Fixed fee benefits, Part I

Why you really do want to offer your clients a saving… and how a flat fee arrangement can help

I have previously written about the flat fee arrangement and how legal project management (LPM) can make this payment type a viable option for your law office.

This month, I would like to dive into the various benefits that a flat fee can provide your client, as well as your firm. I will explore how they can strengthen your client relations and actually save them money.

[Tweet "Fixed fees can strengthen your client relations and actually save them money."]

We will also look at how the flat fee can prove advantageous to your law practice, from reducing your risk of grievance complaints to assisting with regular performance evaluations.

So, let's get started on this journey to discover the various advantages of the flat fee billing arrangement.

There is no disputing the fact that your law practice is a business and the basic point of a business is to make money, so thinking about ways to save your clients money may seem a bit counter-productive. But a happy customer is a repeat customer.

It's the same concept that manufacturers use when offering their products for a lower cost. Your client likes to feel that you are concerned about their well-being and not just the payments of your fees. At the same time, you do not want to lower the value of your services in your client's eyes. With a flat fee arrangement, you can effectively meet both of these goals.

Learn how to use TimeSolv for Legal Project Management

When using LPM for flat fee arrangements, you must take a preliminary look at the case, determining what tasks will be necessary for completion. By arming yourself with this information, you can have a prefatory discussion with your client to offer your services at a reduced rate, while also exemplifying the worth of your representation. Here's what I mean:

- Take the time to give a reasonable explanation about the tasks that will be performed towards completion of the matter. If any of them require specialized knowledge or skills, let this be known. If a team member is particularly proficient in the relevant legal area, communicate that as well. This is the type of information that instills confidence and worth in the services you are providing.
- Let your client know how a flat fee arrangement will reduce costs. You may even provide a comparison of an hourly rate fee versus the flat fee. There is nothing wrong with letting the client know that you are offering them cost savings. It establishes your interest in their well being and it also adds to the perception of your service's value.

With the combination of LPM and flat fee arrangements, you can offer your clients savings, while reinforcing the value of your firm's legal services. Take the time to assess what the matter will involve and share this information with your client to create a trustful, and hopefully long lasting, professional relationship.

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.