

Fixed fee benefits, Part II

Lessening the Risk of Fee Disputes

No attorney wants the stress and inconvenience of dealing with a client's formal complaint. While you may expect that the majority of grievances stem from poor lawyering techniques, most conflict actually centers on inadequate practice management... and I'm sure that it is of no surprise that billing complaints are among the most common.

According to an article on AmicusAttorney.com, sticker shock is a leading catalyst for lawyer grievance complaints. It's not surprising. If I received a long, convoluted bill that was twice the amount quoted to me, I may feel the need to complain as well.

With legal practice management (LPM) and flat fee billing, you may be able to effectively reduce the risk of receiving such complaints from your clients.

Whether deserved or not, attorneys are notoriously known for padding bills. This assumption by the public has created a climate where people are generally distrustful of lawyers, even before they arrive for your first meeting.

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One way to counter this problem is to offer flat fee billing and legal project management is a useful tool in meeting this goal.

[As I have discussed before](#), attorneys are often resistant to flat fee billing, due to the uncertainty it can create. They mostly worry that the charged fee will not adequately cover the amount of work that is necessary for completion of the case. It's a valid concern. As an attorney, your compensation is just as dependent on your knowledge and skill as it is on the actual tasks you perform.

You possess a higher level of legal education that should be properly valued and compensated. That is why legal professionals have traditionally set a significant hourly rate for their services, instead of placing a flat fee on each case.

But legal project management allows you to set flat fees that adequately compensate you for your work. The point of LPM is planning, so you are not setting fees without a true understanding of the work to be completed and how long it will take. By taking some time to fully consider the case at hand and what it requires, you can set appropriate fees.

This can translate into a reduced risk of fee disputes for a variety of reasons:

- You can give the client a set fee and gain acceptance of the amount before any work begins. Potential clients prefer to know how much a product or service will cost before agreeing to make payment. This upfront information reduces the risk that a client will dispute the charged fee once service has been provided.
- You are better able to provide the client with information regarding the work that will be done on the case. When you have a better understanding, you can pass that knowledge onto your client, which makes them feel more confident in your representation and willing to pay your stated fee.

If done properly, LPM and fixed fees can reduce the risk of client fee disputes against your firm. But if that's still not enough to convince you, I will be back later in the month with more flat fee benefits. Until then, happy billing!

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About Erika Winston:

Erika Winston is a Virginia based writer with a passion for all things legal. As a former domestic relations attorney, she understands the challenge of determining the best fee structure for your practice. Erika is a regular contributor to [TimeSolv](#) and a variety of other publications.