

The General Counsel—A Hot Commodity

We were all happy to put 2020 behind us and have been looking forward to an exciting 2021. For us at Major, Lindsey & Africa, it has certainly been a whirlwind since we welcomed in the new year.

COVID-19 and the related emergence of many complex business/legal issues have put the spotlight on GCs as strategic business partners and crisis managers within their organizations. As our corporate clients evaluate their business and legal needs and the impact that COVID-19 will likely continue to have for the foreseeable future, it is becoming increasingly important to have resilient GCs who are able to pivot quickly, lead the legal department and partner with the business through uncharted territories. Last year might have highlighted certain deficiencies in those senior legal ranks and this is the time to correct them.

Globally, hiring that was on hold during the pandemic has resumed. Economic confidence is far greater this year. Our GC search requests were up 82% globally in Q1 from the same time last year and our GC placements were up 29% globally from the same time in 2020. In fact, a lot of companies seem to be hiring in bulk. They see this market as an opportunity to upgrade their current roles, meaning retention is even more important than ever.

In the start-up arena, the need for the GC is due to company growth expectations and planning for future liquidity events. They need a GC in place in order to add credibility and to protect the company as it continues to grow and plan for its exit strategy. Take a look at this article on start-up GCs: [How To Land a GC Role in a Start Up](#).

Given the impact of the pandemic, some general counsel are selecting retirement options sooner than they might have expected. Succession planning is underway. Companies are realizing that they cannot have a general counsel seat open during times like these. Companies are also making moves on interim general counsel as they wait to fill permanent roles; our Interim Legal Talent team has seen a 30% uptick in interim GC roles.

The War for Talent Rages (or Wages) On!

When Stephen Hankin of McKinsey & Company coined the phrase in 1997, he probably didn't think it would have a resurgence 24 years later. The war for talent refers to an increasingly competitive landscape for recruiting and retaining talented employees.

Employers are winning the war if they are decisive, quick and aggressive with offers for their top candidates. There is not time to shop around. Candidates move for three reasons: 1. money; 2. work life balance; and 3. interesting work/challenge. Companies that offer the best combination of these will win the race. Flexible work arrangements also seem to be helping win the day—whether those are fully remote arrangements, leeway for commuting time or just the promise of day-to-day flexibility. We are also seeing clients who are open to national searches, having the person work remotely and come to headquarters once a month.

Companies that make a difference are also winning—especially companies who have social responsibility on top of their agenda. Candidates want to be a part of companies that change the old standards and are setting the new standards.

Candidates are also winning. We are seeing candidates receive multiple offers, especially those with strong compliance, data privacy, ESG and cybersecurity skills. And, they are getting savvier about timing and counteroffers. Candidates with M&A, corporate governance, securities, financing, and international work experience are also in demand. Diversity across all roles is also something that clients want and need.

Show Me the Money

Top talent costs, and a meaningful investment including increased salaries are required to be competitive in this market. Certain industries pay more: healthcare, biotech/life sciences and other highly regulated industries. At this time of year, bonus negotiations will include asking for “non-prorated bonuses”—paying the attorney as if they worked at the company since January 1, 2021. While some companies might only be able to do pro-rated bonuses, others are able to provide a sign-on bonus to make someone “whole” for the year. Compensation, including long-term incentive plans or equity packages, need to be very attractive to align with the market. Low ball offers or weak compensation packages are not going to fly in the current market.

Global Industries and Practices in Demand

Industries in demand:

- › Aerospace & Defense
- › Biotech
- › Cryptocurrency: Exchanges, Digital Asset Custodians and DeFi (decentralized finance) Platforms
- › Energy
- › Healthcare
- › Private Equity /Start-ups - life sciences, technology, healthcare, ecommerce and consumer facing industries.
- › Shipping and Logistics
- › Venture Capital and VC-backed Fintech Startups

Practices in demand:

- › Alternative Investment
- › Capital Markets / Securities
- › Commercial Contracts
- › ESG
- › Fund Formation
- › IP
- › Privacy and Cyber security
- › Regulatory
- › Securities and Governance—the market for that expertise is going crazy and supply of talent is extremely low!!

EMEA Outlook

Despite Brexit, the UK will continue to remain an active market as it has such a well-developed in-house community. Mainland Europe and Ireland will certainly be Brexit beneficiaries and we continue to see increased activity in Holland, Germany and Switzerland. The Middle East has been particularly hard hit and for a region that has relied so heavily on a strong expatriate community, the push for localization and upskilling of domestic talent have reduced the number of opportunities for internationally qualified lawyers.

APAC Outlook

In the APAC region, geopolitical tensions have impacted multinationals operating in China and Hong Kong, but as these are markets no multinational can ignore, we would expect—and indeed are already experiencing—a return to increased activity. Singapore continues to be the favored location for regional headquarters although the barriers have been raised higher for non-Singaporeans to secure visas. Japan and India continue to be busy markets for us and markets where the focus is very

much on domestic talent as opposed to expats. There is an increase in the number of global functional roles—reporting to a Global GC—quite often U.S. based in areas such as employment law and M&A. There seems to be a trend moving away from regional structures.

Japan has also been a beneficiary of growing U.S. tensions with China, and we are seeing more regional legal roles moving away from China toward Japan as a stable alternative. In addition, many new roles covering both Japan and Korea are emerging as companies look to group coverage across these two important markets.

Companies in the life sciences, logistics, e-commerce, FMCG, media, tech and telecoms industries are looking for talent and the practices in demand are similar with employment, compliance, data privacy, cybersecurity and legal operations leading the way.

Return to Office

Now that vaccines are here, and a post-COVID world is in sight, one question looms: *When will we return to the office?* Major, Lindsey & Africa partnered with Law360 Pulse to gain a sense of the industry's sentiments about returning to the office, surveying partners and associates of all ages across multiple cities and practice areas.

Despite glimmers of hope brought on by mass vaccination, most legal professionals don't seem to be in a hurry to get back to business as usual. Just **one-fifth (21%) are itching for a return "as soon as possible."** The vast majority (69%) would only feel comfortable returning to the office after getting vaccinated or once the government has declared herd immunity. Four percent (4%) of participants revealed they don't intend to go back at all.

Twenty-nine percent (29%) more **Baby Boomers** than millennials, 51% and 22% respectively, were eager or very eager to return to the office. Boomers and Gen Xers were 7% more likely to want to return to the office as soon as possible compared to Millennials.

When and what return to office will look like seems to depend entirely on the company. Some companies have dates in the summer and early fall, but they don't know what that will look like. A mix of in-office and remote seems to be the talk everywhere. We've heard from several GCs that they are planning a "phased return to work" plan starting Q4, limiting the number of people who will be in the office at the same time.

Transform Advisory Services

The pandemic and market dynamics have driven higher expectations of and more workload for corporate legal functions. This translates to a clear need to be more efficient and effective in the way legal services are delivered to internal clients and puts pressure on legal departments to act as true business advisors rather than just legal experts. Organizations are embracing new technologies that streamline workflow and create better visibility into business risk. The trend towards incorporation of both legal technology and ALSPs into the legal department ecosystem is consistent with a continued trend towards separation of high value complex legal work from low risk, repetitive work that can be either automated and/or paired with more cost-effective resources. Additionally, organizations are seeking to reduce outside counsel spend through consolidation and better systems, controls and processes on how and who to engage when going outside for legal services.

Legal departments are also increasing their focus on developing the business acumen and soft skills of their people in order to better support the business. As millennials become a larger portion of the workforce, legal departments are meeting their needs for development by providing competency-based career models that give individuals more control over their career paths and prioritize learning and growth.

Interim Legal Talent Outlook

A highly competitive lateral market and the significant increase in demand for legal work at both law firm and on in-house legal teams has resulted in a hiring boom for interim legal talent. We have seen a 40% increase in requests for interim talent as employers seek to engage us to help ease workloads for busy associates and in-house lawyers and meet business demands.

Whether it's leveraging technology candidates out of San Francisco, financial candidates out of New York or life science experts out of Boston, we continue to see a trend in both candidates and employers having access to a much broader range of opportunities and talent. We are also seeing this impact on employers in smaller legal markets who historically may have been limited to local talent but who are now realizing they have the ability to tap into talent remotely from larger legal markets. We are also seeing a huge uptick in all aspects of tech companies (social media, SaaS, FinTech, software) utilizing interim talent for product, contracts and privacy counsel as well as companies coming to us for due diligence projects requiring multiple lawyers.

A few practice areas that have been especially busy include data privacy, M&A, health care, life sciences and employment.

In closing, the general counsel continues to be an integral part of the executive team while leading and building the legal department. The importance of providing flexibility to the current team in order to retain the talent you have is a key driver as is moving on top candidates with progressive compensation packages. All of this is happening while many continue to work remotely or on some flexible work schedule. Demand for talent is strong and the need for diverse talent has never been more pressing.