

Georgia's Business #411

Guest: Richard Hays Managing Partner, Alston and Bird

Richard Warner:

Welcome! I'm Richard Warner and this week on Georgia's Business, inside a company that has consistently been ranked nationally as one of the best places to work. It's a law firm. An industry that is more often known for brutal hours and intense working conditions than not. The firm is Georgia based Alston and Bird... in business now for a hundred and fifteen years. Our guest is the managing partner there, Richard Hays. It's nice for you to be with us. I know this is billable time. I'll try and be brief.

Richard Hays:

Well thank you. I can't think of any better way to spend my time.

Richard Warner:

Describe the culture. What is it that makes it work?

Richard Hays:

We focus on great work and great people. And I get that question a lot and you can go on an on. But it's fundamentally about having great work to attract great people and creating an environment where people get up and enjoy coming into work everyday.

Richard Warner:

You know the easy part of this, the one that everybody assumes we're going to talk about is the great people part because how do you find the people, how do you keep them, and we will certainly go there. But the fact that you said great work is often overlooked because entrepreneurs or companies are about the bottom line and about taking pretty much whatever work comes through the door. And so what you're saying is that if you want the great people, you gotta think otherwise.

Richard Hays:

Absolutely and we're very pro-active about identifying that work because the difficult issues that we face are problems our clients have and we have to solve those and so getting the team together so that they can solve the tough issues is what attracts great work. And so, focusing on the great work attracts great people.

Richard Warner:

It almost sounds Richard like you're going to be interviewing clients to see if they meet that bar.

Richard Hays:

Yeah. We spend a lot of time with clients. One of the most exciting things that I do is that I spend a lot of time with clients. I'm trying to find out what is going on in their business

so that we can do what we need to do internally to structure ourselves to provide that service and to provide the great service or the great work component there.

Richard Warner:

Eight hundred attorneys, you've been in business for a hundred and fifteen years, to some extent you inherited you know, a really good hand, but that's not enough you can still mess up a hand. When it came down to doing this job and to growing this business, how do you go about selling what you do?

Richard Hays:

You are right, I am very very lucky. I mean I was lucky when I started and I'm lucky as I step in to this position. A lot of it is just tending to the things that we've done year after year. And the challenge for my position is to make sure that we don't become stagnant, that we change. Staying in touch with the clients to see what's out there. What the new issues are. Whether it's energy, whether it's the sub-prime turmoil and making sure that we're positioning ourselves so that we can address those issues.

Richard Warner:

You don't think of law firms of having to be on the cutting edge of anything but legal issues.

Richard Hays:

Well we may not be right on the cutting edge, that's probably right. But being with the client to see what's out there. One of the things that comes to mind when you mention that is this morning I was on a telephone conference about the first off-shore wind power project. And so all of the issues around having a wind turban off-shore and piping electricity to light to part of the United States is exciting. So you're exactly right. We're not developing that, we're not on the cutting edge of developing that technology of course, but the issues around that, the legal issues around are new and complex and are the source of providing the great work.

Richard Warner:

One of Richards take-aways, the first five-minutes of the show you've got to have good clients to get the best people. Ok now you're going to get the best people, you've been on these best places to work list for many years, what would you say is the most important thing that a company needs to remember if they want to aim for that type of designation.

Richard Hays:

Everyone from top to bottom has to feel like you really care about their advancement. And they have to have a pathway to success. When they come into work everyday, they have to know that there is something exciting for them to do, and that they can succeed there. We're a service organization right? We don't make widgets. And all of our people get on the elevator everyday and go home. And when they wake up they have to decide if they're going to come in the next day. And so doing things like investing in our executive staff, make sure that they are engaged or our daycare center make things easier for our employees to be there or our lawyers to be there at difficult hours. The job can involve

long hours. And so doing the things necessary to make that easy to make that available is what creates a strong work environment.

Richard Warner:

When you think of law firms, generally you sell your time by the hour which means that the more hours you work the more money you make, the more successful the firm and the person is. More money they make. That's what the secret is here, that's what I'm curious about cracking. Something that is as time intensive as this and yet you've created an environment that consistently gets rated high by the employees. How did you determine what was important to the employees?

Richard Hays:

I spend a lot of time with the employees. So spend a lot of time with the lawyers. Really finding out what they need to grow. What they need to develop their practices, what they need to do to advance. And that can range from support to participate in a seminar, to I need some additional technology to help me develop my practice. And so finding out what those needs are and then removing obstacles to those is a large part of what I do. And I've found that those obstacles, those challenges, can't neatly be put into one little box or one little category and I often see people presuming what others need and want in their work environment and can be completely off-base... can be wrong... and so spending a lot of time getting feedback.

Richard Warner:

What's your process for that?

Richard Hays:

We have a lot of mechanisms. We meet a lot and we have suggestion, online suggestion boxes.

Richard Warner:

Anonymous?

Richard Hays:

Yes. Anonymous, although most of the people around our firm aren't too scared to make it anonymous.

Richard Warner:

That's an important part of the culture, that they would have the confidence to put their name to it. How far down the ladder do you go? You only have a number of hours during the day where you can spend time with these employees and at the same time growing the business and dealing with customers. How far down do you go in one on ones?

Richard Hays:

As we've gotten larger and as we've grown into larger offices, I've spent a lot of time in New York, a lot of time in D.C., or Dallas and Charlotte where our other offices are. And when I'm there or here, I will have larger town hall meetings. So if for example, next

week I will have a town hall meeting with all of our associates where they can come and ask me any question. I have meetings with our paralegals, with our case clerks, with our secretarial staff that are around their schedule. So I meet in groups with them and it's everyone in the front.

Richard Warner:

Do they feel comfortable enough to...is it Richard coming to talk to the group or do you sense that the group is comfortable enough to in front of other people say, you know we got a problem here.

Richard Hays:

I wish you could come to it because I certainly have the sense that they are not reserved about registering issues or complaints or whatever they have on their mind. And I love that. When I first stepped into this, frankly that was a little bit, go in and come out with a lot of arrows stuck in, and I've gotten to where I thrive on that. I love that, because it's really an opportunity for me to find out where we need to move. What we need to do, and I'm not shy or reserved about saying well that's not something we want to do and here's why. And so it's just the level of communication that creates that environment and I've found that people just want to be treated fairly and they want to have a high level of communication about what's going on in their world.

Richard Warner:

Is that because they're lawyers and they speak up for a living or is this the kind of culture that a company in some other industry could also adopt.

Richard Hays:

Well I've not been creative enough to do anything other than be a lawyer so I'm not quite sure what it would be there. But, lawyers are bi-large driven to succeed. And the most successful lawyers are those who really want to succeed not for themselves, but want to succeed for the clients. And when we hire, when we recruit people, we look for those who take a sense of satisfaction out of the success of the team more so than the success of themselves individually. The success of the client more-so than the success of themselves. And not a week goes by that I don't get an e-mail from some client, just randomly coming in, he says I want you to know that this is the team, here are the lawyers, and this is what they did for me. I had this problem, I had this issue, and it was solved. And that's the most exciting part of my job.

Richard Warner:

That sounds so easy. How do you find these people Richard, where are they?

Richard Hays:

Well, you have the great work, and you have the great work environment, they come to you.

Richard Warner:

You know this best places to work thing frankly becomes invaluable marketing tool. In addition to praise for a work well done there's also that high profile knowledge that some other candidate might want to come to you who might not otherwise know about you.

Richard Hays:

Well we are proud of being on that list. I think it shocked a lot of people when we were number two on that list and the Container Store was number one. But what we have found is we don't focus on that as much as the nuts and bolts and tending to what we've done and that's a reflection of what we've done but it really doesn't define who we are.

Richard Warner:

And yet, while it does give you a certain notoriety, the flood gates are open. They're probably a lot of folks applying and wanting to work there because the implied positives of the work environment. How do you determine who to hire?

Richard Hays:

We have over two thousand employees. And we have a fairly structured hiring program on the turn side if you will. And so we go out and we send teams out to the law schools throughout the country every year in the fall. they go out and they recruit. And so it's affirming whenever we go into one of those interviews with a young law student, and they already know about us, and they say I've done my research and would love to join your team if I can. And so we spend a lot of time in law schools recruiting out the initial stages, from the very beginning.

Richard Warner:

What's different about your field is that it's such a focused profession. People know what they want to do. They know that they want to work for the best. There's more of a career path that for someone who's in arts and sciences. So the question may not be quite as accurate, legal, but do you find that people who are in that generation today in their twenties or even in their early thirties, are their priorities, their work ethic, their style, expectations, different for yours?

Richard Hays:

Absolutely, they just are. When I started, partners, you have associates, and that was kind of it. Now we have a lot of different levels of commitment, we have a lot of different lawyers who are serving different roles. We have financial analyst on the team. We have CPA's, we have patent agents. So the work force is just much more diverse and it's much more diverse because the issues we face are more complicated now than they were. It's also different because in order to assemble the best and the brightest, in order to have that team that we need to solve those problems, we can't say you can join us only if you're going to be a partner or associate. And you're going to work twelve hours a day. One of my favorite examples of that is that we have someone who lives actually not far from here who is an extraordinarily bright talented lawyer but he doesn't want to work continuously if you would, he wants to have chunks of time, three or four months, and then take off. He's actually writing a novel. And so he is an extraordinarily high demand from our other lawyers to be on the team to help solve his particular area of his expertise

or to address those issues. And so having a work environment where we can pull that sort of team together in a way that accommodates the work force but most importantly, okay coming back to the notion of having the team to solve the client's problem where it takes larger teams, we absolutely have to have the expertise that that person brings. And if we communicate to that person that they can be a part of the team, only if they fit into this particular box, then we're going to lose that, and the client suffers. And so we wake up everyday, the mantra is what is it that the client wants? And if we keep our eye on that ball, everything else falls into place. Much more so than the money or much more so than anything else that may drive the denny cranes in the world.

Richard Warner:

what if the client want him while he's writing his novel.

Richard Hays:

Well that's why you have a number of those in different offices. Another thing that we're doing, is that we're investing a lot into technology and all firms are doing this, where those teams are not always resident in the same place. Coming from a meeting this morning where the team that was dealing with the largest hydro-electric power project in Brazil. And that's exciting stuff to see that and to look at the regulatory and the policy, all the issues around that. That team is assembled from offices all over the country. So if he's not available, we will have someone else, if not we can get that. And sometimes we partner with other law firms. Particularly in other countries. We have a lot of matters in other countries. I think we have sixty four cases or matters now in sixty four different countries. So I was actually surprised when that was reported to me earlier.

Richard Warner:

Your brother is Chairman of King and Spalding. You ever partner with them?

Richard Hays:

We actually have from time to time. A little less so there.

Richard Warner:

Thanksgiving must be interesting in your house.

Richard Warner:

Thanksgiving's an interesting time but you know people obviously ask me about that and we've had a healthy rivalry for forty eight years from the time we shared that bunk bed.

Richard Warner:

What does that say? What was childhood like growing up in the house where...that's amazing. That is an amazing accomplishment.

Richard Hays:

Well I don't think either one of us anticipated that or saw it coming.

Richard Warner:

You probably didn't have fist fights, you just reasoned with each other until one of you gave up.

Richard Hays:

Not quite that. There's always been a healthy rivalry there and that will continue.

Richard Warner:

Was your dad a lawyer?

Richard Hays:

No. Dad was a doctor. My dad is a doctor.

Richard Warner:

This isn't genetic. We've talked about some of the really positive stuff I mean you know, you've got to have great clients to attract great employees. You've got to be flexible in the way that you treat those employees. Respond to what's important to them as much on an individual level as possible. What do you do when it's not working? People are people. There are going to be plenty of times where you have under performers who are not holding their end of the bargain, who are not contributing as much to the team as is required. How do you tell when that's the case and how do you know when to act?

Richard Hays:

That's a difficult part of the job because the instinct in that circumstance or in those circumstances can be to avoid it or to look the other way or to not confront it. And developing a culture where we can be forth right and address those issues quickly and communicate about those does a number of things. One, frequently it takes the problem away, or the issue goes away if someone is underperforming as a younger lawyer and communicating that to them and providing them direction and support often will solve that issue. But that's our first instinct is to have a discussion, have a dialogue about what it is, and we work very hard to try to support those because we know that particularly the younger level evolve over time. And there's no doubt that there are some instances where that just doesn't happen and you have to have the discussion with people where you tell them that maybe being a lawyer is not what they want to do. And it may not be the best thing for them to do. And that's of course not fun, but I try to remain focused on the person and the longer view toward doing what is ultimately in their best interest.

Richard Warner:

Nine percent voluntary turn over which is pretty good. I don't know what it is total. Have you ever had a situation like that where something is not cutting it and you just wish it would. You know that this individual is so potentially talented but for whatever reason, you haven't been able to get through to them.

Richard Hays:

Sure. We have a form of mentoring program where everyone who comes in is assigned with a senior experience successful lawyer. And that partners job is to spend time and to mentor that person. And that leads to a lot of great things. That leads to a lot of success,

but it also ensures that people don't fall between the cracks. And fortunately, we've been fortunate, that many of them, most all of our partners or the senior experienced lawyers, really invest a lot of time into that mentor because nine times out of ten, if you say why are you successful? They will identify a mentor and they will say somebody took a special interest in them somewhere a long the way and helped them.

Richard Warner:

That's so hard to know where to draw the line between mentoring and encouraging and working with and pulling the plug.

Richard Hays:

It is. No question

Richard Warner:

You guys must have mastered it.

Richard Hays:

Well I'll tell you I have had holiday cards or people that will circle back. We have alumni. We have Alston Bird alumni events where people who have for whatever reason moved on will come back tot he event and it's rewarding frankly to see some people who come to those events and you know that they may have fallen into the category that you're describing and that they will say, you know I should have never been a lawyer. I spent three or four years as a lawyer and I now am happy doing something else.

Richard Warner:

Well I certainly made a mistake early in my career, if I hadn't made it, I would have gone in a totally different direction and that's okay. You just have to accept it and move on. Famous people who work for your firm.

Richard Hays:

Long, long list but Bobby Jones is probably at the top of the list. The golfer, that's right. Actually Alston Bird is the result of two firms coming together, Alston Miller and Gaines and Jones Bird and Howell and the Jones and the Jones Bird of Howell was Kernel Jones, Bobby's dad. Bob Jones was a partner with our firm from the twenties. HE actually was an associate when he won the grand slam in nineteen twenty eight.

Richard Warner:

Then we have Bob Dole.

Richard Hays:

Absolutely and also Tom Daschle. So we have...

Richard Warner:

Talk show potential right there.

Richard Hays:

Well we like to think of that as reflecting the big tent culture that we have. Obviously Senator Dole and Senator Daschle come from completely opposite sides of the political aisle and so they're former House majority leaders and that we don't align with some side of the aisle or the other but the talents that they have in our active legislative practice in D.C are just invaluable to again attracting great work, having great people, and succeeding.

Richard Warner:

We make for a very interesting Christmas party. Richard Hays is the Managing Partner at Alston and Bird. Consistently ranked as one of the top places to work in America. A mini management course here. Thanks very much for spending an hour with us.

Richard Hays:

Thank you I enjoyed it.