

# The Top Four Reasons Why Law Firms Prefer Online Payment Methods

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Law firms can choose to accept numerous forms of payment as compensation for the services they provide, from cash and paper checks to wire transfers. But in recent years, online payment methods have become the preferred method by far. This post will explore the top four reasons why law firms overwhelmingly prefer online payment methods.

## **#1: Clients Want Online Payment Options**

Over the last decade, non-cash transactions have become a staple of doing business as consumers increasingly used online platforms to make purchases and pay for services. These changes have extended to the legal community with clients increasingly expecting the same level of convenience and ease from their legal service providers.

In the crowded field of legal practices, attracting new clients can be a difficult feat, and keeping them satisfied is no easy task either. Firms need to be client-centered, and that means providing clients with an excellent experience. By implementing strategies that promote convenience, transparency, and security, law firms can meet this goal. Online payments assist in this endeavor in three ways:

- The convenience of online payments saves clients the time and energy that they would otherwise spend on mailing payments or physically taking them into the law office.
- When combined with online invoicing, online payments offer a greater level of transparency and client communication.

- With the right platform, law firms can provide their clients with a high level of security when paying their legal bills electronically.

A quick and easy online payment experience allows law firms to enhance the client experience, which strengthens the firm's reputation, ability to attract new clients, ability to keep existing clients and earn client referrals. Forward-thinking law firm leaders understand the value of offering online payment options.

## **#2 Faster payments**

The convenience of online payments encourages legal clients to pay their invoices more quickly and completely. There is no need to write out a paper check or deliver a payment to the office. Instead, clients can quickly take care of legal invoices from the comfort of their homes.

Inadequate collection rates are a common problem among law firms. Across the industry, payment times typically average 60 days or more. When firms cannot collect money owed to them in a timely manner, they end up with high account receivables (AR) rates and low realization. This negatively affects the firm's cash flow and ability to meet regular overhead costs.

Cash in the bank is much more preferable to waiting for a check to arrive in the mail or for it to clear the bank. It also saves the firm valuable time by eliminating the need for a firm member to physically take deposits to the bank. Instead, timekeepers can focus on billable matters, which equates to more law firm revenue. Money that is electronically transferred into the operating account quickly provides firms with the funds they need to meet everyday costs and make financial moves to grow the firm.

TimeSolv legal billing software provides law firms with another reason to prefer online payment options. Through their TimeSolvPay feature, firms can store client payment information and instantly collect payments for a number of invoices with just the click of a mouse. This unique batch billing feature promotes faster payments and zero AR.

### **#3 Streamlined Invoicing capabilities**

The advantages of online payments don't begin and end with the actual payment process. Law firms that offer these options to clients generally do so in conjunction with online billing software. These platforms provide an organized system that streamlines the entire process, from task tracking and invoicing to payments and reporting.

Invoicing is often one of the most hated aspects of running a legal practice. With the right software in place, law firms can handle these procedures in a more timely and efficient manner.

- Timekeepers can quickly enter their tasks in real-time
- Tracked time is accurately and efficiently entered into customizable invoices
- Invoices are electronically sent out with an option for the client to make immediate payment

Once payment due dates have passed, these platforms help law firms review valuable data. Administrators can easily keep track of outstanding bills and put systems in place for automated client reminders. With this feature, firms can customize the content and cadence of reminders to promote payment while preserving the firm-client relationship.

Reporting also assists law firm leaders by providing information about the health and financial status of the firm. This helps leaders keep an eye on what is working and make timely changes to what is not. Reporting is important for forecasting and the future planning of law firm operations. An online payment system, coupled with an online legal billing system, can make this task much easier to complete.

### **#4 Remote Capabilities**

In the remote world we live in, law firms need the ability to conduct business in a borderless environment and online payment options meet this need. The social distancing of the pandemic made the need for remote business operations painfully clear. Firms that did not offer online payment

options found themselves without the capability to collect payment for legal services.

Even as we went enter the new norm of the legal environment, the ability to collect online payments remains a necessity. Many law firm leaders have decided to maintain remote working arrangements, in total or in part, which can limit availability to accept payments by mail or in person. In addition, by having remote payment processes in place now, firms can better prepare for any business interruption that may occur in the future.

### **Law Firms Leaders Prefer Online Payment Options**

Law firms prefer online payment options because they offer numerous financial and client relation benefits. To learn more about TimeSolvPay and batch billing, click [this website link](#) for a free consultation.