

Evolution Of GC Role May Come At A Cost, MoFo Study Finds

By Emma Cueto

Law360 (April 30, 2019, 6:21 PM EDT) -- As modern general counsel seek to play a bigger role in their companies' senior leadership, those in-house lawyers are focused more on business and technology and far less on soft skills and the people in their own department, a new study by Morrison & Foerster LLP says.

The study, which surveyed over 200 general counsel globally as part of the firm's "GC {RE}DEFINED" program, found that 4 in 5 top attorneys think it's important to have a seat at the C-suite table, but only 10% see team building as an important skill for the future, with many general counsel also planning to replace some of their team with technology solutions.

Overall, the firm said, the study suggests the role of the general counsel is undergoing a major shift.

"We conducted this global study to support the growth and impact of GCs in a complex environment, where the speed of change will only increase," Larren Nashelsky, chair of Morrison & Foerster, said in a statement. "We hope that the study's findings and our wider 'GC {RE}DEFINED' thought leadership program will spark additional conversations, and help GCs draw upon insights from their peers as their role is further redefined."

Brad Wine, chair of Morrison & Foerster's litigation department, said he thinks many of the study's findings point to changes in GCs' essential duties. General counsel are in a unique position in many organizations in that they are involved in and acquainted with many different divisions and aspects of a company, he said. It puts them in a position to take on more responsibilities, he added.

"I think one of the things that stood out to me was how thinly spread [general counsel are] and how many different hats general counsel are being asked to wear," he said. "It was impressive to see how diverse the role of general counsel has become and how many different skill sets general counsel are expected to understand and become proficient in."

The data also suggests many general counsel are eager to take on these broader roles.

Top attorneys are interested in having more influence in their organizations, according to the study. It found that 81% think they should be part of the company's executive committee, and 38% are angling to make CEO their next career move.

In particular, GCs are interested in having influence over their companies' data security, with 48% identifying it as their top priority, rather than issues that more traditionally fit into the legal arena. Meanwhile, 15% listed ethics and compliance as the place where they most want to exert influence, and only 11% listed litigation.

As part of their shifting role, however, GCs seem to put less focus on people skills. When asked to list skills and strengths general counsel would need in the future, only 28% listed emotional intelligence and only 10% included team building — compared to 44% who listed judgment and another 44% who cited legal skills.

In fact, 1 in 3 GCs in the survey said they had either replaced some of their headcount through technology or planned to in the next five years. An additional 24% anticipate replacing people with tech in six to 10 years, the study said.

One GC quoted in the report, Carmel Mulhern of Telstra, said the department is reducing its legal team by 25% thanks to technological innovation.

The study also found that general counsel are interested in new technology for a variety of other reasons, as well, and that most are actively collaborating with their IT department to develop tools to improve legal function.

Wine said that although this is the first time Morrison & Foerster has conducted this study, he believes the expanded role of the general counsel is likely to become a long-term phenomenon.

"I don't think this is a short-term change," he said. "These are not minor blips, but demonstrate something that is longer-term and sustained."

--Editing by Marygrace Murphy.