

The thing about ...

Dr Mohamed Idwan Ganie

In the third of a quarterly feature, ASIAN-MENA COUNSEL's Patrick Dransfield talked to Dr Mohamed Idwan (Kiki) Ganie, Managing Partner, *Lubis Ganie Surowidjojo (LGS) Indonesia*, and put to him a series of questions on behalf of the In-House Community:

Mohamed Idwan Ganie is the Managing Partner, and one of the founders, of LGS. He graduated from the Faculty of Law of the University of Indonesia and holds a PhD in Law from the University of Hamburg. Dr Ganie completed further studies at the Institute for Advanced Legal Studies in London; the Max Planck Institute for International Private Law in Hamburg, Germany; and in political studies at the Staatswissenschaftliche Fakultät of the University of Zurich. Dr Ganie was admitted to the Indonesian Bar (PERADI) in 1984 and is a licensed Indonesian Capital Markets lawyer.

Dr Ganie has more than 30 years of legal experience, and specialises in commercial transactions and commercial litigation, including alternative dispute resolution and has acted as an expert in a number of court and arbitration proceedings. His expertise covers general corporate/company law, mining, investment, acquisitions, infrastructure projects/project finance, antitrust, and shipping/aviation, with a particular focus on corporate governance and compliance. This includes legal compliance audits and legal ratings, which is a unique product of the firm.

Dr Ganie co-founded LGS, which in its more than 28 years of service has secured a position as the premier Indonesian corporate transaction and commercial litigation law firm. The firm works closely with its clients to understand their problems, determine their needs, and arrive at practical solutions that are both cost-effective and viable over the long term.

Dr Ganie is a Chairman of the Association of Indonesian Anti-Trust Lawyers, a member of the Regional Panel of the Singapore International Arbitration Centre (SIAC), a Chairman of the Indonesian Sports Arbitration Body, and a fellow (FSI Arb) of the Singapore Institute of Arbitrators. He is also a Member of the Asia Pacific Bar Association.

ASIAN-MENA COUNSEL: LGS and international firm Clyde & Co recently announced an association. Perhaps you could tell us a little about the rationale behind the new association, and what advantages you foresee for clients of both firms?

Dr Kiki Ganie: The association will focus on servicing clients of both firms across Indonesia in its growing provinces and regions and our existing Indonesian clients in international M&A transactions such as the emerging opportunities involving distressed projects in Southern Europe, and in legal proceedings outside Indonesia such as court and arbitration proceedings in London.

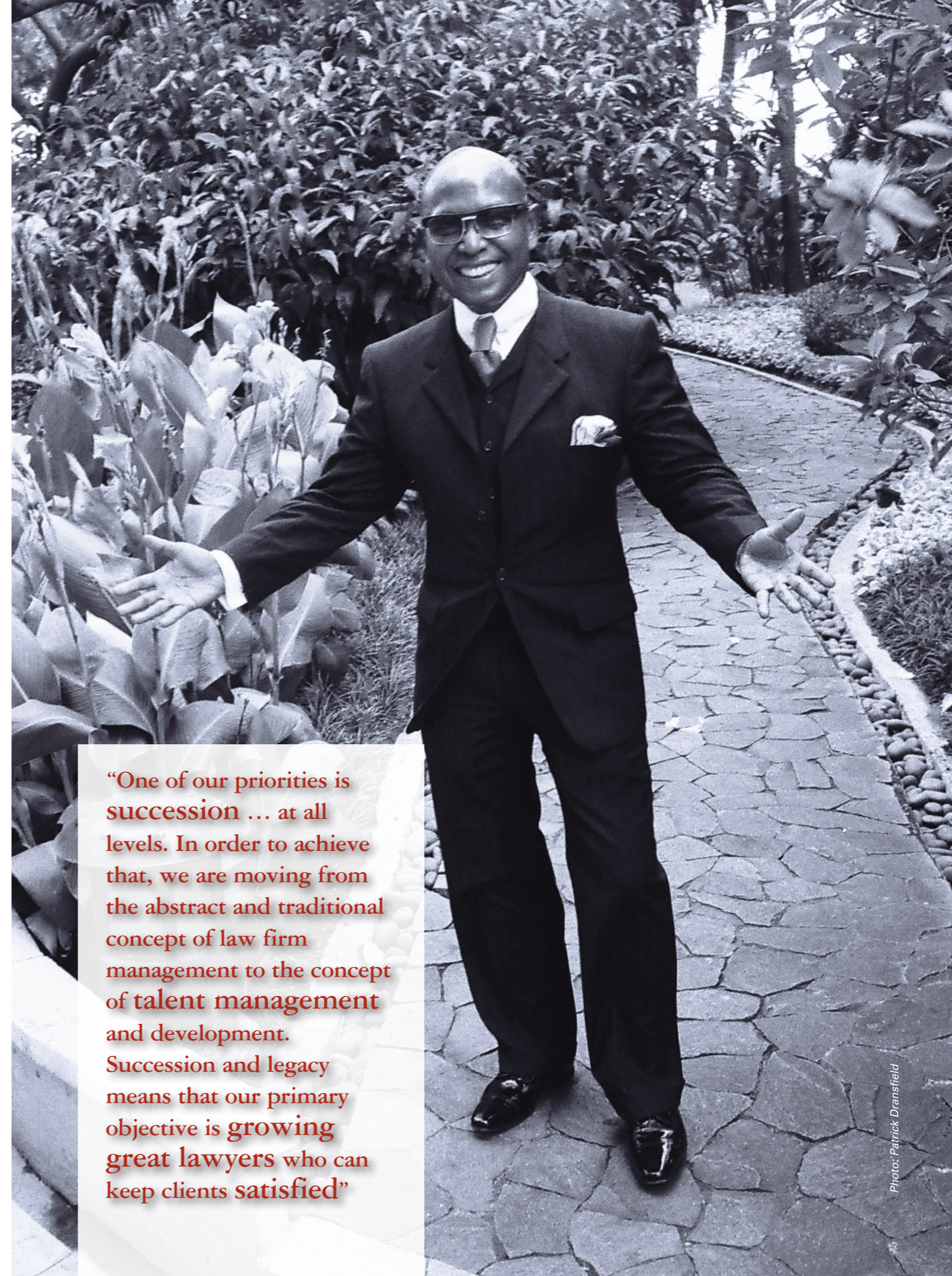
A major reason for the association is that LGS will assign lawyers to work at the London, Singapore or other offices of Clyde & Co throughout the world so that they will be exposed to a more international environment, and return to LGS as better lawyers prepared to compete globally.

Improved administration is another objective of the association, with LGS seeking to improve the management of the law firm over and above the ISO 9001 certification requirements already obtained by LGS and regularly assessed by Lloyds. In this regard we will also benefit from Clyde & Co's experience in rolling out what is probably the largest network of law firm branches and associated offices throughout the Indonesian archipelago.

However, ultimately our objective remains as it has always been – to increase client satisfaction, as that is the primary reason for our existence.

AMC: Kiki, you had an interesting childhood – could you share some of the more salient experiences that you feel shaped your adult life?

KG: I was born in Amsterdam and grew up in the Netherlands and in Germany before returning to Indonesia. The international upbringing and change in scenery during my formative years is at least partly responsible for providing me with a foundation to look at issues from different perspectives, and also as being subject to change rather than being carved in stone. My 'German' education taught me important virtues. Punctuality and discipline are the most important ones.



“One of our priorities is succession ... at all levels. In order to achieve that, we are moving from the abstract and traditional concept of law firm management to the concept of talent management and development. Succession and legacy means that our primary objective is growing great lawyers who can keep clients satisfied”

Photo: Patrick Dransfield

AMC: How has the legal profession and the service of law firms based in Indonesia changed in the past thirty years since you began in private practice?

KG: When I started my practice there were few lawyers and even fewer firms who could handle the legal requirements of large corporations and in particular of foreign clients. My firm filled that niche and secured client relationships, which have lasted for decades since. More recently the capacity of Indonesian law firms has improved significantly, as has the capacity of in-house counsel in Indonesian firms, so now, with the larger volume of business activity, our work focusses on more complex legal matters and on strategic legal advice that can only be provided through the experience gained over decades of practice in Indonesia's highly dynamic legal market.

AMC: Professor Richard Susskind maintains that we are 'on the brink of fundamental change in the world of law.' Would you agree that this is true in Southeast Asia generally, and Indonesia specifically? What are the key drivers of this change?

KG: I wholeheartedly agree. The legal profession globally has to learn to provide 'value for money.' Improvement and innovation are the two main keywords. The two guiding principle used in our firm to achieve this are 'FSC' which stands for 'Faster, Simpler and Cheaper' and 'PARA' which stands for 'Punctual, Accurate, Reliable and Accessible'. The services we provide must also comply with our 'E2S' standard, which stands for 'Effective, Efficient and (Client) Satisfaction'. To ensure efficiency in relation to quality, we have been the first law firm in Indonesia who has voluntarily obtained an ISO 9001 certification regularly assessed by Lloyds.

We have realised that it is not so important what we think as what the client thinks and to improve from there. To address this, we are also one of the few law firms in Indonesia that conduct regular client satisfaction surveys and we have learned – and improved – a lot from the result of these surveys.

The straightforward legal services are being increasingly commoditised and to an extent, replaced by technological innovation and optimisation. Technology is a main tool to achieve that. But most important is the right mindset. However, even the most sophisticated technology is meaningless if lawyers cannot use technology to do things faster, more accurately and more efficiently in all respects.

All of the above represent a global trend, and applies equally to Southeast Asia and to Indonesia, with the potential exception of certain, admittedly time consuming, interactions with the bureaucracy that still have to be conducted by lawyers, albeit within the context of such services also being commoditised. What will remain, however, is the strategic advice and novel legal solutions that are already starting to increasingly stand out from the typical legal services.

AMC: How are you addressing the crucial issues of Compensation and also Legacy in your firm?

KG: No question, good compensation is key for good performance. We also think that only satisfied lawyers can provide

client satisfaction. This does not only include compensation, but also requires a clear career path and gradually increasing professional challenge. On the other hand, law firms cannot over-compensate their lawyers and expect the client to pick up the bill at the end of the day. Increasing compensation cannot come from increasing legal fees, but must come from increasing client satisfaction.

We have always operated as a meritocracy. One of our priorities is succession, not only at the senior tiers, but also at all levels. In order to achieve that, we are moving from the abstract and traditional concept of law firm management to the concept of *talent management and development*. Succession and legacy means that our primary objective is growing great lawyers who can keep clients satisfied.

AMC: On Training: our belief is the aim of training is to produce lawyers who can be at the top of their game, where knowledge of the law and a profound grasp of professional ethics and integrity, as well as the necessary commercial acumen to be your own boss, are embedded in the DNA. Do you subscribe to the above, and if so, how does LGS attempt to accomplish this? Is operating in the demanding business environment of Indonesia a particular challenge?

KG: Our firm has long been at the forefront of providing continuing legal education to lawyers in Indonesia, and we continue to do so through internal and external continuing legal education and most importantly the development of supporting soft skills. 'Understanding the clients needs' may not only be a slogan, but must become a reality. Training must be geared to achieve that. The issue is not really 'to become your own boss but 'to think like one' or as we describe it: to become an 'entrepreneurial lawyer,' a lawyer who understands the client's commercial needs and gets things actually done in the most professional, ethical, effective and efficient manner.

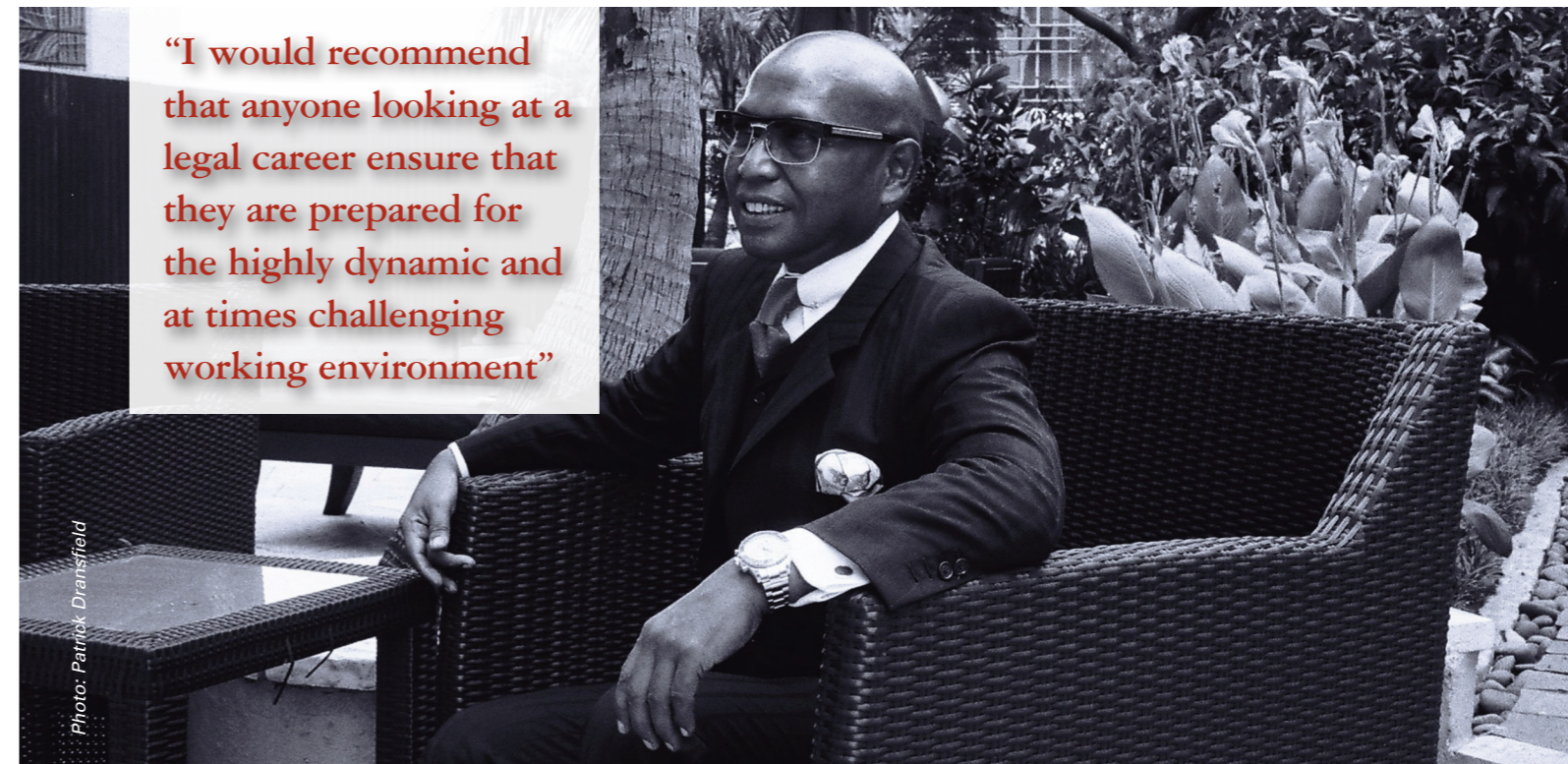
The challenging Indonesian business environment is actually in of itself a great educational aid to our lawyers and enables them to face, and learn from, the daily challenges faced by any lawyer practicing in Indonesia.

AMC: What keeps you awake at night?

KG: The backsliding of certain judicial systems and legislative advancements that have been made in recent years, particularly the increasingly challenging operational requirements that are being brought in by certain pieces of legislation which appear to be targeted at securing popular support, (but at times which disregard the adverse impact on the business environment).

AMC: On Fees and Service: what are the various ways that LGS engages with clients regarding compensation for services rendered? Have you seen a shift in preferred billing arrangements in recent years? Can you provide a real example of where the firm has gone 'the extra mile' for a client?

KG: I think 'going the extra mile' is crucial to stay competitive nowadays. However, in order to maintain a competitive edge in



the years to come it must be 'extra miles' rather than only an extra mile. Client satisfaction is the guiding principle.

Certain matters, particularly advice and standard transactions, are increasingly being offered on a fixed-fee or a capped-fee basis. This provides certainty for clients, although at times has the effect of shifting the risk inherent in the uncertainty of the Indonesian legal process to the law firm. Shifting risks is not the answer, sharing is the answer.

Where possible we cover cost by a basic fee or ceiling and in addition agree on a success fee based on milestones or deliverables. We actually do not prefer to 'sell time for money' but to sell 'value for money.' Where hourly rates are competitive, profitability can only come from sharing risks and sharing in the added commercial value achieved for the client. Obviously, this cannot be done in all situations and with all clients. Long-term relationship is the keyword. It is therefore important to develop client relationships in which we do not look for an incidental profit and can apply a combination of alternative fee arrangement in order to adjust to the client's situational needs from time to time. This will include providing some services at no fee at all to our retainer clients.

AMC: How does LGS effectively use technologically-advanced solutions in its services to clients?

KG: We maintain a database of legislation, templates, and memoranda which enable us to respond to any project or query much more rapidly and efficiently than if primary research was conducted on each matter. We also have an integrated project tracking and matter document archival system that ensures that all team members are kept up-to-date and client-specific knowledge is retained and built on by the firm with every new matter.

AMC: In your 30 plus years of practice, what advice, based on your direct experience, would you give to anyone interested in the law embarking on their career? How do you view the respective roles of in-house counsel and external legal advisers today and going forward?

KG: I would recommend that anyone looking at a legal career ensure that they are prepared for the highly dynamic and at times challenging working environment. Becoming a better lawyer will often require learning related soft skills and not to take further studies in law. With respect to in-house and external legal advisors my view would have to heavily depend on the scale of the in-house department, since I have worked with clients where assignments given to external legal advisors range from essentially acting as an outsourced in-house legal team to only being consulted on highly specialist matters.

AMC: What is your hinterland (i.e. what are your interests outside of the firm)? How do you control your time so that you can pursue them?

KG: In one way or another everything in my life is connected to law. My wife is a notary and my sons are lawyers. For almost 25 years I have been lecturing on legal research and legal writing at the Faculty of Law of the University of Indonesia. Lecturing is my favourite activity outside the profession. My other interests are reading, classical music and keeping myself in shape through running, strength training and inline skating. After all, body and mind must both be balanced and healthy: *Mens sana in corpore sano* as the Romans used to say. I believe in that. Controlling time is no problem if we set priorities. My guiding principle is: Concentrate on things that are important and do not let important things become urgent.