

1 HOUR EXPENSE REDUCTION PLAN

	<u>Action Items to Complete</u>	<u>Who</u>	<u>Due Date</u>	<u>Status</u>
1	Fill out the benchmarking and diagnostic forms			
2	Run your profit and losses with percent of income			
3	Look at the major categories of expenses first.			
4	Payroll			
5	Marketing			
6	Rent			
7	Owners Draw			
8	Retail COG			
9	Injectable COG			
	Surgical COG			
10	Net profit percentage			
11	Any other expenses over 1% of Income			
12	Review these percentages to last years percentages			
13	Note which percentages have gone up.			
14	If you haven't already do your Revenue Planning Sheets			
15	Look at revenue this year to last year by month			
16	Has the income gone up or down by month?			
17	Note which percentages have gone up as a percent of income.			
18	Can they be justified.			
19	Is your retail cost of goods 50% or retail sales or under?			
20	Is your injectable cost of goods 50% or under injectable sales?			
21	Is your monthly inventory over or under counts?			
22	Set up process to manage inventory and supplies			
23	Review and adjust inventory			
24	Set up quarterly goals for expense savings			
25	Set 3 expense saving goals per quarter - at the most			
26	Review results monthly, it takes 3 months to see changes			
27	Look at labor saving options			
28	Is staff creating enough revenue to support compensation plan?			
29	Mid levels should create 4x their total cost to the company.			
30	Providers should create 5-7X their total costs to the to the company.			
31	Rewrite comp plans if necessary with new sales thresholds.			
32	If labor is up significantly set up performance reviews.			
33	Review job descriptions for each staff member.			
34	Consider a bonus for costs savings for manager.			
35	Clarify expected cost ratios by department and service.			
36	Work with vendors to drive down costs with bulk orders.			
37	Plan with vendors for complimentary products for promotions.			
38	Set up a sales event.			
39	Start utilizing the Annual Marketing Plan process.			
40	Review retail and reduce products to top sellers.			
41	Set up quarterly and monthly steps to meet your goals			
42	Break down to departmental and weekly action items			
43	Set up monthly management meetings			
44	Schedule quarterly half day session for management			
45	Implement regular staff meetings			
	PROVEN SYSTEMS CREATE PROVEN RESULTS!			