



STARTING A PRACTICE

The all-important business plan

BY CONSTANCE LYNN HUMMEL, RCC

Starting a private practice is exciting, but it can also be overwhelming and even intimidating. Too often, people dive in without thinking it through, only to panic later and decide private practice isn't for them. But really, they may have just needed a better plan.

The most important thing to remember when you are starting a private practice is that it is a small business. If you've never

run your own business before, you're most likely going to need some guidance and training to make the process a smooth one. After all, the skills you need to be a good counsellor are different than the skills you need as a business owner.

So where do you start? With a step many counsellors skip to their peril: an intentional business plan. A business plan is the foundation from which your practice can grow, and it needs to be the first thing you do — before you get an

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office, pick your business name, or set up a website. Having a solid plan will save you time, money, and stress, and it will give you confidence and help to avoid or manage roadblocks along your path to success.

Here are some aspects of a business plan to consider.

■ **YOUR VISION:** It's important to have a really clear sense of what you want to create before you try to create it. Think of it like baking a cake — you don't throw a bunch of ingredients in a bowl and hope it turns into a cake. You need to decide what kind of cake you want and get specific ingredients. That doesn't mean you can't add things along the way, but it gives you a starting point. Ask yourself these questions:

1) Who are your clients? "People with problems" is not specific enough as an answer. You need clarity around who you are trying to help, what *they* feel their issues are, and the type of services they want and need. If you can give people what they're searching for, it's much simpler than trying to convince them they need what you're offering. This clarity will help inform your branding, choose your location, and determine your marketing approach.

2) Who are you? Your practice needs to reflect who you are as a person, how you want to work, and how you view change and healing. There is no one-size-fits-all approach because every counsellor is unique. Do you want to work part-time or full-time? From home or from an office? Is this your main business or a side business? Do you eventually want to expand and offer

other services or products? Do you want to bring in associates at any point?

3) Where do you see your practice in five years? Build your practice so it fits your dream, or you risk outgrowing your practice instead of growing into it. Set goals and determine the steps you need to take to achieve them.

■ **LOGISTICS:** These are the "business basics" outlined in more detail on page 32: a web presence, a way to be contacted by clients, a way to get paid, and a place to work. You also need to decide how much to be paid: determining your rates means having an awareness of what other counsellors who offer similar services are charging. For guidelines, go to bc-counsellors.org/choose-a-counsellor/fee-schedule/. You should also assess your costs and determine your budget. Especially in the beginning, you will likely want to keep costs tightly controlled.

■ **LEGAL/ETHICAL:** This may include registering a business name, a GST account, getting a business licence, and getting insurance, among other things that may be specific to the way you work. Note that every municipality in the province may have different regulations for business licences. Failure to obtain a business licence may result in a fine or being shut down; ensure you check with your municipality to find out what you need. Even if you are working as an associate with someone else or running a business out of your own home, a licence and insurance need to be in place before you get started. You may also

At a Glance

How solid is your business plan?

A business plan is the most important step in starting a private practice. Before you officially hang out your shingle, you should have an answer to all these questions.

- ▶ What types of services are you planning to offer?
- ▶ Who are these services best suited for? Who are these services not suited for?
- ▶ What kind of licences and insurance do you need to be in compliance?
- ▶ How much will you charge? Will you offer a sliding scale?
- ▶ How many sessions per day/week are you available?
- ▶ What is your financial breakeven? What are your expenses?
- ▶ How will you market your services?

Being able to answer these questions will help you feel more confident and make better decisions as you go forward. Think of it like the carpenter's rule: measure twice; cut once.

Starting an online counselling practice



Online counselling is becoming increasingly popular. While it has not been fully accepted across the profession, online counselling is clearly here to stay. However, there are specific considerations that need to be addressed before you can launch an online practice. Understanding privacy concerns, getting the appropriate insurance coverage, and managing intake forms and agreements are

critical. A number of questions about online counselling are addressed in the article "Standard for the Use of Technology in Counselling" in the members section at bc-counsellors.org.

Some counsellors are choosing virtual telemedicine platforms, such as Livecare (livecare.ca) and Medeo (medeohealth.com), while others are investigating different ways to work online,

depending on the type of services they offer and the clients they want to assist.

To learn more about launching an online practice or adding it to your existing practice, you may want to sign up for a course that can give appropriate guidance.

A number of courses are available including E-Therapy Essentials (etherapyessentials.com) and Therapy Online (therapyonline.ca).

want to establish relationships with a clinical supervisor or consultant, as well as within a supportive counselling community, such as the BCACC.

■ **BRANDING:** This isn't just a logo or a colour scheme. Your brand is the experience people have when they connect with you in person, online, and on the phone. It is the visual look of your website, office, business cards, and your head shot and also the tone of your voice in writing and in speech. Are you formal or casual? Take some time to determine how you want to represent yourself publicly as a professional. Keep in mind, too, the clients you want and ensure your branding is welcoming to them.

■ **MARKETING:** You need to have a basic marketing plan in place that addresses online and offline strategies for connecting with clients, colleagues, and the community. It generally takes at least three months to see returns from any marketing efforts so, ideally, you should start letting people know you are launching a private practice ahead of time. Considerations include directories, such as with BCACC, potential referral sources, past and present colleagues, and any connections you have that may be a source of clients. A website and business cards are not enough; you will need to take an active role in marketing your business.

You may find that some aspects of your business plan need tweaking as you go along — and that's okay. As you progress in your practice, you will learn new business skills, gather more tips and information, and make discoveries about yourself that influence and refine your plan. Your business plan is a guide of your own making, intended to serve as a map leading to your goals. And as with any journey, having some flexibility to allow for detours and diversions along the way is smart planning.

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Getting the Right Insurance

Appropriate insurance coverage for your practice is critically important — and legally required. Part of that responsibility includes having a really solid understanding of how your insurance works and what it all means — and that means having a conversation with an insurance representative.

Brad Ackles, Vice President at Mitchell Abbott Group Insurance Brokers (mitchellandabbott.com), the official insurers for BCACC members, says counsellors starting private practices need to be aware of the various forms of liability coverage, errors and omissions/professional liability versus commercial general liability.

"Counsellors also need to understand the contractual obligations they may have with landlords and anyone working on their behalf, including contract employees," says Ackles. "They

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BUSINESS BASICS

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"Where do I start?" is one of the most common questions I am asked in my role as a business coach and strategist. In most cases, the answer to that question is "It depends." However, if you want to get your starter ducks in a row quickly, beyond your business plan (see page 30), here is a checklist of items you need to think about.





need to have discussions on the full range of services and modalities to be sure all their operations are covered properly.”

Ackles adds that there are packages available if there is a need to insure one’s business contents and then separate coverages for the various liability options.

“Usually, the ‘packages’ have all the coverage improvements or upgrades,” he says. “It’s a matter of

selecting the correct coverage for your particular situation.”

In addition to being properly insured before you start taking clients, it is just as important to keep your coverage up to date as your practice grows and changes.

“An annual review is always advisable,” says Ackles. “But where we really need to have discussion is when anything operationally changes: have you rented commercial space? Have the services you provide changed? Are you using contracted employees?”

Because insurance is something we don’t think about every day — until we need it, that is — you may want to schedule periodic reviews and contact your insurance company if you have any questions or concerns.

RESOURCES FOR SMALL BUSINESSES

Small Business BC is an online resource centre for businesses of all kinds and offers a wealth of information, including links to register a business, register for GST, search names, read blog posts, and get help and advice. Seminars, workshops, and events are also available. smallbusinessbc.ca

Another excellent resource is the Business Development Bank of Canada website. Under the Articles and Tools heading, link to Start or Buy a Business, where

you will find valuable information on a variety of topics, including business licences. bdc.ca

The Province of British Columbia also offers a variety of information, which may be of interest. www2.gov.bc.ca/gov/content/employment-business/business/small-business

The Government of Canada has information for the self-employed, including how to open a GST account. cra-arc.gc.ca/selfemployed/



Web Presence

In an ideal world, setting up a basic website is often a first step — but

you don’t have to do so until you are ready. Too often, people spend a lot of money on a website they end up scrapping a few months later. You need time to think carefully about your practice, your vision, and your branding.

Instead, in the very early stages, set up a profile on one of the online counselling directories, so you can direct people there to learn more about you and your services. This gives you a legitimate web presence without a big investment of time and money. It also buys you the time you need until you are confident about your branding and ready to invest in your own website.



A way you can be contacted

If people can’t reach you, it’s pretty hard for them to book with you. You need a

designated email address for clients and a phone number you can be reached at. If you haven’t decided on your website domain, use a free service such as Gmail.

Other providers such as Hotmail or Yahoo are generally not seen as professional and may make clients question your credibility.



A way to accept payment and provide receipts

Before you take your first client, decide how you will accept payment. The simplest and fastest ways are cash, cheque, and e-transfer, followed by credit cards. Designate a separate bank account for business purposes and only deposit business earnings there. You don’t want to mix your personal and business transactions or, trust me, you will be crying at tax time.

And speaking of taxes, educate yourself on how and when you need to collect and submit GST. In general, once you earn \$30,000 in any 12-month period, you need to collect GST. For more information, including how to register for a GST account, go to cra-arc.gc.ca/selfemployed/.

For receipts, create a simple computer-produced receipt that includes all your information properly presented. Handwritten receipts may be a problem if

your client is claiming services through a benefits plan. Once you get your feet underneath you, there are various online services such as WaveApps.com, Squareup.com/ca, or Cliniko.com to assist you with managing invoices, payments, and receipts.



A place you can see clients

Generally, this means an office.* In the very beginning, if at all possible, avoid locking into a long-

term contract. Within your first three to six months, you will be ironing out the kinks in your practice, and you may find you need something different than you originally thought.

An hourly rental is a low-overhead, low-commitment option. You may also want to consider renting office space from a colleague or even setting up an office in your home.

** Starting an online practice is a subject unto itself and may or may not be appropriate for your work. See page 31 for more about training and information for online practices.*