

# How to Track Billable Hours at Your Law Firm (Without Missing Time)

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Tracking time is one of the few habits that directly controls revenue, cash flow, and profitability. Most billing issues start when time is captured late, inconsistently, or without enough detail to support the bill.

This guide breaks down how to track billable hours for a law firm in a way that's easy to maintain day-to-day and useful for improving efficiency over time.

## What's Considered Billable Time?

Billable hours are the portions of your workday that can be ethically and contractually charged to a client. In other words, they're not just "time you spent working," but the time that delivers value on a specific client matter and can be clearly explained on an invoice.

That distinction matters because clients and firms don't pay for effort. They pay for documented, matter-related work that aligns with the engagement agreement and billing guidelines.

In practice, billable time should meet three standards:

1. It ties directly to a specific client and matter
2. It aligns with your fee agreement and billing rules
3. It can be described clearly enough to justify the charge

If an entry fails one of those tests, it's more likely to be questioned, reduced, or written off, no matter how real the work was.

Examples of billable tasks include:

- Drafting pleadings
- Reviewing discovery
- Client calls related to legal strategy
- Court prep and appearances

## Why Some Work Isn't Billable, Even When It's Necessary

Law firms do a lot of work that keeps the practice running but doesn't belong on a client invoice. Non-billable tasks include:

- Internal meetings
- [Admin tasks](#) and coordination
- Training, onboarding, and supervision
- Marketing and business development
- [Internal research](#) that isn't tied to a client matter
- Time spent correcting errors or redoing work

This kind of time isn't wasted effort. It's just not ethically or contractually billable to the client. The risk is when that operational work gets mixed into billable time entries or disguised as billable tasks. That's where invoice disputes, write-downs, and client trust issues tend to start.

A useful way to think about billables is to separate time into three categories or buckets:

1. **Billable time:** Work performed for a specific client matter that will be invoiced.
2. **Non-billable time:** Administrative tasks, internal meetings, firm management, training, marketing, etc. This is valuable work, but not client-billable.
3. **"At-risk" time:** Work that might be billable but is likely to get reduced or rejected because it's vague, duplicative, block-billed, or captured too late to describe properly.

That third category is where firms steadily lose revenue to poor timekeeping habits. The good news is that write-down risk is one of the easiest profitability leaks to fix.

When attorneys track time in real time, use consistent task categories, and [write descriptions that defend value](#), bills get cleaner and collections

get easier.

## The Seamless Time-Tracking Habit: What Actually Works

The firms that track time consistently rely on one habit:

### **Capture time in the moment while the details are still clear.**

If it isn't captured while it's fresh, it's more likely to be missed, vague, or written down. When time is recorded as work happens (or immediately after), entries are more accurate, descriptions are stronger, and invoices are easier to review and collect.

Waiting until later turns timekeeping into guesswork, which is where write-down risk quietly builds: vague entries, missed tasks, and charges that are harder to justify.

That's why the [best timekeeping tools](#) optimize for time capture that's:

- **Fast** (so you're motivated to keep logging)
- **Standardized** (so descriptions are consistent)
- **Close to real time** (so details aren't forgotten)
- **Easy to review** (so invoices don't require detective work)

Once that habit is in place, the rest is simply a repeatable, 7-step process your firm can follow every day.

## How to Track Billable Hours for A Law Firm: 7-Step System

Use this step-by-step structure whether you're a solo or a multi-attorney firm. It helps you [capture time accurately](#), write entries clients understand, and build a consistent workflow that reduces write-down risk as your workload grows.

### **1. Create and Standardize Matters**

- Every billable entry should attach to a client and matter.
- Keep matter naming consistent (client name + matter type + identifier).

A clean matter structure is the foundation of accurate billing. When every entry ties to the right client and matter and you use consistent naming structures for matters, your invoices stay organized and your reporting stays reliable.

## **2. Use Task Codes or a Consistent Internal Structure**

- For task-based billing (UTBMS or internal codes), apply them consistently.
- Without formal task codes, use a repeatable structure.

Consistency protects revenue. When your firm categorizes work the same way every time, time entries become easier to review, easier to justify, and less likely to get written down.

[Task codes](#) make that consistency simple—but clear billing labels (e.g., Drafting, Research, Client communications, Court filings) work well too.

## **3. Capture Time in Real Time**

- Use a timer for live work.
- Use quick-entry for short tasks (calls, emails, quick edits).
- Avoid reconstructing days from memory.

The faster you [capture billable time](#), the more accurate it is. Real-time tracking prevents missed work, reduces vague entries, and makes billing feel like a routine, not a reconstruction project.

## **4. Write Descriptions That Defend the Value**

A strong description answers questions that can come up later in client disputes: What exactly did you do? Why did it matter? What was the outcome or next step?

Weak description: "Email client."

Strong description: “Email to client summarizing settlement terms and outlining next steps for execution.”

Your description is your proof. Clear, client-friendly entries reduce questions, protect realization, and make the value of the work obvious at a glance.

Want a quick, visual checklist to reinforce these habits?

Want a quick, visual checklist to reinforce these habits?

Download your free time-tracking best practices infographic.

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## **5. Make Daily Time Review Non-Negotiable**

- Review all time entries at the end of the day.
- Confirm descriptions are strong and detailed.

A 5-minute end-of-day review prevents missed entries, vague descriptions, and split tasks recorded as one messy block. This daily check is the difference between clean billing and end-of-week chaos. It catches gaps while they're still easy to fix and keeps entries invoice-ready.

## **6. Run Weekly Visibility Checks**

At least weekly, confirm:

- Time captured matches workload
- No timekeeper is under-recording
- High-volume matters aren't leaking time

Weekly visibility turns timekeeping into a firm-wide standard, not an individual habit. It helps you spot under-recording early and prevents leakage on busy matters.

## **7. Use Tracking Reports to Improve Profitability**

Once time is consistent, you can use it to:

- Spot unprofitable matter types
- Tighten scope
- Refine staffing and delegation
- Identify process bottlenecks

Time data is a powerful management tool. Reporting shows what's profitable, what's inefficient, and where small process changes can protect margins.

## **Use Time Tracking Data to Drive Efficiency and Profits**

Once your firm tracks time consistently, your entries become operational intelligence. Instead of guessing where the day goes or why certain matters feel unprofitable, you can see exactly what's happening inside the work with [essential time and expense reports](#). That visibility is where efficiency gains and stronger margins come from.

Most firms find their biggest improvements in a few predictable places.

### **Increase Efficiency with Detailed Reports**

Time reports quickly reveal which tasks take longer than they should, especially the ones that repeat across every matter.

When you can see that a routine process consistently eats up extra time, it's a clear signal to introduce templates, project checklists, or standardized workflows that reduce effort without lowering quality.

### **Analyze Capacity and Workload Issues from Billable Time Data**

Tracking data also makes delegation issues obvious. If partners are spending significant time on tasks that could be handled by associates or paralegals, the cost of that workflow shows up in the data immediately.

With clean time data, leadership doesn't have to rely on anecdotes to rebalance work fairly; they can pinpoint exactly where the leverage

opportunities are and [monitor the health of the law firm through data](#).

## Set Smarter Fees and Scope Boundaries with Insights

Strong timekeeping practices can also expose fee structure problems. High-communication matters often look manageable on the surface but consume a large portion of your staff's time in small increments: emails, short calls, status updates, follow-ups.

When tracking is consistent, you can identify where flat fees need clearer guardrails or where client expectations need tighter boundaries to protect profitability.

Time tracking also makes scope creep measurable. Instead of feeling like a matter "got bigger than expected," you can compare time spent against budget or fee expectations and see where it started to drift, why it happened, and how often it happens in similar matters.

## 10 Key Timekeeping Metrics to Analyze Billable Hours

To get real clarity from time tracking, focus on a few high-impact [metrics that reveal where revenue leaks](#), where work is inefficient, and where pricing needs adjustment.

1. **Realization rate (by matter type and timekeeper):** Shows how much recorded time [turns into collected revenue](#)—and where you're consistently writing down or discounting work.
2. **Write-downs and write-offs (by timekeeper and client/matter):** Highlights patterns in vague entries, block billing, duplicated effort, or mismatched expectations.
3. **Utilization rate (billable hours vs. total hours worked):** Helps you understand whether timekeepers are spending time on billable work or getting pulled into non-billable tasks.
4. **Average billed hours per matter (by practice area or matter type):** Reveals which matters take longer than expected and whether your pricing aligns with reality.
5. **Time-to-budget or time-to-fee variance:** Tracks how often matters exceed the expected time or fee; your clearest signal of scope creep or pricing problems.

6. **Time distribution by task category:** Identifies where time is being spent and which tasks are ripe for templates, delegation, or workflow improvement.
7. **Billing lag (days between work performed and invoiced):** The longer the lag, the more time gets missed and the slower cash flow becomes.
8. **Collection rate (billed vs. collected):** Helps separate billing problems from collection problems and spot clients or matter types that routinely delay payment.
9. **Average effective hourly rate (collected revenue ÷ billable hours worked):** A [profitability reality check](#), especially for flat-fee work and matters with frequent discounts.
10. **Matter profitability (revenue vs. time cost, if you track cost rates):** Shows which work types actually contribute to firm profit and which ones quietly drain capacity.

Pay special attention to matters where billed time routinely exceeds expectations. Those are often pricing ([hourly vs. fixed fee](#), for example) or intake issues, not performance issues.

The firms that grow profitably don't track time just to invoice. They track time to improve the system that [maximizes revenue](#) one workflow adjustment, staffing decision, and pricing change at a time.

## Simplify How You Track Billable Hours

Learning how to track billable hours for a law firm is about building a system that makes time capture habitual and routine. When your firm follows a consistent tracking routine and reviews entries before they become a billing scramble, you protect revenue and reduce write-down risk.

Just as importantly, you gain the kind of visibility that helps you run a more efficient, profitable practice.

[TimeSolv](#) makes it easy to capture time in the moment so billable work doesn't slip through the cracks. Because entries are standardized and easy to review, invoices get cleaner, approvals move faster, and your team spends less time fixing time and more time billing it.



And once your tracking is consistent, TimeSolv reporting helps you spot patterns that improve performance: where time is leaking, which matters are most profitable, and which workflows need tightening.

If you're ready to make timekeeping simpler, more consistent, and easier to manage, TimeSolv gives you the tools to track billable hours with confidence and use that data to grow. [Get started now with a free trial](#) or [set up a personalized demo](#) to see TimeSolv in action.

## Frequently Asked Questions

### How should a law firm track billable hours?

Real-time tracking (mobile-friendly timers and quick-entry capabilities) is the most accurate way to track billable time for a law firm. Accuracy drops sharply when attorneys reconstruct time from memory at the end of the day or week, leaving revenue and client trust at risk.

### How detailed should time entry descriptions be?

Time entry descriptions should be detailed enough that a client can understand the value without requiring extra explanation. Avoid vague phrases ("work on case," "attention to file"). State the action and purpose so every entry is clear and your value is understood.

### What's the most common reason billable time gets written down?

Write-downs stem from preventable issues like writing vague time entries, block billing, and time captured late. Clean descriptions and consistent task structure reduce write-downs dramatically.

### Should non-billable time be tracked too?

Yes, non-billable time can be a valuable metric to monitor for law firms, at least at a high level. Non-billable time shows where the firm is spending

effort that doesn't directly generate revenue, which helps leadership fix operational inefficiencies.

### **How often should attorneys review their time entries?**

Attorneys should aim to review time entries at the end of the day to catch issues quickly and maximize billable hours. A daily review prevents lost time and improves invoice quality with almost no added workload.

### **Do small firms really need software to track time?**

Small firms can track billable time in spreadsheets, but it becomes more difficult to track manually as volume grows. Time-tracking and billing software like TimeSolv makes it easier to capture time consistently, standardize entries, and turn time data into reporting that improves profitability.