

## Keep calm and take risks, new report urges

Friday, 15th June 2012  
Matthew Pountney

Should in-house counsel be “mischievous” to get ahead in multinational corporations? Research by a global executive search company into the characteristics of successful general counsel suggests so.

The study by Russell Reynolds Associates is based on a sample of 3,700 executives around the world, with 6% from Latin America.

“There were some striking differences in the character traits of general counsel who were successful in their companies and those who were less so,” says Cynthia Dow, lead researcher behind the report, ‘Becoming the Calm Risk Taker: Attributes for Success in Today’s New Legal Environment’.

“The most successful legal executives exhibited what we call high ‘mischievousness’,” she tells LACCA. “Far from allowing legal to be the department of ‘no’, these leaders consider and devise unconventional solutions and are able to act on partial information to make strategic decisions.”

“In other words, the best legal executives go well beyond spotting legal issues to helping the business actually take risks and find creative solutions,” she adds.

The report also found successful in-house lawyers exhibited low levels of “excitability” – they are calm under pressure – and differed little from their successful non-legal counterparts in a company in their ability to be decisive, set strategy and lead teams.

Dow says, taken together, the findings suggest in-house lawyers should strive to become ‘calm risk takers’ – an ideal character who keeps a cool head while pushing a company to take informed chances.

“There is also a greater desire for lawyers who can take a regional and global perspective in larger companies,” says Dow. “They must know the company’s business and clients and understand what the company is trying to achieve in its wider strategy.”

LACCA member Jorge Frías, general counsel in agribusiness company Bunge’s Argentina office, says he agrees with the model but adds the ability to “correctly evaluate risks and determine the loss/profit equation” is as important as being ready to take chances. He also thinks the survey’s findings apply as much to smaller regional and national companies as to multinationals.

New LACCA member, María del Pilar Vilela Proaño, a lawyer at Peruvian healthcare infrastructure company Salog, also agrees the ‘calm risk taker’ is an accurate description of what makes counsel successful. “This is the future for in-house counsel: to search for creative solutions by taking risks as calmly as possible,” she says. “I apply this approach myself; it is very hard but it works.”

Based on the findings, Russell Reynolds Associates urges in-house council aspiring to the calm risk-taker archetype to take certain practical steps at work, such as volunteering for more leadership roles or supporting sales activities, and increase their risk-taking by helping to develop new products and services and leading strategic planning sessions.

The report gathered data using personality tests to measure and record character traits. Dow says the decision on whether or not a legal executive was “successful” was made based on performance assessments carried out at an earlier date by Russell Reynolds Associates.

LACCA recently reported in details on some of the other skills needed by corporate counsel to respond to an in-house crisis.



The calm risk taker  
(Credit: Wikimedia commons)