

Time-to-Cash Workflow Guide

The six stages from captured work to collected cash, the metrics and formulas that track each stage, and what to fix when one slows down

MIRA · miranow.ai · Updated October 2026

1 The six stages of time to cash

1 Capture

Work is recorded as it happens, from activity, timers or manual notes.

2 Entry

Time becomes a reviewed entry with matter, duration, narrative and codes.

3 Pre-bill

The billing lawyer reviews unbilled time, applies write-downs and checks client rules.

4 Invoice

The bill is issued on paper, PDF or through the client's e-billing portal (LEDES).

5 Payment

The client pays, or advance fees held in trust are applied as earned under Model Rule 1.15.

6 Collections

Overdue balances are followed up on a fixed schedule until paid or resolved.

2 What breaks at each stage and what to fix

Stage	Common failure	Fix	Owner
Capture	Short tasks and calls never recorded	Passive capture or a daily capture routine	Timekeeper
Entry	Late, vague or block-billed entries	Same-day entry and a written entry standard	Timekeeper
Entry	Missing or wrong UTBMS codes	Code check before release	Timekeeper, billing
Pre-bill	Pre-bills sit unreviewed for weeks	Fixed pre-bill deadline each cycle	Billing lawyer
Pre-bill	Large write-downs at review	Fix narratives and staffing upstream	Billing lawyer
Invoice	E-billing rejections	Match client guidelines, rates and LEDES format	Billing team
Invoice	Bills sent late in the month	Set a monthly billing calendar	Finance
Payment	Client disputes entries	Clear narratives and agreed fee terms (Rule 1.5(b))	Billing lawyer
Payment	Trust funds not applied	Apply earned fees from trust promptly per Rule 1.15	Finance
Collections	No follow-up until 90 days	Reminders at set intervals after the due date	Finance

3 Core metrics, formulas and a worked example

Metric	Formula	Example	Result
Utilization	Billable hours / available hours	120 / 160	75%
Billing realization	Amount billed / standard value of time worked	\$32,400 / \$36,000	90%
Collection rate	Cash collected / amount billed	\$30,780 / \$32,400	95%
Overall realization	Cash collected / standard value of time worked	\$30,780 / \$36,000	85.5%
WIP days	Unbilled WIP / average daily value of time recorded	\$60,000 / \$3,000	20 days
DSO (debtor days)	Accounts receivable / average daily billings	\$90,000 / \$3,000	30 days
Lockup days	WIP days + DSO	20 + 30	50 days
Entry lag	Average days from work date to entry date	Track per timekeeper	Lower is better

Example: 120 billable hours at a \$300 standard rate = \$36,000. Figures are illustrative arithmetic. Firms define periods and denominators differently; keep yours consistent.

4 Which metric points to which stage

CAPTURE Low utilization Check capture first: unrecorded work looks like low workload.	ENTRY High entry lag Entries are written late and lose detail.	PRE-BILL Low billing realization Write-downs at pre-bill: narratives, staffing or rates.
PRE-BILL High WIP days Time sits unbilled: pre-bill review or billing calendar.	PAYMENT Low collection rate Disputes, write-offs or weak collections follow-up.	COLLECTIONS High DSO Bills are paid slowly: terms, reminders, e-billing rejections.

5 Monthly time-to-cash review

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|---|--|
| ☐ All time for the month is entered and released before pre-bill | ☐ Invoices go out on the billing calendar date |
| ☐ Unreleased draft entries are cleared or explained | ☐ Earned fees are applied from trust where the engagement allows |
| ☐ Entry lag is reviewed per timekeeper | ☐ Overdue invoices have a next follow-up date |
| ☐ Pre-bills are reviewed by the set deadline | ☐ Utilization, realization, WIP days, DSO and lockup are reported |
| ☐ Write-downs are logged with a reason code | ☐ The stage with the biggest leak has one owner and one fix |
| ☐ E-billing rejections are logged by cause | |

6 Time-to-cash habits

Do <ul style="list-style-type: none">✓ Fix entry quality before it reaches pre-bill✓ Bill on a fixed monthly calendar✓ Agree fee terms and billing rules in writing up front✓ Track lockup as one number leadership sees monthly	Avoid <ul style="list-style-type: none">✗ Let unbilled time age past one billing cycle✗ Rewrite narratives at pre-bill that the lawyer should have written✗ Measure collections without measuring realization✗ Treat a billing system upgrade as the fix for missed time
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7 Terms

WIP

Work in progress: time recorded but not yet billed.

Write-down

A reduction of recorded time or value before the bill is sent.

Lockup

Days of value tied up in unbilled WIP and unpaid invoices.

Standard value

Hours worked multiplied by the timekeeper's standard rate.

Write-off

A billed amount the firm stops trying to collect.

LEDES

Standard file formats for submitting legal invoices to e-billing systems.

8 Where MIRA fits in time to cash

MIRA works on the first two stages: it captures legal work activity and prepares reviewed time entries in Microsoft Teams. It does not replace the billing system. Approved entries release toward Aderant, Elite, MATTEROOM, QBO or custom finance systems, with MIRAlink for private or on-premises environments.

Sources and references: ABA Model Rule 1.5(b) (communicating the basis of the fee); ABA Model Rule 1.15(c) (advance fees held in trust, withdrawn as earned); LEDES e-billing formats (LEDES Oversight Committee); UTBMS Code Sets; Arithmetic: $120 \times \$300 = \$36,000$; $\$32,400 / \$36,000 = 90\%$; $\$30,780 / \$32,400 = 95\%$; $\$30,780 / \$36,000 = 85.5\%$.
General information, not legal advice. Check your jurisdiction's rules and your client billing guidelines.

MIRA
www.miranow.ai/solutions/legal-time-and-billing-software-for-law-firms