

Ep #49: Determining Your Capacity for Work



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With Your Host

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You're listening to *The Less Stressed Lawyer* podcast, Episode 49. Today, we're talking all about how to determine your capacity for work. You ready? Let's go.

Welcome to *The Less Stressed Lawyer*, the only podcast that teaches you how to manage your mind so you can live a life with less stress and far more fulfillment. If you're a lawyer who's over the overwhelm and tired of trying to hustle your way to happiness, you're in the right place. Now, here's your host, lawyer turned life coach Olivia Vizachero.

Well, hello there. How you doing today? I'm so excited for today's episode. This is a topic that I get asked about all the time. How do people determine their capacity for work? When should you take on more work? When should you turn work away? All of those things.

Like so much that comes along with legal practice, this is one of the things that no one ever teaches us how to do. You just have to fumble around by yourself, figure it out, kind of guess your way through it. And, most of us end up guessing wrong. We end up taking on work when we really don't have the capacity for it. That's one of the ways that we end up overwhelming ourselves.

So, this ties directly in with maintaining the "work/life balance" you want. I don't love that term, because I think we have one life and work is a part of it. It's not that they're separate and in competition with one another. But if you use that term, this is a way that you can help maintain the work/life balance split that you want to have.

It also helps you reduce your overwhelm. It's going to help you have a better handle on your workload and getting through the tasks on your to-do list. It's really going to help maintain your stress levels, reduce your stress levels, so you feel more in control and capable and accomplished as you go throughout your weeks.

Now, I actually didn't learn how to measure capacity when I was still practicing law. This is something that I've mastered since I started my

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coaching business, because my coaching business operates a little bit differently than most legal practices operate. I have such a clear understanding on what my capacity is in my current business.

I started to see the differences between the way I operate my business, and the way my attorney clients operate their law practices. And, I started to see what I do differently that allows me to have such a clear understanding of my capacity, versus what they do. They really don't have a clear understanding of what their capacity is.

So, since seeing this difference, I've really been on a mission to come up with a framework to give the attorneys that I work with. To have them be able to use it to measure their capacity and to work within their capacity, rather than continuously and consistently working outside of their capacity and overwhelming themselves.

I did an inventory on how I operate my business, and I came up with the best practices to give you for how to measure your own capacity. So, that's what we're going to talk about in today's episode. First, I want to explain how I measure my capacity in my business. If you're an attorney and you're in a billable hour model, this will probably not be how you measure your capacity.

But I want you to have the background context here, and give you an example of a different way to structure your business if you're not in the more traditional billable hour model. Maybe you have a subscription service; that's a really nuanced way to charge people. Maybe you do flat-fee work. There are just different ways that you can structure this, depending on the services that you provide people.

If you're a much more of a counselor role rather than a litigator or doing transactional work, this might really work for you. It might be a little bit more akin to my coaching business. But I work with people... I have two offers. I work with clients one-on-one and then I have my group program, *The Less Stressed Lawyer* Mastermind.

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The bulk of the hours that I spend in my business each week are my one-on-one coaching hours. I spend, roughly, at any given time, I normally have between 22 and 24 clients, and my sessions are an hour long. So that's max 24 hours in a week.

And then, I have my group program, which is also an hour. I spend several hours in our Facebook group outside of that, so we can round up to 30 hours there. That's just the client work. And then, in addition to those 30 hours, I do marketing work. I do a minimum of two hours a day on marketing.

I tend to do a little bit of marketing on the weekends, as well. I do some social media. I normally do my Ask Me Anything, anonymously, questions on Instagram. So, all-in with marketing, I'll also go ahead and include me recording my podcast episodes, me doing my monthly webinars. And then, I do some consultation calls and some networking calls throughout the week, as well.

So, all-in I'm probably at around 50 hours a week for work. Now, I am single, and I don't have any kids. Those are the hours that I prefer for this stage of my business. I am not suggesting that you work 50 hours a week. I'm not suggesting you work 60. I'm not suggesting you work 40 or 30 or 20, you get to decide. There is no right or wrong answer. Okay?

Now, I also structure my days, so I don't take any calls before, it used to be 10am. I'm switching it to 11am. I am not a morning person. And, I like to wake up a little bit later in the morning. I start my day with social media. I normally draft a social media post for LinkedIn, between 8:30am and 9pm. Then I post that, and then I engage on LinkedIn for a while.

Then, I get ready for my day, and I start my calls by 10am or 11am. And then, I have relatively back-to-back calls with short little breaks in between, from whatever time I start until 6pm or 7pm. Then, I normally just chill. And then, I might do a little bit more marketing in the later evening, after I eat dinner, after I've had a chance to relax with the cats.

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So, that's what my schedule looks like Monday through Thursday. Fridays, I don't do calls anymore. I normally do some behind-the-scenes stuff, and I'm working to eliminate that altogether, so it just really is a day of leisure for me. And then, on the weekends I don't do any coaching calls at all. I just do a little social media stuff. That's what my week looks like.

The reason I wanted to give you this breakdown is for a couple of different reasons: Number one, you'll notice that I spend a lot of extra time in my business that isn't devoted to just client work. And I want you to keep that in mind, as well.

How much of your time, each week, do you have to devote to client work? How much of your time do you have to devote to other stuff; marketing, administrative work, anything like that, billing, back-end stuff? You want to know these numbers, okay?

Rather than just guessing at them, or scrambling and making time when something is really urgent or emergent. I don't want you doing that. I want you to have a baseline, so you know, how much of my week do I need to devote to this part of my practice? How much of my week do I need to devote to this part of my practice? And then, you plan that way accordingly, rather than just crossing your fingers, hoping for the best, thinking, "Well, hopefully, I'll have the chance to make time for it all."

I also am very clear about the number of hours I'm going to spend on client work. That is not an elastic number for me. I have capacity for 24 clients, or 22 clients, or whatever my number is at the time. I'm slowly reducing that, so by the middle of the year, that should be down to 18. And when I'm at 18, I don't take more clients. All right? That's what I want you to get a better understanding of.

Now, I'm going to explain what you're going to measure, because you probably won't have a business structured like mine. So, for me, I spend an hour with each client, each week. I cap it at whatever number I'm willing to take at that time.

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And when I'm full, if I continue to do consultations with clients, I don't just add them into my schedule and make my days longer, which is what most attorneys do. I don't do that. I wait until I have a spot opening, one of the 24 spots, and then they get that spot when it becomes available. So, I'm never exceeding the number 24. All right?

Now again, I'm just giving you the background here. This is going to be a little bit different for you. I'm going to teach you how to adapt it to your legal practice, but I want you to understand how I measure my capacity first, so you have all the context.

The main takeaway here is that my days do not become elastic. Okay? I start my calls at 11am. I end at 7pm or 6m, depending on the day. And, there's a certain number of slots each day. When all of those are full, my answer is that I do not take more work. I postpone someone's start date with me until a spot becomes available.

Rather than taking it on and working on the weekends or working earlier in the day or working later in the day. All right? My schedule, my capacity, the limit that I set for the number of people I'm going to work with does not move.

Learning to honor my capacity was one of the hardest things that I had to do as an entrepreneur. When you start a business, you are really in the hustle and grind mode of getting clients and creating money, right? It's a very different skill set, and it requires you to allow very different discomfort to turn away business. Or, to tell someone, "Yes, you can work with me. But not quite yet." Okay?

That is very mature entrepreneurship, to be able to say that and to be able to trust that there's enough work that's coming your way. That you know how to create and develop more business. And that it's okay for someone to go to someone else, rather than work with you right this second if they're not willing to wait, trusting that other people will come.

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This is an exercise in allowing yourself to feel uncomfortable and tolerating that discomfort and honoring your capacity, anyways. I know it sounds like a walk in the park, really fun, but this is another example of an instance where you're going to have to gag-and-go through the discomfort. You're going to have to feel worried. You're gonna have to feel a little scarce. That's okay, you can survive all of those emotions.

You might even have to feel guilty. I sometimes feel guilty when I know a client is really struggling with something and they want to start right away, and I just don't have the capacity for them to fit into my schedule at the time. So, they have to wait a couple months to begin to work with me. It's uncomfortable, and I don't change my capacity to fit them and squeeze them into a schedule that's already full.

If you have a business model for your firm, for your legal practice, that's more closely aligned with mine, where you're counseling clients, rather than working on different projects or different matters for indeterminate lengths of time, then you might be able to structure your capacity just like mine.

Where I plan the amount of hours a week that I want to work. I have a clear breakdown between the number of administrative and marketing hours, and then client working hours. You can limit and put parameters around those client working hours, and you only take that.

Now for me, I know when spots are going to become available in my client capacity schedule, because I work with clients for six months. So, we commit to working together for six months. And then, they either continue to renew with me and we work together for another six months. Or, they go off on their own and they prosper, and I have an open spot that becomes available for a new client.

For you, if you've got a subscription model, I've seen attorneys do this, where it would just be a recurring income, right? They continue to work with you until they decide to not work with you, there is no end point. But you would be clear on what your capacity is. And you might be able to grow and

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increase your capacity by adding additional team members to service your clients, so it's not just requiring you to interact with these clients. That's one way to grow.

But you would know what your capacity is. And then, the clients would just renew, that subscription service would renew each month. Once you hit your capacity, you're full until a client decides not to work with you anymore. Then you'd have an open spot become available and you could sell it.

Now, I am cognizant that most legal practices are not set up this way; you're probably not in a subscription model. And, you're not going to be in a scenario where you're only interacting with a client one hour per week. Where you're having one call with them a week or something along those lines. Very similar to my business or the subscription counseling model that I just described.

Instead, you're probably, whether it's flat-fee or hourly billing, you're working on matters. Different projects that require different lengths of time to complete. You'll finish one project on a matter and then it'll be done for a little while. And then something else will need to be done on that matter. And then, you'll finish that, and there'll be a little bit of a respite. And then, something else will need to be done on the matter, and so on and so forth. Right?

If that is how your practice is set up... This is also great if you're in-house or have another type of job that isn't like the private practice legal model. Then here's what you want to do instead, in order to measure your capacity.

First thing's first, you have to decide how much you want to work each week. You have to pick a number. Right now, you're probably not picking an upper limit on the amount that you want to be working each week. Instead, you are letting your workload dictate how much you work each week. You're creating a situation where your weekly hours become very elastic.

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If there's more work to do, and in the practice of law there will always be more work to do. When there's more work, you let your hours each week expand. You probably start your days earlier, you end them later, you cram in work on the weekends; your time each week becomes elastic. We want to eliminate and remove the elasticity from your weekly schedule.

So, I want you to pick, decide right now how much do you want to work each week? What's that hourly breakdown? And again, there's no right answer to this. There's no wrong answer to this. Once you have your answer, whether it's 30 hours a week, 40, 50, whatever you choose, I want you to get really clear on how much time you have to do non-client related work.

How much time do you need for administrative stuff? How much time do you need for marketing? Anything on the back end of operating your business? I always like to break this down. There's a difference between working in your practice, which is working on client work. And then working on your practice, which is all of the other ancillary things that you need to do, you need to complete, in order for your firm to operate effectively.

Okay, so once you get this number, you're going to make a to-do list. And you should already be doing this if you've listened to my time management series on the podcast, which was so good. If you haven't listened to that yet, and you struggle with time management, I teach you all the stuff that you need to know in order to master managing your time. So, go give that a listen.

But I would have explained, as part two of my three-step process for managing your time effectively, you need to plan your schedule accurately. And in order to plan your schedule accurately, you need to make a to-do list. I like this to be electronic, because we live in an electronic world these days.

I want you to be able to delete cut, paste, move things around, rather than having to constantly rewrite your list. So, you're going to have an electronic

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to-do list with every task that you need to complete on it. Okay? Everything from the big things to the small things, and everything in between.

For each task, you're going to estimate the amount of time it will take you to complete it. Now, if you are new at this, as humans we are horrific at estimating how long a task will take us. So, what I want you to do is whatever your initial guess is, I want you to double it. So, you're on the safe side, and you're not under estimating how long it's going to take you to complete something.

You make your list, you put everything down, and then you estimate how long it will take you. Let's say the number of hours that you want to spend in your practice each week is 40. And you do 10 hours' worth of back-end administrative stuff, and you do 10 hours of marketing. Now, you've got 20 hours left over for client work, okay?

Now, with your to-do list, you should have a total. You're going to add up all of that work, all of the tasks that you have to do. And if some of it is administrative, you can separate that out, and then all of the client work that you have to do. So, you'll have two numbers; the total amount of admin work, and the total amount of client work.

Let's say, when you make your list, you have 60 hours of admin work, and 120 hours of client work. What that would mean, is that without adding anything else new to your plate, to your schedule, to your current workload, you would have a full six weeks of work to do; $120 \div 20$ hours each week for client work, breaks down to six weeks, right?

Same thing with the administrative stuff; 60 hours of work $\div 10$ breaks down to six weeks. So, your next six weeks would be completely full. Now, you get to decide what your comfort level is for having new clients to sign up with you, or existing clients giving you new work matters. You get to decide what your comfort level is for postponing the start.

You might decide you're totally fine having someone wait six weeks to begin working on their matter. Then you wouldn't be at your capacity yet,

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and you could sign that client up. Tell them that you're not going to start on it until six weeks from now. Everyone's expectations would be level set from the beginning. And, we don't have a capacity issue.

Where we would encounter a capacity issue is, let's say, you decide that you don't want to add any additional client work or take on a new matter, a new matter, or a new client, when you have more than three months' worth of work. Let's say the number wasn't 120hrs, and when you list everything out, you actually have 240 hours' worth of client work to do.

Which, I know these numbers probably sound really high, but think about it. A lot of firms have monthly billable hour requirements that are in the 166 range, 160, 170, right around there. So, it makes sense that you actually would have this much work on your plate.

You make your task list, you add it all up, and you see that you have 240 hours' worth of client work on your plate. That would be three months' worth of work, based on the current breakdown that we're doing with these; 40 hours a week, only 20 reserved for client work, 10 for marketing, 10 for back-end business stuff, administration.

If you've decided that you don't take new clients, when you can't get to their matter in a shorter amount of time than three months, then you would be at capacity. And you wouldn't add a new client until your number got down lower; until that 240 was like 160 or something like that.

Whatever your limit is, you get to decide, when do I sign clients? When do I want to be open for taking on more work? Is it when I can get to a new matter in six weeks? Is it when I can get to a new matter in four weeks? Is it when I can get to a new matter in two months or in three months? There is no right or wrong answer.

Again, you get to make these decisions. It's all going to be about what your comfort level is. Now, I'll tell you this much, my comfort level has drastically increased over time. In the very beginning, I wasn't comfortable having people wait. I wanted everyone to be able to start working with me

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immediately. And it was coming from fear, worry, guilt. I was definitely in people-pleasing energy. I would just want to get started as soon as possible. I thought that they would be upset with me if I made them wait.

And then, I just became so, so full with clients that I didn't have another option. I mean, I guess I technically did. I could have worked mid-nights or weekends, but I wasn't willing to do that. So, I ended up putting people off.

In the beginning, it was, "Oh, you have to wait two weeks to start with me." And then, I was full even with that situation. So, it was a month, and then it was two months, and then it was three months. And then, now, sometimes people have to wait almost five or six months to start working with me, depending on my schedule and when I have spots becoming available.

I had to increase my tolerance for that discomfort, but it was really worthwhile work to do. Now, you can't increase your tolerance for this, if you don't set the restriction in the beginning with the number of hours you're going to work. Okay?

For me, I set the number of clients that I'm going to work with at a given time. You can do that, but because you're not selling individual hours per clients each week, it's not going to work the same way that mine works for the way my business is set up.

So, you want to create that cap on the number of client hours you're going to do, even if it's not broken down per client. But max 20 hours a week or 30 hours a week, whatever your number is, on client work. That's step one.

Then, the second decision you have to make is how comfortable are you with making people wait for you to start working on their matters.

Now, you're going to be tempted to take on new work and reshuffle your schedule, and let new matters cut the line of that to-do list; of that 240 hours', that 160 hours' worth the client work. You're going to want to put people in higher up in the rotation out of that sense of fear or worry or guilt. That is another way that our work becomes really elastic.

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That limit that you have on when you are full, and when you're not full, just becomes elastic. And that to-do list keeps getting longer and longer and longer, and pushed out further and further and further away from today's current date.

Instead of letting your time be elastic, you want to make these decisions: What's the max amount you're going to work each week, of that number? What's the total number of client work that you're going to do? It's gonna be a fraction of your total number of hours. And then, with all your to-do list items added up, what do you consider full? Where are you at capacity? When do you hit that point? At what point will you know that it's time to say no to new work until you get back under that capacity?

The perfect example of this is 40 hours a week max, 20 hours of client work or 25 hours of client work. You get to decide what that number looks like for you. And then, whatever amount of time that you're comfortable with making people wait is what your capacity will be.

So, if you're over that, if people can't have their matters get worked on within the next two months, that means you're at capacity and you tell them, "No, not right now. Not until my number gets below that." All right?

I hope this makes sense for you. I know it's a little nuanced. I'm getting really specific in today's episode. But I have people ask me about this all the time. And I wish there was a simpler, less clunky way to do this. There are quite a few steps involved in this process. You've got to make the to-do list; you've got to add it all up.

Hopefully, it sounds simple to you. I painstakingly went through and I wrote this all down, and I kept working through it because I wanted to get it as digestible for you as I possibly could. But I really want you to have a handle on your own capacity so you know when you should take work on, when you should turn it down, when you should make people wait. That way you don't overwhelm yourself, overwork yourself and burn out.

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All right, my friends, have fun making these decisions for your own practice, for your own work: Total number of hours each week. The amount of time you want people to wait before you start working on new matters. Those are the two ultimate decisions you have to make.

And then, honor it. It's going to be super uncomfortable. You can gag-and-go through the discomfort; you will survive it, I promise. And reach out to me, let me know how this goes. I'm so excited for you to have an understanding of what your own capacity is. And to begin working within it, rather than constantly exceeding it, and experiencing the stress and the overwhelm and the pressure and all of that discomfort that comes with it.

Remember, there's always discomfort both ways. I always suggest, choose feeling the discomfort that gets you the life you want. All right? In this case, it'll be with choosing your capacity and honoring it and working within it, rather than exceeding it day in and day out.

All right, have a beautiful week. I will talk to you in the next episode.

Thanks for listening to *The Less Stressed Lawyer* podcast. If you want more info about Olivia Vizachero or the show's notes and resources from today's episode, visit www.TheLessStressedLawyer.com.