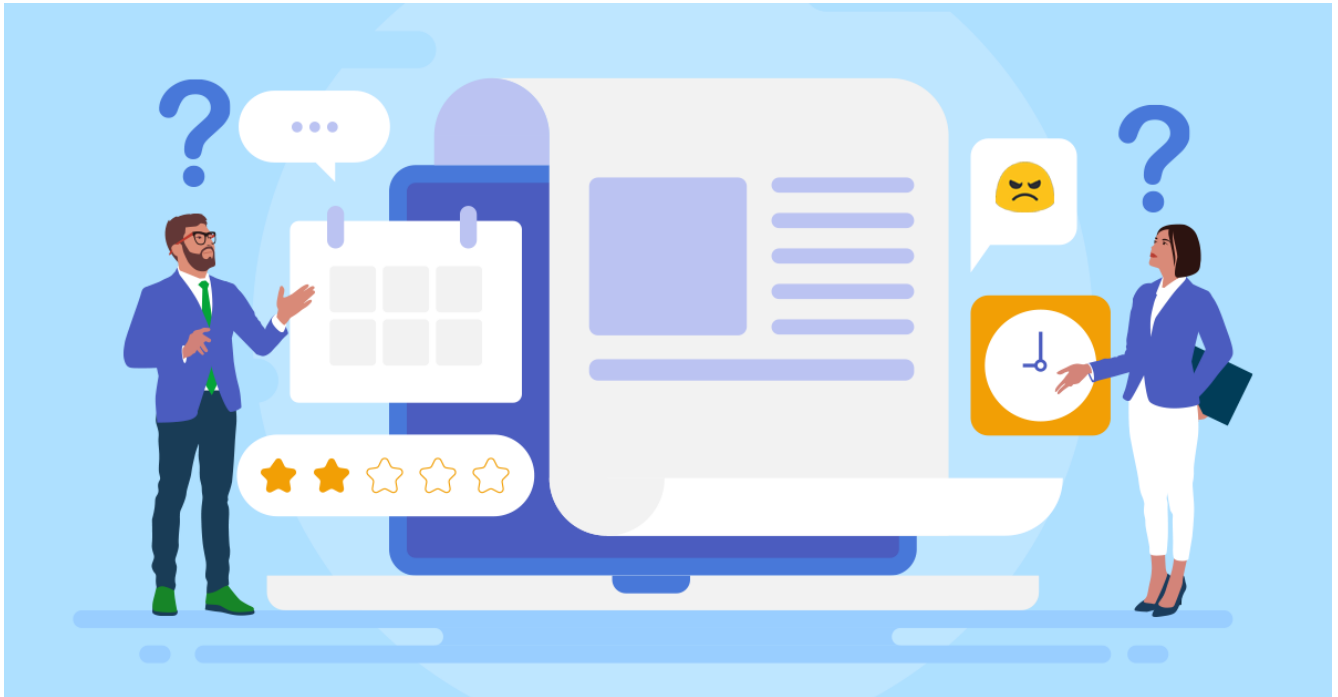# Consultant Time Tracking Apps: How to Make the Most of Them And What to Avoid

[Legal time tracking software](#) is great for law firms, but what about consultants and freelancers? Consultant time tracking apps should allow you to easily and accurately capture your time. If you find yourself guessing your time, you may be losing out on revenue.

Accurate and reliable time tracking is arguably the most important metric a consultant or freelancer can track. If not done properly, inaccurate time tracking can lead to billable leakage, poor utilization rates, decreased productivity, and poor performance in the long term. If you're using a time tracking app and you have the following red flags, you may want to take note.

Time Tracking Habits to Avoid

Red Flag #1: You Must Enter Your Time Manually

A common issue with consultant time tracking apps is manual time entry. Many apps rely on users remembering to track their time accurately. This may seem like a reasonable expectation at first, but it doesn't take into account the other tasks a legal professional needs to handle.

Multitasking is a frequent occurrence in the legal industry, but there is a point where it goes too far and ends up impacting performance. Manual timekeeping isn't as easy as it seems.

To dive into the science of it, psychologists Daniel Kahneman and Amos Tversky coined the term planning fallacy in 1977. Planning fallacy, in short, is the psychological phenomenon where people are optimistic in guessing how long a task will take to complete, underestimating the true number.

Kahneman expands on this idea in his book, "Thinking Fast and Slow." In the book, Kahneman states that we struggle with time estimation for two reasons:

1. We don't consider how long similar tasks have taken us in the past.
2. We assume or fail to account for barriers, challenges, or complications that will delay our plans.

The planning fallacy affects individuals, groups, and entire organizations.

The trouble with this is the fact that consultants and their clients are often unaware of the problem. As optimism bias clouds our judgment, we fall into the trap of assuming that our tasks will go well.

Manual time tracking and entry forces consultants to make the mistakes discussed above. Consultants enter their projections ahead of time, ensuring that they neglect previous tasks and the amount of time taken to complete them. Or, they reconstruct their time from memory, losing a significant amount of revenue due to faulty judgment, errors in thinking, and inaccurate estimates.

In a perfect time tracking world, you should be able to start and stop your tracking, while the app measures the amount of time you've spent on a specific task or tasks automatically. You shouldn't be forced to reconstruct or project time, which is a recipe for disaster.

Manual time entry has a direct impact on the amount of revenue you're able to generate — even if you bill at a flat rate. This is why it's so important to track time correctly.

You should be able to edit your time if you need to make changes, track meetings, and convert them to time entries automatically. Look for this in a [mobile consultant time tracking app.](#)

Red Flag #2: Uniform Time Tracking

Time tracking requires granularity.

In an ideal consultant time tracking app, you should be able to track billable vs. non-billable work automatically — track employees, contractors, and third-party time. You should be able to easily differentiate between the various types of timekeeping (e.g., tasks, projects, meetings, etc.).

Unfortunately, many consultant time tracking apps force users into a timekeeping model that may not be best for their business. This isn't ideal, as it requires more time and attention when it's time to analyze time entries for billing, invoicing, or internal analysis.

Red Flag #3: No reporting or analytics for consultant time tracking

There are lots of options for time tracking software consultants can use. However, many of these don't provide management with the data and intel they need to make good decisions. Good legal time tracking software enables consultants to answer the following questions:

1. Where are we losing the most time?
2. Which employees are most productive, and why?
3. Which employees are the least productive, and why?
4. Which projects, clients, or tasks are most productive or profitable?
5. Which projects, clients, or tasks are minimally productive and unprofitable?
6. What is my profit per employee, partner, client, etc.?

Why are these questions important? They give your business the clarity you need to answer higher-level questions like:

- How do we avoid unprofitable clients in the future?
- How do we attract more of the clients we want and none of the clients we don't like?
- What 20 percent of projects produce 80 percent of our revenue?

- What 20 percent of clients produce 80 percent of our headaches, conflict, or concerns?

These questions provide clarity.

However, a comprehensive look at your time entries isn't enough. You'll need to be able to break your reporting down into actionable, bite-sized chunks you can use to grow your consultancy.

Many time tracking apps are generalists in the sense that they provide you with a limited set of data on your team's performance. They don't provide you with the level of granularity and analysis your consultancy needs to grow.

Why Is Time Tracking Valuable for Consultants?

Time tracking is valuable for consultants because it can be easily translated to money. While many organizations feel they're on top of their time tracking, this isn't always the case. If your consultant time tracking app has any of the red flags I've mentioned, it may be time to switch.

These red flags lead to billable leakage, poor utilization rates, decreased productivity and poor performance over the long term.

Consultants need reliable time tracking software in order to run a productive business. [Bill4Time](#) is an affordable, efficient legal time tracking software that allows you to track time with ease, manage billing, create invoices, and effectively run your practice — all in one place.

As a consultant, you're busy. The software you use should simplify everyday tasks and keep your law firm running without the hassle.

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