

LEGAL DEPARTMENT AND ORGANISATIONAL ALIGNMENT: A WIN-WIN!



Courtenay Zajicek

As the General Counsel and Company Secretary for Curves and Jenny Craig in Oceania, Courtenay provides broad legal advice and risk mitigation strategies to the Management Team, with a particular focus on franchising, property and leasing, industrial relations and consumer law. Courtenay holds an MBA and serves as a committee member for the Franchise Council and Women in Franchising groups.

One distinguishing feature of alignment between the legal department and the wider organisation is represented by a willingness among internal stakeholders to voluntarily seek early advice and involvement with the in-house function. This willingness to engage owes to a confidence that the legal function is mindful of the broader organisational interests and it allows the legal function to be viewed as a key contributor and supporter of the organisation and its objectives, rather than as an inhibitor of creativity and growth.

I firmly believe that fundamental and transparent organisational alignment is a critical requirement of an effective in-house legal department. In order to achieve organisational alignment, it's imperative that the legal team is a part of the management team. In my own experience, this has facilitated my involvement in key business discussions and decisions very early in the process. Further to which it also exposes me to the current and future key strategic objectives and drivers of the organisation, which then establishes the foundation for me to set or alter the legal priorities.

For example, when the organisation is focusing its efforts and resources on a new campaign to generate sales, the legal function needs to concentrate on and prioritise risk mitigation, training, support and advice regarding marketing and advertising techniques, statements and messaging. However, if the organisation is exploring new supplier arrangements to reduce costs or drive economies of scale, then the legal function needs to concentrate on contract negotiation and drafting to achieve these overarching objectives.

In contrast, the success of an in-house legal function will often be measured on how well it aligns with the overarching objectives of the organisation. Fundamental to which is the legal team being visible and approachable with a strong ability to prioritise. For example, if the marketing department is preparing for a major campaign to drive new sales and achieve budget, alignment requires the legal department to understand this urgency and prioritise the workload to ensure that legal advice and support can be given promptly to allow the campaign to run smoothly. Conversely, it is simply not effective for an

in-house lawyer to operate in a traditional 'manager and employee' sense where the employee accepts tasks assigned to them by their manager, because one of the most fundamental benefits of an in-house legal function is to proactively identify and give advice on risk mitigation without waiting to be asked to provide the advice.

Importantly, when organisational alignment is achieved, key stakeholders acknowledge that the in-house lawyer understands and appreciates the objectives of the organisation and is therefore more likely to listen to the advice given. This in turn allows the legal function to mitigate risks early rather than spending resources at the end of a matter because risks were not managed appropriately from the start.

Understanding the importance of organisational alignment is one thing, but actually achieving it is another challenge altogether. As the General Counsel of Curves and Jenny Craig, I am in a unique position where my role requires me to work closely with each of the organisational departments in order to give advice and provide suggestions on risk minimisation strategies.

However, the primary avenue towards legal function alignment and that of the organisation is through my position on the management team. This involvement allows me to view the organisation holistically and not only align the legal function to the overarching organisational strategies and objectives, but actually contribute to them. For example, when the organisation holds strategic planning sessions for the management team, having the General Counsel involved in this process allows them to help guide discussions and potential considerations at this early conceptual stage. These considerations may include legislative issues (i.e. leasing for future sites), tax implications (i.e. for future acquisitions), reporting obligations (i.e. structuring and licensing) and budgeting constraints due to resourcing or the need for specialist knowledge.

Unfortunately, a position on the management team is not in itself enough to achieve organisational alignment. While this level of access is certainly vital to facilitating success for the in-house legal team, I believe the most important part of my


role as general counsel is my relationships with department heads. Without these relationships, these key stakeholders would simply find a way to remove me from the process; completely eliminating my ability to deliver proactive advice. To help build these relationships, I make a strong effort within the organisation to be visible, approachable and an effective communicator. In terms of visibility, the organisation utilises an open plan layout which allows all members of the management team to be accessible by all staff, and also allows me to achieve my first objective of being visible.

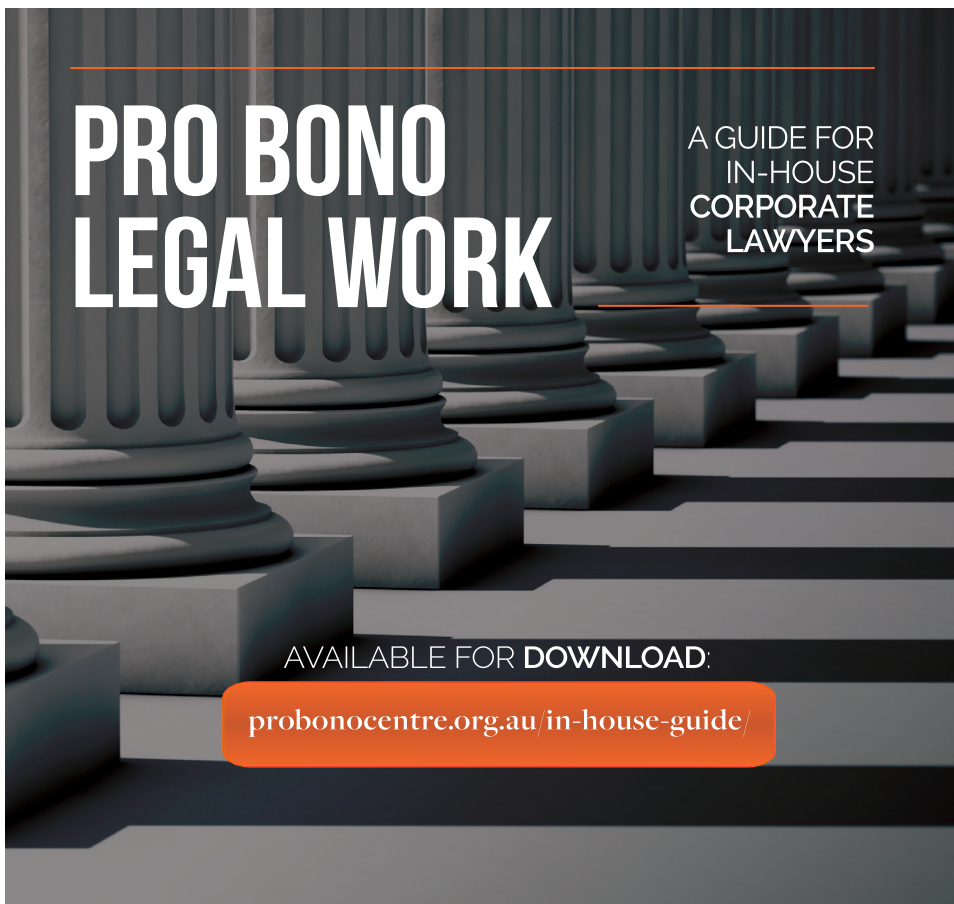
With that visibility, it is then important that key stakeholders feel comfortable bringing issues to me or openly discussing matters with me. Unfortunately, whether we like it or not, the underlying perception of lawyers is that we are unapproachable and that we intend to impede creativity and growth with 'legal red-tape'. My approach to breaking down these potential internal barriers ties in with the third strategy of being an effective communicator, and being able to communicate potential risks and resulting mitigation strategies in a clear way that allows the stakeholder to actually implement the advice given. To achieve this, my approach to giving initial advice to internal stakeholders is quite informal, and I make sure that I always have a few alternative options to consider

rather than just saying "no". For example, in a recent management team meeting a future food packaging project was announced and discussed. This project would involve the product, supply and marketing teams redesigning and rolling out new packaging across the network. Through my involvement in the management meeting, I was uniquely placed to highlight the upcoming food labelling legislation changes to the team. In contrast, had I not been involved at this conceptual stage, I wouldn't have been aware of this project until a much later stage; following a significant amount of work by the departments involved, who would have been disappointed to learn of the need for a further redesign due to these legislative changes.

With this early involvement the departments were able to factor these potential changes into the project plan and potentially save a significant amount of time and money for the organisation. This example highlights how beneficial it can be for the general counsel to be a member of the organisational management team. Furthermore the only way that an organisation will see value in this approach is where the legal function has a close alignment with the overarching strategies and objectives, and similarly has strong relationships with the key stakeholders of the organisation.

At the end of the day, I would much prefer a situation where an internal stakeholder feels comfortable enough to approach me at my desk, ask a question or run an idea by me informally for 5-10 minutes. This contrasts to the potential situation where I'm considered unapproachable; and a high-risk action is pursued without the necessary oversight, leading to a later dispute. Ultimately, managing a dispute is going to be a far more resource intensive exercise in the long run and add far less value to the organisation!

Above all, I see the role of general counsel as a primary support function to the organisation. It is my role to thoroughly understand the organisation and its objectives and then align the goals and priorities of the legal function around these objectives. In turn, this then allows me to give specific rather than generic advice and recommendations, which the key stakeholders are then more likely to consider and apply. As a general counsel my primary goal is to ensure that the organisation and its key stakeholders have the required and relevant information available for them to make informed decisions, which carry the least risk but still align with the overarching strategy. The only way that I can achieve this primary objective is for legal function to achieve organisational alignment. 



**PRO BONO
LEGAL WORK**


A GUIDE FOR
IN-HOUSE
CORPORATE
LAWYERS


AVAILABLE FOR **DOWNLOAD:**


probonocentre.org.au/in-house-guide/

“Pro bono legal work can enhance job fulfilment, help lawyers hone their legal and professional skills and offers a variety of experiences that often cannot be duplicated elsewhere”

— Brian Salter
Group General Counsel, AMP
Chair, ACC General Counsel 100

 AUSTRALIAN PRO BONO CENTRE

 Association of Corporate Counsel AUSTRALIA

 THE LAW SOCIETY OF NEW SOUTH WALES