

The New Era of Legal Departments

What managers in legal departments need to be able to do today

Today, managers in legal departments must not only have excellent legal expertise, but also technological, strategic and social skills.

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DThe demands placed on managers in legal departments are subject to change due to an increasingly dynamic and complex business world.

a profound change. The role of the legal department has evolved from a predominantly reactive function to that of a strategic decision-maker. This is not only about minimizing legal risks, but also about creating competitive advantages. Managers in legal departments must not only have excellent legal expertise, but also contribute technological, strategic and social skills.

1. Excellent legal expertise as a foundation

The basis for every successful manager in a legal department is excellent legal expertise. This competence includes a profound understanding of the relevant legal framework, the ability to precisely analyze complex issues and the development of pragmatic and at the same time legally sound solutions. A manager

must be able to identify legal risks, assess their significance for the company and derive strategic recommendations for action.

Another important aspect for managers in legal departments is at least basic knowledge of finance. In today's business world, it is essential not only to assess legal risks qualitatively, but also to evaluate and classify the financial impact of these risks.

Knowledge of project management is also required. Legal work involves complex, multinational projects that require a high degree of coordination and structure. This applies not only to the handling of individual legal cases, but also to the management of large-scale projects that involve various departments, external partners and even global teams.

2. Technological competencies

Technological skills are no longer just a "nice-to-have" for managers, but a necessity in an increasingly digitalized and data-driven business world. They enable the legal department to become

innovative and strategic partners within the company and to sustainably increase their efficiency and value contribution. Managers are expected to have an in-depth understanding and targeted use of these technologies in the areas of legal tech, artificial intelligence and data analysis.

Legal Tech

Legal Tech is fundamentally changing the work processes in legal departments. Managers must be able to select the right tools and integrate them strategically into the work processes. This is not just about introducing new technologies, but also about actively managing change processes within the team and the company.

A key aspect is change management. Technological innovations are sometimes met with uncertainty or skepticism. Managers must ensure, through clear communication and targeted training, that employees recognize the benefits of the technologies and use them effectively.

Another focus is on measuring success: managers must not only introduce technologies, but also continuously monitor and optimize their effectiveness. Legal Tech offers a unique opportunity to automate repetitive tasks, use resources more efficiently and direct employees' focus to strategic activities.

Artificial intelligence

The integration of artificial intelligence into legal departments is revolutionizing the way legal services are provided. Managers must grapple with the possibilities and limitations of AI technologies and manage their use in a targeted manner.

It is crucial for managers to view AI solutions not in isolation but as an integral part of a comprehensive strategy. They should not only increase the efficiency of the department but also ensure that the quality of legal work is maintained. It is particularly important to create a synergy between humans and machines



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in which AI takes over repetitive tasks and human expertise can concentrate on strategic issues. In addition, managers are responsible for ensuring that the use of AI is ethical and legally compliant.

data analysis

Data analysis is a core competency for strategic managers. It enables risks to be identified, processes to be optimized and the legal department's added value to be made measurable. One important area of application is risk management. With the help of data analysis, managers can not only identify potential risks at an early stage, but also develop precise and concrete measures.

In addition, data analysis enables targeted process optimization. By evaluating workflows, inefficient processes can be identified and adjusted, leading to higher productivity and cost reduction. The ability to make data-based decisions also strengthens the strategic role of the legal department. Managers who use data-driven approaches can measure the success of initiatives, plan future measures and position the department as a valuable partner for the entire company.

3. Strategic thinking

For managers in legal departments, strategic thinking is an indispensable key competence. They must act as strategic

Act as partners who not only react to legal problems, but also proactively contribute to achieving the company's goals. It requires the ability to understand legal challenges as an integral part of the company's strategy and to actively incorporate them into the company's decision-making processes.

Linking legal goals with corporate goals

One of the most important requirements for legal leaders is to establish and strengthen the link between legal objectives and the overall business objectives. In doing so, they must ensure that legal issues are not viewed in isolation but that they are integrated into the overall context of the company.

For example, a decision to launch a new product could result in legal challenges regarding product liability, patents or data protection. A strategically thinking manager recognizes that these legal risks can be used not as hurdles but as potential for innovation and differentiation in the market. They promote close

collaborate with product development and marketing to develop solutions that both meet legal requirements and advance business strategy.

Proactive risk minimization Legal leaders must not only manage legal risks, but also proactively identify those risks and take steps to mitigate them before they become problems. This includes the ability to not only respond to crisis situations, but also to think strategically early on about how potential legal risks could impact business objectives.

Proactive risk mitigation also means that legal leaders incorporate legal risk into strategic planning. They work with other departments to ensure that potential legal issues do not jeopardize the implementation of the company's strategy. By identifying potential legal pitfalls in early stages of projects, leaders can shape the legal framework to promote the company's long-term success.



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Strategic Resource Allocation

The strategic allocation of resources is one of the key tasks. It requires a high degree of foresight, analytical skills and decisiveness. In a business environment characterized by constant change and increasing complexity, the challenge is to make optimal use of limited resources - be it personnel, budget, time or know-how.

In order to manage resources effectively, managers must evaluate relevant projects and assess their strategic relevance. Projects that are losing importance must be put on hold in favor of new, more strategically important initiatives. Managers who distribute resources in a targeted and forward-looking manner make a significant contribution to achieving the company's goals. They not only create efficiency and added value, but also strengthen the company's competitiveness and innovative strength.

4. Communication

One of the key requirements for managers in legal departments is excellent communication skills. This is not just a means to an end, but a strategic tool for effectively managing the legal department and positioning it as a strategic partner in the company. Communication takes place on several levels.

communication within the legal department

Managers must ensure that their teams understand and can implement the legal department's strategic goals, priorities and working practices. Clear and transparent communication is essential. This includes clearly formulating guidelines while allowing sufficient space for questions, feedback and, if necessary, adjustments.

An important aspect is the ability to communicate complex legal topics clearly and understandably. Especially in multidisciplinary teams or when working with non-lawyers, it is crucial to convey content in simple language and with practical examples. Open communication

not only promotes efficiency, but also motivates employees to actively develop the department.

Communication with other departments and management

Another key requirement is the ability to communicate effectively with other company departments and management. Legal departments often act as an interface between different departments such as finance, HR, marketing or IT. Managers must be able to present legal risks, opportunities and options for action in such a way that they are understandable and action-guiding for non-specialists.

In dialogue with management in particular, it is important to bring legal perspectives into strategic discussions in a convincing manner. Managers must clarify the importance of legal issues for the overall success of the company and at the same time propose practical solutions that are in line with the company's goals.

communication with external partners

Managers in legal departments are in regular contact with external lawyers, authorities, business partners or other external stakeholders. Clear and convincing communication is essential here in order to best represent the interests of the company.

In negotiations, it is important not only to argue legally soundly, but also to act strategically. Managers must be able to represent negotiating positions convincingly, find solutions and at the same time maintain long-term relationships with external partners. Managers should remain calm and goal-oriented even in difficult negotiation situations.

storytelling

A special requirement for modern managers is the ability to tell stories. It enables legal content to be presented in the form of clear, comprehensible and emotionally appealing stories. Managers can thus illustrate abstract or complex topics with concrete examples.

and gain the attention of their audience. This is particularly effective when legal risks or options for action need to be presented to non-legal stakeholders.

Effective storytelling requires careful preparation. Managers must understand the needs and perspectives of their target audience in order to make the message precise and targeted. At the same time, a balance must be found between technical accuracy and emotional appeal. This builds trust and effectively supports decisions.

5. Emotional Intelligence

Emotional intelligence is an indispensable skill. It enables you to motivate teams, master challenges confidently and create a working atmosphere that promotes both performance and trust. In modern legal departments, managers are key designers of a positive and productive working environment.

self-perception

Legal department managers must be able to accurately assess their own emotions and their impact on their decisions and behavior. Self-regulation is essential, especially in stressful or conflict-ridden situations. Managers who can control their emotions act calmly, avoid hasty decisions, and maintain a professional demeanor even in tense moments. This ability is crucial to ensuring the stability of the department and building trust.

empathy

Empathy is an essential part of the leadership role. It enables you to perceive the needs and emotions of team members and respond to them appropriately. Especially in complex situations and tight deadlines, empathy is crucial to effectively support employees and take their stress levels into account.

Managers with empathy create an environment in which employees feel safe, valued and challenged. This not only strengthens trust, but also promotes

open communication and team cohesion.

social skills

The ability to build and maintain relationships within the department and with other areas of the company is a key success factor for managers. Social skills include aspects such as cooperation and conflict resolution.

In legal departments, which often act as an interface to other areas of the company, social skills help to promote cross-departmental cooperation and strengthen trust in the legal department as a strategic partner. Internally, it strengthens team dynamics and ensures a motivating and productive working atmosphere.

conflict management

Conflicts are one of the greatest challenges in leadership. Particularly when making decisions of great importance, conflicts arise due to different opinions, objectives or external requirements. Managers must be able to identify conflicts early on, analyze them neutrally and resolve them constructively.

Effective conflict management requires a combination of active communication, emotional control and the ability to facilitate a common solution. This involves reducing tensions and redirecting the focus to the common goals.

6. Outlook

The role of the legal executive will continue to evolve and grow in importance in the coming years. The ability to combine legal expertise with strategic thinking, integrate technological innovations and ensure agile, ethical and global leadership will be among the key requirements for executives. In doing so, they must master the challenge of combining technological advances with interpersonal skills and promote a corporate culture that combines responsibility, innovation and sustainable success. In a constantly changing and dynamic business world, executives will become key players in shaping the future of companies.■