Introduction and Episode Overview

There are a few moments in a growing medical practice that feel more uncomfortable than this one. You look around and realize that something isn't working the way it used to.

Day-to-day operations feel harder. Decisions seem slower. Issues keep landing back on the physician's desk. And yet the person at the center of it all, the office manager, has been loyal, hardworking, and instrumental in getting the practice to where it is today.

This is where leadership and loyalty collide. Today, we're talking about a common growing pain in medical practices, when a good office manager isn't enough anymore.

Welcome to Medical Money Matters, the podcast where you can find experts, answers, and resources so that you achieve mastery over the financial and business aspects of your practice.

Hello everyone, I'm your host, Jill Arena. I began my career in accounting and finance and I have more than 30 years of experience running medical groups.

In 2020, I co-founded the Physician Leadership Project, and in 2025, a released Physicians Edge, the first of its kind, CME accredited online business education for physicians.

My passion is to increase financial and business literacy for positions.

Why a Good Office Manager May No Longer Be Enough

Episode 173, when a good office manager isn't enough anymore. A common growing pain in medical practices. There are a few moments in a growing medical practice that feel more uncomfortable than this one.

You look around and realize that something isn't working the way it used to. Day-to-day operations feel harder. Decisions seem slower. Issues keep landing back on the physician's desk.

And yet the person at the center of it all, the office manager, has been loyal, hardworking, and instrumental in getting the practice to where it is today.

This is where leadership and loyalty collide. Today, we're talking about a common growing pain in medical practices, when a good office manager isn't enough anymore.

Not because they failed, not because didn't care, but because the practice changed and the role didn' There's a phrase that comes up again and again in these situations.

What got you here won't get you there. And nowhere is that more true than in practice management. Early stage practices need doers. People who can wear multiple hats, solve problems on the fly, and keep the wheels turning.

Many office managers excel in this environment. They build the practice right alongside the physicians. They know everyone. they know where the bodies are buried.they are indispensable.

But growth changes the requirements. As practices add providers, staff, services, or locations, complexity increases. Informal systems start to break down.

Decisions carry more risk. People management becomes more demanding. Financial and operational insight matters more than effort alone. And this is where we often see practices begin to outgrow their manager.

Signs the Practice Has Outgrown the Role

It's important to be very clear about what that means and what it doesn't mean. Outgrowing the manager is not a judgment on character, work ethic, or intelligence.

It is a reflection of scale. The job changes as the practice changes, and sometimes the skill set that made someone successful in the early years is NOT the same skill-set required for the next chapter.

We see this all the time. A practice that was once a single location now has multiple sites. Headcount has doubled. Revenue cycle has become more complex.

HR issues have multiplied. Compliance, reporting and accountability have started to matter in ways they never did before. The office manager is still working incredibly hard, but the practice needs leadership, not just effort.

One of the earliest warning signs is when the manager's drowning in tasks. They're busy all the time. Emails pile up. Meetings are constant. Fires are everywhere.

But there's no space for planning, improvement, or forward-looking work. Everything feels urgent. Nothing feels strategic. When this happens, leadership work goes undone, not because the manager doesn't care, but because their role has outgrown the capacity of one person doing everything.

Another common signal is when decisions keep getting pushed back to the physicians. Physician owners find themselves weighing in on scheduling issues, staffing conflicts, vendor problems, or workflow decisions that really shouldn't require their attention.

Routine issues escalate upward because there's uncertainty about authority or confidence in decision-making. This is exhausting for physicians and demoralizing for managers.

And it's rarely about laziness. More often, it is about role ambiguity. As complexity increases, informal authority stops working. Clear decision rights become essential.

A third sign is the absence of data-driven management. Growing practices need visibility, metrics, dashboards, trend analysis. Not because numbers are interesting, but because intuition alone stops being reliable at scale.

This is all of the material we've been reviewing in the last several episodes. When management decisions are made purely by gut feel, surprises become more frequent.

Financial results are harder to explain. Staffing feels reactive instead of planned. If reporting is backward-looking or non-existent, it's a sign the management role hasn't evolved to match the needs of the organization.

staff issues are another place where misalignment shows up early. As practices grow, people management becomes a core function, not an add-on. Hiring, onboarding, performance management, and culture require structure and consistency.

When staff problems multiply instead of resolve, turnover increases, morale declines, accountability slips. It's often because the practice has outgrown informal people-management.

Redefining the Role or Transitioning Leadership

This doesn't mean the manager is bad with people. It means the system around them hasn't scaled. One of the most emotionally charged signals is when the Manager is excellent at yesterday's job.

You're listening to Medical Money Matters, a weekly podcast brought to you by Healthy Practices, A healthcare consulting and revenue cycle company dedicated to keeping our clients independent.

If you're looking for more ways to strengthen your business skills, check out Physicians Edge, our mini MBA online course designed to help physicians master the financial side of their practice.

You can find that and more about how we support practices like yours at healtheps.com. That's www.healtheps dot com. And don't forget to follow or subscribe so you never miss a new episode.

They're great at the things that used to matter most. They know the old workflows inside and out. they're proud of how things have always been done. But there's resistance, sometimes subtle, and sometimes overt, to new responsibilities, new tools, or new expectations.

This is one of the hardest moments for physician leaders because appreciation and frustration coexist. You can deeply value what someone has contributed and still recognize that the role must change.

Layered on top of all of this is the emotional reality. Guilt is common. Loyalty runs deep. Avoidance feels easier than confrontation. Leaders tell themselves things will improve on their own or that growth will slow down and relieve the pressure.

But delaying the decision rarely helps. In fact, it often makes the eventual transition more painful for everyone involved. There are generally two paths forward.

The first is redefining the role and supporting the manager in growing with the practice. This can work when the individual has the desire and capacity to evolve, but it requires clarity, new expectations, training, coaching.

and a realistic timeline. Hope is not a strategy here. Growth must be intentional and supported with clear benchmarks and honest feedback. The second path is a graceful exit and leadership transition.

This is the option many leaders avoid even when it's the right one. Doing this well requires respect, transparency, and structure. The conversation should be framed around growth stages, not personal shortcomings.

the goal is to preserve dignity and relationships while protecting the future of the practice. Handled poorly, this kind of transition creates disruption and resentment.

handled well, it can be one of most important leadership decisions a practice makes. Once the decision is made, the next critical step is designing the role the practice actually needs, not just replacing the person.

This is where many practices make a costly mistake. They recreate the same job description, hoping a different person will produce a difference result.

Instead, The question should be, what does the Practice need now and in the Next Stage? Does the Role require true leadership or administrative coordination?

Financial and operational literacy. Experience managing managers instead of managing staff. Comfort with data. Accountability and change.

Designing the Next Management Structure

Clear job descriptions matter. Vague expectations create future misalignment. The right role definition sets the next leader and the practice up for success.

This is an area where having outside perspective is incredibly valuable. At Healthy Practices, we frequently work with groups navigating exactly this transition.

We're often brought in not because something is broken, but because growth has created tension. we help practices assess leadership gaps objectively. We facilitate difficult conversations when neutrality matters.

We can be the bad cop when necessary to preserve relationships. We help design management structures that reflect where the practice is going, not where it's been.

Sometimes that means redefining roles. Some times it means supporting a transition. Often it mean helping physician leaders see that this challenge is not unique and not a failure, and most importantly not impossible.

Practices grow up, and leadership structures must grow with them. Letting go of what worked in the past is one of the hardest parts of leadership, but it's also one the most important.

Honoring the contributions that got you here while building what you need to get you where you're going, that's the work. And it is never just about one person.

It's about the future of practice. Until next time, You can find more information online at medicalmoneymatterspodcast.com, and you can sign up to be notified when enrollment opens for the Medical Money Matters eLearning program for a mini-MBA physician style, which will carry CME credits and will be released in upcoming months.

In that, we'll do an even deeper dive so you can understand dynamic budgeting strategies, cash flow forecasting, and other more esoteric financial concepts.

We've included those links in the show notes. As I like to close out these podcasts, congratulations on taking the next step in your professional development and for making the commitment to learn about the financial and business aspects of your practice.

I look forward to being on this journey with you and send you my heartfelt gratitude for all that you do for your patients all day, every day.