

# CREATING

An illustration of two hands in dark blue suits holding an open orange envelope. Inside the envelope is a white invoice with the word 'Invoices' written in a blue serif font. The invoice has several horizontal lines representing text. The hands are positioned as if presenting the envelope to the viewer.

*Invoices*

*Your Clients*  
**WANT  
TO PAY**

*By Terrie S. Wheeler, MBC*

**T**hough it sounds like an oxymoron, great invoices do exist. In fact, creating invoices that your clients actually want to pay is an indicator that you've mastered the art of communicating the value you bring to your clients as a lawyer. As we approach mid-year, now is the perfect time to double down on collecting receivables and to reassess your billing practices to ensure that the remainder of 2017 will be profitable. Consider it a mid-year billing review. Every month, you send a tailored marketing communication directly to your clients in the unlikely form of their invoices.

## ***DETAIL IS KING***

Invoices are one of your best marketing tools because they allow you to communicate your value in a very tangible way on a very regular basis. There is nothing worse than receiving a call from a client questioning an invoice. To question an invoice is to question *your* value as a lawyer since you are the service provider. Have you ever heard the phrase, "show me, don't tell me?" Though it may feel like it's a time drain, if you want to maximize revenue, minimize write-offs, and all but eliminate accounts receivable, detailed invoices *will* pay off for you. Here's what I mean:

*“You work hard to serve your clients. You bill them for your time, expecting they will promptly pay you for the services you have rendered.”*

### **WHAT NOT TO DO:**

6/11/17 3hrs Wrote AAL article

### **WHAT TO DO:**

6/11/17 3 hrs Wrote article for Attorney at Law Magazine outlining the ways in which attorneys can use invoices as a marketing tool to sell the value they deliver thereby increasing their annual revenue, reducing write-offs, and eliminating receivables; provided list of tangible action-oriented tips for readers.

## **THE BIGGER PICTURE**

While some attorneys struggle with staying on top of time entries (let's be honest – most of you), it's important to acknowledge that your invoice is only as effective as the value a client perceives when reading it. In your invoice, be sure to explain how your actions will have an impact on the bigger picture of their case or matter.

## **THE RECEIVABLES CONUNDRUM**

Our ideal clients pay promptly, are thankful and actively recommend us to others. While viewed as an asset on your balance sheet, it's not uncommon for attorneys to have accounts receivable that are months – or even years old. If you collect retainers from your clients, add a clause to your retainer agreement that when the balance reaches (pick a number), the firm will bill the credit card on file to replenish the account.

## **INVOICE TIPS**

Consider the following invoicing best practices:

**Electronic Invoicing.** If you're not using an electronic invoicing system, consider doing so. Sending electronic invoices will save you time and allow you to easily track accounts receivable. At PSM, we use [www.Harvest.com](http://www.Harvest.com). There are myriad practice management tools that include the ability to send invoices online via email.

**Online Payment Option.** Nothing makes paying an invoice more convenient for clients than the option to pay and manage your accounts receivable online. Services like ClientPay offer this seamless functionality.

**Branded Invoices.** A branded invoice conveys the look and feel of your law firm's brand. Not only do branded invoices allow you to boost your brand recognition, but they also show your clients that you're professional at every level of your practice.

**Bill your Time Daily.** Lawyers don't like to record time (neither do I!). However, you need to enter your time at the end of each day before you leave the office. If you don't, you are leaving a *lot* of time (and

money) on the table.

**Details, Details, Details.** Take the time to provide a detailed summary of the services you provided, including how the time you billed fits into the bigger picture.

**Pretend You Are the Client.** As you record your time, pretend you are the recipient of the invoice. What would you want to see to substantiate the time spent on your behalf?

**Retainer Letter.** To avoid amassing significant accounts receivable, outline your payment policy directly in your retainer letter, and include payment terms on every invoice (Payment due upon receipt).

**Retainer Collected.** If you collect retainers from your clients upfront, analyze how accurate your past retainers have been. Do you generally always have to ask clients to replenish their retainers? If so, it might be time to increase your retainer amount for new clients.

**Don't Relent.** Your clients hired you to pursue an important legal matter on their behalf. You worked hard and spent the time on their case or matter. Don't be afraid to aggressively follow up with aging receivables by setting up payment plans or in extreme cases suing it out.

## **CONCLUSION**

You work hard to serve your clients. You bill them for your time, expecting they will promptly pay you for the services you have rendered. Many times, this chain is broken – the part where your clients pay you. It is important to use the tips above to ensure that your clients not just pay you, but are happy to do so because of the value you bring to them.



*Terrie S. Wheeler, MBC, is the founder and president of Professional Services Marketing LLC. Terrie works with her legal industry clients to ensure they communicate the value they deliver to clients in their marketing strategies and in their invoices. Terrie also serves as vice chair of the MN Lawyers Board of Professional Responsibility, and teaches marketing and client service at three Midwestern law schools. You can reach Terrie at (320) 358-1000 or [TWheeler@psm-marketing.com](mailto:TWheeler@psm-marketing.com).*