



## 505 - Business Eye for the Legal Guy & Gal

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Catalina Restaurant Group Inc.

## Faculty Biographies

### Samuel Nicholas Borgese

Samuel Borgese joined Catalina Restaurant Group (CRG) as chief development officer and was named President following a restructure of CRG's management team under a renewal of its original business objectives by CRG's majority shareholders.

Prior to joining CRG, Borgese was the CEO of two San Diego-based enterprise software companies both of which Borgese led through management and business model restructuring. These two engagements followed 20 years' experience in specialty and promotional corporate real estate as a senior executive or an advisor to the Boards of Directors of private equity and venture capital funded private and publicly-owned retail, specialty food and food service companies.

Most notably, Mr. Borgese was director of Real Estate and Construction and Senior Team Member for Office Club, Inc., a retail office products superstore chain. At the time he joined Office Club it was a privately held company operating five stores with annual sales of \$45 million. At the time of its \$248 million acquisition by Office Depot, Inc. Office Club was a successful publicly traded company with more than 70 superstores generating over \$500 million in annual revenue.

Mr. Borgese attended Temple University's Architecture and Engineering School. Rachel F. Robbins is General Counsel, Executive Vice President and Secretary of NYSE Euronext.

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## Business Eye for the Legal Guy

### Introduction

Two major challenges facing in-house lawyers are to add more value, and prove it. For many people, the answer is not to become a better lawyer. You're already a good lawyer (perhaps too good). In fact, that's the problem.

In most in-house roles, being a great lawyer is what stops you adding more value and proving the value you do add. It's like being the best sword fighter in a gun fight. You don't need to become a better sword fighter – you need to get a gun. In your case, getting a gun means developing your Business Eye.

Unfortunately, a Business Eye doesn't come naturally to many lawyers, and isn't fostered during legal training or time in law firms. What made you successful at law school or in a law firm (i.e. sword fighting skills) doesn't necessarily translate into success in an in-house role.

I used to be an in-house lawyer, and have been building a business with my brother Richard for the last 7 years. During that time, I've had to learn a lot of new business skills (and unlearn a lot of lawyer skills). There are many things I know now that I wish someone had told me back then. Here are five of them, which should help you develop your Business Eye, add more value and prove it.

### Work out what matters most to your organisation

Before you can add more value, you need to have a higher quality of projects on your desk. However, the quality of your projects is not defined by their legal complexity or by the seniority of the person sending you the work. It is defined by how closely it connects with helping the organisation achieve the things that matter most to it.

To illustrate the point, imagine two accountants working on your personal finances. One does everything you ask of him, which is your book-keeping and yearly tax return. He does it quickly and well.

The other accountant is different. She encourages you to talk about the things that matter most to you concerning both your finances and your life generally. This forces you to crystallise your thoughts, and to verbalise your priorities for perhaps the first time. It also gives her a unique insight into ways she can use all her financial skills to best help you, beyond just doing your book-keeping and tax return. The first accountant did what you asked, but added little value. The second came to understand your priorities, and is set to add tremendous value.



Similarly, your organisation's top priorities provide the context for you to determine how much value you are adding. So, before you touch any more work on your desk, spend time unearthing the top three things that matter to your organisation at the moment (e.g. increasing market share by 10%, introducing a new product before the end of the year, cutting costs by \$2 million next year).

I use the word "unearthing" because your senior management may be poor at communicating these priorities to you, or even having a clear idea for themselves of what they are. (Remember that you weren't proactively communicating your top priorities to either accountant; the second one had to unearth your priorities).

There are lots of things you can do to unearth your organisation's top priorities.

- Ask senior management to discuss these top priorities with you. Tell them you want to make sure you know what is most important, so you can focus your energies on them.
- Sit in on meetings of the Executive Committee and Board. Don't wait to be invited – invite yourself.
- Read what the CEO reads, and go to the conferences the CEO goes to. Drive to the CEO's home one morning, and drive to and from work with him or her so you can ask about the top priorities.
- Spend time on the road with sales reps, discussing current issues with real customers. (When was the last time you were face to face with a real customer?)
- Read the CEO's monthly reports. Note the words and headings used, and use them in your conversations and reports.
- Ask about the CEO's KPIs. Chances are that they relate to what matters most to the organisation.

Once you know what those priorities are, here are some things I'd do.

- Write them down somewhere you can see them all the time (by your computer, in your diary).
- Use the priorities as the context for every discussion you have with yourself, your team, your boss, your external lawyers, other internal service providers and your clients. If you do this, the priorities will soon become the common language.
- Use the priorities as the basis of your position descriptions, KPIs and mission statement. It is true that "your focus determines your reality", so "bake" the priorities into the documents that set your focus.
- Put the priorities as the first items for discussion in every department meeting and retreat. Have a business person come along to your meetings and retreats to explain the priorities in detail.
- Use the priorities as the context for your own professional development and training.



Unearthing your organisation's top priorities is the most important aspect of developing your Business Eye. Also, it will provide a laser-like focus for the people in your team, and perhaps a new-found sense of purpose and direction.

## Avoid low level "stuff"

Now that you know what matters most to your organisation, use this as a filter for everything on your desk at the moment, and everything that hits your desk in the future. You can't increase the average quality of your projects unless you avoid the really low-level things. If you don't get rid of them quickly, you'll always major in minor things. You don't want your epitaph reading "Here lies Tom; he was great at the small things".

Think back to the accountant analogy. Whereas the first accountant would just keep doing your book-keeping, the second accountant will decide that the book-keeping is low-level stuff. She will just tell you to get a cheap book-keeper to look after it, so she can focus on more important things.

How do you get rid of stuff? Here are some suggestions.

- Just say no! Decide that you don't have to do everything that hits your desk. Stop being such a martyr.
- Don't expect to give immediate service to every client who appears at your door. Stop being so nice to everyone with every little question. Get over the tendency to think that work is a popularity contest.
- In an ideal world you might be able to help everyone with everything, but you just don't have that much time. Something has to go. Assume that you have the power to choose what you work on.
- Close the office door (if you have one), set your phone on "do not disturb", and turn off your email alarm. Tell people that you aren't to be interrupted, and work away from the office occasionally.
- Try to stop low-level things coming to you in the first place by telling people to stop sending it to you. Justify this using your new-found awareness of the organisation's top priorities.
- De-clutter your office. Get rid of those piles of unread journals. Archive those folders sitting on your shelf that you haven't touched in years. Throw out those old law books from university days.

By culling your projects of stuff, you ought to free up at least a day a week. Encourage others in your team to do the same.



## Develop systems to handle repetitive activities

The next step is to develop simple systems to handle things that hit your desk repeatedly. Common examples are copy clearance of marketing materials and preparation of confidentiality agreements.

To go back to our analogy again, whereas the first accountant will do the tax return himself, the second accountant will systematise the process. She will send you a checklist of all the things you need to send her. She will have an assistant in her office do as much of the return as possible, following a procedure she has set-up and continually refines.

Developing systems is an important part of your Business Eye. Here are some suggestions for developing systems in your practice.

- Stop thinking that everything you do is unique and that it can't be documented. In truth, lots of what many in-house lawyers do is quite repetitive. This is the sort of work that should be systematised.
- Stop thinking that the best place for all of your knowledge is in your head, rather than embedded in a system or process. The best way to avoid repetitive activities taking up your time is by downloading the relevant process from your head onto paper or your intranet.
- Don't think that you will be giving up power by recording how you do things. You will be freeing yourself to focus on more important things, and you will be leaving a legacy for those that come after you.
- Put the power to complete more or all of these tasks into the hands of your assistant or even your clients. They'll enjoy being in control and not having to wait for you to get to their request.

By developing systems for repetitive activities, you'll enjoy freeing up probably another day a week.

## Locate more priorities relating to top priorities

Having got rid of the stuff and developed systems for the repetitive work, you ought to have a much higher average quality of projects on your desk. You'll also have a bit of free time on your hands. Spend this time on locating more projects with a strong connection to the things that matter most to your organisation.

Please don't assume that other people in your organisation are sending you all the high-quality work – they may not know all the ways you are able to help them achieve their priorities. (Think of the accountant example).



## Reinvent how you report to senior management

Too often in-house lawyers report using legal headings (e.g. Litigation; Contracts; Intellectual property). This format forces senior management to try to connect the dots between your work and their priorities. Here are some ways you can connect the dots for them.

- Regular reporting is important, even if you're buried in the middle of a large legal department and even if senior managers haven't asked for a report.
- Group your work according to the organisational priorities they relate to (e.g. Increasing market share, Developing new products, Cost cutting). In this way, you are connecting the dots for the reader as to how your projects relate to what matters to the organisation. Don't group your work using legal headings (e.g. Litigation, Contracts, Intellectual property), as they groupings mean nothing to most non-lawyers.
- Match the typical business style of reporting – the shorter the better; avoid legal jargon; use business and industry jargon; and use charts, diagrams and numbers where possible.

## Conclusion

I hope these five suggestions help you develop your Business Eye, add more value and prove it. Let me know what you think about them. You can contact me at [jhansen@lex.com.au](mailto:jhansen@lex.com.au) or via [www.lex.com.au](http://www.lex.com.au), where you can learn more about the LEX Legal Suite software we've designed to help in-house lawyers focus on what matters most, avoid low level stuff, systematise their practice, and report to senior management.



## About us

I started my career at a law firm in Melbourne, where I became a partner in the commercial section. I then worked for a pharmaceutical company as the Legal and Corporate Services Manager and then as the Director of Business Development. I left in 1997 to start my own software and consulting company, Lex Australia Pty Ltd ([www.lex.com.au](http://www.lex.com.au)). My brother Richard joined the business in 2001, after careers in the financial services industry as a consultant and Business Development Manager.

I started the company to help other in-house lawyers find easier ways to manage their practices. Having been an in-house lawyer, I was sure there had to be better ways that people weren't telling us about. In the search for "the better way", I've synthesised ideas from many sources, including the following.

- Observations of the management practices of dozens of legal departments in Australia, New Zealand, Asia, England, USA and Canada.
- Magazines, journals, books and articles on a wide range of subjects.
- Reflections on my own time working in large organisations in a variety of roles, including an in-house legal role.
- Lessons I've learned from applying the 5 management habits daily in building the business with my brother.
- Feedback from clients and seminars attendees about how they currently work, and what has changed after they've adopted some or all of the habits.

Along the way, I got annoyed that our clients had to put up with rude, complicated and expensive software to manage their practices, their contracts and their intellectual property portfolios. Once more, I was so sure there had to be a better way that I taught myself to design and build software. As with our management ideas, our software products have attracted a wide and loyal following.

### **Justin Hansen**

LLM BCom GradDip (Applied Finance and Investment)

### **Richard Hansen**

BEd GradDip (Applied Finance and Investment)

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