

Briefing

November/
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SMARTER LEGAL BUSINESS MANAGEMENT

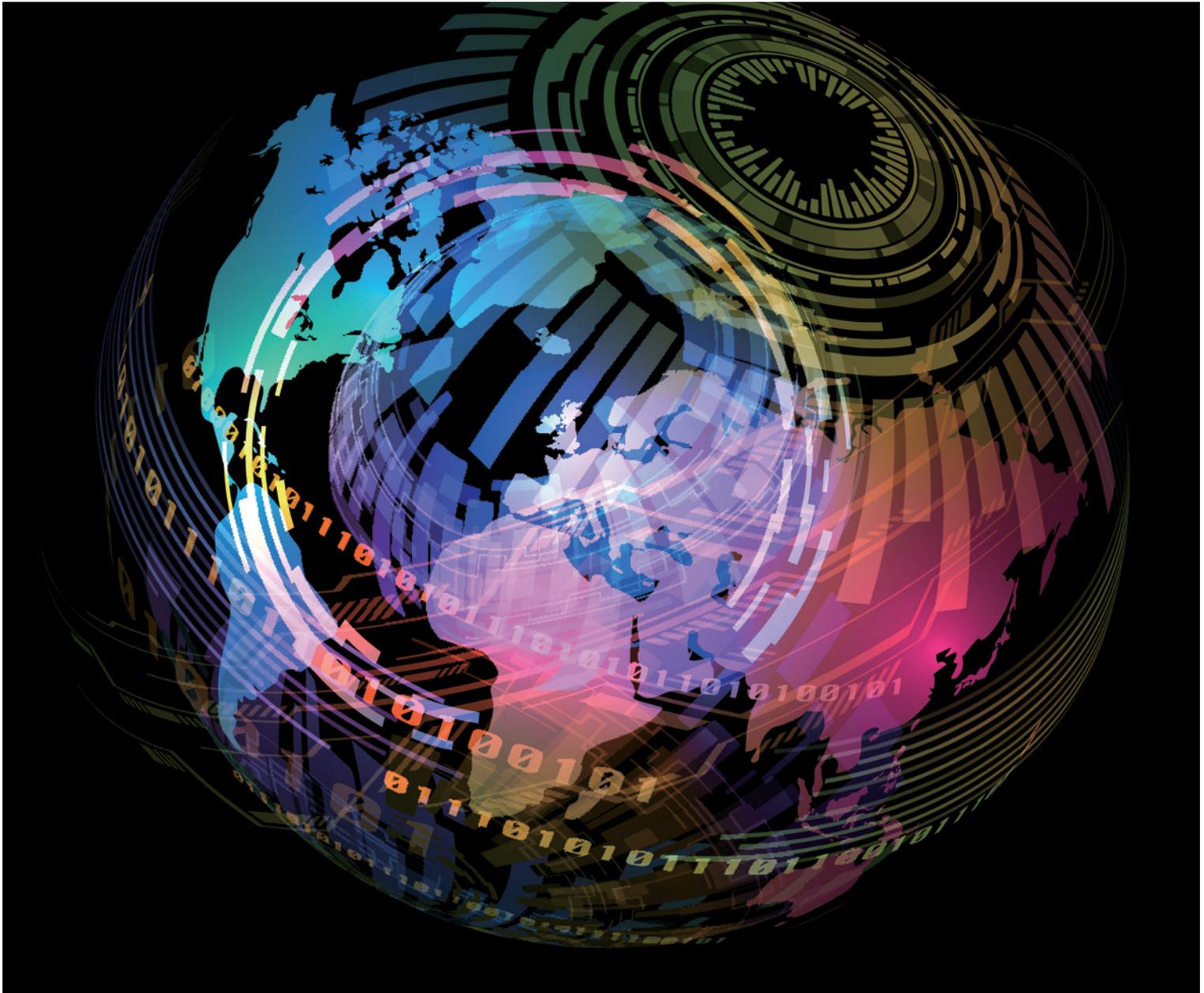
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BRAND PLANS

Sarah Walker-Smith, CEO of Shakespeare
Martineau, on liberating lines of business

DISTANT BEHAVIOUR

Tom Bedford at DAC Beachcroft on
client due diligence during Covid-19



Alert to change

*How has a global pandemic changed the business of
risk awareness and management in law firms?*

INDUSTRY ANALYSIS

Mind the time

David Lumsden, CEO at Enable, says improve both revenue and client satisfaction in challenging times through better core process such as time-recording

Lawyers love to work, but they hate ‘non-productive’ and boring administrative tasks like billing and recording time – especially recording time.

For lawyers to record time accurately, they need to do so as contemporaneously as possible. There are now ‘intelligent’ tools for monitoring the work that fee earners do, but this old rule still applies. This is because, in order to make full sense of the computer-generated statistics, and place them in context, they have to recall the day in question.

Therefore, it is still vital to enter time as soon as possible after the work has been done.

Most firms expect lawyers to record their time two or three days after working it but, inevitably, most lawyers don’t. Memories fade and when they do get around to recording their time, some three to seven days later, they are likely to:

It is still vital to enter time as soon as possible after the work has been done. Most firms expect lawyers to record their time two or three days after working it but, inevitably, most lawyers don’t. Memories fade

- Underestimate how long they spent on a task. Evidence shows that, owing to a combination of human cognitive biases, people will enter how long they think it should have taken, in an ideal world, rather than how long it actually took.
- Completely forget tasks that they undertook offline.
- Be unable to enter appropriately detailed narrative.

Several consequences flow from this behaviour, all of them bad (see table at the top of p47). These things may well happen in combination – the volume of aged WIP will be extended, overall realisation will be down and clients may well grow annoyed with being sent late, inaccurate or unhelpful bills.

Conversely, if lawyers can be encouraged to get their time in promptly, revenue and profits will increase and clients will be happier.

Finally, in most firms revenue teams, heads of departments and even managing partners can spend an exorbitant amount of time emailing, discussing and meeting with individuals to try and push them to complete and close their billable time. This is especially true in the run up to end of month,

CAUSE	EFFECT	RESULT
Time is late	It may delay a bill It may miss a final bill	Loss of revenue Increase in working capital 'lockup' days
Time is under-recorded	It never gets billed	Loss of revenue
Narrative is poor	The bill is rejected or delayed	Loss of revenue Client dissatisfaction

quarter/half-year and end of financial year. The exercise is incredibly time-consuming, expensive and has varying results.

What can you do?

You need to find a way to motivate lawyers to get their time in when expected – or even sooner – without irritating them. While there are many ways to keep on top of time-recording, it is no surprise that efficiency can be increased using technology – and Enable's Time Policy Manager (ERM) is one such example.

Let's say that a firm specifies its fee earners should enter their time into the firm's time-recording system no more than three days after the work is done. If a lawyer meets these targets, they shouldn't be bothered by a system.

However, after three days, a poor time-recorder will get a gentle reminder, showing the time missing from which days, so they can catch up and post it to the system so it can be billed. The ERM popup screen displays a customisable message, such as 'Please record your time shown below', or warns that continued breaches of policy will result in a line manager being informed. The screen also provides the exact reasons for the breach. This includes the days and times, and shows missing or open time that needs completing.

When the popup appears, it's already a policy breach and will increase the lawyer's breach count. It will also have a dropdown of a list of reasons the user can choose, to record why they breached the policy – and with an option to add free text.

Meanwhile, line managers and the finance team can receive information about policy breaches, missing time, and the steps that have been taken to recover it.

Most of this happens automatically, so Time Policy Manager is also taking away strain and wasted effort by revenue teams, heads of departments and even managing partners when

chasing missing time to enforce policies every day, all year.

The outcomes can be startling

Firms using systems such as Time Policy Manager have reported they are experiencing:

- More speedy time entry by lawyers – due to the system prompts
- An increase in chargeable time recorded, as it is being entered quicker once the work has been done
- Faster billing – as time is available to be billed sooner
- Faster payments – as bills reflect more recent work done and with the requisite detail and accuracy
- Fewer client bill-related queries. ▴

For more information, visit:
www.enableplc.com/timepolicymanager

