

E-book

Maximize your billable hours

by Johanna Marmon

Learn how to eliminate bad timekeeping habits and increase your profits up to 50 percent.

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Author Bio

Johanna Marmon is a writer based in upstate New York who has been reporting for more than 15 years on trends pertaining to the legal industry.



Time is money.

The American Bar Association estimates significant billable time (and revenue) loss can result when time spent on client matters aren't tracked as they occur. The longer you wait, the bigger the revenue loss risk. Which bucket does your firm fit into?

Estimated percentage of billable hours and revenue loss based on amount of time lapsed before logging hours spent on client matters:

- 50%** Logging hours at the end of the week
- 25%** Logging hours at the end of the day
- 15%** Not logging hours immediately



Are you capturing every billable moment?

Every attorney knows that properly logging time spent on client matters is one of the cornerstones of a thriving legal practice. Yet many still habitually use inefficient ways to track the time spent with clients—like jotting notes on convenient legal pads, in spreadsheets, or even on sticky notes.

Manual time tracking can be incredibly tedious and challenging to manage. Lost sticky notes, spreadsheets that get corrupted, and indecipherable handwriting can lead to billing inaccuracies and wasted time. Billable time lost can take a major toll on profits.

Automating timekeeping and billing processes using the right technology is the best way to protect billable time and boost profits, but selecting the perfect solution can be overwhelming. To aid in this process, this e-book outlines essential features to look for in a time and billing software and provides guidelines to ensure it's the right fit for your practice.

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“Having an intuitive, robust, and flexible software that’s centered on the time and billing process can mean the difference between making your revenue goals or succeeding as a business. If you’re relying on your own memory to keep track of time and input it onto a spreadsheet, the possibility of lost revenue is exponential.”

**James Reese, Product Manager
Sage Timeslips**

The pitfalls of manual time and billing

If you're still manually tracking your time on a spreadsheet, a printed form, a notepad, or even sticky notes, here are 6 reasons to stop what you're doing and invest in a timekeeping and billing solution.

Underbilling and revenue loss

Lawyers who manually track their time most likely don't enter it daily. Often, lawyers update spreadsheets from memory at the end of the or even at the end of the month. This leads to inaccuracies—it's nearly impossible to remember the minutiae of tasks if they aren't tracked accurately as they happen. Clients may complain about overbilling, but this kind of last-minute timekeeping nearly always leads to underbilling.

Data loss

Say your spreadsheet is saved to your desktop, and not backed up on a server or saved in multiple locations. What happens if the file is corrupted or lost? If you spill coffee on that notepad you've been using to record time? Or you or the janitorial staff accidentally tosses it away?

Reputation and credibility

Clients today demand transparency and accuracy. Time that is misaligned or misassigned, work descriptions that are incomplete or vague, and hours that should have been billed long ago will cost you credibility with your clients. Lost credibility can lead to tough questions and payment delays. Keep losing your credibility with a client and you may find yourself losing that client!

Ethical complaints

Maybe it should go without saying, because the phrase "ethical problems" is so often used as a form of jump-scare, but bad billing practices can annoy and even anger clients. Angry clients don't pay and they tend to go away. Some will do it quietly, but not all of them. Claims of unfair or over-billing are one of the leading causes of professional ethics complaints.

Free solutions that come at a price

It may appear cost-effective to document time using a sticky note or Excel spreadsheet, however, this ultimately adds additional administrative hours to a legal practice and increases the risk of errors in billing data.

The snowball effect

Poor timekeeping habits can quickly become cemented as standard practices. The cumulative impact of lost minutes and hours among attorneys can be extremely costly.

“In the legal world, everything is billable. A missed hour here, 15 minutes there. Those misses can quickly add up.”

**James Reese, Product Manager
Sage Timeslips**

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Is technology working against you?

Many clients are now employing services that use sophisticated technologies to analyze every detail in their invoices. These services promise that their algorithms will create a certain percentage of rejected and reduced billing. Against such sophisticated systems, your from-memory, mostly-accurate billing stands little chance. You need to make sure that the software you employ helps keep you and your team always up-to-date and accurate.



Get better insights into your practice with Timeslips



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Perhaps the biggest downside to manual timekeeping and billing is that there's no access to the bigger picture—the data and trends that you need visibility into to grow your law practice.

Reese explains that robust time and billing solutions provide an accurate snapshot of how the business is performing and helps legal professionals make projections around staffing and resource needs, the most profitable clients, and the right prospects to pursue.

“Think of Timeslips like a client portal,” Reese says. “You can quickly and easily see how many hours have been billed by task, or by matter.”

Timeslips offers some 140 different pre-installed and customizable reports, from being able to pull a complete client billing history to displaying which clients have not been billed since a specific date. “Many of our customers place high value in our reporting engine because it provides better insight into revenue trends, reporting, and forecasting, that other solutions just don't deliver.” Reese says.

Timeslips also helps to automate your timekeeping. It can open up a stopwatch when

start certain common programs associated with legal work, like Word, to track your time in those systems. It can even be set to start up that stopwatch when you start your computer. An automated (virtual stopwatch) works in the background to keep a close eye on your billable hours.

Poor time tracking inevitably leads to problems with billing and invoicing. The best legal tech solutions integrate the two functions, keeping both timesheets and invoices for clients and projects in a single location—a customizable dashboard—for the easiest access for reporting.

Sage Timeslips Premium allows users to shed light on a variety of key performance indicators, helping firms get a better grasp on a range of criteria—from accounts receivable per client (trackable for any time period) to how long it typically takes to perform tasks or resolve potential issues.

“Ironically, firms can experience significant revenue loss due to poor timekeeping but remain completely unaware of it because of those same bad habits” Reese says.

“Great timekeeping programs help optimize revenue potential by clearly articulating how time is spent.”

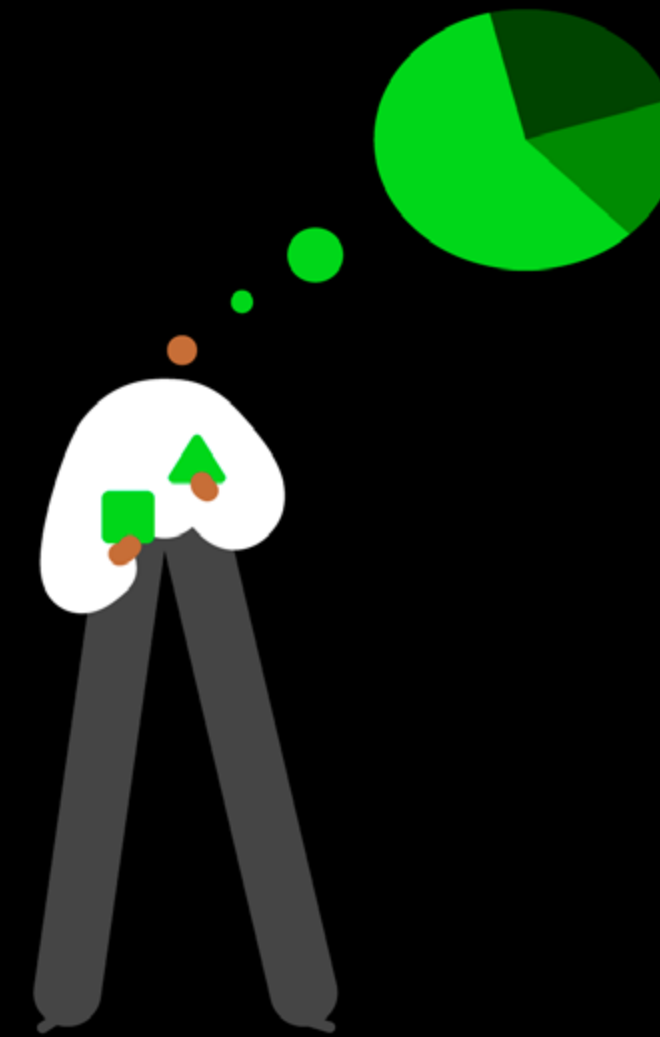


Technology's role in a modern successful firm

Accurately tracking time provides attorneys with a greater awareness of where their time is being spent, both billable and non-billable. By having visibility into these previously unidentified hours, firms can more effectively optimize revenue, filling in any gaps of potential leakage.

Brief conversations and exchanges with clients, or the 20 minutes spent replying to emails during lunch, can now be effortlessly documented and invoiced with a system that is simple and efficient to use.

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Firms gain valuable insights when they can track their time holistically and answer questions that move their practice forward:

- Which clients are profitable?
- Is there a particular practice area that's ripe for growth?
- How much time are we spending on each type of task, and is this meeting client expectations?
- Do certain types of cases cause the firm to lose money?
- Can we do flat-fee billing for certain types of cases - and if so, what fee will work best?
- How productive is my team?
- How much time are we wasting on non-billable work?

Essential features in a time and billing solution

Remote access

By using technology to capture billable hours remotely, attorneys can streamline the invoicing process. Not only is more time accurately captured, but clients gain a clearer understanding of their expenses which in turn helps speed time to payment.

“The ability for lawyers to enter and track time from outside the office is paramount,” says Reese, who notes that Timeslips’ eCenter cloud-based portal allows for just such access.

“Remote work is here to stay, so lawyers must be able to enter their time on their tablet as easily as they can from their desktop in the office,” Reese adds.

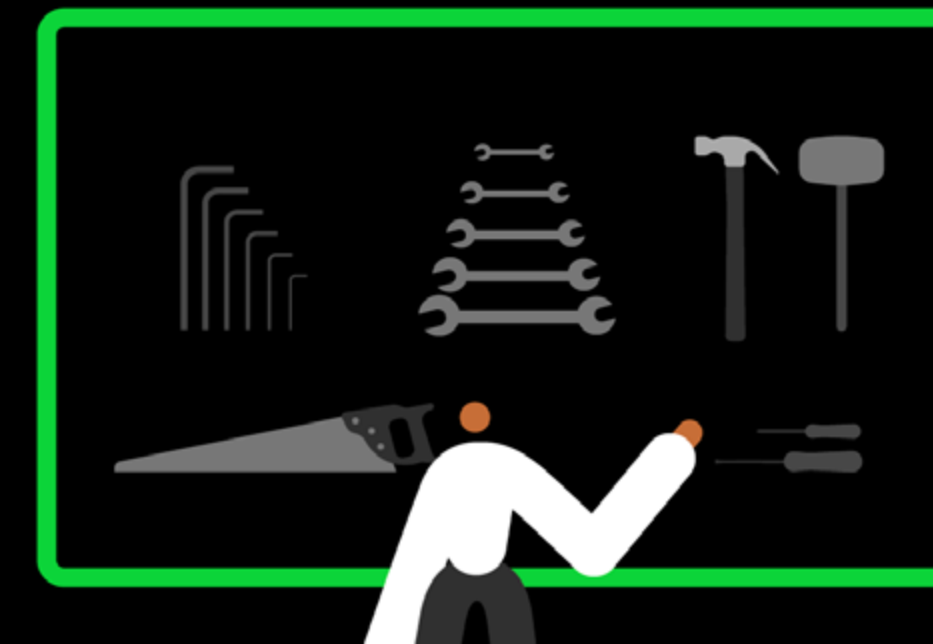
Rich features and connections to boost productivity

Technology should help you work faster, more accurately and productively. Ensure that the time and billing solution you choose has features that will save you from wasted time on mundane activities and give you more time to do what you love.

For instance, Timeslips Premium has a billing assistant feature which enables lawyers to review, modify, and create invoices in a single platform.

Additionally, it has built-in integrations with other popular solutions—like LawPay, QuickBooks, and Outlook—to help attorneys take and process online payments quickly and securely. Outlook emails, appointments, and meetings can easily be converted into slip entries.

“Lawyers should monitor and foster productivity in order to better client satisfaction,” says Reese. “Confidence, competence, comprehension, clarity, and commitment are the essentials to acquire and retain happy clients. Having a time and billing solution that empowers you to run your office the way you dreamed, but also have the flexibility and expandability to fit each customer’s requirement is critical.”



Key takeaways

Legal professionals who embrace innovative technologies and maintain a focus on their clients' needs have a competitive edge in today's market.

An intuitive timekeeping and billing solution is essential for mitigating the risks associated with manual timekeeping.

- Record more hours
- Spend less time tracking time
- Generate accurate and complete bills
- Boost profitability

When considering solutions, opt for one that specializes in the legal industry and is renowned for its ability to help streamline processes, create actionable insights, and maximize efficiency in terms of time, billing, and profits.

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Must-haves



Ability to capture time, tasks, expenses, generate slips, and add new client files from any web browser or mobile device.



Automated, real-time tracking of time spent on client matters, from anywhere, anytime.



Create flexible, reusable, and fully customizable templates tailored to each client.



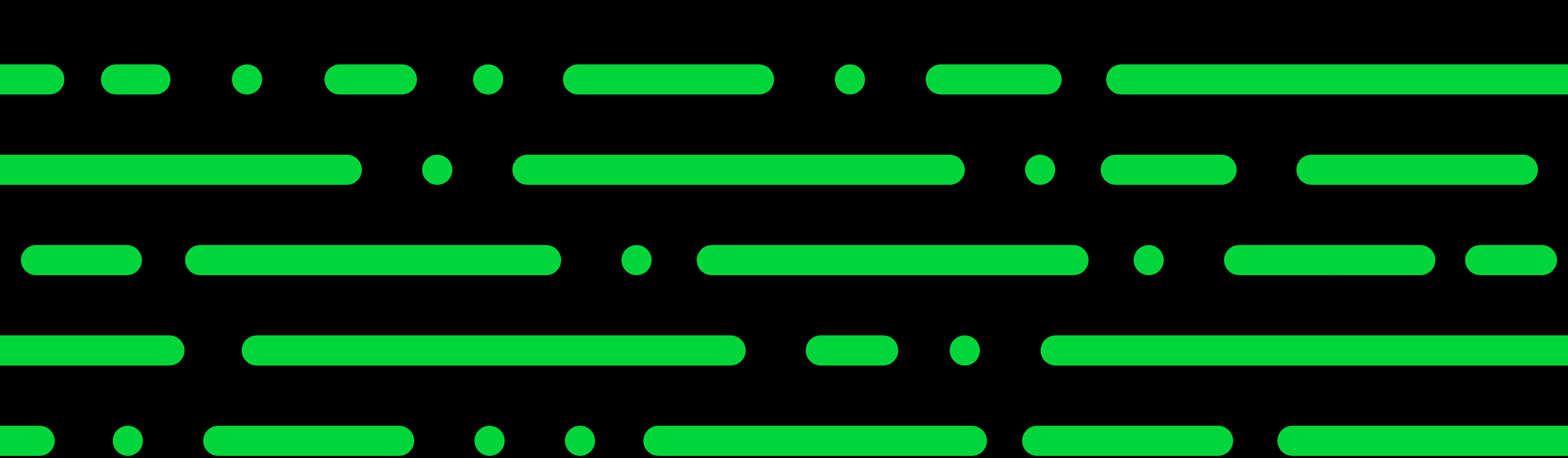
Easily track, add, modify client details in one place.



Robust standard and fully customizable reporting that provides valuable, actionable insights into your practice.



Built-in connections to popular legal solutions like LawPay, Quickbooks, and Outlook.



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