

MULTILAW CONNECT

2/2024



Introduction

Welcome back to the Multilaw Connect magazine, exclusively created for our in-house legal community.

In our latest magazine, we bring you three exciting articles: Jiří Černý provides practical advice on improving risk management within your own organisation. Philipp Herold tackles compliance whilst getting to the heart of how lawyers can and should be adapting their approach to tap into the talents of 'Generation Z'. Finally, Diego Pérez Grijelmo shares insight on leadership for in-house counsel to aid your career progression.

Following our first edition, I reached out to get a sense of what exactly you wanted to read in future editions of the

Multilaw Connect magazine. Each of the topics included in this edition have been created in response to the survey insights we gained from you.

Multilaw Connect is a community that is shaped by its members, so thank you for your continued collaboration. Feel free to get in touch with any thoughts you would like to share on our community at adam.cooke@multilaw.com.

I hope you enjoy the read!



Adam Cooke

CEO
Multilaw



Legal risk management: A proactive, integrated approach



Jiří Černý

Legal, Compliance & Corporate Security Director,
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The management of legal risks is a crucial part of the broader risk management discipline.

In risk management, it can be so easy to become lost in tactical responses to a myriad of risks, without actively managing them at the strategic level. Which is why my first recommendation for all practitioners is to apply a general risk management methodology. This will help you best identify, assess, mitigate and monitor legal risks, highlighting the areas you need to prioritise.



01 Distinguishing legal risks

When separating legal risks from other risks, I tend to focus on the legal team's involvement. I consider legal risks as those that are actively managed, or that should be managed, by a legal team. In other words, if they materialise, the legal team will be responsible for dealing with them.

It's rare that risks are managed solely by legal teams, with responsibility usually shared with other internal functions. If you're looking to define these separate responsibilities, I'd advise using an RACI matrix. This will drive clarity and save you from making assumptions around whose responsibility the risk might be.

An RACI Matrix defines different levels of responsibility as follows:

R – Responsible: The team that is responsible for the correct completion of the task

A – Accountable: Someone who is delegated tasks across the project

C – Consulted: Subject matter experts – including lawyers – who are consulted where necessary

I – Informed: The teams kept up to date with ongoing progress



02 Prioritising your risks

Once you've identified which risks count as legal – and the extent to which that's the case – you'll need to prioritise them. The best way to do so is by keeping your company's values and each risk's possible impact on business KPIs at the front of your mind.

A legal team's time is a constrained resource, and the way you use it needs to strive for the best return. If it is distributed to all legal risks equally, some areas will be underinvested, and some overinvested. Keep them connected to business outcomes and a path for prioritisation becomes clear.

A great way to consider which legal risks to put higher on your agenda, is to go through individual categories of risk – Privacy, Cybersecurity, Competition law, and so on. Keep considering how these risks could impact delivery of your business KPIs. All risk categories have their own subcategories, which should be assessed on their own merit.

03 Respect to fundamental principles

In spite of Point 2, there are certain principles that should be respected irrespective of their impact on company KPIs – categories like anti-bribery, health and safety compliance, and truthful and accurate accounting. These fundamental principles are a matter of integrity, and should be separated from legitimate risk assessment.

There might be moments when a risk assessment is blurred by various contradicting motivations. In these situations, I go back to basics, looking into the company's purpose and measuring the risk against it. In the absence of the company's purpose, you could consider how confident you and your organisation are in defending your position, should it ever go public.



01 The importance of acknowledging risk

Risk acknowledgement and acceptance of residual risk will always be a part of the risk management routine, and should never be replaced with risk denial.

Risk denial happens when we deny the risk exists, or when we discount its likelihood and materiality.

The risks we are not aware of are those we should be worried about the most. When such risk materialises, it brings a moment of surprise and possible disruption your organisation might not be ready for, as well as raising a legitimate question: **what could the legal team have done differently to have identified it?**

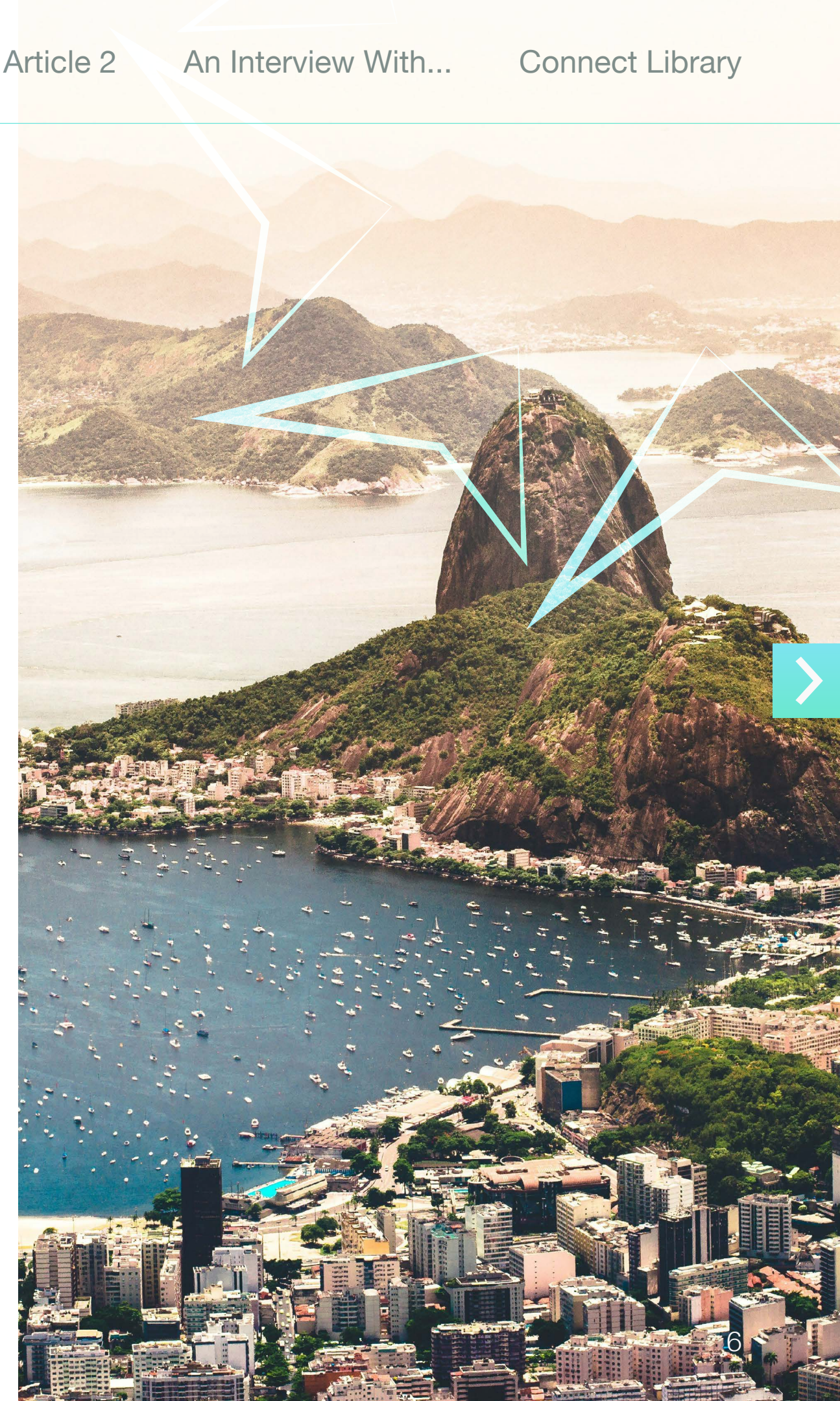
05 Defining success

Despite their best efforts, no legal team can completely mitigate against legal risks.

While we may not always control our external environment, we can control our response to it, and we should always be looking for opportunities to improve the way we react to, and reduce the effects of, new legal risks when they do arise.

When your house is on fire, your immediate response is not to focus on how to avoid the next fire, but instead to extinguish the existing one. Similarly, when faced with a competition authority dawn raid, you're not looking at how to design your next competition law training. But, when that moment of crisis is over, these materialised risks give you the best opportunity to learn and reassess your response to individual risk and overall risk management.

The definition of success in managing legal risk is not to avoid all risks. That's impossible. Instead, it's about setting a culture of learning and improvement that looks to better your management of legal risks, reduce their impact, identify hidden risks, and avoid any misinterpretation of how they might materialise.





Compliance and Gen Z - reframing regulation for a new generation



Philipp Herold

Head of Commercial Law,
GoStudent GmbH

Legal compliance is a constant battle between great challenge and great opportunity. Great challenges in terms of today's backdrop, which is an ever-changing cocktail of legal, social, economic, and technological developments. And also the opportunity to embrace these changes proactively.

In doing so, you'll be able to forge not only a business edge, but a stronger business future too – thereby changing our world for the better, step by step.

One of these many challenges – which is also a huge opportunity – is a new generation of employee characterised as Generation Z.

But who are Gen Z? Are they really all that different to the generations before them (or are they just – young)? What are their motivations in the workplace? Most importantly, how do we reframe the compliance conversation to not only include Gen Z, but to encourage active participation from them, or – even better – leverage their fresh mindset for compliance purposes? [Read on to find out.](#)



Who are Gen Z?

Born between 1995 and 2010, Gen Z are best known as the generation that grew up online. Because of this, they're seen as digital natives, capable of switching between the digital and physical worlds at will, both in their private and professional lives. But there are also negative perceptions. Stemming from their upbringing, they're often characterised as non-committal, unable to make decisions, and even lazy, all juxtaposed by a tendency to compare themselves negatively with those they see around them. Sometimes perceived as demanding without the drive to deliver, they often seem overwhelmed by the sense that they can't surpass the achievements of the previous generation, which can lead them to prioritise personal well-being over professional performance.

Even though we lawyers love categories and classifications, **these are largely unhelpful stereotypes.**

As someone who just missed being part of Gen Z myself, and who works closely with a great deal of Gen Z colleagues, I see a serious, dedicated generation. Perhaps, as a result of having grown up in tumultuous times, they place human connection, family, and

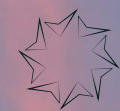
security at the forefront of their value set. However, this doesn't make them any less capable in the professional world.

Making compliance more engaging

I think it's fair to say compliance isn't always seen as an 'attractive' subject. And the tendency is to assume that Gen Z lacks the interest to engage with it. But responsible and ethical entrepreneurship is not the domain of older generations. In fact, it resonates perfectly with Gen Z's values of family and security.

Gen Z just reminds us that we need to place greater emphasis on issues that really matter in their lives. They're topics that can, and do, interest them, if served in an engaging, modern way.

Take data protection compliance as an example. While older generations might view it as dry,



cumbersome, or even demonised as an EU bureaucratic monster, Gen Z has an innate sense for protecting personal data. They share private information on social media daily, and many have likely experienced data or identity theft. As a result, they are keenly interested in understanding what happens to their data – and to data of their company’s clients.

Another example is ESG issues which directly affect them – think of climate change. These topics resonate deeply with Gen Z, who are acutely aware of their impact and importance. However, Gen Z will demand real, actionable solutions in this respect rather than mere lip service.

Gen Z can therefore remind us of what compliance truly represents: the moral compass of a company, rather than just a set of policies. While there might be some truth to the cliché that TikTok videos contribute to shorter attention spans in this generation, why not use that as an opportunity to deliver policies that are shorter, clearer, and more engaging?

So, is the problem with policy today really a generational issue? Who, out of any generation, can say they’re innately drawn to reading lengthy policy papers? We can better engage Gen Z – and the rest of us, for that matter – by focusing on more interactive, fun and high-quality content.

What does that engagement look like?

In short, it’s a shift from theoretical knowledge to practical knowledge based on a value set. It means mixing up communication channels and adopting innovative approaches to the content we serve.

Gen Z have a discerning eye for well-produced material, as they consume it from a range of places on a daily basis. That’s why it is worth investing in high-quality content for compliance purposes, too – you don’t want your employees’ favourite influencer to make your compliance e-learning platform seem old-fashioned, do you? Fortunately, the costs for creating such content are decreasing, making it more accessible for companies looking to elevate their compliance training and communication. Gamification, too, can be a valuable tool in this area.



Do Gen Z also need new tools to identify and report risks and misconduct?

When it comes to whistleblowing, it's best to meet Gen Z where they are and offer a couple of options to choose from. Providing tools for reporting their concerns on platforms they are already using not only makes the process more accessible, but also aligns with their preferences. Additionally, companies should monitor third-party platforms (like Trustpilot or Glassdoor) to better understand the concerns and issues that matter to young people.

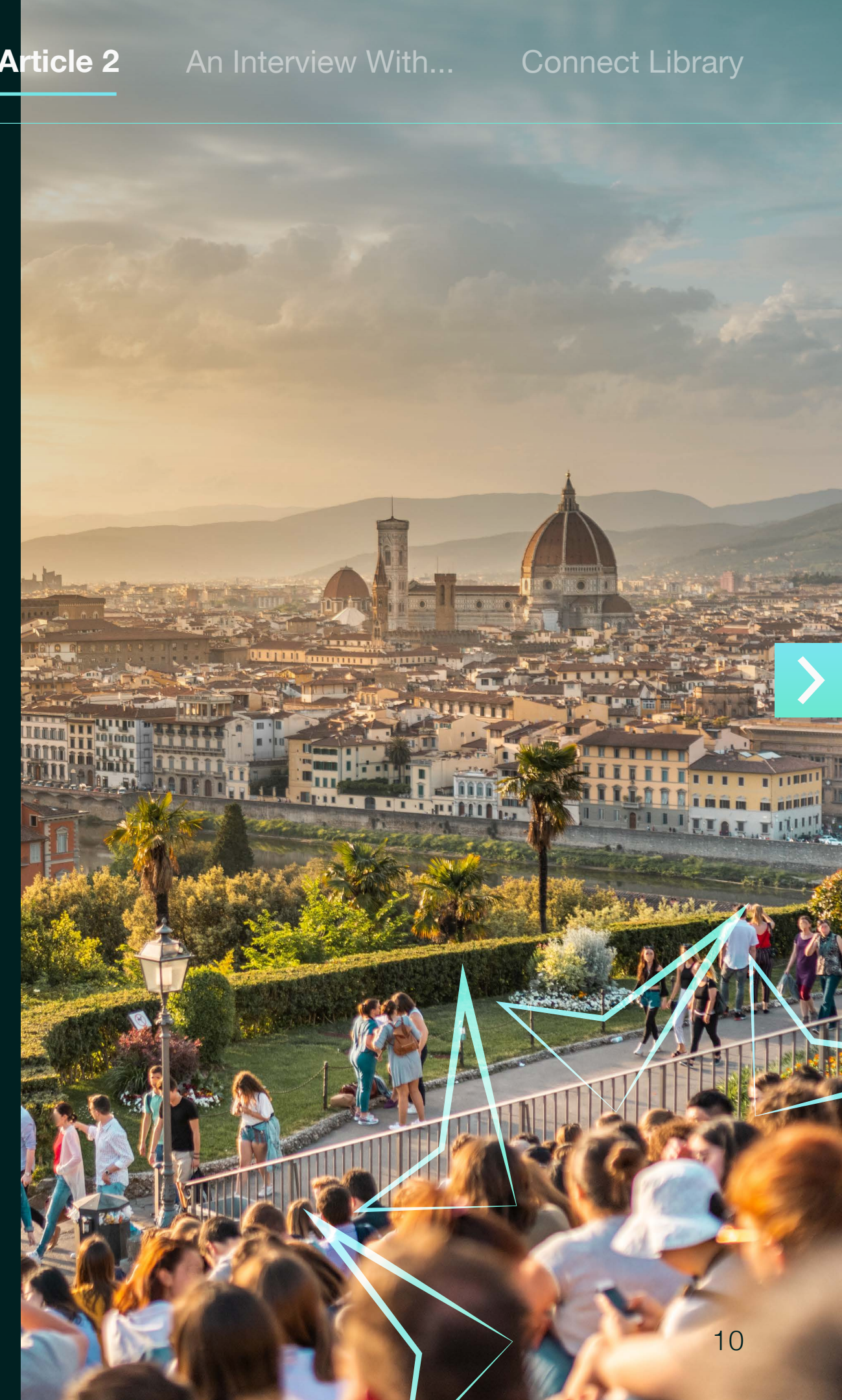
Harnessing Gen Z curiosity to strengthen engagement (and responsibility)

Gen Z also wants to be engaged and feel that they have something to say and contribute.

They are naturally curious. Maybe you've noticed

that they often want to know every detail about the last senior management meeting? This curiosity should be harnessed and encouraged. When they see their contributions come alive, it strengthens their connection to the organisation. The beauty of this is that contribution leads to responsibility – when you've contributed, you feel a greater obligation to uphold the rules and standards you've helped shape.

A nice side-effect of all of this is that aligning with Gen Z's values ensures that your company's values resonate with your future customers and, maybe even more importantly, with potential job applicants. In the competitive job market, having an up-to-date set of values, and demonstrating compliance with them, can significantly enhance your employer branding and attract (and retain!) rare top talent.





Embracing a compliance 'mindset'

They may have grown up online, but Gen Z strives to be a part of something real. Your Gen Z colleagues can absolutely buy into and embody your company's regulations if you shift them from a set of rules to be followed, to a set of cultural values to live by.

It's important to recognise that we should not see Gen Z as a threat to compliance, but as an opportunity. Just as we've always emphasised the importance of the 'tone from the top' in compliance, we now encounter a valuable 'push from the bottom' from Gen Z.

Management should embrace this dynamic, allowing Gen Z to take on responsibility and integrate their values into the company's compliance culture. Failing to do so might reinforce the stereotype of Gen Z as demanding yet non-committal. By leveraging their enthusiasm and aligning with their values, we can turn this generation into a powerful force (not only) for effective and engaged compliance.

To end, here are a few key learnings you can take from this piece:

- Successful compliance thrives on relationships – something that Gen Z values highly
- Gen Z's familiarity with digital environments makes them adept at managing current compliance issues like ESG and data protection
- Communication is key to strengthening these relationships. Part of this strategy includes investing in interactive, high-quality content to deliver content in a way that suits Gen Z
- Involving Gen Z in policy development, regardless of their seniority, fosters a sense of ownership and responsibility
- Aligning compliance with Gen Z's values boosts employer branding and attracts top talent
- "Responsibility" is not the domain of the older generation. It's something Gen Z can, and will, thrive from

Perhaps Gen Z is simply reminding older generations, uncomfortably, that responsibility must be genuinely embraced and not merely written down?



Leadership in 2024 with Diego Pérez Grijelmo:

5 key questions answered



We spoke to Diego Pérez Grijelmo, Head of Legal & Integrity (Spain and Portugal) at Hitachi Energy, to explore his learnings on leadership and personal development throughout his various professional endeavours.

01

What are your top priorities for the next 6 months as Head of Legal & Integrity at Hitachi Energy?

The current situation within the electricity sector is fascinating. Whilst there are many challenges to be faced, the industry is also making an incredibly positive impact on the society of the future. Electric power is the backbone of the energy transition to more sustainable energy sources, and Hitachi Energy is a key player in supplying the market with the equipment and services needed to meet the very high demand.

In this context, the Legal & Integrity department must be a facilitator of solutions. This means adding value to the company and being an important asset to the objectives we have set ourselves. In addition, the Legal & Integrity department must remain the guardian of what are our licenses to operate: Quality, Integrity and Security.

In order to achieve these objectives, teamwork, both among the Legal & Integrity team itself worldwide and with the different businesses that make up the company,

will be fundamental. Encouraging and facilitating such collaboration is, and will be, one of our key priorities.

02

The roles and responsibilities of in-house lawyers continue to evolve. What areas of personal development do you think in-house professionals should focus on over the next 12 months?

In-house lawyers today are not expected to maintain a passive position, nor should they advise only from a purely legal point of view. In-house lawyers are members of the team, who are expected to have a cross-cutting vision of the different business areas and to participate actively. This includes foreseeing risks and advising on all the impacts that a given action may have on the different areas of the company.

Therefore, starting from a good legal technique, the difference is made by the lawyers who best know the business and the technical part of the company's activity.



The greater this knowledge, the greater the lawyer's global vision of the needs of the business and, thus, the greater their contribution to the team. In short, I believe that in-house lawyers have to dedicate a lot of effort to know the business, the different departments and, very importantly, the internal processes of the company very well.

That said, it is clear that Artificial Intelligence has uncovered a world of possibilities for in-house lawyers. Surely, the different applications it has in the day-to-day work of in-house lawyers have yet to be fully discovered. But in order to harness its potential, it is important that we try to familiarise ourselves with this technology and the way we use it.

03 What do you think the future of in-house legal counsel will look like? Will it become flexible enough for individuals to balance both professional and personal pursuits at the same time?

I sincerely believe that the Artificial Intelligence that is emerging, and will continue to emerge, will force us to broaden our range of vision. In my opinion, it will force us to become better business advisors who will bring greater added value to the business. Of course, the more administrative work, or the simple application of the corresponding legislation, will be greatly affected by these tools. However, other aspects such as intuition, the design of the best strategy and the global vision of an opportunity or a problem is something that Artificial Intelligence will hardly be able to replace.

In other words, although I believe that, in the future, we in-house lawyers will have to be more actively involved in decision-making and assume greater responsibilities, the burden of administrative or "office" work will be less because we will have better tools to carry out this work. All this will, I hope, help to balance both professional and personal pursuits at the same time.

04 What leadership advice would you give to younger legal professionals that will help them advance their careers? What leadership or entrepreneurial advice would you give your younger self?

Certainly, they should not make career decisions solely because of the salary they are offered, or because it is what they are supposed to do as a law student or lawyer.

When someone finishes law school at a very young age, it is very difficult to answer the question of what they really like and what they want to do in the future. In my case, my long-term career was very low on my list of priorities at that time.

However, this is a question you should always be asking yourself, regardless of your age. And when you have the answer, set yourself that goal. There are times when starting this journey is difficult because it means leaving our comfort zone and jumping into the abyss. But my experience is that these trips always bring many positive



things. There is no doubt that we may not reach the goal we initially set for ourselves, but along the way other opportunities and projects will have arisen that will lead to personal satisfaction and professional learning that will always make it worthwhile.

05

How has your role as a legal professional helped you in your entrepreneurial career? And what entrepreneurial skills benefit you the most in your role at Hitachi Energy?

The beginning of my professional career was spent in very specialised boutique firms, with very important clients and matters that gave me the opportunity to participate very directly in projects from which I gained a great deal of professional and personal learning. In addition, specialising as a litigator exposed me to many situations in which I had to assume big responsibilities and make many decisions, which undoubtedly greatly enhanced my professional and personal growth.

Of course, when I embarked on my first professional project (the creation, with other partners, of my own law firm) that accumulated experience was of great value. Although I had to face many situations that I had never faced before: the main one, to get clients to cover the costs of the firm and, if possible, to earn some money (just at that time my eldest daughter was born).

My second professional project has nothing to do with the world of law. It is a dental clinic created together with my wife. When in September-October 2019 we took this step, we already had two daughters (today we have 3) and we did not have a comfortable economic situation, but for some reason we knew it was the right time to do it. We had found the answer to the question I was referring to earlier and decided to go for it. In this case, in addition to the experience accumulated as a legal professional, I had the experience of creating the firm, and all of this was of great help in considering how we would do it. It was clear that the fundamental issue was to provide the highest quality service at a reasonable price, while trying to reduce fixed costs to the minimum possible (but maintaining those necessary to provide the highest quality service).

As I was saying, we opened the clinic in September-October 2019, and I joined Hitachi Energy as in-house counsel in December 2019. Imagine what it was like to

find myself, six months after opening the clinic and three months after assuming my role at Hitachi Energy, locked up at home because of Covid-19! However, the truth is that that situation became a lever that pushed us all to get the best out of ourselves, and looking back now, I think we managed to overcome it in both cases with a very good grade.

All of these experiences, as well as more personal ones, have a lot to do with how I try to fulfil my role at Hitachi Energy. I think they have helped me to understand the importance of everyone in the team, and to be aware that it is essential to listen to other points of view and really try to understand the reasoning behind it. Of course, they have made me see that it is important to try to make well thought-out decisions and try to assess all the consequences that may arise. But, above all, they have made me lose the fear of facing new challenges, always being able to do it with all the illusion and motivation to carry them out.



06

How did you first get involved with Multilaw, and how is the network benefitting you now, as an in-house legal professional?

training courses in which law firms from all over the world have participated, which have been very enriching for the students, and we have had the support of other law firms in matters outside Spain. In short, Multilaw is today a very useful tool for us, which offers us a wide range of opportunities and a great security of having the best support wherever we may need it.

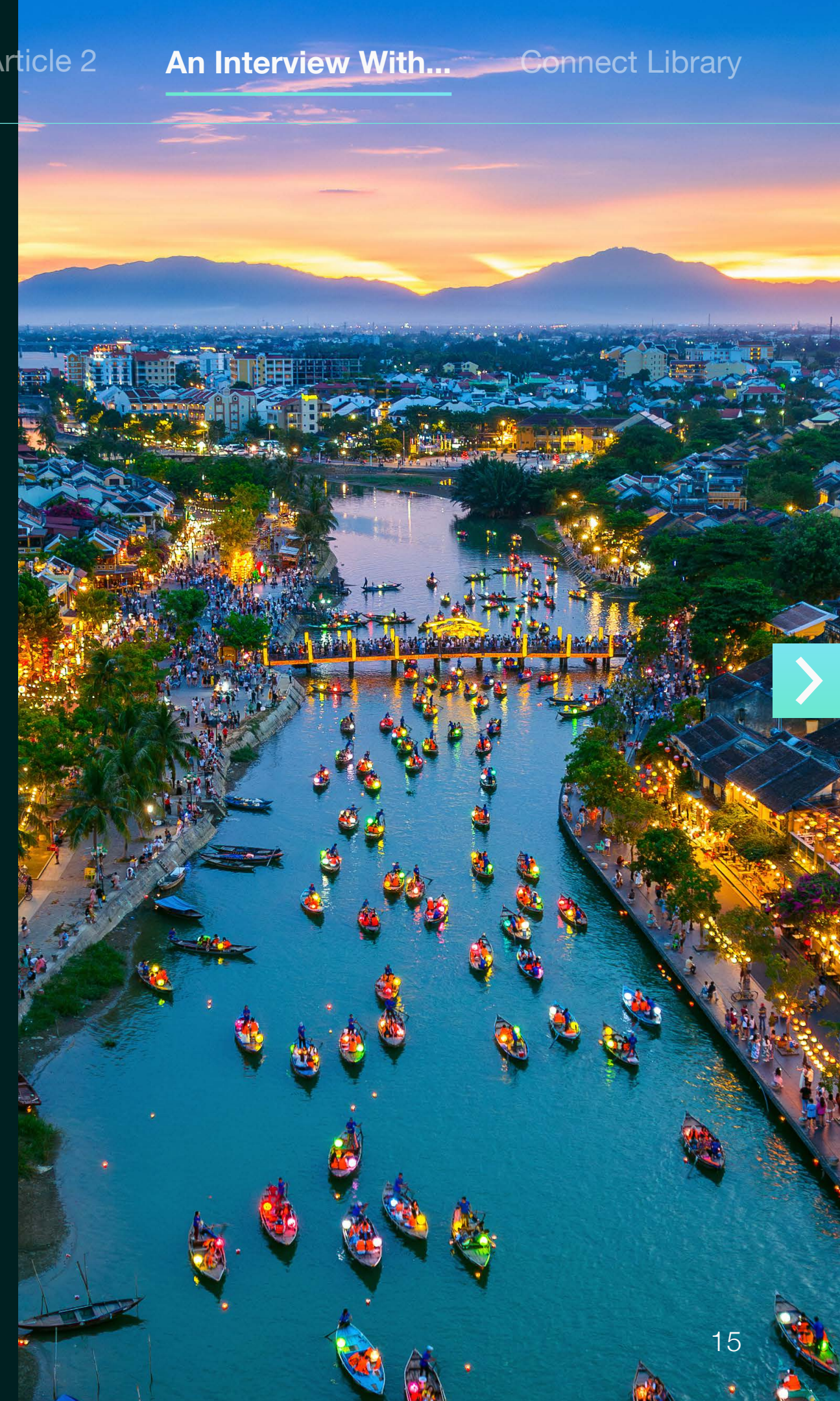


My first contact with Multilaw was through Giménez Torres Abogados, the firm I worked at for more than 7 years. During this period, not only did I use Multilaw to collaborate in matters that, for one reason or another, required a law firm specialised in other jurisdictions, but I was also fortunate enough to participate as a student in the Multilaw Academy. All of this was a great professional and personal experience.

Currently, Giménez Torres continues to be our law firm of choice and through it we have interacted on several occasions with other Multilaw firms. We have organised



Diego's LinkedIn profile





Connect Library

Welcome to the **Connect Library**! Dive into our curation of books, articles, and podcasts — ranging from compliance and data privacy to technical innovation and tackling big projects. All have been hand-chosen to pique your curiosity and help broaden your horizons. We'd love to hear from our Connect members, so if there are any recommendations you'd like to see in the next edition of our magazine, please email Caroline at caroline.kerr-martin@multilaw.com.



How to Be a Wildly Effective Compliance Officer: Learn the Secrets of Influence, Motivation and Persuasion to become an In-Demand Business Asset

Kristy Grant-Hart



“Technically Legal” - A Legal Technology and Innovation Podcast

Technically Legal is a legal tech podcast exploring how technology is transforming the legal landscape. Each episode features insightful interviews with legal innovators, tech pioneers, and forward-thinking educators who are leading this change.



How Big Things Get Done: The Surprising Factors Behind Every Successful Project, from Home Renovations to Space Exploration

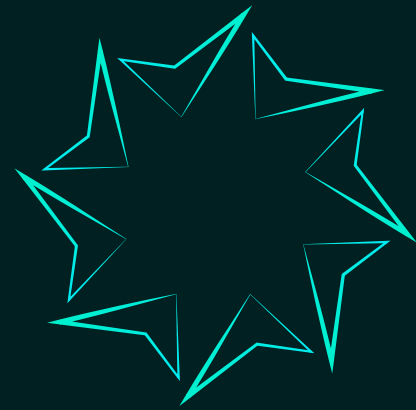
Professor Bent Flyvbjerg and Dan Gardner



“Privacy Please” Podcast

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