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A survey and discussion paper

General Counsel in Singapore: Setting the pace

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Your World First

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About this report

CMS is one of the world's largest law firms, with over 4,500 lawyers, spread across more than 70 offices in over 40 countries. We are active in Singapore through both our own well established practice and a formal law alliance with Singapore law practice Holborn Law LLC.

We have published a series of reports for GCs, beginning in the UK in 2010. We have spoken to hundreds of GCs, in over a dozen other countries, about their experiences and the subjects that matter most to them. Now we are applying some of the knowledge and insights we've acquired to the position and prospects of GCs in Singapore. We are delighted to be doing so in partnership with the Singapore Corporate Counsel Association, on a survey of whose members this report is based.

We hope this report will contribute to SCCA's mission to help in-house lawyers become better counsel – and thus help Singapore's business community as a whole. As SCCA wisely observes: 'Better counsel make better corporations, and better corporations make better communities.'

We should like to thank SCCA, as well as the lawyers who participated in the survey and, in particular, Gladys Chun, Rose Kong, Sai-Choy Low, Siong Koon Sim, Elvin Wan and Loretta Yuen for allowing us to publish edited highlights of our interviews with them.

Jonathan Warne
Partner, CMS

General Counsel in Singapore: Setting the pace

Singapore is a global centre for Asian trade and investment. It is home to the regional head offices of many international companies. It has a thriving and growing general counsel community. It has an educated population and sophisticated commercial and legal cultures. The government's strategy is to make it a 'smart nation' and 'leading legal hub'. It is, to all intents and purposes, already a market in which able lawyers have every prospect of becoming effective and important practitioners.

But how close are Singapore's general counsel to being genuinely influential leaders – to being, in the words of the SCCA, 'in a pivotal position to influence major corporate decisions'?

We surveyed a range of Singapore-based GCs in an attempt to answer questions such as –

- How innovative are GCs in Singapore?
- What are the biggest challenges facing Singaporean GCs?
- How much do GCs in Singapore have in common with their counterparts elsewhere?
- What are the long-term ambitions of Singaporean GCs – and are they likely to realise them?
- What do GCs in Singapore need to succeed?

Key findings

Compliance and regulation are now just as important for most GCs as their traditional key responsibilities for common commercial issues and significant contracts and deals.

Only 18% of GCs are doing work which they believe has the greatest strategic value to the business – but over half expect to be doing so within five years.

Two-thirds of the GCs we surveyed used key performance indicators or other performance measurement systems. However, only about half of those who use them find them really effective.

The majority of GCs think they are influential within their organisations – but fewer than one in five think they are 'very influential'. And many are not in their organisations' leadership teams.

Most GCs are not very innovative and are 'behind the curve' in areas such as change management and strategic business planning. Over a quarter of GCs don't think change management is even slightly important.

Nearly one GC in five has ambitions to become a CEO or a COO. Only two-thirds wish to spend their whole careers as GCs.

Foreword

Taur-Jiun Wong

President, SCCA and Head of Legal, Rabobank Singapore

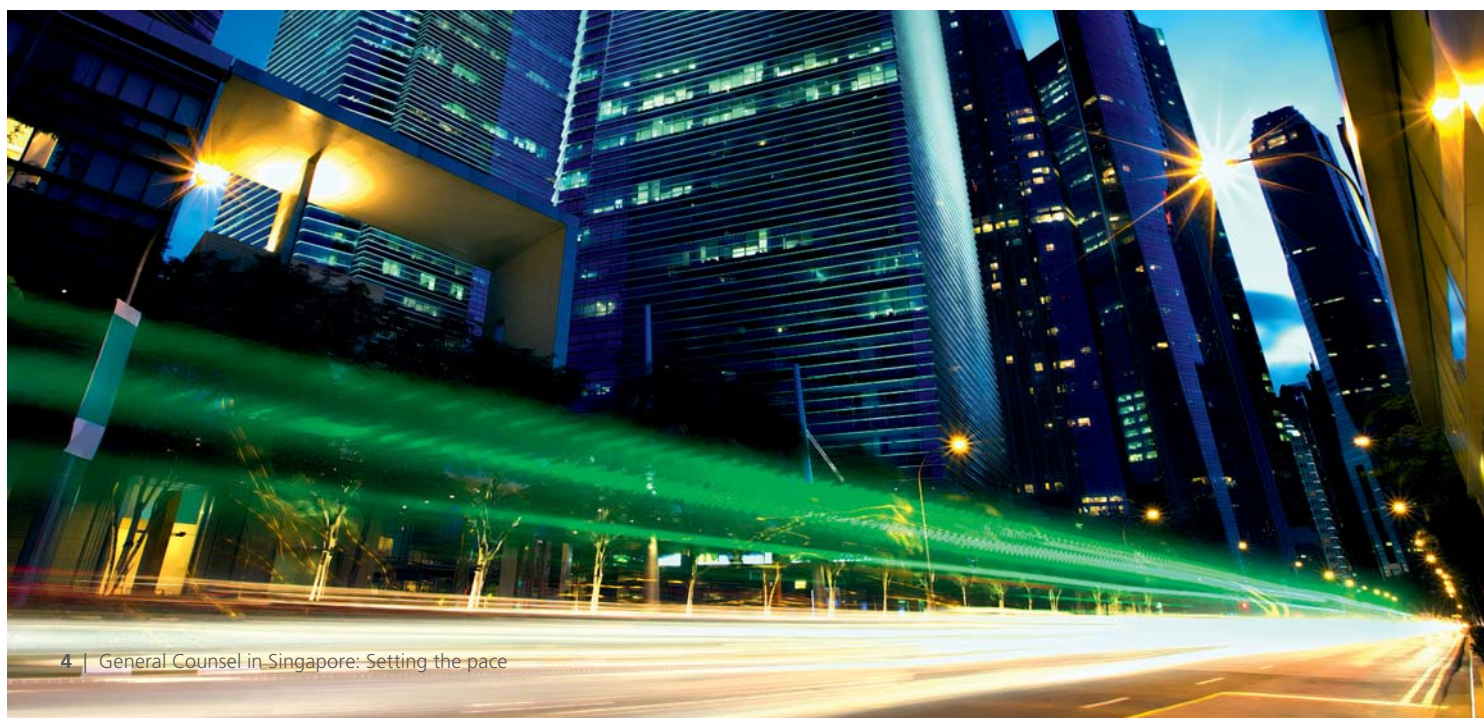
The importance of the in-house legal community in Singapore has been growing. More Singapore in-house counsel are now the top legal honcho of an entire organisation (eg a listco or a large privately owned company) or the general counsel for the APAC region of a multinational company. This presents exciting opportunities for those who are already on the in-house journey. Many will be interested to find out, how does one get here?

However the question does not stop there. Room at the top is decidedly finite. If there is no space beyond that, then upward mobility will be an issue. If such a situation persists, then this community will attract less talent over time, and that can't be a good thing for the community or for Singapore.

It was to address this that the Singapore Corporate Counsel Association launched the Singapore Competency Framework for In-house Counsel late last year. The Framework provides a structure to think about how one moves up the ladder, by acquiring relevant technical, business and future-ready skills. In addition, the Singapore Chief Legal Awards were inaugurated to recognise and profile senior members of the community who have contributed to the work of their board of directors. It is SCCA's hope that the Awards will be a prelude to opportunities of board memberships for in-house counsel.

For these reasons, this new report on Singapore general counsel is timely. There is finally a definitive attempt to document the key challenges faced by general counsel in Singapore as well as their aspirations. The SCCA thanks CMS for the privilege of partnering them in a meaningful and relevant project, and for their patience in birthing this over a period of more than two years.

It will be interesting to see what another report might say in a couple of years' time. I'd certainly look forward to that!



A mosaic of cultures, a matrix of laws

As this report will show, general counsel in Singapore have much in common with their counterparts elsewhere. Many of the findings mirror very closely what we've heard from GCs in Europe. That's not surprising in a business world that continues to embrace globalisation. Nevertheless, there are important differences.

One of the most obvious differences is that a GC based in Singapore is more likely to be providing coverage for a number of other, quite different regional jurisdictions, some with legal systems which may require different approaches to business and risk. Over 60% of the GCs in the survey had direct reports based outside Singapore.

Despite the rise of English as a global commercial language, there may also be very significant local linguistic considerations to negotiate in some jurisdictions – as well as, in many places, ethnic and cultural sensitivities, and local business conventions.

Particularly for GCs in multinational companies, keen to cultivate a worldwide way of doing things, achieving an acceptable degree of cultural uniformity across such a diverse region can be challenging, as can the simple fact of physical remoteness from other operations across Asia.

This mosaic of cultures may be one reason why some in-house legal departments have remained small. Some GCs apparently prefer to retain a variety of law firms in different jurisdictions, rather than building up a spread of expertise in-house.

In Singapore itself, however, the in-house profession has grown rapidly in recent years. The country now has well over 2,000 in-house lawyers. GCs whose teams are growing have to get on top of a range of HR and talent management concerns that may not have mattered much to them before. They often lack the experience or training to feel comfortable with this. And it is not yet clear whether there are enough senior local opportunities for the many lawyers who now wish to pursue an in-house career to rise to the levels they wish to attain.

Our studies have shown that GCs are becoming more ambitious, with increasing numbers striving to achieve more for their businesses, themselves and their teams. But they are operating in a changing landscape, as global influences and questions about values – rather than value – come to the fore. Risk and reputation management are the new challenges (or opportunities) for GCs.

This requires a particular breed of GC: one who can operate in an international matrix of laws and business practices while maintaining the ethics and values of their organisation. Such a GC also needs the skills and techniques to work at the most senior leadership level – something we look at in more depth in our Strategic Business Counsel model towards the end of this report.

What's important to GCs

We listed 10 aspects of a GC's role, and asked the survey respondents which were essential parts of their own work. They were also able to rate these aspects as very, moderately or slightly important, or not important at all.

The results are a graphic indication of how much the GC role can vary between organisations. The only thing that more than half of our GCs felt was essential was work on compliance and regulation, with 54% deeming it so. However, work on common commercial issues came close, with 49% of respondents declaring it an essential part of their work. In contrast, change management and strategic business planning were adrift at the bottom of the table, with just 5% and 15% respectively.

When we take into account what our respondents view as 'very important', as well as what they see as 'essential', the picture changes a little. For example, the management on the in-house team loses a little ground, in favour of commercial issues. Overall, the 'top three' – compliance and regulation, common commercial issues, and significant contracts and deals – are the same as they were in our most recent UK survey, as are the 'bottom two': change management and strategic business planning.

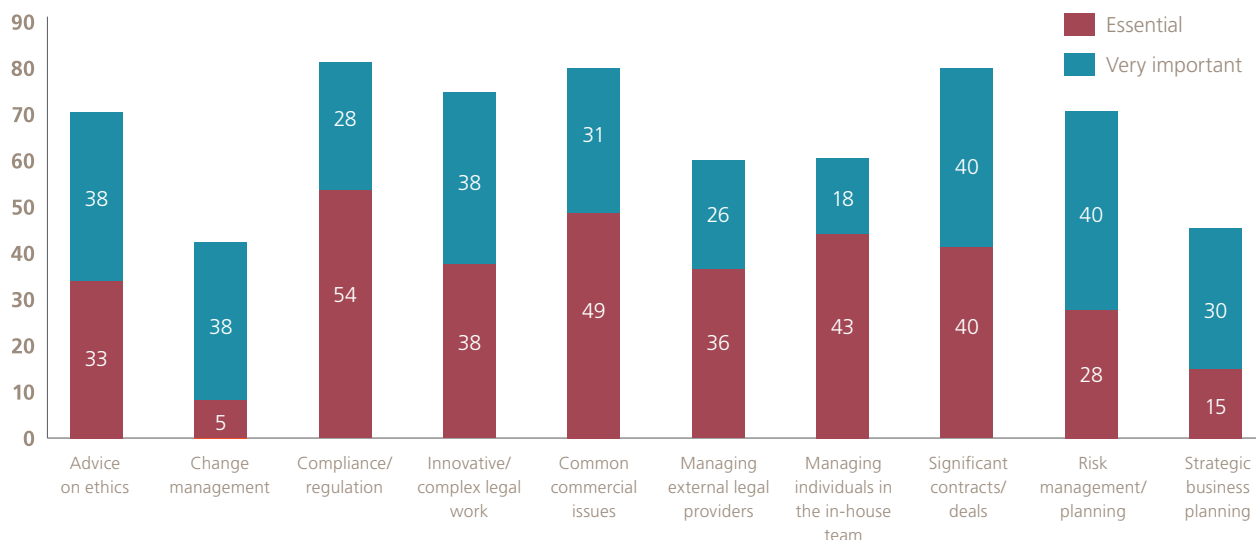
Is this a predictable result? It is certainly not an unexpected one. Common commercial issues, the basic business of many lawyers, are still essential for nearly half our sample and very important for another third.

The importance of contracts and deals is unsurprising, while the increasing importance of compliance and regulation, particularly after the last financial crash, has become a commonplace. Indeed, the survey shows that over three-quarters of GCs expect to be affected by the general increase in regulatory investigations, with over 40% expecting to be very affected by tougher regulatory regimes. Only 15% think they won't be affected at all.

We wondered whether we would find that GCs are becoming more involved with business concerns such as change management and strategic business planning. These numbers suggest that they aren't. A growing number of GCs claim to be at or near the top of the Value Pyramid (see page 16), but it looks as though many of them nevertheless remain more deeply engaged with activities in the lower tiers of the pyramid, those that might be characterised as 'keeping the business going'. The higher value, strategic functions are typically less central to their work. Many GCs are highly ambitious, but these functions seem to be rungs on the career ladder that most of them cannot – or do not currently wish to – use.

“Some people are desktop lawyers, who hide behind the law rather than develop business skills.”
Singapore GC

How important are the following in your role?







Opinion: Elvin Wan

Chief Regional Counsel, Asia Pacific, Orange Business Services

In the in-house team, the biggest thing for me is trust. I put that even above business savviness and commerciality. Once you can trust someone, it's easy to explain to them what you're trying to achieve. And it's a two-way street. They have to trust me too.

I have to hire experienced lawyers – I don't have time to train them. They need up to ten years of experience and maturity.

When I hire them I tell them, 'I can only help you to a certain level, the rest is up to you. There's no easy way, no short cut. You have to put in the hard work and the time. And if you mess up, you will lose your credibility. It's hard won, but easily lost.'

I'm very hard on them. I say, 'I'm going to drive you 100%. I'm not going to let you cruise at 95%.' If they can't cope with that, they won't get past the probation stage. But what happens in fact is that they stay despite my being tough. In that sense, I'm very proud of my team.

Credibility is there because you're a lawyer. People will believe anything that comes out of your mouth. You start ahead. The issue is influence. 'You can be credible, but I don't have to be influenced by you.'

I've got a team of four lawyers and a paralegal. One covers Australia, New Zealand, the South Pacific Islands and Korea. Another has Greater China and Japan. A third is in Singapore with me and the paralegal and she looks after South-East Asia, and a fourth, in India, looks after South Asia.

There are two key challenges in this setup. One is remoteness. There's nobody just to talk through a legal issue with. Your boss is not next to you for a face-to-face discussion. You need to be able to handle things independently.

The biggest compliment I ever got was when someone said 'you are the most non-lawyer lawyer I ever met'.

The second challenge is about budget. That's a big point for our company and presumably for most companies. So this is where creativity comes in. How do you structure your budget to get the resources to help your team?

The key thing is to pick the right firm in a jurisdiction. We get introductions and try lawyers with pieces of work. But we gauge them not solely by the end result but more importantly by their attitude.

Partnering with external firms should be mutually beneficial. Some jobs – the big ones – we understand can't be at fixed fee. Other small ones have to be fixed fee. It comes down to trust. That's something some GCs struggle with, if they haven't built up relationships or don't have enough work to brief out. It's not a formal thing – you can't replicate it. And there has to be give and take. It's true partnering. It's not a situation

where you can guarantee work or pay a full retainer. So there has to be trust between the outside counsel and yourself.

I don't go to meetings to talk about legal stuff. I 'strayed' onto other people's turf. And if you give them the credit, even if it's your idea, most people don't mind that. And that's how I gained influence and credibility operationally.

The key is to have the correct mindset with the objective of the organisation in mind. One piece of advice I give to my team, especially when they first start, is to leave their egos at the door. It is very persuasive when you wear the objective of the organisation on your sleeve when you make your point. The hard part is not many people can honestly do that.

Where I've got a good relationship I can call the managing partner and say, 'This is my budget, what can we do?' So, for instance, we might arrange to get one of his junior lawyers in India to come in and work for us one day a week. I also need to be able to call and say 'I haven't any budget but I need to get this done.' And once you establish trust you can do that.

Influence

A successful GC, in the eyes of most of the GCs we talked to, has to be influential. Their voice has to be heard, both formally and informally, at the highest levels of a company.

Some GCs will find that easier to achieve than others, not least because different corporate models tend to be conducive to different degrees of influence. At the simplest and most obvious level, GCs who work in an empowering corporate structure or culture have an advantage over those who do not.

It would be wrong to assume that one corporate model is necessarily better than another in this respect. There will always be variance between individual companies. But the model does make a difference. GCs in companies on the Singapore Mainboard, US-headquartered companies, China-headquartered companies and local family-owned companies, for example, will tend to have different experiences, not least because they have a different cast of stakeholders to influence. Establishing best practice in different, complex corporate structures – with different business models in different sectors – is not straightforward.

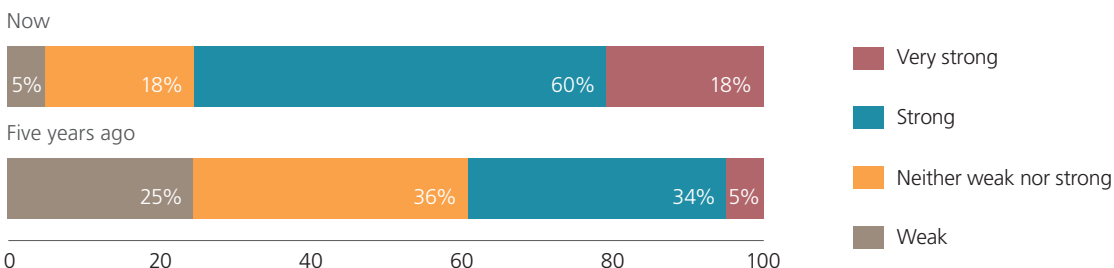
The GC should aim to be seen not merely as someone with the same strategic ambition as other executives, but as someone whose advice is essential for the achievement of that ambition. In this scenario, the ultimate goal of the GC must be not just to influence management but to determine the direction, values and culture of the business alongside, or as part of, management. If the company is a ship and the CEO is its captain, deciding its destination, then the GC should aspire to be the navigator, familiar with the shoals and tides, and the capabilities of the ship and its crew, and able to plot a course that reflects the risks and rewards ahead.

Crucially, of course, this requires the CEO and the rest of the company’s senior management to accept the GC in that role and to allow them – whether formally or otherwise, consciously or not – that degree of influence. GCs need to be aware of boardroom and executive politics and of where power is concentrated. One GC, for example, told us: ‘If the CFO is politically dominant your influence is limited.’ That may not be true for every GC, but it was clearly true for that individual.

The GCs in the survey believe they’ve become more influential over the past five years, with 57% believing their influence had increased over that time, compared with 5% who felt it had fallen. (The number who feel their influence has increased is rather larger than the 43% in our most recent UK survey; the Singapore figure may reflect growth from a lower base. The figure for falling influence is similar, at 6%.) Overall, 18% felt their influence was very strong, 60% strong, 18% neither weak nor strong, and 5% weak. The only significant difference from the UK here is that a smaller percentage of GCs think they are very influential: 18% in Singapore as against 27% in the UK.

While these are encouraging figures, it is also worth noting that over 40% of respondents are not on the executive team of their organisation. Some of them clearly believe they are influential anyway but, as one GC told us: ‘You can’t truly influence if you’re not in the room.’ A proximity to power is important. Some GCs believe that it is useful to hold the company secretarial role for that reason. As one said: ‘The GC may not make the final decision but they can help steer it.’

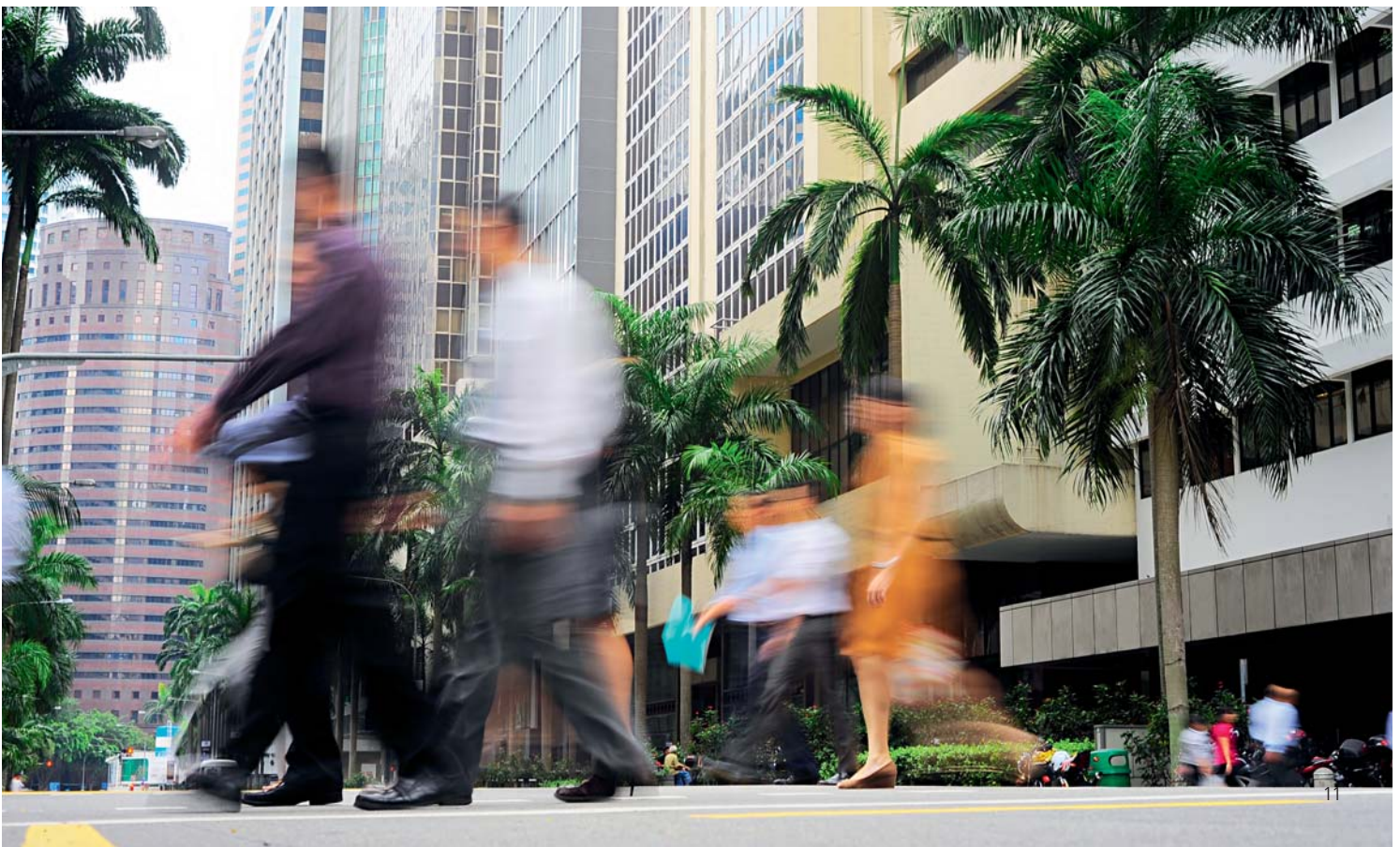
How would you rate your influence at senior levels within your business five years ago (or when you assumed your present role, whichever is more recent) and how would you rate it now?



Reporting lines are important too. If you report direct to the CEO, your influence is likely to be greater than if you report to the CFO or someone else. It also gives you a degree of independence. We have come across examples of GCs in international companies who have a direct reporting line to central management and only 'dotted line' reporting locally. That can give them considerable independence where local issues are concerned. But their influence may come as much from a local perception that they are 'speaking for the centre' as from their own qualities.

It seems to us that the conclusions we published in our report in 2012 on The Influential GC are still highly relevant. As we wrote then: 'If you're a GC you're already influential to a degree. (That degree, of course, varies between GCs: every GC's situation is unique.) However, our research suggests that, whatever your position, you probably also have scope to become more influential. All GCs face their own problems in managing this: both personal and organisational. But you can "up your game" no matter where you start from...'

We believe GCs are becoming more influential generally, and that the scope for them to do so continues to increase. However, the environment that has helped this happen has also raised the stakes, and so in turn it's more important than ever for a GC to possess influence. It's not one of the facets of a successful GC that we identify in our GC model at the end of this report, but that's only because it's already built in, as an essential part of several of those facets. It's the aviation fuel that gets the in-house legal function airborne and keeps it in the air. If you don't think you have it – or if you think you need more – you need to do something about that as a priority.



Opinion: Rose Kong

Head of Legal, RGE

I've lived and worked in eight countries, with common and civil law systems. I've worked in multinational corporations and family-owned businesses. So I've seen a lot of management styles. And they've seen me in different ways. For instance, by Asian standards, I'm outspoken compared to my Asian colleagues. But in MNCs, I was characterised as quieter vis-à-vis my western colleagues. Everyone's different, and you have to be flexible to cope. Like doctors, we need adaptable bedside manners to handle different people and issues without losing ourselves in the process.

Different organisations have different expectations. Some prefer a centralised legal department while others do not. There is no right model. It took me a while in various organisations to get management to understand what a legal department was. They thought, all you need are lawyers. No paralegals. But if you go into an operating theatre, you don't expect the doctor to do everything. You need nurses too. Otherwise your patient will probably end up dead.

How do you win the confidence and trust of management? You have to build credibility, one step or one case at a time, with different stakeholders. In most organisations, there's a need for ongoing conversations between the GC and management and frequent conversations in a dynamic business to build trust. Trust and confidence also come from dealing with things that matter to management – which may not always be the

biggest corporate issues. And it may take them time to get used to having a group GC, even if they know they need it.

Measuring lawyers' contribution is still an issue with management. They struggle to grade us. Much of our work is subjective, but for them contribution is basically dollars. Some would like it if we did timesheets to benchmark our worth – and yet they like alternative fee arrangements with external lawyers. There's a disconnect there. It's hard to solve.

How you navigate any organisation is through the value system and, particularly, personalities at the top. You need patience, and you need the temperament to put up with resistance. You need self-belief because you will be challenged.

You need a strong sense of self – not arrogance or self-righteousness, but that your moral compass tells you this is the right thing to do. There can be times when it is lonely as a GC.

You have to persuade people to go on the right path. Whatever culture they come from, people won't change unless there's pressure to do so. And when change does come, it helps when it comes from the top and especially when they have experienced their own choices. You can never outsource setting tone. It has to be owned by management. Organisations are just a collection of human beings, and human beings pick up cues very quickly. Management set the tone. Take RGE for example – our Chairman believes that long-term sustainable growth should go hand-in-hand with making a positive impact on communities and countries we operate in. Because of this, people inside and outside our organisation can clearly see where he stands.

Doing the right thing is everyone's job in an organisation. Legal and moral standards are relevant measures for doing the right thing. For in-house lawyers, doing the right thing means we must discharge our duties bearing in mind that while the shareholder is our client at all times, we remain first and foremost officers of the court. So do what lets you sleep at night and makes you happy in the day.





Key performance indicators

Even over the relatively short period in which we have been researching and reporting on the GC world, we have noticed a significant change in the use of key performance indicators (KPIs) and other performance measurement systems in in-house legal teams. In the UK their use has more than doubled in recent years, to just over 50% – an increase that seems to reflect more general cultural and organisational change in in-house legal departments. But how does that compare with the situation here?

In Singapore, 65% of the GCs in the survey use KPIs or other performance measurement systems. How do we account for what looks like a high number? There are several possible answers. Leaving aside the margin of error inherent in polls, we believe the most significant factor is probably the larger relative prominence of multinational companies in the local GC community. These large, complex organisations are more likely than smaller or more local companies to rely on KPIs as management tools.

Perhaps a more interesting question is whether KPIs actually work in a legal department. It is fair to say that we did not find overwhelming enthusiasm for them. Only one respondent thought they were 'very effective'. Of the GCs who use them, 50% found them to be 'quite effective' with a further 38% feeling they were 'acceptable'. A small number of respondents didn't like them. These figures are broadly in line with our UK findings. So while KPIs are now widely used, and are generally felt to have some value, it is clear that they are not as effective as they could be.

If you are among the one-third of GCs who don't use KPIs, or other performance measurement systems, you should be considering the possibility of doing so. But on the basis of the survey, we would also suggest that even the majority of GCs who are using KPIs should look at whether they can do so more effectively.

As we noted in our UK report, GCs who don't use KPIs sometimes have systems of their own instead, but more commonly prefer to avoid the whole idea of measurement. There is a widespread feeling that as long as things are not going wrong – or not going wrong too often – then the team's performance and the GC's performance are acceptable. Some GCs believe that demand for the team's services arises in proportion to the quality of the team's work. According to this argument, as long as the team has things to do, it must be doing them well.

Some GCs say that it is hard to find objective quantitative criteria for metrics, and that qualitative criteria are subjective. That is by definition true, but ignores the fact that if qualitative data are handled properly they can still provide something close to an objective evaluation. To use an analogy: the winners of

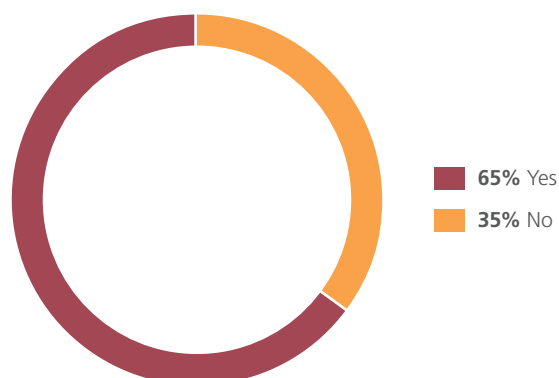
Olympic track or field events can be identified in purely quantitative terms. They are the ones who ran fastest or jumped farthest. But the gymnasts and synchronised swimmers who compete in the Olympics are judged by other systems. These systems have significant elements of subjectivity but are nevertheless valid.

GCs also tend to feel – probably rightly – that performance metrics for the top level are virtually impossible. A GC who is really an integral part of the senior management team is very unlikely to find the CEO assessing them with KPIs. Both parties would probably deem it inappropriate. But even a GC in that happy position will need ways of monitoring the performance of the legal team as a whole – and the ability to measure and demonstrate value remains an important asset for GCs as they climb towards those heights.

As we wrote in our very first report, 'GCs who use KPIs successfully feel they help with the overall perception of commitment to value they deliver to the business.' Most GCs who want to get to the top in a modern company will probably find KPIs in one form or another indispensable, even when those KPIs cease to apply to them personally.

Our first two GC reports contain a lot more about KPIs and performance measurement: we would also be very happy to discuss the topic with you if you'd like to know more.

Do you have formal performance measures in place for your in-house legal function (such as key performance indicators)?



The GC Value Pyramid

Our first UK-based GC Report introduced the concept of a Value Pyramid for the in-house legal function. This divides tasks into four levels, according to the value they provide for the business. Level One involves tasks with the greatest strategic value to the business. The tasks in the bottom level (Level Four), while essential, are felt to be 'bread and butter' work. Our discussions with GCs in Singapore have led us to believe that the model is valid here as well.



In the UK in 2010 only 3% of those we interviewed felt they were operating in the top level. Most were in the bottom half of the pyramid, with 38% still operating exclusively in the bottom level.

Five years later, the situation looked very different, with 24% of our interviewees in the top level. But even more remarkable than this sevenfold increase was the shift going on in the lower tiers of the pyramid.

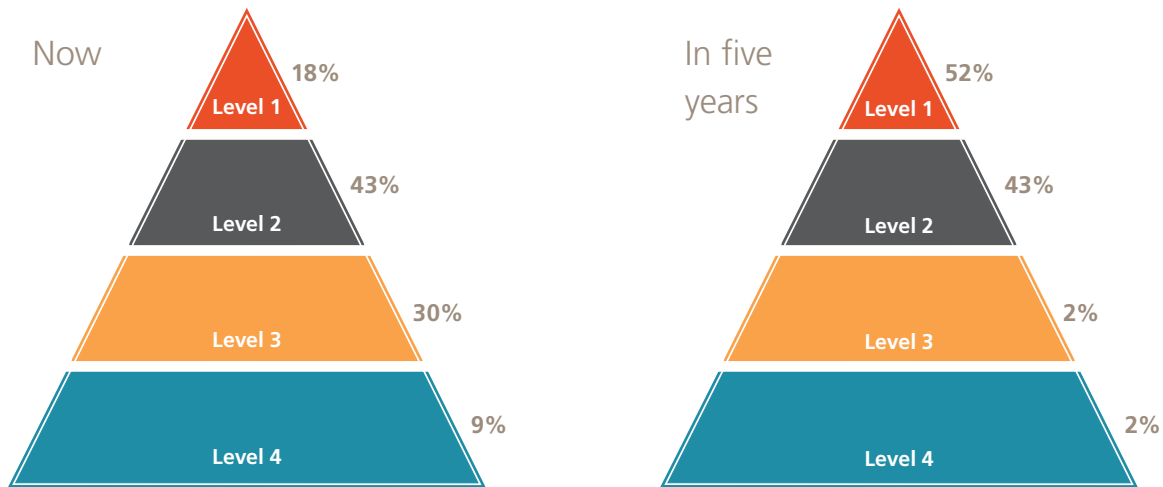
In 2010 the top half of the pyramid (ie the top two levels combined) had 34% of respondents, with 47% aspiring to get there by 2015. The actual figure for 2015, however, was 77%, with over 50% of all respondents putting themselves in Level Two. Furthermore, no fewer than 95% of our respondents expected to be in the top half of the pyramid by 2020.



In Singapore, a somewhat smaller number of GCs currently put themselves in the top half of the pyramid, with 18% in Level One and 43% in Level Two. This gives us a total of 61%, as opposed to the 77% of the UK. However this is still a very encouraging figure.

Furthermore, the long-term vision of GCs in Singapore is virtually identical to the vision of GCs in our UK survey, with very similar levels of expectation for the position in five years' time. In Singapore, 95% of GCs expect to be in the top half, exactly the same as the figure in our UK survey (although with fewer in Level One and more in Level Two).

Where do Singapore's GCs place themselves in the pyramid?



These figures undoubtedly reflect the way the in-house arm of the profession has grown and matured in the past few years. As a class, GCs are much more numerous, more influential and better respected than they were before the financial crash.

The greatly increased importance of compliance, risk and reputation in the corporate world has been a major driver for this. Over the life of our GC project, it has been by far the most obvious, widespread and significant factor behind the enhanced status of the average general counsel.

Another driver for change has been the evolving way in which many companies procure legal services. It is now much more feasible, for example, for a GC to handle some tasks at the bottom of the pyramid through process engineering, outsourcing or recruiting non-lawyers.

The very high level of expectation may also partly reflect a rising generation of GCs whose approach and ambitions are not quite the same as their predecessors'. We did not collect data on the ages of respondents, but it is certainly possible that GCs from 'Generation X' – or even, now, the first GCs of the so-called millennial generation – may tend to see some aspects of in-house life differently from the 'baby boomers' who came before them. If that is the case, we may have to wait a few more years to discover how far these new ambitions can be realised.

Opinion: Loretta Yuen

EVP, General Counsel and Head of Group Legal and Regulatory Compliance, OCBC Bank

If there's one philosophy I subscribe to religiously as an in-house legal counsel, it is this. Never throw the metaphorical rule book at your colleagues.

For many legal practitioners, reciting the rules is almost second nature. Lawyers are trained to interpret and apply complex legal principles and jargon. I was guilty of being too legalistic when I first started out as an in-house counsel here at OCBC. I replied to simple queries from my colleagues with lengthy emails that covered every possible aspect of the law.

I soon learnt that what the business units really need is concise and practical advice that relate directly to the decisions they have to make. These days, my emails rarely exceed four lines in length. Not because I am curt, but because I've learnt to deliver my advice in a way that is least painful for business units to adopt.

Being a business enabler

As members of the legal team supporting the whole gamut of OCBC's operations, we need to be plugged deep into the bank's business. This means knowing what kind of advice to deliver, and when. Sometimes, we help defuse sticky situations such as advising frontline staff on how to deal with difficult customers. At other times, we give input to product-development colleagues on how best to structure the terms of a new credit card.

Because we run so closely to the ground, there's so much of the business we're learning every day.

So besides being legally proficient, my team and I need to understand the commercial realities of running a bank while keeping it safe.

To a large degree, this is how I see my role: as an enabler, a partner, and even a friend to the business folks. The in-house legal team should never be a stumbling block.

Of course, it's our job as in-house lawyers to protect the bank from risks, and this entails saying our fair share of 'no's to certain things the business units want to do. We don't achieve this by bulldozing. On the contrary, I've learnt that people are usually reasonable. If they know that you are on their side, and not against them, they will work with you.

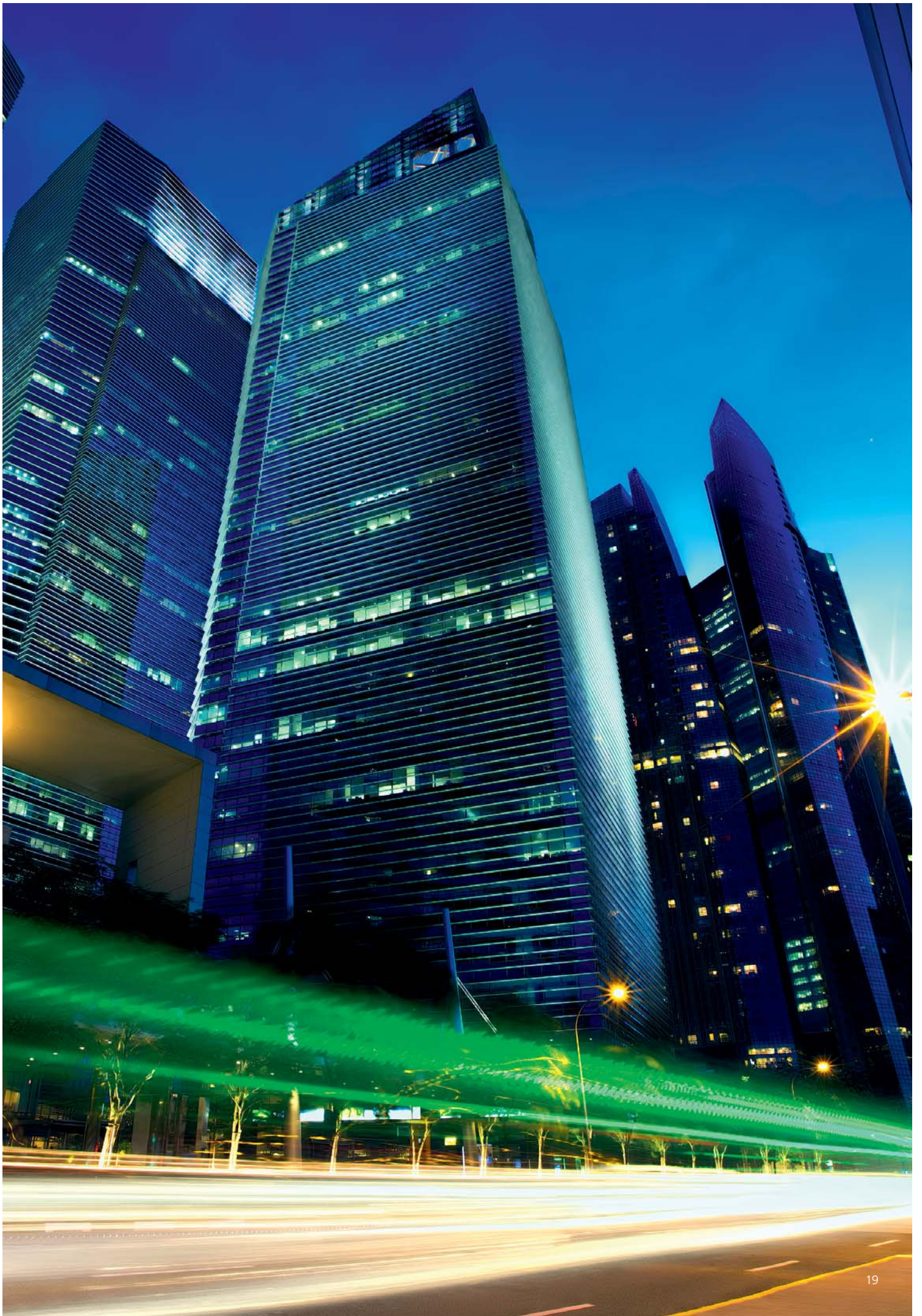
So if you come from the perspective that you're there to help, and that you want the best for the business like they do, they will listen. A lawyer's greatest capital is trustworthiness. The same can be said for in-house counsel. In order to build this trust, I listen to the business people, understand their roles, and empathise with them. Most importantly, when I have to say no to something, I don't just shake my head and walk away. I share my views on what the next best alternative course of action is so that we can all work around the challenges we meet. When I do this, I see myself as forging a relationship with the business units.

Support is a two-way street

As much as my team and I support the legal needs of the entire bank, we cannot do this job well without support from the rest of the bank. We need the business units to trust that the advice we give to them is sound and correct. We also need buy-in from the bank's leadership. In terms of this, I think my team and I have been extremely fortunate. Our CEO understands the job we do; he knows that we shoulder a great deal of responsibility in keeping the bank safe. He also understands that while generating revenue for the bank is important, this should never be achieved at the expense of laws, regulations and compliance markers.

We also have the privilege of working with a very enlightened and accessible board, which is important for ensuring compliance, independence and proper governance when we carry out our duties. In all, I would say that OCBC's in-house legal team exists in a symbiotic relationship with the rest of the bank, across rank and file. I'm actually very proud of this mutual understanding, support and harmony that we've achieved within OCBC.

This is an edited version of a piece by Loretta Yuen first published in 2016.



Career aspirations

We asked GCs in Singapore about their ultimate career goal. The answers showed some clear divisions in the GC world, with most GCs wanting to pursue their careers as lawyers, but others hoping to find a place in the c-suite.

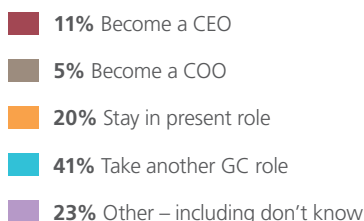
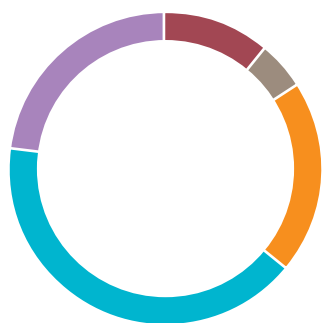
The majority aspire simply to be GCs, with 20% happy to keep their present role, and 41% wanting another GC role.

A smaller but still significant number aspire to executive roles, with 11% hoping to become CEOs and 5% COOs. While that career progression is familiar in the US, it is still relatively unusual elsewhere. But the growth and changing composition of the GC community, and the changing economic, commercial and regulatory climate, may help to make it more common.

Nearly a quarter of the GCs in the survey, though, have other plans altogether. Sadly, they were not very forthcoming about their ambitions, although there were mentions of directorships in listed companies and of simply finding 'something new'.

These results allow us to draw a picture of three GC career paths.

What is your ultimate career goal?



— The most popular – which we've focused on in this report and its predecessors – is for those who want to be 'first-rate' GCs.

— A smaller, but still substantial, cohort see their future elsewhere. For them, the GC role is a springboard to a variety of opportunities – many, but not all, of which may draw on skills honed in an in-house legal department. These skills may include many of the marketable skills that GCs find themselves obliged to acquire, such as management expertise and a greater facility with numbers than the average lawyer. Some general counsel now participate in MBA programmes. Many others seek to extend their MBA-type skills in a less structured way. And those skills will be useful whether you remain a lawyer or move into a different role.

— The smallest of the three groups – but still one that includes nearly one-fifth of GCs – contains those with their eyes on the c-suite. Our GC reports, including this one, are not mainly aimed at this group, but many of the topics we discuss are highly relevant to them. Ultimately, after all, they aim to become so organisationally influential, and to have skills so far developed from those of a typical GC, that they look more like a CEO or COO than a practising lawyer. With 11% of the lawyers in the Singapore survey aiming for a CEO seat, and another 5% considering a COO role – both percentages that will probably increase further over time – it is clear that success for many GCs will rest on factors far outside the traditional in-house legal role.

It is worth saying that none of these three paths is necessarily straightforward. There are only limited opportunities for GC movement between companies, and many senior roles are never advertised. Reputation and credibility in the marketplace, and the networking that goes with them, are likely to be necessary if a GC

wishes to be considered as widely as possible. The idea of 'personal brand' is one that many lawyers don't feel comfortable with, but it is worth taking seriously, and we will touch on it again later.

GCs may also struggle to find other roles if their existing role is narrow. The more senior the prospective position, the greater the likelihood that significant industry/sector experience will be required, although barriers to entry are clearly higher for some sectors than others.

The same may be true for GCs seeking to move to the c-suite. Senior executives do move between sectors, obviously, but such moves can be hard to make, and will be even harder for a GC seeking to make the shift into 'non-legal' management. Very few GCs becoming executives are likely to find their first management role in a sector other than the one where they have most recently been a GC.

GCs who would like to move into other roles – whether in the c-suite or elsewhere – should bear in mind that the structure of the corporate world is not set in stone. Forty years ago, for example, no-one had heard of a CIO. The trends of our time – such as the increasing centrality of data in all businesses, the continuing growth of compliance issues, cyber threats, sustainability and environmental concerns – will see companies reshape some of their management positions and create other innovative ones. A GC's training and experience may position them well to take on some of the new roles that major companies will develop over the coming years. The enterprising GC, fortunate enough to be in the right place at the right time, may even be able to take the lead in creating such a role for themselves.

Wah lao eh! Too much language?

English, one of Singapore's four official languages, is the one most commonly used in schools and workplaces, and English-speaking monoglots can get by perfectly well in the Lion City. Singapore is an English-language hub, not only because of its history but because English is the nearest thing the world has to a global language of business.

But not everyone speaks the same English: styles, proficiency and vocabulary can differ greatly. And while English is common at senior levels in internationally-minded companies, it may be much less widespread further down the corporate ranks.

GCs in Singapore who run regional teams are likely to find that at least some of their team need to be proficient in local languages. (For example, many of the GCs we spoke to felt that this was a key consideration in China.) For some jurisdictions, this may mean fishing in a small talent pool for candidates who have not only the requisite legal knowledge but also commercial experience, language skills, local knowledge and local credibility. GCs need to work out how to make their teams attractive for candidates with the right mix of skills – and, in many cases, how to retain and manage those high-achieving people from a distance.

Opinion: Gladys Chun

General Counsel, Lazada Group

When I joined Lazada in early 2014, we only had three lawyers in the SEA region. Now there are more than 30 people in the Legal and compliance department combined, mostly legally qualified.

The last three years have been a roller-coaster ride. During the most exciting year, I witnessed multiple funding rounds, launched new business lines, closed another and changed our business model. Needless to say, I hardly slept that year.

Change is constant in Lazada. The evolving dynamic forces lawyers to adapt very quickly. Given the pace and speed at which we are growing, no-one outside of Legal department has time to read a legal memo. We adopt an informal three-email rule for most things. If something can't be resolved within three emails, pick up the phone and talk.

Compliance has increased greatly over the past couple of years. It constitutes about 35% of the portfolio, with commercial 40% and regulatory 25%. Dealing with reputational risk has become a huge part of the job, as we're now part of Alibaba, which is US-listed. That means more compliance with listing requirements and regulators, but also always being aware of what could impact the stock price.

We empower business people through self-help rules, in a form they are familiar with, so they don't think 'legal mumbo-jumbo'. We strive to provide a McDonald's-like offering – fast, cheap, standard, easy, and people know what to

expect. When you make it easy for people, you encourage a compliance behaviour. It's a win-win solution. That's good for corporate governance as well.

We try to automate as much as we can. Lawyers should seek and embrace technology proactively – and being in a tech company, it's in our DNA to adopt technology.

A GC constantly juggles with what can be in-source vs outsource. Contract management, for example, is not mission critical and it can certainly be outsourced to internal or external project managers to manage.

Lawyers should think outside of their comfort zone and learn a thing or two from project managers in managing their day-to-day activities. We're not trained to deal with algorithms and pattern spotting and these skills are becoming more important than ever.

In an ideal world, the in-house legal function should comprise both lawyers and non-lawyers, to maximise the ability of the function. I have been an advocate for having a dedicated legal operations officer leading the development of a centre of excellence for the legal department – akin to a chief of staff with superb project management and organisational skills. Many of the big US tech companies have a role like that. We don't, yet, but we're taking baby steps in the right direction.

In comparison to the tech companies in Silicon Valley, to some extent there is less innovation in the Singapore legal space. With the growth and adoption of AI, Big Data and Internet of Things, a substantial portion of what junior lawyers are currently doing can be automated through data and machine learning. For example, many companies have already automated e-discovery. It eliminates the need for manpower whilst providing speed and accuracy, and reducing potential human errors.

I'm very lucky that my management are pro-legal and pro-compliance. They regard legal as a trusted business advisor and understand that we need to be involved. My CEO empowered me from Day One when I joined and fully supported my plans and initiatives in raising the bar for Legal department. As a role model, he walked the talk himself.

For me, the future is to be the best in what we do by constantly challenging the status quo and embracing change. Get out of our comfort zone and break boundaries. Fear inhibits you from creating something big.



Innovation

Innovation is a bit of a buzzword among lawyers. In fact, it has been for some years – the Financial Times launched its ‘Innovative Lawyers’ award over a decade ago.

In Singapore, the government is enthusiastic about promoting innovation. Everyone is now familiar with the idea of Singapore as a ‘smart nation’ and its many innovation-linked initiatives such as the Research, Innovation and Enterprise 2020 Plan.

Innovation is also a hot topic in the legal sector. For example, the Singapore Academy of Law has launched its Future Law Innovation Programme. This is a legal innovation incubator and accelerator programme aimed at law firms and lawtech startups, but some of it will certainly be relevant to in-house lawyers too. Last year’s Tech Start for Law Programme, from the Ministry of Law, the Law Society of Singapore and SPRING Singapore, also sought to encourage legal practices to achieve at least a basic implementation of legal technology.

But what do we actually mean when we talk about innovation?

There are many different definitions of innovation, and we don’t want, in this report, to privilege one over the others. But here are some general observations.

- Innovation need not involve technology, although at the moment much of it does. Once, even appointing an in-house lawyer seemed like an innovation for many companies. It’s a category that can take in a huge variety of change, from action on diversity through better project management systems and ways of delivering the in-house legal service to a new fee structure or working arrangement for external legal service providers.
- In the purest terms, innovation is about curiosity and improvement. It’s a way of thinking and acting – a philosophy that, when embedded in a team, can bring benefits far beyond any particular project or system to which it may be applied.
- Innovation is not necessarily the same as disruption, although the two words are often used as synonyms. Disruption is frequently innovative and innovation may be disruptive. The average in-house function may not be challenged directly by

disruption (although some of its external providers of legal services will be). But the company of which it is a part certainly could be. If your company’s business model is disrupted by new entrants to its sector, for example, you may need to innovate to survive.

- It’s a cliché to observe that the telephone was an innovation once – and, furthermore, an innovation that many businesses initially disliked using. But it’s an example that teaches us several lessons:
 - People and organisations will often resist innovation. So planning the introduction of an innovation is an essential part of the process. As well as adopting the technology, people have to adapt to it.
 - Innovation is time-limited – a major innovation ceases to be a competitive advantage once it’s widespread. So innovators can’t rest on their laurels. Equally, when an innovation becomes common, those who do not adopt it will find themselves at a material disadvantage. You may decide not to be an innovator, but you will probably still sooner or later have to reproduce the successful innovations made by your peers. Everyone has a phone.
 - An innovation may rely on other (originally unenvisioned) innovations to achieve its full potential. The invention of the telephone would not have been such a success if it had not been followed by the invention of the telephone exchange. Look for synergy in innovations.
 - Innovations can evolve in ways that an innovator may not foresee. When Alexander Graham Bell produced his prototype, he probably didn’t imagine it would one day become the iPhone. Don’t assume that once you’ve made an innovation it’s immutable. Review it periodically, seeking ways to improve it or even, if appropriate, to redesign it altogether. Because if you don’t someone else will.

A helpful shorthand description of innovation in a commercial context might be 'doing something new – or doing something differently – in a way that results in gains for an organisation'. That admittedly sets the bar low, and is far from covering all the bases. There are times when something that might reasonably be called innovative doesn't result in the expected gains (perhaps because of corporate culture or changing circumstances). And the gains may not always be tangible – for example, innovation may not have a direct impact on the P&L account but could result in better compliance or risk management. Nevertheless, it may be a useful approach to thinking about the subject.

Nearly a quarter of our respondents (23%) said they did not regard themselves as innovative or forward thinking in this area. We believe GCs who lack those qualities will find it harder to move up the Value Pyramid. About half the respondents (51%) saw themselves as 'a little' innovative and forward thinking. Only the remaining quarter (26%) believe they are really ready to embrace innovation.

Lawyers in movies, books and cartoons have often been portrayed as inherently conservative and cautious. If that stereotype was ever true to life, it isn't any more. (And as the millennial generation become more influential, many commentators expect to see more rapid change in

the legal sphere in areas such as collaboration and the use of open source technology.) But our findings do suggest that some GCs may need to look to the future in a more positive way than they do at the moment. The widespread career ambition GCs have told us about does not, apparently, mostly translate into innovative practices. Innovation can bring problems (we will discuss that later). But for the strategic GC it is essential – because, ultimately, it is about driving business results.

Some GCs say 'where do I start if I want to be innovative?' Innovation may not only take different forms but can exist in quite different contexts. Something standard in one sector, for example, may be innovative if done in another. Working practices from one culture may be almost unknown elsewhere. It may even be the case that one office or department in a company is doing things in different ways from the others.

Perhaps the real beginning of innovation is simply the realisation that a mindset has to be changed in some way. But a good practical first step is to take a long look at your team and your company, and then compare that with what you can see happening in the wider world.

Innovation is not the answer to everything. One sceptical GC told us, 'you can't automate business advisory.' Of course that's true. But you can automate a

Buying legal services

GCs moving up the Value Pyramid – or aiming to stay at the top – need a substantial support network beneath them, and many GCs have found that one way of pushing themselves up the pyramid is to be better and smarter at managing external providers of legal services. Even in some less pioneering organisations, it's clear that GCs have become more sophisticated in recent years about the different ways in which they can buy legal services, with the most basic work being highly price-sensitive and the purchase of more strategic advice open to a wider range of factors.

Much of Asia was not as badly hit as the US and the EU by the global financial crisis. So in some cases Asian GCs whose ultimate bosses were in those regions found themselves having to adopt new, more commercial approaches, while those who were more locally answerable, or who were themselves the senior lawyer in the company, did not. But we are now nearly a decade further on, and all GCs should be looking at new and more cost-effective ways of working with providers of legal services.

Life as a GC at the top of the pyramid is partly about having a coherent and sophisticated approach to procurement, with the adept handling of a variety of law firms and other service providers being the key to success. GCs may come under more pressure to use 'NewLaw' solutions. Some will take the initiative in doing so, which may help their image as genuinely commercial players. But NewLaw is still evolving, and not all GCs are enthusiastic about what it currently offers. We have spoken to some GCs who have worked with external providers, and used off-the-shelf systems for commoditised work, but who have also seen weaknesses in some available systems and developed their own solutions – which may serve to give them an advantage.

Whatever approach they take, GCs should be using their procurement of legal services – and other services, such as technology – as an opportunity both to improve the support they receive and to show how well they can deliver value.

Some myths and some truths about technology

Although some other types of innovation may be easier, and can produce significant gains for in-house teams, there is no doubt that technology is the area of innovation that currently attracts the most attention. It covers everything from AI to the implications of Big Data for business models. This is not the place to look at technology in detail. But we would like to share a few of the insights we have gained from talking to GCs about it.

The highest scoring in-house teams in the most recent Financial Times Asia-Pacific Innovative Lawyers survey are all in financial services and ecommerce businesses. It's reasonable to suppose that they have a head start when it comes to innovative technology. But, as far-sighted people have been saying for many years, all companies are (or will be) technology companies. There is no reason why technical innovation in in-house legal has to focus on those sectors.

A second assumption worth questioning is the idea that successful innovators all work in large companies. Certainly many do. But it is not the case that, for example, GCs in MNCs automatically have an advantage when it comes to innovation. Some are in a good position, but others may have limited influence over what systems are used, with key decisions being taken thousands of miles away. The solutions that are adopted may not always be well adjusted to their local needs. Some strongly centred organisations are good at rolling out innovation, but in others the centralised structure can act as a brake on creativity and flexibility.

Another myth is that technological innovators need to understand technology. They don't, although they do need a good understanding of what it can and cannot do, and the practicalities of implementing it within their team or organisation, remembering that in many cases the biggest challenge may not be the technology but getting people to use it. And they need to understand how to manage the tech specialists they will be working with – if necessary, making sure their budget stretches to cover a skilled and experienced project manager.

The most important skill for a GC introducing new technology is, in fact, nothing to do with tech know-how. It's the ability fully to analyse and understand the problem or business need that the technology is required to resolve, or the aspects of current practice it can improve. Corporate history is full of executives who bought the right solution to the wrong problem. These days it's not hard to find out what technology is on offer – you can talk to your peers about it, discuss it with the people who would like to sell it for you, or even look for it on the internet. But while you can use Google to search for a potential solution, you can't use it to find out what your problem is in the first place.

There is an ongoing debate about the relative merits of bespoke technology and off-the-shelf solutions, but in truth the choice between them is often determined by the availability of resources: primarily budget, skilled people and time. For many GCs, the most pragmatic solution may be to buy a ready-made package and adapt (or improve) their team's working practices around it.

It may be the case that GCs who are already respected, successful and influential within their companies will find it easier to introduce innovative technology than those who aren't. Again, this emphasises the importance to the GC of being able to demonstrate their value. A business which doesn't understand what value the legal department adds in the first place is unlikely to see the additional value that new technology would bring to it. And a respected and influential GC is more likely to win the sort of management backing needed for a successful roll-out of technology. GCs starting from a lower base may prefer to be pragmatic and seek easier and cheaper wins, even though the prospective gains may be less substantial.

We have heard more than one GC say that 'tech thinking' needs to be embedded in the in-house legal department. That may be right, although one could more broadly say innovative thinking needs to be embedded. Either way, though, what is most important is to make sure that 'doing' is embedded, as well as 'thinking'. As Senior Minister of State for Law and Finance Indranee Rajah said in her keynote address to the Future Lawyering Conference 2017: 'It is those lawyers who are able to innovate and adapt and adopt technology who will win the future. But [...] the future will be won not by what you do in the future – because by then it is too late – but by what you do today.'

lot that goes on around business advisory, and some of the mechanisms that feed into the advice given. And innovation goes far beyond automation. There are few business functions that are not susceptible at all to innovation.

We sought to find out how GCs in Singapore have been improving the efficiency and value of their legal functions. We found no real trends. A few have tried outsourcing and offshoring, and there is some use of paralegals and contract lawyers. A small number have also experimented with process improvement.

There is also evidence of technology used in different ways – eg to improve efficiency in legal support, to manage external counsel and in new matter management systems. Individual GCs also mentioned automated contract review workflow, a customer contracts management system, a vendor contracts management system, a corporate secretarial information database and a contracts storage database. One respondent also mentioned an ‘ethics management system’, although it’s not clear whether this is a simple ‘tick box’ compliance tool or something more elaborate.

However, the only trend that stands out is the general lack of trends. There is nothing that a significant number of GCs are doing in this area. Unlike the larger law firms, which have tended to implement quite similar systems, in-house legal departments generally appear to lack a sense of direction or best practice in innovation.

The latest Global Innovation Index from Cornell University, Insead and WIPO found that Singapore was the seventh most innovative nation in the world. In the

Innovation Indicator compiled by the Fraunhofer Institute for Systems and Innovation Research and the Centre for European Economic Research, Singapore comes second only to Switzerland. It is fair to say that at the moment, according to our findings, its in-house lawyers as a class are not quite as far ahead of the game – although some, particularly in Singaporean finance and tech companies and in MNCs, are blazing trails others may follow.

That leads us to the question of how innovation should be measured. There’s no shortage of ways (as you’ll see if you type *innovation measurement* into an internet search engine). The various indices mentioned above use systems designed to track innovation across an entire economy. Many companies – especially in sectors such as technology and life sciences – have also found ways of measuring their innovation against their competitors’. But for in-house lawyers, many of the metrics that have been developed for use by manufacturers, such as R&D spend or patents filed, will not be relevant.

Benchmarking against other in-house legal teams may be a good idea – provided there is recognition that a GC starting from a low base in, for example, a relatively small local company may be highly innovative and yet not ‘catch up’, in objective terms, with a GC in, say, a large international tech company. Sometimes it will be enough to benchmark against yourself: measure where you are now and see how far you can travel in a year. A really innovative GC will set themselves a realistic target, agreed with their CEO, and then strive for ways to exceed it.

Team innovation?

What will the in-house profession look like in 20 years? Will we see, as we are starting to elsewhere, senior people in the larger in-house legal teams who are not themselves lawyers but who are there because of their managerial or technical skills and experience?

A lot of in-house legal departments already use non-legally qualified contract managers, paralegals and other non-lawyer staff. Our fourth GC report (which was UK-based) found many in-house legal teams making more use of non-lawyers, including some people who are skilled professionals and occupy senior managerial roles. Some

organisations with large in-house legal teams – including several banks – have appointed legal department COOs.

The US is even more advanced, as demonstrated by the existence of the Corporate Legal Operations Consortium, an association for legal operations professionals that has been running for nearly a decade.

We wonder – will Singapore’s push for innovation see the creation of a class of senior in-house legal staff who are not lawyers? And if it does, what will that mean for the profession?



Opinion: Sai-Choy Low

Director Group Legal & Compliance, Far East Organization

In-house counsel have taken on a more critical role in the business and operations of the company. Apart from giving strategic legal advice, they are also involved in risk management, regulatory compliance and in some cases even corporate affairs. Fresh law graduates should develop these skills.

Traditionally, law graduates in Singapore will join private practice from law school and gain experience before moving in-house. Law graduates now opt for an in-house career earlier as they do not see the need to earn their spurs in private practice before moving in-house. The professionalism of in-house counsel is increasingly recognised and some have been elevated to the Bench.

To be a good in-house counsel, apart from legal knowledge, it is essential to have good business acumen. The ability to undertake a spectrum of matters involving different areas of the law is a prerequisite.

At Far East Organization we manage costs efficiently and keep a lean team. If we need additional resources, we will hire on a contract basis, or engage secondees from trusted law firms. This arrangement provides us with flexibility in managing human resources.

While in-house counsel are not a profit centre, their contributions should not be underestimated as their output will help the company to manage risks and enhance the efficiency, competitiveness and creativity of the business.

In-house counsel add value by infusing their legal advice with business considerations. If the company is seeking legal advice only, it can go straight to external counsel. But companies in Singapore see in-house counsel as understanding the business and being able to provide customised solutions which gives the company a competitive advantage in the structuring of its products and services.

We appoint external counsel for a variety of reasons, to share risk in big acquisitions, provide specialist advice etc. In-house counsel regard external lawyers as strategic partners and aim to develop long term relationships with them. We want them to understand our risk appetite and strategies so that they can come on board quickly and provide useful advice. External counsel also play a useful role in helping us keep up with developments in law and practice.



Do the right thing

As discussed on page 6, most GCs say that compliance and regulation are very important – more so than ethical advice or risk management.

However, as we've talked to a range of GCs in many countries, it has become increasingly clear to us that in fact these things go together. The past decade has seen an unprecedented change in the environment in which GCs operate, for three interconnected reasons.

- There has been an increase in regulation and, at the same time, a strengthening of the civil and (increasingly) criminal sanctions for rule breakers. In some cases, the liability is personal. This has boosted the standing of many GCs. As one told us: 'Compliance is boring, but it certainly gets you in the room.'
- There has been a simultaneous growth in reputational challenges, some of which derive from regulatory problems. Most such challenges are not new (though some are, such as those that derive from cyber attacks), but they can be greatly amplified and can also be driven by (and in turn can drive) the third factor, which is –
- Social media. For a GC caught unawares, a 'twitterstorm' can come from nowhere, or a negative video can suddenly go viral, plunging a company into frantic damage limitation. Not only do companies need a tested rapid response plan, they also want to be able to show clearly that they are in fact, on some level, the 'good guys'.

So for an international GC in the twenty-first century, looking to protect their company and shape its assessment of – and reaction to – commercial risk, compliance has to be about ethics and values, not just about following rules. Of course, following rules is what lawyers are meant to be good at. But there is also a long and honourable tradition of counsel as counsellor, bringing wisdom to the table rather than a narrow literalism or, in some cases, a focus on 'gaming' the system.

“ Embedding ethics is the main challenge – it's the biggest challenge. ”

Singapore GC

Unfortunately, there are also long and less honourable traditions in many countries of corruption and corporate bad behaviour. Singapore, of course, is an exemplar. In the Transparency International corruption perceptions index compiled in 2017, it ranks joint sixth out of 180 countries. Only New Zealand, Denmark, Finland, Norway and Switzerland rank higher. But elsewhere in South-East Asia, the story is much more mixed. Indonesia and Thailand, for example, are level at 96 in the TI index. Vietnam is at 107, Philippines at 111, Myanmar at 130, Laos at 135 and Cambodia at 161.

The World Bank's governance indicators tell the same general story, as well as emphasising the gap between Singapore and some other regional nations in terms of regulatory quality and the rule of law.

What does this mean for a GC in Singapore? Clearly a GC whose remit is purely local has a fairly straightforward situation to deal with, although even then they may sometimes come up against the question of whether behaviour is not merely permitted but also appropriate (and may have to deal with problems in supply chains that stretch beyond Singapore). A GC with wider regional responsibilities, however, is likely to be navigating a potentially treacherous regulatory and reputational reef.

This is not the place to consider the problems that particular jurisdictions or sectors may pose, and individual GCs will already be well aware of the difficulties they face themselves, whether directly or through the management of local teams or law firms. What we would like to discuss instead is the impact that this can have on the wider role and personal progress of a GC.

As we have already suggested, GCs always have to ask themselves not merely whether behaviour is permitted but whether it's appropriate. They may also face the challenge of persuading some people in their organisation that this is the right question to ask, and that a broad view of outcomes is vital for 'future-proofing' the business. This may be particularly difficult if business is being done in a context where bad behaviour is perceived as normal or acceptable, or if the company is one whose GC lacks influence.

Nevertheless, the status and background of GCs should give them the standing to ask such difficult questions, notwithstanding the real world pressure that there may be on a GC to leave questions unasked – particularly where the answers to those questions could have personal (and criminal) as well as corporate consequences.

In theory, international companies should be among the most receptive to GCs' messages about behaviour, although anyone who has opened the financial pages of a newspaper over the past few years will know that this is not always the case in practice. A GC who is in a US-headquartered company, for example, as one-third of the respondents in the survey are, is going to be concerned not only about any local ramifications of questionable behaviour but also about how that behaviour will be perceived in the US and how it may be dealt with under US law. (Non-US headquartered companies can also be caught by, for example, the Foreign Corrupt Practices Act.) So leaving aside ethical questions, and even questions of reputation, they should always be able to get the attention of central management in areas of compliance and risk. Similarly, a GC whose company has UK connections will be mindful of the Bribery Act 2010, and so on.

It may be true that pointing to potential legal traps will carry more weight than appealing to 'corporate values'. Although such values are increasingly seen as important for modern companies, it is often the case that a set of values devised in head office does not subsequently flow evenly and consistently through every part of a company. Where companies have operations in countries with widely different cultures, the problem is compounded and 'local values' may predominate.

We believe GCs have a crucial role in the formulation and adoption of appropriate corporate values. However, GCs should not oversell their identity as the conscience of the company. If ethics are exclusively a 'GC thing', then people who want to ignore or avoid corporate values have an easy excuse to do so. A GC is unlikely to be effective if they're seen as a distant ethical arbiter, particularly where that distance is geographical or cultural. Rather, the GC has to deliver a functioning set of values, and make sure that both the values and their functioning are robust, wherever the company does business. For some jurisdictions, that means working hard to ensure that both important ideas and cultural nuances don't get 'lost in translation'.

To be effective, values need to be introduced at the top of a company and spread downwards quickly and thoroughly. The GC has to ensure that their dissemination and take-up through the company is as smooth and comprehensive as possible. That may require the GC to be an influencer, an advocate or a counsellor. It may also require the GC to remove obstacles from the path of those values. And in a large company, where the GC is one person among many thousands, they will need to look not only to local management but to the senior people in their local legal teams to be persuasive and influential advocates for ethical business. The GC has to transform their personal integrity and influence into a system that will keep a company on the right track.

“ The biggest litmus test is the legacy you leave, the cultural and governance change you achieve. ”

Singapore GC

While this will undoubtedly be hard for some GCs, it is a massive opportunity for them. Law firms and other external providers can do many of the things a GC can do, if a company buys their services, but this is one area in which progress is nearly always best driven internally. And it is a role for which the GC is uniquely fitted. There has always been scepticism in some quarters about the GC as 'trusted advisor' in commercial situations. But when what's at question is trust itself, then the GC should always be the most credible person in the company.

Some GCs will embrace this prospect eagerly; others may find it challenging. But even some of the latter may find that, if they try to exert influence in this area, they are pushing at an open door. Many CEOs have woken up to the importance of values and the dangers of running an 'ethics-lite' business. GCs who are equally clear-sighted will see that this creates a space and an opportunity for them, and will move decisively to fill it.

Beware the tick box

We have spoken to a number of GCs who expressed reservations about what they called a 'tick box mindset' or 'shallow compliance' – in other words, obeying 'the letter of the law' and doing no more than the minimum needed to satisfy a regulator.

There are various potential dangers in this. One is complacency: believing the company is complying, but not looking beneath the surface and spotting potential problems, or failing to see transgressions which don't fall neatly into a conceptual box. Another is that a company can be compliant and yet appear transgressive if some aspects of its behaviour are made public. It may pass the regulator's tests and yet find itself subject to trial by social media.

A third danger is the trap of focusing on compliance and neglecting other aspects of the GC role. It is always worth asking whether compliance will actually achieve your business objectives. Is there a risk that concentrating on compliance will constrain your innovation, discouraging you from looking for different, ethical ways to do things?

Legal teams seeking to build resilience into their risk management and compliance infrastructure may find the tick box an inflexible tool. Algorithms, too, can be helpful in assessing whether you're ethical or compliant, but may oversimplify results and lead to quick fixes rather than addressing more significant problems.

More generally, skin-deep compliance can be a brake on meaningful change. There are circumstances in which it may look like change, and thus take the place of change, leaving 'real' change unachieved. Deep-rooted compliance is hard to accomplish, but superficial compliance is far less likely to address underlying issues of mindset and modernisation. Awareness of compliance is hugely important in building a compliance culture, but 'tick box compliance' by itself leads to only minimal awareness raising.

Compliance systems are necessary. But they are often not sufficient. A GC should be able to say 'the regulators want X – but if we do it in this way, then our risk profile will decrease.' An immediate commercial solution may not be the answer that is best for the business in the longer term.

As one GC said to us, in words that sum up the issue well: 'In some situations you can do the compliance and yet not be compliant at the deepest level.'

Opinion: Siong Koon Sim

SVP/General Counsel Asia Pacific, Electrolux

There are three things a leader must have: character, consistency and competence.

Character is the foundation of everything. It assures people who you are.

Competence is about how you deliver. I've got an 80:20 rule. Broadly, we do 80% ourselves, in the in-house team. The rest we outsource or find other ways of doing.

We did this recently with some data privacy work – while deciding that we should aim to build up competence in that area ourselves. Data privacy falls within the 20% because we lack the regional expertise. Over time, it will become part of the 80% as we get more familiar with the topic.

In this way you keep the in-house offering credible, both in the team and with the management. People understand that the team has a high level of competence, and that we make the most of our resources, but that there are things we don't do ourselves. If that message doesn't get across, the team risks being seen as a bottleneck.

As far as consistency goes, if I say I'm going to do something, then I do it. But if I subsequently realise that it's the wrong thing or an inefficient way to do it, then I'm open about changing it. In the real world that happens sometimes, but if you're honest and transparent about it you can still keep a reputation for consistency.

My consistency has helped me serve different bosses with diverse backgrounds and leadership styles. If you're consistent, you're seen as a robust and loyal corporate soldier. People trust you to help the company navigate the future.

The in-house team

I built this team from scratch, and now have five lawyers working for me: three in China, one in Singapore and one in Australia.

The attorney in Singapore works with me to support the other jurisdictions in the region.

We cover more than 13 altogether. It's not always easy to handle countries without a lawyer on the ground, but we manage a pragmatic model: a regional GC working with a seasoned general manager and a stable, solid finance function in each market. They consult us on critical issues and resolve day-to-day matters with standard templates, checklists and guidelines.

I base someone in Australia because it accounts for a lot of our regional profitability. And there are three lawyers in China because it's the future, and because of the complexity of doing business there. It's important to ensure compliance not only with the letter of the law but also with its spirit, and to be able to navigate the Chinese system in all its scale and sensitivities.

Navigating cultural diversity generally is hard. You have to balance the local realities of a situation with the global ambitions of the business. You need a mature personality, with culturally sensitive soft skills and a degree of sophistication, to operate within a dynamic system while maintaining solid ethics and core values.

That comes back to character and consistency. I created a golden rule about 10 years ago which is 'Do the Right Thing and Be Seen to Do the Right Thing!' You have to do the right thing, always, and you have to ensure others can see you do it. This means transparency and accountability. That stands you in good stead with people whose trust you want, including folks in your organisation and people like regulators. And how it looks is important. A previous company I worked for was investigated for 18 months, despite not having broken any rules, but we rode through the storm and emerged unscathed because we were seen to be transparent and accountable. Perceptions definitely matter.

A career in Singapore

Three-quarters of the GCs in the survey expect to pursue their future career in Singapore. But will it afford them the right opportunities to do so?

The number of in-house lawyers in Singapore – now reportedly over 2,000 – will certainly grow. But at the moment it is a small number in relation to the economy as a whole. According to official figures, for example, there are more than 7,000 multinational corporations in Singapore, and over half of them use it as their regional headquarters. Many have in-house lawyers, and many Singapore-only companies and organisations need to have an in-house legal capacity too.

Singapore is the location of choice for many GCs with regional responsibilities. The government has a policy of encouraging this. And it wants to promote an ecosystem that supports local law firms and attracts international ones. As the Minister for Law said in 2014: 'I want Singapore to be the New York of ASEAN – to become the legal services and dispute resolution hub of ASEAN and Asia. Businesses who invest in China or India should want to manage all their legal matters in Singapore.'

This approach has contributed to developments such as Singapore's stunning rise as a seat of arbitration, and has attracted many foreign law firms. As well as being providers of legal services to in-house teams, these firms are potential recruiting-grounds for in-house legal teams, and providers of know-how – not just legal know-how but, increasingly, knowledge and experience of the sort of systems and processes that would benefit many in-house legal teams. They are resources GCs should be prepared to exploit.

Singapore's commitment to the rule of law is a major factor in its favour. The WJP Rule of Law Index 2017-2018 ranks it first in the world for Order and Security, second for Regulatory Enforcement, fourth for Absence of Corruption and fifth for both Civil and Criminal Justice. Its stable legal environment enhances its attraction for in-house lawyers – although, as noted above, many will have to be prepared to understand and deal with less mature regulatory regimes and less developed legal systems elsewhere in the region, if their business takes them or their team there.

Singapore also ranks highly in surveys considering competitiveness: for example it is placed third in the World Economic Forum's Global Competitiveness Report 2017-2018 and in the World Competitiveness Yearbook 2017, from the International Institute for Management Development.

To some extent, Singapore's GCs will prosper as Singapore's economy prospers. But even a society such as Singapore, which has proved adept at managing economic growth and technological innovations, may struggle to absorb some of the social and economic changes that technology is bringing around the world, in the shape of the so-called Fourth Industrial Revolution. GCs too will have to understand and deal with the impact of new technology on their businesses, whatever sector they work in. And, as we have already said, they will have to work out how to apply the potential of new technology to the in-house legal function itself, and how to ensure that their external legal provision takes full advantage of such developments.

GCs may also find themselves handling the impact of climate change, which will in the longer term have a massive effect on many businesses, as well as a number of South-East Asian economies. And other transnational factors – whether social, commercial, political, cultural, environmental or technological – will doubtless play out in unexpected ways. Individual companies change but so does the corporate world. It seems reasonable to assume that the average company in, say, 2050 – when today's youngest in-house lawyers might expect to be at the peak of their careers – will be at least as different from the average company today as the latter is from the average company of the mid-1980s. Change is built into the system, and nearly all successful business people – including business lawyers – are good at working with it rather than against it.

Macro-economic and geopolitical issues can be daunting. But they also offer opportunities. Many companies working in a rapidly changing environment will come to value more than ever the guidance of a GC who is a trusted advisor, and who has the insight and credibility the situation demands. We discussed on page 15 some of the problems in measuring the performance of in-house lawyers, but experience shows that companies are often most aware of (and appreciative of) their performance when problems arise and GCs have to deal with them. And even GCs who are not in that situation can demonstrate their worth by not merely providing appropriate legal advice but also stepping up to shoulder aspects of broader corporate leadership. Those are the GCs who move the general counsel role to the next level, becoming Strategic Business Counsel.

The remainder of this report sets out our '8C' model for GC development: a view of how GCs can shape their careers as Strategic Business Counsel and prosper in the modern in-house world.



Strategic Business Counsel: the '8C' model

What is the ideal twenty-first century GC like? We believe the best term for them is 'strategic business counsel'. Over the following pages we set out a model which we developed in an attempt to visualise the factors that combine to make strategic business counsel capable of operating at the highest level within their organisation.

Our model is a distillation of the views of hundreds of GCs, gathered over several years in a variety of jurisdictions, and some parts of it may resonate with you more than others. For example, we enjoyed a conversation with one GC in another South-East Asian country who felt that 'Connections' was the only one of our '8Cs' that was relevant to him – because, where he worked, everything came down to who you knew.

It would be wrong to underestimate the impact of local conditions, just as particular employers, and the characters of GCs themselves, can lead to very different situations. Nevertheless, we believe that – as the survey results show – GCs around the world have a great deal in common, and that each of the '8Cs' that we identify below is an important aspect of strategic business counsel life for the vast majority of them.

In each case, we've tried to explain what's significant for the GC and to follow our explanation with some thought-provoking questions.

Our '8Cs' are, of course, things that are important for people in other roles too (and for those GCs who want to move beyond a purely legal career).

Some of our previous GC reports have included tools for GCs seeking to improve aspects of their performance. This is not a tool as such, but we hope it will help GCs who are thinking about what they do and how they do it.

One challenge is that some of these areas are more within the GC's control than others. In some cases, the biggest difficulty for the GC may be finding the right *modus operandi* to achieve both the company's goals and their own.

Our model shows what helps a GC to move up the Value Pyramid. A GC who scores highly in this model while being on a low level of the GC pyramid – or who judges themselves to be at the top of the pyramid but as a low achiever in these areas – will want to think about the reasons for that disconnect. Are they in the wrong role? Is their opinion of themselves not matched by what others think? Or have they so far succeeded with a narrow focus – and, if so, do they now have an opportunity to spread their wings?

We know that not all GCs face the same problems and challenges – although most of the GCs who have seen this model, or earlier versions of it, have been enthusiastic. But we hope our '8Cs' will, at the very least, provide the material for some fruitful reflection and discussion.



The '8C' model: Charisma

For the Ancient Greeks, charisma was – literally – a gift from the gods. For many people today it retains that aura of mystery. How do you – how can you – acquire charisma?

In some ways you can't. Charisma is an intensely personal thing. We each make our own, using the ingredients we're given – or born with, if you like – but also using other ingredients we find for ourselves.

That personal aspect of charisma might be thought of as 'authenticity'. It's become a truism that the problem with authenticity is how easy it is to fake. But that's too glib. You can't fake it forever; people are smart enough to see what's inauthentic if they're exposed to it for any length of time.

Authenticity also means focus. It means bringing yourself completely into a situation. And being charismatic involves leveraging that authenticity with other attributes and skills. A few of those attributes may be innate, but most of them can be acquired. You can learn how to improve body language, speaking style and a host of other attributes. As our third GC report showed, you can actually learn to be influential.

Charisma can be misused. It has been an important tool for leaders down the ages, but also for demagogues (many of whom have given the lie to the idea that you have to be good-looking to be charismatic). Some people use this fact to justify not thinking about their own charisma. In the end that's a self-defeating approach: your charisma is an issue, whether you like it or not. It's a key component of influence and leadership. You owe it to yourself to think about how charisma works, and to understand and build your own charisma, as part of your personal brand.

Questions

- How much do you influence people when you're just 'being yourself'?
- Are you a good communicator?
- How do other people see you?
- Would you be good at sales?
- Can you present yourself more positively without being inauthentic? If you could, why don't you?
- Have you taken all the available opportunities to learn how to enhance your charisma?



The '8C' model: **Change**

Change is part of business life, both at the corporate level and within the legal department. The key question for the GC is: will you drive change or will you be driven by it? Do you reshape your team because of demands imposed from above? Or do you take the initiative in looking at how to improve processes and reshape functions? Are you involved in planning the change that will result from corporate evolution, or are you left to sort it out afterwards?

The most obvious area of change at the moment is technology. If even half the predictions we're currently hearing about artificial intelligence, automation and robotics come true, then many companies and business models will look hugely different in just a few years' time. And if you're not thinking about how technology can change the way legal services are delivered, you're missing a very important trick.

But the march of technology shouldn't distract the GC from other aspects of change. There is always scope to improve the way things are done within the legal department. There will always be new, external pressures on the body corporate, ranging from new questions of compliance to the challenges of new markets and pressure from new competitors. A GC who wants to be a leader needs to own change.

Questions

- How proactive are you in seeking ways to improve what you do?
- Are you abreast of developments in your industry or sector, as well as in the law and legal services?
- Are you using technology to increase your contribution to the business?
- How innovative are you? Is there something you can do that would be genuinely good and that no GC has previously done?
- What can you do to facilitate change for others?
- Do you understand change management?



The '8C' model: **Collaboration**

Collaboration can mean very different things for GCs in different organisations. For a GC in a smaller company, perhaps with a single assistant, it may be very much a matter of personal relationships. For a GC in a large multinational company, the question is much more likely to be one of building and maintaining a quality team, and ensuring that the team is empowered to work well, and that the members of the team, in turn, collaborate effectively with other people in the organisation.

We have not said much about a GC's team in this report but it is clear that, unless the team as well as the GC is influential and enjoys respect and good working relationships with colleagues in other parts of the business, then the team will not be able to achieve its goals – and so the GC will not achieve theirs.

Our fourth GC report looked at how GCs manage and engage talent. But – beyond considering questions of influence – we have not looked in detail at GCs' working styles. Nevertheless, this is a crucial aspect of becoming a successful GC. Not because there's a 'right' style, but because your approach has to be effective. If you're not getting as much as you can out of your team, then your organisation is not getting as much as it should out of you.

The truly effective GC will also be a role model to the next generation of in-house lawyers. And a GC who moulds a highly effective in-house team, with lawyers who embrace change and development, will leave an enormously valuable legacy when the time comes for them to move on, with a high performance team that can function even without their leadership. As one GC said: 'I need to work to make myself redundant.'

Questions

- How well do you work with the people around you?
- Do people like having you as a boss? If not, why not?
- Are you consistent in your messages and the way you present yourself to your team?
- Have you got a structured programme for talent management?
- Does your model for talent management reflect the maturity of the market (or markets) in which you're recruiting?
- Is there a 'value gap' between what your team should be capable of and what they actually achieve – and, if you believe there is, have you got a system of metrics or indicators to help you assess and deal with it?



The '8C' model: **Connections**

As a GC, your most important professional connections are within your company. Once, those might have been the only ones that mattered to you. But we live in a connected age. We 'know' more people than would have seemed possible a few years ago. Some of our most important business relationships may be with people we have yet to meet face-to-face. On social media, we discover that we're linked to people we've never heard of. What does this mean for the GC?

Essentially, it's a huge opportunity. One problem the in-house lawyer used to have was isolation. Now it's the easiest thing in the world to reach out to other GCs. And sharing information and ideas – whether in formal settings such as a policy forum or professional association or in less formal (real or virtual) social settings – can be hugely valuable. Why would a GC not wish to take advantage of all that's on offer, be it mentoring, the exchange of knowledge and experience, access to opportunities, a sounding-board for new ideas, or even just a sympathetic ear?

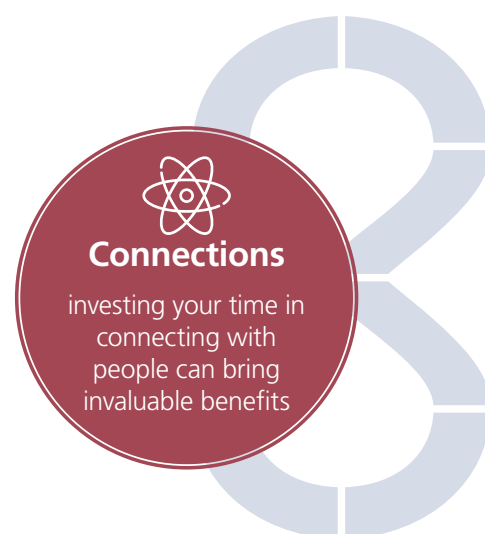
Nor do connections outside the company have to be restricted to the in-house legal community. Inspirational GCs have become opinion formers and influencers in areas such as equal rights, social justice and corporate responsibility. Others have taken on roles such as non-executive directorships or trusteeships, or become mentors.

Other than in extreme circumstances – typically, bad ones – it's not the GC's job to be the face of their company. But the GC is always a corporate ambassador, and a top-class GC is also a top-class ambassador.

One of your most valuable assets as a GC is time. You will, of course, never have enough of it, but what you choose to do with it is crucial. Lawyers are traditionally task-focused, but many effective GCs have discovered that – while tasks can be deferred, delegated or outsourced – the uniquely personal investment of time in building relationships, both inside and outside your company, may help to achieve progress, understanding and influence in a way that nothing else will.

Questions

- Are you a good networker, both within and beyond your company? If not, can you improve your networking skills?
- Do you invest time in connecting with people?
- Do you have strong relationships with the key people in your company?
- Some people say the GC is the best connected person in the business, as they are involved in every aspect of it. Is that true for you – and if so, do you take full advantage of it?
- Are you active on social media (not just with family/friends)?
- Are you a 'thought leader'?



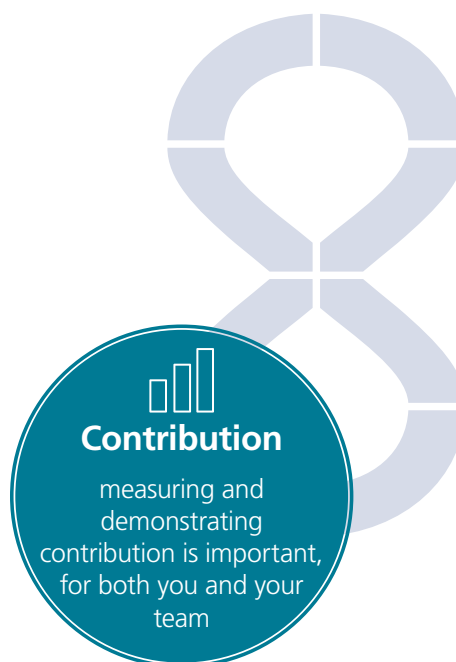
The '8C' model: **Contribution**

The GC will inevitably be judged by their contribution to the business, and by the contribution of their team. It's something we've covered extensively in our other GC reports, so we won't say much more about it here – except to add that, while the contribution of a good GC will always greatly exceed what can be measured, there will always be elements of any GC's performance (and the performance of anyone else – internal or external – providing legal services) that can, in one way or another, be captured as data.

There are times when measurement seems less relevant. Crisis management is a good example. If a GC successfully steers a company through an existential crisis, the chances are no-one will really care about measuring their performance while they do it. But the question for most GCs is more likely to be: how do I show that my performance, and the performance of my team, is helping our company to avoid such crises? In daily life, the skills and achievement involved in keeping the corporate wagon on the road may go unappreciated. A wise GC ensures that the efforts of their team in this area are noted, praised and rewarded.

Questions

- Do you use KPIs? If not, how do you measure performance and demonstrate your contribution?
- If you do have KPIs, how could you make them more effective?
- Have you integrated KPIs with your talent management programme (if you have one)?
- How do you ensure you get value from outside resources?
- What single thing would most greatly increase your contribution to your organisation? And what single thing would most easily increase your contribution?
- Are you making a lasting contribution? What will your legacy be to your company when you leave it?



The '8C' model: **Counsellor**

The GC needs to be, absolutely, a business person. But this is not the GC's unique selling point. However good you are with numbers (and you do need to be good with numbers these days), and however on point you may be in relation to strategy, and however commercial your outlook, you will almost certainly never be top dog. There will be other people in your organisation who are better at these things and more involved with their function as drivers of corporate activity.

Your USP is your training and experience as a lawyer. Not just advising on what is legal and what's not – it's now well understood that a lot of what a GC does is about positive commercial problem-solving in a legal context. And 'the law' has grown to cover, in many cases, a complex ecosystem of regulation and compliance. But it's clearer than ever that 'the law' also covers what might once have been called 'moral law' and is now more likely to be called 'ethics' or 'corporate responsibility'.

It's become a truism that GCs have to be commercial. But for the strategic business counsel, that means influencing and facilitating highly commercial behaviour within a responsible context. It's about retaining the independence which enables you to offer genuinely valuable advice, and asking the right questions even when they aren't easy questions.

We've said much more about this on page 30. A GC who can bring not only legal insight and commercial awareness, but also ethical judgement and even emotional intelligence to bear on a situation really does have the potential to assume a senior leadership role in a company.

Questions

- Do you have the right legal insight, ethical judgement and emotional intelligence? If not, how can you gain them?
- Are you well positioned to lead on ethics and values within your organisation? If not, what needs to change?
- Do you understand all the obstacles to compliance and corporate responsibility across your company?
- Are you a confident business person, rather than just a confident lawyer?
- Do you have the 'soft skills' that the board-level counsellor needs?
- Do you habitually 'speak truth to power'?



The '8C' model: **Credibility**

Credibility is a must for a GC, and all GCs seek it. However, there are traps along the way. In particular, some people gain a sort of credibility by being part of a group, whose members regard each other as inherently more credible than outsiders. Groups of all sorts – including boards and executive teams – can develop that sort of insularity. But such credibility is poison for a GC because, ultimately, a key component of a GC's credibility is their independence. A truly credible GC is one who can pull off the difficult trick of being wholly 'on the team' and yet completely objective.

As well as thinking about gaining credibility, GCs have to be aware of the ways in which credibility can be lost. These may include things entirely outside a GC's control: for example, changes in management may mean that carefully cultivated relationships become redundant overnight. But there are other negative factors – such as weak influencing skills and poor performance by the legal team – that the GC should be able to address.



Questions

- Do you have as much credibility as you'd wish at all levels in your organisation? If not, why?
- How much of your credibility comes from your job title, how much from your corporate relationships, how much from your record, how much from your knowledge and abilities, and how much from your team? What other factors are important?
- Are you financially numerate enough fully to understand management and financial accounts?
- Are you able to contribute to the conversation on wider commercial issues?
- Would you feel comfortable as a panel member on a TV current affairs programme?
- How credible is your team?

The '8C' model: Culture

As well as legal risk, a company faces reputational risk every day, in areas ranging from employee engagement and social responsibility, through tax planning and financial management, to supply chain issues and environmental impact. The larger and more international the company, the greater the potential pitfalls and problems appear to be. Priorities may be slightly different in less high-profile companies – but even there, reputational damage can easily lead to a loss of business, while other behaviours may lead to fines, disbarment or even jail.

Companies have rules to deal with these things (and the GC should make sure they're as good as possible), but no rule-based system will ever be able to de-risk every aspect of corporate activity. Ultimately, while good corporate governance may be based in codes and committees, it cannot depend on them. Instead, it has to rely on its corporate culture. A company needs a culture in which its staff are aware of ethical hazards and exercise good judgement in avoiding them – with a GC taking the lead in fostering that awareness and developing that judgement.

We've said more about this on page 30. It's an area where the GC should be front and centre. It works in different ways in different organisations – public companies, private companies, family companies, charities – but there's no organisation that doesn't have its own culture, and that culture is an important determinant of whether it succeeds or fails. In the phrase famously attributed to Peter Drucker, 'culture eats strategy for breakfast'.

There is no 'approved' textbook method for a GC to drive an organisation's culture. Part of the challenge for each GC is working out the best way to do it. But a good GC in a good company will be able to harness plenty of c-level support and will be able to draw on a range of resources and strategies to succeed.

Questions

- How would you describe your corporate culture? Is it appropriate?
- Your company may have sub-cultures (in the boardroom, in departments, in foreign offices). Are you aware of them?
- Do you currently seek to influence corporate culture? Are you effective? How do you know?
- Can you raise difficult issues at board level without losing the support of management in other areas?
- Have you got an agreed strategy or programme for corporate culture?
- If this isn't part of your role at the moment, how can you make it so?



Conclusion

Perhaps the biggest question for GCs who have looked at themselves in the '8C' mirror is: how do I go forward from here? Again, we've discussed some of that before. But to put it very simply, our model is driven by three more Cs: change (again), commitment and confidence.

A GC who aspires to become a truly strategic business counsel will need to embrace change (both organisational and personal), demonstrate a high level of commitment and, importantly, feel and display confidence in their abilities and achievements. Some of the GCs we've spoken to feel that courage is needed as well as confidence; for others, the two are basically the same thing.

Most lawyers find that commitment comes easily to them. To some extent, you're unlikely to become a lawyer in the first place if you don't have it. But not as many are truly at home with change or, in some cases, with confidence of the kind commonly found among senior management.

We believe the GC 'debate' will become increasingly centred on influence, and will pivot on the key topics of values and ethics. But even if we're wrong about that (and we appreciate that it will apply more to GCs in some companies than others), our conversations with GCs have convinced us of the essential applicability of the '8C' model to all in-house lawyers. Any GC who makes enough progress in those eight key areas – propelled by commitment, confidence and an appetite for change – will be top-table material.


If you would like to discuss any aspects of what we've written here, please feel free to email or call us.

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Methodology

We surveyed a sample of 44 SCCA members, using an online survey, in late 2016. We additionally conducted face-to-face interviews with six senior in-house lawyers and refined our findings through an extensive series of further discussions with other senior members of Singapore's in-house legal community. We are very grateful to all of them. Except where specifically stated otherwise, though, the views and opinions expressed in the report are those formed by the authors during this process rather than those of any of the individual in-house lawyers who contributed to it.

The respondents to our survey were typically general counsel, heads of legal or legal directors. We have referred to them collectively as GCs in this report.

A majority of our survey respondents were qualified in Singapore, but just over a third were not. The next most common jurisdiction for qualification was England & Wales, with 35% of our respondents being qualified there – well ahead of the next most common, Australia, which had 7%. In total 32% of our respondents were dual-qualified, with another 7% treble-qualified:

Because of rounding, in some places percentages may not total 100%.



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