THE UNIVERSITY OF MONTANA
SCHOOL OF PHYSICAL THERAPY AND REHABILITATION SCIENCE
PT 655 Business and Marketing

CREDITS: 2 Credits

FACULTY:
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COURSE DESCRIPTION: A comprehensive analysis at those factors influencing physical therapy economics and those organizational and management principles, which impact the ethical and legal aspects of health care delivery. The course objectives are designed to allow the learner to recognize their roles and responsibilities in regards to cost effective delivery of physical therapy services and the business principles, economics, and culture that influence success.

OBJECTIVES
Upon successful completion of this course, participants will be able to:
1. Understand the tools used for business analysis, including Profit/Loss statements, Balance Sheets, and Value Propositions
2. Develop a Value Proposition relevant to his/her particular area of physical therapy practice
3. Understand the purpose of a Core Value system within business and how they are used to direct it
4. Understand the relationship between autonomy, professional ownership and the concept of reinvestment of surplus value
5. Describe the different ways in which equity is determined for business value and the methodology used to use equity determination for business purchases or partnerships and list the elements necessary for an Operating Agreement
6. Describe Porter’s Five Force Model
7. Develop a logical and structured Strategic Plan for a unique business venture
8. Describe the differences between advertising and marketing and relate this to push and pull technologies as they are used to improve a business.
9. List and describe economic indicators of practice
10. List and describe indicators of a business that is a learning organization and that has the mechanisms in place for a perpetually successful business model

REQUIRED AND RECOMMENDED TEXTS AND READINGS
• Required Texts
Recommended Texts

Recommended Journals related to Business
- Harvard Business Review
- The Economist

ASSESSMENT
Completion of Portfolio with the following 14 written assignments (use this as a checklist). Each of these written assignments will follow the modules in this same sequence.

The Quality of the Portfolio determines the grade. Following the instructions and turning it in completely results in a B grade. If the content is of sufficient depth and breadth, as influenced by the Innovator’s Prescription readings AND the student actively posts on the Discussion Board, a grade of A will be earned. There are no C’s or D’s given. Failure to complete the assignment completely will result in failing the course

*Compile all 14 elements in one volume to send electronically*

- 1. Hierarchy of Business Challenges
- 2. Two Push Technologies – One for business and one for clinic
- 3. Total of 6 Value Propositions. Three for patients and three for referral sources
- 4. Business Model for Wellness. Four pages. One page explaining the value proposition, one page explaining the resources, one page explaining the processes, and one page explaining the profit formula.
- 5. Your own Disruptive Innovation (2 pages)
- 6. Core Values of your Organization and How are they used.
- 7. Five additional practice options that your current practice could reasonably expand in to.
- 8. Five risks in our health care environment, with description
- 9. The good-will that you feel you personally should be compensated for that you bring to a physical therapy sales negotiation. One page max
- 10. Improve your own Personal Capital. Describe the ways you can do this for your organization via the 5 ways in the module or other personal choices. Max 2 pages;
11. Strategic Plan for Health/Wellness/Prevention in your Clinic (minimum of 4 pages)

12. Describe marketing strategies focused on “Securing Satisfaction,” namely Partnership and Advice, specific to your clinical environment.

13. Key Indicators of Practicing Successfully and the Key Indicators of a Successful Practice

14. You are starting a new business in physical therapy, a new business within your current practice of physical therapy, or engaging in a new physical therapy venture. List and describe your Conditions of Satisfaction

GRADING SCALE

A = 90 and above
B+ = 87-89
B = 83–86
B- = 80-82
C+ = 77-79
C = 73-76

The grading criteria will follow the policy of the School of Physical Therapy and Rehabilitation Science (see student handbook) with a passing grade being a “C” and a 73 percent. All students must practice academic honesty. Academic misconduct is subject to an academic penalty by the course instructor and/or disciplinary sanction by the University. Any evidence of cheating or plagiarism will result in failure of the course. All students need to be familiar with the Student Conduct Code. The Code is available for review online at http://life.umt.edu/vpsa/documents/StudentConductCode1.pdf

COURSE OUTLINE

Part 1. Introduction and Course Format. 42:06 minutes
   A. Course Topics and Key Discussion Points
   B. Required and Suggested Texts
   C. Format for Writing Assignments interspersed within Modules
   D. Faculty Introduction

Part 2 Segment 1: Foundational Definitions 30:24 minutes
   A. Health Care Systems and Environments
   B. Profit and Loss
   C. Revenue in PT Practice
   D. Supply and Demand Challenges

Part 2 Segment 2: Foundational Definitions 41:52 minutes
   A. Balance Sheets
   B. Commodities
   C. Value Proposition
   D. The Classic Business Model
   E. Technological Enablers of Business
Part 3: Value Propositions
A. The Value Proposition in Business
B. Putting Theory to Action: Creating a Value Proposition

Part 4: Professions, Business, and Core Values
A. The Idea Behind Disruptive Innovations
B. Characteristics of Professions
C. Elements of Vision 2020
D. Core Values
   - Profession
   - Business
E. PASS Practice Models Recommendations

Part 5: Autonomy and Practice
A. Elements of Professional Practice
B. Control of Practice
C. Professional Value of Ownership
D. Future Considerations Relative to Ownership of Profession

Part 6 Segment 1: Equity
A. Equity and Risk
B. Equity Definitions
C. Business Options for Equity Ownership
D. Assets and their Valuation
   - EBITDA
   - Goodwill

Part 6 Segment 2: Equity
A. Economic and Legal Steps of Business Startup
   - Letter of Intent
   - Purchase Agreement
C. Partnerships
D. Operating Agreements

Part 6 Segment 3: Equity
A. New Business Startup
B. Porter 5 Force Model
   - threat of entry
   - threat of substitutes
   - threat of rivalry
   - threat of suppliers
   - threat of buyers
C. Determining the legal structure for business
Part 7 Segment 1: Strategic Planning 23:35 minutes
A. Working Definition
B. Sustaining Source of Competitive Advantage
C. SWOT Analysis
D. Today’s Definition of Strategy
E. Category of Resources
F. Talents and Skills
G. Managers and Leaders

Part 7 Segment 2: Strategic Planning 23:34 minutes
A. Strategic Plans vs Business Plans
B. Developing a Strategic Plan

Part 8: Marketing 24:02 minutes
A. Advertising vs. Marketing
B. Gallup Survey on Customer Satisfaction
   - Preventing Dissatisfaction
   - Securing Satisfaction
C. Elements of a Marketing Plan
D. Referral Source Visits
E. Retrospective View of Marketing Effort

Part 9: Evaluating Your Practice Environment and Culture 25:08 minutes
A. Concept of Key Indicators
B. Conditions of Satisfaction
C. Economic Indicators of Practice
D. Creating a Patient Centered Environment
E. Drivers for Worker Satisfaction

Part 10: Summary 18:08 minutes
A. Competitive Advantage and Today’s Definition of Strategy
B. Categories of Resources
C. Game Theory Skills in Business
D. Professionalism: Basis of Contract with Society
E. Outcomes of Contract
F. Perpetually Successful Business Models
G. Emerging Paradigm for Physical Therapy Industry

Total Time: 375 minutes, 58 Seconds

COURSE POLICIES: Students are responsible for complying with the University and School of Physical Therapy & Rehabilitation Sciences handbooks. In the School of Physical Therapy & Rehabilitation Sciences DPT Student Handbook, refer to sections on Professional Behavior, Academic Honesty, Computer Use, and Grade Appeal which may be accessed at: http://health.usf.edu/NR/rdonlyres/DFA0C1E6-187B-4066-804B-7B237754363F/0/20102011StudentHandbook8710FINAL.pdf
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**AUDIOVISUAL MATERIALS**

**Minimum System**

- Platform: Microsoft Windows XP or Mac OS.X v10.4+
- 1GB of RAM
- Flash Player 10
- Pentium-class PC (1.0 GHz or higher recommended),
- 8x DVD-ROM drive or better,
- Microsoft Windows Media Player 8.0 (or higher),
- Microsoft Internet Explorer 8.0 (or higher), or other internet browser
- Acrobat Reader 5.0 or higher.

**Notes:**
The DVD-ROM will start automatically on most Windows based machines. You will have to open it on Macs.

**Downloads:**
To obtain the most recent version of the Microsoft programs go to [http://www.microsoft.com](http://www.microsoft.com), click on Downloads

To obtain adobe reader go to [http://www.adobe.com](http://www.adobe.com), click on “get adobe reader”.

For help in running this DVD, please feel free to email Jonathan Scheeler at jscheeler.dpt@gmail.com – please include in your email, the issue and your computer information.