; management teams allow them the luxury of honing ever more specialized technical legal skills. In-house, however, you’re *in* the business, working alongside people in business. Legal skills are necessary, yet the one thing that sets you apart from every other lawyer in town is combining a keen understanding of how business operates. Whether you implement productivity metrics to run the legal team like a business, get an MBA, or just use good old street smarts, thinking like a lawyer *and* a businessperson opens doors.

**10. If it ain’t broke, fix it anyway.** Lots of legal departments could implement systems to improve productivity and save money. The hold-up is not usually financial (there’s always budget to boost productivity), but more to do with complacency. One general counsel recently told me that he always tries to avoid benchmarking because he’d rather tell the CEO that the legal team was doing a great job than take the risk that objective measures might indicate areas for improvement. “It works, so why change?” is, however, the wrong question. “It works, but can it work better?” is the mark of a new breed of legal managers. 

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