

# White Paper

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## Improving Revenues and Lawyer Morale with Effective Time Capture Tools

### ***About the Author***

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## Overview

Lawyers have always hoped that if technology would help them in a truly useful way, it would help them most in the area of time-keeping and billing. Until recently, that area has largely disappointed them. Lawyers describe the time-keeping process with any number of words – none is complimentary and some are unsuitable for print. At best, lawyers consider the process a "necessary evil."

Technology committees, IT directors and technology partners constantly look for technology that will help lawyers in their everyday work and make a meaningful impact on productivity and morale. Improvements in time-keeping can definitely make improvements in morale, productivity and even your firm's bottom line, making both lawyers and their clients happier.

The good news is that there are new tools and new approaches that will help you implement technologies that work in ways that lawyers work. The result is that lawyers can better capture time entry information than we have seen before, addressing common concerns and offering the promise of enhanced revenues.

### Two Important Trends – Contemporaneous Time-Keeping and Standardization of Descriptions

Today, in most law firms, you expect to see a daily time-keeping system, often enforced by a modest, yet surprisingly effective, fine system, where time entries are made through a variety of electronic, paper and voice methods. In the supply room at a law firm, you might find a dozen different paper time entry forms even if the firm has tried to standardize on an electronic process. In many firms, you still see lawyers using one method and secretaries re-entering the same information into a time and billing system.

The common approach we see today reflects two important trends in time-keeping – the continuing movement toward contemporaneous time-keeping and the standardization of work descriptions.

### Evolution toward Contemporaneous Time-keeping

Many lawyers remember the not-so-distant time when law firms required lawyers to turn in timesheets on a weekly or even monthly basis. In some cases, a lawyer might spend the better part of a Saturday morning in the office trying to reconstruct what he or she had done the previous week or month.

Since then, most firms moved to require lawyers to submit timesheets by the end of the following day. Lawyers often fought this move vigorously, in part because they feared that daily record-keeping might actually reduce the number of billable hours they recorded and in part because lawyers saw that the once-a-week or once-a-month effort at filling out timesheets would be replaced by a daily drudgery. Interestingly, the introduction of software timers to

measure time spent on projects also meets with similar resistance, even though the common experience is that timers result in more, not fewer, hours being recorded and billed.

### Standardization of Work Descriptions

Firms have gradually moved (or had their clients move them) to some system of standard descriptions and billing codes. These descriptions might be as simple as sets of standard abbreviations. We now commonly see standard codes and descriptions, much as we see when we visit a doctor.

### Benefit from These Two Trends

Despite resistance and to the surprise of many lawyers, both trends have made the process of time-keeping markedly better, although it continues to be a chore most lawyers still dread. As time-keeping became more contemporaneous, lawyers found that their entries became more accurate than when they try to reconstruct what work they had done days or weeks before. Also, lawyers have found that they often bill more time in a day when time is accurately measured and they make entries while their memories are fresh. Standardized conventions and codes have made the time entry process faster and generated bills that are more acceptable to clients. However, there is still a long way to go.

### The Changing Work Environment for Lawyer Time-keepers

The day-to-day work of lawyers has changed dramatically in the last few years. Even ten years ago, it was rare to see a lawyer with a computer on his or her desk. Now, most lawyers spend the bulk of their days working on a computer.

In addition, lawyers often work away from their desks and outside their offices. Many lawyers work at home in the evenings or on weekends. Lawyers often use notebook computers when traveling or in outside meetings. Cell phones are ubiquitous and PDAs, BlackBerrys and WiFi Internet access have turned everything from the commute to a stop for coffee into working time for lawyers. A lawyer's day might include time spent on phone calls, email and instant messaging.

Because of the increased availability of lawyers and the increased emphasis on communication, today's lawyer is likely to "touch" many more matters on a daily basis than he or she might have done in the past. More "touches" creates both more opportunities to bill for work and more things a lawyer can forget during the course of a busy day.

## Two Key Work Trends That Affect Time-Keeping

In this changing environment, we see two important trends starting to emerge. **The first trend is that desk-based time entry solutions are rapidly becoming less suitable and less effective.** When a lawyer takes a call in the car or handles a problem by email during a break in an out-of-the-office meeting, the traditional pad of time sheets on the desk, Post-It® notes near the computer or legal pad simply are not at hand.

### The second trend is that one size fits all approaches are not always suitable

While the phrase "draft pleadings" or "conference with..." might have worked well for a day spent in the office, they don't work as well to describe, for example, an instant messaging conference or the use of a collaborative Internet site to work on a document. Lawyers generally will not carry lists of billing description codes and client/matter codes in their cars. What has become more important in those settings is to be able to make a quick note to *capture* the nature of the task a lawyer performed.

### "Slippage" and the Growing Importance of Time Capture

It is striking how much time lawyers report that they spend on time-keeping. Many lawyers estimate that they spend fifteen to thirty minutes a day making notes and preparing time entries. Since time spent on time entries is time that might otherwise be billable, most lawyers see time-keeping as an unproductive and unprofitable use of their time. Simple calculations of the time spent on time-keeping show the large amount of potential revenue that is "lost" through this process.

In addition, lawyers are very concerned with a phenomenon known as "slippage." In the classic example, a lawyer spends nine hours in the office, skips lunch, works the entire day at a breakneck pace and then fills out a timesheet that adds up to six hours of work. He or she then spends fifteen minutes or so trying to reconstruct what happened that day to have the timesheet reflect what might have happened that day, often with limited success.

### Three Kinds of Slippage

In general, this amount of "slippage" will be composed of three types of items. The first is **work that is simply forgotten.** Often this consists of phone calls, dictated letters and other tasks during which you are interrupted. The second is **work that involves very small amounts of time**, even though the total can add up. An example would be a day in which you had a number of short phone calls on a matter and exchanged several emails. The third is **work for which the time spent is under-reported.** For example, you might remember only three of the four things you did that day.

Slippage increases proportionally with how "swamped" a lawyer is on a given day. A lawyer who is out of the office and using a cell phone or BlackBerry will simply try to remember what work was done, instead of recording it contemporaneously. In that case, slippage is all but inevitable.

Slippage is often a symptom of a bigger problem – that the tools for collecting time entries are no longer equal to the task.

### The Remedy for Slippage

*The remedy for slippage is a tool that makes time-keeping easier, more effective and also is at-hand at the best time for recording time entries.* A set of tools that focuses on effectively *capturing* time entries moves lawyers and law firms toward this remedy.

### Changing Your Focus to Time Capture

Lawyers are creatures of habit, stubbornly individualistic and difficult to convince to accept change. However, they will respond to initiatives that make their lives easier, do not cause them to make more than modest changes to what they do, and provide the with easy-to-see benefits. The key part of that change is moving your area of focus to the idea of time capture.

### The Viewpoint of Today's Lawyer

Let's review where today's lawyer finds himself or herself. He or she has a time-keeping system that can be described, at best, as "burdensome." He or she has a work-style that is increasingly mobile and takes him or her away from the office or desk, often using a wide assortment of communications technologies. At the same time, the time entry system is centered on his or her desktop or computer. On many days, time-keeping involves some effort to reconstruct a fast-paced day that may involve work on a large number of matters. Often, the hours entered on a daily timesheet will not adequately or accurately reflect the time spent by the lawyer on his or her projects.

### The Components of an Ideal System

The fact is that, while a lawyer might not think that they need a time-keeping assistant, he or she knows that assistance is needed. The technological equivalent of a time-keeping assistant has great appeal; some lawyers even work with their secretaries in a team approach. The desired technology solution is a set of tools that allows a lawyer to (1) enter time and quick notes about that entry easily from wherever the lawyer is, (2) use the technology device or other tool that is most readily at hand, (3) automatically, through a timer or otherwise, identify activities that may be billable, and (4) collect those entries and notes and send them to a secretary or, even better, directly to the time and billing software package. Ideally, those tools will capture the time entry or notes

with a minimum of effort and supply automatically client / matter codes and other details that may be required but might not be easily remembered.

**1. Multi-faceted.** Lawyers want a multi-faceted solution. A web interface might be useful when you are on the road or working at home, but it is not desirable either at your office or when you use a cell phone or BlackBerry. A tool that collects time information when you are outside the office must connect and work with your office software. If a lawyer has to enter time twice, you do not have an effective solution. The ideal solution will identify and focus on the multiple points where time can be captured.

**2. At Your Fingertips.** The best tool is the one right at the lawyer's fingertips. To the extent a lawyer can use a BlackBerry, Treo, PDA or cell phone to capture time entries, the odds improve greatly that slippage will be reduced when the lawyer is away from his or her desk. For example, if you can make a time entry immediately after a phone call from a Treo or BlackBerry, especially if the software has collected the time of the call and assigned a client / matter code based on the caller's phone number, the odds of not losing that time increase dramatically.

**3. Makes Timers Available.** Although lawyers initially resist timers, most who use them report that they are quite helpful. There are two types of timers. The first requires you to start and stop it. The second, and more interesting in this context, starts and stops itself, popping up a window and asking you if you want to record an entry when the task, such as closing a document or hanging up on a phone call, is completed. The automatic timer alleviates the need to remember to start a timer and then gives you the option to determine whether the activity is billable and needs a time entry. If the timer also supplies information about the client and matter automatically, you can simply and easily make a time entry.

**4. Extends Timer Options.** Another fascinating approach to timers is to have them run automatically and aggregate short activities (phone calls, reading and responding to emails) and then pop-up a time entry screen when the activities aggregate to a threshold amount. For example, a lawyer might not record five three-minute phone calls and the time spent reading and responding to some emails in the normal course of a day because none of them hits the magic one-tenth hour threshold for billing, but a lawyer probably would enter the time if the total time on those calls reached thirty minutes and software offered a prompt about that fact.

**5. Reuses Information Already in the System.** An effective tool would also take advantage of the information already in the system to make time entry easy. For example, email addresses or phone numbers could be identified with certain clients and matters and time entry codes automatically supplied in advance as default entries. A lawyer might also be able to select from a menu of matters he or she had worked on, common task descriptions or even set up a list of "favorites" to make the time entries easier.

**6. Centralizes Information and Connects to the Main Time and Billing System.** Finally, a good set of tools would collect in a central place all of the entries from wherever a lawyer made them automatically and with little or no effort from the lawyer. The lawyer might then receive a report showing all entries for editing and revision. With little or no effort, the collection tool would connect seamlessly with the time and billing package the firm uses.

### **Time Capture**

This set of tools would implement to the notion of **time capture** – an easy, effective way to capture time entry information in a contemporaneous manner, even when a lawyer is swamped, and take advantage of standardization and common computer interface features (e.g., "favorites") to ease the burden of producing usable time entry information and getting it into the time and billing system.

At worst, you enable a lawyer to capture enough information to reconstruct activities on a busy day and effectively address each of the slippage problems. In other words, the time-keeping tool might function quite well simply as a memory-jogger and help recapture time that would have otherwise been forgotten. There is no question that will be a big improvement for both lawyers and firms.

In all events, the notion of time capture covers the essential idea of providing a variety of ways to help lawyers record all of the time that they actually work. Better time-keeping leads to more accurate and timely bills, which lead to better collections and more revenue.

### **Ten Tips to Implement Better Time-keeping Tools**

Now is a great time to focus on creating a better set of tools for time-keeping and billing. Keep the following factors in mind as you consider solutions:

- 1. Make it easy for lawyers and focus on using the tools that lawyer regularly use, such as BlackBerrys, Treos and cell phones.**
- 2. Insist on ways to use the system you choose over the Internet.**
- 3. Make it possible to capture contemporaneous entries and information with the minimum amount of effort from the maximum amount of places.**
- 4. Automatically collect all information, no matter how gathered, in a central place and eliminate any need to enter information more than once.**
- 5. Look for ways to automatically enter client and matter codes, activity codes and the like.**
- 6. Look for creative uses of timers and other automatic recording tools.**
- 7. Fight time slippage and focus on the notion of time capture.**
- 8. Remember that capturing notes of any kind may help a lawyer recall other work on a project that might otherwise be lost – do not insist on complete time entries – notes are good.**
- 9. Require tight integration with you existing time and billing systems.**
- 10. Keep your focus at least as much on making the process less burdensome for individual lawyers as it is on improving financial results.**

### **Drawing Some Conclusions**

Clients today are demanding timely billing. Some even refuse to pay for time that is not invoiced within a short period of time. Lawyers are increasingly frustrated by the whipsaw effect of many approaches to time-keeping today – they lose time working on time entries and they lose more time to slippage issues. Too often a bad situation is made worse by imposing technology solutions that force lawyers to work even harder to enter time. Making the time-entry process easier for lawyers will bring better financial results.

The best way for a law firm's technology committee to receive a standing ovation at this year's annual meeting would be to hit the trifecta of making time-keeping, billing and collections easier and less painful

for the lawyers in the firm. Today's tools, especially AIRTIME-Manager's A4P™, will help you help your lawyers accurately capture the time they actually work, reduce slippage and enhance your chances of being applauded for bringing your lawyers a tool that works for them and not against them.