

My Take: Everyone Needs a Seat

Law Department Management





In my first chair's message, I stressed the importance of ACC's Seat at the Table initiative. It is essential for the legal function to be involved in the overall strategy and decision-making of the organizations we serve. And as we prove ourselves as strategic business leaders as well as legal advisors, we are being asked to lead areas beyond the legal department. For example, within my organization, I am responsible for enterprise risk management (ERM) and insurance. ERM is a new function within my company, while insurance formerly reported to another department. As we step up and take on increased responsibilities, our "seat at the table" should be assured.

The trend of other functions reporting to the chief legal officer is evident in the responses to the 2020 *ACC Chief Legal Officers Survey* report, with 75.6 percent of CLO respondents stating that the compliance function reports to them, followed by 36.4 percent who said the risk function reports to them. Other functions that report to legal include government affairs (27.7 percent) and human resources (20.2 percent).

What does this mean for in-house counsel beyond the CLO? I maintain that a member of the legal team should be in the room whenever important business decisions are being considered and made. When a new product launch is being discussed, or when the organization is considering how to respond to negative chatter on social media, a member of the legal team should be there — not only to advise on legal risks, but to offer solutions that present the right risk/reward ratio to the company.

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According to the CLO survey, organizations and company executives understand this need. The survey looked at categories of risks and their importance as evidenced by the resources allocated to them, and 63 percent of those surveyed indicated that business risks were the priority, followed by financial risks (21 percent). The vast majority of CLO respondents, 62 percent, said they are consulted on business risk, and 30.5 percent on financial risks. In other words, the legal team's input is being sought on the basic components of a company's success: staying in business and making money.

Last month I shared that my goal as chair is to expand the discussion of ACC's Seat at the Table initiative to include all levels of the legal department. I asked you to think about what having a seat at the table means to you, no matter your current position within the legal department. What does it mean to you, your organization, your community, and the larger legal community for you to have a seat at the table? Further, what do you do when your voice isn't being heard, or your access to the table is not supported by your organization? One thing you can do is turn to your vast ACC network. One of the most valuable aspects of your membership is the connection it provides you to other in-house counsel and their rich and varied experience.

I look forward to discussing with you how we show our collective value to our organizations and the business community as a whole, and how we can continue to earn and claim a seat at the table.

Jo Anne Schwendinger



Chief Legal & Compliance Officer & Secretary

II-VI Incorporated

Jo Anne Schwendinger is the chief legal, compliance officer, and secretary of II-VI Incorporated. She serves as the chair of the ACC Global Board of Directors.