Time Tracking at Your Practice: Instilling a Culture of Accountability



time tracking at your practice

Your time is irreplaceable.

It's infinitely valuable, something you can't get back. Time is value for almost every law firm. Every attorney knows this, yet most firms struggle with time tracking.

It's a common experience.

Time tracking at your practice is vital. It isn't rocket science. It's simple, straightforward and easy. You do the work. You record your time. Why is time tracking, specifically accountability, such a problem for law firms?

Law firms are missing the structure they need

Most approach this problem the wrong way.

The problem is viewed through a black and white lens. "Our attorneys aren't tracking their time so we need to work on enforcing the rules." When attorneys ignore that mandate, the most obvious solution is a punishment of some kind.

Which only makes the problem worse.

Attorneys begin relying on *reconstructive time tracking*. They comb through their emails, phone logs and appointments. Then they make a guess.

Which usually means the firm loses money.

Clients are overcharged for the work that's done (eroding trust and your client's lifetime value). Or, they're undercharged. Great for them, but financially destructive for the firm.

Law firms lose either way.

The cause of the problem isn't attorney negligence. It's not your associate's fault and it isn't your fault. Rather, it's a lack of training that's to blame.

It's a lack of systems.

Does time tracking at your practice follow a set structure?

Time tracking is a multi-pronged problem.

Accountability needs to be addressed at three fundamental levels. You'll need protocols in place for each area, outlining the who, what, where and when.

- 1. **Individual level.** Individual attorneys and support staff who track their time. When it comes to time tracking, these employees may be doing an excellent, average or poor job. Most law firms focus their time and attention on individuals throughout the organization which, on its own, is ineffective. They often rely on punitive measures to gain compliance which eventually, pushes good attorneys away.
- 2. **Group level.** These groups can be *formal* (e.g. partners, associates, paralegals). They can also be *informal* (e.g. top performers vs. poor performers, finders vs. grinders, etc.). These groups typically have their own subculture, norms and expectations (e.g. paralegals are loyal to specific attorneys in their <u>in-group</u>). <u>Social and moral norms</u>, peer pressure and performance expectations these are common at the organization, group

- and individual levels. How do associates respond to the few who are dutifully tracking their time? With hostility? Indifference? Pride?
- 3. **System level.** This is the foundation of time tracking. The systems you have in place shape the responsiveness of your team. Handled well, it creates a culture of accountability and consistency. This includes details like your policies and procedures, software, tools and more. Good systems create accountability. They make it easy to hold individuals and groups accountable.

Time tracking in your practice is nuanced.

When law firms identify a time tracking problem (e.g. it isn't happening, it's inaccurate, etc.) most firms immediately approach the individual.

This makes sense...

If you're looking to understand why. If your staff isn't tracking their time appropriately here's a better idea. Identify whether you're dealing with an individual, group or systems problem.

The answer determines the fix.

If it's an individual problem you could identify whether (a.) they know what's expected of them (b.) how to do what's expected and (c.) how to address problems that prevent that from happening.

What about a group problem?

You'd (a.) identify the group (b.) determine the group norms and rules, then (c.) determine whether you'd ignore, avoid, or work within those rules.

And, if it's a system problem?

You'd identify the failure points. Does the software make it harder for staff to comply? Are there consistent problems? A lack of good policies and procedures? A systems problem means you'd need to work on the *organization* itself.

See the difference?

This is why staff members aren't tracking their time properly?!

Not exactly.

There are also lots of *little* reasons that help to explain why time tracking is such a miserable affair for attorneys. But there's one *very big reason* that's mostly ignored.

I'm talking about Cognitive Fluency.

Cognitive fluency is a measurement tool. How easy (or difficult) is it to think about information?

Humans prefer easy.

When it comes to cognitive fluency we're all pretty sensitive. The easier it is for us to understand a piece of information, the more likely we are to act on it.

Here's why this is remarkable.

The research shows us several very significant things about cognitive fluency.

- Cognitive fluency gets people to share secrets and embarrassing stories
- You can get people to <u>believe untruths</u> by simply making it familiar or easyto-understand
- Stocks with easy-to-pronounce names <u>significantly outperform</u> those with hard-to-pronounce names
- Cognitive fluency also dictates what we find beautiful (e.g. average faces that are a composite of other faces)

Cognitive fluency affects every facet of our decision making process, including decisions like whether we'll track our time.

See it?

The secret ingredients in cognitive fluency?

- 1. **Repetition.** If it's familiar, it requires less brain power. It's easier to process, accept and trust information you've heard before.
- 2. **Clarity.** Information that's easy to take in. It's easy to see and hear. The colors are crisp. The picture is clear. The words are easy-to-understand. The easier **you** are to understand, the easier it is to get **your staff** to comply.
- 3. **Simplicity.** In this case, it's the absence of complexity. The minimum amount of steps needed to accomplish a particular goal or task.

Want to improve time tracking at your practice? Use cognitive ease to optimize the individual, group and system dynamics at your firm. Use these ingredients to improve time tracking.

Easier said than done.

How on earth are you supposed to do that? It's not like you're taught how to do this in school.

Show your lawyers how to submit their time

This sounds patronizing.

And it would be *if* you decided to talk down to the lawyers and support teams in your firm. That's not the approach I'm recommending here. No, I'm recommending a multi-pronged approach instead.

Remember the structures I mentioned earlier?

We're going to use those to build a culture of accountability. If you play your cards right you can use this to dramatically improve time tracking at your practice.

Individual level

- Create a suggestion box. A digital suggestion box enables employees to vent about anything and everything that comes to mind. Are they struggling with a software problem? Do they know how to track their time? The answer box is a great way for you to ask questions and get honest, anonymous feedback. It's brutal and painful for partners and shareholders, but it's an easy way to increase revenue and profits. Just be sure to maintain psychological safety. Employees won't use your suggestion box if it's used to abuse, hurt or manipulate them.
- Act on suggestions. Use tools like <u>Typeform</u>, <u>Survey Monkey</u> and <u>SnapSuggest</u> to get the feedback you need. Then act on it. Use voting systems to gauge staff interest in the issues that are discussed. Act on feedback that shows up repeatedly in your suggestion box. Vote on controversial or serious issues that appear.

Group level

- **Use social engineering** via peer pressure and prestige. Create a list. Outline the attorneys and teams who've turned their time sheets in on time and those who haven't. Keep the list factual. Don't use your list to shame poor performers and stragglers.
- **Provide incentives and consequences.** Create incentives that reward attorneys who **(a.)** accurately track their time and **(b.)** consistently submit their timesheets on time. Use incentives as a way to curry favor, benefits and prestige. Tie promotions and bonuses to socially engineered incentives. Praise top performers publicly.

System level

- **Set and define expectations.** Let attorneys and support staff know that tracking their time and submitting hours is an indispensable part of working with the firm. Define when hours should be submitted, what the format should be, who depends on it, etc.
- **Shorten deadlines.** If you invoice monthly, have attorneys and support staff turn in timesheets on a weekly basis. This gives the firm predictability which improves cash flow forecasting, budgeting and more. Shorter deadlines encourage consistency. Repetition creates habits and behavioral loops.
- **Use natural consequences.** Use withholding and reductions as a natural consequence/response for poor performers. Make it clear that this isn't about punishment, it's about giving the firm what it needs so *they* have what they need.

These suggestions are meant to spur ideas.

You'll need to identify the ideas that work best for *your* practice. Approach time tracking from an individual, group and systems point of view.

Law firms want accountability, but they're missing structure

Your time is valuable.

It's a scarce and irreplaceable resource. Once it's spent you can't get it back. Which is exactly why a culture of accountability is so important.

You're converting time to money.

Time tracking is simple, straightforward and easy. So, why do most attorneys hate it? It would be easy to assume that they're lazy, difficult or uncooperative. But as we've seen it's more than that. Building a culture of accountability requires a three pronged approach.

Individuals, groups and systems.

Create structure at three different levels and you'll give your staff the tools they need to create value. Make time tracking simple, repeatable, and clear and you'll find accountability in your firm comes naturally.

Try Bill4Time for free.