



Lessons  
in Leadership:

An Interview  
with  
Jay Benegal

#BakersDozen  
on  
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## On #Bakersdozen: Interview with Jay Benegal

*#BakersDozen is a series of interviews with leading professionals in the fields of law, consulting, finance, tech, and more.*



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#BakersDozen

Jay Benegal

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Jay Benegal: Senior Vice President, Professionals Banking, Citizens Commercial Banking

- *Tell us a bit about yourself and how you came to be in the legal business?*

I began studying the legal industry in the 2006 time frame. While I am a banker by training, my passion is studying the legal industry and analyzing/understanding the dynamics behind decision-making at law firms.

- *What do you do for a living right now?*

I am an SVP Senior Commercial Banker with Citizens Financial Group. The market segment I serve is the legal industry. I work very closely with legal leaders and C-suite senior administration at law firms to study and learn about their businesses. I work alongside the firm to help identify ways they may be able to streamline and make their business more efficient. I advise and help align financial solutions that fit their business.

- *What has been your greatest triumph and your greatest success in the legal services field and what did you learn from each?*

I began my career as a lending professional, structuring credit for law firms' institutional borrowing needs. I managed portfolio risk through the credit crisis. The banking institution I worked for at the time was/is one of the largest lenders to the industry. I learned a considerable amount about the mechanics of firm operations and working out credits for those firms that dissolved during the crisis. I consider my greatest success to be the establishment of a name and personal brand for myself within the legal industry. I take pride in knowing some of the most powerful people in the industry today.

While there are certainly pressures on the industry, my feeling is that the overall legal industry will continue to flourish.

- *Do you think the legal industry is headed in the right direction, the wrong direction – or which direction?*

No doubt that the legal industry experienced a major set-back in 2008. The financial crisis impacted businesses across different industries. While there are several factors that drive "Financial success" for law firms (Financial performance of their clients, performance of the overall economy, etc), many law firms realize the need to remain nimble and have adapted to new environment in which they operate. They possess the keen ability to smooth out the rough patches. Firms continue to manage the things that are within their control; factors such as resource management, headcount, space, business-development efforts, succession-planning, culture and many other factors. While there are certainly pressures on the industry, my feeling is that the overall legal industry will continue to flourish.

- *You're known for innovation and have been an inspiration to many. Who inspires you – and why?*

It is difficult to choose just one person who inspires me. Inspiration has many faces. In fact I would be doing myself a disservice if I were to limit it to only one person. Rather, I focus on inspirational "traits."

The five main traits I would consider inspirational are:

- Trustworthiness
- Passion
- Gratitude
- Empathy
- Energy

However, with that said, if I had to choose one person it would be Nelson Mandela. He possesses virtually all of the traits/characteristics most people would like to emulate. He was also one of the most charismatic and well respected people to have touched this world.

- *What advice would you give to the younger generation contemplating law as a career?*

Ask yourself why you are choosing a career in law? The answer should be something along the lines “in an effort to do good” or “provide a valuable service.”

While compensation is important, one must be 100% dedicated to the field of law to be a standout and effective attorney. Do not chase the career merely for the money. Be ready to work hard. Also, be aware that being a lawyer also involves marketing and business-development. You will not just be sitting behind a desk and churning out work-product.

- *How deep do you think will be the inroads of technology in the industry?*

I am not qualified to give an educated opinion on this but I will say that I am hearing anecdotally that over a period of time the business of law will continue to evolve, and technology will play a larger part of the process. The ABA's Legal Technology Resource Center (LTRC) publishes the Law Technology Today (LTT) series that discusses this topic. AI has already become a part of legal service delivery and according to the LTRC board, lawyers should embrace technology as they can move routine tasks to the machines, thus freeing up human lawyer time for the creative and high-value tasks. It will also give them capacity to work on building the pipeline – this is a key component in the survival of a firm long term.

- *In ten years, do you see an industry much as it is – or do you see new players, new technology and an altered state?*

The current rhetoric is that lawyers generally oppose change or are slow to change. With that in mind the industry will nonetheless continue evolving. Much of that change may not be voluntary. In many industries, the habits of buyers determine how the industry evolves. For example, AFAs have become a reality for law firms today. While it may only account for less than 20% of overall revenue, the moral here is that firms need to be on the offensive to ensure they react appropriately to all types of buyer behavior. Diversity & Inclusion (D&I) is another example. Today firms are forced to tackle this issue head-on. Once again, it is the buyer who is setting/raising the bar. Today's RFPs contain components that did not exist even a few years ago.

- *Are consultants and lawyers looking increasingly similar? Should the distinction continue?*

The lines are certainly getting blurred between consultants and lawyers. The Big 4 Consulting Firms (Big 4) are keenly aware of how lucrative it is to broaden their suite of services into the field of law. However, they also realize that the legal marketplace is already saturated and in a state of disequilibrium. The Big 4 have a very positive reputation in their existing specific niche. My sense is that for the foreseeable future the Big 4 will stick to delivering on their core competencies.

My advice to the legal industry would be continue to “look over their shoulder” and be aware that the threat by the Big 4 and other consulting firms will always loom and may become more of a reality in the future.

- *Lawyers have typically regulated to keep non-lawyer investors out but that's a two-edged sword these days. What are your thoughts?*

The practice of law is considered to be hallowed by those who undergo the intensive academic training and testing required to obtain their licenses.

Attorneys are subject-matter experts in their individual competencies. These experts acquire their knowledge through years of study and work experience. While other countries have begun allowing ownership of law firms by non-lawyers, in the U.S. it is clear that due to the fragile state of the industry, firms feel the need to keep ownership pure so there is more comfort around decision making on strategic initiatives. In fact, even within the firm, we have heard of many instances where the “non-lawyer” senior admin staff (COOs, EDs, etc.) run into friction from the partnership in the process of trying to co-manage the firm.

- *What's the one most significant factor that will drive change in your view?*

There is no doubt that the legal industry is slow to change. The event that will likely be the impetus for change in the industry is the entrée and subsequent occupation of the industry by the Millennial generation attorneys. Millennials bring with them new ideologies, the some of which the legal industry may not have seen in the past. If landmark changes are to be made in the industry, this will probably be the first generation to make those changes. However, these changes will take place over a very long period of time, possibly a decade or more.

- *Are we seeing the demise of the “profession” and the real emergence of the “business” of law?*

If one looks at the legal industry today versus a century ago, it is evident that the industry is markedly different today than it was then. Unfortunately, the playing field has morphed into one of fierce competition amongst the participants. In the last twenty years or so, law firm leaders have been focusing on improving those key financial metrics that put them at an advantage vis-à-vis their peer firms. The calibration lists that exist in the marketplace today (e.g. The Am Law 200, NLJ 350, etc.) only fuel this intense competition. Firms continuously try to claw their way higher up the list.

- *What do you consider is the greatest challenge facing the industry?*

There are two primary challenges the legal industry is facing today:

- **Overcapacity** – the industry still has not right-sized post Great Recession. There are too many lawyers chasing too little work.
- **Demand for work continuing to shrink** – corporate legal departments continue to get pressure from company leadership to find ways to reduce spend on outside counsel. These companies are increasing the size of their departments in an effort to keep work in-house.
- *What do you see as the greatest opportunity for the sector looking forward?*

Law firms should focus on those certain practice areas that will continue to gain traction and see an upward swing in demand. In the near term, two of these areas will likely be:

- **Cybersecurity** – with the recent surge in cyber hacking events, businesses know that having an action plan in place is the only way to prevent a catastrophe that may destabilize or destroy them. Law firms are being sought to help businesses manage the downstream effects after a hack.
- **IP and Trademarks** – as our society becomes more sophisticated, it is critical that businesses protect their intellectual property from theft or improper usage. Today, virtually every major law firm has an IP/trademarks practice. Most of these firms are continuing to buy talent to build up their practice.
- *Do you think law can improve its track record on diversity and inclusion? How?*

Yes. However, it will be a long and complex road. The legal industry must continue to be proactive and stay engaged with key communities and affinity bar associations across the footprint. Leadership should “walk the walk” and stay visible both internally

at the firm and also externally to clients and prospects (via events and programs specific to D&I). It is now a reality to law firms that corporate general counsels are looking at this key metric in their evaluation of vendor firms. If landmark changes are to be made in the industry, Millennials will probably be the first generation to make those changes.

- *Will the current regulatory framework around law help or hinder it in the future?*

The short answer is that the more regulation that is introduced in society, the more need there will be for attorneys to help their clients navigate the complexities resulting from the added scrutiny and regulation.

- *Who do you think are the greatest influencers on the industry these days?*

Without a question, it would be the buyers of legal services who would have the greatest influence on the marketplace. In debate after debate, the conclusion most often is that if we were to name any one group that would have the greatest influence, it would be clients and prospects. The real “agents of change” in commerce today are those who control where money is spent. It is this population who holds the power to make the greatest impact.

- *If you had to do it all over again, would you? Or what would you do differently?*

Even if I had to do all over again, I absolutely would still be involved in serving/advising the legal industry. I am honored to serve this space and to be perceived as an individual who brings a sound value-proposition to the industry. The only thing I would have done differently is that I would've obtained my JD many years ago as this would only lend credibility to my role as trusted advisor to the legal industry.

- *If a law firm was a startup pitching for investors, would you be an investor?*

Much of it would be dependent on the focus and practice mix of the firm.

However, in general, I think the business of offering counsel and trusted advice to the population is one of the most lucrative areas in commerce today. Certain banks identified this and have smartly “invested” in this space for decades.

### *Wildcard Questions*

- *If you weren't doing this, what would you be doing?*  
Philanthropy is my passion. If I had the time and the financial resources, I would dedicate my life to helping those in need.
- *What would you like to be known for?*  
Thought leadership. My end-game in what I am doing here is that I be perceived as an expert in the space I serve.
- *What's your favorite hobby or activity outside of law?*  
I dabble in DIY home improvement projects. Over the years I have invested in tools and now have amassed the tools required for most projects.
- *What's your favorite sports team?*  
NY Mets!!
- *What's your favorite city?*  
Pasadena, CA. I have always been infatuated with the SoCal. When I visited Pasadena for the first time some years back I had the chance to get a feel for the town.
- *What's your favorite food?*  
I take my foods very seriously. I have a favorite food in each of the three meals. My favorite breakfast food is hotcakes. My favorite lunch/dinner food is chicken. My favorite dessert is Tiramisu.
- *What's your nickname – and why?*  
Most people call me Jay. From the age of toddlerhood I truncated my name, dropped the first syllable and began referring to myself as Jay.

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Jay Benegal is an SVP Senior Commercial Banker with Citizens Financial Group's New York-based Professionals Banking division. He spent more than two decades at Citi, most recently serving as a Private Banker to attorneys and law firms in the NYC metro area and Philadelphia.

This interview respects the opinions of the author, and not of their affiliated organizations or High Performance Counsel





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