



BY RICHARD STOCK

# Strategic Impact

In-house counsel are often perceived as mere ‘fixers,’ but they can do so much more

**AN EXPERIENCED** general counsel recently asked me an interesting question. How, after 30 years of serving a company, does a law department add value? How does one change service delivery to do this when demand already exceeds resources and internal clients are quite satisfied? I suggested the adoption of a key performance indicator called “strategic impact.”

Corporate legal departments in Canada are often quite small. On the non-government side, 50 per cent of departments have fewer than four lawyers and 80 per cent have fewer than 10. Strategic impact means that these departments have to “punch above their weight.” Most have moved beyond becoming the business-prevention police, but very few provide more than operational support.

An organizational structure that allows the GC to report directly to the CEO is one way of increasing strategic impact. This is possible when the role is combined with corporate secretarial responsibilities or with oversight of other portfolios, such as environmental health and safety, public affairs, compliance or even human resources.

In-sourcing or co-counselling complex legal matters that would otherwise be referred to external counsel are other ways to add value. There are many examples of this with transactional work, but very few with litigation or labour and employment work.

Another way to add value is to involve inside counsel with special projects that the company believes are important. Legal counsel can be members of the project team or they can lead the team. At least 25 per cent of the law department’s time should be allocated to special projects or to high-visibility and sometimes in-sourced or co-counselled legal matters.

This requires freeing up 25 per cent of the department’s time to redeploy counsel for strategic activity. Clients must become more self-sufficient for routine work, and lawyers must become more efficient if they are to find 10 hours each week to take on something different. Work with strategic value is not a spare-time endeavour or something that only happens after 6 pm every day.

If work re-allocation is not enough, the law department may review the competencies of in-house counsel. What are the non-

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legal, core competencies and attributes that counsel must have to add measurable value and for the law department to have a strategic impact?

Lawyers already possess many of the attributes essential to strategic impact. They are committed, thorough and often good communicators. But they must now become creative thinkers who develop imaginative solutions and new ways of thinking about situations, problems and opportunities. They must approach problems and situations in a non-linear fashion, and develop ideas and make decisions based on intuition as much as logic. They must offer ideas or solutions that seem to come from someplace outside of the immediate problem or situation.


There are also skills that allow counsel to gain leverage and to assume a position of

leadership in an organization. A good leader takes ownership and is willing to take risks and demonstrate creativity by championing new and innovative approaches leading to business success.

Another competency is “impact and influence.” This is the ability to influence others through the use of persuasive techniques, presentations, and persisting against resistance or obstacles. Counsel demonstrating this competency are capable of developing and implementing various influence strategies that successfully impact multiple customers both inside and outside of the organization. Many counsel manage or influence others to reach a goal or have a specific impact.

There are also business and client competencies. These comprise the body of knowledge and skills that include an understanding of the organization, its industry, management practices and their applicability to the organization.

To have strategic impact as a law department, counsel other than the general counsel must have a strategic business sense. This is the ability to understand the business implications of decisions and the ability to improve organizational performance. Such counsel understand the business and bottom-line impact of decisions, establish or recommend a course of action to accomplish short- and long-term goals and share with others their own view of the desirable future state of the business, function, company or industry.

In summary, strategic impact means having the right structures, projects, complex work and competencies. 

Richard Stock, M.A., FCIS, CMC, is a partner with Catalyst Consulting. The firm has consulted to more than 250 law departments over 20 years. He can be reached at [rstock@catalystlegal.com](mailto:rstock@catalystlegal.com).