

# Practice Management

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## 1.0 Assignment

- We've done mission, vision, core values
- Test will be over what's in the book. Make sure to read it and understand it.

Look at your budget:

- # of Treatments
  - Look at projections
  - Set stretch goals
  - Mike's first year numbers were: Tx: (see spreadsheet)
- TV ad was \$700 to produce + \$400/month to run it.
- Advertising – invite doctors and patients together and seat them strategically.
  - Do it on Chinese new year...
  - Make sure they here it three time in three different ways

## 2.0 Business Plan

See small business administration plans...

- Make sure you up date it as you learn more. It's a learning process and a living document.
- Put in an executive summary
  - An overall summary of what we're doing and how we are doing it.
- Put in a SWOT analysis on the next section
  - Situational Analysis (players in the market, who you are competing with)
    - Who are the doctors and clinics
    - Who are the potential patients and their income
- Action plan

- Objectives, strategies to meet objectives, actions to meet the strategies

## **2.1 The business plan**

- Provides the roadmap for you
- Summarizes your plans for other stake holders
- Should be a dynamic working document.

You need to do projections and you need to do actual numbers so you can adjust.

The business plan is the roadmap to start with.

Does my strategy work? How should I adjust?

## **2.2 Introductory Material**

- Background on the development of the concept of your business
  - See the stuff from the acupuncture medicine in the recent article.
  - Acupuncture is predicted as the next big thing. Experts believe that acupuncture is going to explode. See what complimentary experts see as trends.
- Mission statement
- Vision statement
- Core values/Guiding Principles
- Identifies the impetus for this business

## **2.3 Market Analysis**

- Relevant demographic information
  - Who are they?
  - What are they like?
  - What is their median income?
  - Etc.
- Identification of the need
- Analysis of the competition
  - Direct competitors
    - Other acupuncturists
    - Pediatrics
    - Doctors doing acupuncture
  - Indirect competitors
    - Health food store
    - Massage therapists
    - Naturopathic healers
    - Chiropractors
    - Other Doctors
    - Etc

## **2.4 Strategic Plan**

- How will you met the need that is there
  - i.e. market to the individual who are out there?

- How do you get groups of people? Through groups they are a part of.
- Through doctors
- Through employers
- The more formal the group is you are working with, the more formal you have to make your efforts.
- How will you compete for business
- What message will you convey to your market

## **2.5 Offerings**

- What services will you provide
- Description of products
  - Will you sell TDP lamps to your customers?
- Possible future offerings

## **2.6 Sales and Marketing**

- Marketing strategy
  - Interactions with everyone
- Sales tactics
  - I have fill-in-the-blank, does acupuncture help with that?
  - Yes, I have seen people with similar symptoms with good results.
- Advertising
  - Having signage is important
- Promotions and incentives
- Publicity
  - National OM day
  - Events calendar?
  - Press releases – sometimes they get picked up, sometimes they don't

## **2.7 Operations**

- Service delivery
  - How many patients per hour
  - Home much time with patients
- Facility requirements
  - How many rooms to support the above proposal
- Insurance
- Licenses

## **2.8 Financials**

- Cost projections for equipment and supplies
- *Pro Forma* income projections
- *Pro forma* cash flow projections
- Breakeven analysis

## **2.9 Supporting Documents**

- Tax returns from the principals (3 years)\*
  - At least you, and anyone else who's a principle.
- Personal financial statement (from bank)\*
  - Says that you're a member in good standing in the bank and how much money you have on hand.
- Copy of proposed lease
- Copy of licenses
- CV or resume of the principles
- Letters of Intent from stakeholders\*

## **3.0 Next week**

- 25 question exam
- Olga's lecture
- Following week Mike will be back (week 7)
  - HIPAA, OSHA, and the IRS
- Business plan is due week 8
  - The major pieces should be here.
  - Do bullet points!
  - The following should be there:
    - Mission, vision, core values
    - Marketing Analysis (overall market, demographic info, target market, customer characteristics (income level, age (fertility 25-35, 80% males), needs,etc)
    - Analysis of competitors (primary and indirect) (strengths and weakness of competitors) SWOT – analysis of competition
    - Etc...
  -
- Will end up with by week 8:
  - Executive summary
  - Mission/vision/core values
  - Market analysis
  - Competitor analysis
  - Listing of services offered
  - 1<sup>st</sup> year projections for month by month (Financial Management Plan)
- Mike will give us a copy next week.