



Timekeeping Best Practices to Improve Law Firm Productivity



If your law firm doesn't bill clients at an hourly rate, is timekeeping really necessary? The answer may surprise you.

Charging clients by the hour is the most obvious reason for tracking time, but it's far from the only one. Profitable, productive law firms of all sizes and practice areas carefully monitor the amount of time attorneys spend on legal matters for a whole host of reasons.

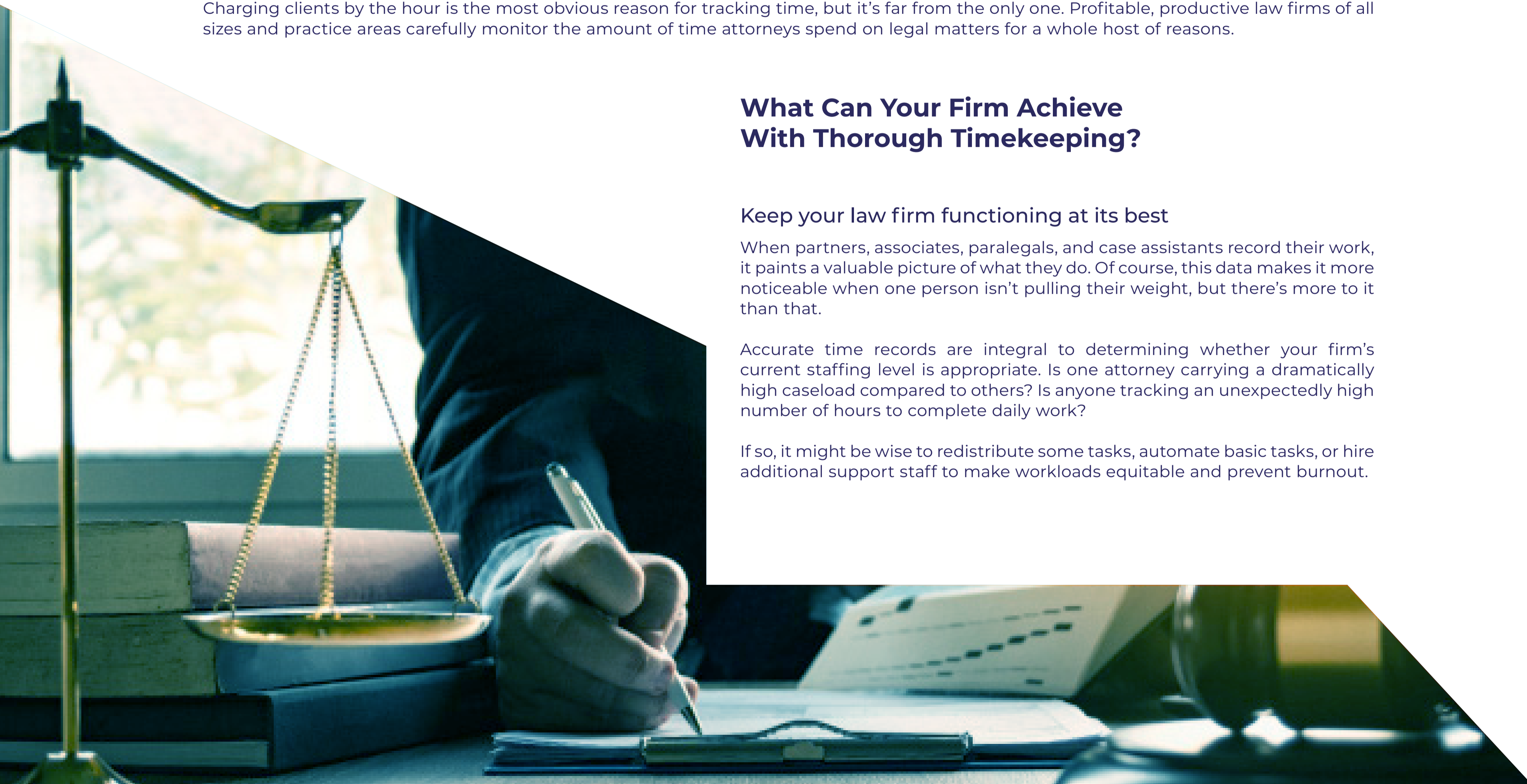
What Can Your Firm Achieve With Thorough Timekeeping?

Keep your law firm functioning at its best

When partners, associates, paralegals, and case assistants record their work, it paints a valuable picture of what they do. Of course, this data makes it more noticeable when one person isn't pulling their weight, but there's more to it than that.

Accurate time records are integral to determining whether your firm's current staffing level is appropriate. Is one attorney carrying a dramatically high caseload compared to others? Is anyone tracking an unexpectedly high number of hours to complete daily work?

If so, it might be wise to redistribute some tasks, automate basic tasks, or hire additional support staff to make workloads equitable and prevent burnout.



Consistently profitable billing

Time management is essential for balancing multiple clients and legal matters. Yet managing your time better begins with an awareness of how that time is being spent in the first place.

Even if you're not billing clients based on the number of hours it takes to complete their case, you still need to know how much time attorneys dedicate to each legal matter. Without this information, it's impossible to know [whether your rates are high enough](#) to break even, let alone turn a profit.

Legally defending the right to payment

It's not uncommon for some clients to challenge fees after receiving a dissatisfying result from court proceedings. When it comes to getting paid in these situations, timekeeping is a matter of legal necessity.

In [Taylor v. Traylor, 20 Cal. Daily Op. Serv. 5354](#), the Court of Appeals stated that the contemporaneous time records are the best evidence that an attorney has performed work and thus deserves compensation.

Note: Contemporaneous is the word of import here. To support your right to payment, time records should be created at the time the work is completed, not days or weeks later.

Better accountability among staff

Simply put, time tracking is the best way to know whether your law firm's processes and workflows are productive and profitable. Without knowing where the biggest time wasters are in your routine, you can't address or eliminate them.

After you track how every minute is spent for a month or more, it will be much easier to see where there is room for improvement in your firm's daily processes.



Timekeeping Best Practices for Law Firms

Establish a formal timekeeping policy

A formal, firmwide timekeeping policy has the power to improve the culture of your law firm. On a more practical level, an effective timekeeping policy also prevents confusion about which tasks to track time for and how to document legal work, which costs your firm money—and billable hours—in the long run.

We recommend covering the following details in your firm's official time tracking policy:

- What time/tasks should and should not be tracked
- Which tasks are billable vs. non-billable
- When each day's time should be entered by employees
- How to track time effectively
- How to account for missing time
- Which team members should complete non-billable tasks vs. billable tasks
- Time budgets for common tasks

Once the new policy is finalized, make sure that all members of your legal staff are aware of it. Consider using your [law firm client relationship management \(CRM\)](#) software to send a series of emails to staff about the upcoming changes. Then, hold a firm wide meeting to answer any questions in person.

Moving forward, make sure your law firm's timekeeping policy is part of onboarding new attorneys and staff.

Building a timekeeping policy: what to include

When establishing a timekeeping policy for your law firm, keep an eye on the long term. Your timekeeping policy should be robust, but it should also be sustainable over months and years. As you develop the policy, keep your attorneys and staff top of mind so you avoid setting practices that will become a burden, and not a benefit, to your firm.

Time budgets for individual matters

In addition to your overall law firm budget, create a **time budget** for each individual matter. When deciding how much time staff should spend on matters, consider the issues like:

- Complexity of the case
- Which team members are involved
- Billable and non-billable tasks involved
- Profit margin
- Associated costs

As you make these considerations, it can be helpful to speak with your team about the usual workload associated with various types of matters.

Once you've established your time budget, set a cap in TimeSolv to track the amount of time staff tracks per legal matter. A color-coded progress bar will provide attorneys with a visual cue as to how much time has already been spent on each matter, encouraging efficiency, task prioritization, and focus.

If an attorney makes an entry that exceeds the allotted time budget for an individual matter, TimeSolv will auto-send a reminder and prevent additional entries from being made.





Track everything

Adopt the mentality that time is literally money for your law firm. Not all time is billable, but your time is limited. Every minute attorneys spend working on non-billable tasks is a minute no longer available for billable tasks.

In short, time spent on marketing, administration, and other non-billable activities can add up quickly and cost your firm money in the long run.

A complete record of how attorneys' time is being spent lets you determine whether changes are necessary. Is there a simple way to cut down on non-billable tasks and maximize billable hours? It could be time to restructure your firm's daily routines and policies to make the most of your time.

Track time on the go

If you want to encourage your staff to adhere to your new timekeeping policy, make it easy! The odds of tracking every minute spent working outside the office are slim if mobile time tracking depends on manual methods like handwritten notes. Provide every team member with the resources they need to follow the new rules.

[TimeSolv Mobile](#) allows attorneys to track their time and expenses from anywhere using iOS, Android, and tablet devices. Whether you're connected to the Internet or not, you can use the timer to track time spent on a phone call or any other task in real time.

Enter time by the end of the day, every day

Don't wait until a mysterious "later" that could come days, weeks, or even months thereafter. Piecing together an invoice from phone records, call stamps, and jumbled notes is impractical and inaccurate.

Erroneous invoices damage trust with your clients and ultimately harm your firm's bottom line. Plus, the more time that passes before you send an invoice, the longer your firm must wait to get paid.

Instead, make it a rule to record time daily, either at the end of the day or after completing certain milestones, such as editing documents or wrapping up phone calls.

Review and close out time entries weekly

It's easier to rectify missing time if the interval between tasks and timekeeping is minimized. Prevent attorneys and support staff from entering time after a certain amount of time has elapsed.

Not only does this approach make it easier to manage the billing and invoicing process, but it also helps to keep staff accountable for making time entries daily.

Long-term record keeping

Do you know which timekeeper on your team is the most efficient? Are certain days of the week more productive than others at your firm? What are the key factors that account for these differences?

We recommend retaining [reports](#) on all of your firm's timekeeping data for at least two years. Comparing patterns over time offers an opportunity to adjust your law firm's environment, workflows, and organization in a way that maximizes your efforts.

TRAIN ON TIMEKEEPING

Even the most motivated attorney or staff member will struggle with accurate timekeeping if they don't understand how to use timekeeping tools.

Everyone should be familiar with how your timekeeping software works, both on their desktop and mobile devices. With long-term employees, provide a refresher course and training materials. In-service or staff meeting days can be a good opportunity to update everyone on any new features to your tools. For new hires, make sure you provide thorough training during onboarding.

MODEL GOOD TIMEKEEPING AT ALL LEVELS

Everyone at your firm, including senior partners and managing attorneys, should be tracking their time. But just because they *should* doesn't mean they always *will*. So work to ensure that law firm leaders understand the importance of modeling good timekeeping practices. This helps establish a culture of accountability.

INCENTIVIZE ACCURATE TIMEKEEPING

It can be challenging for seasoned attorneys to change their habits. After years of doing things a certain way, adjusting to a new routine is challenging. You can help attorneys feel more invested in the timekeeping process by communicating the repercussions of untracked or improperly tracked time, such as:

- Inaccurate invoices
- Decreased revenue
- Disorganized work
- A less certain future for your law firm

In addition, consider paying staff a commission of the total funds received for a case, instead of how much time they billed. When timekeepers know that their efforts impact their paycheck, they can become quite efficient.



Bonus Tip: Keep It Simple with TimeSolv

Time tracking doesn't have to be tedious. In fact, it should only take a few minutes out of each day. TimeSolv makes timekeeping intuitive and fast—not a distraction that pulls your focus away from billable tasks.

With [TimeSolv](#), timekeepers can track several tasks simultaneously. There's no need to switch between multiple tabs, and erroneous time entries are a thing of the past because starting one timer automatically pauses another.

To learn more about how your law firm can adopt better timekeeping habits with TimeSolv, [schedule your free trial today](#).

