COUNSELING BUSINESS: ARE STUDENTS PREPARED?

by

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This research intends to raise the question of whether or not universities and colleges are fully preparing Master of Counseling students despite a lack of business courses. The universities included in this study are: The University of Victoria (UVIC), Simon Fraser University (SFU), University of British Columbia (UBC), Gonzaga University (GU), Antioch University of Seattle (AUS), and City University of Seattle (CityU). A second question is what career prospective and financial returns upon investment are available to graduate students? Finally, the research explores the role of a business plan, the theory behind the plan’s success, and the execution of the plan within the counseling realm. Each of these topics are addressed within this thesis. The main focus of the study is on financial preparations needed to succeed in a counseling business.
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I would like to acknowledge those who contributed to my academic and personal success throughout this process. Those contributions, which were given in the form of support, encouragement, discussion and direct review made this all possible. Attaining higher education is more than an academic endeavor; marital, familial, workplace, social and spiritual realms are also impacted. For this reason I would like to thank all of those who persevered alongside me. You are an inspiration to the notions of sacrifice and selflessness.
CHAPTER 1: INTRODUCTION

This thesis examines whether or not counseling graduate students are fully prepared upon degree completion. In other service providing fields, such as massage therapy and culinary school (VCMT, 2016; Okanagan, 2017), students are required to analyze their earning potential, understand sole proprietorship, and develop basic business plans. They are often encouraged to comprehend sub-contract work and have an in-depth knowledge of its execution, as well as an understanding of business and tax dynamics. This includes the financial value of the time spent and the amount of income required to remain as a for-profit business. In the helping profession of counseling however, a gap seems to exist in business education. The topic of finances, sole proprietorship, and sub-contract status has been overlooked, intentionally or otherwise.

Wealth can be measured in several ways. For the purposes of this paper I consider income, in terms of net and gross values. According to the Canadian Centre for Policy Alternatives, to obtain an “average” quality of life in Vancouver, BC, a family needs to bring in $77,184 annually (Tissen, 2015). This “average” lifestyle is defined as a family of four with two children, one in full-time daycare and the other in after-school care with both parents working full-time. This annual income covers the cost of rent, transportation, food, clothing, childcare, medical expenses, Internet, personal care, and monthly family outings. The family vacation is priced annually at $1,036.76 (Tissen, 2015). What is not covered includes but is not limited to a down payment for a mortgage, post-secondary education, and retirement savings. According to Environics Analytics (Table 1), this “average” lifestyle for a family of four puts them in between the middle and upper-middle class, thus making them wealthier than at least 60% of the population.
(as cited in Hodges & Brown, 2015). Nevertheless, the quality of life for this “average” family may not align with what many people would identify as ideal.

Table 1: Environics Analytics Provincial Income Brackets, December 2013 (Hodges & Brown, 2015)

<table>
<thead>
<tr>
<th>Province</th>
<th>Poorest 20%</th>
<th>Lower-Middle 20%</th>
<th>Middle 20%</th>
<th>Upper-Middle 20%</th>
<th>Richest 20%</th>
</tr>
</thead>
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<td>Canada</td>
<td>$17,267</td>
<td>$41,707</td>
<td>$66,397</td>
<td>$100,260</td>
<td>$226,792</td>
</tr>
<tr>
<td>Newfoundland and Labrador</td>
<td>$17,042</td>
<td>$40,010</td>
<td>$64,769</td>
<td>$97,566</td>
<td>$207,733</td>
</tr>
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<td>Prince Edward Island</td>
<td>$16,135</td>
<td>$35,954</td>
<td>$56,895</td>
<td>$84,381</td>
<td>$171,197</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>$16,468</td>
<td>$37,562</td>
<td>$60,001</td>
<td>$88,822</td>
<td>$175,234</td>
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<tr>
<td>New Brunswick</td>
<td>$15,861</td>
<td>$36,075</td>
<td>$57,298</td>
<td>$84,923</td>
<td>$168,278</td>
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<td>Quebec</td>
<td>$15,726</td>
<td>$36,023</td>
<td>$57,447</td>
<td>$87,225</td>
<td>$185,155</td>
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<tr>
<td>Ontario</td>
<td>$18,745</td>
<td>$44,787</td>
<td>$72,111</td>
<td>$108,928</td>
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<td>Manitoba</td>
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<td>$93,371</td>
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<td>Saskatchewan</td>
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<td>$64,699</td>
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<tr>
<td>Territories</td>
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<td>$55,743</td>
<td>$90,020</td>
<td>$129,492</td>
<td>$242,262</td>
</tr>
</tbody>
</table>

Although financial realities are impossible to completely ignore, such conversations seem to be overlooked in counseling education. How can a graduate student expect to navigate the professional and financial realm without having a comprehensive knowledge of personal income and business potential? In this thesis, I explore how people have made money within the helping profession, the career options available to graduates, and the earning potential graduates have in various areas. My hope is that students may be more fully equipped when dealing with professional and financial matters. As such, I analyze various financial options with a business perspective.
Since Master of Counseling programs do not include business-related courses, I investigate the history of business planning and its significance for modern business success. Does the literature suggest that a lack of a business plan will undermine small business success? If so, can a link be made between the lack of such knowledge and a lack of counseling graduate preparedness? To connect business and counseling practices and bridge the knowledge gap, a business model is used to demonstrate the earning potential of counselors.

In this thesis, a variety of relevant areas are examined including, Master of Counseling programs, career options and income potentials, and counseling business model development. A final question of this thesis remains: Whose responsibility is it to obtain or provide business related knowledge? Is it the university’s responsibility to include coursework that will bridge the gap, or should every student be responsible for acquiring such knowledge? Further research may help to elucidate this question.

**Key Terms**

As alternatives to the therapeutic perspective, in this paper, the following terms *counseling related, financial knowledge, success, business perspective and investment* are used and considered from a formal business perspective.

*Counseling related.* For the purposes of this study, counseling related refers to courses specific to personal and interpersonal counseling issues including, but not limited to: counseling skills, group counseling, and family counseling.

*Financial knowledge* refers to an understanding of monetary strategies for comprehending and navigating business ventures (Mandell, 2008).
Success refers to executing and maintaining a small, for-profit business for at least a period of five years (Barrow, 2012).

Business perspective. For the purposes of this paper, a business perspective refers to an attitude that is concerned exclusively with things of immediate relevance to a company (Chittoor, Kale & Puranam, 2015). This includes but is not limited to strengths, risks, strategies, weaknesses, opportunities, and threats as they relate to a for-profit business model (Marston, Li, Bandyopadhyay, Zhang, & Ghalsasi, 2011).

Investment. According to Hill (2016), a financial investment is an asset into which money is put with the hope that it will increase into a larger sum of money. This is the basic principle of putting a dollar away and having it grow to two dollars in a month’s time. Although several options are possible for financial investment, due to the scope and purpose of this paper, other options are not explored. A business-minded approach for the definition of a financial investment is necessary, which is in contrast to the often-described “self-investment.” Self-investment refers to an individual investing time, money, and other resources in hopes of it increasing personal, spiritual, emotional, and physical growth. This is often at the sacrifice of financial growth. Reese, Proch and Finn (2015) define self-investment as:

…a purposefully chosen categorization of the self and consequential Investment into that category or group. It relates to group solidarity (i.e., sense of belonging and commitment to fellow ingroup members), group satisfaction (i.e., positive feelings about ingroup membership), and group centrality (i.e., salience and importance for the individual’s self-concept) (p. 428).
Again, for the purposes of this paper, investment will only be examined from a business perspective, as opposed to a self-growth perspective.

Method

This is a non-empirical manuscript thesis supported by a literature review and conceptual analysis (Cohen, 2006). It is formatted to link and integrate distinct, relevant and related themes of student preparedness, income potential, and business planning for those in the helping profession. Manuscript theses are an alternative to the typical thesis format and contain a collection of separate, distinct papers unified by a central theme.

This thesis is comprised of three separate but related chapters that explore the neglected topic of financial gain within the helping profession. The literature review is used to first illuminate whether or not graduate counseling coursework is limiting or enhancing for those who are aiming to run a for-profit business. Second, the literature review highlights the benefits and theory for developing a business plan, and then outlines the possible implementation of a counseling business plan.

Assumptions

This work is based on the assumption that training specific to income potential and growth is lacking for helping professionals. By linking graduate program coursework with the notion of preparedness, I am inferring that professionals may find empowerment through business knowledge and ability. I am also assuming that counselors who read this thesis will be better informed by business practices and better able to apply business skills. Consequently, in-depth education about generic business practices will not be provided. Rather, an accounting perspective will be used in demonstrating a simple business plan. Specific skills and applications will be explained where necessary.
Limitations

The literature review focuses on counseling finances and a business perspective for potential avenues of earning. An exhaustive search of counseling students’ expectations versus the reality of the program’s curriculum regarding business knowledge, alternative career opportunities, and various business plan developments is beyond the scope of this thesis. Therefore, I have limited my focus by exploring student preparedness, while highlighting common career avenues and offering a simple business model.

Another major limitation regarding the manuscript style thesis is the lack of participants who could validate or refute the notion that business knowledge aids in the preparedness of counseling graduates. I can only reflect on research that substantiates the importance of obtaining a business perspective, though evidence-based investigations with human subjects could also prove to be informative.

Situating the Author

I first experienced the privilege of having financial security in 2002, as a foster child. Before then, I lived in poverty for 11 years and struggled with the concept of security. My childhood experiences broadened my view of finances and gave me a greater understanding of the power and privilege associated with money. I came to understand that social economic standings provide different opportunities for people. My early experience influenced my motivation for professional financial returns in several ways. For instance, I want to be able to provide a financially secure life for my husband, my children, and myself – one that differs from my early upbringing. My experience of being powerless to the financial woes of my biological parents motivated me to be more
independent. Nevertheless, the flipside of this is a deep-rooted insecurity about perpetuating the cycle of poverty and being powerless as a result. The core value I hold for providing a financially stable life for my family is derived systemically. For the purposes of this paper, my story begins when I was seven years old.

To provide some context, I lived in a house filled with insects, birds, and rodents, which I often heard scurrying in the walls. The elementary school I attended backed onto our yard, and our neighborhood was not considered to be safe. Theft, violence, neglect, and substance use were commonplace within the household and in the greater community. As a result, no one contacted the Ministry of Child & Family Development regarding the activities in our home. Since our cupboards were always empty I would walk door-to-door collecting cans when the weather was decent. When I finally had enough cans to take to the bottle depot I could receive a few dollars and buy a can of soup or another item from the convenience store down the road. I remember telling the people from whom I collected the cans that the money was going towards children in another country. I assumed that they knew the truth, but no one seemed to mind.

The donation of cans by our neighbors was their way of helping us; however, in reality, it was imprisoning me in poverty for years to come. I often reflect on this and wish that someone who knew the reason why I was asking for cans had spoken up; life might have improved sooner. Eventually, my life was characterized by better hygiene at home, regular meals, winter jackets, weather-appropriate clothing, and schools where the teachers invested their time and energy for the sake of the students’ growth.

In my new home, I had a great deal of trauma to work through, and at first I was an angry, hurt little girl. It was difficult to meet and maintain friends, which only began
to change after years of counseling. I found it difficult to trust people and did not believe in the general goodness of others. My core attachments had been ruptured during my childhood, which severely limited my faith in other people. To this day, I still need to keep in check the belief that I can only count on myself. Still, this insecurity may be the very thing that drives my independence. Frankle and Frankle (2006) highlight the perpetuating nature of poverty within family systems and note that the strength of the systemic influence makes it difficult to break the cycle of poverty. Despite my difficulties in adjusting to a middle-class lifestyle, it may have been the key for my resilience to escape poverty.

Since the summer of 2012, I have considered myself a professional and have had a number of professional roles as a youth worker, supervised access worker, in-office counselor, and psychoeducational group facilitator. I am a 26-year-old woman, wife, mother, and parenting program facilitator for a non-profit organization working with marginalized populations. I have a vehicle, own a home, and am currently working on a Master’s degree, while ensuring that my only debt is my mortgage. Many people view my story as one of resilience, and tend to praise my accomplishments. What they fail to see are the deep-seeded fears driving me. Many also lack a deep understanding of the decreased opportunities for those who are without money: “While the resilient may have solid control over their adult lives, most know they were victims as children” (Higgins, 1994, p. 289).
CHAPTER 2: GRADUATE COUNSELING PREPAREDNESS

“If you shut your door to all errors truth will be shut out.”

— Rabindranath Tagore

Understanding Graduate Preparedness

Today’s counselors have diverse and comprehensive skillsets for working in the increasingly complex helping profession. Universities are expected to demonstrate measurable outcomes and effectiveness in academic achievement, and at the same time, academic and professional programs are emphasizing the attainment of competencies related to therapeutic effectiveness (Harris & Flood, 2015; University of Notre Dame, 2017). The focus on societal leadership has also led to comprehensive knowledge of the socio-political influences in the therapeutic realm. This takes the focus away from professional leadership (management, business ownership, employee status, and career options) in the counseling profession (Kennedy & Arthur, 2014; Institute of Medicine, 2010).

This thesis is intended to shed light on the financial income potential in the counseling field and examines the claims made by universities about the potential income for graduating students entering the field and what the average income is for new graduates. It also reports on the overall preparedness of graduating counseling students. Presumably, students are not equipped with financial preparedness skills to run or be part of a private practice due to their lack of business courses. Their role in professional leadership is therefore limited to benefit clients, not themselves.
Relevance

Given the variety of expectations of students, graduates, universities, and employers, it is necessary to understand what constitutes “professional competency.” If an employer expects X, Y & Z as professional competencies, it would seem logical that the graduate degree in the related field should prepare graduates to fulfill the expectations for X, Y & Z. In this thesis, X will represent financial knowledge relevant to the counseling field, and Y and Z will represent the therapeutic methods, ethics, and other related counseling skills.

Porter, Haberlind and Hohman (2016) examined student and employer expectations and found that, “...at least high expectations are held out for the pursuit of education that leads to competencies...” (p. 1). These competencies include innovative thinking, strategic orientation, communication, accountability, professionalism, and team building. Specifically, at a graduate level, competencies include financial skills and information technology management (Porter, Haberlind & Hohman, 2016). This suggests that employers assume that graduate professional competency includes financial knowledge. With regards to the expectation for X, student expectations can be broken into five distinct categories, as outlined by Hughes, Bax, Brack and Beck (2013):

There are five themes of expectations expressed by students. The themes are: learn about course topic, future use of content/help to succeed, course/degree requirement, compare or contrast with current experience or knowledge, and current usefulness of content (p. 37).

Here, the relevant theme is future use of content/help to succeed. With regards to counseling, financial knowledge would likely help the graduate’s success. Based on this
assumption, graduates who become employees would have a better chance of succeeding with financial knowledge since employers assume that the graduate’s competency includes such knowledge. As a sole proprietor or sub-contractor, financial knowledge may contribute to a graduate’s success due to its key role with such work. By examining the course offerings of graduate counseling programs, it would be possible to determine whether or not graduates are prepared for competency in fulfilling expectation X.

**Method**

The universities considered in this study include: The University of Victoria (UVIC), Simon Fraser University (SFU), University of British Columbia (UBC), City University of Seattle (CityU), Gonzaga University (GU), and Antioch University of Seattle (AUS). These universities were selected since they all offer Master of Arts in counseling or clinical mental health programs. More consistent course offerings would allow for a narrower study focus. The research was informed by a literature review that included selected scholarly articles, books, and other electronic resources relevant to the study. Investigation findings, descriptions, summaries, and critical evaluations are included to support the purpose of this study in the counseling field (Fink, 2014).

**Results**

All of the universities included in this study stated or alluded to producing “job ready,” “competent practitioners” upon graduation. Importantly, a key difference exists in the terminology of “competent practitioners,” which alludes to the practice of therapy and therapeutic skills and “competent professionals,” which alludes to an overarching competency as opposed to a narrow comprehensive skillset. The use of “job ready”
suggests competency for a new graduate when becoming an employee. Thus, it seems fair to say that graduates are equipped to be employees but not employers.

In Table 2, “required coursework” does not include thesis or practicum curricula and pertains only to courses relevant to the counseling field, such as counseling related courses, theory, psychopathology and psychopharmacology, ethics, research and statistics, and testing and assessment. When examining core course inclusion and distribution (Tables 2 and 3), the average number of courses for degree completion is 13.5. Of these, 59% were related to counseling, 7% to ethics, 5.5% were pharmacological, 7% were related to testing and assessment, 11% to research and statistics, and 9.5% to theory. None of the courses were related to business. Although all of the selected universities offered electives, they appeared to be in addition to the prescribed coursework and were not without their limitations. For instance:

- Students were permitted to select from key chosen electives, not including business related courses.
- The electives varied each year and were limited in number.
- Students were required to opt for “directed study.”
Table 2: Average Number of Courses for Required Coursework

<table>
<thead>
<tr>
<th>Required Coursework</th>
<th>UBC</th>
<th>SFU</th>
<th>UVIC</th>
<th>CityU</th>
<th>Gonzaga</th>
<th>AUS</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counseling Related</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>12</td>
<td>11</td>
<td>10</td>
<td>8</td>
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<td>Ethics</td>
<td>1</td>
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<td>1</td>
<td>1</td>
<td>1</td>
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<tr>
<td>Pharmacological</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>0.8</td>
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<tr>
<td>Testing / Assessment</td>
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<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
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<tr>
<td>Research / Statistics</td>
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<td>2</td>
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<td>9</td>
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<tr>
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<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Table 3: Distribution of Degree Coursework (Averages)

| Counseling Related       | 59% |
| Ethics                   | 7%  |
| Pharmacological           | 6%  |
| Testing / Assessment      | 7%  |
| Research / Statistics     | 11% |
| Theory                    | 9%  |

Through directed studies, a back-door option for graduate students is available to obtain business-related courses; however, only 33% of the universities included in this study reported offering online directed studies as a supplement to the program. With the prevalence of directed study programs, universities are assumed to offer some flexibility
in this area. A question also rises about how often such options are chosen, and as a student at one of the selected universities, this information was unfamiliar to me.

As seen in Table 4, 66.6% of the universities included in this study outlined a variety of career placement opportunities, including but not limited to social service, community agency, and school settings. Private practice was not listed. For those entering social service, community agencies, and school settings, etc., the job status would likely be employee. Although students should theoretically be prepared to navigate the professional realm, employers still expect some level of financial knowledge (Porter, Haberlind & Hohman, 2016). While financial knowledge is not essential to a counseling employee’s position, as would be the case in subcontract or private practice work, it is still an asset in most jobs to have at least a base competency in financial matters. Overall, 66.6% of the selected universities are not fully preparing their graduates for competency in expectation X and graduates are being prepared to be employees not employers.

Table 4: Workplace Settings Upon Graduation

<table>
<thead>
<tr>
<th>Workplace Settings Upon Graduation</th>
<th>UBC</th>
<th>SFU</th>
<th>UVI</th>
<th>CityU</th>
<th>Gonzaga</th>
<th>AUS</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Referred to private practice upon graduation</td>
<td></td>
<td></td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>33.3%</td>
<td></td>
</tr>
<tr>
<td>Referred to a wide variety of settings upon graduation other than private practice</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>66.6%</td>
<td></td>
</tr>
</tbody>
</table>

The remaining 33.3% of universities referred to competency and ability to work in private practice upon graduation, though no business-related courses were included. Those desiring to have their own private practice or subcontract would benefit greatly from comprehensive knowledge about creating a profitable business. Such knowledge
could include understanding business plan development, revenue, expenses, net income, annual taxes, and benefits for employees. Universities that have claimed to prepare graduates for private practice have a greater responsibility to their students to fulfill such claims. They may actually hinder their students, in comparison to universities that fulfill such claims. Finally, while business-related courses are beneficial for all levels of employment in the counseling realm, vulnerable business ventures in their start-up may be more prone to failure, in contrast individuals starting out as employees.

While the universities in this study fail to prepare students for competency in expectation X, 33.3% of the universities may be jeopardizing and undermining their graduates’ success by referring to competency but neglecting to fulfill such claims. With no universities fulfilling expectation X, the question arises as to whether they should be attempting to prepare students to fulfill X and professional leadership in self-employment or as a future employer, or whether students should be responsible for learning the relevant information on their own.

Limitations

The universities in this study offered Master of Arts degrees specifically in counseling and clinical mental health. The Master of Arts degree in counseling and/or clinical mental health programs were offered at SFU, UVIC, UBC, CityU, Gonzaga, and Anitoch. These university programs were chosen to narrow the research focus. Master of Science programs were not included since the focus is on scientific subjects as opposed to the social services. The key courses for the different programs also differ from each other. Some of the larger universities, like the University of Northern British Columbia (UNBC), University of Washington (UW), and Washington State University (WSU) were
not included in this study since they offer different degrees or do not offer counseling-related graduate programs. The universities in this study are generally in the northwest region (BC and Washington), which offers an element of diversity (it includes a Jesuit university), though the restricted location was also a limitation of the study.

Further Research

Higher education institutions should consistently examine their program offerings and the alignment with graduate student expectations to determine whether or not the expectations are being met. With regards to counseling, experiences with theoretical approaches, testing and assessment, research and statistics, specific courses are assumed to be part of those expectations. Nevertheless, does this account for the whole picture? The examination of expectations should not necessarily be restricted to course outcomes only. Deggs, Grover and Kacirek (2010) highlight how items outside of course outcomes are crucial for fulfilling student expectations. Additional qualitative, human study research may help to describe student expectations and business-related courses. Such research could help higher education institutes understand the potential benefit of including such coursework, and for the review of their claims.

Summary

Research indicates that students and employers expect graduates to be competent professionals. Nevertheless, none of the universities in this study offered business-related courses to help students develop their business skillsets. Of the universities, 66.6% did not include private practice as a suggestion for career growth. In other service-providing fields like massage therapy (VCMT, 2016), students are required to take core courses in career development. These include courses that examine business-related issues such as
business planning so that the graduates can have a basic knowledge about subcontracting and private business work. From a business perspective, a counseling service is not much different from a massage service business in terms of structure. Those who have completed a higher education are expected to have greater professional skills, and given the importance of finances in modern society with employer and student expectations for useful information, the inclusion of business-related coursework in graduate counseling programs would appear to be a logical approach. Are students being fully prepared for competency in the professional world, or does a gap exist in their education?
CHAPTER 3: THE PROFESSIONAL CAREER

“You don’t have a right to the cards you believe you should have been dealt. You have an obligation to play the hell out of the ones you are holding.”

—Cheryl Strayed

Introduction

The concept of wealth is long standing. Wealth can be owned and acquired by a person, community, company, or country. It can be measured by assessing the value of objects and assets, less any debts (Investopedia, 2018). While the concept of wealth is part of the financial picture for most businesses, for the purposes of this study, I will only examine the gross income values. Although gross values are part of the measurement of wealth, they do not make up its entirety. This basic distinction is offered to provide clarity on the numbers presented in this chapter.

According to the Canadian Centre for Policy Alternatives, to obtain an “average” quality of life in Vancouver, BC, a family needs to bring in $77,184 annually (Tissen, 2015). This “average” lifestyle is defined as a family of four with two children, one in full-time daycare and the other in after-school care with both parents working full-time. The annual income covers the cost of rent, transportation, food, clothing, childcare, medical expenses, Internet, personal care, and monthly family outings. The family vacation is priced annually at $1,036 (Tissen, 2015). What is not covered includes, but is not limited to, a down payment for a mortgage, post-secondary education, or retirement savings. According to Environics Analytics, this “average” lifestyle for a family of four puts them in between the middle and upper-middle class, thus making them wealthier.
than at least 60% of people (as cited in Maclean, 2015). Nevertheless, the quality of life for this “average” family is not aligned with what many people would identify as ideal. What options are available to graduate students to meet or exceed the “average” lifestyle in Vancouver and the Lower Mainland? What career options are available to graduates? What earning potential do graduates have and in what arenas? I explore these questions in this study with a hope that students will be fully trained to enter the professional world and have an understanding of financial matters.

**Career Prospective**

The six universities in this study include: UBC, SFU, UVIC, CityU, Gonzaga, and AUS. They all make suggestions for careers in the social services, community agencies, school settings, and private practice (Fleming, 2017). In this study, the career options in these realms will be examined. Although the career opportunities are not representative of all careers, they are intended to represent a snapshot of prospective career options and income potentials.

**Community Agency and Social Service Careers and Income Potential**

For those interested in careers with community agencies and social services, including but not limited to addictions counseling, career counseling, crisis counseling, and community support work, the average income upon graduate degree completion is $44,000 (GovBC, 2017; Payscale, 2017; Living in Canada, 2017). Figure 1 provides an overview of various community agency careers and incomes (Payscale, 2017).
School Setting Careers and Income Potential

Those aspiring to enter the elementary, middle, or high school settings can have an option for a career in school counseling. The median salary for a school counselor in Vancouver and the Lower Mainland is $58,600 (WelcomeBC, 2017; AcademicInvest, 2017; MakeaFuture, 2017; Payscale, 2017).

Clinical and Related Counseling Careers and Income Potential

One of the key differentiating factors for addictions counseling and other counseling-related professions is whether it is non-profit or for-profit. A counselor at a for-profit business earns a higher income than a counselor at a non-profit business. The average salary for a counselor outside of the community agency, social service, and
school settings is $68,000 (Neuvoo, 2017; Globe and Mail, 2017; Living in Canada, 2017; Glassdoor, 2017). Salaries range from $50,000 to $88,000 per annum depending on the employer, and the employee’s experience and education.

**Investment**

With the critical role of finances for individual, familial, and societal functioning, students are assumed to expect a financial return upon completion of higher education. In terms of gross income and a prospective career, “financial investment” will be considered. Hill (2016) suggested that a “financial investment” is an asset into which money is put with the hopes that it will increase into a larger sum of money. In this case, the asset is the graduate degree. By investing money towards a graduate degree, the student hopes to have a more valuable asset and a higher income upon graduation.

Some students may also consider the element of “self investment,” where an individual invests money, time, and other resources with the hopes that it will encourage their spiritual, emotional, and personal growth. Reese, Proch and Finn (2015) defined self investment as:

...a purposefully chosen categorization of the self and consequential Investment into that category or group. It relates to group solidarity (i.e., sense of belonging and commitment to fellow ingroup members), group satisfaction (i.e., positive feelings about ingroup membership), and group centrality (i.e., salience and importance for the individual’s self-concept) (p. 428).

For the purposes of comparing income with career, a “self investment,” while having some personal, spiritual, and emotional value, will not be considered since it does not represent a measurable financial value. As a demonstration of the financial return that
someone might anticipate from a Master of Counseling program, a beginning career requiring a bachelor degree in social services, with a base salary of $45,000 per annum will be used. This base salary was the author’s income in a variety of positions in the Lower Mainland for a period of five years.

Of the six universities included in this study (UBC, SFU, UVIC, CityU, Gonzaga, and AUS), the average cost of tuition, to the closest thousand, was $26,000. Given the average salaries outlined previously, Table 5 illustrates the years of work, post-graduation, that would be required before recovering the initial investment of $26,000.

Table 5: Post Graduation Analysis (Excluding Additional Costs)

<table>
<thead>
<tr>
<th></th>
<th>Community Agency</th>
<th>School Setting</th>
<th>Clinical Work</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average Annual Income Upon Graduation</strong></td>
<td>45,000</td>
<td>58,600</td>
<td>68,000</td>
</tr>
<tr>
<td><strong>Less Annual Income Before Degree</strong></td>
<td>45,000</td>
<td>45,000</td>
<td>45,000</td>
</tr>
<tr>
<td><strong>Annual Benefit from Tuition</strong></td>
<td>-</td>
<td>13,600</td>
<td>23,000</td>
</tr>
<tr>
<td><strong>Years before Investment Recovered</strong></td>
<td>Never</td>
<td>3.3</td>
<td>2.0</td>
</tr>
</tbody>
</table>

The $26,000 tuition excludes living costs, books, lost wages, and other peripheral costs. If these costs were included, the financial return in investment would be dramatically altered (Table 6).
Table 6: Post Graduation Analysis (Including Additional Costs)

<table>
<thead>
<tr>
<th>Community Agency</th>
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<tbody>
<tr>
<td>Average Annual Income Upon Graduation</td>
<td>45,000</td>
<td></td>
</tr>
<tr>
<td>Less Annual Income Before Degree</td>
<td>45,000</td>
<td></td>
</tr>
<tr>
<td>Annual Benefit from Tuition</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Average Years Invested</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td>Years before Investment Recovered</td>
<td>Never</td>
<td></td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>School Setting</th>
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<td>45,000</td>
<td></td>
</tr>
<tr>
<td>Annual Benefit from Tuition</td>
<td>13,600</td>
<td></td>
</tr>
<tr>
<td>Average Cost of Tuition</td>
<td>26,000</td>
<td></td>
</tr>
<tr>
<td>Lost wages (10 hrs/wk, 2.5 yrs)</td>
<td>28,125</td>
<td></td>
</tr>
<tr>
<td>Cost of Books/Travel</td>
<td>4,000</td>
<td></td>
</tr>
<tr>
<td>Average Total Cost of Graduate Program</td>
<td>58,125</td>
<td></td>
</tr>
<tr>
<td>Average Years Invested</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td>Years before Investment Recovered</td>
<td>6.8</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Clinical Work</th>
<th></th>
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<tbody>
<tr>
<td>Average Annual Income Upon Graduation</td>
<td>68,000</td>
<td></td>
</tr>
<tr>
<td>Less Annual Income Before Degree</td>
<td>45,000</td>
<td></td>
</tr>
<tr>
<td>Total Annual Benefit from Tuition</td>
<td>23,000</td>
<td></td>
</tr>
<tr>
<td>Average Cost of Tuition</td>
<td>26,000</td>
<td></td>
</tr>
<tr>
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<tr>
<td>Average Total Cost of Graduate Program</td>
<td>58,125</td>
<td></td>
</tr>
<tr>
<td>Average Years Invested</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td>Years before Investment Recovered</td>
<td>5.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 6 illustrates the effect of the additional costs related to achieving a graduate degree, as the years before the investment is recovered would be extended. Tables 5 and 6 show that for those aspiring to work in community or social service agencies, a graduate degree would be a poor financial investment since the financial return is low or
non-existent, because of the low annual salary post graduation. Those aspiring to work in a school setting can expect to recover their investment in tuition after 3.3 to 6.8 years of working post graduation. Those who enter into clinical work, excluding private practice, may expect to work for 2 to 5 years post graduation before recovering their investment in tuition. Private practice work will be outlined in the following chapter.

The average age of a university graduate student is 31 years old (UBC, 2016; StatsCan, 2010; GradschoolHub, 2016; Univcan, 2011). The Canadian average age of retirement is 62 years old (StatsCan, 2017). Assuming that a Masters degree is completed on average in 2.5 years, the average graduate student could expect 28.5 years of professional work. This highlights that even at the highest end of 6.8 years in a career before achieving a financial return, the average student can expect 21.7 years of financial return on the tuition investment.

Although these numbers may sound affirming, the highest average salary of $68,000 per annum is below the $77,184 “average” family income in the Lower Mainland and Vancouver. In the case where one is the sole provider for the family, what options are available to those who aspire to work professionally and enjoy lifestyle comforts that might extend beyond the $77,184 “average”? Can private practice extend beyond the $68,000 annual salary?

**Considerations**

The focus of this chapter is on the gross income levels for careers within the counseling field. Other factors, like benefits, vacation, sick time, and educational funding all hold some financial value. In regards to careers, these factors may increase or decrease one’s projected income. For example, if a school setting career with a salary of $58,600
includes extended health benefits, a pension, three weeks of paid vacation time, two weeks of paid sick days, and $500 for further education, the overall financial picture improves. In a survey by Evans (2017) regarding extended health benefits, when employees were asked whether they would rather take $20,000 for the year or keep their extended health benefits, 48% wanted to keep their benefits. When asked whether they would rather take $10,000 for the year or keep their extended health benefits, 59% wanted to keep their benefits. This highlights the value associated with extended benefits, which should be considered in making career comparisons. The assurance of guaranteed income during sick time, vacation, and other days, also holds value. In other careers, like sub-contract counseling, sick time, vacation, and health benefits may not be covered. In such cases, a two-week vacation means zero dollars being earned during that time. For those who are savvy with their finances this may not be a concern, but for those who rely on a consistent income each week, this would be a serious consideration.

Finally, some factors such as flexibility, autonomy, and workplace environment may not necessarily hold a financial value but are considerations none the less. The flexibility of picking up a sick child from school, making specialist appointments, experiencing less stress due to forced traffic pressures, and so forth, should be evaluated. Although the scope of this study is limited to gross income levels, when examining career options, the full picture should be considered.
CHAPTER 4: GRADUATE BUSINESS: HISTORY, THEORY, ROLE, AND MODEL

“Good plans shape good decisions. That’s why good planning helps make elusive business dreams come true.”

—Lester Robert Bittel, industrial engineer and management guru

Introduction

Given that Master of Counseling programs do not include business-related courses (Fleming, 2017), most counselors are assumed to be inexperienced about launching a new business, and business ownership. In addition, due to the relatively low income and high costs of living in Vancouver and the Lower Mainland (Tissen, 2015), most counselors are assumed to aspire to open a private practice because of their minimal capital for a business venture. A business plan can increase confidence and compensate for a lack of “capital and experience” (Barrow, Barrow & Brown, 2012), making them especially important for prospective private practice clinicians. In this chapter, the history, theory, and role of business planning will be explored and an example business model will be demonstrated.

History of Business Planning

Business planning is not a modern concept. From hierarchical, militarian influences to rigid business philosophies, the roots of the theory are long standing, possibly influencing the resistance of social justice-oriented workers to incorporate such an approach. In this section, the excerpts are from “The Evolution of Business Strategy” by Richard Oliver (2001). Oliver (2001) breaks the history of business theory into strategies, beginning with war.
Strategy as war. The word “strategy” is derived from the Greek word *strategia*, meaning “generalship.” For early commercial enterprises that moved beyond the family firm, business approaches often mirrored those of the military. The command and control models that army generals used, moved easily into business practice with little alteration. Company heads commanded the troops while winning battles through sheer force (superior resources), because they had an impenetrable fortress (a protected market or monopoly), or via guerrilla warfare (going after competitors when they are not expecting it). Some of these thematic elements still exist today. Many top executives regard Sun Tzu’s *The Art of War,* written more than 2,000 years ago, as required reading. The command and control model has been pervasive. Strategy was primarily centered on winning the war by eliminating competitors.

This militarist history influenced the organization and execution of businesses (Stoh, 2014). Although in modern society a collaborative approach is more often used, and American and Canadian companies are downsizing, outsourcing, and flattening their hierarchies (Haag, 2013), one person typically needs to be in charge, and the influence of hierarchies and disciplinary approaches are still present today. Despite the movement away from this influence, it is inevitably part of modern business practices. The conquer-at-all-expense war-oriented philosophy is in opposition to the social justice lens. These opposing values may contribute to the resistance of social justice-oriented workers from adopting a business perspective.

Strategy as machine. World War II demonstrated that the winner was the one with the better “industrial machine.” Thus, the war metaphor gave way to a view of strategy as essentially an industrial process that, just like a factory, was largely
mechanized. The prescribed approaches to strategy seemed to suggest (just as with a machine) that, “if you press this button or pull this lever, then such and such will happen.” With its new emphasis on mechanistic processes, the idea of strategic planning drew more attention in academic circles through the 1960s. Major corporations created strategic planning staffs and began to implement systematic planning processes. For the first time, strategy became a business process that was seen as manageable, in the same manner as other elements of the business. Many of today’s key terms and tools—as well as a number of strategy consulting firms—were developed during this period. Courses on strategic planning began to enter the business school curriculum in a limited fashion.

The ‘strategy as machine’ refers to a cause and effect relationship. If product X (cause) is offered, customer Y will buy (effect). This flawed cause and effect presumption is still common today and often results in business demise (Barrow, Barrow & Brown, 2012; Barrow, 2011). The ‘strategy as machine’ business plan was stoic, concrete, and rigid. This resulted in business failure due to a fluctuating market economy. Similar to strategy as war, in a competitive market, there is always more than one player. For this reason, it is imperative to be able to react and adapt the strategy to the moves of the other “players.” This is similar to war, where one can hold a base strategy but when the opponent makes an unexpected move, the strategy must be flexible to instantly adapt, or potentially lose the battle.

**Strategy as network.** The global shocks of the 1970s (escalating oil prices, war, government instability, and increasing global competition) illustrated the importance of flexible, non-linear thinking (i.e., strategy was not simply an extension of current trends),
and rapid communication in strategic thinking. Many companies burdened with a rigid planning process—or no planning process at all—suffered devastating consequences.

The shift away from ‘strategy as machine’ led to awareness beyond products or services to the external influences such as markets, depressions, and recessions. The pendulum swung devastatingly far during this time to the point where business planning was essentially non-existent. This contributed to large-scale business failure. The lingering influence away from strategic planning is seen today when businesses fail to develop a business plan (Barrow, Barrow & Brown, 2012).

**Strategy as biology.** Perhaps the most important change in strategic thinking in this period was the recognition of the critical role customers played and their intimate relationship with the “ecology” of the firm. With few exceptions (e.g., government-dictated monopolies) the customer has always been the final arbitrator of corporate strategic success, particularly over the long-term. Nevertheless, as a result of the proliferation of information technologies during the late 1990s, the customer role in strategy formulation became more immediate and instantly powerful, influencing the life of the firm just as a living organism interacts with its environment. This strong and continuous interaction of a firm with its environment (particularly its customers) begged for a new metaphor, that of an organism.

‘Strategy as biology’ was essentially a paradigm shift. A one-dimensional perspective including strategic visions and business logistics, shifted into a multi-faceted strategy, where understanding and accommodating external factors became critical to success. The importance of understanding customers, their expectations, and how to attract and please them meant adjusting services and products to meet and fulfill the
customer’s needs. Success at the expense of others was no longer accepted and an inclusive definition of success was embraced. The influence of ‘strategy as biology’ is strong today.

**Strategy today.** What is today’s strategy if innovation and change are being created as a natural and intimate part of a constantly mutating organism? Strategy is the process of understanding the industry (its ecology) and the firm’s position in that industry (its genetic makeup). It involves understanding whether the firm can improve the structure of its industry or improve its position within the industry (either a revolutionary or evolutionary path). It asks the question: can the firm be better than average in its current industry (get beyond its DNA)? If not, it must change the structure of the industry or place itself in another industry where it can be dominant and/or relevant (mutate or die).

The lingering influences from ‘strategy as war’ to ‘strategy as biology’ are present in modern business. Clear and flexible planning combined with accommodating external factors are a few of the contributions to business planning success (Porter & Parker, 2006). ‘Strategy today’ highlights that understanding the industry extends beyond business and customers, and knowing one’s position in the industry is a key. Once determined, competitive advantages can be built upon and weaknesses improved for the company to thrive in a competitive market. Knowing the industry will help the company know when to adapt versus when to cut losses.

The influences from ‘strategy as war’ to ‘strategy today’ are part of modern business planning. In the next section, the role, theory, and execution of two business models are explored in relation to private practice work.
Theory and Role of Business Planning

For those considering launching a business, the leader is responsible for development and management, which includes the risks and rewards (Haag, 2013). According to Barrow, Barrow and Brown (2012), a lack of forethought about a business plan and assessment of the risks is the reason why many leaders fail in business.

Business planning is a model oriented around the theory that many businesses falter and fail due to false assumptions that are critical to business functioning: society, markets, customers, services, technology, mission/values, and marketing, etc. (Drucker, 1995; Barrow, Barrow & Brown, 2012). The realities of under-capitalization and cash flow problems due to false assumptions are the two main reasons for the failure of new businesses (Barrow, 2011). A business plan outlines both the goals and the steps needed for goal completion, and demonstrates initiative. It encourages the leader to be objective, critical, and unemotional about business logistics (Barrow, 2011). It forces an analysis of the risks, pitfalls, advantages, and competition, an approach that is often in contrast to the highly emotional, complex, and ambiguous world of therapy.

Business leaders are facilitators of change in the business world (Bangs, 1995). Even though small businesses account for most of the new job creation in the US and Canada, only one in five of the 600,000 new businesses started each year will survive five years in business (Barrow, 2012). The common denominator for the failure of these businesses is the lack of a business plan (Barrow, 2012). Further, research shows poorly constructed business plans can ultimately result in business demise (Barrow, Barrow & Brown, 2012). Poor plans can undermine company success by setting the company back months or years due to holes in the research (Haag, 2013). This leads to the conclusion of
Covello and Hazelgren (1995) that “a business owner who fails to plan, plans to fail” (p. 2). On the flipside, “[s]tudies consistently show that organizations with a strong planning ethos constantly outperform those who neglect this discipline” (Barrow, Barrow & Brown, 2012, p. 8). This illustrates the importance of knowledge and some degree of education in business planning with regards to private practice. The failure to do so may result in sabotaging the graduate’s private practice success.

Small businesses drive the North American job market, and as a result, greatly influence the economy. The data suggests that business knowledge about private practice is more critical than originally assumed and the responsibility of universities to fully prepare graduates for business ownership is even greater.

**Business Plan Application**

One of the assumptions of this thesis is that readers hold a basic knowledge in business-related topics. Thus, only a brief overview of business plan considerations will be outlined here. For those interested in private practice or developing a business plan, further knowledge would be required.

The theory and execution of business planning models are applicable to for-profit businesses, government, and non-profit organizations (Drucker, 1995). A complete, detailed business plan may take anywhere from 50 to 100 hours to complete and may contain more than 50 pages (Haag, 2013; Guta, 2014). For a brief business plan, the following components are required: cover letter, executive summary, table of contents, business description and history, business structure, product or service description, market analysis and trends, operations, technology plan, management and organization, social responsibility and sustainability, development, milestones and an exit plan,
financial data, and an appendix for supplemental information (Haag, 2012, p. 22).

Additional factors in the analysis may include changes in the economy (i.e., a recession or boom), seasonal and cyclical trends, location, hours of operation, etc. (Barrow, Barrow & Brown, 2012; Wooton, 2010). Stoh (2014) provides a diagram (Figure 2) for business plan components.

Figure 2: Elements of a business strategy (Stoh, 2014).
For the purposes of this thesis, key business planning pieces will not be explored in depth. This includes the Vision and Mission Statements, objectives, positioning, branding, company values, and franchising or marketing strategies. For those aiming to pursue a business venture, further exploration beyond this thesis would be necessary. This study simply provides a brief overview of a simple business model oriented around an accounting framework.

Most businesses operate with the purpose of turning a profit. More importantly, a business must understand what is needed for its survival. Cash reserves buffer the business from short-, and potentially, long-term market fluctuations (Barrow, 2011; Barrow, Barrow & Brown, 2012). Since finances dictate business success, a marketing plan might be entirely comprehensive, but without proper financial planning, the business could fail before having a chance to succeed. The following business model illustrates the financial realities of private practice work but does not include a comprehensive list of details that would be necessary in a full business plan.

To establish an example business plan, a set of assumptions and variables are required. These are presented in Table 7, which includes five sub-sections. The first, “Counselors, Clients & Hours,” delineates the number of counselors in a private practice, the number of hours worked per week, the vacation allowances and professional development time allowances, charge rates for full fee and EAP or sliding scale services, the percentage of clients making up the total client hours, the number of clients required per month and annum, and the average number of sessions. The second sub-section, “Office Rent & Cost” includes the number of offices, the square footage of each office and communal area, the base rent per square foot, and common area maintenance fees.
Third, “Compensation Numbers” refers to rate-sharing for counselor and house, full fee income versus EAP and sliding scale wages, and the support staff including receptionist and payroll compensation. Fourth, “Office Overhead Expenses” cover the costs for utilities, office supplies, advertising, website maintenance, professional development fees, dues and membership costs, legal fees, and accounting and tax fees. Last, “Up-Front Capital Costs” include the costs to furnish each office, reception area and common spaces, cost for web design, and other related costs. For the purposes of this thesis, variables were inputted based on “desk” pricing research (Gregson, 2007).
The variables can be adjusted depending on business style preferences; for example, the number of counselors and vacation allowances, whether a counselor has an employee or sub-contractor status, various rate-sharing options, etc. The results of
analyzing these variables are shown in Table 8 for “ClearCare Counseling Services” with monthly and annual projections.

Table 8: ClearCare Counseling Services, Monthly and Annual Projections.
The resulting analysis of these variables offers a $1,936 per month house profit and a $76,787 annual salary for counselors. Nevertheless, with the same rate-sharing margins and with 90% full-fee clients versus 10% EAP/sliding scale clients, the house profit would increase to $3,116 and the counselor annual salary would increase to $95,940. The break-even point must also be determined. With potential market fluctuations, and given the assumed rate-sharing margins, break-even would occur with 11% of the full-fee clients or with 89% of the EAP/sliding scale clients. This illustrates that the key to financial benefits lies in the type of clients coming in. The more someone can pay, the more the counselor and house makes, which offers a mutual benefit to the house and counselor.

The second key for achieving financial benefits lies in the rate-sharing margins. For example, assuming a 50-50 split for fees, when paired with the other assumptions outlined in the “Assumptions & Variables,” the house profit would increase to $4,530 and the counselor salary would be reduced to $61,220. In contrast, with the house assuming a 10% rate-share, the deficit would be $3,514 per month. The break-even point with this model would occur at around a 28-72 split. The approximation is used due to the variability of full-fee versus EAP/sliding scale rate-sharing margins. Given house contributions of 28% per client, and merely breaking even, what would be the benefit for the owner in assuming all of the risk? After all, they would be responsible for fulfilling a two plus year lease agreement, and paying salaried support staff, legal and accounting fees, taxes, start up costs, increased costs, market fluctuations, and so forth. For taking on these risks, some benefit would be assumed to exist. For those interested in private
practice work, the ideal rate-sharing would have to be determined for counselor retention and house profit.

The final key to financial benefit lies in the number of clients seen. This model assumes 175 full-fee clients and 117 EAP/sliding scale, given a 60-40 client distribution per year. This works out to be roughly eight new clients per month. If counselors see more clients in a work-week, they and the house will make more money compared to counselors who see fewer clients. The counselor’s ability to keep the business afloat comes into question if they are seeing fewer clients.

For those considering private practice work, a margin of safety to weather market fluctuations is critical. Given the outlined model and a desire to weather a 12-month recession of services, the house would require $81,087 to break even at the end of the 12 months. Finally, an additional consideration lies in whether counselors have employee or sub-contractor status. This model assumes a sub-contractor status for the counselor as it offers an incentive to bring in full-fee clientele, work full weeks, and negates the necessity for benefits, medical, dental, vacation pay, and has a reduced house risk. In contrast, if the same model had counselors as employees, the house would require the $81,087 plus the annual salary multiplied by the number of employees. Given two counselors in this model, the required reserves would be increased to $234,661. The greater the reserve amount, the longer it would take for the business to show a profit. Reserve capital is a variable that can be altered at the owner’s discretion.

Another consideration in regards to the counseling profession is a clear definition of the target customer. Knowing what clients want and positioning the business to fulfill their expectation is paramount to business success (Barrow, Barrow & Brown, 2012).
Naively, many new counselors assume that if a business is started, the customers will arrive. This is not necessarily the case; however, and as seen in the example business model, a key to the success of the counseling business is whether or not enough clients can be generated each month for a sustained period of time. This concept may seem simple, but if a hypothetical city has a population of 100,000 people, and the business intends to serve 200 people each month, 2% of the population would have to seek counseling services every month. The target population may be further reduced by assuming that only middle to upper middle class families will be able to afford the $135 an hour service fees for several sessions. Thus, the target population may be further reduced to 50,000, which would increase the requirement to 4% of the population every month. With the need to provide counseling services to 4% of the population each month, how long can the business survive? The sustainability of such a business model in the representative city would have to be examined prior to launching a new practice.

**Moving Forward**

As stated, those considering private practice ownership would need to have knowledge that is beyond the scope of this thesis. Here, a brief description of the history, role, theory, and demonstration of two simple business models are offered. Potential business leaders can input their own variables into similar models and obtain a brief overview of the profitability and feasibility of their proposed venture. The above model is not the only model that could be suitable for private practice work.

One of the limitations of this study is in the literature base. Further research into actual private practices (client/hour ratio, house/counselor rate-sharing, population size required to sustain client numbers, overall sustainability, subcontract/employee status,
and other relevant dynamics) would be beneficial. What are people currently doing and is it working? If it is, what is the key to success? Does it align with the theoretical accounting perspective of factors for success? What are the short-comings of current business practices and are they remedial?

The consistent theme of the need for further knowledge about business-related topics is impossible to ignore. Counselors would need to obtain further knowledge that is outside the therapeutic realm if they are going to have a good chance for success. The question then arises, with the importance of business knowledge across all disciplines, should universities be including business courses in the counseling graduate program or should the responsibility rest with the graduates? These questions are complex and further research into student expectations, the likelihood of graduates entering private practice, and the degree of business success need to be clarified.

Further research could also help determine whether or not such easily accessible knowledge might flood the counseling market, driving down prices and reducing incentive. Currently, additional knowledge is needed by counseling graduates who are dreaming of entering private practice. According to Bittel (1972), “Good plans shape good decisions. That’s why good planning helps make elusive business dreams come true” (p. 172).
CHAPTER 5: CONCLUSIONS

“…While the resilient may have solid control over their adult lives, most know they were victims as children”


Personal Influences

Many may feel the ring of truth in Higgins’s (1994) quotation. As someone who felt a loss of childhood due to a number of factors, my experience of childhood poverty has been a relevant theme in this thesis. My early experiences not only affected my childhood but have also influenced my adult life. In this thesis, I have referred to the poverty I experienced as a child in a manner that highlights some of the positive opportunities for counseling graduates. This writing represents aspects of my personal journey in the sense that my early experiences influenced my adult desire to become aware of, evaluate, and acquire financial stability. Although I refer to my own personal experience, it could be relevant to the lives of many others (Mercado-Garza, 2008). This thesis is intended to focus on the logistics of counseling graduate school, the notion of preparedness, income potentials, and business plan development. My hope has been to inform students to be fully prepared to enter the professional world and the relevant financial matters. Fundamentally, a business perspective has been used in constructing this thesis.

Perspective

A “business perspective” refers to an attitude that is concerned exclusively with things of immediate relevance to a company (Chittoor, Kale & Puranam, 2015). This includes, but is not limited to, strengths, risks, strategies, weaknesses, opportunities, and
threats in regards to a for-profit business model (Marston, Li, Bandyopadhyay, Zhang, & Ghalsasi, 2011). *Investment*, as used throughout this thesis, refers to a financial investment as opposed to a self-investment. A “financial investment” is considered as an asset into which money is put, with the hope that it will increase in value to a larger sum of money (Hill, 2016). Self-investment is defined as an investment of time, money, etc., in the hope that it will increase personal, spiritual, emotional, or physical growth (Reese, Proch & Finn, 2015).

**Graduate Degree Evaluation and Comparison**

The original research question began with an examination of whether or not counseling graduate students are fully prepared upon degree completion. In other service providing fields, such as massage therapy or culinary schools (VCMT, 2016; Okanagan, 2017), students are required to analyze their earning potential, understand sole proprietorship, and develop basic business plans. They are often encouraged to comprehend sub-contract work and have an in-depth knowledge about its execution, and business and tax dynamics. This includes the financial value of one’s time and how much income is required to be remain as a for profit business. In counseling, as a helping profession; however, a gap seems to be present in these kinds of education. Topics of finances, sole proprietorship, and sub-contract status have not appeared on course lists.

For those considering obtaining a graduate degree in counseling, investigating the offerings of various educational institutes would seem to be a likely first step. For the purposes of this study, six universities were selected (UVIC, SFU, UBC, CityU, GU, and AUS). All of these universities alluded to their graduates being “job ready” and “competent.”
Prospective Career Gross Income Values

The second research question was regarding post-graduate income potential. Upon degree completion, counselors may entertain prospective career opportunities. In this thesis, I considered the gross income values in three sectors available to graduates. The bar for income potential was set so to be the income required for an “average” quality of life in Vancouver, BC (Tissen, 2015). This “average” lifestyle was defined as a family of four with two children, one in full-time daycare and the other in after-school care with both parents working full-time. The annual income would cover the cost of rent, transportation, food, clothing, childcare, medical expenses, Internet, personal care, and monthly family outings. The family vacation was priced to be $1,036 annually (Tissen, 2015). Items that were not covered include a mortgage, post-secondary education, and retirement savings. Tissen (2015) outlines that to obtain an “average” lifestyle in the Lower Mainland, a family would need to bring in roughly $77,000. For those aiming for a higher quality of living than indicated by the $77,000, or for those intending to be the sole provider for the family, how would a counseling career measure up?

Investment Returns

Upon graduation, those entering a career would be expected to aspire to bringing in a higher income than they did previously. To determine whether a financial investment in education would be a good or poor investment, the prospective for selected careers, incomes, and financial returns from the investment were evaluated. Careers in community agencies and social services would generate an average income of $44,000
per annum, careers in school settings would amount to an average of $58,600, while clinical counselors would have an average income of $68,000 annually.

Assuming a base salary of $45,000 per annum prior to graduate school, the profitability of educational investment was evaluated. The results indicate that if one aims to stay in community or social service work, the financial investment is poor, as one may never get a beneficial financial return. Whereas, those entering the school setting could break even after about three years post-graduation and those in a clinical setting could break even after year two. These values were based on an average tuition and did not include related costs. Those with lower income (i.e., reduced work hours) or higher costs (including other related fees) could begin seeing a profit after 6.8 years in school settings and after 5 years in clinical positions. Since averages were used in this evaluation, those who attend a more expensive university would expect a longer time before realizing a return on investment. Thus, completing a graduate program would be profitable, depending on the post-graduate salary, number of working years post-graduation, and the cost of the investment. Other factors that can affect financial matters, like marriage, family, and other related costs of education are not included in this analysis.

Based on Tissen’s (2015) estimation that a family needs to bring in roughly $77,000 to have an “average” lifestyle, incomes of $68,000, $58,600, or $44,000 would be insufficient for those aiming to achieve a higher than “average” quality of living or aim to be the sole provider. Could private practice ownership be another option?
Business Planning

Since Master of Counseling programs do not include business-related courses (Fleming, 2017), I investigated the history of business planning and its significance on modern business success. Research suggests that lacking a business plan is one of the greatest indicators of business failure. To connect business and counseling practices, an example business model was used to demonstrate earning potential, and as an aid to bridge the current gap.

Using the business model (Tables 7 and 8), employees at ClearCare Counseling could have an average annual salary of $76,787, which surpasses the $68,000 average. According to this model, the house profit would be $1,936 per month. By adjusting rate-sharing margins, cost of services, and the number of clients seen, employee salary and house profits would change greatly. Nevertheless, the model suggests that assuming sound financial functioning and profit margins, private practice ownership can fill the gap and offer a salary exceeding the average $77,000 outlined by Tissen (2015). With the prescribed model, after breaking even and setting aside financial reserves, an owner who also worked fulltime at the business, could bring in approximately $100,000 per annum. For those considering private practice ownership, many factors (i.e., sustainability of clientele) should be investigated before launching a new business, to achieve long-term success.

Although private practice ownership may provide a higher income potential and more jobs, having some knowledge about business-related topics can also support the success of a new business. Without business-related knowledge, success may be undermined, if it occurs at all. With this thesis, my hope has been to provide a taste of
some of the necessary financial considerations and inspire those interested in private practice to obtain further information.

**Method and Limitations**

This non-empirical manuscript thesis is supported by a literature review (Cohen, 2006). It is designed to link three distinct themes of student preparedness, counseling income potentials, and the role of private practice business planning. Manuscript theses are an alternative to the traditional thesis structure in that three papers are unified by a main theme. The main theme in this thesis was graduate preparedness. This thesis is comprised of three separate but related chapters that explore the often neglected topic of profiting financially with a career in the helping profession.

This work was based on the assumption that counselors lack training with regards to their income potentials, investment returns, and private practice financial realities. By linking graduate coursework to the theme of preparedness, professionals may benefit from business knowledge and skills. Counselors who read this thesis are assumed to already have some basic knowledge about counseling-related business applications.

In this thesis, the literature review is focused on counseling as it relates to finances and a business perspective in terms of earning potentials. Counseling student expectations versus the reality about business knowledge, different career opportunities, and business plan development are beyond the scope of this thesis. The main focus was on questioning student preparedness, highlighting the different options for career paths, and offering a simple accounting-oriented business model.
Another limitation of the manuscript style thesis is the lack of participants who could validate or refute the notion of counseling graduate preparedness. Further evidence-based investigations with human participants are suggested for future research.

**Final Question**

In this thesis, a number of areas were examined, including Master of Counseling programs, career options and income potentials, and the counseling business model development. Nevertheless, a final question arising from this thesis remains: Whose responsibility is it to obtain or provide business-related knowledge? Should the university be responsible for offering the relevant coursework to help bridge the gap, or should individual students be responsible for acquiring the pertinent knowledge? Further research may help elucidate these remaining questions.
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