

Don't Leave Money on the Table:

Best Practices for Getting Paid and Better Serving Your Clients in 2021

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About LawPay



Agenda

- 1 The basics
- 2 How this applies to your firm
- 3 Impact of COVID-19
- 4 Best practices for 2021:
 1. Be clear and direct during intake
 2. Be timely in your billing
 3. Be clear in your bills
 4. Follow up on unpaid invoices ASAP
 5. Embrace technology

Let's start with a basic premise:

If your pay is dependent upon your collections, then you want to collect on as many outstanding invoices as possible.

Impact of COVID-19



- Less clients able to pay in full
- More clients asking for payment plans
- More clients simply walking on their bill

Suggested monthly reminders

- 1 Networking twice per month
- 2 Write an article or blog post once per month
- 3 Read the monthly "interesting" cases relevant to your jurisdiction
- 4 PNC retention
- 5 Thank-you cards for closed cases

Step 1:
Be Clear and Direct During Intake

Create a uniform intake policy

- Conflict Checks
- Intake Forms
- Consultation Fee
- Remote Meetings



Paint a clear picture of the future



Give the client a road map of what the most important next steps will be, and the issues that may arise therefrom.

Be clear and comprehensive

Ensure the client understands the cost and the law firm's expectation of payment, discussing frankly how the client plans to pay and whether the client can afford the firm's services. This should also be explicitly addressed in your firm's fee agreement.



Seal the deal

- Fee Agreement
- Retainer Payment
- Authorization Forms
- Remote Tips



Trust your gut



Exercise your own judgment as to whether this client is credible and a good risk. This is easier said than done, and will mostly come with experience, but if the client's story doesn't make sense, or if you would be the client's fifth firm to work with, alarm bells should be ringing.

Step 2:
Be Timely in Your Billing

Be timely and consistent

- Bill clients around the same day every month



TIP: Aim to bill about 3-4 days after the first of the month.

- Sending invoices around this time increases the chances that **(1)** the bill is likely hitting around the client's payday, and **(2)** the client's paycheck should have cleared their account by then.

Don't wait

- Clients routinely complain that all too often, they receive bills months after the work is done.
- The client at that point does not remember what you did three months ago, and will be less willing to pay you. If the work is fresh on their mind, you will find a client more willing to pay their invoice.



The longer you wait to send out a bill, the less willing they are to pay.

Step 3:
Be Clear in Your Bills

Be clear, direct, and understandable

- Provide a clearly-written, detailed invoice.
- Use separate line items for the larger tasks and include a brief summary of the work completed.
- Avoid legal jargon—if you use too much technical language, the client may end up with even more questions.
- Use real words and explanations of the work performed on the client's case

 **TIP:** Your firm shouldn't bill for things like office supplies. This kind of billing only makes clients angry, offended, and more likely not to timely pay.

Step 4:

Follow Up on Unpaid Invoices ASAP

Follow up quickly and directly

- About a week after invoices are sent out, schedule time on your calendar for a follow-up contact
- Generate a list of the clients who have not paid their invoice, and how much each one owes
- Reach out to the clients directly to inquire about payment



REMEMBER: the longer a bill sits unpaid, the less likely it becomes that it will ever get paid.

Step 5: Embrace Technology



Only about half of all U.S. adults make sure they have cash on hand

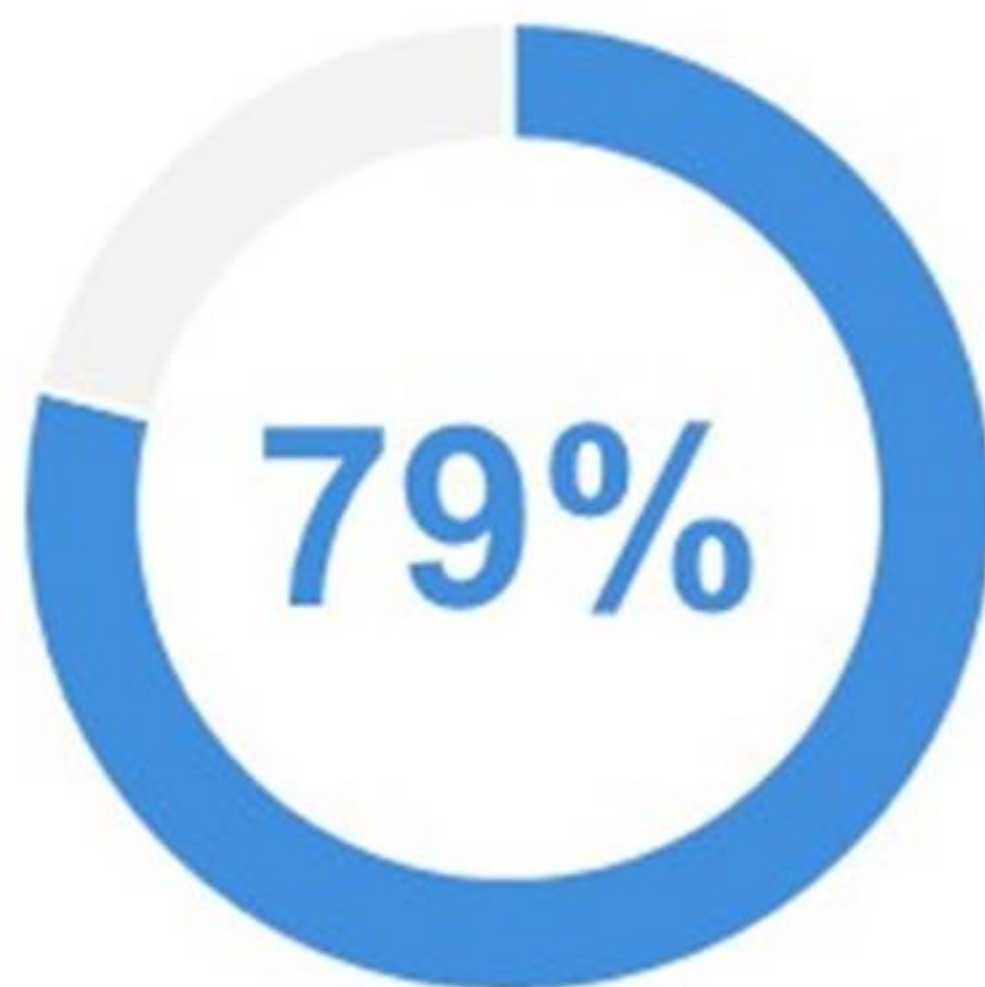
Today, your clients want online payment options



of people now prefer to pay with a **credit or debit card**



of online households report **paying bills online**

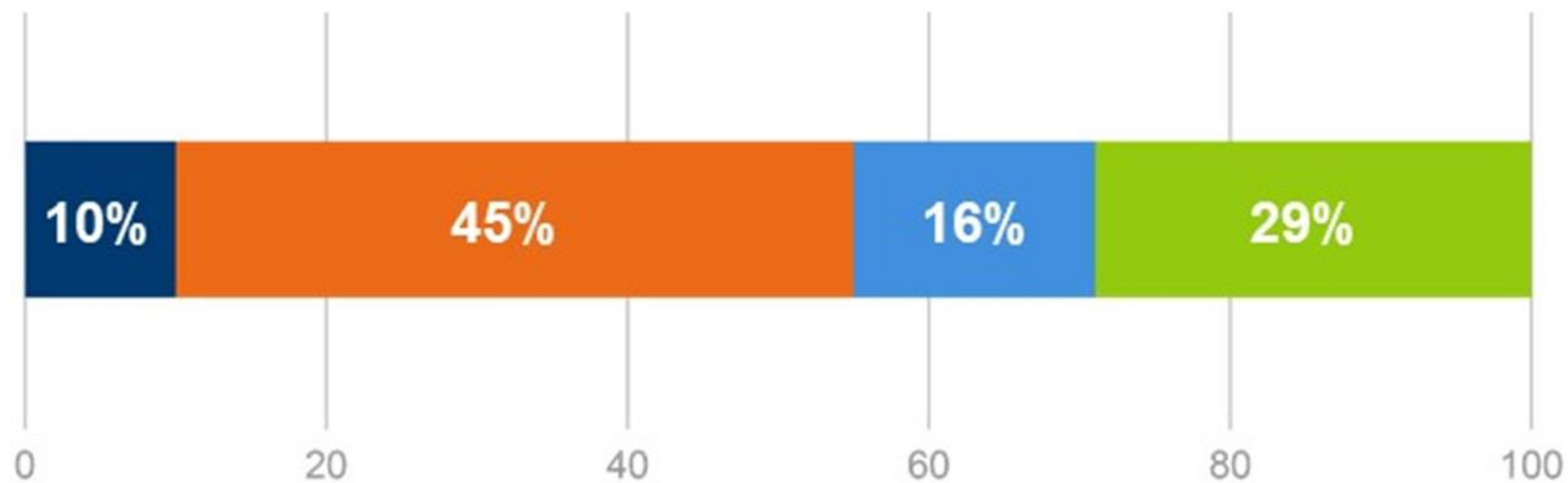


of consumers have switched to **paperless billing**



say having multiple ways to pay a bill **increases their satisfaction**

More people are ditching their checkbooks



Over half of consumers—**55%**—don't use or rarely carry checkbooks

■ Don't use ■ Rarely carry ■ Sometimes carry ■ Always carry

Source: Clio Legal Trends Report, 2019

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People's expectations of businesses are shifting, too



65%

expect to be able to pay for services online



79%

expect local service providers to offer the same payment options as big national brands

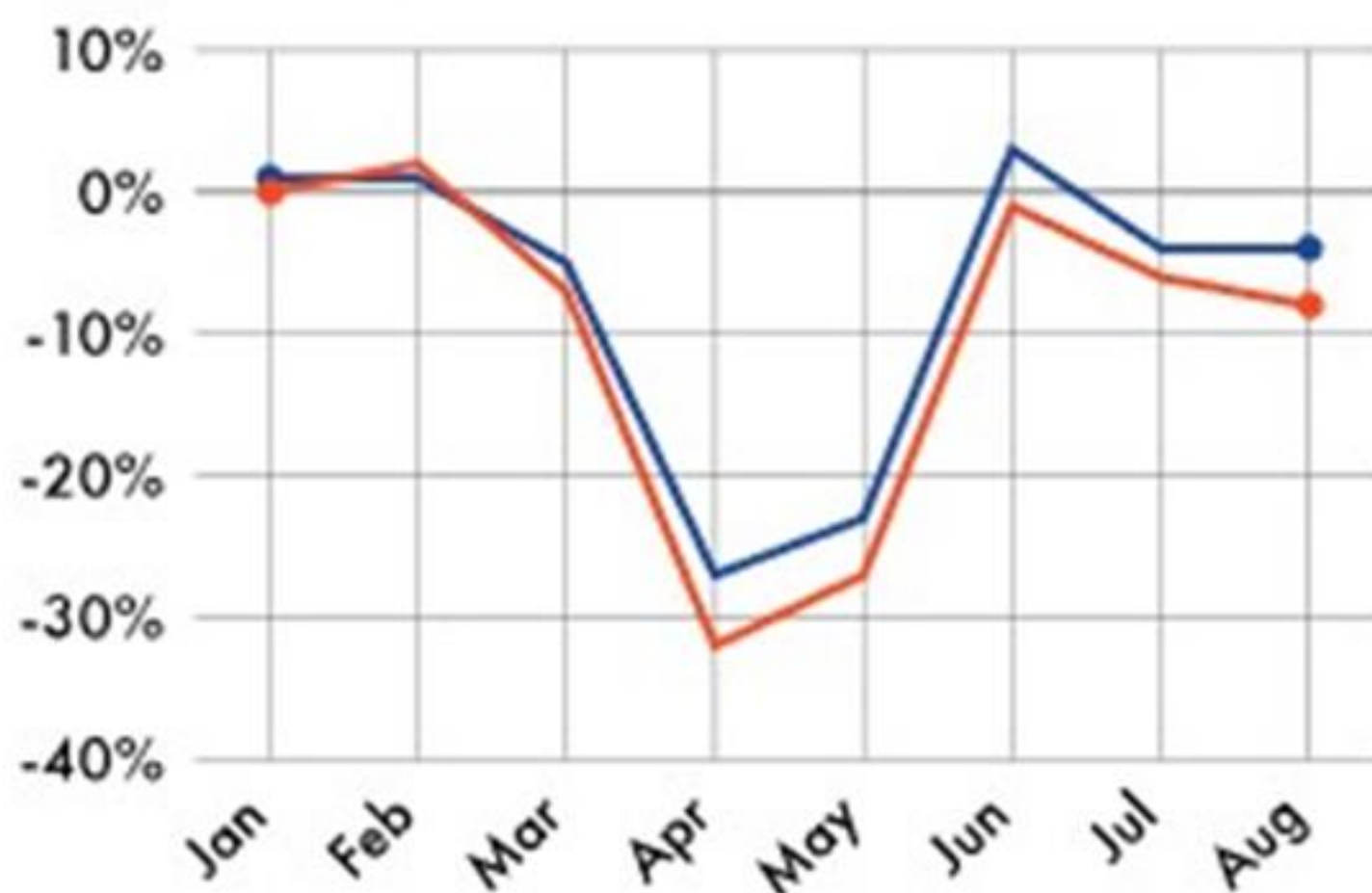
Electronic payments are an asset to your firm

In 2019, firms using electronic payments collected over \$10,000 more per lawyer and are firms are projected to collect over \$15,000 more in 2020.

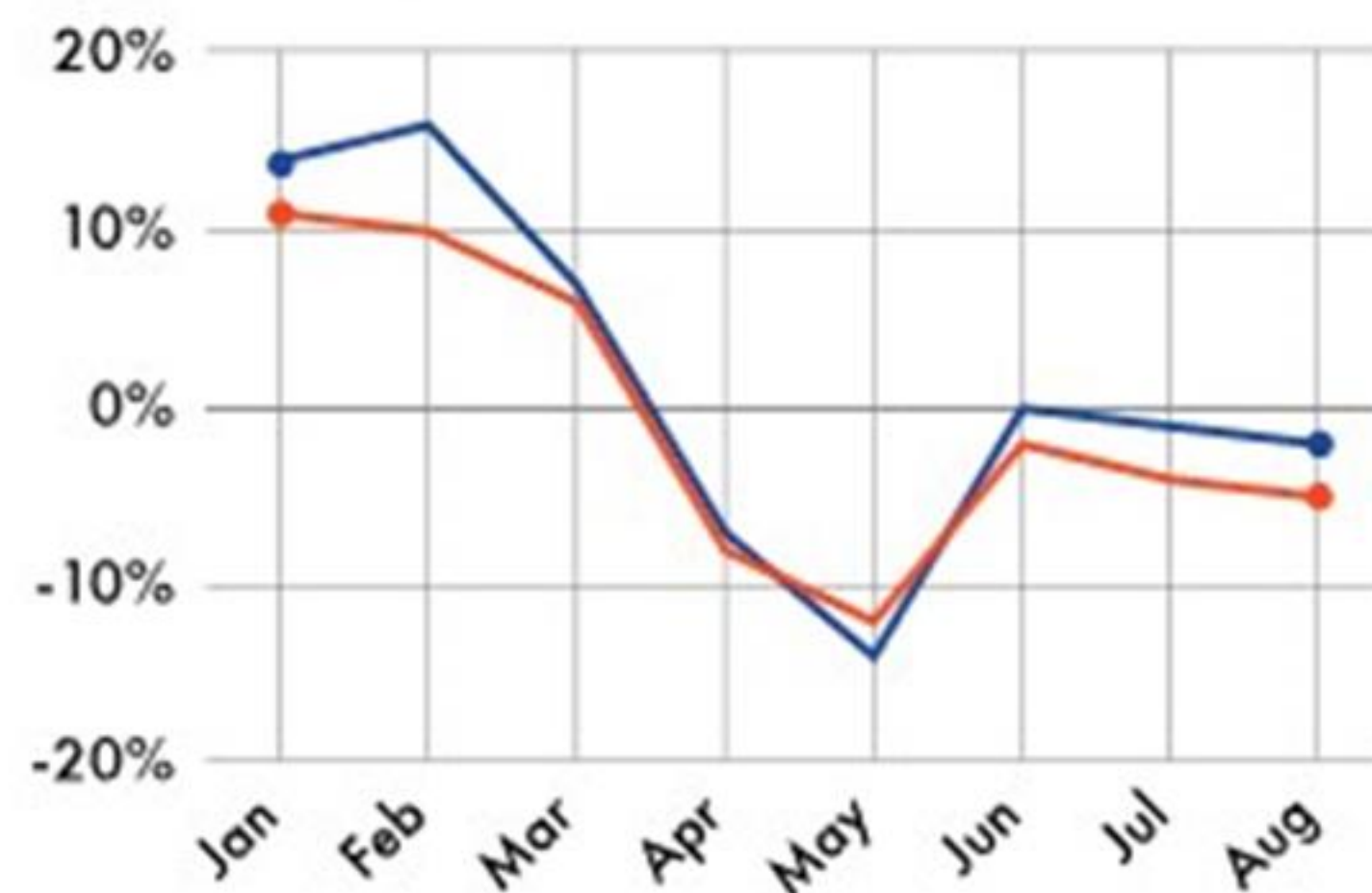
Electronic payments

● Uses electronic payments ● No electronic payments

YoY comparison of matter volume



YoY comparison of revenue



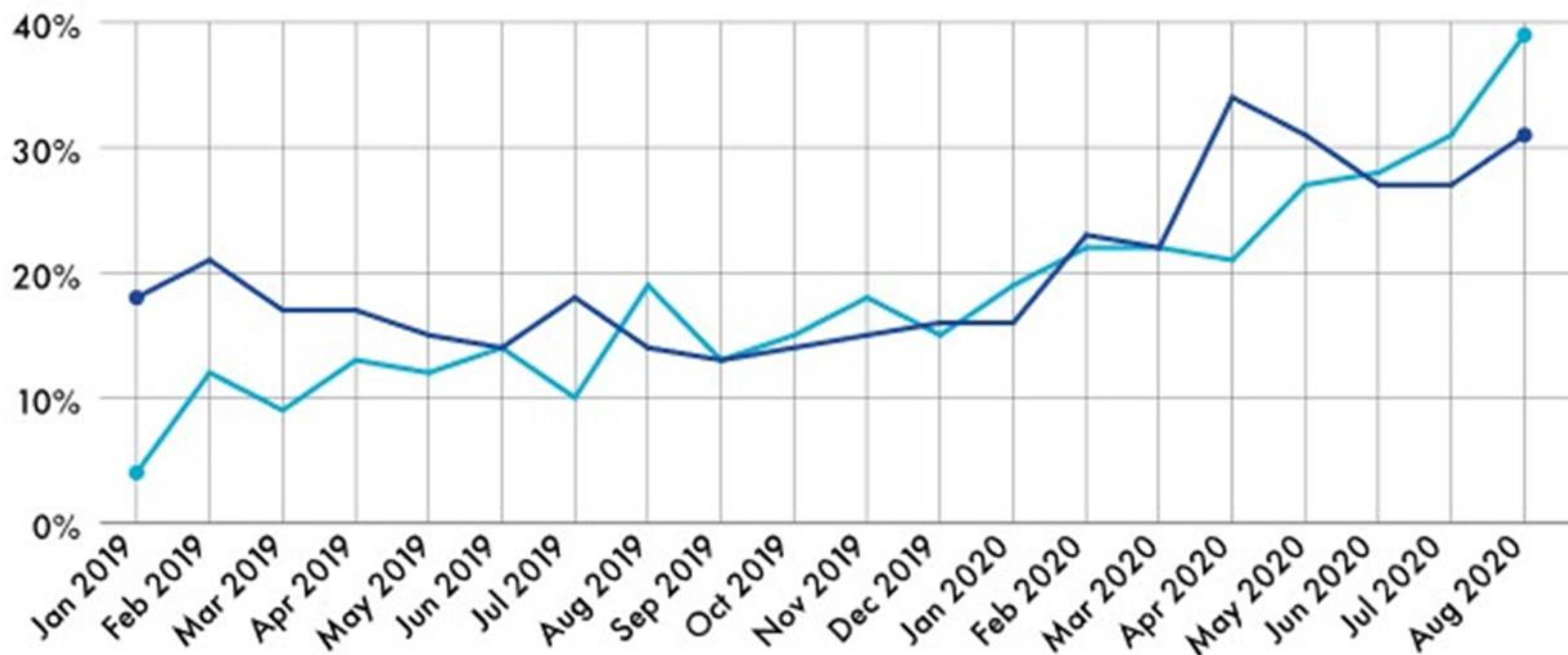
Electronic payments are an asset to your firm

Firms using multiple legal technology solutions collected **\$19,541 more per lawyer in 2019**, and are projected to collect **\$37,622 more in 2020**.

Advantages to using multiple technologies*

*Electronic payments, client portals, and client intake and CRM

- % difference in new matters (per lawyer)
- % difference in revenue (per lawyer)



Electronic payments are an asset to your firm



of clients surveyed would **NEVER** hire a lawyer who didn't take credit or debit cards



attorneys who accept online payments **get paid 39% faster** than those using traditional billing methods



of electronic payments get paid within the **SAME DAY** they are billed



of electronic payments get paid within the **same week** they are billed

COVID has only amplified these trends

If a client doesn't want to leave their home to go to the store, let alone pay their legal bill, you need to be giving them online options.



A digital transformation is happening in the legal space

Online payments lets you...

- ✓ Improve communication
- ✓ Offer a 24-hour virtual service
- ✓ Put the ability to pay right in your clients' hands
- ✓ Provide instant payment confirmation
- ✓ Automate billing and invoicing
- ✓ Link to payment page from email reminders

P.W. Smart
ATTORNEYS AT LAW

Pay Attorney

\$1,000

Client Name	Matter Number
Roy Smith	1304
Card Number	CVV
**** * 9993	001
Exp.	
NOV	2021

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eCheck **Pay Attorney**

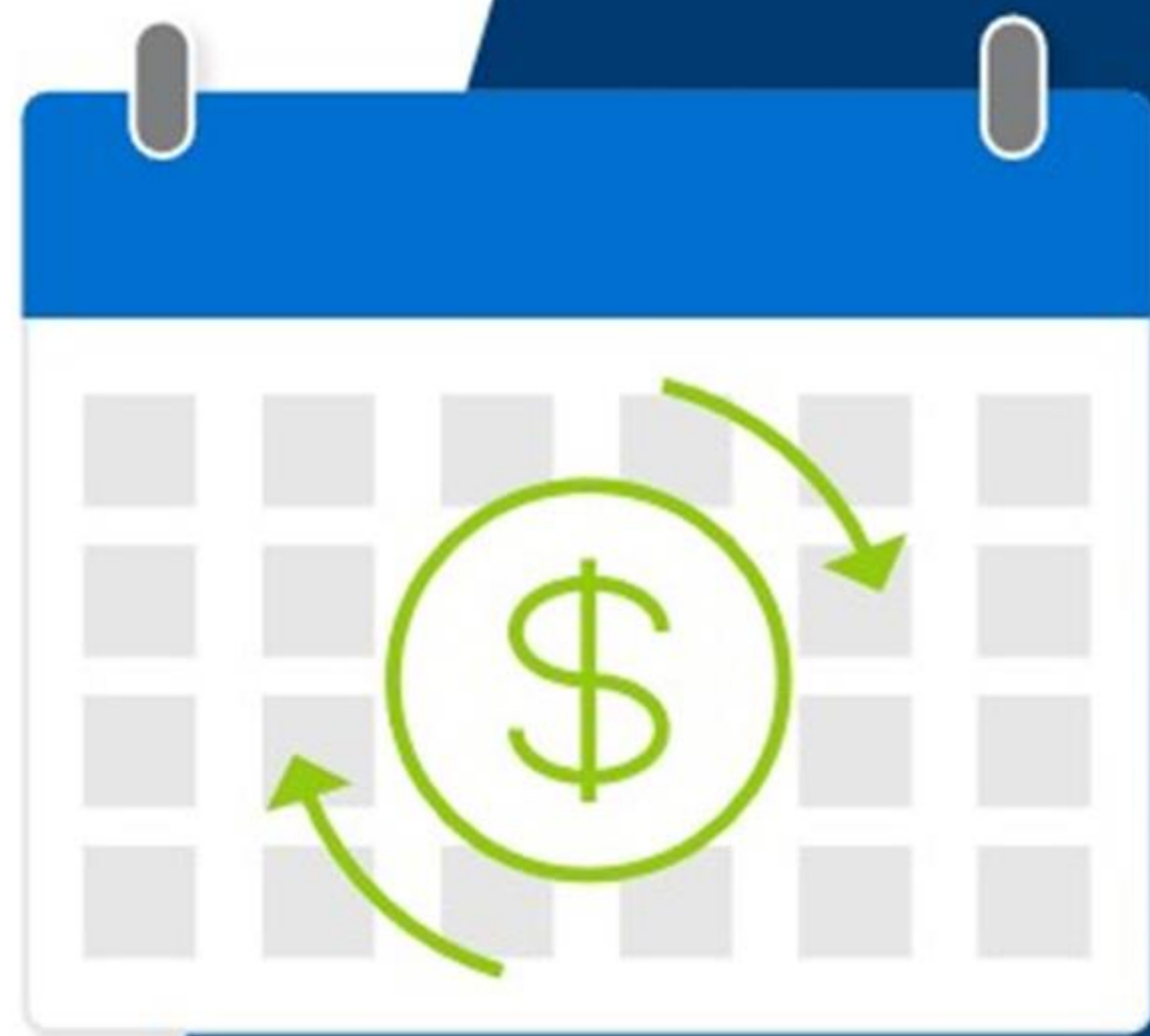
Utilize Scheduled Payments

Set clients up on a recurring monthly payment plan.

This is a great way to help them out financially, and save you time and effort, all while ensuring you maintain a consistent, predictable cash flow in your practice.



TIP: Get clients to sign payment authorization forms during their intake paperwork and set them up on a payment plan as part of your initial meetings and onboarding.



Thank You!

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