How to Guide: Making Clocktimizer eBilling Solutions a Reality

The following pages provide detailed steps on using Clocktimizer to address Forecast and Accruals Tracking, New Working Timekeeping Tracking, and Outside Counsel Narrative Control Reporting. These examples are meant to inspire additional creativity from your end—so tweak and adjust to best match your firm's needs, expanding upon the ways Clocktimizer can help.

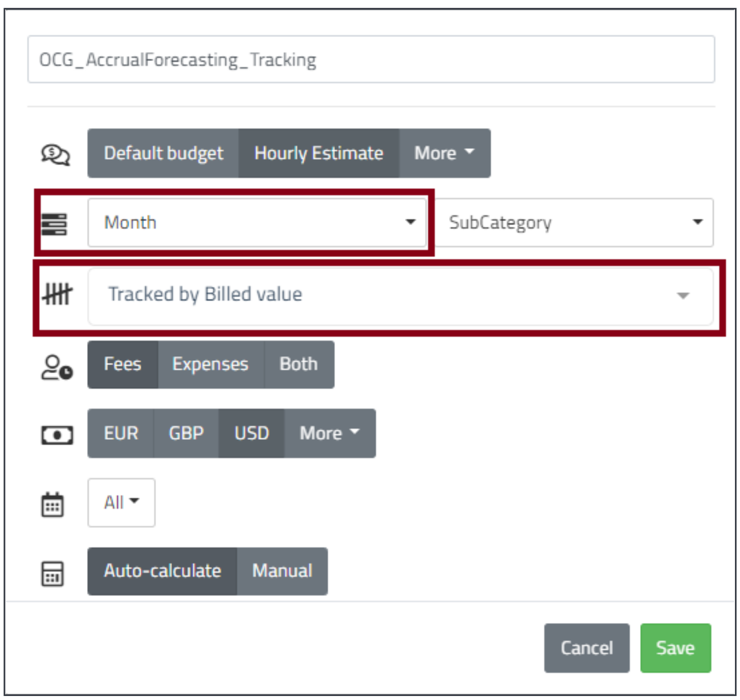
LITERA
Clocktimizer

Forecast and Accrual Tracking
Creating the Tracker

Tracking a planned Forecast and its reported Accruals begins with creating a new budget from within the Budget module. For this example, we've tagged the matter spend as an Hourly Estimate, organized the partition by Month from within the Period section, indicated to track by Billed value, and noted that we're monitoring only the Fees and in USD.

For Forecasts that need additional groupings, or a more sophisticated organization, Clocktimizer's Budget structure supports two partition layers, as well as the creation of multiple budgets for the same client or matter. Additional examples of Forecast models might include partitioning by Year and Quarter, or using the Calendar feature to limit the focus to a specific customized non-traditional time period, such as February through May.

Creating the Forecast and Accrual Tracker



Populating the Tracker Details

Once the Budget details have populated, use the Partition prompt to add your Period details. For our model, we're creating a monthly Forecast tracker, and so bring in these details by entering first the year and the month in the search prompt, clicking on each needed result to quickly and efficiently frame the model.

LITERA Clocktimizer

For the Display details, we recommend using the following:

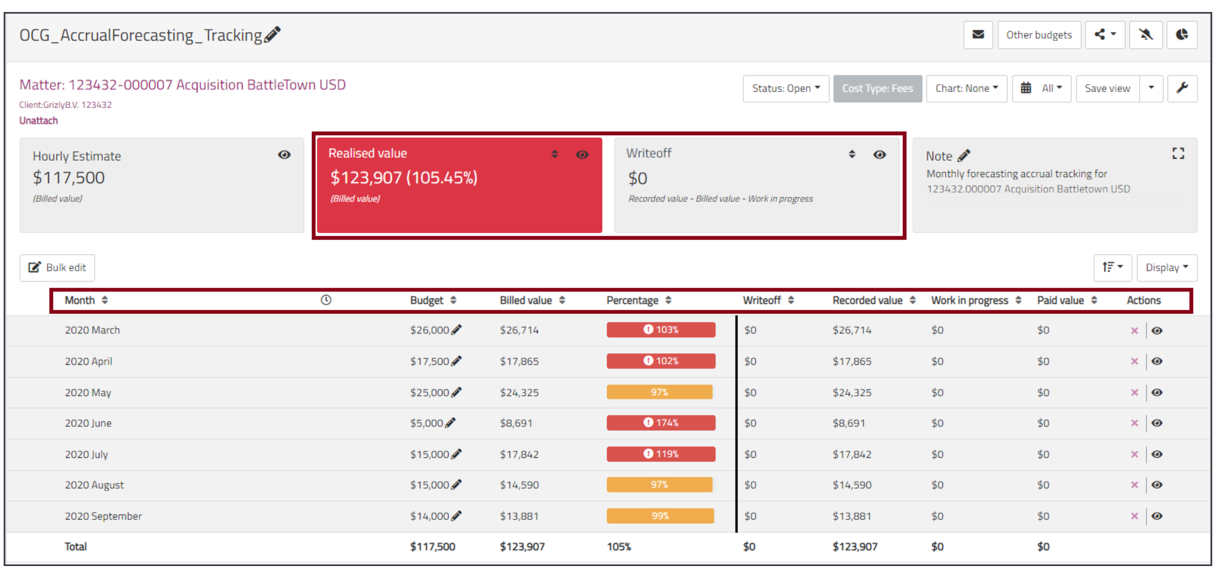
- Budget
- Billed Value
- Percentage
- Writeoff
- Recorded Value
- Work in Progress
- Paid Value

To provide context, the goal of the Forecast and Accrual Tracker is to document the projected forecast, as shared with the client, and then use it to monitor both ongoing accrual against that forecast—the Work in Progress—as well as the final spend, the Billed Value. In tandem with providing transparency and oversight on the Forecast, we want the spend model to also raise attention on other metric areas that might indicate a potentially brewing problem: Writeoff and Paid Value are both key indicators of matter spend translating to harm. Higher Writeoff values indicate matter spend going out of control or Forecasting that is in desperate need of an updated evaluation, while Paid Values that indicate short-payments or even no payments at all, reflect a potentially unhappy client.

Use the Budget column to enter the Forecast values as shared with the client; this is your internal reference point to track against—to ensure that what's been relayed and promised to the client is properly reflected in the actuals as they realize.

Once the budget is linked to your live matter, update the tracking and KPI tiles to your preference. In our example, we're tracking by Realized Value to demonstrate how closely our Billed Values are aligning with our client Forecast; Realization values crossing 100% would indicate that we're billing out more than we promised we would and so demonstrate matter scope creep. Our KPI tile is set to show the ongoing Writeoff values and call attention to a number that may indicate scope creep as well, that while contained for the client through writeoffs, still translates to internal harm if used in excess.

Forecast and Accrual Tracking Details



Month	Budget	Billed value	Percentage	Writeoff	Recorded value	Work in progress	Paid value	Actions
2020 March	$26,000	$26,714	103%	$0	$26,714	$0	$0	
2020 April	$17,500	$17,865	102%	$0	$17,865	$0	$0	
2020 May	$25,000	$24,325	97%	$0	$24,325	$0	$0	
2020 June	$5,000	$8,691	174%	$0	$8,691	$0	$0	
2020 July	$15,000	$17,842	119%	$0	$17,842	$0	$0	
2020 August	$15,000	$14,590	97%	$0	$14,590	$0	$0	
2020 September	$14,000	$13,881	99%	$0	$13,881	$0	$0	
Total	$117,500	$123,907	105%	$0	$123,907	$0	$0	

LITERA Clocktimizer

Using the Tracker for Oversight

Once the budget has been populated with all of the Forecast details and Display options, as well as linked to the live matter, the actual oversight begins!

In our example, we're using Clocktimizer's Budget module not just for the purposes of monitoring matter spend against the client Forecast, we're also using it to push notifications and action requirements in relation to the client's requirements: Providing monthly Accruals updates and ensuring the invoice Billed Values match the Forecast and Accruals. Clocktimizer's helpful and convenient Email Updates and Budget Warnings allow this part of the process to be fully automated, driving process ownership and fulfillment.

In the example Email Update below, we've created a weekly update delivery, to ensure attention is kept on the Forecast and related accrued time. The update is sent once a week to its target audience, and the message shares the goal of the update, as well as potential actions. In our second example, the Email Update is used to warn of the upcoming Accrual due date, scheduled to be sent three days before the due date every month. The message again is used to drive expected action from the receiving audience. Our final Email Update example is used for the actual Accrual due date, and in the message, reminds the audience of the potential short pay penalty that might be imposed if the submission is late.

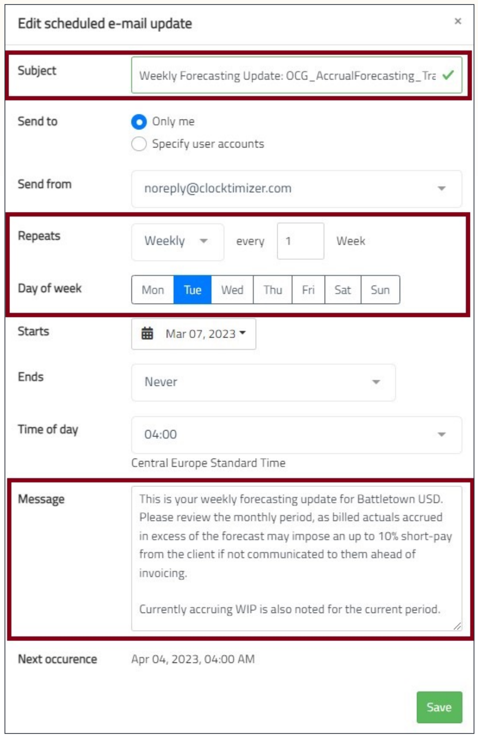
While client requirements may differ, these examples serve as potential models on how the Email Update can be adapted to meet a number of transparency and notification needs.

For clients that require Forecast updates or corrections when Billed Values exceed the original projections, use the Warning notifications to trigger automated alerts that prompt associated action. In our final example, we've set a threshold warning for each month of 100%. Since we're tracking Billed Value, should the Billed Value exceed the Forecast amount, the Warning will trigger an email informing of the excess and prompting the matter manager and support staff to make the necessary updates for the client.

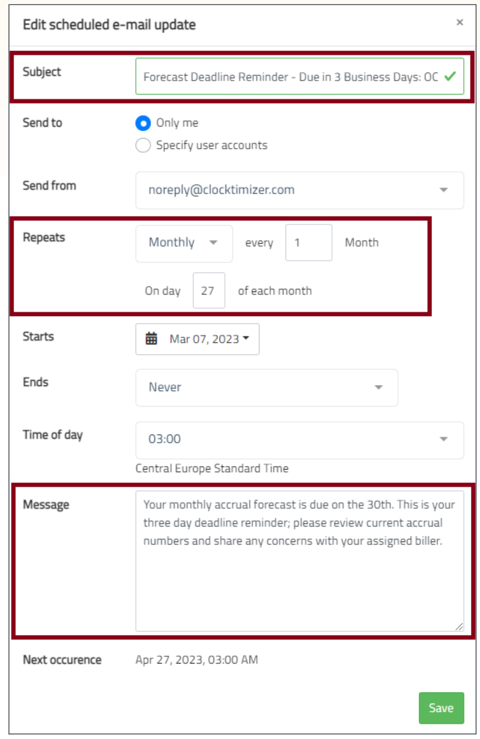
We recommend using the Warning feature to always capture Out of Scope instances, regardless of client requirements, as a safety net for the spend monitoring.

LITERA
Clocktimizer

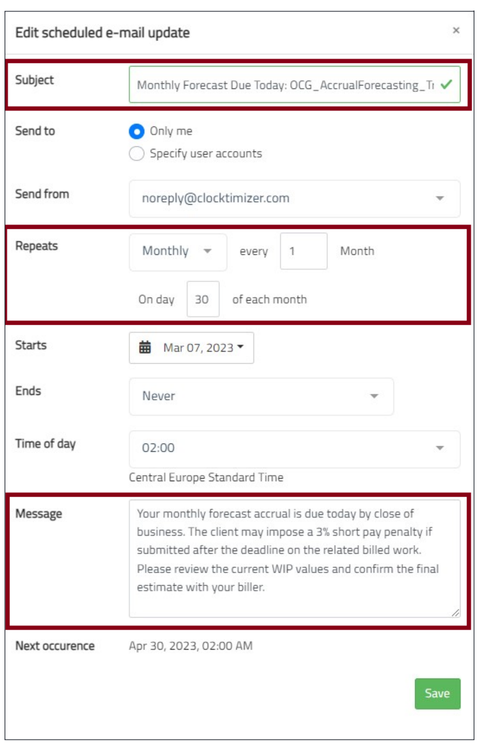
Email Update
– Weekly Update Example



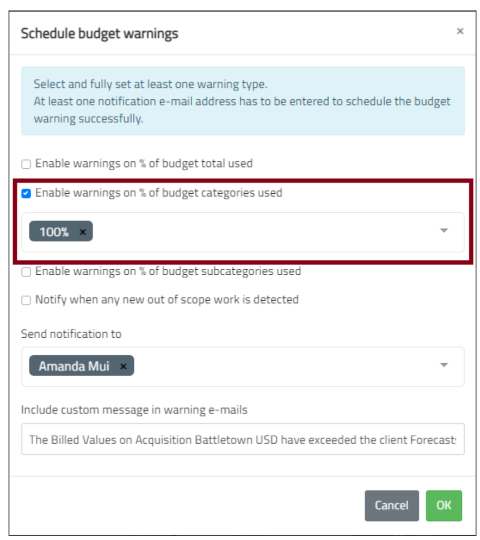
Email Update
– Three Day Warning Example



Email Update
– Due Date Deadline Example



Forecast
Warning Example



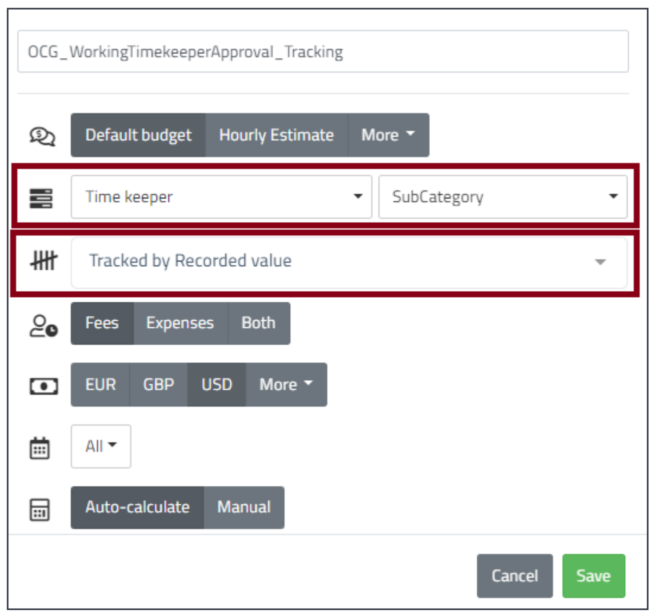
New Working Timekeeper Tracking
Creating the Tracker

Similar to the Forecast and Accrual tracking, monitoring New Working Timekeepers begins with creating a new budget in the Budget module.

In our model, we've tagged the matter spend as a Default Budget, organized the partition by Timekeeper, indicated to track by Recorded Value, and noted that we're monitoring only the Fees and in USD. We intentionally chose Recorded Value and not Hours for tracking to drive attention on the potential financial hit if the associated timekeeper's approval is not acted upon, or worse, chosen to be written off.

For monitoring that needs to occur at a Client and Matter level, we'd recommend linking to the live Client, and then within the Partition categories choose first Matter and then Timekeeper.

Creating the New Working Timekeeper Tracking



Populating the Tracker Details

Once the Budget details have populated, use the Partition prompt to add your Timekeeper details. For our model, we're relying on an Engagement letter that detailed the initial working group of timekeepers, along with their agreed special rates.

For the Display details, we recommend using the following:

- Recorded Value
- Blended Rate
- Hours

While not included in our model, adding the Paid Value is another helpful metric that can help raise awareness on potential collections difficulties associated with a specific timekeeper.

Using the Budget module for New Working Timekeeper Tracking is a creative repurposing of what's traditionally structured as a matter spend feature. Because of Clocktimizer's adaptable structure, we're using additional features within the tool to help add valuable context to the timekeeping monitoring, including expected vs. actual rate values.

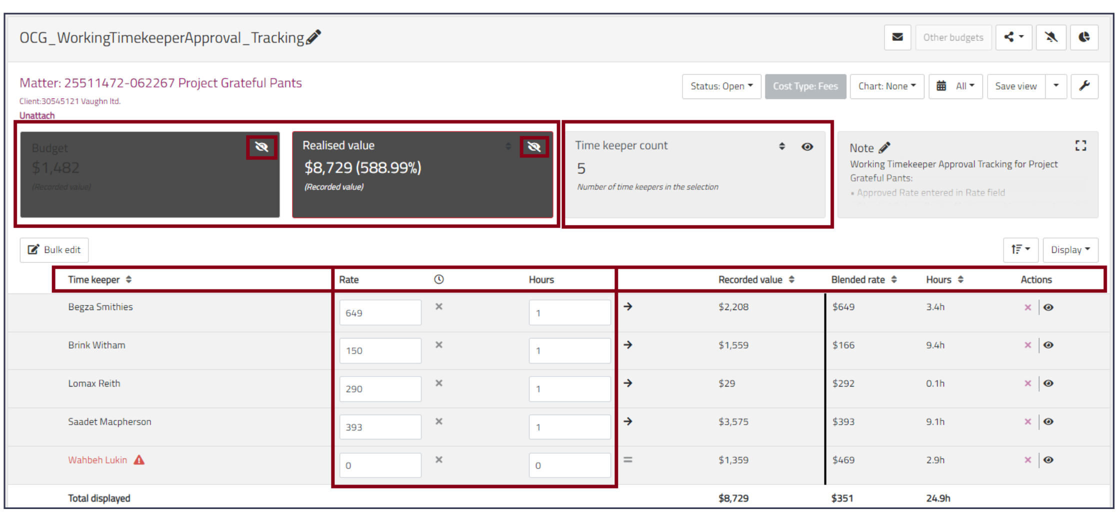
Where rate insight and monitoring would be helpful, click on the Clock icon located between the Timekeeper column and the Recorded Value column. This opens up Rate Editing, which is normally used to help calculate a budget value based upon rate and hours. In our model, this section is being used to memorialize the approved timekeeper rate, to create a frame of reference when comparing against the Blended Rate column value.

Because the goal of this model is to track the addition of new timekeepers, the actual budget values are unimportant. This is why the Budget and Percentage columns were not included in the Display details. To this end, the number of hours entered in the Rate Edit section are also irrelevant. We recommend using 1 for the Hour values, as a placeholder—unless you have need of capturing projected hours as well.

Finally, once the live client or matter is linked, use the Hide in PDF eye icon on the first two tiles – Budget and Tracking—to suppress this detail. The value of this tracking model is not the traditional matter spend, but rather the addition of new timekeepers to the spend. By suppressing these two tiles, the PDF shared over scheduled Email Update or downloads will be less cluttered and drive focus on its intent: Timekeepers!

For the KPI tile, we recommend using Timekeeper Count, to quickly and easily have a high-level overview of the overall timekeeper count involved.

New Working Timekeeper Tracking Details



Using the Tracker for Oversight

With the New Working Timekeeper Tracking budget created, it's time to schedule Email Updates, Warnings, and for this example, a report to drive oversight!

The value of using Clocktimizer to track Working Timekeeper monitoring is to insert order on the administrative process and get a jumpstart on the client's approval timeline; Clocktimizer is being used to create a structured process that can shorten both days to bill and days to collect.

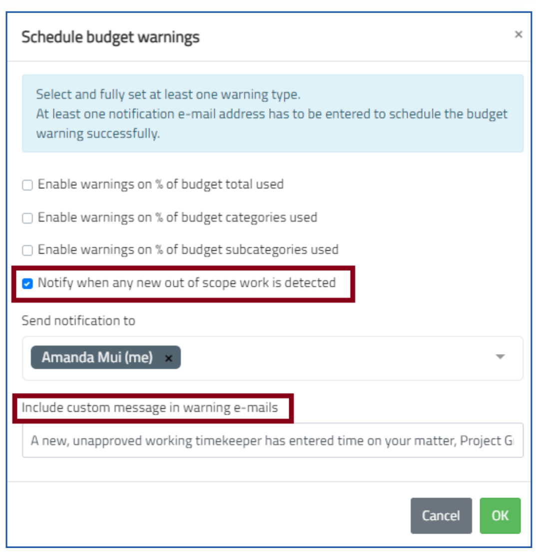
The first step, then, is to schedule a Warning for whenever a new timekeeper enters time on the linked client or matter—in Clocktimizer functionality, this translates to an Out-of-Scope Warning.

In our example message, we explain the source of the Warning, as well as reference the process owners who will work with the matter manager to begin the approval process. We also describe an associated report that will be shared with the unapproved timekeeper timecards, a helpful area of transparency that can speed up the matter manager's review.

Out-of-Scope (New Unapproved) Timekeeper Message Example

A new, unapproved working timekeeper has entered time on your matter, Project Grateful Pants. Your billing team members will connect with you to confirm the timekeeper, their approved rate, and begin the client approval process. Until the timekeeper is approved, their time cannot be included on an invoice and may potentially need to be deferred depending upon the client's approval timing. A separate report with the unapproved timekeeper's timecards will be shared for additional review.

Out-of-Scope (New Unapproved) Timekeeper Warning



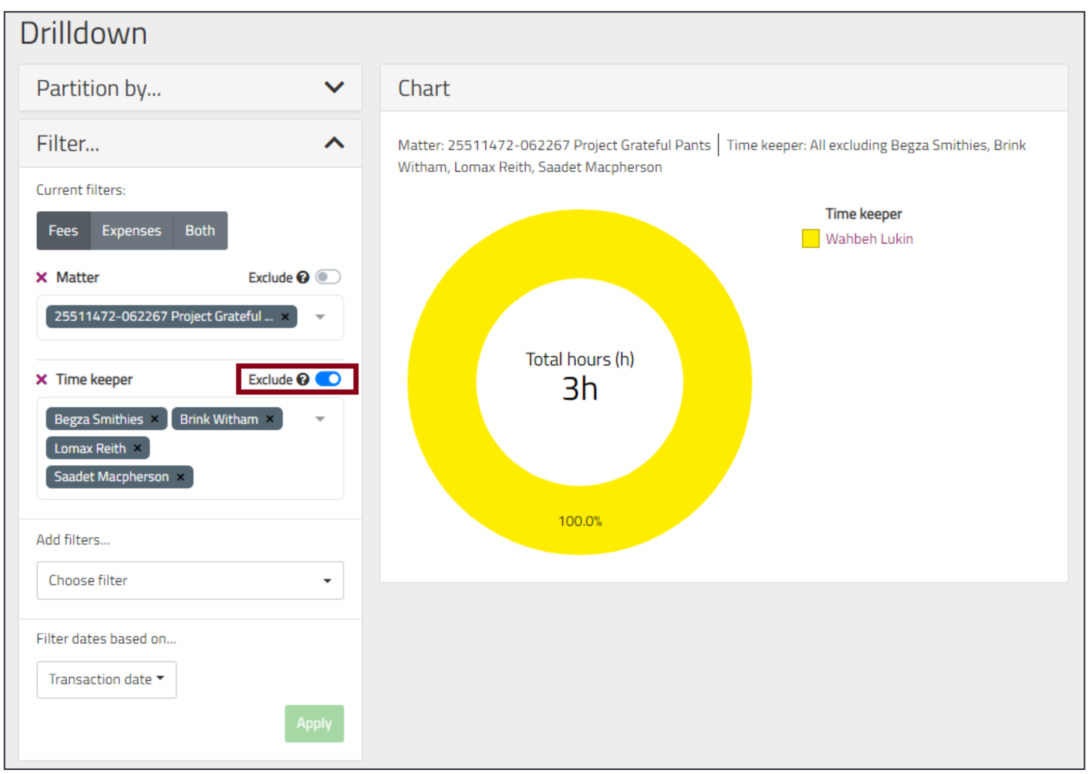
The referenced report in the Warning is built in Clocktimizer's Drilldown module and simplified by using the Drilldown shortcut from the New Working Timekeeper Tracking budget built in our example. Click on the shortcut to jump to Drilldown, which will populate automatically with the details of your budget, including the Partition and its additions. We recommend making the report at the same time the budget is created.

Drilldown Shortcut

In Drilldown, review the Filters to see that the report has been narrowed down to your linked client or matter, as well as the Timekeepers included in the budget's Partition data. The goal of this report is ultimately to show the timecard detail for any timekeepers who are not approved; because of this, use the Exclude button on the Timekeeper filter to change the logic to only show those timekeepers and their data that are not in the Filter list.

As new timekeepers begin work on the client or matter—and get approved—update the report to include their names to the excluded Filter list to keep the report relevant and helpful.
In our report example, after updating the Filters, only one timekeeper is shown—the new and unapproved one indicated by our Warning.

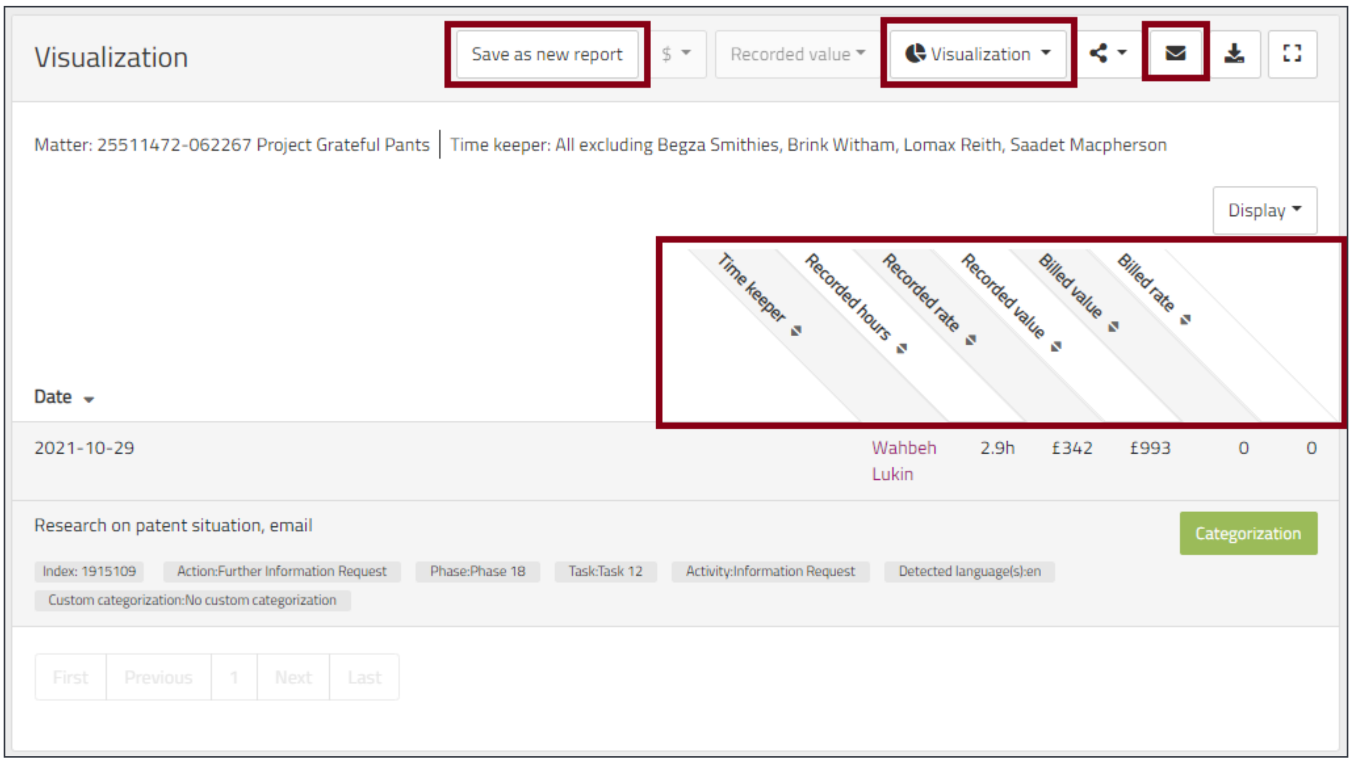
Drilldown Details Example



Scroll down to the Visualization section of Drilldown to choose Timecard from the list of options. By default, the Timecard visualization will include the Recorded and Billed Hours, Rate, and Value, all of which offer helpful context, as well as the full timecard detail including narrative for the entries making up the unapproved timekeeper's time.

When using this report to augment the oversight process, we recommend both saving the report, to use ad-hoc, and scheduling delivery of the report using the Email Update option.

Timecard Visualization Report Details

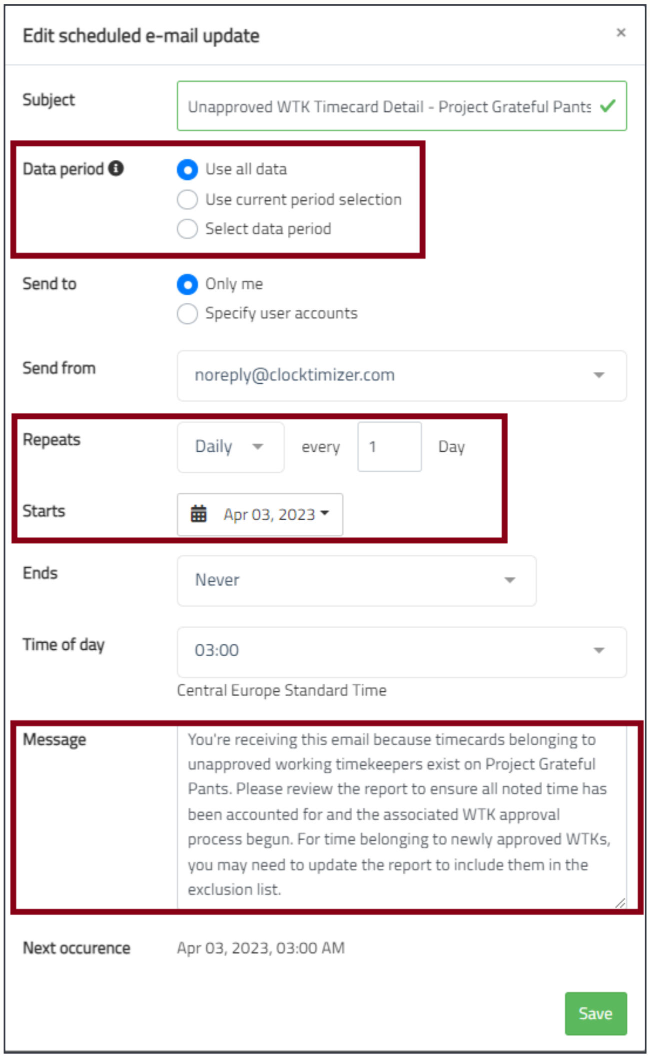


In our Email Update example, we chose an extreme treatment, due to the sensitivity of our mock client's approval timeline, and decided to check for unapproved working timekeeper timecards daily. In addition, the entire data period set is reviewed, so that the process owner doesn't lose sight of the work. In our message, we've identified the cause of the report, detailed the expected action, and raised awareness on the need to update the report filters.

As timekeepers are approved and the budget updated to include their approved rate and the hour holding place, the report should be updated, preventing the related timecards from populating on the report. The value of including a scheduled timecard visualization report is to offer convenience to the matter manager's review—as well as the process owner. In our example, the billing team handles this initial review, and very well might recognize that the time is misplaced, or that the timekeeper noted it should be written off.

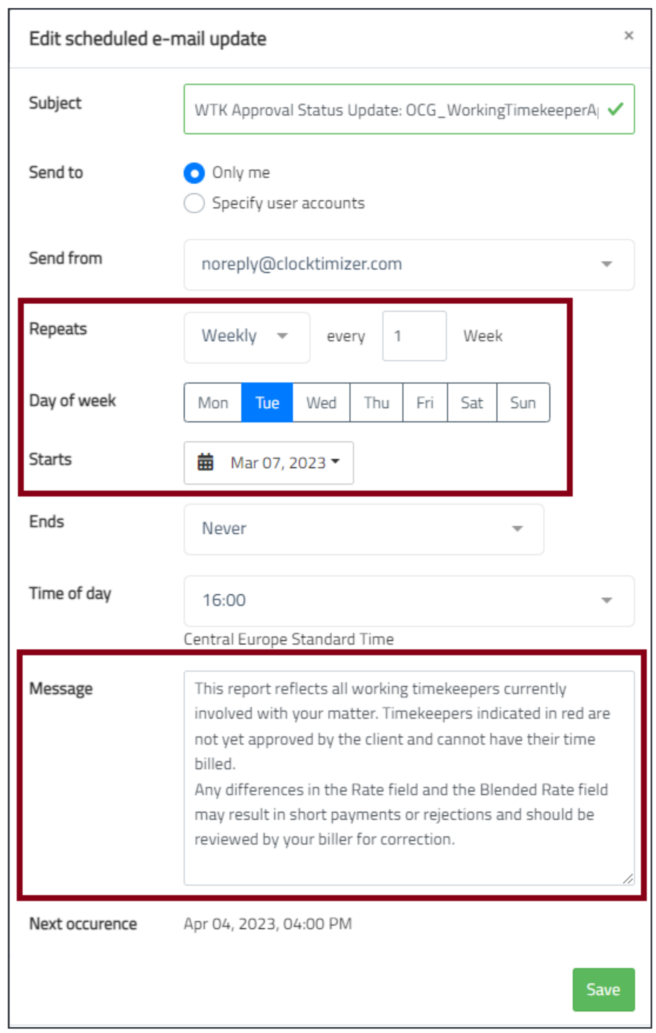
By adding Clocktimizer's drilldown support to this oversight, we've added transparency and one-stop review, further refining and improving the speediness and accuracy of the process.

Timecard Visualization Email Update Example



We recommend one additional area of oversight, to ensure regular review and awareness of the new working timekeepers, as well as their approval status: A weekly status Email Update. In the budget module, use the Email Update option to create a weekly email, structured to raise awareness on the list of working timekeepers and their approval status.

Email Update – Weekly Status Update Example



In our example, since we're using the Rate Edit feature to also keep an eye on discrepancies between the approved rate and the blended rate, we've also included messaging regarding the billing team's role in this oversight.

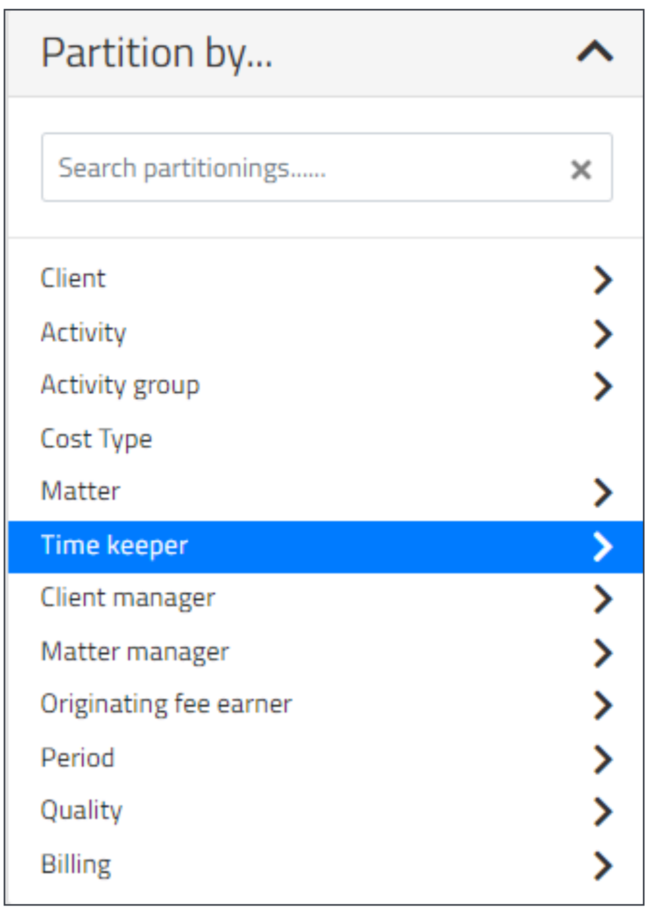
Outside Counsel Narrative Control Reporting
Structuring the Reports

Clocktimizer reports are built using its Drilldown model, which operates as a simple power pivot tool. The following reports are examples of using the Drilldown to identify narrative areas of concern and drive awareness and action as a result of the reporting.

Drilldown begins with choosing your report objects in the Partition, coupled with Filters to narrow the focus to a specific data set. In our Narrative Control models, we largely rely on the Timekeeper partition, which allows the creation of both a summary view, helpful when using reports to populate Dashboards, and a detailed timecard view, which we'll be using to send scheduled Email Updates.

Depending upon the needed perspective, or the audience, other helpful Partition options include Matter Manager, Client, and Practice group (available under a number of partition headers).

Partition Details



The Drilldown filters are where we narrow the focus of the data set. For our examples, we're relying mostly on those filters that consider the timecard narrative, leaning on the power of Clocktimizer's natural language processing to include narrative review and analysis.

In each instance, we recommend using a simple formula for combining filters effectively: Where to Look + What to Look For. In our examples, we filter by Matter Number, Billing Status, and various narrative search elements. Billing Status is helpful in narrowing down the view to Work in Progress only; by scoping the report to look at Not Billed entries, our focus remains proactive, to review and act upon those timecards that are still unfinalized in the financial system and correct them before their narratives prompt potential short payments or rejections.

Our Drilldown examples include reports that identify:

Restricted Words or Phrases

- Filter on Search Narratives to search timecards for the use of any specified words or phrases

Restricted Phase or Task Codes

- Filter on Phase, Task, and Action Codes to quickly identify timecards using restricted coding; this is particularly helpful for firms that see significant amounts of timecard transfers, or struggle with maintaining their task/activity code sets

Restricted Activities

- Filter on Activity to use Clocktimizer's algorithm to identify restricted areas of work that might be captured in the narrative by a wide range of varying words, phrases, and descriptions

Block Billing

- Filter on Quality and Specificity to locate timecards that include more than one activity; this goes far beyond block billing searches that rely on punctuation like semi-colons or conjunctions
- Simplify the filter search by using the Exclude feature to only find those timecards with more than one activity in the narrative

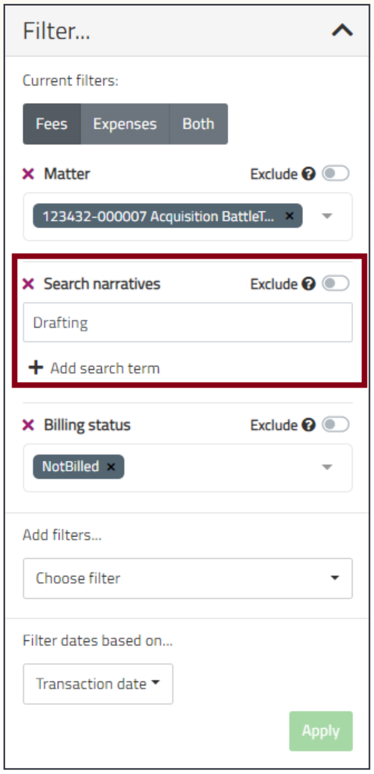
Narrative Quality

- Filter on Quality to gain insight on your timekeepers' narrative quality and identify timecards that are lacking in description and context

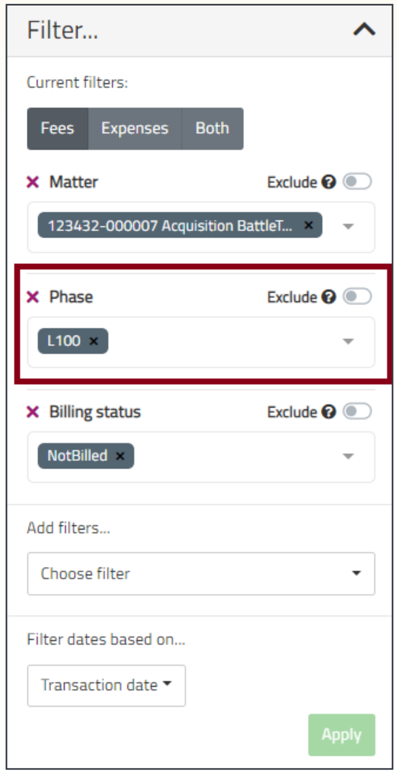
LITERA

Clocktimizer

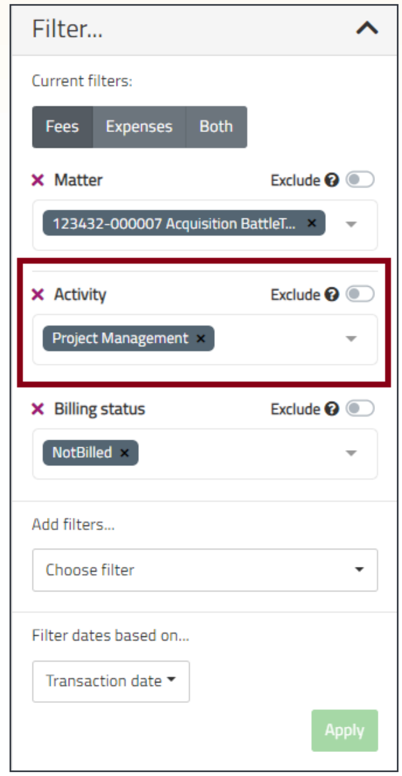
Restricted Words or Phrases Filters



Restricted Coding Filters

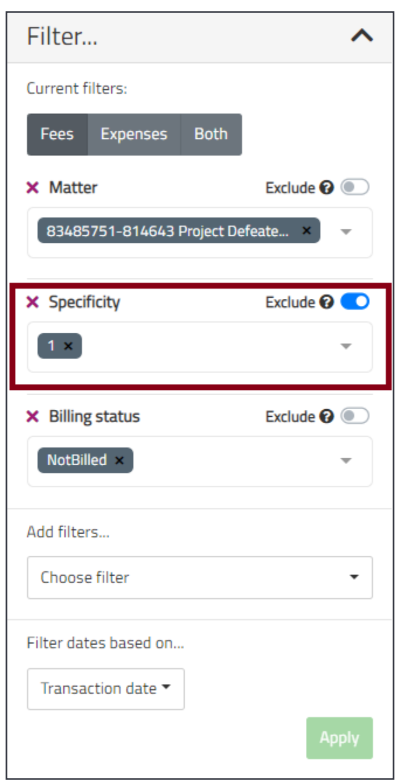


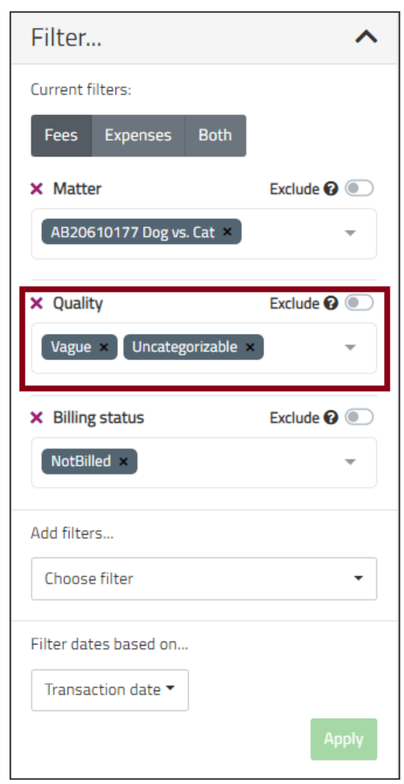
Restricted Activities Filters



Left: Block Billing Filters

Right: Narrative Quality Filters



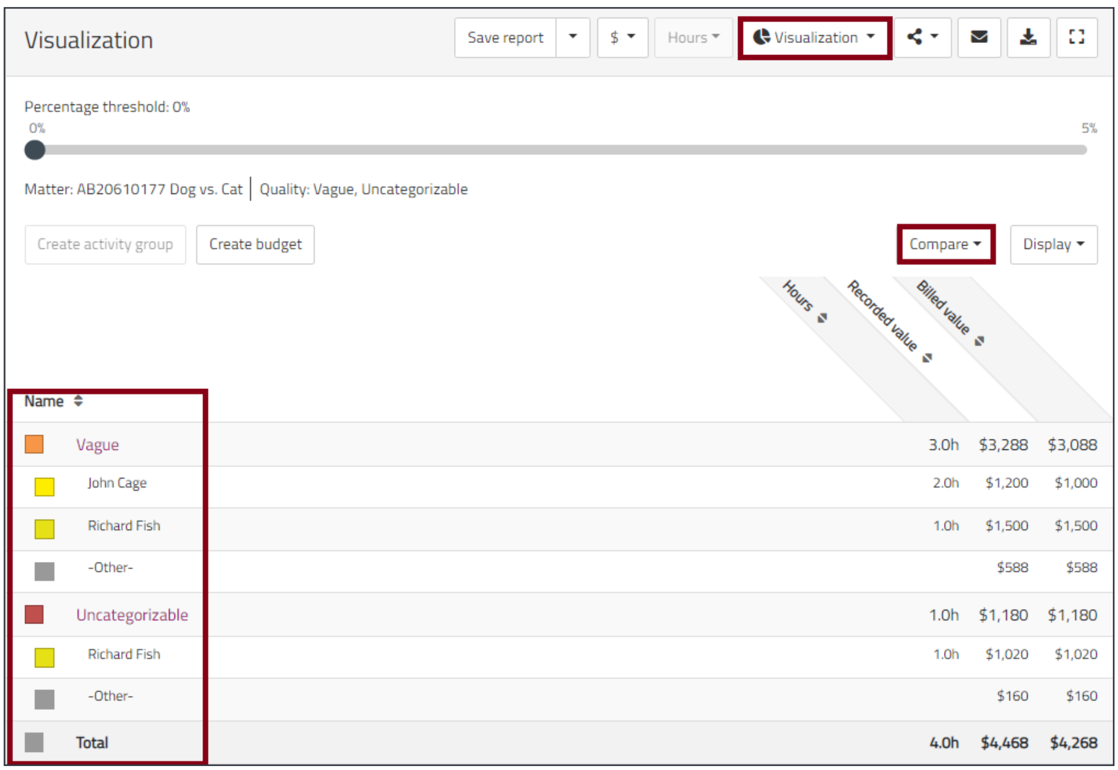


Report Visualizations

Drilldown includes 21 different report visualizations to analyze and represent Clocktimizer data. We recommend two models for Narrative Control oversight that can be used as needed to address the audience level for review: Summary and Detail. Created reports can be scheduled for cadenced delivery using the Email Update feature, run as needed for ad-hoc requests, and organized in a Dashboard view where a concentrated data story might be featured or managed.

In the Summary view for Narrative Quality, we used the Expanded Visualization to add a second layer of summary review, to show which timekeepers made up the Vague and Uncategorizable narrative areas. Display offers a number of metric choices; for our example, we kept it simple: Hours, Recorded Value, and Billed Value.

Summary Report Example – Narrative Quality

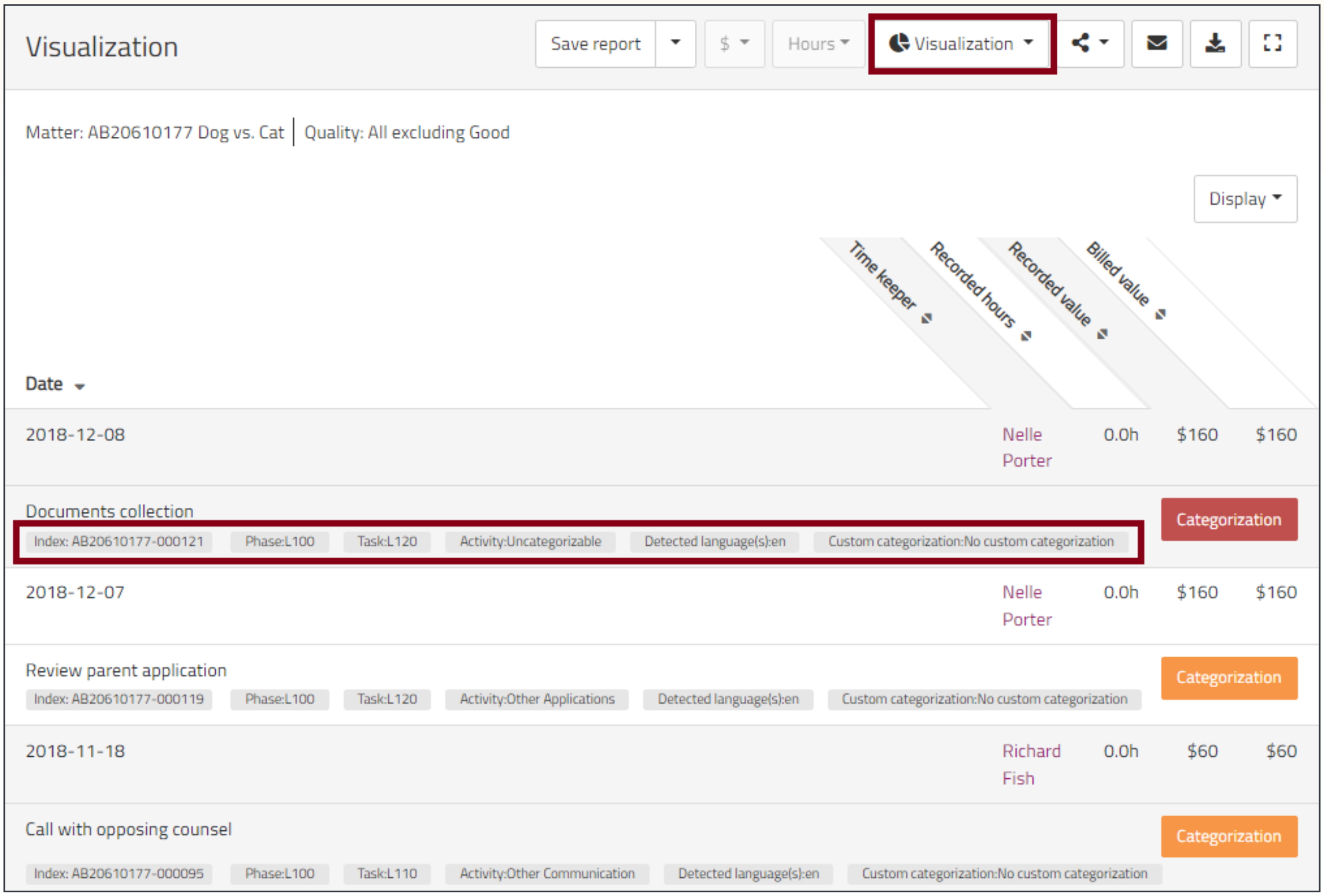


For the Detailed view of the Narrative Quality report, we used the Timecard Visualization, which showcases the full timecard narrative, the associated timekeeper, the date of the entry, and additional metrics based upon Display choices.

Additionally, the timecard detail includes a listing of related timecard attribute tags, including the index number, any entered phase or task codes, the timecard activities, and the identified language.

LITERA Clocktimizer

Detailed Report Example – Narrative Quality



Using the Reports for Oversight

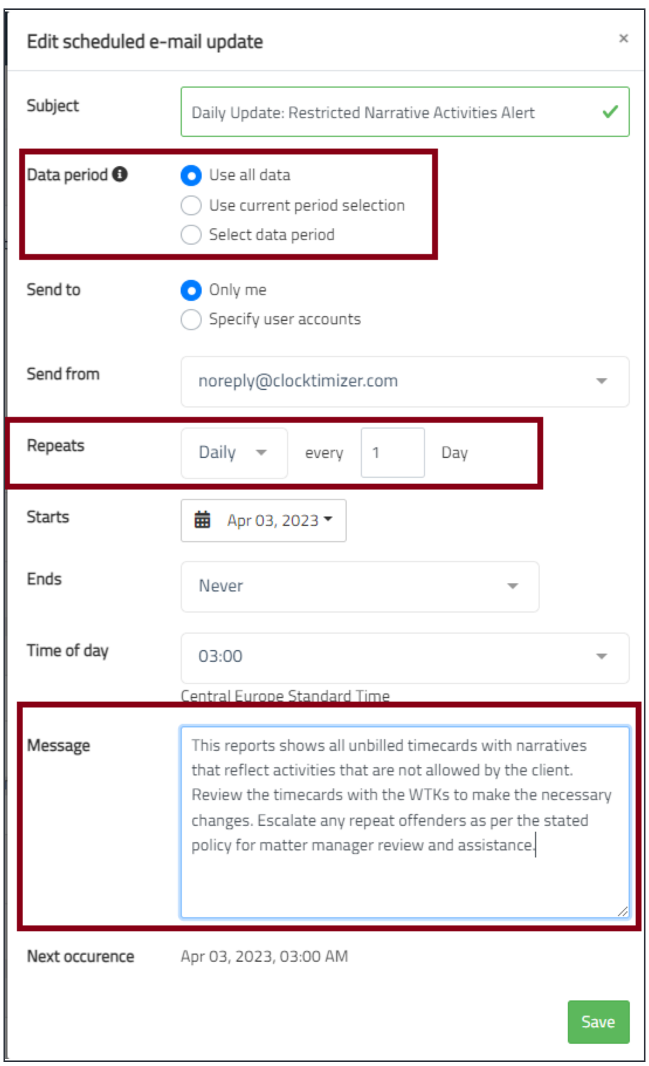
Once you've constructed your Drilldown report, be sure to Save it for future use. Next, just as you did in the Budget module, use Email Update to schedule regular updates and notifications. There's one key difference between Email Update in Drilldown versus other areas of Clocktimizer: the option to choose the Data Period. Because we've filtered our example to only look at Not Billed (Work in Progress) timecard data, we recommend the Use All Data option. This option will ensure that even if the data was on the prior report, if it's still unresolved, it doesn't drop from the radar.

Additionally, because most of our report examples are being used to identify problematic timecards and correct issues before they reach the client, we recommend creating daily updates. This may seem like an extreme choice, and when first instituting an oversight measure like this, the volume, in fact, may be quite high; as timecards are corrected—and more importantly the timekeepers educated—the prompted instances should decrease as a reflection of the process improvement.

A daily notification also helps prevent the same client-restricted event from reoccurring the next day. Increased oversight leads to increased awareness, which leads to less problems tomorrow.

In our example below, we've set a daily alert to capture all timecards with narratives that reflect Project Management activity—a restricted type of work according to our mock client's Outside Counsel Guidelines. In our message, we've provided guidance to the process owner, a member of the billing team, on how to address and correct the time entries. For our mock firm, as part of the initiative that introduced using Clocktimizer to help improve timecard oversight, they created an escalation path for working timekeepers who continue to struggle with their timecard content, even after being contacted by the billing team.

Drilldown Report Email Update Example – Restricted Activities



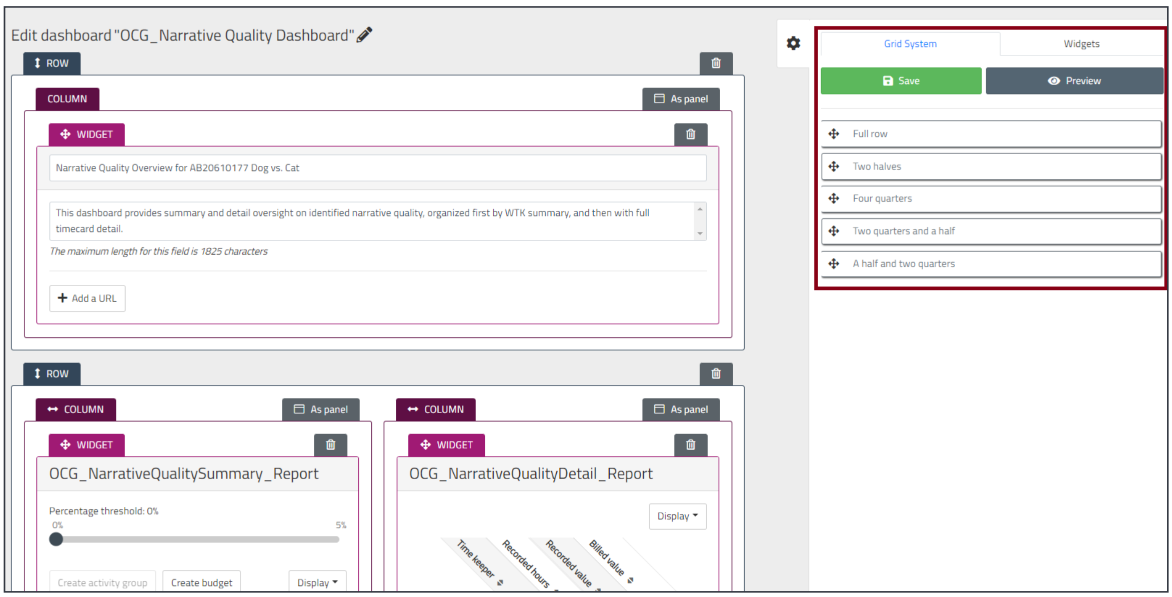
Where it may be helpful to concentrate a variety of reports in a single spot, for back office review or other administrative needs, consider using the Dashboard module. Clocktimizer's Dashboards can be created for global, role, or individual account use, and are customizable to match a law firm's needs and considerations.

In our example Dashboard, we've created a Narrative Quality overview for a sample matter, relying on our Narrative Quality reports, to concentrate information in a single space. As with the Budget and Drilldown modules, Email Updates can also be scheduled for Dashboard views.

Once you've named your Dashboard and assigned it an audience view, use a mix of the Grid System and Widgets to construct the space. For our example, we used a Full Row grid with the Text Widget to provide a title and byline to the dashboard. We next added a Two Halves grid to drop in our two Narrative Quality reports from Widgets: Detail and Summary.

Once done, hit Save to publish and review the Dashboard. Consider adding a Filter widget to interact with the Dashboard directly and zoom in on a particular timekeeper or period range. Dashboards are meant to be more than a visualization, but a concentrated repository for analysis and review.

Example Narrative Quality Dashboard – Edit View



Example Narrative Quality Dashboard – Published View