



Three Things That Many Doctors Do Not Know About Their Financial Situation

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ABOUT THE AUTHOR

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Doctors are often so busy seeing patients and doing their hospital rounds that they don't have time to become involved in the administrative and financial aspects of their practices. Instead, they might hire staff to do their billing and administrative tasks. This can be a dangerous thing - especially if the staff is not competent or trustworthy.

When I am working with doctors, I remind them that this is their business and their money. They therefore not only need to understand the system that is being used to handle financial matters but also be the one who makes changes in order to do things more efficiently and with the best profit.

There are three things that many doctors do not know that would improve their business and personal lives as follows:

1. How to set up a financial system that will have checks to ensure that billings are accurate. Sometimes doctors fragment their financial processes and then have all the individual documents submitted to a bookkeeper who doesn't have all the information that is necessary to capture an accurate picture of the business.
2. How much money the physician is earning on a daily basis. Knowing this is a vital piece that will help the professional to make decisions about how much time s/he will be or should be working.
3. How to gather information and make decisions that will help them to design a business to satisfy their goals - whether they are professional or personal.

It is not the fault of the doctor. There are not many mentors who will or can provide the expertise needed to help the physician assess and redesign the practice. It doesn't take long to do this work, but it does require a desire to learn and a commitment to make the necessary changes.

When doctors are focussed on patient care, there is little time to focus on business care. But, when this is done, the rewards are well worth the effort.

You see, most professionals want to be able to earn a good income but, at the same time, they desire quality of life. That means having time to be with friends, family and being able to enjoy hobbies. The trick is to be able to increase profit and freedom at the same time. Not at all impossible!

So, the place to start is to take responsibility for the bottom line in your business. Get to know exactly how the numbers work and then make the adjustments necessary to meet your goals.