Strategic Practice Management

Presenter: Robert M. Traynor, EdD, MBA, FNAP

It's my pleasure to welcome to Audiology Online, a continued site, Dr. Robert Traynor. Today he'll be presenting for us Strategic Practice Management, which is an excerpt from his book with Plural Publishing. If you'd like to learn more about Dr. Traynor, you can read his bio on the course registration page.

But at this time, I'll hand the mic over to you, Dr. Traynor. Well, to my colleagues in the every, every other time zone, Good morning. And to our, our Eastern time zone colleagues, good afternoon. I, I have been asked to look at strategic practice management as a discussion.

Many of the topics that we're going to talk about here, the here in this discussion could actually be a whole topic for a whole hour. So we will be primarily doing an overview of the topics that we are presenting.

So let's kind of flip through these things and then go right to here. One of the reasons that we wanted to do this talk was simply because of a new text that I just published out with with Brian Taylor. This is the fourth edition of a practice management book that I began with an old friend and colleague and former private practitioner, as well as president of the American Academy of Audiology, Dr. Robert Glaser out of out of Ohio. This edition, however, has 20 contributors and 15 of those are brand new ones using individuals that are primarily some of the real movers in the area of practice management.

It has 25 chapters and for those of you who may be instructors or contemplating a practice management course, there's a website for instructors as well. So with that said, let's kind of move into where we're going with this discussion. So building a practice is a process. And, and now some of you also who have maybe had a practice management class for me over the last 25 years, plus you may see some, some, some resurfacing, resurfacing concepts that also, that will be part of this discussion as well. Anyway, building a practice begins with patient care training and experience.

And many of you have already experienced those things. Those of you who haven't gone into clinic quite yet, you're getting that training into Doctor of Audiology programs. But let's look at what kinds of things a person needs. It's a good idea to have at least three to five years of clinical experience before entering into the private practice arena. This could be in working in a practice.

This could be also working in hospitals or schools or some other kind of a situation. And the kind of experience should be with adults, pediatrics, some special assessments, vestibular, all the different kinds of areas that we find ourselves in as audiologists. And there are even emerging areas of practice that are gaining popularity around the country also that could be part of your experience. And what does this experience do? Well, it takes you out of the academic world and pulls you into the clinical mindset.

For those of you who are just maybe in school these days and looking at what's going to happen in the future. It develops skills and specific interests where maybe you want to specialize your practice. It sets up your mission or what you plan to do as a professional. And then that vision for how maybe do I want to set up my orientation to my practice within this community. It also gives you a chance to recover from some of those educational costs that have gone skyrocketed out of control.

It refines skills into best practices and again continues to develop those interests. Routine evaluations. You may decide that the 80 year old routine evaluation doesn't make a whole lot of sense these days. You may want to modify that into something that makes more sense. Special evaluation.

Special assessments such as ABR and ASSR certainly DPOAEs, Extended High Frequency and some other evaluations that you may have exposure to in your training or in some of your experience in working in other clinics. Specialized area practices such as tinnitus and vestibular and pediatrics. And one of my favorite topics these days is forensics where you're working with attorneys to help them arrive at a just settlement for their clients. And of course, routine hearing aids and assisting devices.

Oops, that's the wrong way. I think. Before we really get too far into this, let us now look at something I like to look at as the facts and the myths of a practice ownership. You know, when you're working for someone, what happens often is you are looking at them and said, oh gee, you know, I want to be my own boss. Look at what this person gets to do.

And I don't get to do that or I'm tired of working for somebody. I want to just make the rules and do all these things. But let's take a couple minutes here and look at this. Because many of these are facts, but some of these things are myths as well. So let's look at the some of the facts and myths of opening of owning a private practice enterprise.

The first one, I want to be my own boss. And people, you'll hear people say I want to work for myself. And what happens there is you don't work for yourself. You don't, you're not really your own boss. You work for your patients, number one.

Then there's also the stakeholders. These are the people that funded your clinic. Maybe you have, you have, you have a banker or venture capitalist or someone that's kind of watching how you funded your clinic. Could even be Uncle Harry, who sponsored your practice. Uncle Harry's going to be interested in looking what's going on.

And another boss that is, is very common is uncle, not Uncle Harry. He, he's, he's kind of common too. But, but the accountants, because they can tell you what's, how your practice is doing, whether it's successful, whether it's not so successful, what procedures are good ones and which ones are not. And so in my opinion, being your own boss is a myth, because you work for many more people when you own a practice than then when you are working in a clinic. The other thing is people think, well, this guy makes a whole lot of money.

He drives a better car than I do. They get to go places, they do all these things, and they have a nice house. So I need a higher salary than I have right now. I deserve more money for all the things I do as an audiologist. And this depends on the success of the practice.

If you happen to hit it right with the, with the formula that you've chosen for your practice, and when you open the door, you have a, you have a line all the way around the block, likely you can make yourself set up for a higher salary. However, most of the time you're a pauper for the first six months at least, and maybe a little better pauper after that for the next six months. And then things begin to take off in a practice. And so I think this could either be a fact or a myth, depending on the success of the clinic itself. So the next one is you watch the boss go on this trip and that trip and another trip, and they, and they go and they spend some time there.

Now, if you are opening a solo practice, guess what happens when, when you go somewhere. If you're a solo owner of a practice and you take a trip somewhere, there's no money coming in. So. And you still have all the expenses and all the responsibility to pay everybody as necessary, pay your employees, pay your, your suppliers, pay all the expenses of running the clinic, rent, phone, Internet, all those different issues. So being able to take more time off, again, depends on the success of the practice.

If you have a successful practice, you can hire people to work with you in the clinic as colleagues. And then when you're gone, the individual that's there has a responsibility of keeping the practice moving. So this could either be a fact or a myth as well. And the next one is, you know, a lot of times when you're working for somebody else, you get frustrated. I want to make my own rules.

I want better health insurance, I want to sell a different brand of hearing aids. I don't like this equipment and I want to do assessments my way. I don't want to do it their way. In fact, I don't want to do the routine 80 year old evaluation. I want to do maybe I want to do my admittance and I want to do some pure tones.

But then I need DPOAEs, I need extended high frequency audiometry, I need blah, blah, blah, blah, blah. So if you want to make the rules, then you may end up, if you're in the same community, you might end up keeping the same assessments, insurance and same brands that you're using to, that you're selling in your practice. Otherwise you may make some of these changes and they may be for better or for worse. So again, here we have another fact or myth. It could be facts that you do, you're able to do that, but it also could be, well, I thought I was able to do that, but I can't.

And probably one of the other big ones is the fringe benefits. You look at this person who, and they went on this trip or they did this, or they got something from this person, from this supplier and on and on. So I want those fringe benefits. And as it turns out, there's a big ethical issue here and in the old days, and I'm as guilty as anyone. That's a, that's an old owner of a practice.

We used to go, we used to sell hearing aids and we'd go to Denmark or we'd go to Australia, or we'd go to here and there. And one of the, one of the best chapters in the book, I think, is the ethics chapter, chapter 23, written by Dr. Michael Page, who's on the stump everywhere talking about ethics these days. But Michael has an approach that's different than say you can't do this and you can't do that and you can't do this over here because of these things. He tells you why this developed into something that's almost illegal these days.

So this is indeed a myth in 2025. So these are some of these. Now you could probably think about five or six others, but you have to think about these things whenever you're thinking and contemplating the going in to practice as an audiology clinic. Now the next thing you have to consider is, is it a good time to go into business and is it a good time to think about being in business now? Right now we're just beginning into a recessionary period which could be gone in six months, could be gone in two months, could be gone, could be around for a year.

This might not be the best time for entering into practice or at practice expansion. However, when it, when the boom comes back, it may be maybe different. So let's look at some of the things that you need to consider when you're looking at, at entering into practice. And one of the first things you have to think about is that, that, that our economy here in the United States, in some parts of the world as well have a, have a boom or bust. So you're either in a recessionary period where the business climate is not good or you're in a recovery period and getting to a peak where business is really good.

And so then you may go into another recessionary period and so on. So these cycles are part of business and part of the business cycle. And there's also, we saw big and big time inflation a couple years ago. Now that's beginning to become, to become controlled by interest rate manipulation is how that is typically controlled. And you saw that back in the old days you could buy a house for maybe 3% interest, 2% interest.

These days it takes about 7% interest to purchase a home. So there's a lot of changes that can happen in these recessionary and recovery and peak cycles. So how do you know when you think about those? Well, you need to look at the economic indicators. These are things that are on the local news and the, and the national news virtually every day.

And e first economic cycles, we talked about that there's things called the T bill yield, these are government kinds of financial investments that have, that can tell whether something is whether a recession is coming, whether boom is coming. Stock market is another one. Right now the stock market is in a bear, bearish kind of a position, but it could come back to a bull run here very soon. And so you watch these, some of these issues you can also look at things like retail sales growth and these are online. You can pick these up pretty easily.

Manufacturing activity, if people aren't buying things, they're not going to, their stuff isn't going to be made very much. And pending home sales is another big one to look at. So these are things that are

called leading indicators because they tell you what, what's possibly going to happen to the economy. Now lagging indicators tell you what has happened to the economy. These are things like gross domestic product and that's how many, how much the country puts out in goods and services in a particular year or a particular quarter or sometimes even a particular month.

And the consumer price index, this is a basket of goods that are, that are put, that are purchased one month, then another basket of goods and same goods for another month and another month or a quarter to quarter kind of a situation. And that can tell you whether there has been any inflation in the, in the economy takes more money to buy the same basket of goods. And the way you control inflation is simply by modifying the interest rates which is done by the Fed. And, and, and you can look at. So what's happened with all the previous three.

The interest rates may go up or down to stimulate the economy or to slow it down. And then of course unemployment. When people aren't in a recessionary period, people are buying things. The companies don't need as many people to actually make those things. And so they lay them off, lay those people off.

So these things happen after the economy has been bought, has gone into a, a cycle either up or down. And then there's coincident details that happen as well. Is personal income growing or is personal income reduced? Are taxes higher or are taxes lower? Is the national debt high or is it, is it going down?

And right now it's about $36 trillion. And, and that becomes a problem for needing taxes from the population. That becomes a problem with, with for some other issues. One of those is, is the dollar. You want to watch the dollar a little bit because where do we buy most of our products, our equipment, most of our equipment, most of the products, the hearing products that we purchase are from overseas.

And so now that may change with the current administration and wanting to bring most of the manufacturing of these products into the country. But that we have to wait and see with those kinds of things. But you need to watch how, how your dollar can purchase products from companies that are in other places. So the next thing we want to look at is entrepreneurial spirit. Spirit.

What do we mean by that? Well, when you become a practice owner, you become an entrepreneur. And as an entrepreneur you need to have that, that, that go get it spirit to facilitate that. What do we mean by those things? Well, an entrepreneur is someone who raises their own capital from external sources to make their vision a reality.

It's someone who develops their, their own business model. How am I going to run my practice? Because I want to run it the way I want it. And what's My. And so they have a vision for how they want to their clinic to be developed and how successful they think they're going to be.

The, they acquire the necessary physical and human capital to begin their venture. So they go out and they get the funds. They go out and they find the people that will help them make their vision a reality. And, and then they, they, after they, they get all these things together, then they operationalize that new venture. And these are also, entrepreneurs are individuals that will take the blame for failure, but then also reap the rewards for success.

So if you're right about your business model, if you're right about hitting the economy at the right time and so on, then you will likely reap the rewards for success. So an entrepreneurial spirit then has. An entrepreneur has an ideal goal in mind which proposes a future for their business model. They, they state their vision in clear terms that are understandable to others. And you do this for the business plan.

We'll talk about that here in just a little bit. But they want it. Everybody needs to understand what their vision is so that vision can become a reality. The entrepreneurial spirit enhances and leads to a

heightened level of accountability. So this spirit gives them the capability to, to be more accountable for various components of the practice.

So entrepreneurial spirit is important and something that you have to feel and kind of in your gut to see if it's going to be a possibility for the business model that you choose to present in your practice. Now, another area that needs to be considered is accounting and business structures. These are important because this, these, these issues. You don't have to be an accountant and you don't have to be a lawyer to set up your business structure. But, but the, but the issue here is you need to know enough about it so you can look for things like whether this is, this is noted in the proper place within the, the accounting structure, whether or not people are taking money out of there that shouldn't be taking money out of there, or embezzlement.

There are, and in business structures, you can make the, you can do these either with an attorney or you can do these with a online application through the Secretary of State, very often for a whole lot less in terms of costs. Now, what do we mean by accounting? Well, we're looking at the balance sheet, the income statement and cash flow statements. The balance sheet is a snapshot of where the business is, how it's doing right this minute at, at 10:30 in the morning on, on this particular day. Now by the afternoon, it could change the Income statement is also called a profit and loss statement or a P L.

And this is the financial performance summary of how the business incurs its revenues and expenses both through operating capital, operating operations and through non operating activities such as maybe interest and some of the other things that you may be choosing to do where it's not the actual operations of the practice. Cash flow statements. Look at the flow of cash that comes in and comes out of the business. And there's a, there's a number of other statements that can be used and you'll want to decide with your accountant as to whether or not these three are the ones to look at. Or maybe there's six of them you need to look at.

Maybe you only need to look at a couple of these. The bottom line is you and your accountant will set up what kind of statements and structure statements you really need to look at. And one of the other things is the fiscal management as well. These are, this is done with your accountant and you set these up just to track your practice throughout the year and then you can track it the next year and the next year to see how the practice is performing. And these are performance ratios that are done on various totals in, in, in many of these statements that you can use to tell whether your business is successful or whether it needs a little bit of work or tweaking here and there.

We'll talk more about that as we move forward here today. What's a business structure? Well, a business structure is, is, is a whole lot and very important. Now if you're just gonna, you know, maybe work and, and work one day a week to see how the, how your practice is going to go, maybe you could be, be a sole proprietor or you may choose to go in with two, with, with one or two other colleagues and become a partnership. Or the problem with sole proprietorship or partnership is the fact that you are very liable for any kind of a malpractice suit or, or other kind of a lawsuit.

And they can take, if you're a sole proprietor, they can take your home, your kids, college, fund any savings you have, your car, your house, they can take anything that, that you have to satisfy the individual's lawsuit. In a partnership, if you have say three people there and one of them doesn't do a very good job and they get sued, all three of the partners have to cough up cash to satisfy the suit, if indeed they suit as one. A way around that is something that's sometimes called the financial veil is to set up a corporation. When you set up A corporation you set up usually a C corporation and the C corporation has a pretty high taxation, always has. In my practice it was sometimes as high as 35, 40%.

Nowadays I think that it's down to about 28% and I think that the current administration wants to bring it down to 15 to 20%. So that will definitely help in, in having a C corporation. But another way to do it too is to have your, your accountant help you elect an S corporation which allows you to pay taxes on your,

at your personal income level rather than at the corporate level. A limited liability company is quite popular in many states around the country these days. And that also allows you to pay taxes at your, your personal level rather than the corporate level.

So there's a number and these are things you could set up with your attorney or at least have a discussion with the attorney and then go set up that kind of a, kind of a structure. So business structure is important. Then the next thing you want to look at is what do you know about competition? Competition is, is becoming a interesting kind of day. Now when I started my practice, I was one of the few audiologists that even, even were in business at all.

Everybody else were hearing aid dealers or, or ents. And so but nowadays there's, there's not only those individuals, but also many of your colleagues are in the same community doing similar things to what you do. And so what do you know about, about competition? Well, let's take a few minutes and look at that. Now you need to have a strategy.

Now Porter, about the late 1980s came out with this particular triangle which says that there are, you can have a cost leadership, you can be focused in your practice. You can also have a differentiation. Well, let's take it, let's look at that for a moment and say cost leadership. Okay, well who has cost leadership? Cost leadership is, is a place that has Mightley Costco, who have maybe a couple hundred places where they, they purchase products and then they sell those products for the huge discounted at a, at a margin or a huge discount that they obtain from the manufacturer because they buy into each volume.

Well, most of us in our practices can't do that. So I think cost leadership is something that has gone away for routine audiology practice. And unless you want to maybe handle some over the counter products and work out some things with that market, but otherwise the best thing to do is to look at some things like focus, focus your practice in a certain area that no one else is doing in that particular

community. Maybe if people are doing adults Go into pediatrics, do a lot of hearing conservation. There's a lot of, lot of market in, in the chaos courses and in doing things, in making earplugs and, and providing good consultation to companies maybe in your community.

Distributor is huge. And Rich Gantz has some certification programs for private practitioners that certify their practice in vestibular. So that's something that's an up and coming component. These days I'm pretty high on forensics, which I believe in my practice. It is the most lucrative component of any audiology practice I have ever done in my career.

Operative monitoring is another possibility. Hearing aids, of course. And there may be some other areas that you see and perceive that are up and coming areas that no one else is doing in the community. Another way to become very competitive is to differentiate your practice. Well, use different products than are being done in that area.

High level customer service. Maybe your expertise is different than those that are in practice. Your location, maybe you have some special equipment and there's a whole bunch of other things that we could probably add to this list. Success really however, is by combining some of the differentiation components with the focus components. And, and then you have something that could be very unique in the marketplace, particularly if there are other colleagues out in that marketplace that are attempting to provide services into that market and you're going to be competing against.

So, so these are, are some ways in which you can generically set up the, set up your practice for competition. One of the things you don't want to be is stuck in the middle. Don't try to do everything for everybody. Because if you try to do everything for everybody and have, and have everything, like as a one stop shop kind of thing with what we do, that will not suffice in the marketplace in these days unless you're in a very small community where there's no other individual other than yourself in the market.

So how does your, how can you, how can your practice be differentiated? Well, let's just look at something. Let's use McClellan's model of the iceberg to kind of give you some appreciation for what happens when you enter a marketplace with your ideas to begin a new practice. Well, what happens here is first thing that happens, this is what patients see. They see the tip of the iceberg everywhere.

They see this hearing care place. Oh yeah, that's with an ent, I guess. Here's one with a, that's a hearing aids, hearing aid dealer. Here's one that's an audiology clinic focusing maybe on pediatrics. Here's one focusing somewhere else.

So, but all they see is that every place offers hearing care. Now the problem with that is if you have a non differentiated practice, you get something on this side. If you have a differentiated practice, maybe with focus or maybe with, with certain kinds of things to differentiate, you have this side and look at what happens. People don't see this, they have to experience it. And we'll talk more about marketing later on, but you have to tell them that, that this is much better than this and then be able to demonstrate that to them to get their loyalty and so on.

So, so the, the iceberg kind of helps us look at these things. There's a whole lot of things that audiologists do that nobody really sees. But hearing care looks the same from one to the other. Now another way to look at your practice in competition is to do something that's called a SWOT analysis. Now SWOT analysis looks at the strengths, weaknesses, opportunities and threats for a particular practice.

Strengths are things you have control over. Weaknesses are things you, you usually have control over. And you want to be ready to handle those opportunities whenever they arise in your market. And there are also threats to the market. We'll talk more about that here in, in just a moment.

The threats to the market can be, could be economic, they could be other people entering the market, they could be a whole lot of things. When remember we had OTCs, everybody thought that was a threat. Turned out that was a huge marketing component and practices got busier when the OTCS hit the marketplace anyway. So SWAT is one another one that I didn't understand as a, for many, many years as a practitioner. And I credited a good friend and colleague, Paul Martin, who turned me on to Porter's five forces.

Porter is a Harvard trained business individual who has worked in the area of competition for probably almost all of his career. And, and he came up with a, a way to look at this from say maybe a 10,000 foot level. So if you look at this whole square here, that's your community, that's the community in which you practice. And you stand up on that community maybe and look down on it to look at some things and the first thing there would be the amount of competitive rivalry there is in that community. How many competitors are there?

And do they all have similar strategies? Are they kind of doing the same thing? And if they are, then you need to do something different. Or if they're doing, if they're each doing different things, then you do something maybe different than them or do whatever they do much better than they do. And there can be price competitions, there can be some market share stealing.

And what happens when you go into a community? The first thing you're going to go after is everybody's referral sources. And, and if you make a good pitch for yourself and you do a good job, very often you can keep those referral sources. So the bottom line is you're stealing market share from the individuals that are already practicing. And, and there may be a lot of barriers to have people kind of enter into, into this market.

So competitive rivalry is huge in some markets and. And it's almost zippo in some other markets now. There's also something called the threat of substitutes. The threat of substitutes are individuals that are

things that there's a cost of changing from one maybe one focus to another focus to another focus. There's a cost of substitute performance.

Let's say cochlear implants get better, that can, may become a substitute for hearing aids. And so there's a threat there now. Not too realistic of a threat today, but it could be five years from now. An interesting kind of concept or something that we don't know of yet. So another one is the threat of new entry.

And takes a lot of time, energy and effort to put a new practice together. If you're in practice in an existing practice, then you're always concerned about who's thinking about coming into your market and what are they going to do? Will they have specialized knowledge that you don't have and they'll take your patience? Will they have some sort of technology that you do not have access to? For example, in the, in the Tinnitus market, there was a new product called Linear that came out and many people had access to it.

There's a whole lot that didn't, at least for the first year. I saw that with Lyric and I had exclusive access to that in a certain market area because we were involved in clinical trials with that product and my sales of that product skyrocketed. Then when it opened up to everyone else, then it began to go down. So that's another threat of entry. So, but two big ones here that I think are important.

If, if you have, if you're in a market that's highly competitive and there's a lot of providers in that market, the buyer has a lot of power. The buyer can go from one to another to another to another and look for deals that may, may or may not be available by the competition. And so the buyer is kind of controlling their own purchases or their own obtaining of services. Now In a, in a market such as a small market for here in Colorado, Ray, Colorado, right in the Notch of Nebraska there, it's maybe only about 12 to 100 to 2000 people. At one time I was the only provider in that area.

And when we did that, we had a lot of what's called supplier power because we had a unique service. And the closest service to us was probably 95 miles away from, from their, from their location. So there's a lot of costs involved in that. And so, so we were able to kind of dictate whatever we chose to have in terms of a fair cost, fair prices. So Porter Strike forces is quite important to analyze the market in which you reside.

And another one that's really important is something I call the three circle competitive analysis. And this particular concept uses Venn diagrams to look at, look at your practice. And this is best used when one specific practice is a major competitor of you. So if you want to see how you stack up to that major competitor, here I just put Costco. But it could just as easily be a chain of, of, of a chain of practices that were owned, they're owned by audiology.

That, and what do you do that's different than what they do? And the way you look at that is by putting things in different portions of the diagram. And in chapter five, we talk about that quite a bit as to how you can look at your practice and what each of these areas under the Venn diagrams stand for. And that can give you some perspective as to maybe you're doing a pretty good job. Maybe there's things that people are doing that you, you do not have access to to facilitate for them.

So, so the three circle analysis is the best way to look at a major competitor to your practice and a major way to look at a major competitor in a market you're planning on entering. Another concern is looking at uncertainty of the market change, which happens more than you imagine. I mean, when I went into practice, admittance just came out and not everybody had them. But since then we've had what we've had abr. Now we have extended high frequency audiometry.

We now see patients for tinnitus, we now see patients for vestibular. We now see patients for a lot of different areas. So lots of things will change in your career. And if you're doing an expansion, you may choose to do an expansion for some of these new areas. But, and so change is either a risk and it can

be a pretty big risk, or it could be an opportunity.

And so economics, we Pretty well talked about that already. That's always going to be some sort of a risk that you have to consider. Is it going to be a, a situation of recession or maybe something where we're in recovery or at the peak where, where there's a boom demographic risk? If you recall Freeman and Windmill's analysis of what's coming in terms of individuals into our practices, we'll probably be okay for the next 50 years. Maybe, maybe not 50, but certainly the next 35.

So new regulations and political action. Well, we just survived the entry of OTC products into the community. Now Arkansas just got approval for people to see audiologists. Their, their bill S118. By the way, if any of you are Kansas, congratulations on that.

That allows audio patients to see audiologists without having a, a referral. So and some other issues. Also we have the Medicare act that is going on. They just obtained a new sponsor for that law here in, in April of 25 and we hopefully now will be able to get that passed and it will be huge for practitioners to become providers anyway. So those are the kinds of things you may be seeing technology changes.

Maybe hearing aids will change, maybe hearing aids will change into something else. We're already seeing some things with the new glasses that people can obtain and through I think it's nuanced technology or some of these other places, you may find a audiology online thing about that. But there's new technology that comes out all the time. And you as a practitioner will have to decide do I want to look at this, Do I not want to look at this? But if you don't look at it, I guarantee you your competition is going to look at it.

So then there's maybe some new competitive behavior. Well, since I went in practice, we've seen manufacturers competing with, with practice with audiologists. We've now seen otc, we've seen ents now working with Kotlin competitive things with us. So and that's going to happen more and more and

more over time. So new competitive behaviors will be out there if you be prepared for those things.

Pretty informal business planning. This is huge if you're just beginning your practice or if you are expanding your practice into another community. And Benjamin Franklin said that if you don't have a business plan, you're planning to fail because you need to understand all the things that go into the business plan to know whether your this is a good market, a bad market or maybe an ugly. So elements of the business plan. First of all, there are two elements to a business plan.

The first one is pre planning. And here, this is like sitting in the bar with a couple of good friends and say, well, you know, I want to do this and this and this. I said, well, why not do that? Oh, oh, that's a good idea. And then to put that in there.

And you say, well, I want to do this and that's, well, you know, I don't think we really need to do that. So they take that out. So this is kind of thinking inside the box and outside the box to facilitate at least an orientation to getting your regular formal business plan organized. And in the formal business plan, the first thing to start with is what's your mission and what's your overall vision for your practice? And as it says in the, in the books, this mission and vision are things that you want to post in the clinic.

So everybody knows what that is. Then you need to write something called the practice overview. What are you going to do? What kind of, how are you going to do it? And, and why are you going to do it?

What's the trends in the, in the industry and so on. Then you have to look at all the competition and you need to take every single individual that's a competitor and begin to look at them in detail and find out how they are going to compete with your particular practice that you're envisioning to be in this community. Then human resources, job descriptions of each individual that's involved. Your practice manager, maybe your bookkeeper, maybe a colleague that you're going to have in your clinic with you and those issues. Marketing.

We'll talk more about marketing here in just a moment. But marketing is also extremely important. How are you going to go after those individuals? In other words, they're all going somewhere else right now. So how are you going to go after those individuals that are going somewhere else and bring them into your practice operations?

Here we are looking at what kind of operations are you going to have, what's the flow of the patient all the way through your clinic? If indeed you're doing a typical audiology practice, if you're doing hearing conservation, how are you going to go about setting up hearing conservation programs? And who would those be and what kinds of things would go into that kind of a program? But the hardest one, for new people, new audiologists, based on my experience of well over 20 years now in, in teaching business planning, to call to audiology colleagues and students, finances is always the most important. They almost always overestimate the amount of revenue and they, and they overestimate how much money they're going to make and they need to or really look at this seriously.

But once you have all these done, the business plan will usually be 20, 25, 30 pages sometimes and you'll need a table of contents to direct the reader. And one of the most important components of the business plan that's done last is the executive summary. This is everywhere from one page to a page and a half or so that summarizes your whole plan. It's so important because bankers, venture capitalists, Uncle Harry, whoever else, they're all interested in looking at what is this thing that's being proposed to me? And, and if the, if the executive summary is a good one, then that will then be a, a something that entices them to read the rest of your plan.

Otherwise it goes in the circular file rather rapidly. I do have to make a comment here about use a web based business planning program. I've used Live Plan for ever since it came out. I don't get any financial renumeration for them at all, but I but I do find that this is a fabulous program. So liveplan.com is highly recommended as it if you get to a certain place where you're stuck, then let's say you're stuck

in the financials, then there's a video that comes up and helps you through that.

If you get stuck on the competition, there's a video that comes up and helps you through that. So, so business planning is absolutely essential both for new owners and, and entrepreneurs as well as those that are expanding the credit. Another one is business funding. I won't spend a lot of time here because there's equity funding. You can fund it on your own.

You can fund it with debt or government programs such as Small Business Administration. But think about these as well. There are opportunity zones where you get a break on funding veteran owned. You get some special treatment there if you're a veteran. Female owned businesses, minority owned businesses and there are other kinds of programs that are out there.

So you want to look at some of those things for funding and don't think of just going to get the loan. There may be some other ways to fund your practice in your and your aspirations. Professional selling Professional selling. I've been involved in this for a long time and, and, and I think that here, here's, here's. I'm going to go through this rather rapidly, but age is one variable and hearing loss is another variable.

These two things have been used since I think since the inception of amplification to facilitate selling a product now when we do that, we do a discovery of the impairment, we look at the audiological evaluation. Then, then from there we might do a handicap scale to, to see what the real problems are. Then we might do a hearing aid fitting and a verification. Then to see how good a job we did, we might do another handicap scale and then call that a rehabilitated patient. However, that's only one avenue.

We're only looking at age and hearing loss on this avenue. And are they rehabilitated? Maybe, maybe not. And I saw a number of them who were, maybe not over the years using this old procedure. Now what I like to think of is that individuals, patients are different and I can't spend a lot of time looking at

each and every one of these.

But this one is flexible and doesn't really care much about doing exercises with anything you want to do. That's 40%. This one is someone who values a step by step rehabilitating program if you have one for them to follow. This one is only there for their grandchildren or their wife. And this one is that person that when you're doing a verification and it's 2dB off, they want to know why you can't get it right on the line for the, for the, for that formula.

So, but, so these are four different kinds of personalities that are involved in the patients that we see. And guess what, we all have our own personal style as well. So if you're, if you're, this one working with this one, that's a problem. If you don't care much about all the details and these people do, you need to adjust your orientation toward them. And the same with any of the rest of these is the same way.

So our personal style and the patient personal style is extremely important. So the deal is you can have this kind of a system where you look at the hearing loss, then personal style evaluation, prefitting, pre handicap, post fitting handicap, and then a rehabilitated patient. And the chances that one of these four avenues will be benefit is leading to a more rehabilitating patient than we would see other ones. So it's most likely success. And patients do make decisions on their own when we present things to them correctly using their personal style and how they interact.

So the next one is human resources. And human resources are really important. I don't have a lot of time to interact with all of these, but they are discussed in chapter six by someone who handles human resources for practices. And so this is a very important component of the, of the text. But you have to think about how you attract, you know, colleagues to work with you or, or clerical people, recruiting them, how to onboard them and how to develop those people into valuable employees, then you have to retain them.

And if they're no good, then you have to separate them out of, out of practice or discharge them or the real word for that is fire them. And these are policy and procedure manual things that are necessary for managing employees. Another one is marketing. And we don't have a lot of time to talk about marketing, but marketing is looking at, because we market services, we market products. And another thing we market is our brand.

Now your brand for a brand new practice is your vision. If you have been in practice for a time and you're doing an extension of that practice, you're marketing the brand that you've developed in one market, you're marketing that brand into a new market. And so that's what we're trying to do when we're marketing. And these are all the different things that we do in a marketing program. We want to brand our practice not by the hearing aid brand or not by the equipment brand or, or whatever.

We want to brand our practice as, as our practice name and us as the practitioner. And you can do that with graphic orientation, you can do it with demographics, psychographic and behavioral. And I'll, I'll let you go to chapter 12 in the book and look at that because that's written by a, a, a digital marketer practitioner, a, a, an individual has been in industry and another long term practitioner. So there's four types of individuals involved there. But basics of marketing are places, product price and promotion.

These are four concepts that are essential to marketing and these are many of the ways in which we do those things. And digital marketing and websites and those kinds of things are extremely valuable these days. Now reassess the business. So when you're doing this, okay, so far we've been talking about a lot of different things. They can be things that you have decided to do in your practice and you look at the risks and opportunities facing the practice and then you go down into the economic indicators, what kind of patients are we going after, what kind of reviews do we get from all the other websites out there so we can develop our competitive intelligence, what we know about the practice, practice problem, market.

Then we evaluate what we have relative to that system, maybe adjust what we've done in our concepts, come up with management action and a competitive strategy. From there we assign different implementations of that strategy to different individuals within the practice to facilitate those things or if it's you, then you got to do them all. But let's say something doesn't go quite right. If it doesn't go quite right, then you have to make adjustments. And you make the adjustments to the concept, the strategy or the, or the expansion of the practice.

And then you go through all these different things again to see how well the practice is doing. So the last one to be really involved with here is support. And without support in practice, you can't run it by yourself. You need support. They'll always be early or late patients.

You'll miss a few soccer games or, or baseball games or basketball games. You'll miss electric reschedule some of the school meetings maybe, and other scheduling problems that families have. Because you have a life as well as a practice. Therefore you need an understanding support system. Supportive spouse is fabulous because they understood to understand that businesses have highs and lows, sometimes very lows, but also sometimes very lows.

And I want to leave you with one little word from the founder and the father of audiology. Dr. Raymond Carhartt is the father of audiology. As you probably already have heard millions of times. Here is a quote that he said that, that, that lets you as clinicians realize that you are the basis of the, of the practice.

You are the individuals in the trenches all day seeing people with what you know and have to make decisions that are extremely important for these individuals each day. Let's listen to what Dr. Carhartt has to say to us. The researcher can, can gather fact after fact at their leisure until there is sufficient evidence to answer the research question with Shirley, how different is the clinician's task? Clinicians are also investigators, but the question before them is what can I do about the needs of the person

seeking my help at this moment?

The clinician needs to gather as much data as possible about the patient in a clinically reasonable period. Clinicians do not have the luxury of waiting months or years for other facts to appear. The decisions of the clinician are more daring than those of the researcher because human needs that require attention today impel the clinical decisions to be made rapidly and on a basis of less evidence than do research decisions. The dedicated and conscientious clinician should hear this fact. Clinicians have the greater courage.

And with that I would just say that that comes from 1975 and what a vision he had for audiology and the practice of our profession. And thank you very much for your attention. And I am going to look at the any questions that may have come up during this time. And just See if, if there's anything here and then look at the chats and see if there's a couple of questions I would also. The first question is employee retention.

Employee retention is, is helped out by number one, a good policy procedures manual so everybody knows what they're getting into to start with. Secondly, a method by which you can make sure people pay this particular attention is by paying people a reasonable salary, whether it's salary and commission or whether it's an overall salary. And working as colleagues, this really helps. Although there does become a time when you have to be the boss and, and there's some things that are explaining in that in chapter seven, some things that explain that in, in other chapters within the, within the book as well. What's the opinion of working with third party payers?

I'll have to say that third party payers are are becoming more and more important into the system. The third party payers in chapter 16. Tom Tedeschi, as many of you may know, has a very high level position at amplifung and amplifold and with his experience in 30, 40 years here, he basically says you work everything out with those people up front. If they're not willing to work with you and to on your

terms and you have to be reasonable with those terms. If they're not willing to work with you on something that's, that makes it profitable for your practice, then don't work with them.

Maybe you work with another one. There's enough competition in that area to facilitate that. Tom explains a lot of that in chapter 16 and I think that that's an important concept these days to be involved with and I hope those, those questions are answered. If not, there are places where you can find that information.

Thank you, Dr. Traynor. That looks like all of the questions in our queue and I wanted to clarify from one of the members questions. I think they were referring to one of the exam questions. The exam question being the retention of employee talent begins with which of the following human resource procedures and that is the onboarding process.

So we'd like to thank you all for attending this presentation.

Dr. Trano, if you wanted to leave any closing comments, we'll hand it over to you and then we'll close out the classroom. I just would like to say thank you for, for your attendance. I do think that virtually any of these topics would be a whole hour discussion based on the ins and outs of each and every area and that I wish each and every one of you good luck in your private practice endeavors or your practice expansion. Endeavors.

And thanks for attending this particular session.