



## A&M INSIGHTS

# GCs Discuss Key Issues On The Agenda For 2022 At Economist Impact's 18th GC Summit

The role of General Counsel has evolved at pace in the past few years. Once seen as “the lawyer in the room”, GCs are now expected to be forward-thinkers guiding businesses through everything from sustainability to cybersecurity and diversity initiatives. The pandemic has only accelerated this shift, with legal teams front and centre in companies’ response to the crisis.



Global uncertainty reached a peak during Covid-19, according to The Economist’s Intelligence Unit’s World Uncertainty Index, and further shocks should not be downplayed given risks stemming from rising geopolitical and trade tensions. Fresh challenges including the renewed fight against climate change and rapid digitalisation compound this ever-changing environment, with in-house lawyers likely to maintain – if not increase – their strategic role in organisations.

Attendees at Economist Impact’s 18th General Counsel Summit in London discussed these and other challenges lying ahead for GCs at leading corporations. Read on the key takeaways from the one-day event below.

“GCs are now expected to be forward-thinkers guiding businesses through everything from sustainability to cybersecurity and diversity.”

# 01

## Net-Zero and ESG Scrutiny:

In the face of COP26 and governments' commitment to a net-zero economy, more and more companies are also making their pledges to decarbonise. Pressure from society and governments to enforce those net-zero pledges are likely to follow, according to panellists at the EI's 18th GC Summit.

For GCs, this means a new host of regulation to contend with. In the UK, one example is the Pension Schemes Act 2021 which requires pension schemes to set climate-related targets from October 2021. Sustainable finance taxonomy and greenwashing are other areas where legislation is evolving rapidly, the panellists said, requiring prompt response from legal teams.



Beyond the effective management of legal risk, in-house lawyers increasingly need to act as guardians and promoters of ESG values within the organisation. One advantage of GCs compared to other senior leaders in helping advance the ESG agenda is their visibility across all business areas – from supply chain and human resources to the board, said the panellists.

# 02

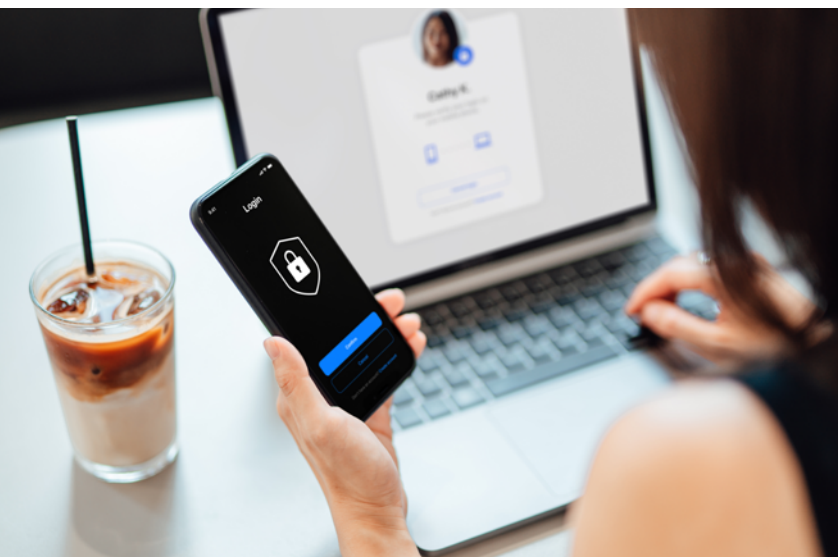
## Cybersecurity

Cyberattacks are evolving at scale with criminals taking advantage of the digital acceleration sparked by the pandemic to attack businesses of all sectors and sizes. Companies rely more than ever on technology to deliver their products and services while the shift to hybrid and remote working introduced an array of security and data protection risks that can have serious commercial and reputational impacts.

The panel attendees were strongly aligned that GCs need to deal with these challenges by being proactive and constantly re-evaluating their security practices as well as information technology vendor relationships.

In addition to adhering to the best practices in cyber hygiene, legal teams must prepare to face tough questions when an incident occurs, for example deciding whether or not paying a ransom in a ransomware attack – something that's not yet illegal in many countries.

According to panellists, cybersecurity-related disclosure is another area of attention for GCs going forward, with regulatory authorities across the world continuing to make cybersecurity disclosures an enforcement priority. The explosive growth of blockchain and digital payment systems and its adoption at a corporate level is another area to watch out for.







# 03

## The Great Resignation:

The so-called ‘Great Resignation’ triggered by the Covid crisis shows no sign of abating, with recent research showing that 40% of the global workforce is considering leaving their current job. Companies – and their in-house legal departments – are wrestling with attracting and retaining talent while navigating a complete transformation of the traditional, office-based work model. This comes on top of previous challenges facing legal teams on this front such as diversity and the changing requirements of the profession.

According to panellists, the transition to the hybrid model is already happening and requiring new associated policies and practices from organisations. For example, there needs to be a rethinking of the purpose and effectiveness of meetings and a push to find ways of interacting more efficiently – in-person and virtually. Professional development is another concern, with GCs saying that the lack of “learning by osmosis” could be particularly tough on junior staff and risk their career progression. Encouraging creativity and ideation as well as maintaining a strong corporate culture are also key challenges in the new, hybrid work model.

“In-house lawyers increasingly need to act as guardians and promoters of ESG values within the organisation.”

# 04

## The Redefinition of GCs:

The evolution of the GC role over the years from legal adviser to enterprise leader has only accelerated during the pandemic. General Counsel now take on a broader portfolio of responsibilities and interact not only with CEOs but others in the C-Suite on a day-to-day basis. To succeed in this new capacity, GCs need to increasingly focus on attributes such as business and financial acumen, tech-literacy as well as people and customer-centric skills, the panellists agreed.

GCs bring a unique perspective based on their experience as “the lawyers in the room,” according to one panellist, who believes their inherent ability to bring up difficult conversations and “speak up” can help advance transformative agendas within companies. The visibility across all business areas within a firm – with legal leaders often embedded in initiatives from supply chain to sustainability and beyond – also give GCs an advantage in driving change across the board.



Above all, panellists concluded that during substantial and deep-rooted change, the GC has to ensure that the business “does the right thing”, perhaps when regulations and legal direction are immature or in some cases, absent completely.

# 05

## Legal tech:

The digital transformation accelerated by the pandemic forced legal teams to adopt agile methodologies and have faster turnarounds, in line with the rest of the business. Uptake of tech-based solutions is growing among legal teams, with 44% of interviewees in a survey saying they have increased the use of technology in the past year.

This includes anything from document management systems to AI-based tools to help lawyers manage mushrooming volumes of data and complex compliance and litigation risks.

Improving efficiency and performance through technology tools remains a primary objective for GCs in 2022 and beyond, according to panellists, as businesses face fresh challenges in the post-pandemic world and legal teams remain under pressure to deliver more for less. This will bring sharp focus on the need to upskill teams as well as reshape relationship with external counsel and other third-party providers.

In summary, the conference highlighted the need for agility, business acumen and investment in “human skills”, the ability to connect and challenge business leaders, with integrity and focus on meaningful outcomes.







## A&M: Leadership. Action. Results.<sup>SM</sup>

Our professionals have both operational and advisory experience together with a proven track record in leading businesses through tough, complex situations. When traditional improvement activities are not enough, A&M's restructuring and turnaround heritage brings fact-based, action-oriented leadership to deliver rapid results.

### KEY CONTACTS



#### Phil Beckett

Managing Director  
London

+44 779 873 3555

[pbeckett@alvarezandmarsal.com](mailto:pbeckett@alvarezandmarsal.com)



#### Chris Phillips

Managing Director  
London

+44 207 715 5201

[cphillips@alvarezandmarsal.com](mailto:cphillips@alvarezandmarsal.com)



#### Robert Grosvenor

Managing Director  
London

+44 796 161 1505

[rgrosvenor@alvarezandmarsal.com](mailto:rgrosvenor@alvarezandmarsal.com)



#### Malcolm McKenzie

Managing Director  
London

+44 783 161 9732

[mmckenzie@alvarezandmarsal.com](mailto:mmckenzie@alvarezandmarsal.com)

### ABOUT ALVAREZ & MARSAL

Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) for leadership, action and results. Privately held since its founding in 1983, A&M is a leading global professional services firm that provides advisory, business performance improvement and turnaround management services. When conventional approaches are not enough to create transformation and drive change, clients seek our deep expertise and ability to deliver practical solutions to their unique problems.

With over 5,500 people across four continents, we deliver tangible results for corporates, boards, private equity firms, law firms and government agencies facing complex challenges. Our senior leaders, and their teams, leverage A&M's restructuring heritage to help companies act decisively, catapult growth and accelerate results. We are experienced operators, world-class consultants, former regulators and industry authorities with a shared commitment to telling clients what's really needed for turning change into a strategic business asset, managing risk and unlocking value at every stage of growth.

Follow us on:



© Copyright 2021 Alvarez & Marsal Holdings, LLC.  
All Rights Reserved.  
XXXX / November 21

To learn more, visit: [www.AlvarezandMarsal.com](http://www.AlvarezandMarsal.com)