# How Automated Time Management for Lawyers Can Increase Earnings and Productivity



As a lawyer with extensive education and training, you are entitled to be paid what you're worth. But what is that number? That's actually up to you. Time management for lawyers isn't only deciding the amount you charge per hour (but yes, you get to do that, too). It means the amount of effort, planning, marketing, networking, reputation building, blood, sweat and tears you put into your firm is entirely up to you.

But you'll find the more of yourself you put into every minute of that hour you're charging your clients for, the more you'll get back. So what should you be focusing on? Using <u>legal time tracking software</u> to accurately track the time you spend working on cases will ultimately give the most return on your investments.

Benefits of Time Management for Lawyers

Time management is key to long-term success. With multiple clients and projects going on at once, staying on top of tasks is vital. When you plan and organize the time you spend on work-related activities, it leads to greater productivity and efficiency, a better professional reputation, less stress, and increased opportunities for advancement and new clients.

When time management isn't a priority, it can lead to missed deadlines, poor quality work, and damage to your professional reputation — which ultimately could have negative consequences for your career. All this, of course, leads to high levels of stress. In fact, procrastination can actually harm your health, as this Canadian study on the impact procrastination can have on hypertension and cardiovascular disease suggests.

So how do you manage your time? Here are some easy tips to get you started.

### Time Management Tips for Lawyers

1. Do the easiest tasks first to build momentum.

If you've heard of the <u>snowball method for getting rid of debt</u>, the same concept can be applied here. Take care of some of the easiest tasks first, knocking them out guickly and building momentum to tackle your larger tasks after.

2. Tackle the most dreaded task.

Do the thing that has been occupying your mind the most and causing the most stress. This will automatically make the rest of your day seem like a piece of cake.

3. Designate a specific window of time to make and return phone calls.

If you answer the phone every time it rings, nothing will get done. Saving all your phone calls (with necessary exceptions of course) for one specific time will cause fewer distractions and interruptions in your schedule.

4. Make the next day's task list at the end of every work day.

Spending your last few minutes at the office prioritizing the next day's schedule will make a big difference in your entire week.

## Optimize Legal Billing and Client Satisfaction With Time Management for Lawyers

Now that you've organized your own time, in order to make sure you are getting paid for everything you're entitled to, it is necessary to accurately track the time you spend working on clients' cases and projects. Here are some pro tips:

- 1. **Get in the habit of keeping meticulously detailed records and invoices.** This includes writing full descriptive sentences with dates and times that account for every billable minute.
- Strike a balance of sufficient descriptions. Not too much, not too little.
   Explain each task so even the most skeptical client can see the purpose and benefit. But don't add so much detail that a client misses the implicit value message.
- 3. **Avoid rabbit holes and other distractions.** Phone calls are obvious, but what about email or text notification signals on your phone? Take advantage of useful settings on your phone, like Do Not Disturb mode. Set a timer of the time you expect to finish a certain task and hone in on the work. Focusing in on the task will lessen mistakes and increase billing accuracy.

No surprise, we agree that time tracking software like <u>Bill4Time</u> is the best way to accomplish this. Firms that <u>actively measure data and track time</u> have a much better understanding of their financials and the marketing return on their investment than those that don't consistently measure and track.

So what should you be tracking? Smart firms track all activities, not just billable hours.

#### Why and How Do Lawyers Track New Business?

Lawyers can monitor new business by logging their time spent on new clients in legal time tracking software. When leads stop coming in at a consistent pace, business will inevitably slow down as well. Specifically, set up a project within your company files for new business and track the hours you (and staff) spend on all new business activities: prospecting, networking, phone calls, emails, etc. This is an important measure of the future success of your firm to ensure a positive ROI of the time spent.

Use Archives and Milestones to Guide Time Tracking

Time tracking software like Bill4Time can serve as an archive for client projects and accomplishments. When you track your time as projects (and use consistent labeling), you also create permanent, searchable records when the projects are done: key accomplishments, decisions, and approvals. This becomes an invaluable archive that can be used to document a history of a long-standing client relationship. Firms can also use this information to identify opportunities for upselling or expanding their services, ultimately boosting their revenue and growth.

#### View Reports to Increase Financial Productivity

Comparing time records with other financial measures can be a great management tool to spot problems early. For example, look at utilization rate (hours billed vs. total hours) to spot which associates are most productive. Look at realization rate (hours billed/hours collected) to detect if certain clients have unreasonable billing disputes, or certain associates have unreasonable charges. Look at collections-based stats (unbilled days/uncollected days) to determine if you're too slow to send invoices after a matter is closed, or if a client is too slow to pay.

## Use Legal Time Tracking Software to Improve Time Management for Lawyers

Analyzing all this data and information will allow you to see your business from a completely different perspective and bring to light all the things you are doing right and all the things that could use improvement. Time management and time tracking are the keys to a successful firm.