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Moving Your Legal Billing Into the Modern Age

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If money talks, then why are so many lips sealed at firms when it comes to discussing billing? According to the 2019 Legal Marketing Association's annual meeting, **“only 49% of law firms are teaching their attorneys how to talk to clients about pricing.”** That's over half of firms out there. Although it's a puzzling revelation, it's not altogether surprising. There are a variety of struggles law firms face when it comes to finding that sweet spot in legal billing. Everyone wants to keep the books balanced and income regularly flowing in at a rate owners are pleased with – it doesn't always happen, but with today's technology, it's definitely doable. It's all about finding the workflow that works best with your staff and clientele.

To truly move your legal billing into modernity, you must embrace everything that organized processes, technology, and automation has to offer. In this blog, we'll be identifying the common pieces that firms struggle with when it comes to billing, and what modern tools you'll need in order to accelerate your monthly billing cycle to get paid faster and more regularly.

Challenges With Legal Billing

Legal billing challenges commonly stem from an overburdened staff who are pulled in different directions and activities that don't generate revenue. There's no one single cause to why this happens – it's the combined day-to-day bustle of sending out invoices and client onboarding that are likely the common culprits.

Inefficiency and Time Lost

The bane of every legal assistant or billing staff's day is the dreaded double work. Perhaps you have an Excel spreadsheet of client expenses that isn't synced with your existing software. If you have clients fill out physical paperwork, your staff has to file the papers while entering it into whatever digital system you have. Sure, you may have V-lookup or some other formula that appears to save a few minutes, but if they're re-entering information multiple times, it's not making much of a dent in the long run. That time lost is ultimately hurting your bottom line and

keeping everyone from controlling scope creep. You can get time back with an effective software that integrates with your everyday systems and enters data everywhere you need it the first time.

Poor Visibility and Communication of Write Downs

The cost of not communicating the billing process to clients upfront can add up. This will inevitably lead to an invoice sent – perhaps with a vague or unfamiliar itemization – causing a client to call upset, misunderstanding what was billed and why. Whether you’re billing hourly or a la carte, to keep clients happy, many firms are pressured to write things off and undercut themselves and the firm. Think about it: if you got an unexpected bill in the mail you weren’t informed about, wouldn’t you also be upset? The more transparent you can be about the legal billing cycle, like bi-weekly or monthly according to work completed, your clients will be happier for it.

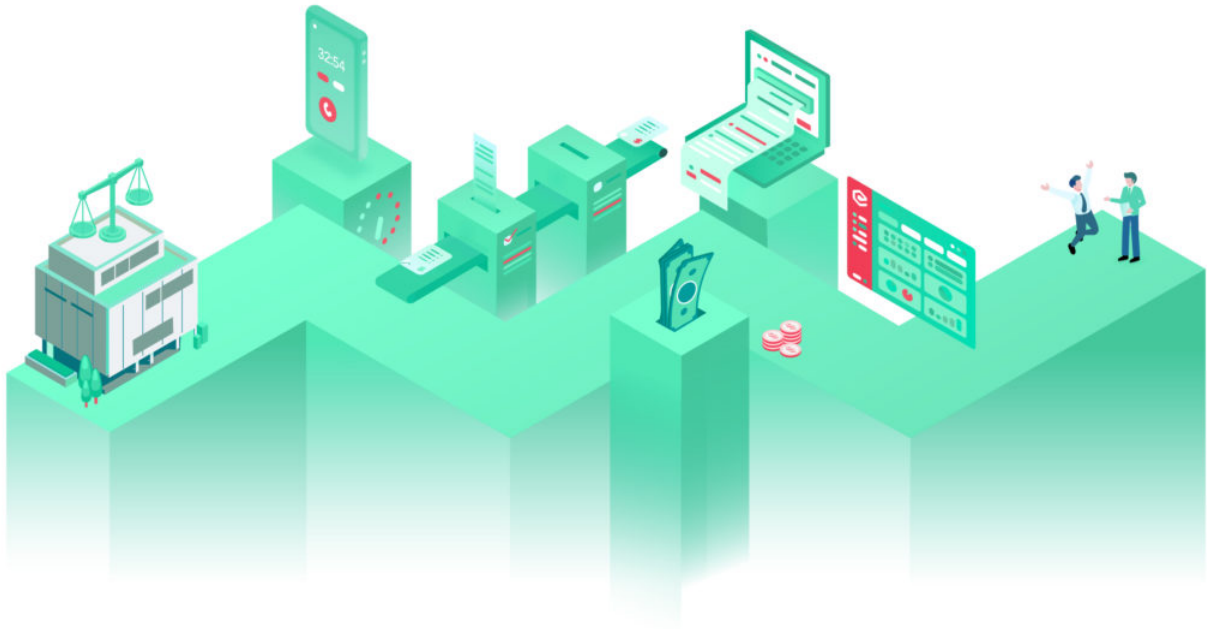
Keeping Track of Law Firm Billing Codes

The increased demand for clients to be billed in alternate ways from hourly has led to the creation of the Uniform Task-Based Management System (UTBMS). For flat fees, subscription, or project-based instances, using these billing codes provides transparency to your clients about what exactly is being billed, while simultaneously easing the load on your staff to push invoices through for approval. Taking the guesswork out of legal billing will, by default, help move the process along for everyone involved and create alignment for your staff.

Billing Descriptions

Vague descriptions of billing line items perpetuate confusion and can make a client start to mistrust you and your staff. Don’t give anyone reason to feel out of the loop or like they’re not being communicated with. Many clients feel despondent and lost through their cases – they look to you for guidance and fair pricing. Instead of “Consult call: 30 minutes,” consider something like “Reviewed case details for next month’s deposition.” If your billing areas are easily categorized, labeled by date, with the aforementioned line item, your client is much more likely to remember and feel the value of what they got out of that experience. We all want to feel like our money is going toward something useful and helpful to us, especially in the form of legal counsel.

Creating Your Legal Billing Workflow



When it comes to modernizing your legal billing, before jumping on any technology initiatives, you must first lock in the core billing process itself. This is the foundation to everything that's automated. If there are [bottlenecks](#) and issues in the process, you can expect those same issues to emerge no matter what software or system you implement. Don't underestimate the power of refining your billing and listening to your staff on where common problems may be lingering. Are attorneys extra delayed in approving invoices? Is there a workaround billing staff have to use that takes longer in order for it to be done right? A billing workflow is meant to be as simplistic and efficient as possible. Here's how you can make your billing just that:

Time and Expense Entry

With a robust [legal billing software](#) like Centerbase, your staff will be able to create time entries for expenses while staying in the programs they work in every day. Programs such as Microsoft Word and Outlook can be easily tracked per matter – making the accrual of time and expenses when it comes to billing an absolute breeze.

Pre-Bill Review

Cut down the amount of time spent waiting on bill approvals by generating pre-bills. The ability to [electronically distribute pre-bills](#) to staff can speed up your firm's pre-bill approval process by 30%. As soon as a pre-bill is approved, it's sent to the next reviewer in order to move things along.

Invoice Generation and Delivery

Automated invoices can pull services rendered from a custom frame of time. For example, if a client is billed bi-weekly, an invoice can be automatically created with all the services rendered within a certain date range to be delivered to the client. All the minutiae between – the manual entry, cloning of templates – are no longer needed. You’ll find those minutes back in peoples’ days really adds up.

Receive Payments

Having an easy payment system is just as important as presenting a clear bill of services rendered. That smooth process will really speak to convenience and professionalism – two things clients expect out of firms nowadays with the “get it now” society we live in. A compliant integration to software such as LawPay lets you send bills directly to clients’ email inboxes, meaning they can pay electronically within moments of receiving.

Collection Tools and Reports

Satisfy the itch for data with [productivity and budget reports](#) to see how you’re doing with a new technology system in place. If you can track it, Centerbase can report on it – your billing can be laid out however you need it to with custom reporting and tracking in place. This gives you the transparency to make big business decisions when it matters most.

How to Move Your Billing into the Digital World

It’s time to bring your systems into the [digital age](#) – safely and efficiently, of course. The mere presence of practice management software isn’t going to solve all your problems, but if used as a means to improve existing processes, it will help move your legal billing into considerable modern efficiency that helps you get paid on a cadence that works best for you.

The Age of Digital Results

It’s time to talk about pricing with your attorneys and ensure everyone’s on the same page about billing throughout their case. The combination of communication, clear invoicing, and automation are sure to deliver top-tier results that create lasting rapport and trust from your clients.

Have a question about legal billing? Be sure to let us know in the comments, or schedule a [no-obligation demo](#) to see how Centerbase can help you get paid faster.

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