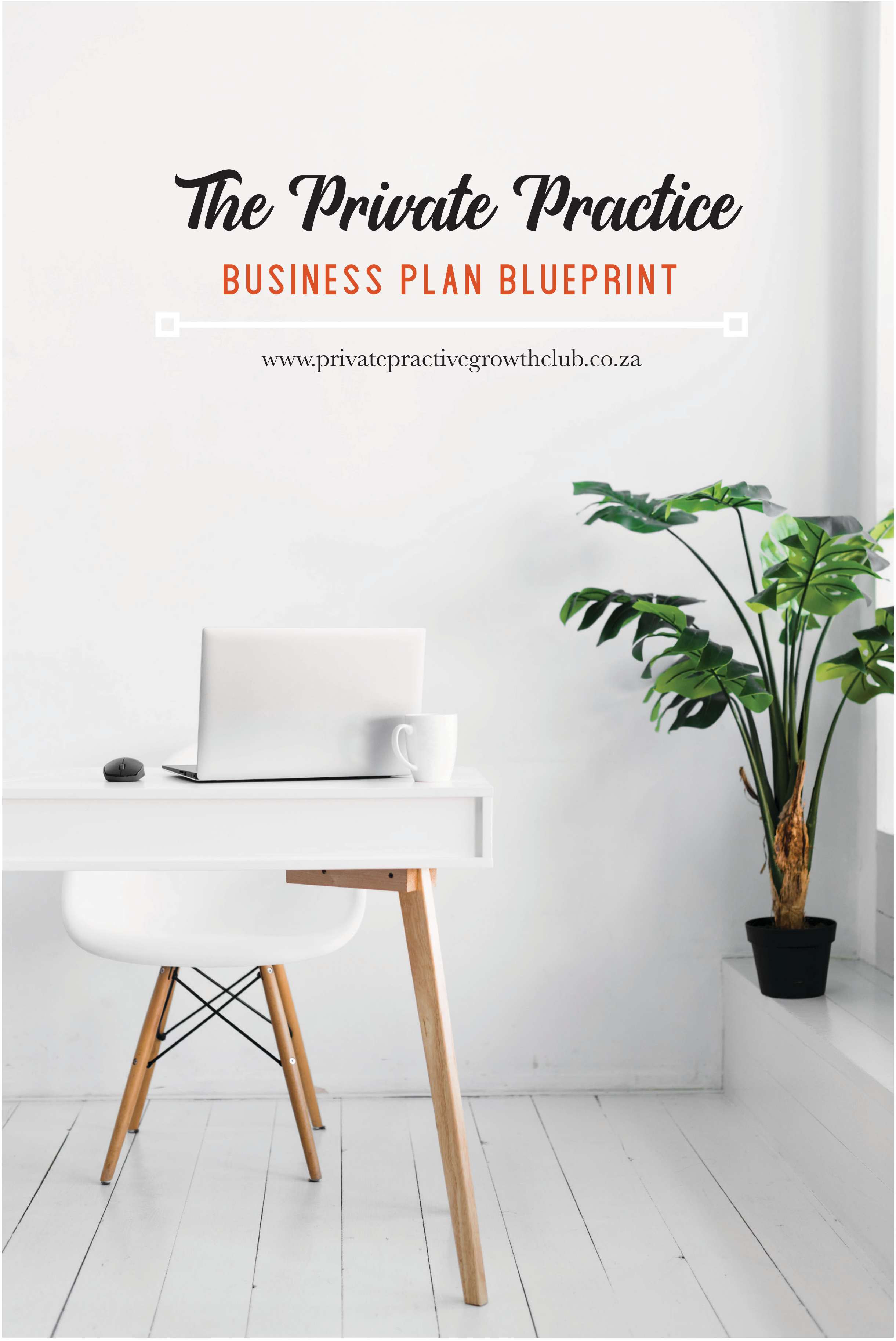
Private Practice Growth Club

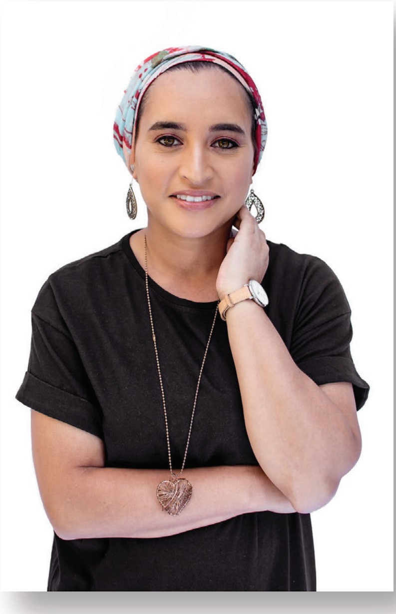
The Private Practice

BUSINESS PLAN BLUEPRINT

www.privatepractivegrowthclub.co.za



WELCOME



Hey there! If we haven't met yet, I'm Tasneem, founder of the Private Practice Growth Club and the Private Practice Growth Academy. My mission is to give health professionals starting or growing a private practice in South Africa, the knowledge and tools they need to book more of their dream clients and build a profitable practice.

As health professionals we are helpers and givers by nature, so we tend to feel guilty about wanting to 'sell' our services or 'make money'. In the health profession there is a lot of shame around wanting to earn well and not serve under privileged communities. For many health professionals our greatest fear is being perceived as sleazy or 'salesy', or like we are just in it for the money. Because the truth is most health professionals are really passionate about their profession and truly just want to make a positive impact in the world. Sound familiar?

But the reality is, just because you aren't all about making money, doesn't mean you shouldn't make any. Ever heard the saying, "You can't pour from an empty cup"? By earning well and not feeling stressed and overworked, you can still serve less fortunate communities by giving back (if you so desire) whether through time or money (having said that, you should never feel ashamed if you do not have the capacity or desire to do so). Whereas if you are not making ends meet trying to serve others, how sustainable will your impact be? The work you do is hard! The cost of going to inspiring trainings, getting ongoing supervision or mentorship and taking time off is high. Do not undervalue your work, expertise and your profession by feeling ashamed for wanting to build a profitable practice. One way you can make this money mindset shift is to get really clear about why your practice exists, its mission and values, who you serve and what problem you are trying to help them solve. This is the reason it is important to have a business plan. A business plan describes all these things, as well as outlining how you will generate revenue, the expenses of your practice, your marketing plan, and your projected income.

Unfortunately, we are not taught how to develop a business plan, so when we decide to go into private practice, most of us just stumble straight into the operational side of running a practice without ever creating a plan for profitability. We focus on the things that make us feel productive like creating a logo or social media, and maybe even land some clients this way. But just because a practice is 'full' or 'busy', doesn't always mean it is a profitable practice. You can be a busy practice that is barely scraping by, or worse, isn't making any profit at all. Having a practice without a business plan is like treating a patient without an assessment or treatment plan. Think of your business plan like your practice's treatment plan. And just like your patient treatment plan, your business plan should not be a set and forget document. It is a living document that evolves as you and your practice needs evolve. In the Private Practice Growth Academy I teach my members how to keep their finger on the pulse of their practice so that it's easy to review and keep their business plan updated. When someone goes through Academy, they are effectively making sure they have covered all aspects of their business plan. This business plan workbook is provided to all academy members to organize their hard work into a single document. I am sharing this with you for free, because I thought it might be helpful for you to see the actual categories of a formal business plan so that you can make sure you have the information you need in your own business. We do go through all these categories in depth inside the academy, but you can use the prompts to go through it on your own as well. Take your time and be as detailed and descriptive as possible.

I am excited for you and the journey you are embarking on, and I hope this workbook will help you build the private practice of your dreams.

Executive Summary (do this section last)

An executive summary is a critical section of your business plan. It provides a holistic snapshot of your practice, so although it is the first section, it is advisable to write it last. So skip ahead for now and once you have completed all the other sections you can come back to this. Here is what you will want to include in your executive summary:

- PRACTICE OVERVIEW

This is the first few sentences of the executive summary. It includes your vision and mission statement, briefly explaining who you are, why you started a private practice and what services you provide.

- VALUE PROPOSITION

This is a short, concise statement about what sets you apart from your competitors and how the products or services you offer solves the problem your target audience has. In the academy we go through a guided exercise that helps members define their Unique Value Proposition

TARGET MARKET

This is where you describe you ideal patient profile. What is your patient demographic? What are their income levels? Are they medical aid or cash paying patients? Does your product/service meet their needs?

PRACTICE STRUCTURE

This is an organisational, operational and management summary of your practice. Are you a solo or group practice? Do you have employees now and/or in the future? What type of business registration do you have? What are the key roles and responsibilities in the practice? Briefly describe these in terms of current and future plans. For e.g. if you currently are a sole prop, do you intend to eventually become a private company? Do you intend to open other branches or employ locums? Do you plan to sub let to complimentary professionals, do you plan to introduce other streams of revenue, etc.

MILESTONES AND TRACTION

This section describes your future goals and growth to date. It defines the metrics with which you measure the success of your practice and answers the question: "What does success look like to you and how will you measure it?", e.g. nr of patients per month, revenue/profit, size of your team, etc.

FINANCIAL SUMMARY

This is probably the most terrifying part of the business plan that most people avoid because it feels too difficult, yet it is one of the most important sections of the business plan. Here is where you summarize your short term and medium term budget, as well as your long term projected budget. This should include all known and projected expenses for opening and/or growing the practice e.g. purchase or leasing of equipment, assessments, rental, etc. And projections of what revenue you plan to generate to cover those expenses. You can summarise this information using charts. If you find this too overwhelming, seek assistance from a bookkeeper or accountant, but do not let them just do it for you. It is critical that you know your numbers for your practice, so have them go through it with you and explain it to you.

Strengths, Weaknesses, Opportunities & Threats

A SWOT Analysis maps out your businesses path toward your goals by identifying strengths and weaknesses (internal attributes) and opportunities and threats (external conditions).

- OPPORTUNITIES

What changes in your profession, policies and social patterns can be a growth opportunity for your practice? (For e.g. during the Covid19 lockdown, the HPCSA amended their policies to allow all health professionals to provide telehealth services.)
What are the common, new or re-occurring problems occurring among your ideal patient population that you can provide a solution for? What solution are you offering?

- THREATS

Are their existing alternatives to the solution you are providing to the problems identified above? Are there other practices trying to serve the same patients as you in your area? Who are your competitors? What changes in the external environment presents an obstacle to your business growth? (E.g. the Covid19 lockdown is a global crisis that poses a major threat to all private practices. Another example is that even though telehealth is an opportunity, currently there are still very strict limitations and the medical aids do not currently recognize it as equal value as in person and so remuneration is less.)

STRENGTHS

What sets you apart from your competitors? What advantages do you / your practice have? (E.g. specialized training, level of experience, etc.) What is your unique value proposition (UVP)?

WEAKNESSES

What areas can you or your practice improve on? What does your practice lack? What does your competitors do / have or how are the existing solutions to the problems you are trying to solve more attractive than what you are offering? (E.g. are there other practices that have better opening hours or location, more specialized training, more experience, a better online presence, bigger marketing spend, etc.)

Market Research

When starting a private practice, it is important to know who your ideal patients are, what problem they are trying to solve, and what existing practices are out there serving the same patient profile group as you. In business this is known as competitor analysis, and even though the exercise is the same and still important, as health professionals, business is different for us. I want to discourage a competitor mindset and rather encourage you to adopt what I like to a call co-opetition mindset. In the health profession, other health professions can be your lifeline in your private practice. They will be your colleagues, clinical mentors, friends, referral sources, and important outlets for the emotionally challenging work you may sometimes experience.

You already touched on this in your SWOT analysis, but it is important to give a more detailed outline of your market research, which includes:

- IDENTIFY THE CO-OPETITION

Make a list of all the health professionals in the same or complimentary professions who treat the same condition as you in your immediate area (you can include this full list as an addendum to your business plan). Find out who specializes in working with your specific ideal client.

CO-OPETITION STRATEGIES AND GOALS

What does your co-opetition promote and how do they promote it? Are there strategies that you see many of them using? What sets each of them apart from one another? Is there a huge demand for the kinds of services they provide? What are their operating hours? What is their payment strategy? Do they accept medical aids and are they contracted in or out of medical aid, or are they cash-based? What do they charge for their services? What services and/or products do they provide? What are their greatest strengths and weaknesses?

CLIENT/PATIENT RESEARCH

Who are your ideal patients? Create 2 to 3 ideal patient profiles that describe things like: age, income level, hobbies and interests, where they hang out online, etc. Most importantly you need to describe the problem they are trying to solve. What is their 'deep desire'? What tangible transformation are they trying to achieve? In the academy we go through an exercise called message mining, where members are taught how to connect with ideal patient 'avatars' to research and to understand their potential patients so that they can best serve them.

Marketing Plan

In this section you will dig deep into your marketing strategy. In the Marketing Mastery module of the academy members are taken through a step by step process for developing a marketing strategy that aligns with their values, capacity and interests. Your marketing plan describes how you let your ideal patient know about you and how you will communicate the solution that you are providing to them. It is best described by breaking up your marketing into stages according to what is known in business as the customer journey funnel:

- TOP OF THE FUNNEL MARKETING STRATEGIES: AWARENESS

How will you get your ideal patients to become aware of you and your practice, the problem you are addressing and how you are solving it?
(E.g. providing educational content on social media or a blog, paid advertising, etc.)

- MIDDLE OF THE FUNNEL MARKETING STRATEGIES: CONSIDERATION

How will you build a deeper relationship with your potential ideal patient? How can you introduce them to your product/service? (E.g. case studies, targeted educational content specific to their needs/problem, etc.)

BOTTOM OF THE FUNNEL MARKETING STRATEGIES: DECISION

What will you do to help those who now know about you and your services, make the decision to make an appointment? (E.g. information on your website about what to expect if they book an appointment, an easy booking system, etc.)

RETENTION MARKETING STRATEGIES

How will you delight your patients so that they always return to you when they need treatment again or that they will return for follow up treatments where it is clinically recommended for optimal outcomes? (Keep in mind HPCSA guidelines against incentivising patient loyalty.)

ADVOCACY

How will you turn your patients into advocates so that you receive word of mouth referrals, similarly, how will you get more referrals from other health professionals? (Bear in mind the HPCSA guidelines against touting, canvassing and incentivizing referrals.)

Operational Plan

Think of Operations as the "how" section of your business plan. What do you need to do? How will you get it done? This section should describe the day-to-day operations of your practice. Here are some examples of questions you might want to answer in this section. Not all practices will need to answer the same questions, so do add or delete what is relevant to you and your unique practice needs.

- Will you need premises, such as an office or consulting rooms, or will you be working from home?
- How will you secure your premises and/or sensitive patient information?
- Will you have employees or consultants such as an accountant or bookkeeper?
- Exactly what products and/or services will you offer?
- What equipment, assessments, technology, etc. will you need to provide this service/product?
- How many hours will you set aside for treating clients?
- What about non-clinical work such as administration, finance, and marketing?
- What sort of software will you need to ensure the smooth operation of your private practice?
- What professional issues will you need to take into account?
- How will your operations change as the practice grows?
- What steps will you take to cut costs if the practice initially does not perform up to expectations?
- How will you bill patients?
- How will you keep clinical records?
- How will you take bookings for appointments
- What will you need to put in place and/or maintain to carry out your marketing plan?
- What are all the legal requirements for running your practice e.g. licences, patient contracts, liability insurance, etc.
- Professional support required e.g. CPD requirements, mentorship/supervision, attorney, etc.

Practice Management

Here you provide an overview of the management of your practice and the staff you have or will hire to help you with different roles and responsibilities in your practice

- PRACTICE OVERVIEW

Here you include your vision and mission statement, intellectual property, legal structure, ownership details, location of your practice, and the history (if you are taking over from an existing practice).

TEAM

The staff that you have or will employ to carry out the daily operations in your practice.

Financial Plan

This is one of the most important sections of any business plan. This can feel very scary and overwhelming if you feel you are not a 'numbers' person. However it need not be complicated. The main function of this section is to show where your money is coming from, where it is going, and can you show if your practice will be profitable. If you have a bookkeeper or accountant they can help you with this, however I must stress that you have them explain it to you so that you have a thorough understanding of the financial health of your business.

PROFIT AND LOSS STATEMENT (P&L)

This is also known as an income statement and shows whether you are making a profit or a loss in your practice. If you are a brand new practice, you can provide a projected P&L detailing what you anticipate the expenses and revenue of the practice will be for the first 3 months of your business. For expenses, think about your start-up expenses:

- *What will you need to buy to get your private practice up and running?*
- *How much will you have to spend on marketing?*
- *How much will your employees or consultants cost?*
- *What about ongoing costs of renting rooms, administration, equipment, software, travel, insurance, CPD and marketing, etc?*

For projected income, think about what you will charge for your services and how much money will you make each month. Be realistic. Think about how many patients you will/can treat per week - how confident are you that you can meet this prediction? What about cancellations? If you're a solo practice, you'll also need to account for time off - you'll deserve it! Remember, it is better to slightly underestimate your income than overestimate it.

- CASH FLOW STATEMENT

This is often confused with an income statement. However, where an income statement reflects all revenue generated by your practice, including unpaid invoices, the cash flow statement reflects only money in the bank. This statement helps you understand how much cash you have on hand to pay your bills or grow your business

- BALANCE SHEET

The balance sheet is an indicator of your practice's financial health. It includes your assets such as equipment that can be resold, liabilities (e.g. unpaid patient accounts), and your equity (how much money you or partners have invested in the practice, or how much you have withdrawn from the practice (not salary).

Was this helpful?

I'd love to connect with you further about your private practice journey.

Take a pic of you working through this Business Plan Blueprint and share it in your IG or FB stories and tag @privatepracticegrowthclub so I can get to know you better!

Interested in joining the academy?

Find out more at www.privatepracticegrowthclub.co.za/academy

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