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Increase Your Law Firm's Operational Efficiency With These Important Tips

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If you're the administrator of a small or midsize law firm, you're probably wearing a lot of hats. In fact, you probably have a closet full!

You're overseeing the bookkeeping, ordering supplies, managing the budget, and running payroll. You're handling equipment and facilities issues. You're creating and implementing policies and procedures and setting long-term goals. You're probably also handling the human resources side of the firm for non-lawyers, including recruiting, onboarding, training, and managing administrative assistants and paralegals.

In short, if it's part of day-to-day legal services operations, and it doesn't involve the practice of law, it lands on your desk. (There is a desk somewhere under all of the piles, right?) That means when your firm's leadership team wants to find new ways to increase efficiency and drive law firm profitability, those tasks are automatically yours too.

It's a daunting task, no doubt. But fortunately, there are legal technology solutions that you can implement quickly so you can demonstrate progress toward your goal. Here's a list of typical efficiency problems that plague law practices along with some suggestions for how to solve them:

Getting paid by clients

Legal billing is the lifeblood of a law firm. Because it's so important, it often becomes a tedious process with many steps and approvals. But just because billing is critical doesn't mean it has to be cumbersome.

Law firms can take the pain out of the billing process with an automated system that streamlines the billing workflow. Look for an e-billing system that allows lawyers to edit bills online — not in hard copy — to avoid the need to print and reprint or track versions of pre-bills. A system that allows reviewers to see previous markups means that bills are approved in less time and eliminates friction in the approval process, getting money into your accounts faster.

Tracking time

No one likes to measure their life in minute-by-minute increments, and lawyers are no exception. But, as you know, time tracking is essential if your firm wants to stay out of the red.

While you can't eliminate the need for billable hours, you can take some of the pain out of the time-tracking process. Lawyers often don't record all their time. Sometimes that's because they're writing down what they're doing and don't remember to note down every detail. Other times that's because they're on the go and don't have their computer open, so they can't recall the work they did when they get around to recording it later.

To make it easier for your timekeepers to track every billable minute, choose a billing system with a timesheet that integrates with the technology you use. Look for a platform that integrates with your firm's software, such as tracking the emails that lawyers send in Outlook or the documents they work on in Word. And some platforms have mobile apps that automatically record phone calls, texts, and calendared appointments as billable events.

Spending too much time on administrative tasks

Lawyers regularly complain that their administrative workload takes too much of their billable time. In addition to billing, lawyers are spending too much time on non-legal work such as looking up matter information for clients and tracking deadlines. It's difficult to manage a matter when information is stored in hard copy as well as in multiple systems online.

A matter management system can keep every matter detail in one place, from details for parties to all documents, emails, meetings, and calls. The most comprehensive platforms can track the outcomes of calls and meetings and the current budget status of a matter. They can also alert lawyers about upcoming milestones and deadlines. Additionally, they provide a searchable place to store notes about matters, substantially reducing the time it takes to find pertinent case information.

Improving the client intake process

There's a lot of competition in the legal industry. The firm that responds faster to the inquiry of a prospective client is often the firm that wins the business. Two out of three prospective clients say their decision to hire a firm is influenced by a firm's responsiveness to their first contact. And when clients are impressed from the get-go, they're much more likely to stay with your firm.

But manual intake processes create roadblocks to bringing in new matters. And all too often, form submissions from your website may not be a priority in an overflowing inbox.

An online onboarding process can expedite the conflict check process and ensure that you get the right information in the right hands, so you can contact a new prospect more quickly. Some platforms allow you to customize the intake form. Then not only can you route the collected information to the appropriate staff, but you can also automate workflows. This way, you ensure that no steps are missed, assign and follow up on tasks, track the progress of the matter, and smooth the intake process for the client.

Keeping clients informed

Clients often complain that they don't know the status of their matters. When lawyers don't keep in touch, clients get frustrated. They call and email your firm's lawyers, asking them to give them an update. That means lawyers have to drop the work they're doing and comb through their files to inform their clients. And that means extra frustration for your lawyers too.

A system can make it easier for your lawyers to remember to send emails—without the need for the clutter of sticky notes or calendar reminders. Matter management systems can automate client emails whenever a matter moves to a new stage, so your clients are always in the loop. And they can also meet your clients' expectations for 24/7 digital access to their case information via a client portal. Happier clients have stronger ties to the firm and are more likely to refer new business your way.

Ensuring your legal professionals are busy and engaged

In this environment, it's critical to make sure your people are happy at work. That means they can't be stressed with too much work, nor can they be twiddling their thumbs at their desk. Striking the right balance means you need insight into their workload and productivity.

A platform that offers productivity tracking and timekeeper budgeting tools can give you critical insights into your team's upcoming assignments and deadlines. You'll be able to see how much time people are billing on certain tasks and projects. Perhaps most importantly, you'll be able to ensure that tasks are being distributed fairly throughout the firm and reallocate work to avoid overload.

Generating standard documents

Though no two matters are alike, they still have many documents in common. From retainer agreements to settlement agreements and from requests for production to interrogatories, there's often no need to recreate the wheel.

A document management system can make it easy to get even greater value from work product by organizing it for creation and reuse. You can set up templates and auto-generate documents with client information built in. Or you can search for a prior work product for a client or a similar project that you can repurpose for a new matter.

Managing collections

Hounding clients about overdue bills is a serious pain point for many firms. Accounting or billing staff have to send manual reminders and call clients who are overdue.

An automated billing system can send out reminders once a bill is overdue and then periodically until the client pays off the balance, eliminating that headache from your billing team's workflow.

Simplifying reports

Law firm managers and partners often want quick access to reports so they can make decisions. Pulling together a report that collates all the data and metrics they need is easier said than done when you have multiple systems that store firm accounting and matter data separately. Before you can create a report, you have to gather, sort, and compile that information into a readable form.

But a system that integrates accounting, billing, and practice management software enables you to assemble comprehensive reports at the push of a button. Better yet, the right system will give your firm's leadership team a dashboard view that offers real-time insights into how the firm is performing.

How can practice management software help improve a law firm’s operational efficiency?

Modern law firms would love to hire a professional to drive innovation, efficiency, and profitability within their firm. But for many small firms, that just isn’t in the budget. Instead, they have to look for other ways to improve case management and your law firm’s productivity. Enter legal tech management tools: namely, practice management systems.

While a practice management platform can’t replicate all the functions of a legal operations guru, its automation of time-consuming tasks and simplification of workflows can take some of the burden off a law firm administrator’s plate.

A practice management platform that integrates matter management, timekeeping, calendaring, billing, accounting, reporting, document management, and more in one system can serve as a resource for quickly increasing a law firm’s efficiency. And, in turn, it can help you improve your law firm’s bottom line, alleviate the bottlenecks of manual work, and help turn your law firm into a pillar of productivity.

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