



Are You A Doctor Who Is Frustrated About Not Having Enough Profit?

By Dr. Linda Hancock

ABOUT THE AUTHOR

Dr. Hancock has written a regular weekly column entitled "All Psyched Up" for newspapers in two Canadian provinces for more than a dozen years. Over the years, her readers and clients have said that they have benefited from her common-sense solutions, wisdom, and sense of humour. Dr. Linda Hancock, the author of "Life is An Adventure...every step of the way" and "Open for Business Success" is a Registered Psychologist who has a private practice in Medicine Hat. She can be reached at 403-529-6877 or through email office@drlindahancock.com

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Everyone wants to be able to realize a good profit from the work that you do. Unfortunately, many people work extremely hard but do not do well when it comes to the bottom line.

There are only two main things that determine how much profit you will realize in your business:

1. Income - This is the amount that you earn from all sources. There are several problems that you might have in this category:

- Not working enough hours
- Having too many Accounts Receivables
- Setting up fees that are too low
- Doing too many pro bono hours
- Focussing on non-billable tasks
- Trading services for non-cash items

2. Expenses - These are the things that you need to pay on a monthly or yearly basis. There are several problems that you might be experiencing in this category:

- Too many payments
- High interest charges
- Excessive staff salaries and benefits
- An office that is too expensive for you
- Investment in too many "toys" (computers, vehicles, equipment items)
- Not doing research to find the best deals
- Poor financing
- Lack of good advisors

If you want to have more profit, you can do one of three things. Bring more income into the business, spend less or do a combination of the two.

As a solo professional, you are the business but there are only so many hours that you can work without jeopardizing your health. It therefore is important that you are able to do realize that only working harder will not necessarily solve the problem.

Print a copy of your income and expense report for the last three months. Go through every single line with objectivity. Ask yourself and your staff good questions about things until you have a really good understanding of where the problems might be.

Then make a list of six things that you and the staff can do to improve the situation. They might seem to be little things at the time but six little things can add up to one big improvement. You might, for example, decide to work one more billable hour a day, research to find less expensive (but efficient) equipment, have staff do the janitorial work, focus on collection of accounts receivables, take one extra day to complete piled up reports so they can be billed and consider moving to a less expensive location.

These are just examples but even if you start working on ideas you will notice a difference in a matter of a few short weeks.

Remember, this is your money and you need to do whatever you can to ensure that you keep as much of it for your personal use as possible.

Perhaps your first step would be to find a business coach who can partner with you in your pursuit of success.