

# A Better Way for In-house Lawyers

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## Introduction

This story starts back in 1996. At the time, I was the Business Development Director for a pharmaceutical company. Previously, I had been the company's in-house lawyer, and before that a partner in a law firm.

Although I was no longer an in-house lawyer, I was still annoyed with the state of management advice available to in-house lawyers in Australia, especially those working in mainstream departments (i.e. not mega-departments). These people needed help with managing their practices, but weren't inclined or able to pay consultants for advice. They had moved in-house to get more life, but things hadn't worked out that way. I was so sure there had to be a better way I chucked in my corporate job to do something about it.

Since then I've been developing a new approach to managing a mainstream in-house legal department. There's no magic - it's based on timeless principles I've seen working in a variety of fields and departments. My brother Richard and I share it with people around the world through one-on-one meetings, presentations and articles.

This new approach involves redefining your main aim, and suggests changes in 5 areas. Many people tell us the approach, and the LEX software we've developed to assist with implementing each of the steps, have helped them develop a sense of purpose in their work and a feeling of greater personal control.

## Redefine your main aim

When I was an in-house lawyer, I saw my main aim as giving prompt and accurate answers to the legal aspects of matters hitting my desk (and developing the occasional compliance programmes).

After all, this is what I'd been taught to do in law school and the law firm. This is what my clients said they wanted. This was keeping me busy about 110% of the time, so there was no time for anything else. This is what my position description and KPI directed me to do. This is what was discussed at department meetings and performance reviews. This is what I put in my CV. Yet this aim was taking me in the wrong direction.

I can now see that this aim made my life harder than necessary. Compared to the "better way", I was working harder, producing fewer results, gaining less leverage, leaving less legacy, under-developing my potential, and generally getting less satisfaction. I felt at the time that something wasn't quite right, but I couldn't explain it.



So what should have been my main aim? In retrospect, it should have been more like this.

1. Help the organisation achieve its **top priorities**, even if those priorities have no obvious legal dimensions, even if I have to work out what those priorities are, and even if work relating to those priorities isn't hitting my desk.
2. Rather than do all the work myself, create **mechanisms and systems** that can handle much of the work instead, so things happen more easily and even when I'm not around.

This new aim may seem like a radical departure from the norm. Yet it would have helped me work less hours, produce more results, gain more leverage, leave a lasting legacy, develop my potential, and gain more satisfaction. I would have had more purpose, and a greater feeling of personal control. It's the way I work now, and I can recommend it.

If I was an in-house lawyer wanting more purpose and control, I'd adopt this as my main aim. I'd write it down and stick it where I could always see it. I'd embed it in my position description and KPIs. I'd make it the first agenda item in discussions with my customers, at my performance reviews, in department meetings, and in weekly meetings with my boss. I'd ensure it was reflected in my CV. I'd allow lots of time to focus on the new aim, rather than just on the stuff hitting my desk.

Let's look at the two key differences between the old and new aims.

## Focus on what matters most, not what hits the desk

The first key difference is that the new aim would encourage me to focus more on achieving the organisation's top priorities, rather than just doing the work that hits my desks. In other words, I'd focus on results, rather than work. I'd focus on the organisation, rather than my desk. I'd focus on others, rather than myself. I'd focus on what matters most, rather than what is urgent. I'd focus on strategic work, as well as tactical work.

This is a critical change in focus.

You may have heard the saying that "half of all advertising is wasted; you just don't know which half". It's like that. Assume half of what hits your desk is "stuff" (meaning it's only loosely connected, at best, with the things that matter most to your organisation). Your challenge is to work out which half is stuff, and get rid of it so you can focus on more important things.

I'm sure there was plenty of "stuff" hitting my desk when I was an in-house lawyer. This was partly because the work was coming from people who themselves didn't know what mattered most to the organisation. It was partly because some people were over-inclined to send work for legal review. There may have been other



reasons. But without some way to filter or judge that work, I ended up doing most of it.

In retrospect, I didn't spend enough time on a number of things.

- I didn't spend enough time getting rid of the stuff hitting my desk and in my office.
- I didn't spend enough time out of my office unearthing the current and emerging priorities of the organisation (I sure wasn't going to unearth them sitting in my office!).
- I didn't spend enough time tracking down new projects that closely connected with achieving these priorities, because I was so busy dealing with the stuff.
- I didn't spend enough time thinking creatively about how to solve those priorities, even if they had no obvious legal dimensions.

I was doing a great job, but on the wrong things.

It seems obvious in hindsight. The first rules of any management system are to understand what really matters and focus most of your efforts on achieving those things. We all know this, but don't often do it. What I'm saying by proposing the new aim is that, as hard as it may seem, the "better way" doesn't start with what's hitting your desk.

## Use mechanisms and systems

The second key difference is that the new aim would encourage me to use mechanisms and systems to achieve results, rather than always trying to achieve results directly. In other words, I'd focus on building systems that produce results, as well as producing results myself. I'd think about the long term, as well as the short term. I'd work "on" the legal department, rather than just "in" it. I'd focus on making myself dispensable, rather than indispensable.

This is another critical change in focus.

As lawyers, you're familiar with the concept of a company as a separate legal entity. Along these lines, I'm suggesting you think of the legal department as a separate entity from yourself. **You are not the legal department, even if you are the only person working in it.** The legal department must have an existence, separate and apart from the people working in it. If it doesn't, you're trapped in your own Groundhog Day, doomed to do the same work over and over, year after year. Think about this, especially if your years are all starting to look alike.

From today, you need to think of the department as something distinct from the people that work in it. This will help you begin to work "on" the legal department, as well as "in" the department. Just as a company entity will survive and exist after the workers in it leave, so must your legal department.



Imagine a giant was to pick up your legal department, turn it upside down, and shake out all the people working in it. What would be left? Would the department be able to generate any results for the organisation until the people were replaced? How long would it take a new group of people to get the thing running again? What documented procedures would there be to tell the new people how things operate in the department?

I know now that the hardest way to get things done was to have to do them myself, from scratch each time. The problem with relying on me to produce results directly was that I had to be around all the time. Also, results suffered if I was having a bad day. It was hard to delegate tasks. Basically, little work got done if I wasn't around and having a good day.

If I was an in-house lawyer again, here are some of the things I'd do.

- I'd obsess about making things continually easier over time, for myself and for others.
- I'd structure things so the department could produce results for the organisation even when I wasn't around.
- Rather than just wonder how best to tackle a problem, I'd also wonder what process I could create so the problem never arose again or could be solved more easily next time.
- I'd put a lot more systems into place, especially to handle low-level recurrent activities.
- I'd document "the way we do things around here", even going so far as to produce a department manual.
- I'd ensure that key things happened whether I remembered to do them or not.
- I'd open a file (called "Systems") on developing mechanisms and systems for the department.
- I'd add an objective about develop mechanisms and systems into my position description and KPIs.
- Every time I solved some new problem, I'd make a quick note about the steps I went through, and would collect those notes in the Systems file.

Taking this architectural approach to the department would ensure that the department could continue to produce results even when I wasn't there. This approach would ensure that, when I was gone, there was clear evidence of how things operated. It would ensure that, over time, the department could be run by people of decreasing levels of skill, because all the wisdom of previous generations would have been downloaded and captured in simple processes. This would ensure that new people coming into the department could hit the ground running.

Here's a comparison to illustrate my point.



A person with the **old aim** will see his greatest contribution for the year as brilliant advice on a large transaction. He had to draw on all his technical skill and work through many nights, but he achieved a great deal for the organisation.

On the other hand, a person with the **new aim** will see her greatest contribution as building an enduring department that can continue to produce such results even when she is not around.

As well as completing the transaction, the person with the **new aim** would have documented the best way to handle this sort of transaction, knowing that it comes up a few times a year.

- She will go on to refine this document over the years as she learns more about the best way to do things.
- She will get input on the document from external lawyers.
- She will create a version of the document specifically for her customers, so they know what they can do to help the legal department approve such deals.
- She will train a lower-level person in the department to execute the process, and tell him to improve the process if he learns anything new about the best way to handle things.

## Implementing the New Aim

We encourage people to implement the new aim in 5 steps. Those steps are as follows.

1. Unearth what currently matters most to the organisation, which gives you a strategic context for the other steps.
2. Filter out the stuff hitting your desk.
3. Gather more projects closely connected with what matters most.
4. Monitor your time so you know what you are focusing on.
5. Report back to the CEO to prove your value.

Within each step, it is important to use mechanisms and systems (as described above) to ensure that things keep happening without the need for you to remember them or to be having a good day. You need to place as much as possible on auto-pilot. Make things as self-executing as possible.

In this article, there is only room to go into more detail about Step One, but that should give you a good start. On our web site ([www.lex.com.au](http://www.lex.com.au)) there is some information about the other steps, and about the LEX software packages we've designed to help people implement each of the steps.

Step One in the process is to understand what matters most to your organisation at the moment. I could also describe this as understanding the organisation's top 3 priorities, the 3 things keeping the CEO awake at night, or the 3 top things that must



happen over the next year or two for the organisation to consider itself successful.

I'll let you in on four secrets about these priorities.

1. The priorities may be elusive and hard to pin down. You must do this step, no matter how hard it seems.
2. Priorities are unique to an organisation, which means you can't look elsewhere for help in figuring out your own organisation's goals.
3. Your organisation's priorities will differ over time, so you will have to keep updating your knowledge.
4. The CEO may find it hard to talk about the priorities in concrete terms. His or her inability or reluctance to articulate these goals may make your search even harder, but search you must.

Here are three suggestions to help you in your search.

First, have an open-ended conversation with your CEO and division heads about the top priorities facing the organisation. Don't just ask them how you can help, because they probably won't be able to answer that question. Instead, ask, "What can you tell me about the top three priorities facing the organisation now and over the next five years?" Armed with their answers, you will need to go make yourself useful and figure out how you can help.

Second, as I said above, you won't unearth what matters most by sitting in your office. This step will take a lot of street-level detective work. Be innovative in your methods for unearthing the priorities. Go on the road with sales representatives. Have conversations with real customers. Read industry magazines and business books, especially the ones that the CEO reads. Go to industry and sales conferences. Instigate a short internal secondment.

Third, remember what I said above about using mechanisms and systems to help you. Here is the first opportunity to apply that new thinking. Think about how you can ensure that the legal department (i.e. that entity separate from you) is always aware of the organisation's current and emerging priorities. Find ways to ensure this happens, so it doesn't matter if you forget to do it or if the next person in your role isn't as proactive as you. Here are some suggestions.

- Make it part of the department's mission statement.
- Put it in position descriptions and KPIs.
- Make it the permanent first agenda item for all department meetings.
- Book in regular meetings with the CEO on this subject.
- Put a KPI on the CEO to ensure that the legal department is always made aware of the top priorities.



- Document the steps you go through to unearth the goals (e.g. the key people to speak to; the questions to ask; the plans to read).
- Document what you've found to be the current and emerging priorities.
- Open a file so you and others know where to go looking for this list of priorities, and as a place where everyone can store relevant information they discover about priorities.

I'm sure you can think of plenty more mechanisms and systems along these lines.

## Conclusion

There is a lot more to be said about this and the other steps, but the most important point is the change in main aim that precedes these steps. This is why most of this article has related to redefining your aim. Let us know how you go.



## About us

I started my career at a law firm in Melbourne, where I became a partner in the commercial section. I then worked for a pharmaceutical company as the Legal and Corporate Services Manager and then as the Director of Business Development. I left in 1997 to start my own software and consulting company, Lex Australia Pty Ltd ([www.lex.com.au](http://www.lex.com.au)). My brother Richard joined the business in 2001, after careers in the financial services industry as a consultant and Business Development Manager.

I started the company to help other in-house lawyers find easier ways to manage their practices. Having been an in-house lawyer, I was sure there had to be better ways that people weren't telling us about. In the search for "the better way", I've synthesised ideas from many sources, including the following.

- Observations of the management practices of dozens of legal departments in Australia, New Zealand, Asia, England, USA and Canada.
- Magazines, journals, books and articles on a wide range of subjects.
- Reflections on my own time working in large organisations in a variety of roles, including an in-house legal role.
- Lessons I've learned from applying the 5 management habits daily in building the business with my brother.
- Feedback from clients and seminars attendees about how they currently work, and what has changed after they've adopted some or all of the habits.

Along the way, I got annoyed that our clients had to put up with rude, complicated and expensive software to manage their practices, their contracts and their intellectual property portfolios. Once more, I was so sure there had to be a better way that I taught myself to design and build software. As with our management ideas, our software products have attracted a wide and loyal following.

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