The Future of Leadership

Bucerius Center on the Legal Profession Study 2021 in Co-operation with Egon Zehnder
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There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things.

Niccolò Macchiavelli
What are the consequences of the “VUCA world” for how leadership will be exhibited in the future? What are the implications for leaders? The complexity of the current tectonic shifts to our world does not lend itself to easy answers. While several studies have sought to understand the future of leadership, little has been written about the future of leadership in the legal market.

This report is intended for law firm and legal team leaders, whether a newly elected Managing Partner, or long-standing General Counsel. We believe that the challenges facing leaders require a highly adaptive approach to leadership driven by reflection, relation and connection.

Through in-depth interviews with 30 leaders (13 Managing Partners and 17 General Counsel) we examined current perceptions around leadership in the future. What skills and mindsets will be key to success in the future? What individual qualities do leaders need to achieve personal and professional excellence and be successful at the top? What trends and challenges will shape leaders’ main focal areas? What are their respective perspectives on leadership, viewed against the background of their extensive leadership experience?

The present study was jointly executed by the Bucerius Center on the Legal Profession and Egon Zehnder. We invite you to read our findings and reflect on your own leadership perspectives.
Part I
Mastering Leadership at the Top
 Calls for Personal and Professional Excellence
Leading from the top is different: According to our interviewees, surprisingly different. Firstly, upon assuming their new roles, leaders are under a magnifying glass. Every aspect of their behaviour – verbal and nonverbal – is observed and interpreted. People tend to constantly observe, (over-) interpret and react to what they hear and see their leaders do. To be effective, leaders have to learn to consciously regulate their thoughts, emotions and behaviour in order to fully engage and motivate others.

Secondly, it was clear for all interviewees that the skills that got them into their role as Managing Partner or General Counsel are not the same skills that will get them to the top in their new role. But then, what exactly does it take to successfully lead from the top? No matter what you want to achieve as a leader, you have to substantially grow your self-awareness, including your mindset, core beliefs and thought patterns. Clarity about your mindset and the underlying drivers of your behaviour are prerequisites for effective leadership as they consciously or subconsciously inform all leadership behaviour. Thus, not being cognizant of your mindset is akin to flying blind, and therefore potentially crashing your leadership. In fact, mindset trumped all leadership skills that the interviewees believed to be important for future leadership.

Thirdly, focussing on leadership skills, one of the most valuable skills leaders put a premium on was the ability to effectively build and maintain relationships that foster mutual trust, autonomy and commitment for all people involved. In this regard, and fourthly, the close connection between mindset and skills becomes very tangible: In order to create trust and fully leverage human capital, you must first lead with integrity. Integrity is a guiding quality we cannot overestimate, especially when it comes to leading organisational transformation.

Finally, it may sound obvious, but leaders are people too. They also experience insecurities, doubts, fear of failure, stress, tension and impatience. Mastering your inner cognitive and emotional dialogue is essential to being the person you want to be and serving as a role model to others.

Together these key qualities are the foundation for your personal and professional excellence and they need to be nurtured and further developed throughout your whole career.
Perceptions and interactions change when leaders become General Counsel or Managing Partner

Leading from the top is surprisingly different

**KEY INSIGHTS**

On assuming the role of General Counsel or Managing Partner, leaders were positively surprised by the opportunity to shape the organisation, and the trust they received from colleagues, employees and superiors. At the same time, significant pressure arose from the need to quickly take on a multitude of heterogenous leadership and management tasks, and to take bold and sometimes unpopular decisions. Due to these new focal points, leaders had to transform their concept of professional identity from legal expert to leadership and management expert. As leaders were perceived differently in their new role, they became more aware of other peoples’ perceptions and interpretations of their verbal and non-verbal behaviour. The complexity of leading and interacting virtuously with different people, and consequently adapting behaviour posed a significant challenge.

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I was surprised at how statements, posture and facial expression were translated and interpreted by the team. If you take part in a meeting and you say something, then suddenly this sentence bears more weight than before, and it is interpreted differently.

Interviewee, General Counsel

There is a great deal of human interaction involved. You have to speak with people on a regular basis to keep them in line. This sometimes requires layman’s psychology, and diplomatic skills at other times. I didn’t expect the challenge to be of this magnitude.

Interviewee, Managing Partner
Perceptions and interactions change when leaders become General Counsel or Managing Partner

PRACTICAL CONSIDERATIONS

Be aware of others’ changing perceptions and interpretations of your behaviour

With the new role comes an increased awareness of your behaviour. Your verbal and non-verbal behaviour will not only be closely watched and (mis-)interpreted, it also serves as a model for how the leadership team interacts and how people within the organisation should interact. The more you are aware of permanently being “on stage”, the easier it is to anticipate inadvertent damage caused by your behaviour.

Use psychological intelligence – Be a conscious multiplier, not an accidental diminisher

Leaders need to have a deep understanding of the principles of human behaviour within their organisation in order to effectively interact with and relate to others, to reach acceptance for their decisions and to create a productive culture. We were able to distinguish between accidentally diminishing leadership behaviour and leadership behaviour that motivates and supports others to fully contribute. “Accidental diminishers” are leaders, “who, despite the very best of intentions, have a diminishing impact on the people they lead” while “multipliers” “focus their energy on extracting and extending the genius of others”.

In a variety of statements, leaders explained how they gradually shifted their thoughts, observations and actions towards becoming more of a multiplier and less of an accidental diminisher – often through trial and error. We believe systematically asking others for feedback on how they perceive your behaviour can reduce “blind spots” you may have with regard to your potentially diminishing impact on others’ motivation, engagement and effectivity.

Embrace your new role: Delegate more, trust others and get comfortable with being uncomfortable

In your role, you have to let go of a central aspect of your former concept of professional identity, namely your focus on legal expertise: your main tasks are leadership and management, and there will be less time for mulling over legal questions in detail. You need to become comfortable with taking quick decisions that are sometimes very far-reaching, risky and unpopular. The internal shift from legal-expert to management-expert may be very painful, as lawyers have a strong sense of identity defined in terms of the work they do, but is essential for your organisation to thrive.
Mindsets over skills:
If you want to create a high-performing organisation, work on mindsets first

To fully leverage human potential, you need to believe in human potential.

**KEY INSIGHTS**
Our findings indicate that mindsets are often unconscious and difficult to detect at first, but the more leaders are conscious about their mindsets, the more actively they can change their own and other peoples’ mindsets to build and cultivate a development-oriented company culture. “Mindsets” are sets of beliefs about yourself, others, and the world around you. They shape how you make sense of the world and engage with it. For leaders, it is particularly relevant what you believe about your (and others’) ability to change and grow.

A “growth mindset” describes the belief that you can develop your intelligence, abilities, and personal qualities through your efforts and with support from others. The same applies to other people, everyone can change and grow through effort and experience. In contrast, a “fixed mindset” consists of the belief that intelligence, creativity, or personality are fixed traits that you cannot develop over time. It makes you concerned with how you will be judged by others and results in constantly evaluating yourself: you are either smart or you are not, you either fail or you succeed. If you are like most people, you tend to apply this belief to others as well, so your employee either has what it takes or doesn’t.

People can achieve their maximum when they have maximum freedom to develop.

Interviewee, Managing Partner

The constant adaptability of people, in other words, lifelong learning, is a very elementary thing for me that will probably become even more important in the future.

Interviewee, General Counsel
Mindsets over skills: If you want to create a high-performing organisation, work on mindsets first

**PRACTICAL CONSIDERATIONS**

**Increase your awareness of your core beliefs – they inform all your actions**

What you believe as a leader in terms of intelligence, capabilities and personal qualities will inevitably and profoundly influence to what extent you encourage and support your people’s development, what kind of culture you create and how you deal with change, and how successfully you can transform your organisation. Many participants acknowledged they had not consciously thought about their mindsets before. We believe that being aware of and being very clear about your core beliefs is a prerequisite for future effective leadership in at least two ways: firstly, for eventually changing your mindset if necessary, which may not be easy but possible. Secondly, the clearer you are about the mindset your organisation will need to thrive, the more you can concentrate on supporting others in developing the mindset that enables them to believe in their potential and to fully contribute. To learn more about mindsets, you may want to ask yourself: *When do I feel smart?* People with a fixed mindset tend to respond that they feel smart when they do not make mistakes, when their work is perfect, when they succeed in doing something others cannot do. People with a growth mindset tend to respond that they feel smart when the challenge is difficult and they learn to do something they could not do before and improve, or when they work on something a long time and start to figure out a solution, when they confront a challenge and make progress. Self-awareness regarding your mindset is the first step toward consciously promoting a growth mindset in your organisation.

**Create a culture of innovation by tackling fixed mindsets**

Most leaders predicted that the pace of change will increase, challenges and disruptions lurk around many corners, and that their job is to find and implement strategies that help their organisation to thrive amidst these tectonic shifts. One key success factor is to build an adaptive and innovative culture with quick and collective learning and collaboration. At the heart of such a culture lies the growth mindset. Innovation is all about learning, making mistakes, improving, developing. With a sound growth mindset within your organisation, no one will fail apart when confronted with obstacles, but face them head-on. Employees in organisations with a growth mindset culture say that their organisation supports innovation, reasonable risk-taking, and creativity. These employees have “far more trust in their organisation and a much greater sense of empowerment, ownership, and commitment” than employees in fixed mindset cultures where innovation efforts are far less supported, a premium is put on natural talent, and “everyone wants to be the superstar.”

Does your organisation embody a growth mindset or a fixed mindset, populated by individual geniuses? How will you focus on creating a growth mindset environment in which people can thrive in order to tackle current and future challenges? Who will you choose as future leaders? As researcher Carol Dweck points out, we should look for leaders who “embody a growth mindset: a zest for teaching and learning, an openness to giving and receiving feedback, and an ability to confront and surmount obstacles.”
Future leadership skills for General Counsel and Managing Partners: How do you change relationship patterns?

Curious explorers will bring together relevant perspectives for transforming their organisation

KEY INSIGHTS
Participants described the leadership skills they considered to be most important for their future leadership. For the vast majority of General Counsel building a strong team, empowering it and fostering deep connections was the number one skill. With regard to Managing Partners, one third discussed having a strong focus on teams. Both groups declared the ability to build strong and sustainable relationships to be crucial. Almost half of the General Counsel and one third of the Managing Partners underlined the importance of a willingness to change as a core attribute, indicating a tendency to apply a growth mindset, which encompasses the belief in others’ potential to grow. In the same vein, relentlessly challenging the status quo was considered to be an essential skill. We also listened for what participants did not mention: In our view, asking pertinent questions and taking the time for reflection are essential skills for navigating the future, and leaders might want to add them to their list.
Future leadership skills for General Counsel and Managing Partners: How do you change relationship patterns?

**PRACTICAL CONSIDERATIONS**

**Be a curious explorer – ask big questions to encourage innovation**

Participants emphasized the necessity of continuously challenging the status quo to anticipate disruption and generate insights essential for innovation. One of the most influential tools are questions that awaken curiosity, defined as “a desire for new information which is aroused by novel complex, or ambiguous stimuli and motivates exploratory behaviour.” Empirical evidence suggests that leaders often discourage questions because of a cognitive bias towards risk mitigation that prevents them from asking or encouraging curiosity-triggering questions. When leaders admit that they don’t have all the answers and instead work with inspiring questions, they can create an adaptive organisational culture ready to handle the dynamics of uncertain market developments. Are you asking enough questions? The future-ready organisation is built on curiosity.

**Discover, question and refine your relationship management**

Many participants labeled the following skills as “foundational”: listening well, communicating clearly, being empathic. Closely linked were the skills needed to support people in effectively dealing with change, to inspire them, and to lead in a less hierarchical way. The necessity to foster deep connections and mutual trust was underlined by many. As “trust” was a word many participants related to over the course of the interviews, we recommend that leaders not only be aware of how they relate to others but also pay close attention to creating psychologically safe environments where “people believe that if they make a mistake others will not penalize or think less of them for it and that others will not resent or penalize them for asking for help, information or feedback.”

**Assess your own thought processes and readiness for change**

In a study conducted by Egon Zehnder in 2018, only 26% of interviewed CEO’s said they strongly agreed that to transform their organisation they needed to transform themselves. In 2021 this number increased to 78%. While many participants acknowledged the importance of listening, less than a handful mentioned the ability to introspect and self-reflect, to question your assumptions and hypotheses and to shift your mindset if necessary. As you are a key variable in the relationship matrix, we suggest that you strategically combine an external focus on challenging the status quo in the organisation with an internal focus on your thought and behavioural patterns.
Integrity is a guiding quality in a highly dynamic environment

Integrity is essential to truly engage people and transform your organisation

KEY INSIGHTS
We showed participants a list of five key attributes that several studies had identified as important for future leadership and asked how important these were for the way our participants would lead in the future. “Integrity” was ranked number one. Integrity is associated with a solid commitment to appreciating others, being honest and trustworthy and showing consistent ethical behaviour in different situations. Of much lesser importance was – not surprisingly – legal expertise which is regarded as a condition sine qua non for obtaining the leadership role in the first place. Regarding digital and technical ability, although participants underlined the importance of understanding and being up to date with digital and technological advancements, they did not rank it as very important, as they saw the leader’s role limited to making sound decisions after having consulted specialists in this field. The only difference in the ranking between Managing Partners and General Counsel pertained to “entrepreneurial behaviour” and “transformational leadership”, respectively ranked no. 2 or 3. We found all elements of transformational leadership in comments that participants made during the interviews. For us, this confirms that transformational leadership is critical in times of significant and constant change.

PRACTICAL CONSIDERATIONS
Let integrity influence your transformational effectiveness
Participants considered integrity and entrepreneurial behaviour as highly important for future leadership. Additionally, many participants described their heightened awareness with regard to environmental, social and governance requirements (ESG). Sometimes, considerations around ethical decision-making and integrity are in conflict with a purely entrepreneurial decision on a specific topic. How can leaders solve potential dilemmas between ethical and entrepreneurial considerations? Studies show a positive statistical relationship between perceived leader integrity and transformational leadership: in a national sample of more than 1000 leaders, “a moderate to strong positive relationship was found between perceived integrity and the demonstration of transformational leadership behaviours.” Therefore, we propose that leaders should be particularly aware of this close connection, as their ability to lead their organisation through transformations will largely depend on the signs of integrity they display. If current studies are correct in predicting that leadership integrity will have a tremendous impact on peoples’ commitment to the company’s goals and motivation to fully involve themselves in helping their organisation succeed, then leaders will have to be constantly aware of potential ethical and entrepreneurial decision dilemmas if they want to support their organisation in successfully transforming itself for the future. Ultimately, you may want to ask yourself: Do I as a leader, and do we as an organisation, continuously scan for ethical dilemmas that can impact our integrity from an internal and external perspective?
Mastering your inner dialogue: Personal advice to your younger self

The biggest challenge is how to deal with unhelpful thoughts and negative emotions

KEY INSIGHTS
Given their extensive experience and learnings so far, we wanted to know what very personal advice our participants would give to their "younger self" on commencing the role of General Counsel or Managing Partner. Leaders underlined the importance of being able to deal with strong negative thoughts and emotions such as fear of failure, anxieties, worries, anger, nervousness and impatience. Closely linked to this, many participants described that they would have trusted themselves and their abilities more and been confident that things will turn out well. Leaders realize that in a VUCA world, fast and wise decision-making is critical, and therefore leveraging the power of your intuition plays a central role. The better we are at managing destructive thoughts and emotions and strengthening supportive ones, the better we are equipped to leverage our intuitive intelligence.20 While many participants emphasized that listening to their peers and people was a key element of success, perhaps you should ask: How well do I listen to my inner dialogue? How consciously do I decide when to adjust the volume of which voice?

I was incredibly worked up and assumed the burden for countless issues and worried insanely about all kinds of problems.

Interviewee, General Counsel

Don’t always take everything so much to heart and stay relaxed and cool, so to speak, even with difficult decisions, and don’t take everything personally.

Interviewee, Managing Partner
Mastering your inner dialogue: Personal advice to your younger self

PRACTICAL CONSIDERATIONS

Learn how to weaken strong negative thoughts and emotions
Participants explicitly named some very exhausting thoughts and emotions that made them constantly look for danger and fear making a mistake or not being up to the task. The most common words participants used to describe what they wished for their younger self were “equanimity” and “relaxation”. Science shows clearly that the more positive emotions we experience throughout the day, the more productive and effective we are, the better the decisions we make and the more we can inspire people around us. Hence, working on catching negative thoughts and emotions as they arise and being able to transform them into positive emotions is a key skill in self-leadership.

Practice resourceful self-talk – No matter what the challenge is, you can handle it
Internal self-doubt and not being able to internalize accomplishments seldom show on the outside. On the contrary, people who experience it often show a strong demeanour on the outside. We all know about the Imposter Syndrome which does not equate with lack of self-confidence, but chronic self-doubt, which many people experience from time to time, especially when taking on a new role. It is important to strengthen “encouraging inner-dialogue” as thoughts and feelings affect our behaviour, and the more conscious we are about our thoughts and feelings, the more consciously we can act and interact with others. The first step is to identify thoughts that fuel self-doubt, and then to kindly and persistently question them. This is one of the most effective ways to strengthen the supportive inner voice that tells you that whatever the challenge is, you can handle it.

Train your intuitive intelligence muscles for wise decisions in a VUCA world
If you have ever disregarded a “gut feeling” as irrational and later regretted it, you may have painfully experienced the importance of listening not only to the “rational” mind, but also to the intuitive mind that includes additional information necessary for well-informed decision-making. Learning how to access your intuition allows you to become aware of potential dangers and opportunities in a much more informative way than by only listening to the incomplete and often biased information from the “rational” mind. This becomes even more important the more volatile the context the leader is working in. One way to start listening more to your intuition is by sharpening your awareness for your bodily reactions in situations that call for a decision; the term “gut feeling” was purposefully chosen.
Part II
To Become a Game Changer, Be a Strategic Driver of Transformation
At a glance

Leading people and organisations is synonymous with leading change. To successfully drive change, leaders need to especially focus on connecting and relating to others and at the same time combining personal and strategic aspects of leadership.

Initially, this means framing change positively and orchestrating the change process to enable and empower your people to develop long-lasting skills in implementing change. The significance of smart, intensive, and relentless communication in this regard should not be underestimated.

Unsurprisingly, people and process-related trends, such as nurturing and developing talent, and managing new flexible working models, were identified by the interviewees as having the greatest impact on leadership in the future.

Only by leveraging a variety of resources, expanding networks, seeking out sparring partners from outside your organisations, leveraging cross-boundary relationships, and escaping from your “bubble” can you strategically drive change and be a true game changer.

To master future challenges, you need to deal with change before it happens to you, this means assessing the impact of trends on your leadership and constantly scanning the horizon to envisage the future.
Leaders as the framers of change

**KEY INSIGHTS**

Despite the fact that the ramifications of the Pandemic continue to force organisational change (e.g. redundancies, restructurings and remote-working policies), law firms and in-house teams are mainly internally driven by the desire to improve efficiency and customer service. Change processes focus on improving the way work is organised in order to better serve the client (i.e. teams are organised around business and client needs, rather than legal discipline) and on standardising and digitalising data and document creation (i.e. contracts are standardised, rather than tailor-made).

“I trust my people to solve things with us” was the common approach to such change processes. Whilst leaders employed aspects of classical change models, such as creating a sense of urgency, establishing a guiding team and producing short term wins, the leaders appreciated the complexity of change and sought to involve their people in the change process, demonstrated by intense communication strategies. Many leaders were surprised at the level of resistance they encountered, often blaming lawyers’ natural reluctance to change.

**PRACTICAL CONSIDERATIONS**

**Frame change positively**

Many leaders described the communication process as “I have to convince others” that change is necessary or desirable. Whilst helping others to see why change is needed is the first step in a linear approach to change management: creating the so-called “sense of urgency” or “burning platform”, such an approach can lead to negative emotions and actually allow resistance to build. Framing change positively can help remove these barriers: Seeing change as an integral aspect of the continuing growth of the organisation and focussing on what an organisation is already good at and what is needed to achieve future goals can create positive emotions and lower levels of resistance.

**Design and manage your journey**

Leaders successfully employed a variety of group-interactions to roll out the change: brainstorming sessions, workshops, townhalls, teams with no hierarchy, small “guiding” teams with key players, as well as individual interactions: one to one discussion, leading by example, using “champions”. Framing change requires the leader to establish the starting point for change, as well as design and manage the actual journey, guiding his or her people through the process.

**Next level – be the creator of change**

Whilst the leaders shared the overall plan of what has to be done with their people, and sought to change how things get done, and not just what gets done, some leaders also saw their role as the creator of change, describing their approach as “creating the conditions for change to happen”. In this scenario, the leader continues to establish the framework within which change should happen, but people are left to get on with things as they see fit, enabling and empowering individuals to develop skills in implementing change, and so prepare the organisation for the future. For some leaders, this may not feel comfortable. However, according to research, this may be the most promising approach, especially in very complex change scenarios.
Change necessitates intensive communication

Relentless communication, transparency and a healthy dose of courage are needed to lead complex change processes

KEY INSIGHTS
Overall, the leaders were satisfied with the results of their change processes (giving themselves an average of 8/10) and mostly believed their changes to be sustainable. However, they used the interview as an opportunity to reflect on the change process and shared their learning with us. Three key themes emerged: (1) don’t underestimate the importance of communication; (2) communicate transparently; (3) be courageous and make difficult decisions.

Even if you think you have explained something once, even twice, and that you are annoying people, then the reality is that you probably still haven’t communicated enough.”

Interviewee, General Counsel

PRACTICAL CONSIDERATIONS
You can never communicate enough
As one leader put it “change requires permanent communication” in a concrete and detailed way. Change is a stressful process for most people, and lawyers are no exception. The process of coming to understand and accept change proceeds through dialogue, communication, and conversation. Communication is time-intensive and has many layers, from official communications to individual discussions: from leader-led conversations to conversations amongst colleagues and networks. Furthermore, communication is not a one-way street, but involves listening first and an openness to take on board what people have to say.

Be transparent about management-led decision-making
Using the Vroom-Yetton decision-making model, we can see that overall, the leaders tended towards “management-centered” rather than “group-centered” leadership. Whilst the latter consists of decision-making methods such as facilitating and delegating to the group, in management-centered decision-making the leader decides alone or consults others, and then decides by himself or herself. Whilst some leaders described how they had consulted individually or in a group, they tended to make the decision alone, and then “sell” it to their team. This was more often the case for General Counsel than Managing Partners, who, given the organisational structure of partnerships, tended to delegate decision-making to their colleagues more often than General Counsel. Being transparent about the group or individual’s role in the decision-making process is crucial for building trust and achieving buy-in: if the decision has already been made, then leaders should say so and clearly communicate the scope and role of the individual or group’s contribution to the change project.

Courage
Several leaders openly discussed an internal conflict between what they considered to be their own leadership style and the style dictated by the circumstances. This conflict often came to light when comparing leaders’ declared approach to the change process with the change-management methods they described: some favoured a framing approach to change, whilst in reality a directive approach was taken. Given that change is a complex process involving people, and often demands more than one leadership behaviour, leaders should be courageous and adapt their leadership style to the circumstances: even if this means “banging your fist on the table”. Where external forces are at play, and the scope for group decision-making is narrow, then leaders need the courage to make difficult, top-down decisions alone. Where change is internally-driven, and the team needs to be involved in decision-making, then leaders need the courage to trust their people and delegate.
Mastering future challenges: Growing requirements for future leadership

To build a future-ready organisation, leaders need to foster cross-boundary collaboration

**KEY INSIGHTS**

We asked participants to tell us about trends that in their view would be most important for their organisation and for their future leadership. Not surprisingly, the power of digital transformation and its far-reaching impact on strategic positioning, business models, collaboration and legal professional identity is the number one trend. From this follows leaders' focus on the imperative to create effective interdisciplinary and cross-boundary collaboration in ever-changing teams. Closely linked to these challenging tasks is the ability to effectively lead remotely and build a culture of belonging, as well as the awareness that the current legal professional identity and accompanying mindsets need to be challenged and revised in order for leaders to fully leverage the power of collective genius and successfully transform their organisation. Some leaders explicitly focus on what researchers call ambidextrous leadership: balancing effective execution with experimentation. They see the need to courageously explore new business opportunities by allowing employees to work in entities separated from the exploitative business model logic. As one participant described it: "one effect we're seeing and promoting is that we need to take certain projects out of this economic logic of the law firm, so giving legal tech products their own profit center, for example. They get more time, they don't have to meet the same profitability expectation as a team that bills by the hour and already has utilization."

**PRACTICAL CONSIDERATIONS**

Actively orchestrate cross-boundary collaboration to win the innovation race

In the future, a team's composition will change more frequently. How do you build and develop project teams that successfully coordinate and communicate across disciplinary and functional boundaries and work together towards a common goal? Leaders in the future will have to put an emphasis on orchestrating this “teaming” or “teamwork on the fly” throughout the whole organisation. You may want to ask yourself: What is my vision for the future of the firm? How do I invite others to contribute to its realization?

Focus less on offsetting the negative effects of remote leadership and more on creating an attractive vision for the future

Whilst remote leadership was identified as a key challenge for the future, many participants were already addressing it in the aftermath of the Pandemic. They focussed on how to make up for what got lost in terms of connection and motivation during that time and developed remote-working policies, hot-desking and allowed employees to work a fixed number of days per week from home. But is this enough? The most successful change projects implemented by leaders in the study focused on creating a vision for the future by engaging with and empowering their employees, rather than compensating for the past.

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**Figure 3** The top 5 trends and challenges relevant for future leadership

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<tr>
<th>Trend</th>
<th>Score</th>
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<tbody>
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<td>Digital Transformation</td>
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<tr>
<td>Interdisciplinary Collaboration and Leading teams</td>
<td>9</td>
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<tr>
<td>Remote Leadership</td>
<td>9</td>
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<tr>
<td>Positioning and Exploring New Business Models</td>
<td>7</td>
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<tr>
<td>Professional self-concept shift</td>
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Current trends fundamentally impact your future leadership – or do they?

The ability to link trends with leadership tasks will become a competitive advantage

Figure 4 To what extent will the trend impact your leadership in the future?
Current trends fundamentally impact your future leadership – or do they?

**KEY INSIGHTS**
We showed participants trends that have been identified by recent studies on the future of leadership as being highly relevant for future leaders. We asked participants to what extent they believed the respective trend would impact their way of leading in the future. In other words, we did not ask how important the respective trend was in general in their view but instead focused on the relevance of the trend for their future leadership. As shown above, there were some commonalities e.g. with regard to the relevance of new work and the insignificance of evidence-based leadership. And there were some differences e.g. regarding changes in skill profiles, the importance of nurturing and developing talent, employees’ focus on purpose and meaning, as well as on mental-health and well-being. While the increase in quantity of information, complexity and insecurity was affirmed by most, many participants said this had been the case in the past already, so they did not foresee that this trend would impact their leadership significantly.

**PRACTICAL CONSIDERATIONS**
Create an adaptive culture of collaboration – and leverage your workforce’s capabilities
While for General Counsel changes in skill profiles were a trend that clearly impacted their leadership in the future, this was not the case for Managing Partners who considered this trend to be relatively unimportant for their future leadership, despite the increasing prevalence of “non-lawyers” in law firms. We propose that the more differentiated the skill profiles in your firm are, or will become, and the more you want to leverage this, the more you will need to foster a strong culture of collaboration and adaptation that makes active use of all the skills and talents equally. This may require working on and transforming your current company culture, hierarchies and reward systems.

To take this idea one step further, leaders need to look beyond the narrow workforce view that spans their firm. If your workforce includes not only employees, but contractors, application developers, gig workers, and others, then how do you effectively manage this workforce comprised of internal and external players? You will want your workforce to be aligned with your organisation’s strategy and goals as well as with your firm’s values.

Look to an evidence-based approach to leadership for competitive advantage
General Counsel and Managing Partners mostly considered “evidence-based leadership” to be of little importance for the way they would lead in the future. So, what is evidence-based leadership? It describes using methods, tools, concepts and practices for your leadership that are scientifically proven to be effective, hence evidence-based. For example, if you know what the empirically proven ways to effectively communicate change are, this will naturally increase your leadership impact. While many participants said they appreciated the opportunity to discuss challenges with peers either inside or outside of their organisation, only very few participants indicated that they were systematically reflecting on their leadership and looking for empirical evidence and valid sources for leadership tools, concepts and practices. Very few said they read about leadership, one person added that they would prefer to take part in a leadership development program, rather than merely discussing challenges with peers. We know that time is short. And because of this, we know that leaders who are able to more quickly find the most effective levers for fostering collaboration, creativity and innovation in their organisations, will have a competitive advantage. Not resorting to evidence-based leadership tools is a waste of precious energy and time.
Too like-minded? Trusted sparring partners in and outside of the organisation

Leaders who systematically leverage a variety of resources will increase their leadership expertise

KEY INSIGHTS
We asked participants who they could turn to for support with challenging leadership situations. Participants mostly discussed leadership challenges with colleagues from the same educational background and often with a similar role or function. Internal and external peers are precious sources of advice about pressing problems; at the same time, honest discussions with external peers are complicated the fear that others will perceive this as contravening anti-trust law. Interviewees appreciated the opportunity to learn more about different perspectives when talking to colleagues within their leadership team. General Counsel mentioned Human Resource colleagues more than twice as often as Managing Partners (37.5% compared to 15%). 31% of General Counsel and 38% of Managing Partners named their spouses as helpful “sparring partners” for discussing concrete challenges at work. Regarding ongoing development as a leader, coaching was perceived as a valid tool by some interviewees, but the power of leadership coaching, and other opportunities for individual growth seem to be largely neglected, or pursued only intermittently.

The problem is that you can’t really get out of the bubble. ... it is already firmly rooted in my circle, my field, my clients... That’s a topic that naturally concerns me... I would like to have a few sparring partners who really see things differently than I do, and with whom I would like to talk more often.

Interviewee, Managing Partner
Too like-minded? Trusted sparring partners in and outside of the organisation

PRACTICAL CONSIDERATIONS

Leverage the power of your current network across all leadership attitudes

Most participants explained that they asked others for their opinion when they were facing a specific problem or difficult situation, so although opportunities for regular discussions exist, many participants chose an ad hoc approach when it comes to discussing leadership challenges. We distinguish three levels of leadership attitudes, the strategic level, the tactical or operational level and the personal level which together form the perspectives from which leaders can and should see their world (also see Part III: Mastering the Three Leadership Attitudes). The most effective leaders move seamlessly through these different attitudes and know how to integrate them for “a view of the big and small pictures in every moment”. We infer that many leaders’ discussions focus specifically on the tactical / operational leadership level. To integrate the personal and strategic leadership levels more fully, leaders need to actively discuss matters outside of current problems. Some leaders are part of associations that offer different formats for exchanging ideas with fellow leaders on all three leadership levels, and we assume that this is one option to embrace leadership perspectives beyond the tactical level. In order to fully leverage the personal level, leaders should consider a systematic leadership development approach (see below).

Grow your network and escape from your “bubble” from time to time

Many participants described predominantly seeking advice from people perceived as “qualified” to give an opinion – e.g. same role or function, same level of responsibility, same educational background. In the same way, talking to employees is part of the internal ecosystem. In this way, we encourage leaders to be on the lookout for more opportunities to challenge their perspectives in order to come up with creative, unorthodox and innovative ideas. By being aware of homogeneity and countering it through expanding your professional and social circles to be more diverse, we can improve financial performance.

Furthermore, we assert that Managing Partners could benefit from systematically leveraging the views of non-legal professionals, such as HR. Only 15% of Managing Partners named HR as important sparring partners for dealing with leadership challenges. Thus, the potential for mutual learning with regard to people management remains untapped.

Use a proactive and systematic leadership development approach to grow as a leader

In recent years, the capacity to coach others has become even more important for leaders to be effective in their endeavors. To this end, it is highly advisable for leaders to have a coach themselves, particularly for sustained leadership development. In our study, 19% of General Counsel and 15% of Managing Partners stated having a coach. From the interviews we conclude that a coach is often called upon ad hoc when leaders feel overwhelmed, need structure, or face a pressing problem. We see the same pattern regarding discussions with peers: the tactical level of leadership seems to prevail while the strategic and personal levels are less in focus. Change starts from within – How much are you willing to invest in your own development in order to grow your organisation?
Part III
Future Leadership at the Top: Mastering the Three Leadership Altitudes
At a glance

Our core conclusion from the 30 interviews is this: Leaders today must constantly be able to switch gears and therefore need to be able to adapt at all three leadership altitudes, strategic, operational and personal, as well as being aware that adaptation takes place within themselves, their organisation, but also outside of the organisation, as their future workforce may not be confined to the boundaries of their organisation.

We believe these are three adaptive and interdependent leadership behaviours that drive successful leadership for Managing Partners and General Counsel.
John C. Maxwell once said “Good leaders ask great questions”.

To this end, we invite you to use the following questions for reflection on the three different leadership altitudes, namely the personal, the operational and the strategic level.

**Connect**

**Relate**

**Reflect**
Focus on Systems

How do I **proactively scan** for insights, trends, threats, dangers and changes in the ecosystem while inquiring in new ways?

How do I **switch leadership altitudes** and see the world from three very different perspectives, the *personal level* of leadership engagement (at 5 feet – self-awareness), the *operational level*?

How do I foster **strategic conversations** that value ideation, synthesis, analysis and decision-making as distinct phases in the dialogue?

How do I create “**X-Teams**”\(^47\) that actively involve the ecosystem and successfully push innovation and change?

How do I support **learning** not only within my firm but **within the workforce ecosystem**\(^48\)?

How do I orchestrate **new ways of working, relating and building trust** beyond mere “home office” regulations?

How do I broaden my network in and outside of my organisation: which **potential sparring partners** have I overlooked?
Focus on Others

→ How do I influence the leadership culture in ways that foster a growth mindset?

→ How can I inspire others to develop a growth mindset to work towards an adaptive culture for innovation?

→ How do I create a psychologically safe and collaborative environment that allows others to openly and controversially discuss different and opposing perspectives?

→ How do I empower others to lead and establish more distributed leadership?

→ How do I manage the role-based status I have and the subsequent perceptions and interpretations others make with regard to my behaviour?

→ How do I lead others with integrity in the day-to-day business?

→ How do I frame the right questions to inspire teams to ask powerful questions themselves, become curious and creative?

→ How do I find out whether despite my best intentions I have a diminishing impact on the people I lead?

→ How do I create an organisational culture that allows for constant adaptation?

→ How do I support a learning organisation (not to be mistaken for knowledge management) that thrives on diversity?
Future-Facing Leadership is Adaptive at all Leadership Levels

Reflect

Focus on Self

→ To what extent do I tend more toward a fixed mindset or a growth mindset? What are the implications for my leadership?

→ To what extent am I aware of the influence my current mindsets have on my thinking style, decision-making, communication and leadership behaviour?

→ How can I confront old mindsets that don’t serve me any longer?

→ Reflecting on my current leadership signature: How will I adapt my current leadership style preferences in order to lead in constantly changing environments?

→ What does integrity embody for me? How do I make sure my ethical compass serves as a guide through currents of change?

→ How do I navigate dilemmas between entrepreneurial behaviour and integrity?

→ To what extent do I serve as a role model for the ability to change and grow?

→ How do I make reflection phases in my busy day-to-day work a priority in order for me to spot potential misalignments between my aspirations and actions that have detrimental effects and should be adapted?

→ How can I leverage knowledge about evidence-based leadership for my leadership of the firm?

→ How do I make learning a KPI for myself and my firm?
Methodology of the Study

Given the dynamic nature of leadership across different altitudes (strategic, operational and personal), in-depth interviews were conducted to allow us to learn more about the subjective reality of leaders in the legal market.

DESIGN
The purpose of the study was to learn more about the perspectives of General Counsel and Managing Partners with regard to leadership in the future. A grounded-theory approach was supported by a thorough literature review which informed the interview questions. We designed the questions around the following three key clusters: (A) Leading change in times of disruption; (B) Skills and mindsets of future leaders; and (C) Trends and challenges for leading the organisation into the future.

PARTICIPANTS
30 leaders were interviewed. The sample consisted of 13 Managing Partners (1 female, 12 male) and 17 General Counsel (8 male and 9 female).

QUALITATIVE DATA ANALYSIS
The interviews were transcribed and subsequently analysed via MAXQDA, a software for qualitative and mixed methods research. The data was first disaggregated within the respective cluster into separate coding units. A relationship between the themes was sought and explored. We analysed to what extent differences and similarities between General Counsel and Managing Partners emerged, and between male and female leaders.
RESEARCH LIMITATIONS

The number of interviews does not allow for generalized statements relating to leadership. Qualitative research is, by definition, not representational. Instead, the goal is to learn more about the subjective reality of a highly selective group of participants. As time is a scarce resource for most lawyers, the sample was made up of participants who were already known to the interviewers, or could be contacted via intermediaries. Therefore, those who agreed to be interviewed and thus to offer us an hour of their precious time, might share some commonalities, potentially making the sample self-selective with regard to certain traits and also leadership qualities.

The interviews were conducted by four different interviewers. 13 interviews were led by a single interviewer and 17 interviews were conducted by two interviewers. Although we tried to increase reliability and minimize interviewer bias by having clear interview guidelines, this cannot be entirely excluded, especially as the topic dealt with reflections of a personal nature, such as success and failure.

Another limitation of the study is that we are not able to substantiate the leaders’ declared behaviour with observable behaviour: when a participant describes his or her mindset or approach, we cannot know to what extent the respective mindset is actually translated into observable behaviour. The goal of the qualitative interview study was to learn more about the respective perspectives of the participants regarding their current and future leadership, and not to balance it with outside views.

Finally, another potential threat to the reliability of the research was subject bias – the interviewees may have answered according to social expectations because of the strong social desire to “answer correctly” (“social desirability bias”). The structure of the interview and the questions were therefore designed to encourage the participants to objectively reflect on their behaviour, without introducing the notion of a “right or wrong” response.
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Get in touch!

Do these insights resonate with you? We are curious to learn more about your specific experiences and challenges with regard to the future of leadership.

We would be delighted to hear your views. To start a conversation, please get in touch with any of the authors.

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Notes

2 Idem p. 25.
5 Idem p. 229.
7 Idem p. 143.
8 Idem pp. 143-144.
9 Idem p. 141.
14 Idem p. 229.
16 Idem p. 143.
17 Idem pp. 143-144.
18 Idem p. 141.
31 D. Henley (2019). Why intuitive leaders are the most successful. URL: https://www.forbes.com/sites/dedehenley/2019/06/14/why-intuitive-leaders-are-the-most-successful/.
36 Idem p. 70.
37 Idem.
38 Idem.
40 See for example, A. Fruehmann (2020). Requiem and Epilogue for the Legal Profession. https://librarycatalogue.insead.edu/cgi-bin/koha/opac-detail.pl?biblionumber=90124
51 Idem p. 78.

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