

17 Quick Tips

TO MAKE MORE MONEY FROM YOUR LAW FIRM IN 2026

by Jay Sahota

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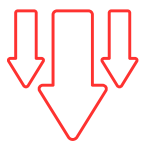
This applies to you, even if your firm is doing well. That caveat matters because the most common response I get from fee earners and managing partners when I raise pricing, time recording and billing discipline is some version of "we're fine, thanks," and then I look at the numbers. Most firms are not fine. They're busy. Those are different things.

Here are a small selection of the tips I share that make the biggest difference fast

Pricing



When did you last increase your hourly rates? If the answer is "I'm not sure," increase them now. Guideline rates are a floor, not a ceiling. If you have real differentiators, charge for them. If you don't know what your differentiators are, that's the first problem to solve.



Don't reduce prices to compete with other firms. That race has one destination. Instead, get clients to compare properly: your all-in service versus the firm that charges less upfront but charges extra for everything. Apples versus apples, not pears.



If you're fully booked, getting all your enquiries, and nobody is pushing back on your fees, increase your rates immediately. That's what the market is telling you.



Always charge more for urgent work, out-of-hours work, and work of unusual complexity or high value. These are not the same as standard instructions and should not be priced identically.



Consider your referral strategy. Subject to the rules, referring work you're not well-placed to handle to a firm that will return the favour can be more profitable than taking low-margin work and doing it badly.

Estimates and Fixed Fees



Most estimates are wrong before the work even starts, because they don't account for everything that will happen. An estimate covers the first draft of a document or letter. Updates, revisions, further drafts, client comments, extra exchanges - these are additional. If your estimate just says "draft letter," you've already given away money you haven't yet earned.



Always have an overarching umbrella estimate in place so there's no gap in your fee protection at any stage. Use retainers and scope fees tightly, with a built-in cushion.



Fixed fees need positive and negative scoping: what's included, what isn't. Charge extra when scope is exceeded, whether horizontally (time or stage) or vertically (complexity or size). Always factor in value, urgency, and how demanding the client is likely to be - not just hours.



If you've gone over an estimate and you're wondering whether to absorb it, try this: remind the client of what you've achieved and the value you've delivered, then say "I'm in your hands, but do you mind if I bill you for some of the additional work?" It works more often than you'd expect.

Time Recording



Fee earners in most firms are recording three to four chargeable hours a day, sometimes less. If that sounds familiar, it should concern you. Record time contemporaneously. Keep a pad next to you and note units as you go. Do not leave it until the end of the day - you will forget, and what you forget you can't bill.



Do not assume that a task can only be recorded at a certain amount because "that's how long it takes." The time taken is the time taken. Under-recording is a habit that costs firms significant money every year and is very difficult to reverse once it's embedded.



One unit for emails is rarely appropriate when drafting is involved. Record what you actually did.



Put write-off protocols in place so that any reduction above a set threshold requires approval. This makes discounting visible and deliberate rather than habitual.

Cash and Debt



Take fees upfront. Always. Either a fixed fee paid before work begins, or money on account for hourly rate matters. Invoices should be payable on demand. You are not providing credit facilities.



If you are owed client debt, dedicate time - or a member of staff - specifically to recovering it. Calls and emails, in that order. If a client is significantly overdue, it is worth considering a small discount in exchange for immediate payment. Slightly less now is better than slightly more later, or nothing at all.



When did you last look at the interest rate on your firm's client account? Many specialist business and client accounts now pay around 3-4% AER, which can make a significant difference to a firm's finances - yet some practices are still on well under 2% because they haven't reviewed their banking arrangements in years.



Think carefully about the timing of payments in and out. Move what you can by speaking to suppliers. Your own collection terms should be as tight as possible.



Twice-monthly billing improves cashflow and helps clients budget. Monthly billing of all work in progress should be standard unless there is a specific reason to defer. Work in progress is not an asset - you pay tax on it and if it doesn't convert to cash it serves no practical purpose.

Existing Clients



Your existing client base is the fastest source of additional revenue you have, and most firms underuse it. Check in regularly. Cross-refer between departments. Map your top clients against your service areas and look for gaps - areas where they haven't used you, and where a conversation might open a door.

The pattern I see repeatedly

In every firm I work with, the gap between what fee earners bill and what they could bill without working a single extra hour is significant.

The problem is rarely effort and almost always discipline - on pricing, recording, and collection. Fix those three things and the numbers change fast.

Contact me directly for more tips that will make a difference to your bottom line.

Jay Sahota read Law at Cambridge and qualified at Allen & Overy.

He now works as a mentor and trainer to law firms across the UK, helping partners and fee earners to improve billing, time recording, pricing, and profitability.

His day-long training course covers all of the above in depth.

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If any of this has struck a chord, and you'd like help turning these ideas into action, let's talk.



Book a strategy call with me here: <https://masalamentor.co.uk/contact>

I'll bring the Masala. You bring the questions.

- Jay