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of associate general counsel openings. If your department can assist with career planning or provide professional development opportunities, such as management responsibilities in addition to legal duties, make this clear to the candidate.

Know Your Limits

Although it's appropriate to negotiate various aspects of the compensation package and make other concessions, be careful not to go too far in your efforts to secure a particularly promising candidate. Even if you're able to get it approved, going above your department's compensation scale, for example, could ultimately lead to bad feelings and low morale among existing staff if they learn that the new hire is doing similar work at a higher rate.

Set a Time Frame for Finalizing the Offer

Give candidates time to consider your offer if they don't accept it on the spot. For entry-level legal professionals, a few days are appropriate. For paralegals and attorneys, up to a week should be sufficient. If a candidate must relocate to accept the job, he or she may need even more time.

After the candidate accepts your offer, provide a formal letter that summarizes all key points. You may want to consult with your outside counsel's employment attorneys to develop a template. At this point, you should also let the candidate know if the offer is based on contingencies, such as completing reference checks.

Be sure to maintain contact with the candidate after the offer is accepted. Prior to the start date, send required employment forms and relevant company materials, such as the employee handbook or directory.

Salary negotiations with attorneys and legal support professionals will be most successful if you enter negotiations with a clear idea of prevailing salary levels, what your limits are and where you're willing to make reasonable adjustments. By emphasizing all of the positive aspects of your work environment, you'll stand a better chance of reaching a mutually acceptable outcome with candidates who will be valuable additions to your staff.

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ACC America
Association of Corporate Counsel
Arizona Chapter

Focus

Third Quarter 2007

Mark Rogers
President's Message

First, our thanks to Robert Half Legal for the content of this newsletter. I hope that you find the articles interesting and helpful. Robert Half Legal is a Gold Level Sponsor of the Arizona Chapter, and I want to thank them for their support in helping grow the chapter.

Second, I am hoping that you, too, can help us grow the chapter. We know there are in-house colleagues who are not members, who we think would benefit from membership. Please encourage them to join.

Third, I am also hoping that there are members who would like to become more involved in the business of the chapter. Our sponsorship program is strong, but the number of additional programs and services that the chapter can support and provide is correlated to the number of people actively participating in the chapter's activities. Please send an email to *accarizona@yahoo.com* if you'd like to be more involved.

At any rate, I hope to see you at an upcoming meeting!
Mark Rogers

Get Your (Lateral) Move On: Just Take a Step to the Side

By Joy M. Phillips, J.D.

Joy Phillips is Division Director of Robert Half Legal®, a leading staffing service specializing in the placement of attorneys, paralegals, legal administrators and other legal professionals with law firms and corporate legal departments. Based in Menlo Park, Calif., Robert Half Legal has offices in major cities throughout the United States and Canada.

There's a fine line between feeling comfortable in a job and feeling stagnant. Comfort comes from being adept at performing duties proficiently and having the skills and resources to tackle workplace challenges. Comfortable employees are enthusiastic about their assignments and feel they're being rewarded for learning, growing and moving forward.

Stagnation, however, is about being stuck—with the same duties, the same frustrations and the same difficult manager or colleagues. Any satisfaction the job provides is overshadowed by a growing sense of boredom or discontent.

As many a lawyer knows, feeling occasionally frustrated with work is unavoidable.

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Welcome New Members

We wish to welcome the following new members who have joined our chapter recently:

Jay Calhoun, Isagenix International, LLC
LeighAnne Ciccarelli, Diversified Human Resources
Sharon L. Fabian, GMPN, Inc.
Margaret M. Gibbons, Equity Title of Arizona
Jason Hanson, Medicis Pharmaceutical Corporation
Jerry J. Holden, Goodrich Corporation
Stephen Lewis, VistaCare, Inc.
Deborah Anderson Matwijkow
David B. Mulvihill, Make-A-Wish Foundation of America
Seth L. Rodner, Medicis Pharmaceutical Corp.
Renee J. Scatena, Intel Corporation
Mia Singer, Early Warning Services, LLC
Gil Tily, Amkor Technology, Inc.

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All in the Corporate Family: Privilege and Co-representation Issues for In-house Lawyers

By Susan Hackett
Senior Vice President and General Counsel
Association of Corporate Counsel (ACC)

Martine Turcotte is a very happy lady—at least for a while. She recently won a decision for her client, BCE—the Canadian telecommunications giant—in a US federal court in a case that raised questions (and the specter of unpleasant results) about what many of us do on a daily basis without a lot of thought. Martine's experience provides a caution to us al—don't provide legal advice to subsidiaries without safeguards in place.

Many ACC members work in companies that have partially or wholly-owned parents, subsidiaries or affiliates—call them corporate family members. Many times, and certainly when the entities fully share the same ultimate ownership, in-house counsel provide advice for entities across the family (and their employer client's "borders"), in order to ensure that appropriate policies and practices are adopted and followed by each of the entities. It's in each of the entire family's interests for other members of the family to stay out of trouble (avoiding reputational run-off) at least, and at best to be properly coordinated when they share a variety of common interests: the same regulators, suppliers, customers, industry partners, investors, and so on. And for the most part, this approach works very well. Indeed, we all know the repercussions that would follow a failure in a related entity that the parent or other corporate family members knew about but "ignored": the entire family of brands would be tarnished and the entire entity group pilloried.

But even cross-counseling that works well "for the most part" still has room for the exceptions. Martine's company, BCE, has been engaged in a grueling battle before the Delaware courts for more than five years litigating with former US subsidiaries and their creditors regarding BCE's decision to stop financing the operations of one of its struggling former subs, Teleglobe. The two sides haven't gotten to the meat of the underlying matter yet. They're still arguing over privilege claims stemming from whether client services provided by BCE in-house lawyers to Teleglobe (when it was a sub) entitle Teleglobe to see BCE privileged communications and work product that would otherwise be protected from a hostile party's discovery demands.

The disputed material pertains to BCE's inside and outside legal advice to the client regarding its decision to pull their financing, including presentations by BCE's chief legal officer—Martine Turcotte—to the board and opinions from outside law firms, all discussing ramifications of the company's decisions on the defensibility of the kind of litigation it now faces. BCE claims that these events occurred after they severed joint representation of the sub; Teleglobe claims otherwise, arguing it has the right to see everything that passed through BCE's in-house law department because in-house lawyers, at one time, had provided Teleglobe with legal advice on the financial commitments, meaning the subsidiaries share the legal privilege.

When Martine approached ACC and asked for our opinion and support, we thought the issue was one that deserved attention; after reviewing the facts and the rules, we decided to file amicus rather than risk allowing the lower court's decisions in favor of Teleglobe's discovery demands to become precedent. Our brief is online at *www.acc.com/public/amicus/teleglobe.pdf*.

The Court of Appeals agreed with BCE's and ACC's arguments, citing our amicus in a 93-page decision written by Judge Ambrose and handed down July 17, 2007 *(www.acc.com/public/amicus/teleglobeopinion.pdf)*. The court vacated an order from the US District Court in Delaware that would have forced BCE to produce 900 privileged documents, remanding it back for further examination. But they didn't stop there. They all but wrote a handbook on how parents and subsidiaries can steer through the tricky shoals of shared legal advice and keep the parent's privilege intact. Along the way, the court discusses a number of major issues and doctrines, including (1) the attorney-client privilege, (2) the disclosure rule and the requirement that communications be in confidence, (3) privileged information sharing under (a) the co-client or joint-client privilege and (b) the community-of interest or common-interest privilege, (4) the exception for adverse litigation, and (5) the problems that arise when the interests of the clients in the joint representation begin to diverge.

What I'll discuss further below and what the court held is this: There's nothing wrong and a lot right with the concept of in-house counsel providing legal services across corporate family lines. But there are risks and they can be addressed with forethought. Indeed, it is advisable for in-house counsel to have paperwork in place so that the moment parent and subsidiary realize their interests might diverge through spin-off, insolvency or sale, the parent can sever its legal ties and counsel arrangement, and get the subsidiary separate legal counsel. But, as these deals can take months to play out, there's no reason the parent can't then continue to provide the subsidiary with legal advice on other non-related matters without putting its privilege at risk.

Good advice, but of course, when is "the moment" of realization, how can the shared legal services relationship be effectively severed, and what is now to be avoided as conflicted representation, and more?

ACC has created an important article *(www.acc.com/public/attyclientpriv/parentsbcrprsnttnethics.pdf)* that reviews the following issues for your consideration to avoid learning BCE's lesson the hard way:

- When, and to what extent, the representation of wholly or less than wholly-owned entities by a single in-house legal department raises conflicts issues for in-house counsel.
- An overview of attorney-client and work product privilege in the context of multi-entity enterprises.
- Conflicts and privilege issues that can arise once the decision has been made to sell an entity or its assets, or once the sale has been completed.

* Please note that this article was written before the BCE case was decided, and while we're amending it to reflect the impact of this recent decision, it may not be finished with those revisions by the time you read it!

Further, we suggest that you may wish to consider executing a form of a joint defense agreement if you/your legal team provides services to multiple entities in the corporate family. A joint defense agreement allows a counsel for one client to work with another client on matters in which they share common interests, and which they agree do not present conflicts. A joint defense agreement asks the parties to recognize that the lawyer represents one of the clients and the lawyer's loyalties will remain with that client should common interests at some point diverge. Thus, if a conflict arises in the future, the joint defense relationship is automatically severed. It's a neat little tool that's simple to execute and helps protect both you (professionally), and your client (in case business interests diverge in the future) resulting from your services provided across the corporate family. *(www.acc.com/vl/index.php?action=search&full=yes&anytext=Joint+Defens.)*

I've borrowed and consolidated some of the themes from our overview of joint representation in a multi-entity environment for your consideration below. Thanks and cudos go to Peter Jarvis of Hinshaw & Culbertson, one of ACC's ethics specialists.

Current-Client Conflicts of Interest in a Multi-Entity Setting

There is no general black letter rule of professional conduct that defines the term "client," and a favorite on the in-house counsel ethics hit parade is always the topic of identifying the client in thorny situations. On the other hand, ABA Model Rule 1.13, Organization as Client, provides a starting point: I've included some of the pertinent sections below:

(a) A lawyer employed or retained by an organization represents the organization acting through its duly authorized constituents.
(f) In dealing with an organization's directors, officers, employees, members, shareholders or other constituents, a lawyer shall explain the identity of the client when the lawyer knows, or reasonably should know, that the organization's interests are adverse to those of the constituents with whom the lawyer is dealing.
(g) A lawyer representing an organization may also represent any of its directors, officers, employees, members, shareholders or other constituents, subject to the provisions of Rule 1.7 [regarding certain conflicts of interest]. If the organization's consent to the dual representation is required by Rule 1.7, the consent shall be given by an appropriate official of the organization other than the individual who is to be represented, or by the shareholders.

According to Comment [1] to this rule, the words "Other constituents" refers to "the positions equivalent to officers, directors, employees and shareholders held by persons acting for organizational clients that are not corporations." Thus, it does not expressly include all ostensibly related entities. On the other hand, "constituents" can certainly include entities that are stockholders in other entities, and the rule more broadly acknowledges that representations may cross single organizational lines.

If, in fact, any non-clients appear to be in doubt about whether the lawyer represents them, the lawyer must explain that she does not. *See id.*; ABA Model Rule 4.3. Whether in a context of entity or individual clients, the test developed in caselaw and in ethics opinions to determine who is and is not a client, depends upon the subjective belief of the putative client and secondarily on proof of facts that it was, at least to some degree, reasonable for the client to hold such a belief.

Stated another way, in-house counsel who actually provides legal advice to multiple entities, or who allows those entities to form the reasonable belief that they are clients, will be held to have multiple clients. Once this conclusion is reached, the attendant duties of loyalty and confidentiality that are part of the representation of any client apply to these intended or unintended entity clients. As a practical matter, the only way for counsel to seek to limit these duties once they attach is first expressly to disclaim them (in writing, if at all possible) and then to make sure that her conduct is consistent with any disclaimers. And the only way to be certain that an attorney-client relationship is at an end is to end it clearly and unambiguously. When a client has reasonable, ongoing expectations of a relationship based on a history of past work, a court may view the relationship as a current-client relationship even though, as of a particular date, the lawyer is not actually doing work for that client.

The Current-Client Conflicts Rule

ABA Model Rule 1.7 is typical of current-client conflicts rules throughout the US and, in fact, has directly been adopted in some form by most United States jurisdictions. It provides in pertinent part that:

(a) Except as provided in paragraph (b), a lawyer shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if:
(1) The representation of one client will be directly adverse to another client; or
(2) There is a significant risk that the representation of one or more clients will be materially limited by the lawyer's responsibilities to another client, a former client or a third person, or by a personal interest of the lawyer.
(b) Notwithstanding the existence of a concurrent conflict of interest under paragraph (a), a lawyer may represent a client if:
(1) The lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;
(2) The representation is not prohibited by law;
(3) The representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal; and
(4) Each affected client gives informed consent, confirmed in writing.

The current-client conflicts rules can briefly be summarized in terms of veto power. Although Texas takes a different approach as a matter of state law,[1] the current client always has veto power to prevent the lawyer from acting adversely to that client in all other United States jurisdictions. Indeed, in some situations (which vary from state to state) a lawyer cannot proceed adversely to a current client even with consent. *See, e.g., In re Johnson*, 300 Or. 52, 707 P.2d 573 (1985); Restatement (Third) of the Law: Law Governing Lawyers §128, reporters' note cmt. c (2000) ("Restatement").

It also bears mention that over time, a situation that did not initially present a conflict or require a waiver can develop into one that does. Similarly, a previously valid waiver may have to be repeated if the facts change in material and unanticipated manners. In fact, it is also possible that a situation that began as one in which no conflict existed, or in which only a waiveable conflict existed, can turn into one in which (depending upon the rules of the jurisdiction) continuing representation, even with a waiver, is not permissible. *See, e.g., In re Stauffer*, 327 Or. 44, 956 P.2d 967 (1998); Oregon Formal Op. Nos. 2005-122, 2005-40.

One final point. Legal departments are "firms" within the meaning of the conflicts rules. *See, e.g.,* ABA Model Rule 1.0(c). Unless the situation is one in which screening to avoid conflicts is permitted by applicable law, a current-client conflict that is attributable to one in-house lawyer will be attributed to all members of the legal department—the same rule that applies to outside firms. *See, e.g.,* ABA Model Rule 1.10; Restatement §123, cmt. d(i) (2000).

As a general proposition, all representations of multiple "current" clients create at least a theoretical potential for conflicts, but again generally, simultaneous presentation of wholly commonly owned and solvent entities will not usually lead to conflicts problems. When common ownership is less than complete, the potential for current-client conflicts becomes greater—even if one of the entities has a sufficient ownership interest in the other to exercise effective control. When the interests of multiple but related clients are in conflict, conflict waivers must be obtained from disinterested parties in order for the joint legal representation to continue since the in-house lawyer is professionally obligated to its employer-client under the rules previously discussed.

In the situation of an insolvent related entity, it is a matter of black letter law that management and the board of the entity owe their duties to continue to run the entity for the benefit of its creditors, and not for the benefit of its equity owners (as would be the case if the business were solvent). In what are called "deepening insolvency" situations, lawyers and other advisers whose actions increase the degree of insolvency (and therefore of creditor debt) in an attempt to assist the equity owners are at risk of being sued. While there are many unknowns in these situations, it seems relatively clear that in-house counsel of a multi-entity enterprise who wish to act for the benefit of a solvent entity and to the detriment of an insolvent entity, and who appreciate that's what they are doing, act at their potential peril.

So what about the attorney-client privilege—how is it applied in a multi-entity joint relationship? In general, if there is co-representation on an issue, then there is co-attorney-client privilege, which can be enforced against third parties, as well as now-feuding entity family members. (There can be privilege between co-entities sharing a lawyer, as well as separate privilege that is not shared if the entities have their own counsel on non-shared matters, too. They are not mutually exclusive.)

Thus, in Martine's case, the court held that documents created by the in-house lawyers during the joint representation were discoverable to both parties. The dispute arose over documents and communications that took place after BCE claimed it had severed its joint legal relationship on all relevant counseling to its sub. And the court agreed that it is possible to not only sever the joint defense relationship in its entirety on a going-forward basis, but also possible to continue representation on non-disputed matters (say, IP management or environmental compliance) and sever it on disputed matters (relating to financial business decisions, for instance).

Of course, all of the rules pertaining to privilege still apply: it can be waived if confidentiality is broken by any party to the privilege (include the related entity which has received legal services from another family members' lawyer and then divulges the confidential information to a third party), it does not survive the crime fraud rule exceptions, and it does not prevent anyone from investigating facts (since privilege doesn't cover facts, it covers communications and related work product of lawyers). See ACC's resources defining in-house privilege application, waiver, and best practices to ensure that privilege is properly protected: *www.acc.com/php/cms/index.php?id=84*.

The trickiest part of the equation is figuring out at what point the relationship must be severed in order to be able to claim privilege with lawyers who formerly advised from now-hostile subs: Is the point prior to any "negative" assessments or actions, or upon some form of notice? Or is there some kind of material conflict standard? The answer is not clear, and thus, ACC recommends considering adoption of joint defense agreements between entities sharing legal counsel. This enables the company to notice the affiliates, with whom it's sharing counsel, of what the terms of the sharing are, and also to sever the relationship formally when there is concern that a notice that can be pointed to must be given.

Other Practical Considerations:

- Consider non-representation of some entities: just because you can, doesn't mean you should. Some entities may not be well suited to share your services because of the potential for conflicts or waivers or other issues. It's okay to just say "no" and encourage them to get their own counsel.
- Clearly limit the scope of representation (and do it in writing); don't try to be everybody's lawyer for everything, or you may end up being barred from being anybody's lawyer for anything. If their needs are many, then other family members may need to hire their own in-house counsel or the family may wish to pay for outside representation where it's needed. This is especially important if the affiliate might at some time be sold: where documents are requested by the buyer, it will be easier to limit them to those covered in the scope of representation.
- If you do need to sever the relationship, ABA Model Rules 1.9 and 1.10 allow you to do so, only if you end it prior to any material legal work impacting the severed party's representation has begun. So don't wait to sever a relationship until the matter raising a conflict is too ripe.
- Confirm in writing what will or will not be shared before the representation begins to help ensure that if and when it ends, the files that may be open to both parties are limited to those agreed upon in advance.
- Beware the "sale" of privilege before the sale of assets is considered in a related entity that has shared legal services and is now to be sold. See John Villa's excellent article on this subject at *www.acc.com/protected/pubs/docket/nd01/ethics1.php* and *www.acc.com/vl/index.php?action=search&full=yes&anytext=Villa*.
- Watch what goes out the door and act promptly if a mistake is made and something is inadvertently disclosed. Generally, if inadvertently disclosed and quickly remedied, the rules and courts will allow you to put something that shouldn't have been shared back into the privileged "box."

The only thing that's clear is that there is still much that is unclear for the counsel who navigates this twisting path. But the need for, and practicality of co-counseling related entities is so apparent, and the risks attendant to ignoring ill-advised behaviors in related entities is so high, that today's in-house lawyer (and her client) has little choice but to venture forth and provide co-counsel. But, forewarned is forearmed: Exercise caution!

If you have questions or if I can be of service, please feel free to call me at 202.293.4103, x318, or email me at *hackett@acc.com*. ACC's advocacy and ethics team is waiting to serve you!

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1 *See* Texas RPC 1.6.

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But if that sense of exasperation lingers and begins to grow, then it may be time for a change. One way attorneys who want fresh challenges within the world of law can jumpstart their careers is by pursuing a lateral move.

Lateral moves are ideal for in-house counsel seeking to reignite their passion for meaningful work without abandoning their profession. Moving laterally will provide a seasoned lawyer with new challenges without significantly altering responsibility or compensation levels.

Lateral moves can occur in a variety of ways: In-house counsel could switch employers or move to a law firm. An assistant GC or corporate counsel of a large corporation might join a smaller company within his or her same specialty and take on new challenges. A lateral move need not even involve a new employer: Changing practice areas within a firm or corporation can open up a new set of opportunities in a familiar setting. In today's hiring environment, many employers are willing to be flexible with specific practice area knowledge if a legal professional has the tenure and skills to succeed in a new position.

Have a plan

Stepping out of the comfort zone of a current position can be initially unnerving for anyone who's spent years honing skills and building contacts, colleagues and clients in a particular field. So it's something that should be done with the same planning and research a lawyer would put into making a more dramatic career change.

To make the most satisfying lateral move, it's vital to determine what is prompting thoughts of a change. Is growth potential lacking? Have recent mergers or acquisitions put a job at risk? Have responsibilities or appealing assignments diminished? Or have some workplace duties become rote and dreaded? The more accurately attorneys can diagnose what they dislike about their current workplace, the more easily they'll be able to pinpoint those sources of dissatisfaction—and avoid them—when investigating potential future employers.

While identifying negatives is key, lateral move candidates will also need to put serious thought into identifying the aspects of their job and career they've most enjoyed. Some lawyers thrive in work environments that provide intellectual stimulation and the opportunity to prepare and present complex, scholarly briefs. Others find that the most satisfying part of their job is protecting civil rights. Some attorneys want more opportunities to participate in crafting business development strategy for a law firm or a corporate client.

To help figure out what path they might want to pursue, lawyers mulling a lateral move would be wise to draw up a list of career highlights. They should ask themselves which assignments and projects they were most enthusiastic about in the past year and why. What was so appealing about them: working with clients, crafting policy, research, working as a team?

Take inventory

Equally important is to take inventory of personal values and needs. Corporate attorneys who want to spend more time with their families, for example, will quickly rule out lateral moves to high-stakes litigation or international transactional work.

A successful lateral move also requires an honest evaluation of skills. Referring to their "career highlights" list can help attorneys create an inventory of professional abilities. This list should encompass more than career accomplishments (such as cases won or mega-contracts negotiated); instead, it should include talents that can be transferred from one job to another.

Those talents might include a knack for analyzing complex legal material or corporate documents, skill at synthesizing information from a variety of sources, or (for corporate lawyers with previous law firm experience) the ability to craft strategy for client business development. Prospective lateral movers might want to ask a mentor or trusted colleague to review their list and point out any omissions.

Sharpen skills

As important as assessing strengths is determining shortcomings. Lawyers ready for a lateral move may need to bone up their knowledge of a specific practice area to stay abreast of legal developments. Continuing legal education (CLE) courses can help fill gaps, as can training in specific software or new technology.

Don't neglect interpersonal skills either. In-house counsel eyeing a lateral move to advocacy work for instance, might benefit from involvement in Toastmasters to boost their comfort and ability at public speaking.

Investigate the possibilities

Once a lawyer has taken inventory and chosen a direction for a lateral move, the next step is to identify and target possible opportunities. Before making a commitment to a new field, consider working in that arena as a legal project professional. A few weeks or months as a contract attorney offers an opportunity to sample a career without a long-term commitment. That stint will also provide relevant, recent experience that is bound to impress a prospective employer. And it's also a way to build connections that are vital to landing a new job.

Don't forget friends, alumni associations, professional groups, local bar associations and colleagues when seeking job leads and introductions. One of the most effective ways to get a foot in the door of hiring managers is to have a referral from someone they know and respect.

Attorneys who have carefully researched a lateral move and can sell themselves in an interview should be strong contenders for the jobs they're seeking. What prospective employer wouldn't welcome someone with legal experience and the skills and enthusiasm to succeed? Those lawyers who reinvigorate their careers by taking a step to the side are proof that a lateral move can be a smart move indeed.

Challenges and Strategies for Recruiting Top Attorneys in the 21st Century

By Joy M. Phillips, J.D.
Division Director
Robert Half Legal®

Demographic changes, technology and shifting employment expectations are prompting the legal industry to update its recruitment practices—especially with regard to those just entering the workforce or recently having done so. To remain competitive and recruit top entry-level attorneys or those with one to three years' experience, corporate legal departments must make it a priority to adapt their staffing and management practices to keep pace with what newer attorneys desire most. Organizations that do not recognize and respond to the priorities of the next wave of legal professionals could have difficulty maintaining first-rate, productive teams.

Recruitment Challenges: Attracting Top Talent

A shift in values among today's attorney entrants means in-house counsel may need to re-think some of their hiring practices if they expect to recruit the best candidates. Often, the newest group of incoming attorneys have very different visions of an ideal work environment than their more tenured counterparts. While stereotyping should be avoided, anecdotal evidence plus commentary in the news media and from organizations such as the Society for Human Resource Management point to some characteristics that should not be ignored when creating recruiting strategies.

A survey of 1,200 Gen-X professionals (approximately 24 to 41 years of age), by Charlotte and Laura Shelton, authors of *The NeXt Revolution*, found that the top three factors this generation seeks in a job are positive relationships with colleagues, interesting work and continuous opportunities for learning. The Sheltons discovered that these individuals are apt to step off the career ladder if they feel their work lacks meaning or purpose.

More and more, up-and-coming workers regard flexible scheduling as a necessity. According to a study of high school students conducted by the Families and Work Institute, 59 percent of high school males say they will want to reduce

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their work hours when they have children. To attract junior corporate counsel and law school graduates, a growing number of legal departments are seeking ways to help in-house staff better manage both work and personal priorities. While corporate counsel may be required to work long hours, it is essential to provide options that allow for some flexibility to attract and keep top talent.

Recruitment Strategies for the 21st Century Legal Department

Allowing professionals to telecommute from home or satellite worksites when a day's activities do not require face-time can help them counterpoise the stress of their workweek with more personal time. Increasingly sophisticated mobile technologies are making flexible scheduling more feasible today. Junior lawyers, having grown up with cutting-edge technology, will likely welcome these alternatives, if not expect them. Establishing a compressed workweek, such as four longer days with one day off, is another possibility, but the terms of these arrangements must be carefully designed to avoid jeopardizing service levels to internal clients.

Besides work-life balance, today's entry-level candidates are choosing their ideal workplace based on a number of other priorities, including opportunities for ongoing professional development, formal mentoring and career advancement. One way that legal departments are meeting these needs is through the use of targeted performance evaluations and career discussions that allow them to identify their attorneys' professional goals at an early stage.

The most progressive departments have invested heavily in individual attorney development, leadership training, and coaching and mentoring programs. Thanks to advancing technology, legal departments of all sizes can still provide effective educational and training opportunities without the cost, time or headcount associated with partnering with outside educational institutions. Law offices can download talks by experts on business development issues from the Internet, for example, and make those webcasts available to associates.

Advancement opportunities can be limited in the hierarchy of many legal departments. One solution is offering in-house counsel non-legal positions within the company in situations where ambitions and skills align. This enables attorneys to advance their careers and, at the same time, develop business skills. It likewise benefits companies by enhancing lawyers' understanding of the business, and refines their ability to identify and avoid potential legal issues. This can serve as valuable preparation if and when an attorney resumes a full-time counsel position.

Besides workplace policy improvements, the recruitment process itself also needs to be kept current. New lawyers entering today's corporate legal environment tend to rely heavily on technology and the Internet to research employment opportunities and potential workplaces. Legal departments that recognize this trend and dedicate resources to an online presence will have a competitive edge. Company websites that offer detailed information regarding their workplace culture, career paths, training, rewards, work-life balance and diversity will be most effective in attracting candidates.

Likewise, traditional compensation packages are no longer sufficient for attracting incoming attorneys as they were in generations past. Today's legal departments should re-evaluate their benefits and workplace policies to ensure that they create incentives and provide rewards that junior lawyers desire. Communicating these benefits in recruitment materials reinforces to candidates that the company is committed to motivating and rewarding its attorneys in ways these professionals consider most meaningful.

When to Consider Legal Project Professionals

In addition to recruiting full-time legal staff, many departments are utilizing the expertise of legal project professionals. This approach has a number of advantages. Project attorneys can provide immediate access to specialized skills, which are helpful when this knowledge is not available internally or needed long term. Alternatively, project professionals can be assigned routine legal tasks, which can relieve heavy workloads and free up internal staff to focus on more challenging assignments. Using project attorneys also helps law offices control human resources costs, since interim staff work only when needed, and is a great way to evaluate candidates for full-time positions.

As in-house legal organizations seek to recruit today's attorneys, an important step is investigating the trends affecting the attitudes and motivations of these professionals. When the full effect of impending baby-boomer retirements begins to emerge, legal departments that implement strategies to attract attorneys based on their career priorities will be better able to maintain adequate resources for serving internal clients.

Strategies for Successful Salary Negotiation

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To address increased workloads related to new regulatory requirements and other responsibilities, corporate legal departments need to ensure they attract the most highly skilled attorneys, paralegals and other legal professionals. In many instances, a competitive compensation and benefits package can be the deciding factor for candidates, making skillful salary negotiation one of the most critical steps in the hiring process for senior counsel facing pressure to control staffing costs.

Job seekers have access to an extensive amount of salary information from books and websites, and typically enter negotiations armed with knowledge about what they are worth in today's market. For negotiations to be successful, you must be equally prepared with all the relevant data at your fingertips and a clear strategy in mind.

Develop a Competitive Offer

Enter salary discussions with an accurate, up-to-date understanding of the latest compensation trends. Your offer should be fair and consistent with current standards at your company and in the legal field overall. For help in making this determination, consult trade association reports, government data and salary surveys. Robert Half Legal's 2005 Salary Guide lists prevailing salary levels for corporate attorneys, paralegals, legal secretaries and other professionals. In addition, online job boards and newspaper classifieds often include the pay rates offered by other employers. Ideally, you should pay slightly more than your competitors to enable you to stand out and attract candidates of the highest caliber.

The reality for many legal departments, however, is that budgets are still tight. If you are unable to offer a higher-than-average starting salary, consider other incentives. Stock options, signing bonuses or extra vacation time are all attractive elements of an overall compensation package.

Emphasize Non-monetary Aspects

Remember that prospective employees are also interested in work environment and corporate culture. Many attorneys coming from a law firm background, for example, are drawn to the corporate environment because they feel they will not face the pressure of meeting billable-hour quotas. Other candidates might feel in-house work will help them balance work-life issues more easily. While it's only fair to point out that not all in-house lawyers work fewer hours than their law firm counterparts, mentioning your company's reputation for being "family-friendly" or any special perks you offer, such as concierge services or telecommuting, can sometimes compensate for a slightly lower salary. Similarly, alternative scheduling options such as part-time work, job sharing or flex-time may make a candidate more willing to compromise on base compensation.

Extend the Offer in Person

A face-to-face meeting is the ideal way to present your offer. Within this context, you'll be able to give a detailed overview of the package, explain all aspects of salary and benefits and enumerate the advantages of working at your company. The meeting will also give the candidate an opportunity to ask pertinent questions or counter your offer.

If a candidate seems reluctant to accept an offer, don't give up immediately. Try to find out the reason for the hesitation and determine if you can make reasonable accommodations. For example, the attorney you'd like to hire for a staff position might have reservations about the potential for advancement, since many legal departments typically have a limited number

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