

Steven Hacker, MD



Dr. Steven Hacker is Founder & Director of The Medical Entrepreneur Symposium, held annually in Delray Beach, FL, and creator of the free app, “The Medical Entrepreneur.” In addition, Dr. Hacker is author of the top-selling practice management book entitled, *The Medical Entrepreneur Pearls, Pitfalls and Practical Business Advice for Physicians* (Nano 2.0 Business Press). He is also on the editorial board of NewDermMD (www.newdermmd.com), a digital publication for residents and new clinicians in the field of dermatology. Ahead, Dr. Hacker shares pearls on balancing the financial components of practice with clinical concerns.

Can you discuss the underlying principles that guide how you run your practice as a business?

According to Dr. Hacker, several axioms are important to follow and emulate in day-to-day practice operations. These include treating your employees with respect and the appreciation they deserve, remembering that the customer/patient is always right as it relates to the business aspect of the practice, and that great customer service equals great patient care. From the standpoint of organization, Dr. Hacker recommends keeping a rigorous structure when it comes to reports and paperwork. “Create and run monthly, daily, and quarterly reports and analyze them regularly,” says Dr. Hacker. This will help identify ways to increase passive revenue and identify cost/expense efficiencies.

Other principles to follow, according to Dr. Hacker, include understanding marketing metrics, dealing honestly with your vendors and paying bills when due, and using technology and the web to save money, increase efficiencies, and create new marketing opportunities.

What are some of the common pitfalls physicians encounter from the standpoint of practice management, and how can they be avoided?

The most common pitfalls in medical practice, according to Dr. Hacker, include: underestimating the value of great customer service, paying employees cheaply, being penny-wise and pound foolish on line-item expenses. Finally, Dr. Hacker re-emphasizes the all-too-common missed opportunity of those who do not use technology or the Internet to their advantage. There are also several commonly neglected elements to practice management that deserve more attention from physicians, according to Dr. Hacker. “The most overlooked element of practice management is

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the discipline of reviewing reports and budgets on a regular basis, either daily, weekly, or monthly,” says Dr. Hacker. “This discipline will help a physician understand and recognize the early signs of weaknesses in income and expenses. Also, every physician should review monthly financials including balance sheet, cash flows, and profit and loss statements.”

Can you offer any advice to clinicians on how to balance the business and clinical aspects of practice?

While clinical aspects of medicine generate the revenue and should occupy the greatest amount of a physician’s time, Dr. Hacker notes that every physician must make sure to set aside time (either after hours, weekends, or half days without patient care) to review numbers. Thus, do the appropriate work to understand costs, revenue, and future opportunities. Regular discussions, emails, or meetings with office managers are also critical, he reminds. In the end, striking the right balance between business and medicine—while different for each clinician—is ultimately essential to building and maintaining a successful medical practice. “There must be a balance between clinical care and practice management; otherwise, the physician will miss future opportunities either on the revenue or cost side,” Dr. Hacker observes. ■