## DEVELOPING MORE EFFECTIVE LEGAL DEPARTMENT MANAGEMENT

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It is no longer enough to be excellent technicians, General Counsel and Heads of Legal within businesses need also to be efficient managers and effective leaders

The recent Iberian Lawyer In-House College held in Madrid saw Spanish and Portuguese General Counsel and Heads of Legal focus on leadership issues and creating more effective management strategies.

In the face of the continuing economic downturn, never before have in-house lawyers faced such pressures to demonstrate the business value of their function, say many. But such challenges coincide with a continuing evolution of the in-house role, with many gaining new responsibilities relating to changing regulatory, commercial and strategic risks.

Understanding and defining more clearly the role of legal officers and introducing more efficient mangement processes were among the priorities of the more than 50 senior lawyers attending the MBA-style workshop.

This focus included the better management of external counsel, cross-border business issues and disputes, and capitalising on a changing legal market, including the potential to make the use of a new wave of legal services businesses now emerging.

Kevin Doolan, Director of Client Relations at Eversheds in London, examined the growing use of KPIs

(Key Performance Indicators) not only as a financial control tool but also to evaluate external advisers. The goal being for both internal and external advisers to be better aligned with the company's business strategy.

The training also dealt with some of the recurring legal issues emanating from the increasing internationalisation of businesses, including acquiring companies abroad or undertaking transnational contracts. Juan Barona, Corporate Partner at Allen & Overy, presented some of the new and increasingly sophisticated company structures the firm is now regularly seeing.

Fellow Partner Antonio Martínez, Head of Competition in Spain, additionally focused on the importance of risk assessment in M&A. Including the increased analysis being made by regulators on vertical and horizontal agreements, which many now regard as cartel practices.

Manuel Conthe, former President of the Spanish Stock Exchange (CNMV) and currently of Counsel at Bird & Bird in Madrid, gave a keynote address and moderated a debate alongside DLA Piper Partner Ignacio Gómez-Sancha, an Abogado del Estado and former Deputy-Secretary of the BME (Bolsas y Mercados Españoles), on the evolution of Spain's economy and the potential positive and negative influence that the current international economic crisis may have on businesses.

Delegates subsequently focused on strategies to better manage commercial disputes. Francisco Málaga, Head of Disputes at Linklaters in Madrid, facilitated a case study on how managing conflict more effectively can both reduce legal costs and potential financial and reputational risks.

The prevention and management of conflicts more effectively at an early stage is key to avoiding expensive litigation, he believes. With an increasing number of businesses now looking at alternative dispute resolution mechanisms, such as mediation, conciliation or arbitration to help avoid costly and time-consuming judicial challenges.

The final session put into a more commercial context some of the evolving methods being used by businesses to make better use of a diversifying legal services market, including breaking down legal matters and outsourcing specific tasks in a workshop facilitated by Janet Taylor-Hall of Integreon.

The conclusion among participants was that in order to better protect their businesses and mitigate increasing risks, Departmental Heads more than ever need to be not only excellent technicians, but good managers and effective leaders.