

Top of Mind®



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## “How do in-house counsel maintain an advocate’s edge?”

“Embrace innovation.”

No one would dispute that in-house counsel must add value by advocating their companies’ positions. At least no one at my firm, Capital Institutional Services, Inc. (CAPIS), an institutional broker dealer, would dispute this proposition. The question is: how can in-house counsel create an edge so that their advocacy is not only successful, but seamlessly blends into the decision-making of the enterprise?

I believe the answer lies in in-house counsels’ ability to embrace innovation. The core to any successful company is the ability to be innovative. It is even more important in a rapidly changing market, like the securities industry. In-house counsel must be open to new ideas and partner with the business so these ideas can be advanced to successful conclusions, especially in a highly regulated legal environment.

This presents both a challenge and an opportunity. The challenge is that in-house counsel must master the cutting-edge business strategies of the company. The opportunity is that in-house counsel, if provided a seat at the table, can influence the direction and shape of innovations so they will comply with anticipated regulatory and legal requirements. Simply put, if given the chance, in-house counsel can be the pivotal advocate necessary to help create business solutions for problems the rulebooks have yet to consider.

In order for in-house counsel to provide this type of advocacy, a company must have a culture of compliance. If such a culture exists, compliance is built into every business process and the legal and compliance officers are able to contribute on the front end to add value to the bottom line. If that culture is not present, compliance is often considered something that happens “in another office.” Instead of serving as an active advocate, the role of in-house counsel is relegated to the “beat cop,” who only patrols for risk and points out obstacles.

For a company’s executives, it’s really a simple question: Are your legal and compliance professionals able to advocate for you in a way that helps bring innovative products to market through a partnership with senior management? At CAPIS, due in great part to our culture of compliance, leadership has enthusiastically answered “Yes” to this question.

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