Boosting Productivity in Mid-Sized Law Firms: Essential Tracking Tools and Tips

Written by The Clio Team

Did you know that the*2019 Legal Trends Report*found that lawyers spend only 2.5 hours per day on billable tasks? That means that lawyers are spending only 31% of their day creating revenue for their firms with billable work.

Having doubts about how important tracking productivity is? Take a look at the report—it is an eye-opener.

In the meantime, read on to get some ideas on how to use productivity tracking at your firm. We'll take a look at a real-life example of putting productivity tracking to the test, dealing with common objections to tracking productivity, ways to get creative insights from your productivity statistics, and more.

Are you a mid-sized or large firm? Check out how Clio meets your firm's needs.

Tracking Productivity Successfully: A Very Short Case Study

Billable hours are the lifeblood of most firms. When we switched toClio three years ago, one of the first functions I dug into was theproductivity reports option. We had added some junior lawyers to the team and wanted to make sure our internal processes were scaling as our staff grew.

It didn't take long to identify which key productivity metrics our firm wanted to track. We wanted to be able to:

- Track how many hours were being worked.
- Determine what percentage of those hours were billable.
- Identify inefficiencies in staffing and workload.
- Provide staff with a way to easily monitor their hours.

Once we knew what we were looking for, we were able to implement our tracking system. It took a bit of fine-tuning, but before long, we were effectively using productivity tracking on a weekly and monthly basis.

How to Track Productivity

What's worked for our firm is a framework where the managing partner tracks time on an ongoing basis, runs productivity reports, and works with staff if there are productivity problems. At monthly partner meetings, we include a recurring agenda item for productivity review. The review looks at where we are as a firm, whether there are any issues on a staff-member basis, and what can be done to improve productivity.

Keeping Time Entries Consistent

An important note—don't forget that your reports are only as good as the time entries. There is a time commitment front-loaded into this process to ensure that staff members know how to properly categorise their time and to fine-tune any errors in classifying or entering time along the way.

Make sure to add a training piece to your orientation system that covers common timekeeping issues—a little pre-planning pays off big time down the road.

Putting Insights to Work

The information we gained was helpful for staff coaching and evaluation as well as our monthly partner meetings. When reviewing time entries we could see at a glance if a solicitor was spending too much time on certain types of tasks. In some cases, they might have still been on a learning curve, but in others, we were able to identify gaps in knowledge or firm procedure that we could easily remedy.

The entries also revealed any lurking productivity barriers—for example, we could determine if there were too many cooks in the kitchen on certain cases or tasks. More importantly, we could coach staff to avoid recurrences.

The data we pulled from reports also informed our firm's profitability and productivity discussions at monthly partner meetings. A quick review of a report could tell us which direction we were heading and allow for comparison month to month, quarter to quarter, and year to year.

There were some lessons learned along the way, of course, and the process continues to evolve.

3 Common Objections to Productivity Tracking—With Solutions

The bottom line is that to track productivity, you need data. For a law firm, that means collecting billing entries. You can do a lot with the data that those billing entries represent.

However, before you get to that point, you might face some resistance. Whether your firm is implementing a focused productivity process for the first time or fine-tuning an existing program, be prepared for a few complaints.

Here are some of the questions you can expect, with some suggested answers:

1. "Why Do We Have to Account For Every Second? I'm a Professional and Don't Need to be Micromanaged."

Some solicitors (not always the newer ones!) might feel that they are being hawked too closely or being treated as a cog in a machine. Tracking and monitoring productivity doesn't have to feel like Big Brother has been added to the firm letterhead.

Be upfront with your staff about the firm's intention to implement productivity tracking. Lawyers know that the practice of law is indeed a business and that businesses need to turn a profit. Keeping communication lines open and providing clear-cut productivity targets will go a long way toward getting buy-in from your staff.

2. "My Legal Assistant Has Always Put My Time In."

This one may come from your more experienced staff. It can be tough to introduce new technology and practices, especially if your firm culture trends toward "this is how we've always done it." If some of your team members are used to paper timesheets (or worse, scratched-out notes to an admin assistant), encourage them to learn new techniques to improve the firm's productivity.

No one loves change, but once your staff figures out how easy it is to enter their billing entries electronically on an ongoing basis, that resistance will quickly fade.

3. "I'm Too Busy to Keep My Time Electronically."

I keep Clio open on my desktop anduse the timer every single day. It's nearly effortless to record time even when being pulled in numerous directions. Writing a brief when an associate walks in with a question about a new client matter? Click off the brief timer, and start it again on a new task. You're capturing all of your time, and the process soon becomes second nature.

Techniques for Tracking Productivity

In addition to the standard reports that provide insight into staff productivity by time and by money, take advantage of Clio's updated firm dashboard to drill into the data on a more granular level. By filtering your view per user, you can uncover all sorts of valuable information that can help you not only coach specific staff but improve productivity and efficiency at your firm in general.

Try some of these techniques:

- Spot check. Do a filtered activity search by user mid-month. You'll be able to see right away if time is not put in when work is being done. If that is not happening, you can virtually guarantee that some time is not being captured.
- Look out for burnout. Do a filtered activity search by user and search weekends. Depending on how your firm rolls, you may expect to see some weekend work, but you might want to be on the lookout for excessive amounts of weekend time. This could indicate that you have a lawyer who is too overloaded, making them susceptible to burnout and potentially lower-quality work product. (Tip: Check out thesetips for preventing lawyer burnout.)
- Identify where more training might be needed. Do a filtered activity search by matter. Are you seeing a significant overlap of personnel on the same type of tasks for the same client in the same time period? For example, are both a senior and junior associate billing for the same task with numerous "Review and revise" entries? This may be a sign that the junior lawyer, in this case, needs more training in a particular area. Keep an eye on any bottlenecks, and enhance productivity with training where needed.
- Check in on targets. Do a filtered activity search by user for quarterly progress reports toward your firm's annual billable requirement (if applicable). If one of your solicitors is markedly off the pace, check in with him or her: Ask if they know where they're at, if there's an explanation for the disparity, and if they need help to get back on track. Encourage your staff to do these sorts of self-monitoring tasks as well. The beauty of Clio is you know where you stand toward your productivity targets at any time, with just a few clicks.

Tracking Productivity to Make Sure the Right Work Goes to the Right Person

If you work at a smaller firm (five to thirty lawyers), or a newer firm that has moved away from a high administrative staff-to-lawyer ratio, you might find that solicitors are doing tasks that could be done more efficiently by your administrative staff.

With productivity tracking, you can help keep your lawyers focused on billable work.

Ensure Clio is set up with an "Administrative/Office" matter, and review entries under this matter monthly. Are there tasks that should not be done by junior lawyers or paralegals? Here is the place to find out and rectify: Reassign non-billable tasks that can be done by administrative professionals to allow for more productive (and profitable) use of your solicitors' and paralegals' time.

Tracking Time Spent on Client Development

Love it or hate it, client development is a necessary part of ensuring your firm keeps the business it has and continues earning new business. While not as easily quantifiable as revenue-producing time, client development time is nonetheless critical to every firm.

Remember, rainmakers are not the only people doing client development work. If you are not doing so already, encourage members of your firm to useLinkedIn,network locally, and publish or speak in their speciality fields. This works best if you put your money where your mouth is and take into account the time spent on these tasks when conducting staff evaluations. That can't be done if the time isn't being tracked.

Tip: Ensure Clio is set up with a "Client Development" matter, so you can keep track of all time spent on client development in one place.

Get on Track (and Stay on Track) With Productivity Tracking

Running a firm demands a lot of time and attention in many, many areas. One area you cannot afford to neglect is productivity tracking. Over the long term, productivity tracking will boost your firm's success in both quantitative and qualitative ways.

To sum up, here are a few things to keep in mind to effectively implement and get the most out of productivity tracking at your law firm:

- Invest time in learning about productivity tracking. Take time to learn what your productivity tracking tools can do—the results will more than make up for the time spent learning.
- Create clear processes. Firm leadership should identify key metrics for their firm, assign an individual responsible for reporting on those metrics, and, most importantly, review those metrics regularly.
- Don't get tunnel vision. Productivity tracking is about more than just numbers. Use it as a tool to identify coaching opportunities and process improvement possibilities.

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