
The Nine Best Law Office Productivity Multipliers

White Paper by CosmoLex Cloud, LLC

You had all those years of law school and yet they never taught you important things like billing, case organization and practice management. New attorneys, and even experienced lawyers striking out on their own, are surprised by the administrative hassle associated with running a legal practice. I've spent many years providing legal technology solutions to the legal industry and I want to share the strategies I've seen law firms use not just to succeed, but to thrive.

Productivity vs. Productivity Multipliers

If you bill by the hour, then why should you care about doing things faster? Because an efficient office means you put in fewer non-billable administrative hours organizing your team or puzzling over client accounts, and put in more billable hours that earn you money. If you are one of the growing number of law firms moving to alternate, flat-fee billing models then the capacity to handle the same in less time than the attorney next door means a greater profit margin for your practice.

Unfortunately many attorneys take short-sighted views of productivity. They adopt methods that might improve efficiency a little, but each method is independent. They don't work together. What the truly successful law firms use are productivity *multipliers*: methods that enhance each other to send your practice's productivity skyrocketing. You expect that using two productivity enhancers would be twice as efficient as using one, but with productivity multipliers using two methods might be four times as efficient. Using three methods might be ten times as efficient. You create a cohesive practice management strategy rather than just reacting to problems as they happen.

Productivity multipliers don't just increase your law practice's profits. They allow you to handle matters more quickly and efficiently, thus providing better service to your clients. They minimize the chance you will commit unintended ethics violations, protecting you from audits and bar association censure. They give you more time for the important things in life: family, friends, hobbies, and relaxation.

The Nine Productivity Multipliers

Here are the top methods I've seen successful law firms use. Adopting any one of these practices will help your practice, but they also all work together to create an effective practice management strategy that will drive your productivity through the roof.

1. **Comprehensive Overview:** Productivity multipliers work together and that means you need to see the big picture to be able to manage the multipliers effectively. You can't just look at how one component is working. You need to be able to gauge the health of your entire practice at a glance. If you see a problem, then you can drill down and focus on the bottleneck in your system that is slowing the rest of your practice down. You see what's working and what isn't so you can allocate your time, attention and resources appropriately.

2. **Matter-Centric Recordkeeping:** John Doe has been a client for many years. You handled his divorce, his second divorce, his prenuptial agreement (he's learning), his third divorce, and changes to his will after each marriage and each breakup. You have to be able to view any one of these matters individually so you can bill him correctly, so the fee he submitted for the estate matters don't pay the expenses for the divorce case, and so the task list for one of his matters doesn't interfere with the task list for another. Matter-based organization allows you to keep each case separate.

3. **Automation Using Workflows:** Don't work cases by the seat of your pants. If a matter involves 20 steps, you don't want to do only 19 of them. Written task lists ensure all matters are handled correctly. However there is no need to create a list from scratch for each matter. Odds are your cases follow a standard set of steps. Creating predefined workflows allows you to set up new matters in an instant, saving a lot of time in the planning process but also providing workflow standardization. If everyone is working from the same predefined task lists, then you don't have to worry about each attorney handling matters in different ways.

4. **Integrated Calendaring and Tasks:** Tasks don't need to just get done; they need to get done on time. Dates are critically important in many legal specialties. Missing a filing or court date can ruin your chances of bringing a matter to a satisfying conclusion. So many tasks are dependent on others that one missed deadline can create a cascade of problems that will leave you playing catch up for months. Integrating your task & calendar system with your billing system allows you to see at a glance what needs to get done right now and nothing falls through the crack when completed tasks/events are to be billed.

5. **Team Collaboration:** Small to medium law firms may have several attorneys and their support staffs working on a case. Even solo attorneys often work as part of a team that includes paralegals, bookkeepers, researchers and more. You need a true team working together, not just a bunch of individuals going off in different directions. Team calendaring ensures everyone is working on the same schedule and simplifies meetings and other collaborations. Central document storage means you don't have five versions of a critical document floating around in office emails. Matter managers can easily oversee everyone's work from one location, spotting slowdowns that can affect the entire practice.

6. **Efficient Billing and Collection:** If your practice doesn't have a healthy, positive cash flow then you won't be in business for long. Attorneys usually hate the billing and collection aspect of practice management, even though they know they have to bill to make money. The important aspect of a good legal billing and collection system is that it should be nearly effortless so you don't have to spend a lot of time creating invoices, poring over client accounts or sorting through checks to figure out which money goes where. Efficient billing that is integrated into your other systems not only saves you time but can even eliminate the expense of an outside bookkeeper. One click can generate billing, late payment inquiries or low retainer reminders for all clients at once.

7. **Integrated Trust Accounting:** Trust account mismanagement is one of the leading causes of disbarment, and yet in most cases it is negligence or ignorance rather than deliberate fraud. Remember the primary rule of trust accounting: It's not your money until you earn it. You are simply holding it for the benefit of the client. When trust accounting is integrated into your billing and collection system, it is easy to see what portion of a client's funds should be in the trust account and what should be in the operating account. You can manage multiple trust accounts in a single bank account without accidentally comingling funds.

8. **Paperless Office:** People have been talking about the paperless office since the first huge vacuum tube computer was activated. Today we finally have the collection of technologies -- storage, scanning, communication, digital security and more -- that make the paperless office a practical reality. Discovery tasks that used to take days now take minutes. All client records are now accessible from any location rather than scattered across multiple file cabinets. Backups and copies are as easy as the click of a mouse. Spend less time sorting paper and more time processing information.

9. **Cloud Productivity:** As information technology advanced, one of the big limitations was being chained to your office computer. Laptops gave some portability but you still had the problem of synchronizing the files on each person's computer with all the others. Cloud-based systems free you from the limitations of standard desktop or laptop computers. Access client billing and documentation -- as long as you are an authorized user -- from anywhere with an internet connection using any computer, tablet or smartphone.

You can adopt any one of these nine work model components to greatly increase your law firm's productivity, but things really start to take off when you see how they work together. As you check off tasks on your workflow management system, billable hours flow into the invoice system. Team collaboration features ensure that work done by multiple parties in the firm all shows up on the same invoice for a matter. The billing system looks at the trust account system to get payments from available retainers. Paperless invoices, late payment reminders, and low retainer replenishment requests go out through email. Manage all of this from anywhere through your cloud connection to get a comprehensive overview of your practice.

I firmly believe these new technologies will create a revolution in legal practice management over the next few years, which is why we at CosmoLex are working to create a tool that supports all of these productivity multipliers. Use one integrated application to manage all of these critical tasks and bring your firm into a new era of productivity and profitability.