

A Guide to Adopting Legal Billing Software



When you become a lawyer, you might not think about all the legal accounting that goes into a successful firm. From handling trust accounts to capturing the revenue you earn, [legal billing](#) is essential — but it might seem like the homework your firm is putting off. Every law firm needs to get paid for its services, and billing software is one of the easiest ways to ensure that happens.

If you're ready to spend less time staring at the books and more time on your cases, you're in the right place. Find out how to streamline your billing with this guide to adopting legal billing software.

What Is Legal Billing Software?

Legal billing software can help you automate the process of tracking your hours, sending invoices, and managing all other billing tasks — with one comprehensive suite of tools.

With legal billing software, you can:

- Set up custom invoice templates
- Track your billable time
- Automate invoice distribution
- Manage trust accounts, including balance checking and handling retainer payments
- Use financial reporting tools to assess your performance
- Enable clients to pay you online

Of course, all legal billing software comes with unique features. So before making the investment, review your options and ensure that you're choosing the software with the necessary functionality.

Legal billing software platforms, like [Bill4Time](#), are cloud-based, meaning that the software runs online outside of your firm's IT infrastructure. This gives firms the ability to access their cases from any device and often comes with lower costs.

Person using laptop with Bill4Time legal billing features

Does My Law Firm Need Legal Billing Software?

If your firm wants to automate and [streamline your billing](#), the answer is yes. Many large and small firms can see significant benefits from the transition to legal billing software.

With legal billing software, you can see benefits like:

- **Reduce time spent on billing.** This is one of the biggest perks. With less time dedicated to [tracking your hours](#) and expenses, you can devote more time to handling cases.
- **Improved revenue capture.** If you have a better, faster way to report your hours and invoice clients, you can see [fewer outstanding accounts](#).
- **Increased client happiness.** When clients have an easy, convenient, and straightforward way to pay you, they have a [better experience](#).
- **Better staff experience.** Your staff's morale matters as much as your clients' happiness. If your attorneys, paralegals, accountants, and other staff have better systems to do their jobs, they're more likely to appreciate their work environment.
- **Greater access to financial analysis tools.** Some legal billing software comes with built-in [custom reporting](#) features. That gives you the power to get quick insights into your firm's financial performance over time and

project where you'll be in the future.

- **Enhanced compliance.** No one wants to let mistakes or oversights compromise their practice. Bill4Time's built-in payment processor, Bill4Time Payments, can help your firm stay [compliant](#) with ABA, IOLTA, and state bar guidelines.

You might think of it this way: Your firm runs certain risks if you don't invest in tools to help you become more efficient, capture revenue, and remain compliant. After all, if you're the average law firm, you could face many common issues with billing — and these problems could leave you in financial and ethical high water. For instance, you may be double-billing or failing to capture your actual billable hours.

How to Adopt Legal Billing Software

When you're starting to consider bringing on billing software, you'll want to think through what it means to implement new software.

Assess Your Firms Needs

Some legal billing systems will work better for your needs than others. Be sure to review the software to ensure it offers the following:

- The features and functions you need
- Compatibility with your existing software

As mentioned previously, legal billing software can include many features. Determine what's most important for your needs. For instance, you should ensure that the software you choose includes financial reporting tools or integrations with other legal software. With some legal billing software, you can integrate other legal software, such as [case management tools](#), to create a seamless ecosystem for productivity.

With that said, you'll want to invest in billing software that syncs with your existing software. So, if you're currently running QuickBooks for accounting, purchase software that works with those tools.

Have Standard Processes in Place

When you're getting ready to transition to new legal billing software, it's worth ensuring that all your billing systems are in ship shape. Make sure that your firm:

- Has a clear fee structure outlined
- Establishes clear legal billing guidelines
- Prepares to set up invoice templates
- Has a plan for invoice review and client follow-up for late payments

If you don't already have [clear billing guidelines](#), you'll want to set that up. Your billing guidelines should include how often you bill clients, what you include in invoices, and how you communicate with clients through invoicing.

Once you determine your billing guidelines, you can also automate many of these standard processes and procedures. Legal billing software allows you to set up when your clients receive invoices, use custom invoice templates, and more.

Prepare to Train Your Team

Of course, ensuring your staff is prepared to work with new software is crucial to your adoption process. Be ready to train any team members who will interact with the billing software. It's critical to ensure everyone is on the same page and understands any best practices you establish for using these tools.

Person using laptop with Bill4Time legal billing features

Identifying the Best Legal Billing Software

Beyond ensuring that your chosen legal billing software plays nicely with your existing software, you'll want to consider your goals, the features you need, and which will be best for your firm.

Some of the most significant decisions that you'll have to make when you choose the best software for you include:

- **Price.** Legal billing software comes with a range of prices. Most of the leading cloud-based billing software is priced monthly per user. You can typically also choose between several pricing tiers and select the product capabilities you need.
- **Features.** The sky's the limit for the features available in billing software, with everything from [time tracking](#) to [billing and invoicing](#) to [custom invoice templates](#). Review the software's capabilities and choose what's best for your needs.

- **Payment function.** Some legal billing software programs allow clients access to an online payment system. If you want this feature, look for [ePayments](#) or check out how clients can pay with a card, check, or even payment plans.
- **Legal software integration.** As mentioned, [legal billing software](#) can integrate with other legal software tools. However, not all legal billing software offers this functionality. Look for how a company's legal billing tools work with case management or other software.
- **Ease of use.** Of course, if it's not easy to use, you may not feel the benefits of your investment. If possible, try a demo to be sure this software is simple and powerful.

Legal Billing Software by Practice Area

Legal billing software is an essential resource for managing a law firm's business, no matter the size.

For a solo practice, you may have a limited budget for accounting help — and that's where legal billing software comes in. With automated invoicing tools, you don't have to worry about when to send bills to clients and who hasn't paid you. And with compliance features, you can rest assured that you aren't overlooking details that can be hard to spot with one or a few pairs of eyes.

With small- and medium-sized firms, you may work with more resources and a larger budget for your accounting needs. Still, you can find many uses for legal billing software. Your staff can make more of their time instead of wasting needless hours jumping from QuickBooks to invoice tools to the printer and back again. Instead, your team can use the time you save on accounting to focus on boosting productivity, driving revenue, and optimizing your clients' experience.

Implementing Legal Billing Software

Investing in legal billing software can pay off in more ways than one. It allows you to improve your firm's efficiency, offer a better payment system for clients, and gain insights into your firm's financial well-being. Legal billing software lets you dedicate more time to the things that matter most for your practice.

If you're ready to practice more, manage less, and stay competitive, Bill4Time can help. With time and expense tracking, custom invoices, and a full suite of legal software integrations, Bill4Time can help your team streamline your

accounting systems. Get a [free trial](#) of Bill4Time's legal billing software today and find out how adopting legal billing software can benefit your practice.