Are Your Invoicing Practices Stealing Your Profits? Part I

Invoicing is an extremely important aspect of legal practice. Not only is it your vehicle for receiving compensation from your clients, but it is also a tool for informing clients about the work completed on their respective cases. Done correctly, the invoice results in timely and complete payment of your fees.

Unfortunately, many attorneys find invoicing to be a tedious and stressful process because their antiquated billing system provide little assistance. As a result, these lawyers commonly send invoices that fail to meet client expectations, which can ultimately lead to diminished firm profits. This series examines how your current invoice practices could be robbing your firm of valuable profits. Part one looks at client disputes and the ways that your invoicing practices could be promoting, instead of preventing, these profit-stealing conflicts.

Client Disputes

Inaccurate and overly generalized bills create fertile ground for client disputes. When clients receive their invoices, they want to clearly see what work was done and how much they were billed for that work. It sounds simple, but it can quickly turn into a difficult situation when you fail to provide comprehensive, correct invoices.

Let's take the comprehensive part first. Bills that are overgeneralized give the client little information about the efforts you have made in their case. I am not saying to write a page long detailed summary for every entry, but something slightly more descriptive than "Telephone Call"can help you avoid having to answer questions and give explanations later. As for accuracy, an inaccurate bill is a great way to instantly lose your client's trust.

They will either think that you are careless or deceitful… neither of which helps advance the attorney-client relationship. While it may be virtually impossible to prevent any client disputes over billing, an accurate and comprehensive invoice can go a long way.

When clients are not satisfied with an invoice, they often delay payment until clarification is made, or they refuse payment all together. Each of these options results in you having to wait for payment, while exerting more time and effort to secure compensation for provided services. All of which translates to lost profits.

Trust TimeSolv to streamline the process for effective invoicing. The folks at TImeSolv have considered all of these aspects and strive to help law practices increase their profits through accurate and efficient invoicing. Click here for a free, no-obligation trial.

About Erika Winston:

Erika Winston is a freelance writer with a passion for law. Through her business, The Legal Writing Studio, she helps legal professionals deliver effective written messages. Erika is a regular contributor to TimeSolv and a variety of other publications.