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I started a paper route at age 11. (Yes, kids were still delivering newspapers back then.) Delivering papers at 5AM was fine, but getting paid was *painful*– knocking on doors the first Friday evening of every month, remembering who owed how much, and hoping someone was home to write a check. (Then repeat 25 times…) Think about your business today: Do you sometimes find billing and invoicing as complicated as delivering the work itself?

Valueless Billing

Clients value your services, not your invoice. But effective billing is critical for the cash needed to pay yourself and everyone else. So if you're like me with my newspapers, you want your firm's billing to be accurate and disciplined, yet easy and efficient.

Breaking Down the Complexities of Billing

Billing is becoming more complicated as firms increasingly move past time-&-expense approaches. Going beyond simply multiplying hours by rate, you need to consider:

- **Timing** – accurate status of billing milestones like job completion, progress, or meaningful billable hours.
- **Amount** – current rates for involved resources, or the engagement letter terms if you're pricing differently.
- **Carry-Forward** – how much WIP to relieve, and how much to apply to future billing cycles. These decisions are influenced by work remaining, the historical

firm-client relationship and how much future work is expected.

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Your billing concerns go way beyond 'Beware of Dog' signs and auto-timed lawn sprinklers. The information, precision, and judgment needed for effective billing means having firm-wide visibility, efficient workflow, and a structured approach. Yet in most firms, billing involves many people and many systems. And all of these disconnected data silos separate people from information, disrupting the billing workflow. What you see instead are unnecessary phone calls, meetings, or e-mails just to clarify necessary billing information – stealing from client-facing time, driving up costs, and eating into margin. Frequent errors or inappropriate bills delay payment, hindering cash flow while jeopardizing client relationships. And staff whose realization incentives are perpetually impacted by inappropriate write-downs may start consider employment elsewhere.

A Better Way To More Cash.

I eventually started inserting billing notices stating the amount due, with a delightful option for customers to leave payment by the front door. (A better way to get paid!) While your firm's billing won't (and shouldn't) be that straightforward, more efficiency reduces administrative expense, tighter accuracy helps you get paid quickly and completely, and more discipline sees everyone treated fairly. As you review your billing approach, keep these attributes mind:

- **Wide Visibility**. Instead of making people hunt for questionable data, bring information together so it's easy to find and always current. Include client data, engagement scope and progress, and involved staff and their rates. Interfacing several systems is complicated, so look to a single, firm-wide system that connects front-office client-facing activity directly with back-office billing. User confusion may drive partners away, so seek advanced approaches that place all the critical information immediately at the hands of everyone involved. Partners or administrators can then easily toggle to find what they need. And you'll want the past, present, and even future– what was done for the client, what's being

delivered, and even upcoming engagements. Imagine how a complete view of the

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down—prompting review only when it's needed, always by the appropriate person. Look for ways to quickly capture and share instructions– directing everyone without discussion. Consider a shared workflow where everyone knows the invoice status, the correct amount to bill, and the proper way to prepare the invoice.

- **Freedom Within Structure.** Clients want consistency and staff expect fairness, so write-downs, invoice layouts, or realization adjustments can't vary widely by partner, office, or service. Yet billing must adapt to client demands and special circumstances. Invoice layouts should adapt to the engagement, pricing, and even client preferences. But gain underlying discipline through audit trails, prompts that require decisions to be justified, and setting write-down, write-up, or realization thresholds to each user's authorization level. Imagine situation-specific billing that still ensures clients are treated consistently and staff rewarded fairly.

Even delivering newspapers, greater billing efficiency brought me just as many tips. And I hope *these* billing tips can help make your invoicing processes accurate and disciplined, yet easy and efficient. You'll get paid more quickly to bring more cash into the firm, while you continue to delight clients and reward your staff.

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