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## 3 Ways to Ease the Leap From Firm to In-House Counsel

### From the Experts

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One of the most common, and frequently coveted, professional transitions an attorney can make is the move from private practice to in-house counsel. As well-worn as this path may be, it is not without its challenges and perils. Nevertheless, over the years, we have advised a good number of attorneys who have moved back and forth between private practice and in-house positions. The collective wisdom of these lawyers can ease the way for those who are making similar moves now. Overall, the advice to new in-house attorneys can be grouped into three general maxims:

#### **1. Recognize Your Client: the Company**

All good attorneys know that their business is client-based. Private practice is built around clients: acquiring them, managing them, and, ultimately, serving them. One hallmark of a successful attorney in private practice is the ability to manage and serve multiple clients, often across different industries, all at the same time. Moreover, as a practical matter, the lawyer in private practice often sees the in-house attorney as the client.

Once a lawyer goes in-house, however, many of the demands associated with a client-based business disappear. And, as



the in-house attorney, you now occupy the position that you previously identified as “the client.” After all, as in-house counsel, you can tell outside counsel what to do. You have the final word on legal strategy; you settle the case, and you pay the legal invoices. As a result of these changes, you may lose your previously client-oriented perspective. This is a serious mistake. The fact of the matter is, now that you’ve moved in-house, you now have a single, all-important client: the company.

The skill set that you previously developed as private counsel cultivating and nurturing client-relationships should now be directed internally toward the company. In particular, three distinct branches of the company should command the attention of in-house counsel: legal, business, and

finance. No matter what your position in the company’s legal department, there is a higher authority, be it the head of litigation, the general counsel or the chief executive, who needs to be kept up to date.

Most important, the board of directors should be kept abreast of your significant activities and consulted for major decisions. After all, your client is now the company, and the board is its ultimate management authority. Similarly, both the business and finance departments of the company need to be regularly updated and informed about any decisions that may affect their respective realms. In this respect, the same client-development skills that you developed as outside counsel can and should guide you. Speak with your board members

and co-workers regularly; go out to lunch with them; in short, create effective lines of communication and keep them open.

## 2. Know the Business

Good private counsel does everything he or she can to understand the client's business. Now that the company is your only client, the imperative to know the company's business is even stronger. The more you know about the company's business, the better. Learn everything you can about the industry your company is in. Understand how your company is situated within that industry. Become familiar with the company's general business strategy and development plans.

Key to knowing the business is understanding its basic processes. As in-house counsel, a crucial part of your job is ensuring that the company's operations comply with all applicable laws. The better you understand how the company works, the more effective you will be at your job. First and foremost, then, you need to understand the core business operations of the company. Identify exactly how the company generates revenue and what its operational processes are (purchasing, manufacturing, advertising, marketing, sales, etc.). Over time, you will need to know how each of these operational processes functions, including how they interface with each other and who the key individuals are within them.

You should not limit your understanding, however, to the operational processes. Equally important are the management processes. Familiarize yourself with how decisions are made within the various parts of the company. In the end, as in-house counsel, you will want to integrate

yourself into those decision-making processes in the most unobtrusive way possible. Doing so will require that you not only understand the process, but that you develop relationships with the key people. You should, therefore, get to know all the key players in the company—not just the directors and officers, but also the managers of the key departments.

## 3. Maximize Your Value

Finally, you must learn how to maximize your value. For many new in-house lawyers, this turns out not to be as easy as it might initially appear. As an attorney in a law firm, you were squarely positioned in the profit-center of the organization. Your work directly translated into revenue for the firm. Now that you are in-house counsel, however, you are a cost center. The legal department costs money and, far too frequently, is not seen as contributing real value. In more concrete terms, in-house counsel is often perceived as an obstacle to getting the job done. To make matters worse, in-house attorneys are frequently seen as naysayers who are difficult to work with and best avoided.

The best way to navigate this particular problem is to realize that your job as in-house counsel is to manage risk, rather than simply avoid it. Lawyers are often by nature risk-averse individuals. Your client, however, is probably not. Business people tend to be risk takers. If you can negotiate this fundamental difference in dispositions, you will significantly increase your net value added.

Therefore, when business people ask you for your input and you see a problem, make sure that your response is more than just a lengthy explanation as to why

the proposed course of action cannot be taken. Rather, actively suggest ways that the business proposal might be modified in a way that complies with the law while still implementing the underlying business objective. Also be sure to communicate effectively with the non-lawyers in the company. Do not speak in legalese, but take the time to translate your legal advice into language the business people understand. Be aware, however, that an effective translation usually does not mean a long and tedious explanation of all the legal nuances behind your advice. Instead, cut right to the chase and focus on actionable advice.

The transition to being in-house counsel can be a challenge because it involves significant changes in the role you play within the organization. At the same time, many of the skills you developed in private practice will remain central to your success. If you can keep these basic principles in mind, then your move in-house will likely prove to be a rewarding career move, not just for yourself but for everyone at your new company.

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