



5 Things You Can Do To Impact Your Firm's Bottom Line

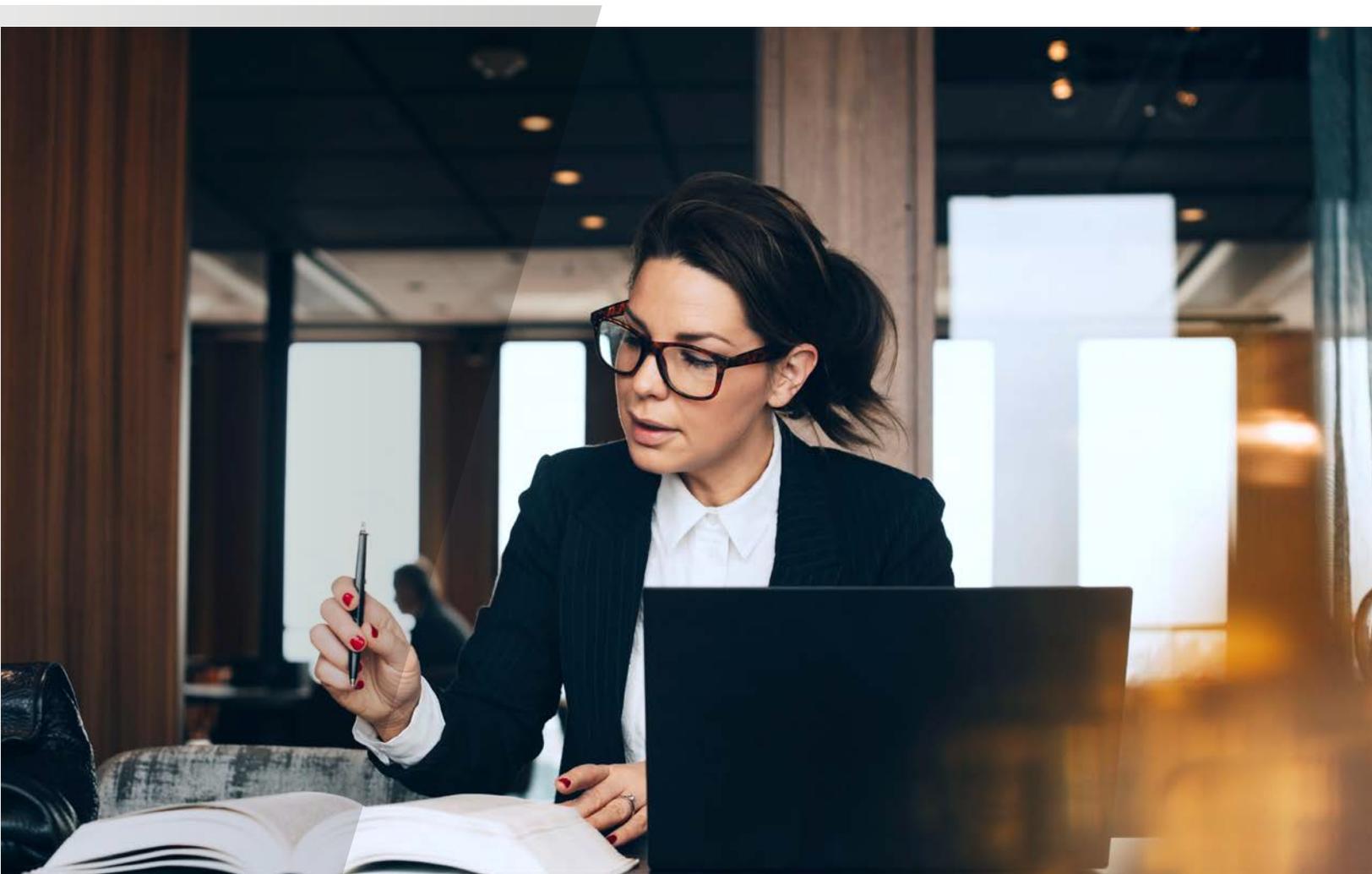
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5 things you can do to impact your firm's bottom line

No matter the size of your law firm, maintaining a positive cash flow is essential. If you aren't keeping a proper eye on your firm's bottom line, it simply cannot survive. There is actually a lot you can do to boost your bottom line and keep your cash flow healthy and steady.

The most successful law firms use a variety of best practices to manage their finances effectively, many of which can be implemented relatively quickly. In this white paper, we'll lay out five different ways you can make small changes to your practice that result in a significant positive impact on your bottom line.



1



Online payment solutions

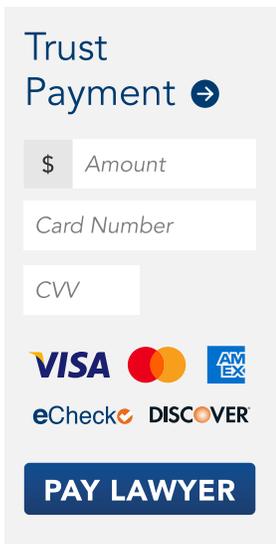
A recent U.S. consumer payment study showed as much as 75 percent of consumers today would rather pay for goods and services with their credit cards than with cash or paper checks. This shouldn't come as much of a surprise. These days, we can purchase almost anything using a device small enough to fit inside of our purse or pockets—clients want this same level of convenience when it comes to paying for professional services like yours. Plus, it's safe to say that the majority of your rivals in the field are using one as well—if you're not on the bandwagon, potential clients might look elsewhere for legal services.

Thankfully, offering this convenience to your clients can have significant benefits on your bottom line, as well. We'll highlight some of the biggest benefits here.

Getting paid faster

In the past, the billing cycle for a law firm would look something like this—you'd send your client an invoice, and then you wait for them to write a check and send it in the mail (presuming all is well and they're paying on time). This check could take several days to reach your office, until you're finally able to deposit it. At that point, you're waiting for your bank to transfer the funds. In total, the time from sent invoice to payday when relying on paper checks is at the very least a week or more.

Online payment solutions reduce this wait time significantly. In fact, a recent study showed that law firms are getting paid 39 percent faster by using an online payment solution. You can simply send your client an invoice via email and they can submit their payment right away, meaning the process of transferring funds will be significantly faster than traditional methods. Online payments also offer your clients more options to pay, making it more convenient for them to pay you at their convenience (making them more likely to do so).



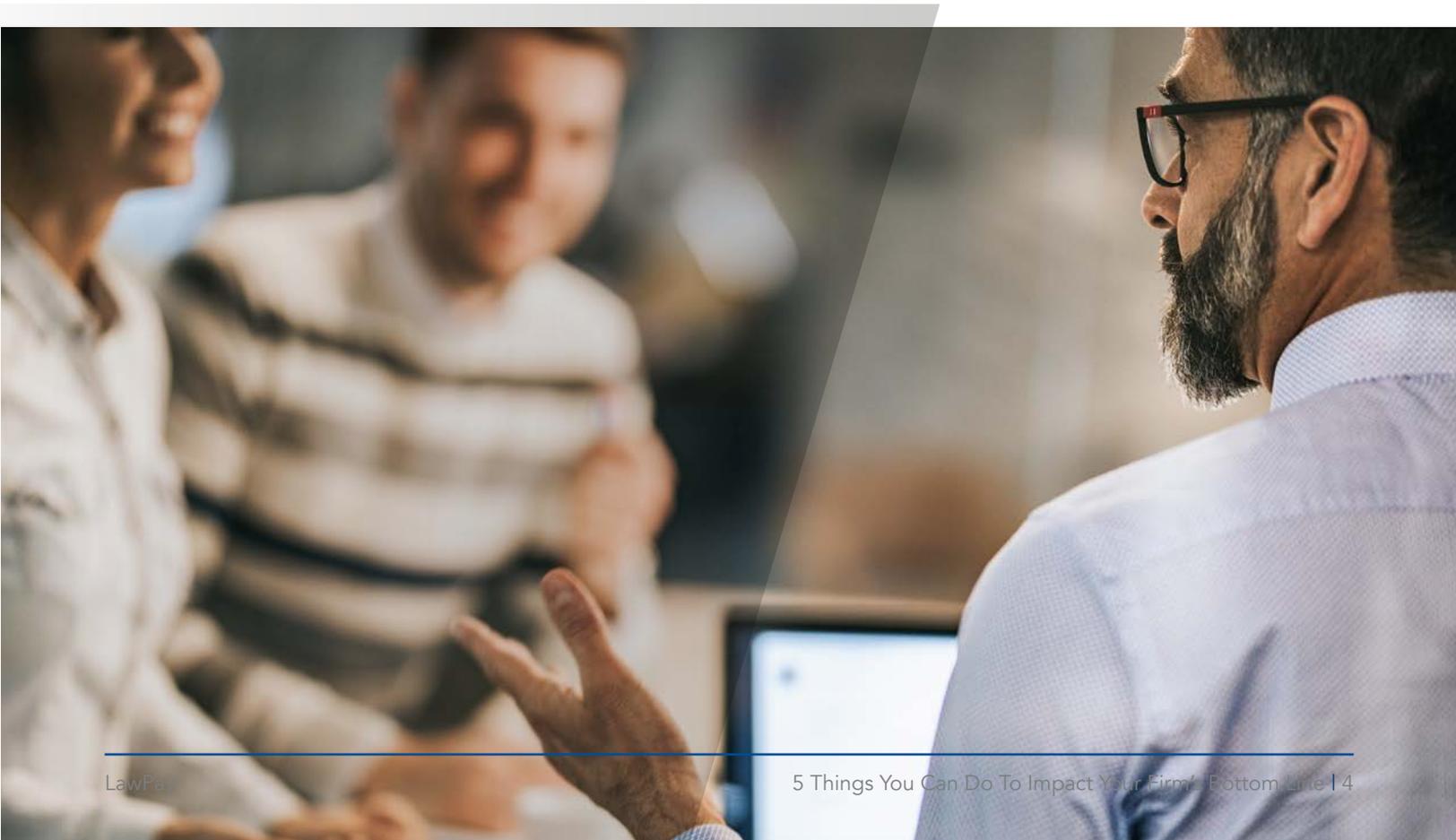
Get paid faster with convenient online payment solutions

Client satisfaction

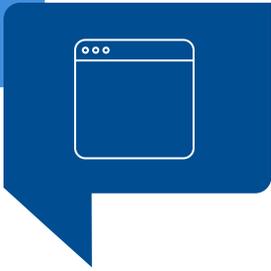
While we're on the subject of convenience, making it easier and faster to pay for your services can leave a very positive impression on your clients. In fact, in [Clio's 2018 Legal Trends Report](#) showed that as much as 50 percent of clients are more likely to hire a lawyer if they offer online payment options. The same study indicated that 40 percent of clients would actually look elsewhere if they discovered a lawyer didn't use an online payment solution. As we've mentioned before, fostering happier clients often leads to repeat business and positive reviews for your services. Your bottom line can only stand to benefit from making your bill easier to pay.



Offering online payment options makes clients 50 percent more likely to hire you.



2



Practice management software

For modern attorneys, using cloud-based practice management software is nearly essential. Without it, you and your firm could be wasting valuable time on tasks that an app could manage for you with far greater efficiency. And for busy attorneys who are always on the move, these apps allow you to access your firm's data easily and securely from any internet-connected device. Let's go over some of the greatest financial benefits of implementing practice management software in your firm.

Better time-tracking

Attorneys often bill their time in minute intervals, ranging anywhere from six minutes at a time to as much as 30 minutes. While many attorneys can diligently keep track of this time themselves, it's not hard to get distracted throughout the day—phone calls, sudden tasks, or other interruptions can lead to minutes not being recorded and billable hours getting misplaced as a result. The best practice management solutions can make time tracking significantly easier with stopwatch apps. You can keep a timer running in real time as you work, and can pause it during interruptions to ensure you're always recording time accurately. You can then label your recording sessions to make them easy to find and readily available for billing time.

Coordination and consolidation

For some attorneys, bouncing around from app to app or tab to tab on their web browser is not ideal, and ends up wasting more time than using it productively. If this sounds all too familiar, then breathe easy—practice management solutions are designed specifically for attorneys like you. A single app can keep your documents organized, calendars, contacts, and emails in sync, track your billable hours (and those of your co-workers), and help with new client intake. This can work wonders in helping your firm avoid spending money on multiple software subscriptions each month.

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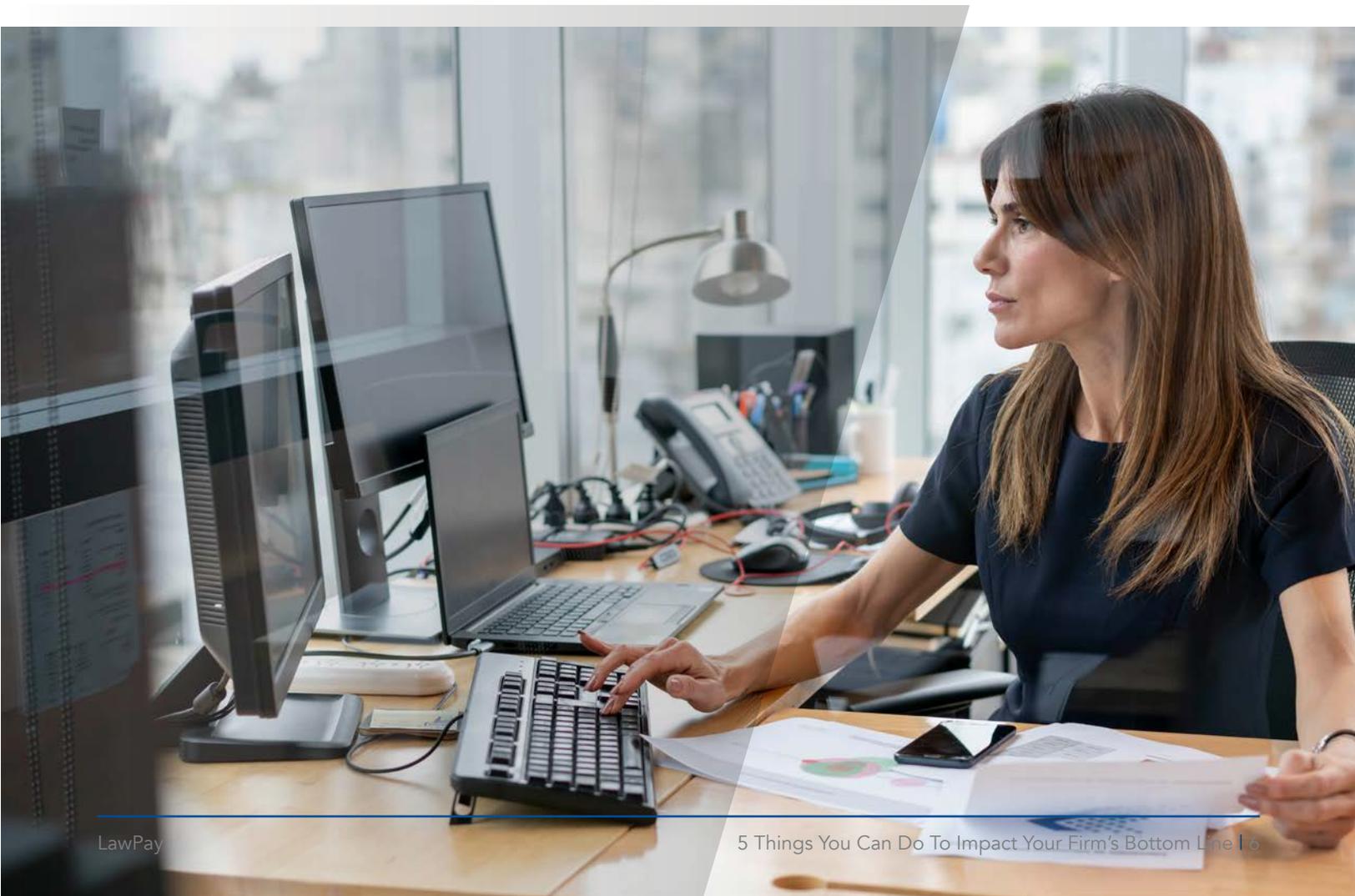
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Make time tracking significantly easier with a practice management solution.

Many practice management tools even allow you to integrate online payments directly into the platform, where the two tools can work in-tandem to make your firm more efficient and productive. For instance, you could use your practice management software to generate an invoice and include a fully functional payment link from your online payments integration. This way, you can increase the speed of both your invoicing and your payment process in a single stroke, as well as save time later in the month when it comes to reconciliation time, as all of your needed information will be in one app!



Many practice management tools integrate online payments directly into their platform to make you more efficient.



3



Going paperless

In today's world, digital has clearly become king. Email has long overtaken traditional letter writing, and texting has become the preferred way to communicate for adults under 50. In the professional world, businesses have found that making the switch to digital has not only helped significantly improve their workflow, but net more profit as a result. More work is getting done, meaning more opportunities for revenue have come along with it. Let's explore some of the ways modern law firms are saving money with paperless solutions.

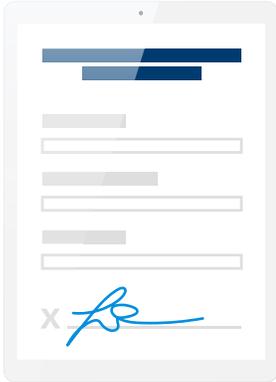


Making the switch to digital has helped businesses significantly improve their workflow and net more profit.

Digital document storage

Processing and storing physical documents can add up to significant amounts of money over time. Some firms are spending thousands of dollars on physical document storage alone. Not only are you paying for paper and file cabinets (as well as off-site storage, potentially), but also the labor of filing documents and searching through them. If a document gets misplaced, you or your employees will have to spend hours tracking it down, taking away time you could be spending on your clients' cases and bringing in more billable hours.

Switching to a digital document management system eliminates nearly all of these issues. By working primarily with digital files, you'll eliminate the need to purchase as much paper, as well as related accessories. Plus, compared to physical storage, paying for a digital storage system for your digital files is significantly cheaper. These days, offices can purchase hard drives with generous storage space for less than \$500 each, or invest in cloud storage at a similar cost. And there's the benefit of easier organization—if you need a particular document, it's typically as easy as searching for the file's name.



Save time, money, and get paid faster by accepting eSignatures online.

Client portals and eSignatures

For many firms, acquiring a signature is the biggest reason why they still continue to use paper. However, with client portal technology, you can accept signatures from your clients digitally in the form of an eSignature. Simply send a digital document to your client through a secure but easy-to-use portal, and they can sign right away with their mouse or their finger. Client portals can also be used as a fast and secure means of sending your invoice to your clients. A link to a private payment page can be sent to your client, where they can securely view the details of their bill, enter their own payment information, and make a payment online.

A report conducted by Ombud revealed that businesses could be saving as much as \$20 per document by accepting eSignatures online. Plus, client portals eliminate the need for you to send invoices or documents via traditional mail, meaning you're also saving on paper, ink, and postage costs. And, as an added bonus, you don't have to wait for the document to be delivered to your client by mail—they will receive it nearly instantly and can provide you with a payment or signature just as quickly, saving time for both of you.



4



Virtual assistants

Whether you run a solo practice or you work in a firm with other attorneys, it can be difficult to find time in your day to accomplish everything you set out to do. And, as the old saying goes, time is money—so, the more time you can put back into your day, the more financial returns you can work towards as a result.

One way to do this is by hiring a virtual assistant. These off-site, part-time employees can take care of a multitude of time-consuming tasks for your firm. For instance, a virtual assistant could assume the role of a receptionist for your firm who can not only take calls and schedule appointments on your behalf, but also screen and qualify leads for your firm. This way, you can rest easy knowing all the clients you meet are well suited for your practice.

Let's break down some of the other key benefits of hiring a virtual assistant.

Time savings

The hiring process in any business is rarely quick and easy. You must spend a good portion of time getting the word out about your open position, sorting through applications, and then interviewing promising candidates. Once your new employee is on the job, they'll have to spend some time in training, getting used to your firm and its weekly operation schedule. All of this will require time and resources on your part.

Using a virtual assistant is like hiring the perfect candidate for your task while skipping the entire vetting and interview process. Virtual assistants have already been vetted and trained by their parent company to do the specific task you sought them out for, whether it be handling phone calls, your social media, etc. All they need to learn is who you are and what you do. You simply pay the cost of hiring and you've got an answer to your firm's needs right away.



Free up your time by hiring a virtual assistant to take care of a multitude of tasks.

Greater efficiency

While virtual assistants can take many routine tasks off of your firm's plate, they are not intended to completely replace your existing staff. If anything, virtual assistants can help you and your staff become far more efficient. Your firm can spend more time working on tasks that will net the greatest financial results. Meanwhile, the busywork that would normally eat up hours of your day is being handled off-site by your virtual assistant, or a team of virtual assistants.

For example, some virtual assistants can handle your firm's entire billing and payments process. They'll handle generating your bill, notifying your client of its availability, and can process their payment online or even over the phone. Best of all, this entire operation can be handled with little to no input on your end—all they usually need is a payment link from your payment solution and they can take care of the rest.



5



Increase transparency

Healthy cash flow is often more of the result of a series of actions and behaviors rather than simply “getting the job done.” In the case of legal professionals, it’s not always about just getting cases and seeing them to completion, but how you communicate with your clients and the overall way you treat them. After all, happier clients will be more satisfied with your service, which will make them more inclined to pay you (and recommend your services to others). In this section, we’ll go over some of the best ways to develop a better relationship with your clients, which will lead to healthier revenue.

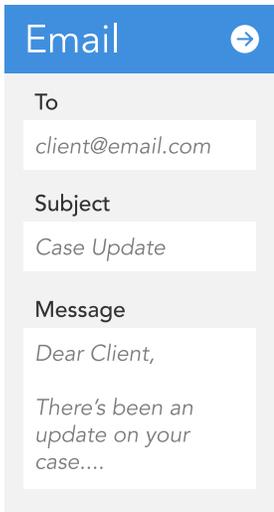


Happier clients will be more satisfied with your service, which will make them more inclined to pay you.

Realistic expectations

If there’s anything clients don’t like, it’s surprises. In most cases, surprises arise when the goals you’ve set out and the goals your client has in mind are mismatched. That’s why it’s absolutely imperative that you properly vet and interview every client that walks through your door. Otherwise, you’ll waste the time of both your client and yourself, time that could’ve been spent fostering a more fruitful case.

Ask your potential client what they are hoping to achieve with their case, and how they’re hoping you can help them. Keep your eyes out for warning signs, such as the client seeking extreme damages for a relatively minor case, or simply wanting to sue out of spite. After hearing them out, explain your skill set and what you think you can reasonably achieve. If you don’t feel you can reach your client’s expected goals, and your client isn’t willing to listen, don’t take the case!



Foster confidence by regularly communicating information to your clients.

Open communication

While we're on the subject, another thing clients aren't typically fond of is a lack of consistent communication. This goes double for when you're anticipating that a setback or unfavorable outcome may be looming overhead. Failing to keep them up-to-date on the status of their case could lead to fostering anxiety and frustration within your clients. In turn, this can hinder confidence in your abilities going forward, which may make them less than enthusiastic when billing time arrives. You could risk a late payment, or not seeing a payment at all.

Make a habit of regularly relaying information to your client—whether it be through phone calls, email, or whichever communication channel your client prefers. Ideally, aim to send these communications at regular intervals. This will minimize the chance that your messages will go unheard or unexpected, and will foster confidence in your client that you're working in their best interest. The more you stay in touch with your clients, the happier they'll be with your services overall, significantly reducing the chance of payment issues when their case is concluded.

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Many of these practices can be implemented relatively easily, so why wait!? Whether you're reorganizing your expenses or adopting new business habits (or both), every step you take towards improving your firm's cash flow will help boost your bottom line and in the long run, increase your firm's success.

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About LawPay

LawPay was developed specifically to provide a sophisticated payment solution for legal professionals. The LawPay platform contractually protects your client funds, correctly separating earned and unearned fees and by restricting the ability of any third-party from debiting monies from a Trust or IOLTA account. LawPay is available through all 50 state bars and the ABA Advantage program as a vetted and approved payment solution for the legal industry. Learn more about how LawPay can help your firm at lawpay.com.

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