

The background features a stylized illustration of two hands, one on the left and one on the right, cupping a globe. The hands are rendered in a light, sketchy style with visible line work. The globe is positioned in the center, showing continents and oceans. The overall color palette is light and airy, with soft blues and whites. At the top of the image, there are decorative wavy lines in shades of blue and white, suggesting a sky or water surface.

MTI MENTORSHIP PROGRAM SESSION 7

The background features a stylized illustration of two hands, one on the left and one on the right, cupping a globe. The hands are rendered in a light, sketchy style with visible lines for fingers and palms. The globe is a simple, light-colored sphere. The overall color palette is soft, with light blues and greens at the top transitioning into a pale yellow and light blue background. The text is centered and uses a bold, dark blue font.

SESSION 7

**Solo or group practice –
The naked truth!**

**It's not what you earn – it's what
you get to keep that counts!**

SOLO PRACTICE

POSITIVES

1. Autonomy
2. Flexibility of location & hours
3. Low costs – startup & running
4. Predictability – people not leaving
5. Focus on you & your clients needs
6. Charge what you're worth

SOLO PRACTICE

NEGATIVES

1. Only earn while treating
2. No paid holidays/ sick leave/ super
3. No admin or support staff
4. Need to wear many hats
5. Limited networking
6. No cover when on leave
7. Not a business you can sell

SOLO PRACTICE

Clinic excellence indicator	Description	Variables	Calculation	Example target
Clients per day	A measure of the number of appointments per practioner per day	Total appointments (a) Number of days (d)	a/d	18
Rebooking %	The percentage of clients seen that have a future appointment booked	Total appointments (a) #appts with no future appointment booked (n)	$(a-n)/a$ (x100 for %)	95%
Average fee	The average fee received per appointment provided	\$ Total received (r) Total appointments (a)	r/a	\$100
Client visit average	The average number of times a client will see you over a particular time period	Total appointments (a) Total clients (c)	a/c	14 (lifetime)
Missed appointment %	The percentage of appointments booked where the client doesn't turn up	Total missed (m) Total appointments (a)	m/a (x100 for %)	2.5%
Cancellations with no reschedule (CNR)	The percentage of appointment cancellations where the client doesn't book another appointment	Number of CNRs (x) Total reschedules (r)	$x/(r+x)$ (x100 for %)	20%
Utilisation rate	The percentage of allocated consulting time actually consulting	Total cells available (t) Vacant cells (v) Extra cells (e)	$t-(v+e)/t$ (x100 for %)	85%
\$ per hour	The average amount a practioner is billing per hour over a time period	Total \$ billed (\$) Hours consulting (h)	$\$/h$	\$200
On time service	The percentage of appointments seen within five minutes of the scheduled appointment time	Total appointments (a) On time (b)	b/a (x100 for %)	80%
Lifetime value	The average total \$ received per client over their lifetime with you	Total \$ turnover (\$) Total number of clients (c)	$\$/c$	\$1200
Converstion rate (administration)	The percentage of phone call enquiries taken that result in an appointment booked	Total phone enquiries (e) Appoinments booked (b)	e/b (x100 for %)	98%

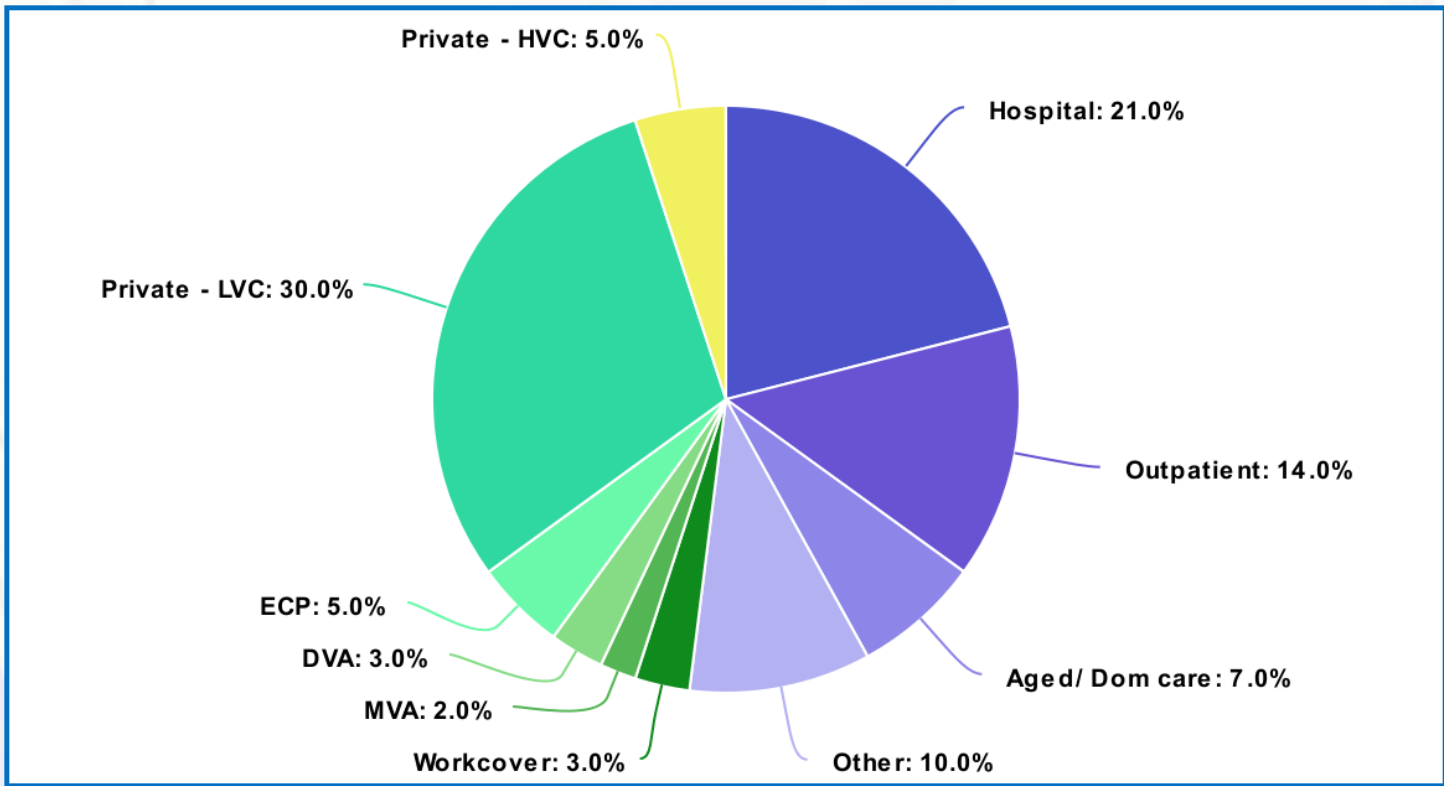
SOLO PRACTICE COSTINGS

Profit – Aim for \$1000+ /day (?\$200K/ year).

> Income needs to be \$1200 - \$1500/ day.

Needs to be **high percentage of high value clients** or space/admin constraints.

Aim for hour consults.



- Hospital
- Outpatient
- Aged/ Dom care
- Other
- Workcover
- MVA
- DVA
- ECP
- Private - LVC
- Private - HVC

SOLO PRACTICE

Outgoings – Fixed costs

Rent/ Space: \$20K/yr (\$100/day)

Utilities: \$4K/year (\$20/day)

Equipment: - \$2K/yr (\$10/day)

PMS / hicaps – \$2K/yr – (\$10/day)

Phones/Internet - \$2K/yr (\$10/day)

Website - \$2K/yr (\$10/day)

SOLO PRACTICE

Outgoings – Variable costs

Marketing & advertising - \$4K - ? (\$20/day)

Accounting - \$2K -? (\$10/day)

Registration/Insurance \$2K - ? (\$10/day)

Continuing Education - \$4K - ? (\$20/day)

Bank fees - \$4K (\$20/day)

Incidentals/ tissues/tape \$2K -? (\$10/day)

Total outgoings = \$250/day

SOLO PRACTICE

Profit

$$8 \times \$180 = \$1440 - \$250 = \$1190$$

$$\$1190 \times 200 = \$238\text{K gross}$$

$$\$238\text{K} - \$80\text{K tax} = \$158\text{K}$$

SOLO PRACTICE

KEY POINTS

Lower overheads = Better ROI

How much help do you need?

Don't unnecessarily hang onto your clients

Acknowledge your limitations

Even when you're not working – you are!

It's not a business – it's an income



SOLO PRACTICE

Why choose this clinic?

Convenient location

Extended consulting hours

Competitive price

Marketing/ Advertising

Referral from health professional

Referral from word of mouth



SOLO PRACTICE BIGGEST CHALLENGES

How do you build a practice of high value clients?

How do you train your clients to not need you?

Are you an outstanding clinician & marketer?

Are you patient enough to play the long game?



SOLO PRACTICE

BLUEPRINTS TO SUCCESS

Work for someone else until you have the skills, confidence and **capital** to move on.

How much do you really want it?

Transition - Work part time for someone else & part time for yourself.

Work part time for yourself & part time for yourself?

GROUP PRACTICE

COSTINGS

5 Physios / 2 admin

Profit – Aim for 30% of turnover, but BAS and PAYG comes out of this also!!!!

> MINIMUM Income needs to be \$3340/ day to cover costs.

Needs to be high percentage of high fee private clients.

Progressive Capital costs similar to solo but ongoing.

GROUP PRACTICE

Outgoings – Fixed costs 5 Physios/ 2 Admin

Rent/ Space: \$50-80K/yr (\$200-\$333/day)

Utilities: \$17K/year (\$71/day)

Equipment: - \$7K/yr (\$30/day)

PMS / hicaps – \$4K/yr – (\$17/day)

Accounting / bookkeeping - \$9K/yr (\$38/day)

Website - \$2K/yr (\$10/day)

Wages – 50-60% billings (\$400-\$500K Annually)

Superannuation – 11% of wages

PAYG – 30% of wages

Holiday / sick Pay- 30 days annually / accrues

Admin - \$240-480 per day

Training - \$7K-\$10K annually

Insurance - \$4-6K annually

GROUP PRACTICE

Relies on the collective to support the individual.

A new graduate will cost more in time and money than an experienced therapist of more than 5 years.

A lazy therapist will cost even more than a new graduate.

GROUP PRACTICE

EMPLOYER POSITIVES

1. Can earn without treating.
2. Can share ideas / develop opportunities.
3. Admin/ reception support.
4. Offer broader range of services & hours.
5. Networking magnified.
6. Create a saleable asset / exit plan.

GROUP PRACTICE

EMPLOYEES POSITIVES

1. Supportive learning environment
2. Scheduled learning / professional development.
3. Admin/ reception support.
4. Paid leave / Superannuation.
5. Access to client database / referrers.
6. Guaranteed income if full time employed.
7. Flexible / variable work hours.
8. Career pathway / promotion.

GROUP PRACTICE

EMPLOYER NEGATIVES

1. Higher costs & risk
2. Staffing for sick leave/ holidays
3. Need to add roles of HR manager, staff trainer and leader. Technician to CEO!
4. Harder to find location with correct zoning, size, carparking etc.
5. Extending lease, securing future site.
6. Difficulty to have consistency of staff.
7. Staff conflicts.
8. Creating a job not a business.

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GROUP PRACTICE

EMPLOYEE NEGATIVES

1. Competing for clients.
2. Working to standards.
3. Intellectual Property shared.
4. Focus on financial model not therapeutic

GROUP PRACTICE SUMMARY OVER TIME



Practice size



Treatment time



Management / HR / Leadership



Overheads



Risk

Job or a Business?