

Profit First: How Dentists Can Build Wealth, Not Just Production – Barb Stackhouse: Ep #546



Barb Stackhouse

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Dr. David Phelps

I hustled to grow my dental practice and real estate empire. Society patted me on the back and every new deal and patient reinforced the success they said I had. Then my daughter Jenna was diagnosed with leukemia. Nine years, several intense chemo treatments and years of epileptic seizures, my daughter was given one more miracle, a life-saving liver transplant.

In that hospital, I realized I wasn't successful. I had money, I had real estate assets and a business, but the only thing that mattered was time with my daughter. In that hospital room, I decided to sell my business, leave active income, and sustain my lifestyle with my real estate assets. Now, Jenna is healthy and all grown up, and me, I am teaching others to do what I did. And I continue to uncover the principles, strategies, and lessons we can apply in business and investing to create ultimate freedom

for what matters most to each of us. Welcome to the Freedom Founders Podcast.

Profit First: How Dentists Can Build Wealth, Not Just Production – Barb Stackhouse: Ep #546

Today's guest is someone who lives at the intersection of clinical insight, financial acumen, and coaching clarity, Barb Stackhouse. A dental hygienist turned profit-first serial entrepreneur, Barb has helped countless dentists shift from just producing to truly profiting. If you've ever looked at your practice's production and wondered, where's all the money going? This episode is for you. Barb unpacks why financial organization must come before systems and scaling.

how to turn your team into financially aware partners in the practice and why Profit First isn't just a framework, it's a mindset. Whether you're a new dentist, a seasoned owner or scaling with associates, Barb's insights will help you take control of your time, your money and ultimately your freedom. Please welcome Miss Barb Stackhouse.

Barb, so great to have you back again. We've had some great conversations in the past. You have published several books. You have a great community, a tribe that you lead in our collegiate industry, which is dentistry. It's one that we love. And one of the things that I know we both find in common, we collaborate with our clients, our members, our docs in different ways to attack very similar problems. But one thing that you said, and I'm just going to, I think I'm paraphrasing it, but you say most dentists I work with are producing well.

but their bank accounts don't show it. Profit First for Dentist helps them flip the script and finally get paid like they deserve. How common is that? And we both know it's very, very common. Great producers. And they look at their P &L, profit and loss, and I'm supposed to be profitable. Where's the money? Typically they go to their accountant, fine accountant, does things for tax purposes, right? And then puts everything on the right lines.

There's no value in just doing things for tax purposes if it's not helping you operate your business. I mean, I'm not trying to steal your thunder. I know this is what you're all about, but that's my lead in for your day. So where do you want to pick up from that?

Barb Stackhouse

Well, thank you. Thank you for having me back. And my gosh, so true. I hear the stories. You know, I'm on the phone with these dentists who my accountant said I'm profitable. My accountant says I owe this much in taxes, but I don't have the money in the bank. Where is it? There's so much hidden underneath that they don't see on those reports because they're not trained to read those types of reports.

What I tell them is, you know, your CPA has a job and that's to keep you legal with the government and hopefully help you avoid some taxes if possible. I have a different job. My job is to help you really truly see your numbers, the cash that comes in, the cash that goes out and how to make good business decisions. And when you have financial systems in place, and I'm going to say profit first because that's what I do. I can tell you that once you do the work up front.

and the systems are in place, in as little as 10 minutes a week and one hour a month, dentists can fully know their financial position and know how to make good decisions. And if they don't have that much time to devote to their finances, there's a problem.

Dr. David Phelps

That's a big problem. Yeah. And it's not what we're trained to do. We're trained to be very specialized, highly trained, technical people who serve our patients at a high level. And that's wonderful. But there's the financial piece that has to be in place for any business. I don't care where your heart is. If you can't run, operate a profitable business, you will be there to serve anybody. So we have to put back to your moniker, your profit first.

I'm curious, Barb, why don't you give the audience a little bit of the backdrop of your journey into dentistry, financial coaching, then we'll dive into the framework of Profit First because a lot of people at least heard of it. Maybe a lot of people don't really still understand it.

Barb Stackhouse

So I grew up on a small farm in Indiana, a very rural kid, went to a school with a hundred kids in the whole school, like just a very small town and married my high school sweetheart. We are still married and we moved to another community, not too far from where we grew up. And it was there in that community that I met the dentist that I eventually worked for. And we actually met at church.

and his wife was a hygienist. So by this time I was married and had a couple of kids, hadn't gone to college yet. Knew that I was really, really smart. I always got really good grades and she was the one that encouraged me. And so I was actually the first one in my family to go to college to get a higher degree. It was actually that dentist and his wife who encouraged me. And when I got out of school, he had a job waiting for me. So that's how I got into dental hygiene and dentistry. It was a great fit. I loved it. And I knew all along that I really

loved education as well. During that time while I was working with him, I went back to school, got my bachelor's degree, and I actually graduated the same year as our older son graduated high school. I graduated college again with my bachelor's, and then I went on and got my master's, and I really thought that I would teach in the university. What I found out was there's a lot of politics there that I just didn't agree with, and my husband and I made a move to Arizona.

And I met Dr. Mike Schuster out in Arizona. And that's really how I got into the coaching piece. And it was great because I had the opportunity to use that education degree and teach dentists those business management skills. But I also got to work side by side with him in his dental practice. So it allowed me to keep my skills as a hygienist. It just was a great opportunity for me. I worked with Dr. Schuster for 12 years and he's retired now.

we moved to Nashville because our kids came here. And I actually was coaching a dentist who said, you got to read this book, Prophet First by Mike McAlewitz. I said, okay, I'll read it. So I ordered a copy, got it. I mean, I couldn't put it down. When I read that book, I knew that this was something that could really help the dentist that I was coaching. In the book, Mike talks about, you know, these Prophet First professionals. So I called him up and I said,

I'm not a bookkeeper, I'm not a CPA, I'm a dental hygienist, but I want to go through your program. I want to become certified." And I told him, you know, I'd kind of been coaching for a while and was doing the business side of stuff with dentistry and they let me in. So I did the certification and now I'm in their

mastery level program and certified first professional and profit advisor. That's really my journey and how I got to where am now. And once I had that...

kind of tool, if you will, in my tool belt, I said, you know what, this is something that can really be unique and different and set me apart from other coaches. So I can do all of that other coaching with the team and all of that, but this is just foundational to everything else that I do. And something just clicked in my head and said, this is really important. So I had about...

Five or six clients I was coaching at that time when I read the book and when I got the certification and I went back to all five of them and I said, I didn't give them a choice. I said, hey, you're just going to do this. I'm not going to charge you any extra. You're to get the benefit of this. And they were all my beta clients. And within about three to four months of implementing, which I know a lot more now than I did then, I feel like it was just such an elementary, you know, getting them involved. But they all, every single one of them, saw results.

and said, I'm never doing it any different. So I knew I was onto something when my beta clients all had success. That's how I got to where am now.

Dr. David Phelps

I just had Mike McCowitz on the podcast last week, ■ coincidentally.

Barb Stackhouse

was with him about a month ago. We were at our master level meetup.

Dr. David Phelps

He's such an innovator in really all things business marketing. He's a great person to be around because there's just ideas always stemming from wherever he goes. So I love to talk with him about what he's working on. You remember the moment you were sitting in your office, patients lined up, calendar packed months ahead. The numbers looked fine, but something inside you whispered, is this really freedom? Now imagine walking into a room of people who've asked the same question and found a better answer.

as the conversations spark something in you. They're not about grinding harder, they're about building smarter, replacing earned income with predictable cash flow, creating margin and options in your schedule for your family, your purpose, your life. You hear real stories, not sales pitches. And for the first time, you see a clear path forward, not someday, now. This isn't theory, it's a blueprint.

and is built for people like you, high achievers who are done waiting for retirement to live free. The next Freedom Founders event is coming up this October. You're seats waiting. Will you take it? Learn more and register by scheduling a call at [freedomfounders.com slash discover](https://freedomfounders.com/slash/discover). That's [freedomfounders.com slash discover](https://freedomfounders.com/slash/discover). ■

There are so many aspects that are acquired of us as business owners, entrepreneurs, leaders in building and maintaining a profitable, solid business. There's lots of pieces to it. And I know that you

encompass all those. But as you said, you realized that the foundational piece is the numbers. In decisions we make about do we hire another person or what person do we hire? Do we add operatories? Do we expand our space?

Do we move to another location? mean, all these decisions that our docs are always trying to make and maneuver and navigate, the decision making process, you kind of have some data to go along with the gut.

Barb Stackhouse

So once I knew I had the system in place, created a software. I mean, I hired developers and created a software that the dentist could now track using the profit first method. Like what are the numbers that are important to track and also incorporating time into that. Because the two things that I find stress dentists out most is time and money.

and they operate on a schedule all day long. So time is a constant issue for them. So we track time in a very specific way. We track money in a very specific way and some other things. And they enter this data into an online portal. And from it, they get a total practice report. They get a time analysis report on their utilization of time and how well they and their hygiene department, the producing parts of the practice.

And then they get a hygiene department profitability report. So I have formulas in there that based on how much the hygiene department produced, how many patients they saw, there's calculations and we allocate a certain portion of the practice expenses other than lab. They don't have lab expenses, but they share in those expenses of the office because they're utilizing space. They're seeing the patients. And so it helps the hygienist to

begin to see what their actual expenses are. And sometimes those expenses aren't necessarily their fault. It's a decision that the doctor made. But now we become a team. Now we can look at it together. So for me, it's about bringing all the producers together, whether you're an owner, an associate or a hygienist, and taking responsibility for your part of the practice. But being able to see those numbers, it's a practice profitability report, but it's

performance-based. So the high-dose know, okay, well, if we produce this, we should be seeing this. And then the next month we can look at it and yes, this is what we're seeing or no, this is what happened over here. Here's what the supply budget ended up being. Well, what happened there? And so we talk about how sometimes we think it's a really good deal. We should just buy a bunch of this because we think it's a really good deal. Well, let's see how that affected the numbers.

When are we really going to use those supplies? So it helps them to start making decisions based on true facts and true data, because numbers are numbers. But unless you turn those numbers into information, you can't make decisions with them. So my goal is to teach them how to analyze things, but give them a more complete picture in a report that isn't a P & L.; They've already

bend down that road and they're confused and they don't want to look at three reports to try to put it all together. So I have one report, they look at it, they can analyze it, the data is right there. They can

make decisions. So that's what I help them do is just take the numbers, take the data, make it into information.

Dr. David Phelps

The ownership piece that this data provides is, we know it's so important. Huge. Post-COVID with the inflation factors that is affecting everybody today, certainly in our businesses, that the desires almost demands of producers, associate doctors who've come out of school, certainly with horrendous debt today, families to feed, hygienists who feel many times undervalued, underpaid. I'm not saying that that doesn't happen. Yeah. Until we can, we as the owner,

along with the ownership that associates and hygienists can learn to take through the right coaching, then it's just always a conflict. It's all right. You know, the owner feeling the pressure of every dollar has already been accounted for. There are no more dollars. And then the other side thing. Yeah. But we see how much money runs through the practice. So we know we should deserve more. It's like you don't understand it. It doesn't work that way. Because I hear it all the time is that that conflict. And we don't want to live in a world like that. We're always fighting that.

Barb Stackhouse

No. And I think that the hygiene report is a huge communication piece because as a hygienist, I never knew. I was in the dark. I just knew that I came in and did my work and left. Now, I will tell you that dentist and his wife who helped me kind of learn dentistry and get into hygiene school, when I worked for him, I was there about 10 years. The entire time I worked there, I was

strictly commission based. I was treated just like an associate would have been treated. And he sat me down and said, look, you have an education. You're a leader in this practice. You can lead the other team members. And I really felt more of a partnership because of that. And I just don't see that happening in today's world. It's a risk. You know, I was in a smaller town in Indiana and we were busy. We were a very busy practice. So

For me, I rarely had a day fall apart because there was always somebody waiting to get in. But if I did have an afternoon fall apart and they couldn't fill it, I could go home and not feel bad because I was paid on commission. I'd make sure my things were done. I would make sure everyone was taken care of. But I had the ability to do that, right? So that in itself gave me a lot of responsibility. I think that hygienists don't always

get that feeling that they're a partner. I like having this report for them so they can see they really are a partner and that their department has a financial impact in the practice. And we can clearly show when that profitability does increase on the hygiene report, it can be shared. I'm all about profit sharing, all about it. Because if you've got a team member who's stepping up and being a partner and helping,

with that profitability we should be sharing. So I like having the numbers, the data, the information there, and then teaching that hygienist what this means. How can you be a part of this team that helps make a change here? If you want it to change, what are some things we can do? So all it does is make a talking point. It's communication. It's opening up the book, so to speak, and showing them what their

department looks like.

And most of the time they've never seen anything like that before. They've been in the dark and to be fair, they don't know. They're asking because it appears one way to them and they don't know any different unless we're showing them the reality. So to me, there's a lot of communication breakdown and this is just one way that we can increase the communication and trust with each other.

Dr. David Phelps

If you're ready to break free from the conventional financial treadmill, the Path to Freedom newsletter is your roadmap.

Every quarter you'll receive my free digital newsletter packed with powerful alternative investment strategies, timely economic insights, and uncommon wisdom to help you create more freedom, autonomy, and impact in your business and in life. As a subscriber, you'll also get weekly blog insights from decoding market shifts to building generational wealth to crafting a business that doesn't run you. It's not just information, it's insight that leads to action. Join a community of like-minded entrepreneurs

Barb, let's go to the model of profit first. It's a mindset shift. The traditional model that most businesses run off of, I certainly did on myself, was pay expenses.

you pay taxes and then you hope you got something left over. That's the traditional model. ■ How does Profit First flip this script and how hard or what are the mindset shifts that have to be overcome to adopt this?

Barb Stackhouse

It's almost so simple that it seems like it's too simple. I don't know if that makes sense, but it really is a very simple system and it takes discipline to do it. As with anything, right? If we're going to see success, it must have discipline to do it. You have to follow the structure. And if they're willing to follow that structure, and that's what I do, I handhold and I guide them through it. So

They're really putting their trust in me and I'm saying trust the process. But once that can happen for a month or two, all of a sudden it's like a light bulb goes on. I get it. You know, I can see it. So the idea behind Profit First is I liken it to the old envelope system that like my grandparents would have done where they got their paycheck, they cashed it, they put some money in an envelope for...

their automobile and gas and whatever. They put some money in the envelope to pay their house payment and they put some money in an envelope for their groceries and they use the envelope system. So they had cash available to purchase those things. And this does the same thing, but we're using bank accounts. So typically in a dental practice, all the money flows into one account and then we just pay the bills out of that account. And a lot of dentists do have a savings account.

And that is something that I've taught for many, many years, even when I worked with Dr. Schuster. But what I would find is they put money in it and then they take it back out. They wouldn't leave it in there. You know, it was like, well, they had too much a month and not enough money. So they were pulling the money back out. So when I started doing Profit First, I thought there has to be a way that we can

keep the money in there. So it's as if the money is already spent when we put it in the other account.

in in-profit first, all the money still flows into that one account, but we don't pay any bills from that account. Once a week, by percentage, we allocate to four other core accounts. You can have more, but we start with four. And those four accounts are a profit account, a tax account, an owner's compensation account. This is just to pay the dentist owner and an operating expense account, which pays

all of the other bills, loan payments, all the things that come out of your account. Now, the profit account is then used to pay the owner for being an entrepreneur in the form of a distribution once a quarter. It can also be used to save for the future for growth for that practice. So depending on the goals of that particular owner, dentist,

that may change that percentage that goes into that profit account. But once it goes there, it's only used for that purpose. The tax account, same thing. Once we put the money in the tax account, it's used to pay the owner's income tax. The cool thing about the tax account is at the end of the year, if we haven't used all of the money, then we roll that into the profit account. And then the owner's comp account is used to pay that owner because they're practicing as a dentist as well. So they're getting paid for being a dentist.

They're getting paid for being an entrepreneur and the business is funding their taxes. They don't have to worry about any of that. And they clearly know ahead of time what they're going to take home. So it's super easy. We can build a home budget or spending plan to match what they're actually taking home. So that's the premise.

Dr. David Phelps

Yeah, and within the practice, you have the operating expense account. So you know what the practice can manage and that allows you to make those decisions. Correct. In terms of, well, do we buy those extra supplies? What's that going to do? Can we do it or not? I mean, what other decisions or constraints does this put on the mindset of the dentist who in most times will just, well, they said they needed it. So we just did it.

Barb Stackhouse

Yeah, get those questions a lot. Like we want to take a continuing education course. It's a big one. Those are expensive. And after we take that course, we'd really like to buy this piece of equipment. So what's that going to take for you to implement this new procedure? Whatever. Let's say implants. We can factor in what's the ROI we expect on this. How many patients are you sending out now for that that you could keep in house?

Dr. David Phelps

There you go.

Mm-hmm. OK.

Barb Stackhouse

So we can make some predictions a little bit. But what I have them do is we'll set up a separate savings account and we'll start funneling some of that money that would normally go in the op expense. We've got to reduce the op expense a little bit. And that money that we're saving by reducing the op expense, we can now put in this other account. And ideally, it would be great to have 100 % of the money and the cash to just

take the course, buy the equipment. Sometimes that happens, but more than likely we'll get to like they have half of it. And they'll say, what if I borrow the other half? And then we look at, okay, what does that payment look like? What are you going to pay in interest? What's your ROI on this? What are we going to see in return? So we can map all that out. And when it's at the point where it makes sense, then I'm like, go for it, do it. But we have a strategy. We have a way to get there. So profit first can be used.

to map out anything you wanna do to grow your practice or grow your team. Maybe they're anticipating hiring another assistant. Well, let's start tucking aside that salary because we know when you first hire somebody, there's training for a while. We don't necessarily have the schedule immediately the way we want. So there's always gonna be several months of you're paying the salary and you're not yet getting the return. So we can factor that in.

we can manage that by setting the money aside.

Dr. David Phelps

when that's done, say for instance, the team together, because now we have ownership, say, well, we need somebody else to help us augment whatever. And then it's very clear what the initial cost or investment will be. And we're looking for an ROI. I'll bet in your practices, if that ROI doesn't happen by a date and certain, something happens to that person or something happens somewhere, right? Well, the good news is it does just fall on the doctor who ends up having to

subsidize everything, whether it works or not, right?

Barb Stackhouse

Yeah. Well, I can tell you a story of a client that came to me, a dentist. And when he came to me, he said, I love my consultant. She's been great. And he said, we've done all the things we've grown, but the next thing that was recommended for me to do was hire an associate. And so I did that and I nearly went broke. And he said, I got rid of the associate, kind of took things back myself, got profitable again. I thought, well, I'll try it again. hired a second associate.

Dr. David Phelps

Mm-hmm.

Barb Stackhouse

Same thing happened. And so he was coming to me saying, I don't know what's going on here. Why can I not hire an associate and make this work? So I was able to help him see his numbers. He didn't have a two-doctor practice. He just didn't. I mean, you know this. And I said, let's just focus on you right now and the team that you have. Let's utilize everybody fully 100 % on your team. Because if we're utilizing our team members well,

Dr. David Phelps

Mm-hmm.

Barb Stackhouse

We should be taking some of the load off the doctor so the doctor can increase some other things. So I said, let's just do that. Let's get your numbers in order. And so we got everything hummin'. Everything was going great. And we were nearing the end of our time working together. And I said, so are you considering hiring an associate? he goes, no way. I'm never doing that again. He said, I learned two times not to do that. He said, I'm happy. I'm happy the way it is.

And so I think that unless you really know the numbers and you know how to look at it, you can go down a path that doesn't fit. And, you know, he ultimately decided he really didn't want an associate. He was just doing it because somebody else told him to. Now, I've seen quite the opposite. I've seen dentists have two and three associates and do just great. You know, that's been their goal all along. They're in an area where they're growing rapidly. They can support that. The practice can support that. They have the number of patients, but not all practices.

Dr. David Phelps

you

Barb Stackhouse

can or want to. So that's the other thing too. I think each dentist has to find their own type of practice, their own style, what their temperament is. How many people do they want to manage? There's so many differences and no two practices are the same ever.

Dr. David Phelps

Back to the discipline that a profit-first model, any financial model should have in place, the percentages of the allocations of the income stream, the revenue that runs through the practice, now it's allocated into the different accounts. I assume that can be automated.

Barb Stackhouse

It can. We have banks now, online banking. Profit First actually has a partnership with Relay Bank. Very simple to do that. The one issue that I run into sometimes with that idea is the dentist has a loan for their practice. Typically that bank requires them to have a checking account there and money being deposited. But there are some ways around that. A lot of it can be automated. Honestly,

I kind of like when, especially starting out, I like the dentist being the one punching the numbers into the little spreadsheet and looking at their numbers and they're physically logging into their online banking. They're making that transfer. There's something about that ownership of that. Now, once they've done it for a while and they're understanding it, I'm totally good with putting it on automation. But in the beginning, I feel like that's part of the mindset shift.

is the actual doing of the transferring the money.

Dr. David Phelps

would agree. That's a key piece. Back to the doctor where the money was put into the private allocation and decided, I'll just take it back out again. Is there a pinky swear on this that he or, I mean, how does that work?

Barb Stackhouse

Well, this happened during COVID. So what I ended up doing during COVID was started having some group calls with the current clients so we could talk through some of the issues going on. And it was like, hey, I have this money sitting over here, my profit account, can I use it, yada, yada. So we did walk through what's okay to do, what's not okay to do. And obviously, I didn't want them going and having to borrow money if they had cash available. So

We did sort of loosen the rules, if you will, during that time period. But here's the thing. I ask why. Why do you need to take that money out of there? What happened over here? We had a plan. What went wrong in the plan? Let's let's analyze that first. And usually it's because a decision was made about something that wasn't in the plan. And so I'm not OK with that. That's part of the discipline. Learning that don't go buy things on a whim. Open up your bank accounts and look out.

That's why we're doing this. It's called bank balance accounting. At any time, you can open your bank accounts and see what you have. Now, if we've set up a structure that part of that profit account can be used for reinvesting back in the business, and you know that money's there, A-OK. I'm good with that. But if you're just stealing from yourself, and I call it that, you're stealing from yourself. If you had a friend that had that account, you wouldn't go take the money out of their account. So we treat ourselves worse than we would our friends.

because we're willing to steal from ourselves. Try to help team members to understand that they can do profit first at home as well, and gives them some tips on learning how to save, because a lot of times they've never heard anything like that. They've never had anyone teach them how to manage their own money and how they too can build wealth for themselves.

Dr. David Phelps

So Barb, let's finish up with this. What would be the number one piece of advice you would give to young dentists who are just starting out?

Barb Stackhouse

say, and this is a quote from Mike McCallibrand, I don't know if it's exactly his, you know, how he said it, but, learn to love saving more than you love spending. That's a skill I had to learn.

Dr. David Phelps

That kind of says it right there in a nutshell, doesn't it? Very good, very good. A big part of the success of any business owner is having a common vision with one's significant other or spouse. It's got to be there somewhere. And we all, as individuals, have our own desires and needs, and they can't ever fit exactly. We're different people. But in the construct of an entrepreneur who's running a business, he or she, and then the...

partner who may be part of the business, may not, may be managing everything at home on the home front. It's all good, but there's got to be some commonality. How big a piece does a common vision and conversation also form a foundation for the success or not success of a profit first model?

Barb Stackhouse

Yeah, I think it's huge. The home budget, the home expenditures impact the business greatly because that dentist needs to support whatever the lifestyle is at home. And sometimes the spouse has no idea what the business can support and what it can't. And so there may be expectations that aren't necessarily in alignment. So I think those conversations are crucial.

to the success of the business because if you're constantly taking too much out of the business and then what I end up seeing is three years down the road, four years down the road, we're refinancing the business because now we have all this credit card debt, we can't pay off. Something has to give. So I think those conversations are necessary. They can be good. Sometimes people say, oh my gosh, this is going to start a fight. Well, it's going to be bad. Well, it depends on how you approach it.

Many times they just don't even know. So involving the spouse or significant other in what this business can truly support at this point in time is super important. And I think too then the dentist needs to feel supported in that. Whether it's a male or female dentist, doesn't matter. They need to feel supported from home because they have a lot on their shoulders. There's a lot going on. There's, as I always say, there's a day in the life, right?

of dentist, there's so many moving parts. And many times they're going home exhausted. So yeah, I think that all of that plays into the success of the business. Understanding at home, what can we afford or not? And I probably was raised very much like you, grandparents who were farmers and hard workers, salt of the earth kind of people never spent money on anything. And they were happy as could be, you know, and you can learn a lot from that.

that money does buy some fun things and nice things to do. And I've been fortunate to be able to do a lot of things. I've been married to a builder. I've lived in beautiful places. But you know, none of that really matters. When you really look at life, and none of that really matters. And you know that too, just from health scares and when you're faced with those kinds of things, you just have to stop and say, you know, what is the life we want to live?

what's most important to us. And so I'm very fortunate that I've had a husband who's been open to sitting down and writing out our vision as a couple. What do we want in our life? And life has changed a lot for us, for the better. It's good. We're living life on our terms and doing the things we want to do. We moved back to the country and have a little farm and grow in our food and have a horse and you know, who would have ever thought this?

little girl from Indiana raised on a farm would ever come to this, you know? And I just kind of pinched myself sometimes.

Dr. David Phelps

Life by design, but very intentional design.

Barb Stackhouse

I know you understand this because your business is the same. I don't invite everyone into my program. I like them. I got to love to work with them because it is so intimate and so they're opening their life to me. quite honestly, I'm sharing my life with them and I build lasting relationships with these people. And that's another reason I take them through Profit First.

first because it's a little bit of a testing ground to see how they do. Are they willing to do the work? The last thing I want to do is sign someone up and I'm constantly badgering them to get them to do the things. That's no fun. And they begin to resent it. I haven't doing this long enough. I don't need the money. I do it because I love it.

Dr. David Phelps

That's right.

Barb Stackhouse

And it has to be profitable because I run my business on Profit First as well. But I'm choosy about who I bring in. And if I find that I really love working with them and we've built a great relationship, those are the ones I invite. And obviously feeling out whether they need this or not. I'm not going to sell them something they don't need. But it's fun to be in that position now and really kind of sit back and look at what's going on.

Is this a person that I want to help in their success?

Dr. David Phelps

Love having you always for these conversations and the work you're doing to instill the possibilities for others who are hardworking. And we just sometimes we have blind spots we can't see and there's someone that can see them quickly. It's like, why didn't I see that before? Because we can't see everything. way. Thank you so much, Barb. We'll have you back again.

Barb Stackhouse

Thank you.

Dr. David Phelps

I speak with so many doctors and dentists who are just literally burned out from doing the job, being a dentist, running all the people and the patients and the headaches of dealing with the practice. It's just taking its toll on so many people. And I get it. I get it. Here's what I know. I don't have any magic sauce. I can't sprinkling any fairy dust over the problem and make that better by itself. But what I do know is the ability to take pressure off of yourself.

and feeling like if you're not driving all the time, which I get it, I've been there, I've been that person, gotta drive, gotta drive, gotta drive, gotta make it happen. If I'm not hitting certain numbers, if I'm not taking enough money home each month to live the lifestyle and have the money that I need for retirement that I think I need, if those things aren't happening, it is very, very stressful. And it takes its toll not just on you, but on a lot of other people. I often ask, who else is paying the price for what we take on as entrepreneurs and business owners? I'm not saying this is easy.

But I'm saying that other people that depend upon us, not just for our financial security, but for us to be present, be there. It starts really at home. Our family, our kids, our spouses, when we're checked out, when we're feeling the stress, they feel it too. Yet we don't want them to feel it. We're actually supposed to be there to cover for them and make them feel better. And certainly this leads out into other relationships. Staff, staff can feel our presence. Even if we don't say anything, they feel how we feel. Patients are gonna pick up on that, the whole environment.

It's not good or healthy for anybody. But again, you're saying, well, David, then what's the answer? I got to keep plowing, got to keep working hard. Yeah, but maybe you're not working as smart as you could be. And I'm not going to talk about your actual practice right now. That's another area which a lot of times there are things you can do to optimize that. That comes to leadership and the model you have. I want to talk about what's the goal you have for the money you think you need to take more time off. Not even necessarily retire out of practice, but just to take more time off and give yourself permission to live some life today.

problem I see is that most people work with financial advisors or planners who do the best they can do, but they can never actually give their clients an actual number that they need to retire. Usually it's very, very obtuse. And the number is, well, to live the lifestyle you're living with the cost of living and your age right now, you better shoot for, you know, 8 million. And that might be for somebody who's relatively later in life. If you're younger, they're telling people today, 10 million, 15 million. Look, I'm not against shooting for those numbers.

But the stress it's putting on you right now, if you think those are the numbers you have to hit, is really doing a lot more harm than it's good. Health-wise, mentally, it's just not good. What if you had a game plan that instead of just put some pie in the sky number out there, some accumulation number, which is the way the financial model works, what if you had a number that was actually based on cash flow that also had an inflation hedge to it so you didn't have to worry about the asset, the net worth actually being diminished by inflation, which we know inflation has that great cost to it. What if you had an asset that

kept up with inflation and also continue to produce regular sustainable cash flow. Even if you weren't ready in a position to leave, sell your practice, make those changes. Now, just knowing that number doesn't have to be a 10, 15, 20 million dollars will give you pause. Now, how do you have that confidence? Well, you need to surround yourself with people who have actually already done that, made that plan work. And that's not unfortunately going to be your financial advisors. I mean, they're still working for a paycheck for a reason. They do the best they can.

Personally, I have done this myself. My story is leading my practice when I, my daughter was very sick some many, many years ago in my forties, because I had the passive cashflow not dependent upon me. gave me the flexibility and freedom to live my life the way I wanted to live it when I needed to with my daughter. I've now helped hundreds of other doctors and dentists do the same thing in much less time than they thought was ever possible. So it's up to you. You can continue to grind the way you've been grinding, thinking this is the only way out, or you can look for a different path.

Steps are easy to take. You can take a look at things little by little, but I invite you to at least consider other options that maybe so far have not been presented to you. It's your life, it's your choice. It's all about your freedom. I want you to make the most of it. Thanks for watching or listening. For those interested in learning how to create exceptional and life-changing results to step back or exit entirely from practice, then schedule a call with my team at [freedomfounders.com slash discover](https://freedomfounders.com/discover).

Barb Stackhouse

you

Dr. David Phelps

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