Welcome to Continuing Financial Education (CFE) week here at The White Coat Investor. This week seems like a wonderful time to focus on continuing financial literacy. Many of us will have a little extra time to read while traveling for the holidays, and New Years resolutions will soon be coming up. In addition, many people start purchasing gifts on Amazon about this time of year, so you might as well pick yourself up a book while you’re at it.

After your initial financial education (typically done the last year of residency and the first year or two out) of reading a handful of good financial books, blog posts, and internet forums, I recommend you read one good financial book per year (in addition to continuing to follow the blog for topics of interest.) This week I’ll be reviewing seven financial books on the site. I’ve actually gotten really far behind on book reviews this year. The problem with reviewing a book on a popular blog is that every time you do it, you get sent five more books by authors hoping you will review their book! Then you check what you actually earned from people...
buying the book through the links in your post and discover that you did all that work for a grand total of $4.73 and you realize this is not a profitable way to run an online business. (Unless readers also decide to buy a big screen TV while picking up the book.) So, while I like reading books, and I like doing book reviews, I've got to limit how many I do or else I’ll never have a chance to read anything but financial books, I’ll never write anything but book reviews, and the site will never generate much profit! But I think it’s something useful to do from time to time, and this week you’re going to get a big dose of reviews of some fantastic recently published books.

The books this week were selected from books I’ve been sent over the last year or books that I actually purchased from my own interest. I chose them because I thought they were books that readers would enjoy and learn from. So the fact that I’m reviewing them at all is an endorsement, no matter what negatives I might mention!

The Doctor’s Handbook

Today we’re going to review two physician-specific financial books written by physicians. The first is The Doctor’s Handbook, by Tennessee neurosurgeon Gregory Corradino, MD, MBA. The MD came a long time ago, as he had been practicing for 25 years when he wrote the book in 2015. The MBA came just a few years ago, in 2012. He now runs a physician coaching business called Success Strategies for Physicians, although if the book is an ad for the business, it’s a pretty soft sell as you have to get to the last page before you learn about it.

The first thing you notice about the book is that it is really thin. For better or for worse, you won’t spend much time
reading this one. I count 60 pages, not counting the two page introduction, but the book is relatively small, is double-spaced, and there is plenty of white space in there. So, while I think calling something quite so short (I mean, some of my blog posts on whole life insurance are longer than this book) a “handbook” is a little odd, that doesn’t mean what is in there isn’t good, high-yield stuff.

The first chapter is a tale of two doctors, one who didn’t pay much attention to building a business and a career and one who did. Obviously, the one who did came out ahead and the message is that you want to be that doctor. Each chapter ends with “action steps” and this chapter’s action step is “there is more to success than practicing medicine.”

In chapter three, he discusses the importance of having an overall strategic plan for your career. I like his discussion of his own mistakes- picking the wrong practice for him not just once, but twice when he came out of residency. Those job changes were complicated by the fact that he purchased a house right away. He also says,

“In addition to business planning, personal strategic planning can and should encompass personal finances such as debt management, savings, high dollar purchases (house, cars) and investment strategies....That’s not something many doctors are particularly adept at, hence the reputation that many physicians enjoy of being poor financial planners....Due to doctors’ reputation of high earnings and lack of financial forethought, we make easy targets for unscrupulous advisors....Developing more than a basic understanding of investing and financial management should be a priority for all physicians, but generally it is not, and that is a recipe for disaster.”
Chapter three also includes a valuable list of steps to go through to achieve your business and personal goals. It reads like something out of an MBA class, and I suspect that is where it came from, but there is too little of that in medicine and medical training. Going through this process once in your life will more than make up for the price of entrance to this book. Basically, it helps you align your time and your money with your values.

In chapter five, he discusses why many physicians are so terrible at networking, social events, public speaking and negotiating and what can be done to improve these “soft skills.”

In chapter seven, he talks about surrounding yourself with winners, including partners, advisors, and a “mastermind” group. I’ve always thought the mastermind concept was kind of dorky, until I realized that is exactly what is going on over on the forum or in the comments section of this blog. In Corradino’s words, “this is a group of people that meet with the intention of helping each other achieve goals. More than simply a group meeting, a mastermind combines brainstorming, accountability, and support.” In our busy, fast-paced internet era, this works a heck of a lot better online than in person.

The book ends strongly with some great ideas about how to market your practice in the internet age, including a website, blogging, social media and even a book.

Overall, the book is a super quick read, but filled with a few
very useful pearls.

The Business Side of Medicine

The second book I would like to review today is one I’ve been sitting on for close to a year. So apologies to Tom Harbin, MD, MBA, an Atlanta ophthalmologist, for that. It’s called The Business Side of Medicine. It’s not quite as interesting as Tom’s other book, Waking Up Blind: Lawsuits Over Eye Surgery, which details all the gory details of how a doctor went bad, and then got away with it for far too long, but is much more relevant for this site. Dr. Harbin, like Dr. Corradino, went back for an MBA after practicing for 15 years, and so much of what is found in the book reads like MBA-style coursework. That’s not a bad thing, and in fact I think is a very good thing for most physician readers.

The book is co-marketed with Student Doctor Network, whose forums I’ve been on since med school and whose finance forum we co-sponsor. It is “standard” size, 177 pages and double-spaced. It is divided into five parts- getting started, learning business, early career, mid career, and late career. It is relatively light compared to my writing on personal finance and investing topics and relatively heavy on practice management topics, making it an excellent companion to my book. Most importantly, he gets it right. There is precious little in this book that I could argue with, and it deserves much more attention than it has received so far. Let’s read a few excerpts:

“My central thesis is this: there is a business side of medicine, and indeed all the professions, the knowledge of which makes you a better doctor or academic. When you begin a practice or build a research program, you become the CEO of a
small business. The CEO knowledge that you were never taught makes for better productivity, better patient flow and satisfaction, happier staff and family, and a more stress-free doctor….This material is just as important as medical knowledge and should be taught at some point during professional training. It’s ignored during our training, in part because medical school leaders themselves have no clue…"

The book is filled with lots of practical tips, gems, and pearls, including how to get a job:

“Don’t necessarily be deterred by a lack of a job listing in a given area. If you have decided on a specific city and don’t see opportunities, knock on doors. Call a doctor in each group in that city.”

How to buy into a practice:

“If you pay an upfront amount, you take all the risk of patient retention and you have to pay with after tax dollars that you borrow from the bank. If you pay a percentage of income for a few years, the retiring doctor takes the risk that you turn off the patients and he gets less. Moreover, you are paying with pre-tax dollars.”

Why non-compete agreements are not all bad:

“From the point of view of a group that wants to protect the enterprise it has built over time, a non-compete is essential. In our group, you either sign one or we find someone else.”

On living like a resident:

“You might think now is the time to buy all those things you’ve wanted: a new car, a big house, a boat…Yes, you’ve
sacrificed and you’re almost there, but hold on—at least for a little while. Most young physicians have debts to pay…and you won’t net as much income as you thought when you looked at that contract.”

On financial advisors:

“You may want the help of a professional, but here you have to be careful. They all want to sell you something. Along the way they may give you good advice, but they are not attracted to you because of your personality or character. They’re in the business of extracting fees for their services and you’re no exception.”

How to write a letter to a referring physician:

“Get to the diagnosis and treatment plan quickly….think about how to make the letter easy for the reader and after a while, it will be second nature.”

How (and if) to run a meeting:

“Meet only when the personal presence of several people is essential to the meeting’s objectives. If the meeting can be reduced to a handout and no decisions need to be made, send that out and cancel the meeting….You’ll be amazed at the gratitude you engender simply by ending a meeting on time consistently.”

The final sections give excellent practical advice to those in early, mid, and late careers. At least I think so, as I can really only relate to the first two sections. But I have great confidence in Dr. Harbin after reading the rest of the book that he got it right for the late career folks too.

Overall, either or both of these books is an excellent choice
for your continuing financial education book this year.

Buy *The Doctor’s Handbook: Four Foundations for Success* today!

Buy *The Business Side of Medicine: What Medical Schools Don’t Teach You* today!

What do you think? Have you read either book? What did you like or dislike? Why do you think it is important for physicians and other high-income professionals to learn business principles? Comment below!