

The Road to Becoming a General Counsel

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The Road to Becoming a General Counsel in today's challenging business context can be a long and tortuous one. General Counsels have to come armed with tremendous legal and business skills, a strong understanding of the industry they serve, together with a wide array of personal strengths. Companies today are expecting more from their General Counsels, making becoming a General Counsel more challenging than ever.

These increasing requirements are consistent with the evolving role of the General Counsel. General Counsels have grown from legal administrators to strategic business partners. They are responsible for anticipating and mitigating risks, managing crises, as well as protecting a company's standing and reputations in the marketplace. The majority of General Counsels or Chief Legal Officers operate as legal and business adviser to the Chief Executive Officer and as a trusted member of the board. They are increasingly involved in the strategic decisions being made and the crises being managed.

What does it take to become a General Counsel?

As the role has evolved over time, so has the answer. It also depends on the company, the industry, and how the role will be viewed by the organization. For instance, a highly regulated business will require a counsel with a great deal of technical competency with respect to regulations and compliance. In fast moving industries such as high-tech and software, a counsel who can assess risk quickly and take a practical approach in order to move the business forward will be more valuable than a compliance-minded counsel. That said, what most companies want from their General Counsel is a legal adviser that can offer practical solutions and solve problems to help the business move forward.

The road to becoming a General Counsel is not necessarily linear or predictable, from law firm to in-house, to the top legal position at an organization. However, the ideal career path for attorneys who want to become General Counsels is to start with a big, well-respected law firm honing general corporate skills. While some litigators have been able to translate their skills and experience into General Counsel roles, the great majority of companies are looking for transactional attorneys. Why? Because today companies are faced with increasing corporate governance and compliance issues. Even private companies are hiring General Counsels with some experience or exposure to Sarbanes-Oxley. In addition, most of the day-to-day issues of companies, such as supporting the sales, marketing or distribution of products and services, require the skill set of a well-trained corporate generalist.

What does it take to be a successful General Counsel?

To be successful in the general counsel role, it's important to have a substantial understanding of a wide variety of legal issues, including finance, intellectual property, employment and corporate governance. A General Counsel needs to be able to manage a number of legal matters that can vary from full-blown acquisitions, mergers or disposals to a wide range of commercial issues, contractual issues, compliance, intellectual property, and employment issues. In other words, a General Counsel has to be a "jack of all trades" to effectively handle the variety of matters that will come across his/her desk.

While transactional experience is paramount, it is nevertheless a good idea as a young associate to gain some exposure to litigation and/or employment law while in private practice. Some law firms offer rotations to their junior attorneys – take advantage of this opportunity and round off your transactional experience with some litigation or employment experience.

After you have acquired 5-8 years of private law firm experience, you have two options available. You can make your first move in-house, move to a lower level position, and work your way up the legal department, or make a move laterally later until you accede to a General Counsel position. Alternatively, you can move to a smaller/mid-sized firm and act as an “outside” General Counsel for clients who do not have an in-house counsel but who may hire you in the future.

When should you make the move to become a General Counsel?

What is important is to make your move before you become pigeonholed in your private practice. I speak with a lot of law firm partners with more than 15 years of experience who want to move in-house and refuse to consider anything but a General Counsel position. Attorneys who are already in-house after 10 years of private practice, and who have worked their way to an Assistant General Counsel position, typically have a better chance of getting that General Counsel position than law firm partners.

The career path then is either to move upward within the company or to move to another company that offers better mobility or a more senior-level position. The key is to be careful not to move too often. Too many transitions will make your profile less attractive to companies. Therefore, it is important to take your time and to think about your career path strategically.

Another factor you need to consider is industry experience. Increasingly, companies are looking for General Counsels who have business and industry knowledge of the companies they are joining. Therefore, when making a transition in-house, be mindful not only of the number of transitions you make, but also about the type of transition you are making. The type of legal experience you acquire may also be impacted by your industry experience, and vice versa. For instance, regulated industries like health care will prefer to hire a General Counsel with regulatory experience or specialty experience (e.g., HIPAA, Medicaid, etc.). Industries that are fast-moving such as technology with prefer a General Counsel with strong M&A experience or IPO experience to help the company go public. If you are switching industries too often, you will not only lose the industry knowledge that is required of many General Counsel positions, but you may also not develop the type of legal skills required for the position.

What else do you need to know about becoming a General Counsel?

A General Counsel has to have a good business mind. While you do not necessarily need to have an M.B.A. to land a General Counsel position, a business degree can certainly help. The key is to develop a clear understanding of the business issues that affect a company, ranging from understanding and interpreting a balance sheet, to comprehension of the commercial issues faced by the business. Even if you do not have a business degree, take business courses and pursue on-the-job training to gain a strong business sense and know-how. Finally, you need to develop leadership and management skills, first class communication skills, the ability to manage risk effectively, to provide practical solutions, and to know how to operate with fewer resources, especially today as General Counsels are struggling to “do more with less.”

The road to becoming a General Counsel is a long and challenging one. So start thinking about your in-house goals early, develop a strong transactional practice, think about "hot" industries in the marketplace, develop legal and business skills, and be strategic when making a career move - make fewer but smarter choices.

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