

Navigating Unfamiliar Legal Ground:

How corporate lawyers can deliver sound guidance as their remit expands





For in-house lawyers, the need to move quickly and deliver sound, on-target guidance across a broad expanse of legal ground is nothing new – but the pace of change is intensifying, and the terrain is expanding.

Expert generalists

Lawyers for companies large and small may find themselves, in rapid succession, advising on an acquisition, assessing an intellectual property issue, considering a property law question, evaluating the risks inherent in a proposed business expansion – all while juggling assorted crises, HR and compliance questions, and ad hoc requests from around the company. Each matter requires rapid command of the latest know-how, legislation, regulations, cases and rulings across jurisdictions.

The role of the in-house counsel has evolved dramatically in recent years. It's no longer enough to be a great lawyer – protecting the company and managing risk are now the bare minimum. Due to disruptions in the legal profession and business at large, the in-house lawyer must encompass leadership and diplomacy and serve multiple roles: business partner, corporate officer, company representative in third-party dealings, and key negotiator in a range of strategic transactions.

Business enablers

The in-house lawyer has become more involved in the company's core strategic initiatives and business activities and so dives deeper into a range of work including audit, compliance, executive management, HR, investor and media relations, and social responsibility. This evolution demands extraordinary know-how and increased flexibility to work across business units and specialisations.



Source: Association of Corporate Counsel 2020

The corporate general counsel (GC), meanwhile, is an advisor to the CEO and the C-suite on business issues and to the Board of Directors on corporate governance. In many cases, they are the company secretary, a role that is evolving from administrator to advisor, as well as Chief Governance Officer (CGO). As CGO, they are responsible for the design, implementation and maintenance of a governance framework that meets the company's obligations and stakeholders' expectations. GCs also are involved with regulatory issues, public affairs, and lobbying. Within this expansive, overlapping set or responsibilities, they are deeply involved in every major issue, challenge, and opportunity facing their organisations.

Shifting demands

The Thomson Reuters 2021 State of the Corporate Legal Department report documents the following trends that are turning up the pressure on in-house counsel:

- More with less: In 2020, 58% of corporate law departments experienced increased workload as a result of the COVID-19 pandemic – and 30% experienced budget cuts.
- More ground to cover: In 2020, corporate lawyers shifted focus to ensure their companies effectively responded to the legal impacts of the pandemic, which affected employment, the safety of workers and customers, supply chain resilience, operations and more.
- More pressure: Legal budgets are likely to be stretched further in 2021 as 'business-as-usual' work ramps back up while the heightened demands of the COVID-19 environment continue to demand time and attention.



 $Source: Thomson\ Reuters\ 2020\ Legal\ Department\ Operations\ Index$

Unprecedented disruption

With so many areas of law and policy in a state of flux, corporate law departments are responsible for an ever-expanding legal terrain. In their 'What to expect in 2021' article, the Practical Law In-house team highlighted a myriad of complex developments that will affect in-house UK lawyers.

Inevitably, the fallout from COVID-19 will continue to present uncertainty and challenges to companies. It is likely that 2021 will see more disputes, and perhaps even litigation, over whether the pandemic frustrated a contract, or triggered force majeure or material adverse change clauses. Understandably, these issues have prompted businesses to reconsider how their supply contracts are drafted, with many customers and suppliers now insisting on more flexible terms with regard to payment structure, sourcing from third parties, and managing unforeseen difficulties. The 2021 State of the Corporate Legal Department report found that disruptions arising from the pandemic have placed unprecedented strain on contracts, causing 40% of corporate legal departments to implement new safeguards in anticipation of increased spending on legal disputes.



40%

of corporate legal departments have implemented new safeguards aimed at preventing disputes in light of COVID-19

Source: Thomson Reuters 2021

COVID-19 understandably took the spotlight away from the need to tackle climate change, but the pandemic has taught us that crises originating in the natural world can have a devastating impact on our everyday lives. Climate change will return to many boardroom agendas in the coming months. For example, regulators in the UK and EU are considering proposals to amend reporting rules to ensure organisations' activities are consistent with measures aimed at tackling climate change. As governments aim for a green post-COVID economic recovery, the associated policy and legislative changes will certainly impact business.



60%

of Chief Legal Officers believe that new industry specific regulations and data protection and privacy rules are likely to be the cause for future legal concerns And, of course, there is the continued uncertainty as a result of Brexit. Now that the UK has completed its separation from the European Union, corporate legal teams must provide guidance on the ramifications for supply chain operations, cross-border mergers and customs, accounting, and other reporting requirements. They also must stay abreast of diverging policies and laws in the UK and the EU. This everevolving legal landscape will impact companies of all sizes.

Culture champions

Most in-house legal departments are already at the centre of their organisations' corporate social responsibility (CSR) initiatives, and this is unlikely to change any time soon. Companies doing business in the UK are facing increased pressure from governments, regulators, investors, and consumers to develop and maintain effective CSR policies and mandates, and to embed these measures into their wider business operations. In recent years, much of the focus has centred around issues emanating from the Me Too and Black Lives Matter movements, which will continue to impact the social agenda. In addition, it is likely that legal departments will see more activity requiring transparency in supply chains, particularly as it relates to climate change, human trafficking and modern-day slavery, and other human rights abuses.

Of course, there are other changes affecting in-house lawyers that will require time and attention above and beyond legal departments' day-to-day operations, including the need to ensure sound data protection, and proposals to reform corporate governance. Further, with increasing and everchanging regulation, regulatory divergence, and legal turf to master, the information that lawyers need today is more complex than ever and scattered across a multitude of sources. And, if recent years have taught us anything, it's that we must endeavour to ensure that we are equipped to navigate the unexpected.

With an inbox as varied and complex as this, it is no surprise that the in-house lawyer is often referred to as the jack of all trades. The need to be instant experts across a vast range of matters and specialisations can be a daunting prospect whatever the size of your legal department. Traditional approaches to acquiring the needed expertise – such as increased use of outside counsel – are not practical when budgets are squeezed. Nevertheless, it remains vital for legal departments to stay abreast of changes so they can continue delivering value to their organisations.

Saving in-house lawyers from sleepless nights

In a recent conversation with an in-house lawyer at a media start-up, I was reminded in vivid terms about the central challenge of being the legal counsel for an organisation:

"My CEO thinks that we're covered on the legal side now she's hired a lawyer. She expects me to know everything and to be able to lawyer anything. I wake up in the middle of the night worrying about the risks."

Legal departments not only face escalating and evolving workloads and business demands but, as a cost centre within the business, they are particularly challenged on budget and spend. The business needs to get as much value as it can out of the legal support it has – and working out how to do that most effectively is critical to the in-house lawyer's own success as a business partner.

It's a variation on a theme I hear regularly from our in-house customers: how can I provide the all-round service the business requires in a way that delivers value for money to my C-suite colleagues? The answer is to support the in-house lawyers with a best-in-class know-how and practical guidance solution.

Organisations often bring on board an in-house lawyer in a bid to reduce external legal spend. However, the in-house lawyer quickly finds themselves having to operate as a full-service law firm. Apart from putting in place good governance and effective policies, they need to be able to respond immediately to whatever happens to arise: a rumbling discrimination claim one day, tax on contractors' pay the next, then reviewing a commercial NDA, actioning a subject access request...the list goes on and changes daily.

Without the right tools, the in-house lawyer faces a relentless and impossible task that they can never get ahead of. The worst of it is, unless they go to outside counsel, they are often relying on whatever they can cobble together from free sources and colleagues. This wastes time, creates unnecessary risk for the organisation they serve and generally ends up costing more.

Having a know-how and practical guidance solution, however, means that the in-house team has more than just a colleague to talk over a tricky point or bounce ideas off; they have a whole team of experts who are just a click away. Suddenly, the idea of an in-house lawyer that knows everything and can confidently approach any legal task doesn't sound quite so fanciful.

Having a colleague down the hall feels like the ultimate luxury in these days of remote working, especially when that colleague has a bank of standard documents and checklists to call on, including hundreds of standard form company policies, kept up-to-date through the team's rigorous updating process and fully annotated to help you tailor them to your organisation.

With a comprehensive, expertly-authored and continually maintained research tool always available, there's no limit on the number of times you can go back to it for advice, no cap on the number of questions you can ask the team, and no more sleepless nights.



Sara Catley Senior Director, Practical Law



Meeting every challenge

Tapping reliable knowledge

Working across an expansive legal terrain, today's in-house lawyers are expected to:

- Deliver sound guidance that reflects the latest legal and regulatory developments.
- Respond to crises, safeguard against risk, serve as strategic advisors to the entire business, and facilitate growth.
- Ensure operational efficiency, rely less on outside counsel, and avoid turning to inadequate online resources when new issues emerge.
- Quickly develop solid foundational knowledge of unfamiliar areas of law for the times when they are working with and directing outside counsel.

The common denominator across these expectations is the need to immediately access dependable legal know-how and research in order to master legal concepts and questions quickly and effectively.

While legal research is a fundamental skill of most lawyers, it is not always easy to find the information you're looking for. It could also be that your existing tools simply aren't able to surface the most relevant, up-to-date, and expertly authored information. The importance of providing confident legal advice to your organisation, especially in times of uncertainty, cannot be overstated, so it is crucial that you can rely on a trusted source of information.

User beware

Given the pressures on time and costs, in-house lawyers may be tempted to turn to free online resources. The problem is these are generally unreliable, time-consuming to navigate, and built upon sources that are not properly vetted or regularly updated. These tools are sometimes contradictory and often intentionally less-than-comprehensive to spur users to buy legal services from the firms that provide the free resources. This is not legal research to build a successful career on. Additionally, time spent researching is time spent away from tasks that add real value to your organisation's bottom line. Cumbersome free resources that aren't authoritative make your research journey longer and don't give you the confidence needed when advising on important matters or completing transactions.

Indeed, confidence in legal research can present a challenge to the most capable of lawyers. Once you have become oriented and spent time on research, second-guess, and double-check, you expect to have a complete picture. However, it can be challenging to form a high-confidence interpretation when you're working in an unfamiliar area of the law and the research tool is questionable.

Keeping up with change

Compounding the twin barriers of spending too much time researching and having too little confidence in your findings is the shifting legal and business landscape and continually changing regulations. All of this makes it difficult to build and maintain a relevant knowledge base, quickly and decisively deliver expert guidance, and sustain efficiency and productivity at every stage of your work.

Yet it is crucial to overcome these hurdles. The risks of not doing so are great – to your work, your ability to mitigate risks, your duty to safeguard the organisation, and your reputation.

Know-how solutions

With the right know-how solutions, corporate legal departments can build a foundation of understanding that enables you to ask the right questions, go straight to the answer, easily interpret the information, and quickly and confidently provide expert advice – leaving more time to be the strategic advisor that your organisation expects.

When evaluating their options, in-house lawyers should consider these characteristics in a know-how solution:

- Relevant, high-quality content that provides a solid starting point for understanding specific areas of law.
- Coverage across a wide spectrum of practice areas.
- Content maintained by expert editors with extensive realworld legal experience, who captures change in the law and developing needs of the market—and who are available to query for guidance and interpretation.
- Convenient tracking of key legislation, cases, dates and other key developments.
- Checklists, flowcharts, and quick-reference reminders for use in common transactions.
- Regular current awareness email updates that proactively provide alerts about the latest developments.
- In-depth, expert notes that explain the law and how it applies in practice.
- Continually maintained standard documents—including contract templates, clauses, letters, and court forms—that are essential for everyday practice.
- Resources interlinked across practice areas, so research leads to all the relevant material and practice areas.

With the right know-how, in-house lawyers for large and small companies can optimise the time they spend getting up-to-speed as the scope of their responsibilities expand into unfamiliar areas. They will operate more efficiently, deliver more value, and enable the legal department to provide more strategic business guidance with greater confidence. In the process, they will increase their knowledge—and their ability to act autonomously on behalf of their organisations — over the long term.

A good know-how solution is like having your favourite, most trusted outside counsel experts available 24/7. It enables you to reduce, delay or, in some cases, eliminate the need for outside counsel because more work can be conducted inhouse – so you can reduce spending and deliver a meaningful ROI. As legal departments struggle to do more with less and cover more ground, a know-how solution provides answers faster and plugs knowledge and experience gaps, which improves efficiency and frees up time to focus on higher value work and operate as a business enabler. With a good knowhow solution, your legal team can find the best and most upto-date resources quickly, ensuring faster answers and better relationships with business stakeholders. Ultimately, this can help reduce deal delays, which impacts the organisation's bottom line. Ensuring company sustainability is top of mind for GCs. With a best-in-class know-how solution, legal departments can ensure compliance with ever-changing and increasingly complex regulations, anticipate future challenges, mitigate risk, and ensure their legal department's - and their organisation's - long-term success.

Practical Law: The leading legal know-now service

Thomson Reuters Practical Law is an online know-how service that helps you perform more efficiently, gives you a time-saving head start with the practice of law, and provides you with the tools to work faster and advise with greater confidence.

Practical Law gives you access to practice notes that offer how-to guidance, standard documents that provide the best starting point for drafting and current awareness emails that keep you up to date with the latest developments, plus more.

Learn more about how Practical Law can transform the way you work.

