

4 Costly Billing Mistakes Time Tracking Software Can Solve



Keeping track of time spent on case research, briefs, client meetings, the discovery process, and other [billable tasks](#) is a big part of a lawyer's day-to-day work. Lawyers often devise their own method of tracking time, but that may not be the most accurate or reliable compared to [legal time tracking software](#).

Forgetting to start or stop a timer, losing track of billable time, waiting until the end of the day or week, or “guesstimating” time spent on a case can not only cost the lawyer and firm money, but it may have [legal implications](#). Without a reliable and consistent [timekeeping process](#), law firms are prone to risks and organizational challenges like poor productivity and profitability.

How Do Lawyers Track Their Time?

In the past, lawyers have relied on manual methods of calculation to charge clients by the billable hour. Now, many lawyers use legal time tracking software to accurately capture the work their firm is completing.

However, even as more law firms adopt legal management solutions, some still use traditional, manual methods to track time. They record time by hand on spreadsheets, sticky notes, notepads, or other paper methods. With varying [billing increments](#), this can get increasingly complicated.

While it may seem convenient, this process of tracking time is inaccurate at best, and unethical at worst. It's far too easy for lawyers to lose track of their time or make errors that can lead to inaccurate billing, client concerns, and a damaged reputation for both the lawyer and the firm.

If that's not enough, manual time tracking is a cumbersome process. It takes extra time to track time using manual methods – time that *isn't* billable. In addition, if there's a dispute, lawyers have no way to show their process or account for the time spent on casework.

What Are the Risks of Improper Legal Time Tracking?

Lawyers open themselves and the firm to many risks when time tracking is done improperly, such as:

1. Losing Billable Time (and Revenue)

Billable hours are the bread and butter for a law firm, but they have to be accurate. No matter how stringent the processes, it's highly probable that lawyers will forget to start or stop time, lose billable hours, or make inaccurate estimates.

According to the American Bar Association, lawyers can lose up to [10% of their billable time](#) if they wait until the end of the day to log hours. If they wait longer, such as a day or two, that time lost can increase up to 25%.

With legal time tracking software, lawyers can quickly and easily set timers, record multiple time entries on one screen, and automatically convert appointments into time entries. Record both billable and non-billable time as it happens. This provides more precision and accuracy in billing.

2. Vulnerability to Billing Disputes

When lawyers use manual methods to track billable hours, there's no accountability for their time. If a client questions the bill or believes the lawyer is "padding it," the lawyer can't adequately account for the time spent on case

research, the discovery process, or other billable tasks.

A [comprehensive record of time](#) produces an auditable trail that can be referenced for billing disputes or questions. For example, a block of hours spent on discovery doesn't necessarily inspire confidence from the client. Shorter, detailed time blocks, such as "one hour spent researching legal precedent" and "10 minutes responding to email from the opposing counsel," help clients understand how the time was spent. It's also easier to cross-reference some of this time with recorded appointments or correspondence.

3. High Administrative Costs

Manually tracking time costs [productivity](#), as do manual billing processes. Often, firms have designated staff to sort through the timekeeping records for the firm's lawyers, organize them, input them into a billing system, and send invoices to clients. Between the two, a lot of non-billable time is spent merely processing client bills.

Time tracking software streamlines and automates these processes to not only reduce errors and discrepancies but to help lawyers and staff save time and manpower. Lawyers can automatically track and sort their hours according to the case, client, or billable and non-billable time, simplifying the organization process for billing staff.

4. Decreased Client Experience

Clients seek out law firms for legal guidance and expertise, but the experience they have with the firm is what stays with them. Even if the outcome of the case isn't what they had hoped, they remember how they were treated

And that includes billing.

Trust is important in the lawyer-client relationship. If clients have doubts about the accuracy of their bill or are overcharged, that can have a detrimental impact on the firm's reputation. Having accurate, detailed, and transparent timekeeping and billing processes inspire trust and confidence from the client, and in turn, a better experience with the firm.

Accurate timekeeping is also a matter of professional ethics. According to the American Bar Association's [Model Rule 1.5](#), the guidelines for fees in a professional legal relationship include the proper consideration of the time and

labor necessary for a matter. Keeping accurate and detailed records are one-way lawyers can adhere to these guidelines.

What Is Legal Time Tracking Software?

Designed for the legal industry, legal time tracking software allows lawyers to input, organize, and record the time spent on billable and non-billable tasks. This software is designed specifically for the needs of lawyers to provide granular details and improve workflows.

Lawyers often handle tasks for multiple clients or cases each day, which can create confusion and mistakes. Legal time tracking for lawyers helps to simplify and streamline the timekeeping process to reduce missed hours or billing errors.

[Bill4Time](#) is a law practice management platform that allows law firms to seamlessly track their time. Multiple timers improve billable hour accuracy by allowing you to start and stop as you jump between client matters.

The platform also comes with billing features like [custom invoicing](#), [built-in payment processing](#), and [advanced reporting](#) to gain better insight into your firm's finances.

Automate Time Tracking for Lawyers

Accurate time tracking is the lifeblood of a law firm to remain [profitable](#), yet many lawyers still prefer chaotic manual methods that can lead to over- or underbilling, ambiguity, or client concerns. With the right software, [time tracking for lawyers](#) can be an easy part of the workflow. Legal time tracking software, like Bill4Time, can help lawyers track time with transparency and accountability.

If you're interested in seeing what Bill4Time can do to help your firm and make time tracking easy, [schedule a demo today](#).

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