

CLIENT CONNECTION

Accounts Receivable Management Solutions for Law Firms

800.236.8232 • 972.378.0407 fax
www.clientci.com

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Overcoming the Hurdle of Attorney Complacency

Complacency. When it comes to accounts receivable management, this is often one of the biggest challenges for law firms.



By and large, attorneys tend to make the easy collections during the course of the year. However, when there are problems, they let the receivables sit...and sit...and sit. Which is why law firms have more receivables going well over 90 days than they would want or expect.

Yes, it would be helpful to educate your attorneys on various techniques and strategies for how to best contact clients. It is still up to the attorneys to do so. But remember: attorneys typically do not have the time or inclination to contact their clients about unpaid bills.

So where do you start? Start small, gain momentum and report your progress.

- Prioritize your attorneys. Begin with those having the most difficulty collecting their A/R. Take the time to meet with these attorneys on a regular basis and ask them to tell you specifically when bills can be expected to be paid or what needs to be done with older receivables that are just getting older.

- Project realistic timeframes for when receivables are expected to be paid and when the attorney plans to contact clients to learn why payment has not been made. Communicate to the attorney that A/R management is a process that must be followed diligently if progress is to be made. Remind them that many clients will not pay unless they hear the firm is expecting payment.

- Report progress to the leadership of the firm and give them information to help them do their jobs. Effective receivable management starts from the top, but they must have details if they are going to hold attorneys accountable. It is often a judgment call as to how leadership chooses to deal with attorneys not managing their A/R.

For many clients, paying their legal bills does not carry the same urgency as payment to others. Payment becomes even slower when attorneys are not making A/R management a part of their daily practice management.