



Practical Use – Tracking WIP Turnover Trends

Part 2 of 6

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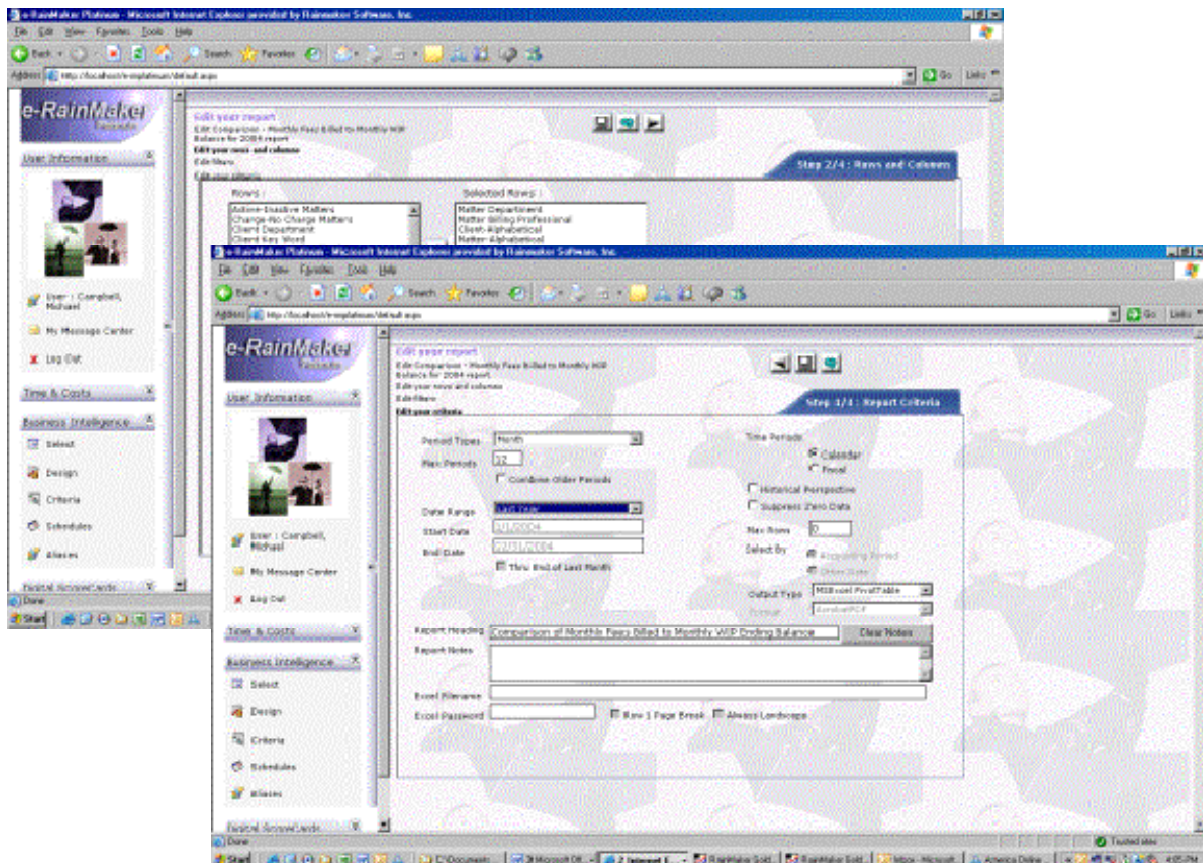
This is the second in our series of articles designed to present a typical management report request and illustrate the RainMaker method to provide the desired information. In this business scenario, the Executive Committee would like to observe the relationship of WIP and billing activity over several months, in a graph or chart, as one of the firm's initiatives to reduce the age of unbilled time and improve billing efficiency. In addition, they would like to be able to begin with a firm-wide summary, but also have the ability to interactively focus on individual departments and billing professionals without reviewing multiple reports.

RainMaker Solution

Design a report to generate a PivotTable showing monthly Fees Billed and WIP balance for a selected year. Then, use the information in the PivotTable to generate a bar chart to visually present, for each month, the relationship of the two values.

Procedure

From RainMaker's Business Intelligence Design link, create a report using the *Key Collective Data Class*. Select the rows and columns required for the report. In this case, we are selecting the Matter Department, Matter Billing Professional, Client Name (Alpha) and Matter Name (Alpha) as our report rows, and the Fees Billed and WIP Time End Balance for our columns. We are looking at this data over a 12 month period, using Calendar months and a custom date range.



The resulting PivotTable will look like this:

The screenshot shows an Excel PivotTable with the following structure:

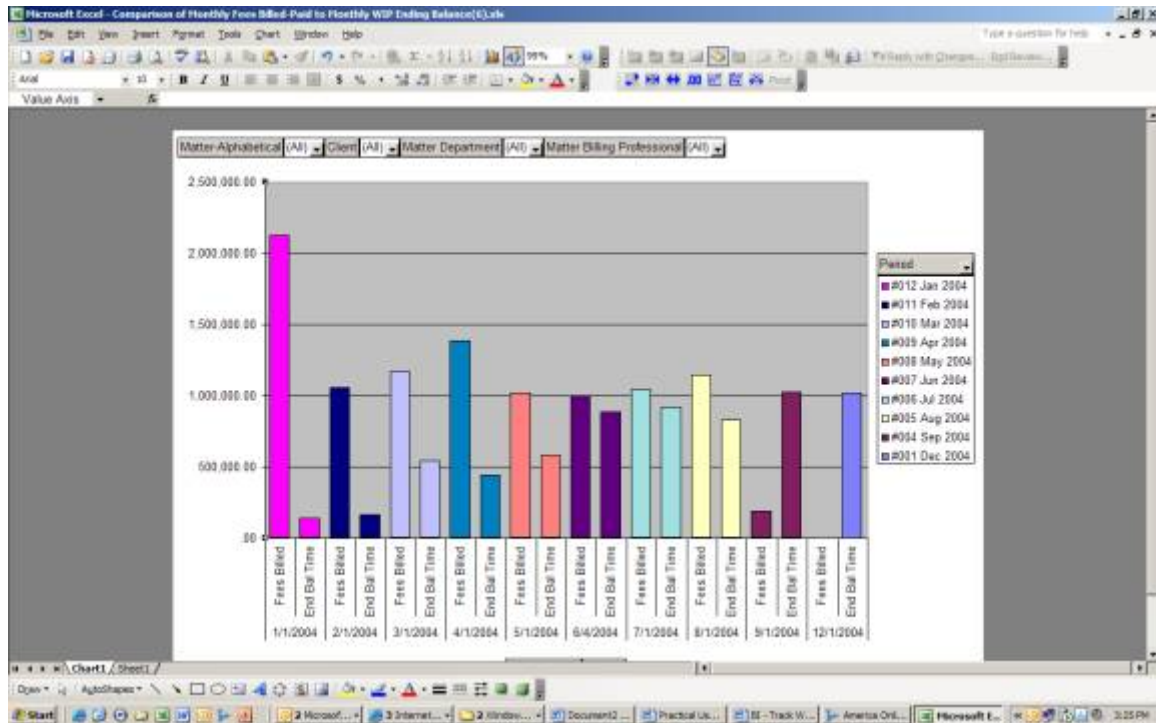
Matter Department	Matter Billing Professional	Data	#001 Dec 2004	#004 Sep 2004	#005 Aug 2004	#006 Jul 2004	#007 Jun 2004	#008 May 2004	#009 Apr 2004	#010 Mar 2004
(OLD) 100 Corporate (OLD)	Azinger, Paul	Fees Billed	00	00	00	00	00	00	00	00
		End Bal Time	275.50	279.50	275.50	(220.50)	(233.50)	(220.50)	(220.50)	(229.50)
	Leonard, Justin	Fees Billed	00	00	00	00	00	00	00	00
		End Bal Time	00	00	00	00	00	00	00	312.50
	Parmark, Jasper	Fees Billed	00	00	00	00	00	00	00	00
		End Bal Time	187.50	187.50	92.00	00	100.00	00	00	00
Perry, Chris	Fees Billed	00	00	00	00	00	00	00	00	
	End Bal Time	2,810.00	2,810.00	2,790.00	316.00	(234.00)	(234.00)	(234.00)	(234.00)	
Price, Nick	Fees Billed	00	00	00	00	00	00	00	00	
	End Bal Time	(935.00)	(935.00)	(935.00)	(935.00)	(935.00)	(935.00)	(935.00)	(935.00)	
Toms, David	Fees Billed	00	00	00	00	00	00	00	00	
	End Bal Time	00	00	00	00	237.00	295.00	750.00	150.00	
(OLD) 300 Litigation - Hourly (OLD)	Azinger, Paul	Fees Billed	00	00	00	00	00	00	00	
		End Bal Time	00	00	00	00	00	138.00	00	322.00
(OLD) 300 Estate Planning & Adm (OLD)	Singh, Vijay	Fees Billed	00	00	00	00	00	00	00	
		End Bal Time	00	00	00	00	100.00	424.00	3,111.50	
(OLD) 300 Estate Planning & Adm (OLD)	Couples, Fred	Fees Billed	00	00	00	00	00	00	00	
		End Bal Time	00	00	00	00	00	00	00	
(OLD) 300 Estate Planning & Adm (OLD)	Els, Ernie	Fees Billed	00	00	00	00	00	00	00	
		End Bal Time	00	00	00	00	00	00	00	

To prepare the table to generate the bar chart, drag and drop the column Label buttons for Matter Department and Matter Billing Professional under the Client column label. This will leave only the Fees Billed total and Ending Balance Time rows to make your graph. Highlight the three rows and click the Chart Wizard button.

The screenshot shows the PivotTable after filtering, with the following data:

Client	Matter Billing Professional	Data	#001 Dec 2004	#004 Sep 2004	#005 Aug 2004	#006 Jul 2004	#007 Jun 2004	#008 May 2004	#009 Apr 2004	#010 Mar 2004	#011 Feb 2004	#012 Jan 2004	Grand Total
(OLD) 100 Corporate (OLD)	Azinger, Paul	Fees Billed	00	189,211.68	1,142,475.83	1,042,348.86	597,252.78	1,017,808.33	1,306,122.99	1,157,992.00	1,057,979.84	2,127,126.20	10,128,515.53
		End Bal Time	1,021,384.95	1,622,634.95	828,634.25	918,496.25	883,804.95	588,884.15	443,099.65	546,835.15	962,679.35	142,029.65	6,650,375.20

In this example, we'll be using a bar chart. By dragging the Period Date column label down next to the Data Label on the X axis, we end up with a chart that shows a bar for each month's total billing and each month's value of WIP left unbilled. The chart easily shows the trend for each month and pinpoints problem months where the unbilled time inventory was not turned over as effectively. Drop down row labels across the top allow you to focus on specific departments, billing professionals, clients and matters.



Need to see the detail? Click on the Sheet 1 tab at the bottom left of the screen and double click on the month and value you need – a new sheet will open up to present the detail that makes up the total in the field.

Perhaps now that you've reviewed WIP turnover, you'd like to take a look at collection efficiency. You can easily change your view to add a Fees Paid column to the report and with Pivot Table features, compare billing with collection trends. Go back to the RainMaker Business Intelligence Report Wizard and add the Fees Paid column to the report. Then when you have created your chart, drop down the Data column label button and uncheck the Ending WIP Value to show only a comparison of Fees Billed to Fees Paid.

In the Next Issue

Next month we will focus on quarterly working attorney analysis by office, department and timekeeper class (partner, associate, etc.) to identify trends or patterns. For example, are there certain departments or timekeeper types who are having a significantly higher positive impact? Is there an uncharacteristically high negative impact that should be analyzed and corrected? Can these trends be associated with certain fiscal or calendar quarters? See you then!

About the Author

Marcy Fisher, senior Regional Sales Manager, RainMaker Software, Inc., has more than 23 years of law firm software experience. RainMaker provides mid-large law firms with proven and practical financial management, practice management and business intelligence software. Marcy can be reached at mfisher@rainmakerlegal.com or 716.542.5663.

RainMaker Software, Inc. provides proven, practical and progressive Financial and Practice Management systems designed to help mid-to-large sized law firms and legal departments effectively and profitably manage and grow their business. With more than 36 years of legal-specific development experience, RainMaker has consistently delivered stable and feature-rich, yet easy to use solutions.

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