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Centerbase CloudBased Law Firm Management & Growth Platform

6 Billing Features Your Firm Needs

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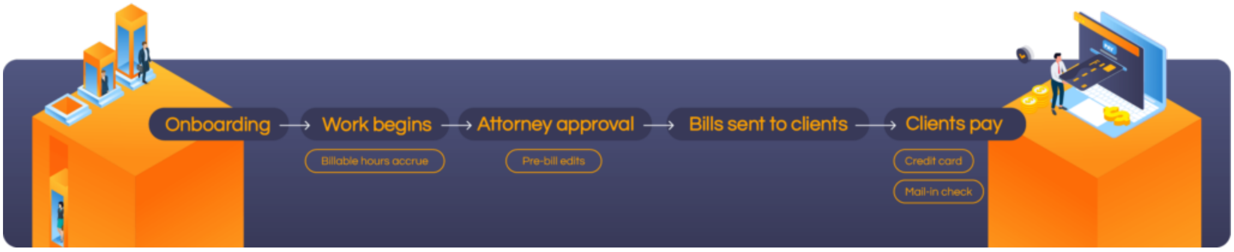
You can be the greatest law firm in your city or even your state, but lacking the necessary legal billing processes means your practice won't be sustainable. Proper client billing is not a one size fits all approach – you must find what works well financially and work with a system that allows the flexibility needed to be efficient (without reinventing the wheel). There's a major shift to cloud-based software for firms looking to get their bills out faster and to consistently generate more billable hours.

We're going to walk you through the top legal billing features your law firm needs in order to account for the specialization and unique processes that go on in day-to-day billing. Chances are, you're aware many of these systems must coexist, but you may not realize how to make them work together to effectively work for your staff.

Legal Billing Overview

From the moment a client contacts you to when they pay their last bill, a lot of things are happening behind the billing curtain that they don't see. There are so many intricacies and steps that have to be taken to ensure the right bills go out to the right clients at the right time. Because of this, it's important to have a solid standardized billing policy that is accepted uniformly across the firm. This policy may differ from firm-to-firm but consider including elements such as a timeline for pre-bill approval, a hard date for when invoices should be sent to clients, how the bill should be delivered to the client, and how your firm would like to accept payments.

You're familiar with how it goes:



1. A client signs up and is onboarded into the system
2. Billable work is accrued throughout the case (hourly, ad hoc, flat-rate, subscription, etc.)
3. Depending on the billing cycle and the length of your case, bills and expenses are compiled at the end of every month or quarter
4. Attorneys review and approve bills with any edits
5. Bills are sent out to the client
6. Clients pay via the client portal, accepted credit cards, by mail-in check
7. Follow-ups from billing staff are sent if payments are late
8. Ask yourself where bottlenecks may be happening and where there's room for improvement. And also, ask your staff – they'll be sure to know the process best since they're embroiled in client interactions every day.

Read more: Know the five questions to ask a legal practice management software vendor before purchasing

Top 6 Legal Billing Features Your Firm Needs

When going through all your features, ensure you're transparent when presenting the billing process to clients. Not bringing up expectations on the cycle, billing method, payment timeline expectation, and stance on late payments can create lots of problems later when alignment isn't there regarding a bill.

With that said, here's what you need to have for a smoother, more efficient legal billing process:

1. Flexible Billing

While you may be accustomed to billing for work at an hourly rate, that may not be the best way to retain clients. According to the 2019 State of U.S. Small Law Firms Report, only about 60% of the day is spent actually practicing law – making generating billable hours difficult. It's why having new billing strategies can help reevaluate the way clients are billed, and how to add more time back in everyone's day with revenue-generating activities versus client onboarding or administrative work.

Depending on your area of law, if you’re representing a single person, a contingent fee or flat fee may work better for clients’ needs.

Consider all methods of billing, such as:

- Varied fee arrangements
- Fixed payment
- Contingent fees
- Subscription-based payments

2. Rate Table Management

For each attorney at your firm, there may be rate adjustments due to tenure and other experience. For the ability to fluctuate between them, rate tables are one of the most useful features to staying agile around billing.

Some software today allows you to configure your rate tables around the matter, client, system default, and timekeeper. Not two matters are the same, and the work you provide per case is not cookie cutter. Because of this, it is important you have the ability to change your rates and make one-off exceptions on services that may not be standard billing protocol. At the end of the day, rate tables should be as flexible as you are.

Learn more about how Centerbase uses rate tables to manage rates from multiple users seamlessly

3. Billing Portal

If you ask someone on the billing team how many times they've been asked to print out a client bill or bill payment history, you can bet that you'll probably be met with an eye roll and a chuckle. Clients can be relentless. They want hard copies when you don't have them and they want electronic copies when you have paper.

Providing your clients access to a secure billing portal will take some strain off your billing team and allow your clients 24/7 access to view, pay, and download their bills. The job of a billing portal is to increase visibility into what is due and make it easier for clients to review and pay their bills. Additionally, this increased visibility will allow your clients the ability to find answers to their billing questions on their own before calling in for support. This way, your clients get what they want, and you have peace of mind knowing that you have provided them with a solution to all of their possible requests.

It's no secret that clients don't always pay on time, but the fact of the matter is, your client's actions shouldn't influence your firms. The more consistent your firm is about sending bills, or having them readily available to view will help create a level of consistency where your clients will soon grow to expect to see your bill and pay them more regularly.

4. Mobile & Automatic Timekeeping

In 2020, most people are texting. Compared to ten years ago, people actually prefer to text with businesses vs communicate with them through email. Not only does texting elicit faster responses, but it is much more convenient. All of this sounds great, right? Well yes, but what about for attorneys? Your time is precious, and although texting your clients may be easier for them, how do make it easier and more profitable for you? If your clients are mostly texting, and you spend hours responding to their messages on the train, at home, or on the go, you have to have a way to track how long you communicated with them for. Otherwise, you are losing thousands of dollars each month.

Today, an agile law firm has the ability to capture the time spent sending messages or making phone calls. This mobile timekeeping feature is incredibly important to not only capture more billable time but also eliminate the manual work of logging it after a conversation. The goal is simple: provide better, top of the line client services while increasing your billable hours.

5. Electronic Pre-Bill Approval

You can substantially improve your firm’s cash flow by having a simple, easy-to-follow approval process for everyone involved to send out invoices more efficiently. With electronic pre-bill approval as a feature, you can create a single or multiple step approval process, and flow a pre-bill up the approval chain. What this allows you to do is move a single bill from one attorney to the next once it’s been approved. You can keep track of every change and edit through electronic records and ultimately you'll relieve pressure on your billing team by having the attorneys make mark-ups directly to the bill.

For example, this is how it works in Centerbase:

1. Billing team generates the firm's pre-bills
2. Attorneys open Centerbase to view their pre-bills to review
3. Attorneys make inline edits to their pre-bills and review previous reviewers markups
4. As soon as a single pre-bill has final approval, billing is notified and the bill can be sent out to a client

Watch our four-minute video about how electronic pre-bill approval adds more time back in everyone's day

6. Centralized Reporting

For billing insights and monthly reports, having everything in one place is an excellent resource to make informed decisions about your firm's financials. With robust legal billing software, everything from matters, billing, and accounting data can be viewed in custom reports that suit your preferences and needs.

Better Legal Billing is Here

All the legal billing features mentioned in this blog are made possible with the right practice management software. While many firms are continuing to move to the cloud in this new world of remote work, it's important to choose the right software that meets your needs and everyone's in your firm. This includes steps involved to get onboarded and what should be imported into your new legal billing software.

Are you ready to step into the conveniences and revenue-generating abilities of cloud software? Then let's talk. You'll love seeing what Centerbase can do – all at no obligation to you. Contact us today and let's talk.

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