Ownership Readiness Assessment

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Ownership Readiness Assessment

Starting a practice is a major decision. There is no score that can tell you whether you are ready.

What matters is whether you have thought through the parts of ownership that are most likely to affect you, your family, and the practice you are considering.

Use this assessment to see where you feel prepared, where you are uncertain, and what still needs work before you make major commitments.

For each statement, choose: Yes, Mostly, or Not Yet.

1. Vision

1. I know why I am considering practice ownership.
Yes / Mostly / Not Yet

2. I can describe what I want ownership to change about my current professional life.
Yes / Mostly / Not Yet

3. I have a fairly clear picture of the type of practice I would like to build.
Yes / Mostly / Not Yet

4. I know what type of patients I want to serve.
Yes / Mostly / Not Yet

5. I have thought through what I want my normal workweek to look like.
Yes / Mostly / Not Yet

6. I have thought about how many days I want to work, how many patients I want to see, and how long I want visits to be.
Yes / Mostly / Not Yet

7. I have considered how much after-hours availability I am willing to provide.
Yes / Mostly / Not Yet

8. I have thought about how much vacation and time away from the practice I want.
Yes / Mostly / Not Yet

9. I know which parts of my professional and personal life I do not want to give up in order to own a practice.
Yes / Mostly / Not Yet

10. I have considered whether another job, partnership, acquisition, or other career change could give me what I am looking for without starting a practice from scratch.
Yes / Mostly / Not Yet

2. Financial Readiness

1. I know approximately how much income my household needs from me each month.
Yes / Mostly / Not Yet

2. I understand which benefits and expenses are currently being paid by my employer that I may need to replace.
Yes / Mostly / Not Yet

3. I have reviewed my household expenses, debt, savings, and other financial obligations.
Yes / Mostly / Not Yet

4. I have a reasonable idea of how much money I am willing to invest personally in the practice.
Yes / Mostly / Not Yet

5. I have thought about how much I am comfortable borrowing.
Yes / Mostly / Not Yet

6. I understand that my income may decrease while the practice is getting established.
Yes / Mostly / Not Yet

7. I know how long my household could function if my income were substantially lower than it is now.
Yes / Mostly / Not Yet

8. I have thought through what I would do if the practice took longer than expected to become financially sustainable.
Yes / Mostly / Not Yet

9. I have begun estimating startup expenses and monthly operating costs.
Yes / Mostly / Not Yet

10. I understand that working capital is separate from the money needed to open the doors.
Yes / Mostly / Not Yet

3. Family and Personal Readiness

1. My spouse or partner understands why I am considering ownership.
Yes / Mostly / Not Yet

2. We have discussed the financial risk involved.
Yes / Mostly / Not Yet

3. We have discussed the possibility of reduced income during the startup.
Yes / Mostly / Not Yet

4. We have discussed how much personal money we are willing to invest.
Yes / Mostly / Not Yet

5. We have discussed how much debt we would be comfortable taking on.
Yes / Mostly / Not Yet

6. We have talked about how the startup may affect my time and availability.
Yes / Mostly / Not Yet

7. We have discussed how long we would be willing to give the practice to become established.
Yes / Mostly / Not Yet

8. My family situation allows enough flexibility for the time and uncertainty involved in starting a practice.
Yes / Mostly / Not Yet

9. I have thought about how practice ownership could affect where we live, travel, childcare, schooling, or other family plans.
Yes / Mostly / Not Yet

4. Business Readiness

1. I understand that owning a practice means running a business in addition to practicing medicine.
Yes / Mostly / Not Yet

2. I am willing to learn enough about the business to understand how the practice is performing.
Yes / Mostly / Not Yet

3. I am comfortable reviewing financial information regularly.
Yes / Mostly / Not Yet

4. I am willing to make decisions about staffing, vendors, expenses, marketing, and operations.
Yes / Mostly / Not Yet

5. I am willing to ask for help when a decision is outside my expertise.
Yes / Mostly / Not Yet

6. I understand that some decisions will need to be made before I have perfect information.
Yes / Mostly / Not Yet

7. I am willing to change the plan when the numbers or results show that something is not working.
Yes / Mostly / Not Yet

8. I have begun identifying the attorney, CPA, lender, real estate advisor, and other professionals I may need.
Yes / Mostly / Not Yet

9. I have talked with physicians who own practices similar to the one I am considering.
Yes / Mostly / Not Yet

10. I have begun learning how the practice model I am considering actually works day to day.
Yes / Mostly / Not Yet

5. Market Readiness

1. I can describe the patients I expect the practice to serve.
Yes / Mostly / Not Yet

2. I have looked at the other practices serving those patients.
Yes / Mostly / Not Yet

3. I understand what alternatives patients already have.
Yes / Mostly / Not Yet

4. I have looked at local demand, competition, and appointment availability.
Yes / Mostly / Not Yet

5. I have spoken with prospective patients or people who closely resemble the patients I expect to serve.
Yes / Mostly / Not Yet

6. I have spoken with potential referral sources when referrals will be important to the practice.
Yes / Mostly / Not Yet

7. I can explain why a patient would choose my practice.
Yes / Mostly / Not Yet

8. If patients will pay directly, I have discussed the expected price with prospective patients or studied comparable practices.
Yes / Mostly / Not Yet

9. I have enough information to begin making reasonable assumptions about how quickly the practice may grow.
Yes / Mostly / Not Yet

6. Leadership Readiness

1. I am comfortable being responsible for decisions that affect other people.
Yes / Mostly / Not Yet

2. I can give an employee direct feedback when something is not working.
Yes / Mostly / Not Yet

3. I am willing to address a problem rather than avoid it because the conversation is uncomfortable.
Yes / Mostly / Not Yet

4. I could terminate an employee or vendor relationship if it were clearly hurting the practice.
Yes / Mostly / Not Yet

5. I am willing to delegate work instead of trying to do everything myself.
Yes / Mostly / Not Yet

6. I can admit when I do not know something and bring in someone who does.
Yes / Mostly / Not Yet

7. I am comfortable taking responsibility when one of my decisions does not work out.
Yes / Mostly / Not Yet

8. I am willing to review the practice regularly and make changes as it grows.
Yes / Mostly / Not Yet

7. Risk and Timing

1. I understand the major financial risks involved in starting the practice I am considering.
Yes / Mostly / Not Yet

2. I have reviewed my employment agreement and understand any notice, non-compete, non-solicitation, or patient-contact restrictions.
Yes / Mostly / Not Yet

3. I understand how leaving employment may affect malpractice coverage, health insurance, retirement benefits, disability coverage, and other benefits.
Yes / Mostly / Not Yet

4. I have thought through a realistic slow-growth scenario.
Yes / Mostly / Not Yet

5. I know how much money and time I am willing to risk before I would reconsider the plan.
Yes / Mostly / Not Yet

6. I have thought about what I would do if the practice did not work.
Yes / Mostly / Not Yet

7. I am making this decision because I want ownership, not simply because I need to get away from my current job.
Yes / Mostly / Not Yet

8. My planned opening timeline is based on the actual work that needs to be completed rather than an arbitrary date.
Yes / Mostly / Not Yet

9. I am willing to move the opening date if licensing, financing, construction, or another major dependency requires it.
Yes / Mostly / Not Yet

Review Your Answers

Do not add up the answers.
There is no passing score.
Look back at the statements where you answered Mostly or Not Yet.

Some may simply mean you need more information. Others may identify something you should work through before you sign a lease, borrow money, leave your job, or make another major commitment.

Pay particular attention to areas involving:

- Your reason for wanting ownership
- Household finances
- Family support
- Employment restrictions
- Market demand
- Startup capital
- Your ability to tolerate slower-than-expected growth
- Your willingness to run the business side of the practice

A single unresolved issue can be more important than twenty areas where you feel completely prepared.

What Do You Still Need to Work Through?

What are the three areas you feel best prepared for?
1.
2.
3.

What are the three areas you need to work on most?
1.
2.
3.

What information do you still need before you can make a decision about ownership?

What is the biggest concern you have about starting a practice?

What would need to be true for you to feel comfortable moving forward?

What would make you decide not to move forward?

What is the next decision you need to make?

Using This Assessment

This assessment is a general planning resource and does not constitute individualized consulting, legal, tax, accounting, or financial advice from Practice Freedom Advisor.

You can use it on your own to identify the areas you want to investigate before deciding whether to move forward with practice ownership.

If you want help working through your specific situation, you can schedule a Practice Freedom Strategy Session. We can review where you are, what you are considering, the areas that still need work, and what your next steps should be.

After the Strategy Session, you can use your Practice Freedom Action Plan and move forward on your own, or you can continue working with Practice Freedom Advisor through ongoing consulting.

Practice Freedom Advisor

Helping Physicians Build Practices That Support the Life They Want.