

5 Ways Legal Billing Software Increases Law Firm Revenue



In any business, keeping an eye on the [bottom line](#) is essential. For law firms, this can be a challenge, as there are many ways that money can be lost throughout a case. From inefficient time-tracking to inaccurate billing, there are many potential pitfalls. However, there is one solution that can help to increase law firm revenue: legal billing software. Choosing the right legal billing software is essential for maximizing its benefits. Consider time-tracking, billing accuracy, and customer service when evaluating different packages. Take a look at solutions built specifically for the legal industry to get the most out of your investment. =

Stressed person

3 Common Ways Law Firms Lose Money

Time Tracking Issues

Many lawyers still rely on manual methods of tracking time by using spreadsheets or notepads. This antiquated approach to timekeeping is fraught with problems,

including the potential for [lost billable time and revenue](#), vulnerability to billing disputes, and high administrative costs.

With spreadsheet or notepad timekeeping, it is easy for lawyers to forget to record their time or lose track of their records, leading to lost billable hours and ultimately lost revenue for the firm. Manual timekeeping doubles the work since someone must manually enter all data into the system.

Manually keeping track of time leaves attorneys vulnerable to [billing disputes](#). If a client questions a lawyer's billing records, it can be difficult for the attorney to prove that the charges are accurate without detailed and meticulous records.

Invoicing Frequency

When it comes to law firm revenue, timely billing is everything. The longer you wait to send a bill, the longer you wait to get paid. Clients can't pay a bill they haven't received.

Not billing promptly sends the message to your client that prompt payment is not that important to you. Sending your invoices at the end of each month helps to avoid confusion or miscommunication and ensures that you and your clients are on the same page.

Billing Bottlenecks

Getting paid by clients is a **significant problem for 61% of small law firms**, according to recent research conducted by [Thomson Reuters Legal Executive Institute](#). Law firms that don't provide clients with various payment options, like online payments and accepting credit card payments, are more vulnerable to decreased law firm revenue due to not getting paid on time.

Person on laptop using legal billing software

What Is Legal Billing Software?

[Legal billing software](#) is downloadable or [cloud-based](#) that helps lawyers accurately track their time and invoice their clients. A robust software, like Bill4Time, will have the capability to track time, LEDES billing format, create custom invoices, accept online payments, and meet state bar regulations for billing. Law firms use dedicated legal billing software to improve their bottom line

by improving invoicing processes and reducing inaccurate time management and billing bottlenecks.

What Billing Software do Law Firms Use?

Lawyers are always looking for ways to be more efficient and maximize their billable hours, so they prioritize cloud-based software solutions that have integrated time tracking, easy invoice options, and a client portal for online payments.

Law firms need industry-specific features like trust & IOLTA accounting which allows lawyers to reconcile trust accounts without a secondary application. They also look for software that provides LEDES billing, the most widely used e-billing standard for law firms invoicing corporate clients.

Why Does My Law Firm Need Legal Billing Software?

As a law firm, you know that time is money. Every minute spent on administrative tasks is a minute that could be spent on billable hours.

Automate the billing process

You, and your team, enter matter information as time-tracked once, and the software will take care of the rest, generating invoices and sending them out to clients on your behalf.

Manage your cash flow

You will always have a clear record of what has been billed and remains outstanding. You can responsibly allocate your resources to maximize your profits.

Track payments and expenses

Having this information organized and readily available can save you a great deal of time and hassle when it comes time to file taxes or apply for loans or lines of credit.

Billing automation will save you and your team considerable time each month, which can be spent growing your business.

How to Identify the Best Legal Billing Software

When choosing legal billing software, there are a few key factors to keep in mind.

Choosing a program compatible with your firm's existing tech stack, including your law practice management software, is critical to success. Consider the cost, ease of use, and customer support options. Mobile access is also crucial for lawyers who can access their files on any device — iPhone, iPad, or Android.

And finally, security is always a top priority when it comes to sensitive legal information. Look for software that has industry-standard security protocols in place to protect your data.

By keeping these factors in mind, you'll choose the best legal billing software for your needs.

Best Practices for Implementing a Legal Billing Software

There are many different types of legal billing software on the market, and it can be challenging to decide which one is right for your law firm.

When choosing new software for your law firm, there are a few important factors to remember:

- You must ensure that the software is compatible with your existing legal practice management software.
- Be sure to clearly understand your law firm's billing policies before setting up the software to ensure everything is billed correctly.
- The software should be easy to use, but you still need to take time to train your staff on how to use the new software.
- You want a responsive and helpful company when you run into problems. If you run into issues, you can contact the support team.

A little upfront investment will pay off in the long run by preventing billing mistakes and increasing efficiency. Following these simple tips, you can set your law firm up for success with legal billing software.

Person on phone tracking time

Increase Law Firm Revenue with Legal Billing Software

Ultimately, you can improve your firm's bottom line and the client experience by investing in legal billing software. Here are five ways a legal billing software can help you achieve success:

1) Accurate Time Tracking

Time entry and expense tracking are crucial for any organization looking to boost productivity and improve profitability. Yet many organizations struggle with manually tracking time and expenses, leading to inaccuracies and lost data. The software makes tracking time and expenses by the user, client, or project easy.

Move beyond the notepad, and start tracking your time with a cloud-based software solution. Bill4Time allows you to enable [multiple timers](#) so you can easily jump between cases without worrying about where you left off.

Whether on the go or at the office, easy time entry makes it simple to run timers simultaneously, record multiple time entries on one screen, and automatically convert appointments into time entries. You'll always know your organization's productivity and financial status with daily and weekly time summaries.

2) Automated Billing

Automated billing and online payments can make it easier for clients to pay their invoices, resulting in quicker payment turnaround times. Clients tend to delay payment if they don't understand the invoice. Prevent this from happening by providing detailed and informative invoices.

With legal billing software, like Bill4Time, you can set up [invoice templates](#) with custom settings such as your billing policy and [payment links to pay online](#) — you can even perform batch invoice creation to save administrative time.

You can even extend your brand while increasing workflow efficiencies by personalizing and creating [branded invoices](#) with your logo.

3) Online Payments

Online payments are becoming increasingly popular, and customers expect businesses to offer this option. You may even miss out on potential customers if you don't offer online payments.

Online payments allow firms to quickly and [easily receive payments](#) from clients. This can be done via credit card, debit card, or even PayPal. In addition, online

payments are more secure than traditional methods, such as mailing a check.

With Bill4Time, your law firm can process online payments right within the platform with Bill4Time Payments. The native payment solution allows you to create custom payment links with [Link2Pay](#) that can be added to emails or invoices.

4) Custom Reporting

Real-time data is essential for any growing business and managing cash flow. You'll want a solution with comprehensive reporting to manage your firm's financial performance better and identify trends to ensure success—review payment history, balance due, collections, expenses, productivity, and summary reports.

Legal billing software should be able to run user activity reports, so you can get detailed insights into how your team works, including efficiency, expense, schedule, and internal tracked time. Bill4Time offers custom reporting that allows you to track all expenses and other billing-related data. Including [payment tracking](#) so you can get a full view of your firm's cash flow, pending payments, late invoices, or refunds. This data can help you identify areas of improvement so your team can work smarter, not harder.

5) Enhanced Client Experience

Client portals are a great way to provide your clients with more information and control over their billing. Empower your clients to log in, view their account balances, make payments, and see a detailed fee history. By enabling the [client portal](#) in Bill4Time, clients have 24/7 accessibility to make payments or view invoices.

Grow Your Law Firm Revenue with Legal Billing Software

The legal industry is one of the most competitive and rapidly-changing fields. To succeed, law firms must be cutting edge in all aspects of their business – including billing. With so much at stake, it's no wonder that more and more law firms are turning to legal billing software to help them stay ahead of the competition.

Are you ready to see how legal billing software can benefit your law firm? You can [schedule a demo](#) with Bill4Time today, and let us show you how our software can help you increase billable hours and grow your business.