



BE A
WEALTHY
Therapist
with **CASEY**
TRUFFO

Finally, You Can Make a Living
While Making a Difference

5 Ingredients

Step 1: Money Wisdom

Hey everyone. Casey Truffo back to discuss the first ingredient of our 5 Ingredients to a Happy, Healthy and Wealthy Therapy Business. That is money.

I know you did not get into this business for the money. I know you got into this business to help people. We want you to have a business that sustains you over time financially. In order to do so, we need to think about having a profitable therapy business. I like to think of profit as pro-fit. Profit is the amount left over after your expenses. It measures the financial fitness of your business. How do you do that?

The first thing we need to do is know our numbers. Most therapists are just not interested in doing that. I really want you to begin to look at the metrics in your business. First, I want you to know how many contacts come into your business, meaning how many calls, texts, emails. I call them inquiries. How many come into your business each week? I want you to know how many those inquiries become clients. We call that your conversion percentage. If you're not getting enough calls into your business then it means you need to create a better, more effective, or implement your marketing plan better. If you're getting enough inquiries but they're not becoming clients, you want to work with somebody on how you handle those intake calls.

People often ask me, "What's a reasonable percentage?" If you're an insurance based practice, you should be converting 70-90% of the people calling in to clients. If you are cash based, it can be anywhere from 35-70%. If you're not getting those numbers, work with somebody.

You also want to look, obviously, at your income and expenses. Profit is your income minus your expenses. You want to compare that to this

month last year in order to assess your profitability. What I mean is you don't want to compare this month to last month. We have a seasonal business. We have fluctuations in our business. We can freak out if June is worse than May. Compare June of this year to June of last year. If you're just starting, begin this year to compare for next year.

The second way that you can help yourself to be a happy, healthy, and wealthier therapy business owner is to stop accidentally leaving money on the table. What I mean by this is primarily in two areas. One is in our fees; setting and collecting our fees. The second is in not enforcing or cancellation policies.

Whenever I have a policy, I look at it from three perspectives: how does it impact the business, the clinician and the client. We want to implement policies in our business that feed the business, are good for the clinicians, and ultimately help the clients.

Any time you do not enforce your cancellation policies or you offer a sliding scale you are taking money out of your family's pocket. You may decide you want to do that, but I think we just need to remember that.

I'm going to beg you to stop accidentally leaving money on the table. Begin to look at how you are doing so in terms of the things we've talked about: fee setting and collecting, and/or your cancellation policies.

When you have an issue with a client around payment or around the cancellation policies, please talk to them about it in person rather than via email, a letter, or even over the phone. Money is a clinical issue, just like all the other issues they have. We wouldn't handle those in an email or over the phone. Please wait and talk to them about it in person. You deserve to be paid and you want to maintain the therapeutic relationship as you go through the difficult issue of money sometimes.

What can you do in step 1, your money wisdom? Begin tracking if you're not already doing so. Track your number of calls or inquiries coming into your business. Track your conversion on how many become clients. Begin to see how you can better those each month. Also, you're going to track your income and expenses each month and compare that season to season. That is really going to help open your

eyes for you to see how well your business is doing. Then you can make adjustments to improve.

The second way, and your second action step here that you can become a happy, healthier and wealthy therapy business owner by knowing your money is to shore up your money policies. If you have been a little lax with your policies with your existing clients, I'm going to invite you to shore them up with new clients. If you try to enforce policies with clients with whom you have let get away with things for a while, you might inadvertently cause a therapeutic break and actually lose the client. I would recommend starting with new clients.

I look forward to talking with you in the next video when we talk about your business strategy. Why is your business here? Who are you called to serve? How can you speak in their language so that you are the one they want to see?

I look forward to seeing you on the next video. This is Casey Truffo saying bye for now. Take good care.