

Should I Use Time and Billing Software?

By Diane Ebersole

Attorneys who have not yet automated their time tracking, expense accounting, and invoice generation should certainly strongly consider the options and benefits of doing so. For an attorney who bills by the hour and has several hundred open case files, the benefits in increased accuracy and time saved are obvious. But we encourage even those who bill on a contingency basis or have only a few dozen open files to reflect on some of the advantages of computerized time and billing.

First of all, a good program will create a database with a wealth of information about clients and attorneys that you can use in many different ways, e.g., billing histories (Should you take on more work for this person?), mass mailings and other marketing (names and addresses are stored, and most programs generate labels), and conflict checking or management and profit planning (Which attorney in my firm is generating the most revenue? Which practice areas are? What is the cost/revenue ratio on that matter?). The possibilities, given a good program, are almost limitless. Additionally, the flexibility provided by customized and detailed invoices can make the difference between a client who ignores a bill and one who pays it.

But which program should you buy? This is a very difficult question to answer, as there are several hundred programs on the

market that track attorney time and produce bills, and several of these programs are very good. What you should buy depends on a multitude of factors, including your budget, whether you want an integrated financial package (i.e., one that includes not only time and billing, but general ledger, check writing, and payroll), and your need for a specific feature, such as a pop-up timer, that may not be included in all programs.

A cautionary caveat: it is easy to underestimate the total cost to implement a new software solution into your practice. Software changes require a significant investment in time and money, but the paybacks can be enormous. You should carefully consider the following before implementing new software:

- Expend the time and energy to garner buy-in from everyone in your firm before you start.
- Find a good consultant who knows the programs you are considering (the State Bar Practice Management Resource Center (PMRC) can recommend consultants).
- Include in your project budget proper training from a certified consultant.
- Be patient with the transition; change is difficult, but worth the effort.

The PMRC welcomes inquiries, but rather than giving you the name of a “should buy” program, staff will discuss your budget and requirements and then suggest several packages you may want to investigate further.

The ABA Legal Technology Resource Center—Helping Lawyers Solve the Technology Puzzle website provides a range of technical resources and is available at <http://www.abanet.org/tech/ltrc/home.html>. This site provides a comprehensive collection of resources and information to assist attorneys with the technical issues

surrounding the practice of law. Links from this website include:

- Time and billing software comparison:
 - Discussion—<http://www.abanet.org/tech/ltrc/charts/timeandbilling.html>
 - Chart (PDF)—<http://www.abanet.org/tech/ltrc/charts/timebilling.pdf>
- Practice management software comparison:
 - Discussion—<http://www.abanet.org/tech/ltrc/charts/casemanagementcomparison.html>
 - Chart (PDF)—<http://www.abanet.org/tech/ltrc/charts/PracticeCaseManagement-TimeBilling-IntegratedSoftwareChart.pdf>
- Checklist for purchasing software for the law office: <http://www.abanet.org/tech/ltrc/fyidocs/techselectcheckfyi.html>
- The GP|Solo ABA General Practice, Solo & Small Firm Division Technology eReport: <http://www.abanet.org/genpractice/ereport/vol7/num3/>. This website will help you stay current with technology trends and issues, especially as they affect the solo and small firm.

For more information, contact the PMRC's Helpline at (800) 341-9715 or pmrcHelpline@mail.michbar.org. ■

Diane Ebersole is a practice management advisor for the State Bar Practice Management Resource Center (PMRC). The purpose of the PMRC is to help Bar members operate their law practices more efficiently and effectively by providing information, training, resources, and hands-on assistance through a broad-based clearinghouse, thereby enhancing their practice management skills. Ms. Ebersole has over 20 years of information technology experience at educational institutions and businesses.