

# 4 Strategic Questions Every Law Firm Should Ask When Offering Payment Options to Clients

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Determining what payment options to accept can be a challenge for law firm leaders. They may be tied to the traditions of paper checks or they may fear the perceived costs of electronic payment solutions. But attorneys must recognize that they create a culture around their financial processes when establishing these policies and communicating with clients about which payment methods they accept. So they must be thoughtful in their decision-making in order to craft a culture of profitability.

When facing these important decisions, attorneys can make more effective choices by asking themselves some strategic questions:

## **#1 Will Expanded Payment Processing Methods Result in Greater Profit?**

Non-cash transactions now dominate the marketplace as consumers consistently use online platforms to make purchases and pay for services. This evolution has extended to the legal community, and clients expect the same level of convenience from their law firms. With expanded payment processing offerings, law firms enhance their client experiences, which leads to a strong reputation, increased referrals, and greater earning potential.

With that added level of convenience comes an increased willingness for clients to pay invoices quicker and in full. They no longer have to waste time with paper checks or delivering cash to the office, which cuts down on the low collection rates that often plague legal practices. When firms carry high account receivables (AR), it negatively impacts cash flow and the payment of

overhead costs. Expanded payment processing methods equate to expanded cash flow and greater profits.

## **#2 Does It Make Sense to Spend More Money if It Results in Making More Money?**

There is an old saying that you have to spend money to make money, and law firm payment processing is no exception. Yes, the acceptance of credit card payments comes along with some additional expenditures, but the financial benefits far outweigh the costs.

With expanded electronic payment options, law firms benefit from immediate cash in the bank instead of waiting for a check to arrive in the mail or clear. Money that is electronically transferred into the operating account quickly provides firms with the funds they need to meet everyday costs and make financial decisions.

The pandemic offered an unquestionable justification for spending money on expanded payment options. With little to no warning, law firms were forced to conduct business completely online, which included the acceptance of client payments. Firms that did not have these systems in place found themselves without the capability to collect payment. This has become the new norm remains and it requires that law firms maintain expanded payment options in case of future business interruptions.

## **#3 Can Offering Client Subscription Options Create More Revenue Predictability?**

Subscriptions for legal services are a relatively new evolution within the industry. These alternative fee arrangements allow clients to pay a fixed monthly or yearly to receive a set amount of legal services. Also referred to as retainers, these options provide clients with a greater level of flexibility without the constraints of the billable hour. Since it is kind of like the Netflix of legal services, it makes sense that this type of arrangement would reach the legal industry because studies show that the

subscription e-commerce market had expanded by more than 100% in each of the last five years.

While the benefits to clients are obvious, subscription arrangements also provide some benefits to the law firm, including the ability to better predict firm revenue. Particularly when shaky economic times arise, law firms need the ability to effectively forecast and reduce financial uncertainties. Hourly billing does not always lend itself to this need because additional needs and expenses can get in the way of accurate assessments.

With subscription payment options, law firms can keep a closer reign on services provided which assists with predictability, which makes firm budgeting an easier task to complete.

#### **#4 Is There a Technical Solution on the Market to Help Manage Numerous Payment Options?**

For some attorneys, the expansion of payment options means more work and more headaches, but that does not have to be the reality. There are many legal billing solutions on the market that assist firms with implementing and managing every option, but one stands out from the rest in its features and payment capabilities.

TimeSolv legal billing software recently introduced TimeSolvPay to the legal marketplace. This comprehensive law firm billing and payment solution help law firms increase collection rates through modernization and automation of their receivables process. Regardless of firm size, the platform creates a consolidated experience for time capture, billing, invoicing, and all types of payment collections.

TimeSolvPay includes the following useful features:

- With next-day funding options, law firms benefit from quicker access to funds for improved cash flow and financial health.
- TimeSolvPay users know their total costs in full and upfront, with no monthly, annual, industry or hidden fees. This transparency provides valuable savings on credit card processing.

- Law firms can easily handle replenishments and payments to their client trust accounts, for proper management of subscription arrangements.
- TimeSolvPay offers a unique batch payment feature that works to improve collection rates and increase cash flow. It allows law firms to securely store client payment methods and use them to run a large batch of payments with a single click
- With the trust of thousands of satisfied users, TimeSolv has a proven track record of securely handling sensitive law firm and client payment data.

### **Trust TimeSolv with Your Expanded Law Firm Payment Options**

With so many valuable benefits, TimeSolvPay is the top technical solution for helping law firms manage numerous payment options. To learn more, click [this link](#) for a detailed explanation of features and costs.