

Title: Want to relieve burnout? Take charge of your financial life for better work—life balance.

Short Title: Relieve Physician Burnout Through Financial Planning

Super Title: Work-Life Balance and Burnout

Teaser: Many burned out physicians can make practical changes to achieve better work-life balance. Financial planning may provide the answers you need to decrease stress and achieve greater work and personal satisfaction.

Article:

It's no secret that burnout is epidemic in the medical community. Last January's Medscape National Physician Burnout & Suicide Report 2020—published even before the outbreak of Covid—provides some concrete (and alarming) data: 42% of the 15,000 physicians surveyed reported they were burned out.

You may, unfortunately, be familiar with the symptoms of burnout. According to the Report, it's "The long-term, unresolvable job-related stress that leads to exhaustion, cynicism, feelings of detachment from one's job responsibilities, and lack of a sense of personal accomplishment."

Given a physician's demanding schedule and workload, the high number of burned out doctors is no surprise. What many don't realize, however, is that taking control of their finances may be an important part of the treatment.

Is Higher Income a Solution to Burnout?

Let's look at another Medscape survey about burnout. 'Death by 1000 Cuts': Medscape National Physician Burnout & Suicide Report 2021 posed the question "Which would help most to reduce your burnout? The leading answer, at 45%, was "Increased compensation to avoid financial stress." Yet, in the same study, 42% answered "a more manageable work schedule."

These two answers just don't add up. Increased compensation generally comes from working more hours, the very cause of burnout. Clearly that's not going to work. At the same time, a manageable work schedule will decrease your income—but may help you keep your health and sanity...I know which one I'd choose.

Given the serious effects of burnout, I encourage my clients who are struggling with work-life balance and can afford to take a pay cut, to do just that.

Would You Take a Pay Cut to Reduce Your Stress?

So here's the question: Would you take a salary reduction to get a better work-life balance? In the Medscape report, 49% said yes. My question is not *would* they take a pay cut, but *do* they? Based on my experience as a financial planner, I suspect significantly less than half do.

It may feel like taking a pay cut is a drastic solution to chronic burnout. It's may also feel unrealistic given the financial stresses that many mid-career physicians face. It's both tiring and expensive if you are simultaneously caring for children, assisting aging parents, and saving for retirement. With so many responsibilities, it can seem "wrong" to work less and make less money.

You May Have More Financial Options Than You Know.

Having a high income can buy a lot of creature comforts, but at what expense? You have to ask what the cost is of overburdening yourself by working more than you can comfortably handle. Fortunately, most physicians have control over how hard they work and how much they earn, which opens up the door to several options.

When I bring up the possibility with clients of making changes that would lower their income, I generally hear that they would be worried about their continued ability to pay bills and retire someday. That begs the question of whether or not they should be worried. As I often say, it depends. The best way to find the answer is through financial planning.

What are Some Alternative Strategies for Work-Life Balance?

Part of my job when working with clients who are burned out is showing them that reducing their income may not be as big a sacrifice as they imagined, especially when given the upside. Financial planning tools can be used to model practical scenarios for how different levels of income will affect current spending and future retirement plans.

Physicians have several worthwhile options they can use to achieve better work-life balance. For example, my clients who have decreased their workload, even by as little as one to two patient contact hours per week, have reported a significant improvement in their quality of life. More impactful still for my clients has been decreasing work from say 1.0 FTE (Full-Time Equivalent) to 0.8. Other options include closing your practice to new patients, reconfiguring your job duties, or working as a *locum tenens* physician.

Financial Planning Can Guide You to Better Work-Life Balance.

I see you nodding your head yes—you'd like to see if you could have more reasonable work hours while still taking care of your responsibilities and having a more satisfying life. So where can you go to figure out what to do next? I recommend professional guidance to see what your work options might be given your financial position.

Many physicians have access to an Employee Assistance Program (EAP) that includes financial counseling. Other physicians choose to work with a financial planner who can help answer pressing questions such as:

- Are you in a position to scale back your practice?
- How might a reduced income affect your current lifestyle and what changes are you willing to make?
- How are you positioned for retirement, and how would a reduced income affect your future financial independence?
- How many fewer hours of work do you think would provide a more comfortable work-life balance?

Find Out Where You Stand.

Burnout is a serious condition that will only become more inflamed by ignoring it. Without knowing where you stand financially, you can't determine realistic options for a more satisfying balance between your career and your personal life. Instead, you'll be trapped on a hamster wheel, running and running without pause.

If you want to successfully step off that never-ending wheel, explore how financial planning can help you create a plan that provides a sustainable balance between your career and the life you want to lead.