

Ep #112: The Problem with Billable Hour Targets & What to Measure Instead with Radhika Dutt



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John E. Grant

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John: In 2013, Tinder launched the swipe left, swipe right interface, and their engagement metrics skyrocketed. Every dating app competitor copied the model, and time spent on those apps was up and to the right. But within a decade, the entire dating industry was in a slump. What happened?

My returning guest today, Radhika Dutt, argues that they optimized for a superficial type of behavior that actually hurt their company's deeper mission. And by the time the damage showed up, it was already baked in. So what does that have to do with your law practice?

Well, billable hours targets for managing legal workers didn't really become an industry norm until the late 1970s, but once it did, it quietly optimized law firms for another specific kind of engagement: worker effort. And over the decades, I'd argue that's eroded other important elements of the legal profession: lawyer wellbeing, client trust, and really, the affordability of legal help for society as a whole.

I'm excited to bring Radhika back on the show because she's been developing a framework that I think reframes this problem in a way I haven't really heard before. And what I find most compelling is that her framework doesn't just critique metrics like the billable hour, it gives you something better to aim for instead.

You're listening to *The Agile Attorney Podcast*, powered by GreenLine. I'm John Grant, and it is my mission to help legal professionals of all kinds build practices that are profitable, sustainable, and scalable for themselves and the communities they serve. Ready to become a more Agile Attorney? Let's go.

As always, the core ideas in today's conversation should be useful to you no matter what kind of practice you're part of or what tools you use. If you'd like, stay tuned to the very end where I'll talk about how my software tool GreenLine supports the kind of metrics Radhika and I discussed today, the

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ones that actually help you solve the puzzles of your law practice instead of just measuring effort.

All right, everyone, welcome back and welcome to my first interview episode in a while. I'm really excited to have Radhika Dutt back on *The Agile Attorney Podcast*. So, Radhika, thanks for coming.

Radhika: Thanks for having me on again, John. Our conversation was so fascinating last time. I've been really excited for this conversation again.

John: Yeah, thanks, me too. And for listeners, we had a really great conversation after the conversation that we recorded, and so that's part of why we're doing this again.

But to pick up a little bit where we left off, my impression of the thing that we focused on and really the thing that I hope is one of the key takeaways for listeners is that the product of your business, right, in this case for most listeners, a law practice, isn't so much the specific widgets or deliverables that that business produces, but it's really your process for producing those deliverables. And as you said before we started recording, it's your process for affecting change.

Radhika: Exactly. We think about our product maybe sometimes as just the contracts, the documents, etcetera, that we produce. But rather, these are all your mechanisms for creating the change that you intend for the client and eventually, if you zoom out from that microcosm, it's the change that you want to create in society and the world through the work that you're doing. That is your product.

John: And so in the context of legal, right, and it's always interesting because lawyers don't necessarily think of themselves as being in the product business. They think of themselves as being in the service industry, which is true, but you still can take a productization approach to delivering that service and making that go.

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And anyone that's been listening to the last 10 or 11 episodes of this podcast, I've been trying to break down how to think about the mechanics of your law practice so that it can consistently produce a result, right, and I say this all the time in my intro, that ultimately for your business is going to be profitable, sustainable, and scalable, and it has to happen roughly in that order.

I wanted to transition today because the thing that actually way back when I first was going to have Radhika on the podcast is you've been investigating or sort of diving deeper into something that I think started as a chapter inside of your book, *Radical Product Thinking*, which is the problem with metrics. Is that the fair way of saying it or the challenges that arise in an overly metrics driven organization?

And I'd love to get your high-level thoughts on that and then we'll dive into how it might impact the legal industry.

Radhika: Yeah. And when we say the problem with metrics, a lot of people might think that, does this mean you're against metrics and against measurement? And not at all. On the contrary, I'm all about measurement and metrics. But the one thing that I've realized, and I call this Dutt's law because there's Goodhart's law and Campbell's law, so here goes Dutt's law.

And it's that metrics are only effective if we use them as tools for insight, not as yardsticks for evaluation. So measurement and metrics are super important, but the moment you start using it to start evaluating performance, then that's where everything goes wrong. Everything starts to be gamed.

And this is what Campbell's law says. We see this in anthropology. We see this when teachers are measured by their students' test scores. You know, the moment you start doing that, if you're evaluating teachers by students' test scores, you get teaching to the test. The moment you start evaluating

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the police for how many cases they've closed, you create an incentive that they don't want to open new cases.

And so whenever we start to use metrics in this way, it perverts how metrics are used. And so what we need to do is measure, but it's the goals and target setting that actually creates perverse incentives. That's what backfires, not the measurement.

John: Okay. So to bring this into the world of legal, and there's so many things I can think of just in my own consulting practice. And I'll start, right? So the main culprit, I think, in the world of legal for most practices is the billable hour. And that's the thing that ever since now 60-some years ago, the industry sort of made this collective decision that the billable hour was a superior economic model, which it's proven to be in a lot of ways.

But it's created, I think what started as this sort of interesting approach to, hey, we can't just flat fee everything or this whole, sorry, quick aside, but my great-grandfather was a lawyer and I have scans of a lot of his files. And I recently came across one where he billed a client, I think it was in 1952, I want to say, for a 14-day trial and it basically was this for services rendered bill. And he charged \$7,500 in 1952 for a 14-day trial.

And that was the bill. There was no line items, there was no anything, there was no tracking of what happened. Just like, we did your trial, here's the bill. That's it. So that was the norm before hourly billing came into practice. And it was suboptimal, right?

Because who knows what the profitability was, who knows what the individual efforts were to do that trial. So there's a lot of reasons why we got hourly billing and hourly tracking, but I think we've taken it to an absurd place. So, and I'll just leave it there for now if you have anything to reflect.

Radhika: You know, when I was doing my own startup, we had this one experience where the closing for the financing, it cost us \$65,000. And it

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wasn't our fault, but we as the founders ended up paying that much for closing costs. It was just ridiculous, right? And a lot of it was just because I think someone had metrics somewhere that they had to optimize for.

John: Yeah. You know, it's funny, to give you another quick story, this has happened with me with a couple of my consulting clients that do plaintiff side employment work. And one of the things that we've learned in the process of doing that work is that the defense firms that are usually defending the employer, generally won't come to the settlement table until they've billed about \$10,000 worth of work. That's a very rough rule of thumb, right?

We don't have any scientific backing, but in one of my client's Kanban boards, they literally have a section that has a label on it that says, let defense counsel churn bill because they just know that they're incentivized to, either the individuals through their billable hours targets, the firm through its revenue goals, whatever it happens to be, they just have an incentive to extract a certain amount of revenue out of that particular case before they're going to be personally willing to make the investment to try to drive it towards a settlement.

Radhika: What I find really interesting about these examples that we're talking about, right? Like I see this in the corporate world too. Very often you have sales targets and you push sales to achieve those targets. And sometimes those revenue goals that you might have actually go against some of the incentives directly in terms of what you want to build for users.

Sometimes it might be that your product, what you need to focus on is a better user interface and maybe to make things easier for your users, but in terms of sales, it doesn't always necessarily align exactly in terms of all of those incentives in terms of what you want to build for the user.

We see this in consulting as well, right? I've seen this in consulting very often where if in consulting the process is too simple, the client doesn't feel

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like they've gotten their money's worth. And so you almost have this incentive to create complexity.

And so the big question is, right, when you have two opposing goals, which is increase billing or increase revenues, and sometimes if it's misaligned with what the customer or the client needs, how do you go about dealing with both? How do you balance this yin and yang?

John: Yeah, I think there are so many places that I can think of where that tension exists. And you know, in the consulting world, and I, you know, I am a consultant, I've worked for larger consulting companies, and you're right, there is pressure to again, sort of a similar thing, right? Both in terms of people perceive higher value from things that cost more, which is a strange human cognitive bias almost.

But of course, that plays in well to the business's incentive to charge more. And it's good work if you can get it. Of course, there's large parts of the marketplace that are more price sensitive than others. And so we have to keep that in mind.

The other place where I see it, and you know, for me, I'm all about process efficiency. I want to deliver the work product as smoothly and predictably as possible and still maintain good quality. But there's this funny thing that happens in legal where because work slows down when the workers are over busy and that means that they have to spend more time when they do actually open up a matter again and try to put their heads into it.

The ramp-up time takes longer. That's billable time. And so there winds up being almost this perverse incentive to be inefficient in the way that you handle the legal case, which is fine from a revenue model standpoint, but it really burns out the workers. The team members don't like it at all.

Radhika: So interesting. So we've talked about the problem. Now, maybe let's think about what could you do instead? And maybe the way we could

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do this is to almost live workshop this. I could share a product example and sort of how I would think about this in a product example. And then you can help me translate this into how would you do this at a legal firm.

So here's the product example. And where I've seen very recently this sort of yin and yang that needs to be balanced. And that's in the dating industry. So this is going to be a fun one for our listeners. So let's see what happens with dating apps. In dating apps, of course you want to monetize.

And there are lots of metrics that are super important for monetization. And one of the key metrics is user engagement. So you want to optimize for user engagement so that you can then monetize better. So what happened? In 2013, Tinder launched, and they launched with swipe left, swipe right. And they saw user engagement skyrocket.

So everyone else then said, oh, now we know what to do. So they all copied swipe left, swipe right. And in the short term, everyone was maximizing these metrics. Everything was going up and to the right. Everything looked great. But in the long term, what was the result? The more they gamified intimacy, the more it created a toxic dating environment where people weren't treating each other as human anymore.

And the more it became a toxic environment, people felt burnt out from dating. There was this whole movement to delete dating apps, and the entire dating industry was in a slump to the point where Bumble in 2025 laid off 30% of its staff. So the lesson from this is just optimizing for those metrics worked in the short term, it doesn't work in the long run. So what could they have done instead?

And this is where I talk about this mindset shift. It's a mindset shift that moves us from goal setting. So instead of just optimizing for user engagement or monetization, what we want to ask is, or we want to shift this mindset to is, what is the puzzle that we're solving for and are we solving this puzzle effectively?

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So going back to this dating example, rather than monitoring and just optimizing for user engagement and monetization, they should have asked the puzzle, what is the puzzle we're solving for? And the answer to that is the puzzle is, how do we make dating a better experience while still monetizing dating or while still monetizing our app?

And in that case, I might look at a lot of different questions. You know, how do I make sure that people aren't just ghosting each other? How do I make sure that the interactions are not toxic so that we prevent the sort of dating fatigue and burnout? How do I make sure people don't feel overwhelmed?

So you have to observe what is the problem, what is happening, right? And you have to keep a pulse on that so that you can solve the puzzle effectively. So this is how a mindset shift would have been very different in terms of solving the puzzle. And I fully believe that yes, we can monetize and make dating a better experience.

John: Yeah, I love that. And I'm fortunate enough to have been married long enough that I predate the dating app era, but I'm very aware of it from friends and family members and all the rest.

And I think I'm drawing a few corollaries that optimizing for engagement on the dating app is really similar to optimizing for billable hours in both the macro level and the micro level, right? So the business or the firm wide optimization, but also, I sometimes have half joked that the economic success model for hourly billing is to bill the client for as many hours as you can get away with without losing them.

And I mean, that's true to a point, that's a good short-term strategy, similar to the engagement that you talked about. But if you do cross that line and you lose a client or two or 10, then your reputation starts to drop, you start to get some problems in the marketplace overall. And that's just looking at it from the client side, that's not even so much looking at it from the team member, the delivery side.

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Radhika: Exactly. And this client reputation that you have is a lagging indicator. You won't know how bad the reputation is until it's too late. And so this is why it's such a short-term metric to just focus on billing. And so now, like if we were to use the same puzzle mindset, right, this is the puzzle to me. Please feel free to correct or add to it, right?

But the puzzle I would think of on the legal side is, how do we achieve what our client needs to? How do we become their partner in achieving the outcomes they're hoping for? And this doesn't necessarily mean winning a case, it might be whatever outcome they are hoping for. And as a result, how do we keep growing our business by continuing to create the change that our clients are looking to us to create?

John: Yes, I think that's right. I've been a little rough on hourly billers and I'm saying now that I know that I'm over-generalizing and there are lots and lots of law practices out there. Number one that aren't using hourly billing and I think there are other metrics that they also then fixate on that become problematic. So we're using that as an example.

Of course, in fact, most lawyers I know, most law firms I know, they do want to achieve that good result for the client and they will advise the client, hey, either this isn't a good case to pursue or this isn't the right deal for you, or hey, there's this way to accomplish what you're doing that is actually way cheaper than hiring me to do it in a complex way.

And I think those law firm owners or those business owners recognize that that is important in terms of the reputation of the business and you know, keeping getting the client satisfied and giving them a good experience. And that's the other thing I want to get to in a minute, is the key to long-term success.

And I think, you know, one of the things we talked about in our last conversation is that you are constantly balancing these longer-term

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strategic growth efforts with the short-term, we got to keep the lifeblood of the business flowing or else we're going to run into trouble.

Radhika: I so agree with everything you said, and I don't want to villainize anyone in this, right? And sometimes I also see that the pressure might be from above in terms of we need to grow the business, these are the numbers we need to hit, and the people who are working on all of these client engagements, they want to do their best for their clients, but they also are facing this sort of pressure.

And so all of this conversation about why metrics can be very short-term, this is so that we can reduce that sort of pressure and the focus on metrics as well, so that you know, everyone gets a little bit of relief in terms of what is the puzzle we're all solving together. And the metrics and the puzzles can sort of go hand in hand.

John: So in the macro level, the puzzle is, how do we keep this law firm running? And I, you know, again, I often tell my clients and anyone who will listen, if you're lucky and if things go well, you're going to have a 25 to 40 plus year career in this profession. And building that reputation, building that sense of community, call it a book of business, whatever you need to call it, that's the thing that's going to sustain you over time. And if you make decisions in the short-term that harm your reputation, then obviously that's going to impact you over the long term.

It's also true at the micro level on a case-by-case basis or matter-by-matter basis where we're trying to figure out what is it that the client wants or needs and then how can we use the tools at our disposal through the legal system in order to help the client achieve those wants or needs.

I'd love for you, because you've been developing this better framework, I think, for how to approach the question of, okay, if the puzzle is what's the client trying to achieve or what are we trying to achieve as a business, then how do we break it down into actionable steps that let us know we're

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making progress but not become fixated on just hitting that numerical metric or target?

Radhika: So I think the first step, once we adopt this mindset of puzzle setting and puzzle solving, is we have to make sure that we're in alignment with the client on what is the puzzle. I think that's the starting point. And this also applies at a macro level within the company, within the legal organization in terms of puzzle, etcetera.

But let's focus on this, you know, attorney client part. In terms of solving, every time you're working on a matter or a case, I think we can frame it as a puzzle that we're working on. And the puzzle then is, in setting the puzzle, we can define three things. And the way I define it is the three O's of puzzle setting is what I call it.

So the first O is the opportunity. So, you know, here's the problem that we've encountered and the flip side of the problem is here's the opportunity in terms of what is the end state we hope to get to, what is the opportunity for us in this. Then there are some open questions, things we honestly don't know the answers to.

And something that we have to keep an open mind on, we're going to have to figure this out. Like this is a puzzle because if we already knew all the answers, there's nothing left to figure out. And then the last O, the third O is the objective. What is the summary of this puzzle?

And the summary might be, maybe the client's biggest concern is this is such a distraction to their business. I just don't want to have to deal with this. Like, make this go away. Or it might be we really cannot afford to lose this. This is that important. Whatever that objective is, like there might be something that is really driving this puzzle from their side.

John: And it'll be different, obviously, depending on the area of law that someone's practicing, right? So if you're a criminal defense attorney, the

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objective is going to be to minimize or eliminate any jail time, fines, down term exposure, whatever. If you're helping people in complex business transactions, it winds up more fluid, or it can be a more fluid environment. But there's any number of things in between.

So I really like that. And just to fixate for a second on the open questions piece, that is the core of, I think why people come to a lawyer is because they don't even know how to figure out the open questions. And so there's so much expertise that a law firm or an individual legal professional can bring just in that puzzle setting framework and for me, advising my clients, I actually think that even that can be a product in and of itself. Like a sense-making activity, an initial assessment, whatever it happens to be.

Sometimes that's a consultation, sometimes it's a free consultation, and if that's your model, that can work. But I think even thinking about that opening session or that opening set of activities is really about figuring out, what the heck is this puzzle that we're trying to solve to begin with?

Radhika: And I really love this and I think one of the dangers perhaps that one gets into in such an opening meeting, right, is the client expects you to have all the answers. But you're supposed to know. Like, and that's the thing, like it's a tough place to be in.

And by framing it in this way, even in your own mind, here I am to discover these open questions. Like, I need to understand what are the open questions I have on this. It helps you even guide someone with you on this journey, talking about it as what is the opportunity, what are some of the open questions that we need to figure out in this, and that might require some time.

You know, we're not going to have all the answers in this first session, but here are some open questions, and we might add to this as the puzzle sort of unravels a little bit. And then the last thing is the objective, and this is the

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summary of this puzzle that, you know, we need to make sure we're all aligned on.

John: And of course, it's the objective as we understand it in this point in time, which I think maybe gets to the next part of your framework, which is, okay, once we have a reasonable handle on what the nature and shape of the puzzle is, right, through those three O's, then what's the process for going forward to try to solve that puzzle?

Radhika: And so the puzzle solving part is the second step and I call this OHLA, O-H-L-A, and it stands for observe, hypothesize, learn, adapt. And it all starts with observe. Why do I say that? Because you know, so often we just want to jump into, oh, let's do this, let's try this. You know, we want to jump to the solutioning. Just to take a moment to observe, we first have to understand the nature of this puzzle, how these pieces are moving, so that we then know what is the smartest first attempt we can make at this puzzle.

And so the example I guess I would think of in a legal setting, and please feel free to add to it from your experience, like rather than just jumping into an attempt, first thinking about what's on the opposing side, you know, what are the feelings on the other side? Is there a lot of anger or like, what are their incentives, etcetera? That is the observation part where you step back and think through all of that before you make your first attempt.

John: Although all those same things can also apply to observing your actual client. How confused are they? How passionate are they? How needy are they? I really like that. Again, one of the half-jokes that I sometimes make, and I think this actually comes from the way that law school operates, is that, you know, we're taught to be issue spotters in law school, and we're often, especially through the exam process, we're taught to be issue spotters under a time pressure.

And so there's this thing that I've observed even in myself when I was practicing law, that when you start to get information, once you've got two

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or three or four facts in a pattern that your brain starts to link together, then there's a part of your brain that starts going, okay, shut up now so that I can solve this problem, right? Stop giving me more information. You know, just be quiet so I can do my law to you.

Radhika: Fascinating. That's so interesting. And I love what you said because this is exactly why I talk about observe and then hypothesize because a lot of times people say to me, shouldn't hypothesize be part of puzzle setting? That you have a hypothesis?

And here's exactly why you don't want to make hypothesis part of the puzzle setting because the moment you have a hypothesis, you're already moving into trying to confirm what you think is your hypothesis. It makes you biased because you're now listening for testing your hypothesis.

And so this is why I say, you know, this observation part, be open and genuine with curiosity as you observe this puzzle to see how is it moving. And then it's only then that you hypothesize. And this is when you're ready to make your first attempt because you feel like now you truly get a sense of how this puzzle is moving.

John: Yeah, I love that. Okay. So we observe and we take in as much information as we can. And obviously there's diminishing returns to some extent on trying to take in too much information. And I think part of expertise and ultimately part of the product of our law practice is that we understand where the guardrails are on the right amount of information to try to bring in and to try to observe.

Radhika: Exactly. And knowing that you'll get more information afterwards. So at some point you have to try your attempt.

John: And not to get too far ahead, but that's literally the point is that, okay, great, what do we know now? What would we like to know? And maybe that what would we like to know is one of the things that helps us form our

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first hypothesis, which isn't so much, how are we going to solve the big picture problem? It's how are we going to improve our information about this problem so that we're in a better position to solve the big thing.

Radhika: Exactly. Okay. So let's talk about puzzle solving and how you use hypothesis learning adaptation. So there are three questions that guide those three steps of hypothesis learning adaptation.

So the first question is, as you try this first attempt, you ask, how well did it work? And this is very important that it's not a binary question of, did it or didn't it work? You're inviting the good and the bad. You want to truly know how well did it work. So that's the first. Maybe after I share these three questions, you can actually live work this on an example with me.

But okay, so how well did it work is the first question. The second question is, what did we learn? In product teams, this is where I say to people, I know you have a ton of metrics right now in terms of what did we learn, but don't just give me lots of metrics. Use those metrics, but tell me the narrative, tell me the story.

Because sharing that narrative opens up the right brain, and it starts to do this creative problem solving. As you describe what you've learned in a story, it'll trigger this right brain. So what did you learn? And then comes the third question, which is, based on how well it worked and what did you learn, what will you try next? And so this is our adaptation.

And so sometimes I ask people, just to get out of the box thinking, I ask, if I were to give you a magic wand, what would you ask for? And that really helps unlock us from sort of where we are right now. And so those are the three questions. I would love to hear you just work through these three on maybe a puzzle that you were thinking about on the legal front recently.

John: Yeah, well, it's funny. So I can think of an example in the history of my own law practice and I did a lot of intellectual property work and

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licensing. And it sometimes would connect to whether or not someone was going to go into a business relationship with somebody else. And it would often be true that I was representing smaller parties, artists and photographers and things like that, entering into contracts of some sort with larger entities. So an imbalance of power.

And there would always be those large entities would always have a standard contract that they want you to sign. And my recommendation, this is going back a few years now, but would always be, hey, let's, not automatically, but I would review the contract and if there were things that I would see that I thought would be good to change, right? Maybe some must-haves, but even some nice-to-haves, I would suggest those changes.

And I would often get pushback from my smaller clients to say, I don't want to do that because I don't want to lose this deal. This is important to me from a revenue standpoint, which I totally get, and they're not wrong, but my response would be, I'm not going to push for anything that should be too controversial, but the act of asking for these changes is going to give you a lot of information about what this company is going to be like to work with.

And I can think of a specific example, I mean, I can think of a lot of examples where one of the classic things is if there's an indemnification clause and that clause is pushing is very one directional, we would often push back and say, hey, if you're asking for me, the small guy to indemnify you, the big person, let's make this mutual. Let's just have this clause go both ways. Little things like that.

And I can think of many examples where the opposing party, opposing council, whatever, would be like, oh yeah, sure, that's fine. Which to me says, okay, these are reasonable people to work with. Yes, the contract is important and all the rest, but in terms of how that entity is going to be as a business partner, it tells you something. Other times we've had those companies say go pound sand, right? This is a take it or leave it contract.

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And I could go back to my client at that point and say, hey, they're not willing to negotiate on anything. You can still sign this, it's up to you. I'm identifying the risks for you, but just so you know, this is the kind of business you're getting in bed with here, right? And that's going to, that's going to give you a lot of information.

Radhika: That is super interesting. And so, if I go back to this, those three questions of how well did it work, your first attempt essentially is putting out this contract that you've made modifications to. How well did it work? And the answers are maybe, you know, it worked and they were being reasonable or maybe like it didn't at all. What did we learn?

And it's telling you, you know, we know what the culture is of this company. And then adaptation is where you decide, okay, what are you going to do next with this information given to you? You might go with it or you might say, no, like this is not what I want to do.

John: Exactly. That's the first thing that comes to mind. The other though, and that's a very simplistic example because that's really just a one cycle type thing where it's like, okay, at the end of this first pass, are we going to sign the contract or not? I think as you get into more and more complex negotiations, which is, you know, the heart of what so many lawyers are doing, it does get more and more interesting.

So like in the context of a divorce or any litigation, let's say, one of the questions that litigators will have at the outset of a matter is, do you send a demand letter or do you go straight to filing a court case?

And that's an interesting, even getting to that piece of like, okay, this is, which first step should we choose? And there are valid answers in both directions and it may depend on the situation, but part of how I'm starting to think about this based on what you've said is the question of which of those two strategies to take could actually be based on, well, what would we hope to learn from that interim first step, right?

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So by sending a demand letter, are we likely number one to succeed? Because that is actually a potential outcome, but even if we don't succeed, is it going to improve our information so that when we do decide whether or not to go to the next step of actually filing a court case, we can do it confidently.

Radhika: I love that. And what you describe, right, with each such attempt, by the time you get to this last question of what will you try next, you know, it's almost like it's unlocking the next layer of the puzzle. So you'd make an attempt, and I love that you're even thinking about your hypothesis and what you're going to test as a way of maximizing your learning, so that when it comes to adaptation, you know, each adaptation is sort of a level up in what you're doing, and that you can do that much better and smarter of an attempt.

You know, the other thing that you make me think of is the way you are talking about this and this sort of framing, it becomes a communication tool. Because I've been reflecting a lot recently on the fact that every relationship, whether it's a marriage or a client-attorney relationship, every relationship is a metastable state where you're either growing together or you're growing apart.

There's no status quo because you're both growing from learning and every day grows you and you're either staying together and aligned or you're not. And if you're not staying aligned, it creates rifts in this relationship.

And so the way you just described this to me of, here's the attempt that we make, we look at how well it worked or not, what we are hoping to learn from it, and then how we adapt, even using this as a communication tool, keeps you aligned with the client all along so that you know exactly at the end of this adaptation, they're completely on board with you in terms of why did we do this, what is our next step, and what is this next puzzle that it's unlocked and what is the next hypothesis and what you're going to do?

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John: Well, okay. So I love that too, and I hadn't thought of it maybe quite to this degree, but in particular, right, and to go back to my example about whether you send a demand letter or not, it's not just the attorney's decision. They have to actually work with the client because writing and sending that demand letter and then waiting for the follow-up or doing whatever, and then processing the follow-up, that might be a couple thousand dollars worth of work that the client has to pay for, regardless of how the attorney bills for it.

And so part of where I think maybe there can be growing apart in terms of the attorney-client relationship is if the attorney just assumes that because they want to write a demand letter that the client wants to pay for that.

So there's an interesting two part piece to it where by stating the hypothesis, by stating the possible course of action and then checking with the client and saying, hey, this is what I think we can learn from a demand letter in this case, but it may cost you as much as \$2,000 in attorney's fees to do that.

Do you think that what we're going to learn, I think it's worth it from my perspective, but do you agree that what we can learn from this is worth it? Because there's a chance we might settle the whole thing based on just this.

Radhika: Right. And sometimes it's not even a matter of cost, right, but it's also what response do you expect from the other party. And so it's the alignment with the client even on that front in terms of this is our hypothesis, here are some possible things the other party might do. Should we do this or not? The worst thing would be, you know, not just the cost, but like it creates a response that you knew was possible, but it might not be a risk that the client wanted to take at all.

John: Yes, and I think that's a big thing that comes in as well is that obviously different clients have different appetites for that risk. And many

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people just want the problem to go away, and even that's not easy to do. Obviously, there's a lot that needs to happen, but that I just want this over feeling is very different than I'm willing to fight for this because of whatever, right? It's existential for my business, for my personal values, for my family, for whatever.

And so again, it's fascinating to think of it in this framework because even though everything I've been talking about in terms of adapting your framework has to do with learning about the other side, you also are actually learning about your client in that process as well. And maybe even a little bit yourself and your own engagement with this particular problem.

Radhika: And in all of that learning, you're staying together with your client by communicating in this way so that you're with them on the journey. And I think it goes back to this whole puzzle, the wider puzzle of how do you balance the billing with the puzzle that you're solving for the client? And in that case, you have both the buy-in on the billing and the action that you're taking together with the client and you're helping them solve the puzzle that they want.

John: Yes. And that gets into so many, and I, we've had this great conversation already and we're running low on time, but I think about instead of over-focusing on the economic exchange, which I think is easy to do, I always encourage attorneys and their teams to recognize that the money is not the only investment that your clients are making in this work. There's a lot of investment in terms of maybe the amount of time they have to spend with you or getting information for you.

Certainly, there's a ton of sort of emotional energy that can get wrapped up into it. And so by staying aligned and, you know, I sometimes say you have to constantly re-recruit the client to their own cause. And having these alignment discussions based on, hey, this is what we've observed, this is a hypothesis about a proposed course of action.

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This is what we hope to learn, or these are the things that we might think we can learn from it. And then we're going to actually follow up and close that feedback loop and say, okay, what did we learn and how is that going to help us understand what we can confidently make as the next step, as the next hypothesis in the cycle.

Radhika: The adaptation. Exactly.

John: And the adaptation. Yeah, exactly. Okay. So anything, because we are running low on time, but number one, you're working on a book around this still. Do you have a time frame for it yet? That's a tough question.

Radhika: Publishing in the traditional publisher world takes time. So sometime towards the end of 2027 is what I would expect.

John: Okay. So it's a little ways out.

Radhika: But I'm excited about these concepts and I love how, you know, in this conversation, you've really exposed me to this very different way of applying it, right? And I've been applying it in the corporate world with product teams, but even honestly, for myself, even as part of parenting. And so this is a very different way of thinking about it in terms of law firms.

So I've really loved this conversation. And for our listeners, you know, as they want to apply this approach, I would love to hear from you in terms of just how you're using this framework, how it's worked for you, just learnings, right?

Because in the book, I want to share these very different ways of thinking about it, not just in the product sense. And so for our listeners, you know, they can download the free OHLA toolkit, and I'll share with you the link for it right after this call. And then for our listeners, they can also reach out to me on LinkedIn. Just feel free to message me and tell me about your experiences and it might just make it into the book as a case study, obviously with everything kept confidential and anonymized.

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John: Yes. Well, and in the meantime, I've said it before, but your book, *Radical Product Thinking*, has changed the way I think about product and I've been thinking about productization and legal services for over a decade now. And so for your book to sort of nudge me off of whatever track I was on and into this, I think better way of thinking about it, I really appreciate and I really highly recommend your book.

Radhika: Oh, thank you so much. That means the world to me. Thank you.

John: Good. And it does have a section where the, at least the early parts of this thinking are in there. So there's a whole chapter that I think people really can benefit from just from your *Radical Product Thinking* book and then obviously stay tuned for more. So, Radhika, thank you so much for coming back on the podcast.

Radhika: Thank you so much for having me, John. As always, I loved our conversation.

John: Great. I hope we get to do it again.

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All right. Thank you again to Radhika Dutt for coming back on the podcast. If you want to dig deeper into Radhika's work, her book *Radical Product Thinking* is a great place to start. I also recommend following her on LinkedIn to get progress updates as she works on her new book describing the OHLA framework. I'll put links to all her things in the show notes.

If you found today's episode useful or insightful, please share it with a colleague or a friend who you think would benefit from a different way of measuring progress towards solving the puzzles in their law practice.

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As always, this podcast gets production support from the fantastic team at Digital Freedom Productions, and our theme music is "Hello" by Lunareh. Thanks for listening, and I will catch you again next week.