



SIDECAR

Dollar per Minute Valuation

What are you worth per minute of your time?

That may seem an overly bold question, but truly grasping this concept can change your career trajectory. If you're not sure, just keep an open mind until you have read and processed this paper at least three times.

Begin by asking your self a simple question: "In my chiropractic practice what is my product?" Answers to that question have crossed the spectrum and are as unique as the individual practitioner giving the answer! Responses include adjustments to X-rays, with everything else in between.

Adjustments and X-rays are close but not exactly. In a chiropractic practice you're in a service business and as such your only product is your time.

How you spend your time with the patient is your product. Whether it is delivering a specific chiropractic adjustment, nutritional counseling, acupuncture, massage or physiotherapy, you are selling your time. This is why there are no truly rich chiropractors. Our time is our product and we fail at trying to manufacture more of it.

In our society we are conditioned from a young age to appreciate our compensation via a dollar per hour formula. Even a seasoned business veteran asked how much their attorney charged would probably respond by saying "Oh she is one of our town's best and she charges \$300/hour". Sounds like a lot? Maybe, maybe not.

In your chiropractic office for example let's postulate that you charge/collect \$50.00 per adjustment. If that encounter takes 10 minutes to perform, you have earned \$5.00/minute. If you are able to consistently see one patient every 10-minutes you will have earned \$300/hour. If you were able to see that same patient during a 7-minute encounter you would earn over \$425/hr. Drop the encounter time to 5-minutes and you are at \$600/hour. You have the formula and you can do the math on your adjusting times and fee schedules.

The lesson to appreciate is that if you are doing anything other than serving the prime economic engine of your practice, you will be doing Dollar/Hour work vs. Dollar/minute work. If you are doing dollar per hour work you will be producing a fraction of your potential for your practice, your family (stakeholders) and your community.

Another example may help make the point. A doctor doing nutritional counseling may spend 5-10 minutes instructing the patient on appropriate dosages, conditions supplements etc. The patient may even purchase the supplements prescribed, from your clinic. Once you figure in your cost of goods sold, shipping cost, shrinkage staff time to order etc. your dollar per minute wage drops dramatically into the 50-cents to a dollar a minute range.

The same could be said for the doctor doing or participating in any therapeutic modality. If you as the doctor are performing these services as the doctor, you are being compensated by the dollar per hour principle. Not the Dollar per Minute Principle.

When most practitioners are first introduced to this concept, they tend to rationalize (ration-a-lie) and tell themselves the story that they have the time and they might as well do this and make some revenue. But this is a very slippery slope. We become conditioned to being "inefficient" and non-productive and see your schedule as being full. Almost every practice that has been open for more than one year is as busy as they can be; doing patient care and patient systems the way they are currently being done.

Something has to give and the process of growth begins by understanding what is your primary economic driver in your business and shedding the elements of your practice that can truly be handled by a true dollar per hour employee so you are free to serve your patients the way only you can.