# iTimekeep

**THE ULTIMATE GUIDE:**

# Timekeeping Success for Law Firms

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# Introduction

Time entry isn't necessarily what most would consider to be a sexy topic, especially for attorneys. It's not just attorneys that shake their proverbial fist at time entry. Many law firms continue antiquated and inefficient time entry practices, which means that firm administrators, legal assistants and other staff are burdened with some aspect of time entry, from completion to accuracy.

Time entry, however, plays an important part to both the firm as a whole, and for individuals within the organization. Revenue, growth, client loyalty, compliance and morale are all affected by your firm's timekeeping practices. In addition to the above, your competitive edge depends heavily on accuracy in time entry.

In this eBook, we'll take you through everything you need to know about timekeeping. We'll help you understand the difference between common methods of timekeeping, introduce the concept of mobility and why the future of legal depends on it, and guide you through the vendor selection process.

# Understanding Timekeeping in Legal

Time is money, but we've heard that before. All firms keep time, but the method and resulting accuracy varies. Let's begin by discussing the most prevalent timekeeping methods used by the legal industry today: time entry and time capture.

# The Fundamental Faceoff:
# TIME ENTRY vs. TIME CAPTURE

Will your attorneys manually enter their time or will they rely on technology to record and analyze their behaviors to generate time cards? Perhaps both. The first key lesson in understanding timekeeping is to distinguish between time entry and time capture.

## FIRST, LET'S EXPLORE TIME ENTRY

Time entry relies on the individual attorney to manually enter his or her time into a timekeeping system. There are two ways to conduct time entry:

**1. Reconstructive Time Entry:** When you think of time entry, you are likely thinking of the grueling process that includes looking back through your calendar, emails and call logs to estimate the time spent on each task, case or initiative. This approach is referred to as reconstructive time entry, as you are literally "reconstructing" your schedule in order to determine how your time was spent.

**2. Contemporaneous Time Entry:** This is achieved by recording time immediately after a task has been completed. Technology is an ally in successfully practicing contemporaneous time entry, as it is now possible to record time on a mobile device, anytime and anywhere.

*Reconstructive time entry and contemporaneous time entry are not mutually exclusive. Often, timekeepers will practice a combination of both time entry methods, keeping track of a portion of their time contemporaneously and using reconstructive time entry to fill in the gaps.*

## SO WHAT ABOUT TIME CAPTURE THEN?

Time capture, on the other hand, relies on different mechanisms to tally and analyze time. Time capture uses software and hardware to monitor a timekeeper's activities and create an automated report regarding how time was spent. The software runs on attorneys' desktop computers, phones, copiers, and other devices to track work-related activities that take place throughout the day. The software presents and summarizes the activity data so the user can code properly and convert those into time entries. Time Capture is an "automated" form of reconstructive time entry and often users are presented with more data that needs to be sorted out before it can be considered a time entry.

Ultimately, you may not decide to choose between time entry or time capture, but to embrace both. After all, timekeeping is often completed on a spectrum. You won't always be able to "do it right now," and you are hopefully not "leaving it all for later."

In fact, the idea of embracing both is often necessary if time capture is implemented. In order to verify that the software is operating properly and time is allocated correctly, attorneys will need to keep track of time manually and compare their records against the time capture logs.

Speaking of which, let's dive into a bit more detail on those two types of time entry that we mentioned earlier.

# Two Types of Time Entry:
# Doing It Now vs. Save For Later

## WHAT IS CONTEMPORANEOUS TIME ENTRY?

Contemporaneous, according to the Merriam-Webster dictionary, means "existing, occurring or originating at the same time." Applied to the practice of time entry, contemporaneous time entry occurs when time is recorded as a task is being completed. It's real-time time entry.

Until recently, contemporaneous time entry in the legal field wasn't practical, or even possible because time entry was confined to the office. Most attorneys are always on the go, spending the majority of their time out of the office at meetings with clients, court dates, or logging hours at home during evenings and weekends, therefore making contemporaneous time entry not a feasible option.

However, mobile devices have changed the way that attorneys work and have presented new opportunities to increase productivity on the go. Mobile time entry brings timekeeping to the field allowing legal professionals to enter their time as they finish each client meeting, phone call or task by dictating or entering time into an app on their smartphone.

Why not just save it for later? You could. And, that's probably what you've been doing up until this point. Contemporaneous time entry contrasts with reconstructive time entry, which occurs when time is calculated using historical data such as calendars, phone logs and emails. However, there is a growing body of research that suggests that reconstructive time entry is less accurate and takes more time to complete than contemporaneous time entry. Here are a few benefits of practicing contemporaneous time entry, or in other words, "doing it now."

# How Attorneys Benefit From Contemporaneous Time Entry

- **It allows you to work the way you work.** You've just finished a meeting at a restaurant? Great. You're on the subway, catching up on emails? Awesome. The beauty of mobile time entry is that it is right there with you, wherever you are, no matter what you are doing. As you take advantage of small chunks of time here and there to get things done, you can also record that time immediately. Instead of time entry being an extra "thing" that you have to worry about, you can keep it under control as you go throughout your day.

- **Save time by avoiding reconstructive time entry.** For all of you attorneys out there that have at one time or another in their legal careers gotten caught behind the proverbial eight ball and have reconstructed your time, you know that it can be a pain in the...ahem...loafers. Searching through the calendar and digging through emails and phone logs is boring and stressful - especially when there are numerous other more important items of business you could be working on at that time.

- **Increase accuracy in timekeeping so that you don't leave money on the table.** When you record your time as you complete a task, the time that it took you to complete the task is fresh in your mind. As time goes on, remembering the amount of time that it took to complete that task becomes more of an estimate or a guess. In fact, according to Attorneys at Work, attorneys who enter time on a monthly basis can lose up to 55 to 70 percent of their time. That's a lot of time that isn't being billed, which can leave a lasting mark on revenue over the course of a year. On the other hand, firms that keep contemporaneous time tend to generate 25 to 40 percent higher revenues than firms that do not keep contemporaneous time. This is a real incentive to improve!

- **Time entry becomes a habit:** Once you start realizing the benefits of entering your time contemporaneously anywhere you are, it will become the new normal, and even something you can enjoy and take pride in! Habits are quite powerful...we will touch more on that later.

# The Problem with Reconstructive Time Entry

You've probably already caught wind of the fact that we aren't the biggest fans of reconstructive time entry as an approach. We have good reason for this - as there are some serious drawbacks to "saving it for later."

- **It becomes more burdensome.** The "do it later" approach more often than not translates to "overwhelming" which, in turn, becomes a daunting task in the end. Combing through call logs, calendars and emails in order to "make your best guess" of how your time was spent over the course of the time period in question becomes tedious and time consuming. This method, as you can guess, is very ineffective.

- **Accuracy suffers.** "Making your best guess" certainly doesn't sound like a path to accuracy. Realistically, can you remember exactly what you worked on five or more days ago? When your time entries are inaccurate, that means that you are not billing based on the actual work completed, but rather on your "best guess" of the work completed. This can mean leaving money on the table, or worse, compromising client relationships.

- **Morale is affected.** When timekeeping is left for later, there is significant amount of unnecessary stress created in the organization. Legal secretaries scramble to assist in the entering time, in the midst of several other competing priorities. The billing department wrestles with billing issues caused by inaccurate time records and the cycle continues.

**CHAPTER 2:**

# Timekeeping's True Purpose: Accuracy

Now that we have covered the different manners in which time is entered, exactly how accurate are those time records?

Has your firm ever measured the time elapsed between the time that the work was completed and when time was recorded for such work? For most firms, the average is about 5 to 7 days. Why does this matter? If you recall from the discussion above, it matters because the longer it takes to record an activity, the less likely you are to remember. Most attorneys like to say "It will all even out eventually, right?" The truth is, it probably will not.

Even a small leakage in timekeeping can cost your firm hundreds of thousands of dollars in revenue per year. On average, these small omissions in billable hours cost your firm between $20,000-40,000 annually, per individual. This amounts to between $2-4 million for a 100-attorney law firm.

In today's competitive market, law firms cannot afford to let hard-earned billable hours slip through the cracks. That's why timekeeping accuracy is crucial.

## What is Accuracy in Timekeeping?

Accuracy can be measured by the time between when the work is done and when the time is actually recorded. The closer this number is to zero, the more accurate it is. This is what we call "Time Velocity." When "Time Velocity" gets larger than 1 day, accuracy is severely compromised, which almost always equates to a loss of billable time. Accuracy is intrinsically related to "Time Velocity." The shorter the velocity is, the more accurate your time records are. The opposite is also true.

### WHY YOUR FIRM IS LEAKING REVENUE

Unfortunately, since reconstructive time entry is the most widely-practiced method of time entry today, most firms are plagued with billing inaccuracies and fail to meet their maximum revenue potential. In a recent article, Fred Esposito, stated that lawyers who reconstruct their time weekly tend to lose 25 to 30 percent of their time, and those who enter time on a monthly basis can lose as much as 55 to 70 percent.

# The Role of Time Velocity in Law Firm Operations

Do you have timekeeping data available in real-time or does it have to be submitted, calculated and analyzed manually? If time is recorded as things happen, at a time velocity of 0, you have real-time information. Real-time information can considerably enhance your firm's operations:

- **Forecasting:** When you have favorable time velocity and access to real-time information, the finance and executive committees can run reports and are able to do a forecast analysis of what your billings are going to be at the end of the month. The quality of this information is higher when you have access to real-time information, as opposed to information that is a week (or more) old. This is of particular importance when you need to rely on up-to-date information to make financial decisions for your firm. If, for example, your time entry is one to two weeks late, or even four weeks late, those forecasts are useless.

- **Reporting:** When data is collected in real-time, you have access to a quick snapshot of where the firm stands on key performance indicators at the click of a mouse. Real-time reporting allows you to make faster and more accurate decisions based on the state of affairs today, without the data lag that exists through conventional time entry methods.

- **Retainer Management:** Law firms work on a retainer model for a reason – in order to ensure payment for services. As many cases exceed the initial retainer, additional funds may be required in order to complete the work associated with a particular matter. That's where tracking time against this retainer amount becomes critically important. In many larger firms, these cases require a team effort. Several team members are assigned to the case. Without real-time access to billables associated with a case (because not all of the team members are entering their time contemporaneously), it is easy for the firm to exceed the retainer without prior warning. Without the ability to predict this, the firm then runs the risk that the client will not pay the new balance associated with exceeding the retainer, therefore, defeating the entire purpose of the retainer. Real-time timekeeping records on the other hand, can help you keep tabs on the hours billed against a retainer, allowing attorneys to more effectively manage their billable hours.

The more timely the information, the better, when it comes to maximizing efficiency and managing your firm's operations for profitability and growth - and a competitive advantage!

# In the Future of Legal, Accuracy Will Prevail

Although we avoid using buzzwords and phrases like, "big data," it is important to acknowledge that one of the products of the information age that we live and work in is yielding billions upon billions of pieces of data each day. When analyzed properly, this data provides intelligence to help us make better decisions. Law firms and their clients are no exception.

With the economy being what it is today, almost all companies are using detailed analytics to guide business decisions. From the client's point of view, each paid invoice is a piece of data. When averaged with other data points, a "normal" is established for a given case or matter. This helps the client establish a clear understanding of the typical resources required to complete their work.

For example, consider a patent litigation case. The client may have worked with hundreds of law firms doing similar patent litigation. If those invoices are analyzed by task and activity codes, it can be determined how much time is spent working on each piece of that particular case. Using analysis to establish norms based on past codes and working with other firms, clients are able to establish expectations for the resources your firm requires to get the job done. For the above patent litigation case, the client may determine that 10% of time should be spent on communication, 12% on planning, etc.

The key consideration for law firms is this: how accurate are your timekeeping practices? If the firm is not keeping time contemporaneously, the attorney might lump all of the entries together, rather than provide specific designations for each code. However, when the client reviews the invoice and analyzes the time spent, they may begin to scrutinize how much time is truly being spent on each task. Since the client has established ranges of what is considered "normal," the client will determine that the firm is outside of this range if timekeeping is not accurate.

When the time comes for a client to make a decision as to which firm should be assigned the next patent litigation case, most, if not all, clients will be guided by their data. The law firms who are closest to the client's range of normal and acceptable will win the client's business time and time again. On the other hand, if your firm becomes the outlier due to the detail and accuracy of your time entries, you will likely have a much harder time getting new cases.

Clients can now garner large amounts of data about your firm and how it stacks up to other firms in the legal industry. This data comes strictly from your firm's timekeeping practices. It doesn't come from anywhere else. So, how accurate are your time entries? The more accurate you are, the more you will win.

# The Role of Mobility in Timekeeping

Mobility has changed the world and the legal industry is no exception to experiencing this change. The way that we work and communicate has shifted. While there are positives and negatives to any change, technology has enabled today's legal professionals to be more productive and responsive as they carry out their daily routine. Mobility, after all, begins the moment that we leave our desk - even if it is to walk to the water cooler.

Today there are more mobile devices than there are people on the planet. Attorneys are heavy users of these devices - from laptops and tablets, to smartphones.

Our productivity, often driven by the apps that we choose, is enhanced and enabled to take on new life with our ever-expanding access to technology. One of the most notable ways that mobility has helped attorneys and law firms become more productive is through mobile time entry. Mobile time entry makes true contemporaneous time entry possible for the first time in history.

An increasing number of firms are realizing the benefits of contemporaneous timekeeping practices and embracing mobile time entry. As you begin to dive into the benefits that mobile time entry can offer, here are three things that you need to know to get started:

- **The argument for the need for time capture has evolved.** "Back in the day…" (circa 2005), there was a strong and compelling argument for time capture solutions. After all, there was no feasible way to practice contemporaneous time entry "on the go" at that time. Time capture was the best possible solution for tracking time electronically as attorneys worked in and out of the office. However, times have changed. We now have time entry solutions that make contemporaneous time entry not only feasible, but desirable.

- **It works the way that attorneys work.** (Finally!) Mobile time entry works as an extension of how you do - on the go. You can now enter your time wherever, whenever. This allows you to record your billable time in real-time without the hassle of reconstructive time entry.

- **Excellence in time entry is now possible**. Attorneys can be compliant with time entry policies without the bother of completing time entry tasks. What's best for the firm is now in line with what is best, practical and convenient for attorneys.

At this time, approximately 10% of attorneys are using their mobile devices to perform mobile time entry. That number is expected to increase significantly over the coming years, as mobile devices are increasingly being used to maximize productivity beyond email.

# How to Select a Mobile Time Entry Vendor

The vendor selection process can be tedious and time consuming. In this chapter, we'll discuss how to simplify the process by enlisting the right team members and provide tips on things to look out for in a prospective solution.

# The High Stakes of the Vendor Selection Process

There are several common misconceptions that exist around mobility, particularly the idea that mobility begins and ends with an app. The idea that "we just need an app" to achieve mobility can easily lead you astray in the vendor selection process. After all, mobility demands that you turn your IT department into a 24x7 operation with global reach, developing an expertise with thousands of devices or else your firm will fail to achieve true anytime, anywhere, and from any device productivity. That's no small task.

While making this transformation is not necessarily easy, it is important for today's firms. That's why the vendor selection process for a mobile time entry solution is so critical. The wrong decision can cost future adoption rates, usability and productivity. Your firm cannot afford vendor selection mistakes, so make sure you can commit to anytime, anywhere mobile productivity - not just an app.

# Three Often-Overlooked Goals of Mobile Time Entry Vendor Selection

### #1: Achieve True Mobility
The app is just the beginning of a mobility solution. The true promise of mobility is to enable people to get work done anytime, from anywhere, and on any device.

### #2: Prevent Leaked Revenue
The whole point of practicing mobile time entry is to enable contemporaneous time entry, which increases billing accuracy. As we discussed earlier, accuracy is an important factor in the firm's financial success. For this reason, it is important to keep this goal in mind when entering into the vendor selection process.

### #3: Drive Timekeeping Compliance
An app that provides the functionality to enter time is only part of the answer. Your attorneys have to be willing to actually use it if you are going to increase compliance with timekeeping policies and experience the benefits of mobile time entry.

# How to Assemble the Right Team:
# No Selection Without Representation

Technology is changing law firms as we now know them, presenting new decisions that can have a direct impact on revenue, morale and operations. Here are the roles within the firm that should be included in the vendor selection process in order to ensure that all angles are covered.

**IT Staff:** This is perhaps the most obvious inclusion in the vendor selection process. The IT team will add critical input into prospective solutions and provide insight into how the solution will tie into the existing infrastructure as well as how support will be handled.

**Attorneys:** It is important to involve attorneys in the vendor selection process to determine whether a prospective solution is likely to be used several times per day, as mobile time entry demands. The needs of the attorneys must be met in order to drive adoption of the chosen solution.

**CFO/Administration:** Anything that impacts the law firm's revenue should be of interest to the CFO. Now, more than ever before, the CFO needs to be involved with the vendor selection process to ensure that technology improvements are positioning the firm for future growth and financial success.

# Three Key Questions to Ask Prospective Vendors

Now that you've assembled your vendor selection team, here are a few questions that you should ask prospective vendors, in order to compare offerings:

**#1: How Will Users Receive Support Anytime?** This means that you now work 24/7. An app is just software, and as such, users will need support. Traditionally, the expectation has been that a member of the IT staff would be available to help from 8am to 6pm during weekdays. Now that the attorney has the ability (and the expectation!) to work anytime, they will expect that support be available when they need it.

**#2: Is Support Able To Reach Anywhere?** Traditionally, the expectation has been that a member of the IT staff would be able to walk to an attorney's desk and fix their PC as needed. Now that attorneys have the ability (and the expectation!) to work from anywhere, they will expect your assistance in helping them wherever they are, whether it is from a 1000 miles away or even from a different country. This means that you now need global reach and the ability to get things fixed without you being physically present.

**#3: Is Your Solution Available on Any Device?** Traditionally, the expectation has been that members of the IT staff would keep PCs relatively locked-down and with a standardized configuration to facilitate support and troubleshooting. Now that BYOD gives attorneys the ability (and the expectation!) to work on any device, it is expected of IT personnel to know an attorney's device of choice as well as the attorneys themselves.

**CHAPTER 5:**

# The Human Element of Timekeeping  Success

So, you have a formal time entry policy at your firm and you've empowered your attorneys to enter time contemporaneously with a mobile time entry app. Congratulations! Unfortunately, this doesn't mean that your attorneys are going to jump on board.

# How to Facilitate Firm-Wide Timekeeping Adoption

Making the decision about which time entry solution to provide might be an administrative role, but encouraging your attorneys to embrace mobile time entry is a function of leadership. Here are a few ways that you can empower your attorneys to enter their time contemporaneously:

- **Educate attorneys on the benefits of entering their time as it happens, contemporaneously.** Remember, accurate time entry doesn't just benefit the attorney, it also benefits the firm. When clients receive more accurate records, they stay happy and loyal.

- **Put initiatives in place to encourage attorneys to enter time.** Everyone likes receive a reward every once in a while.

- **Assess risk.** Help attorneys understand how reconstructive time entry can be much more time consuming and risky for the firm.

- **Start slow.** This may be a big change for some attorneys, so give them some time to realize the benefits once they have the right app on their hands.

As a firm, you can lessen the barriers and decrease the mechanics involved in time entry by introducing tools that enable and empower attorneys to enter their time contemporaneously.

# The Power of Attorney Habit

While policies and technology play an important role in making the shift to mobile time entry, there is another element to consider: human habit. Without a change in the habits of attorneys, your firm's new approach to time entry won't stand a chance.

Good and bad habits have a profound effect on our lives. Daily habits may seem small and insignificant within the scope of the day or week, but can amount to dramatic and transformative results over time. Habits are the backbone of productivity, job satisfaction, career success and growth. This is especially true in the legal environment.

In his book, The Power of Habit, New York Times Investigative Reporter Charles Duhigg talks about the everyday behaviors that lead to our ultimate success or demise. On the up side, we make changes that allow us to eat better or become more productive. Bad habits, on the other hand, can lead to behaviors like smoking or overeating.

Duhigg argues that much of what we do on a daily basis is the result of habit. This impacts everything from individual health and wellness to business and career success. When we develop a new habit, our brain matter actually changes, wiring us to function on "autopilot," to automatically carry out the behaviors that we've adopted based on societal customs, emotional triggers, addictions or, as is most often the case: lots and lots of practice.

Attorneys have their own specific set of habits (good and bad) that are carried out each day. Small practices, such as performing contemporaneous time entry, can transform an attorney's effectiveness in managing limited time and building loyal client relationships.

# How Attorneys Can Embrace New Timekeeping Habits

In our minds, for example, an attorney wears a cape. Everything touched, turns to gold.  However, no matter how great the legal talent may be, it is far more likely that success is linked to habit above all other factors. Below are a few ideas to help encourage habit changes in timekeeping:

- **Focus on changing habits, rather than eliminating them.** We all have tendencies that translate to daily behavior. When it comes to trading bad habits for good, you can't simply eradicate unfavorable behaviors. But, you do have the power to change the habit in order to create a practice that serves you.

- **Be patient as change happens.** It won't happen overnight. Focus on commitment and consistency in order to make a change happen.

- **You are in control.** You have the power to bring great transformation to your life and to your firm - the key is to get started and be consistent.

# How Timekeeping Affects Staff Morale At the Firm

How's the weather at your firm? Do you experience any changes in temperature around your time entry deadline? If you do, you're not alone. One of the common reasons that we provide for why time entry should be held in high regard at the firm is this: morale.

Morale is often regardene as a "fluffy" aspect of organizational culture, reserved for the folks in HR. However, it shouldn't be. Morale has the capacity to positively or negatively impact several areas of the firm, including: productivity, revenue, talent attraction and employee retention.

Although we typically spend much of our time discussing issues that pertain to attorneys and productivity, the staff perspective deserves some focus. Much of the glamour of law firm life is reserved for attorneys who are winning cases and scoring big deals. The behind-the-scenes activities that support those efforts often take a back seat, but staff members truly are unsung heroes of the firm.

Time entry is primarily the responsibility of the attorney. As such, the repercussions of delaying or putting off the responsibility to enter time are often underestimated. However, the trickle-down effect is real to the members of staff who are either involved in the completion of the task (such as legal assistants) or are affected by the time of completion or final product (billing).

The typical legal assistant, for example, is responsible for supporting 3-4 attorneys, on average. This means that on any given day, the legal assistant already has a "full plate" of tasks and responsibilities to get through before the end of the day. In order to effectively support each attorney, needs must be anticipated.
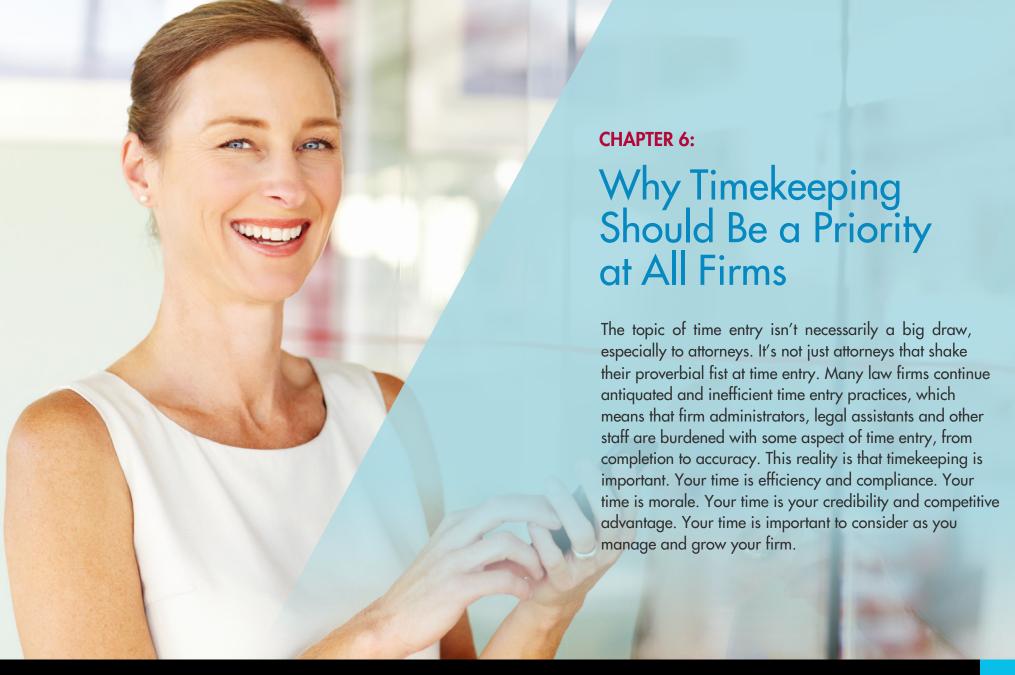
When just one attorney delays his or her time entry until the end of the time period, it creates a considerable burden for the legal assistant who is tasked with entering as much as a month's worth of time against a looming deadline. This stressful situation is amplified when more than one of the attorneys that an assistant is assigned to delays time entry responsibilities until the end of the time period.

"So what?" you might ask, after all, isn't that the role of the assistant? Maybe it is. However, the result of procrastinating time entry creates an unnecessarily stressful work environment, which benefits no one. In fact, occupational stress is now considered a global epidemic. According to Fairleigh Dickinson University, "Workplace stress costs U.S. employers an estimated $200 billion per year in absenteeism, lower productivity, staff turnover, workers' compensation, medical insurance and other stress-related expenses." Each of these factors into the annual profitability of the firm.

The trickle-down effect doesn't stop with the legal assistant. When the legal assistant is unable to meet deadlines, word processing and/or billing are forced to get involved. These departments typically consist of a small staff (4-5 staff per 100 attorneys) and operate with a consistently-full workload. It's one thing for the team to come together when an emergency arises, but last-minute time entry responsibilities can be planned for and are therefore avoidable. When the billing department is required to tend to timesheet collection, it will cause delays and sometimes it can require employees to work overtime. This creates tension across the entire organization, which then translates to a decrease in morale due to chronic and unnecessary stress. Furthermore, delays in cash flow create a suboptimal financial picture for the firm.

Here's the good news: attorneys and other leadership at the firm can take initiative to avoid unnecessary stress in the working environment, which means an active step in favor of preserving morale.

Embracing contemporaneous time entry will alleviate the painful scenario discussed above. Prioritizing time entry allows the legal assistant to follow through with completion and submissions, greatly reducing the likelihood of the "boat being rocked" for any department in the firm.

# Why Timekeeping Should Be a Priority at All Firms

The topic of time entry isn't necessarily a big draw, especially to attorneys. It's not just attorneys that shake their proverbial fist at time entry. Many law firms continue antiquated and inefficient time entry practices, which means that firm administrators, legal assistants and other staff are burdened with some aspect of time entry, from completion to accuracy. This reality is that timekeeping is important. Your time is efficiency and compliance. Your time is morale. Your time is your credibility and competitive advantage. Your time is important to consider as you manage and grow your firm.

## LET'S EXPLORE THE REASONS THAT TIME ENTRY IS SO IMPORTANT TO BOTH THE FIRM AS A WHOLE AS WELL AS OTHER INDIVIDUALS WITHIN THE ORGANIZATION.

### #1: Revenue and Growth

First, let's address the most obvious point: the better your time entry practices, the more accurate your invoices. This helps to prevent money from being left on the table and establishes baselines that will set the stage for a solid monthly, quarterly and annual revenue projections. Furthermore, delays in time entry lead to delays in payment, which is not good for cash flow. A firm's only source of income is through time entry. If attorneys do not enter their time for working on cases, they are bringing no revenue into the firm.

### #2: Competitive Advantage

Today's market is tough. There are thousands of firms competing for business. Big data is fueling corporate decision making, particularly regarding decisions that relate to budget and expenditures. Accurate time entry helps to establish norms for the cost of a given legal service. Adhering to or exceeding these expectations creates an edge on competitors to win and keep clients.

### #3: Happy Clients

A hapy client often translates to a loyal client, which, in turn, means revenue and growth for the firm. Implementing sound time entry practices, like contemporaneous time entry, helps firms increase billing accuracy. Billing accuracy helps firms earn and maintain the confidence and trust of their clients.

### #4: Job Security

For attorneys, it's all about the billable hours. Attorneys are critiqued on the total billable hours they generate per month and per year. If an attorney's goal is not met, his or her job could be at risk. Therefore, it is important to make sure that time entry is as accurate as possible in order to ensure that all time is recorded and, at the same time, honors the firm's time entry policies.

## #5: Compliance

When billing does not comply with a client's billing procedures, the firm runs the risk that the client will dispute an invoice (costing time) or write-off non-compliant expenditures (costing money). Research shows that about 44% of invoices get rejected or reduced due to inaccuracies and lack of compliance. Billing accuracy depends heavily on timekeeping accuracy. Entering time accurately sets the stage for a seamless billing and payment process and that translates to happy, loyal client relationships.

## #6: Faster Payment Cycles

Recent research demonstrates that billing inaccuracies can cause up to a 25% delay in collection time. However, when attorneys enter their time accurately and in a timely fashion, compliance is increased and receivables are improved. Unfortunately, this is something that can easily be overlooked by attorneys, as they are not directly involved in the billing processes after time entries are posted. It should be a part of the firm's policy to make attorneys aware of how time entry behavior can significantly impact the bottom line of the law firm.

## #7: Morale

Last but not least: how is the morale at your firm? Have you considered how morale is affected by time entry? While this might seem like a bit of a stretch at first, consider it. Are there groans, eye rolls and heavy sighs when the "reminder to submit time" email is sent? Is tension elevated when time entries are not submitted? Is arm twisting necessary to meet such time entry deadlines? Are staff members, such as legal secretaries and billing associates, burdened with getting time submitted against several competing priorities? If the answer to any of these questions is yes, your firm's time entry practices could be affecting the morale at your firm. A decrease in morale can lead to employee churn, lower levels of productivity and a weakened employer brand. Therefore, it is an important consideration. Improving efficiency in the time entry process will help protect the morale of the firm.

# Conclusion

Timekeeping is of critical importance in today's law firms. With accuracy and compliance, firms can attain a competitive advantage, helping them keep and win clients and employees.

Mastering timekeeping, however, is highly dependent on achieving true mobility. Mobile time entry is more than just an app and and requires a significant commitment on behalf of the firm. It is important to keep these items in mind when you are choosing a mobile time entry solution for the firm. Also, don't forget to reach out to us if you have any questions.

## It's TIME for your firm to KEEP up.

Learn more about how mobile time entry can transform billing accuracy and compliance at your firm. Schedule a FREE Demo.

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