

**AN INVESTIGATION OF WHY BLACK OPTOMETRISTS DO NOT
SUCCEED IN PRIVATE PRACTICE IN THE LIMPOPO PROVINCE**

By Conspire Mabaso

A Research Report

Submitted in partial fulfilment of the requirements for the degree

of

MASTERS IN BUSINESS ADMINISTRATION

In the

FACULTY OF MANAGEMENT AND LAW

At the

UNIVERSITY OF LIMPOPO

(TURFLOOP GRADUATE SCHOOL OF LEADERSHIP)

Supervised by

Ms MF Rangongo

June 2008

ABSTRACT

This Research Report investigates the reasons why black optometrists do not succeed in private practice in Limpopo Province. This was a qualitative study in which questionnaires with both closed and open ended questions were used to collect the data. Only nine black optometrists participated in the study of which two were males and seven females. This study found that black optometrists had a number of reasons that made them not to succeed in private practice. These are mainly attributed to a lack of basic management and bookkeeping skills.

ACKNOWLEDGEMENTS

Special thanks to the following:

Ms MF Rangongo, my supervisor, for her guidance and support.

All the optometrists who participated in the study

My family for their support and love during the duration of my studies.

My receptionist Moore, my classmates, the Edupark Administration staff, as well as the MBA lecturers.

THANK YOU.

DECLARATION

I Conspire Mabaso declare that the research report hereby submitted to the University of Limpopo for the degree of Masters in Business Administration have not been submitted by me for any degree at these or any other university; that this is my work in design and in execution, and that all material contained herein has been dully acknowledged.

Student signature: _____

Date: 16 September 2008

TABLE OF CONTENTS

Abstract	ii
Acknowledgements	iii
Declaration	iv
List of figures	v
List of tables	v

CHAPTER 1 ORIENTATION TO THE STUDY

1.1 Introduction	1
1.2 Background information	1
1.3 Research questions	1
1.4 Research assumptions	2
1.5 Significance of the study	3
1.6 Methodology	3
1.7 Limitations of Study	4
1.8 Summary	4
1.9 Layout of the study	4

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction	5
2.2 Employment pattern of optometrists	5
2.3 Optometry practice expenses	7
2.4 Identifying practice opportunities	8
2.5 Reasons why optometrists do not succeed in private practice	10
2.6 Effective management of optometric practice	12
2.6.1 Patient information	25
2.6.2 Financial information	25
2.6.3 Inventory	26
2.6.4 Marketing	26
2.6.5 Communication	26
2.7 The role of marketing in optometry practice	26
2.7.1 Product	27
2.7.2 Place	27
2.7.3 Promotion	28
2.7.4 Price	28
2.7.5 People	29
2.7.6 Process	29
2.7.7 Physical	29
2.7.8 Market trends	29
2.8 The importance of team management in private practice	30
2.9 Effective financial management in an optometry practice	31
2.10 Summary	33

CHAPTER 3
RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction	34
3.2 Selection of participants	34
3.3 Data collection instruments	35
3.3.1 Questionnaire	35
3.3.1.1 Advantages of questionnaires	35
3.3.1.2 Major potential problems of questionnaires	36
3.4 Data analysis and interpretation	37
3.5 Validation of study	37
3.6 Summary	38

CHAPTER 4
PRESENTATION OF FINDINGS

4.1 Introduction	39
4.2 Biographical information	39
4.3 Business management training and practice management	40
4.4 Financial / accounting skills	41
4.5 Marketing skills	41
4.6 Reasons for not succeeding in private practice	41
4.7 Suggestions for the future	42
4.8 Summary	43

CHAPTER 5
CONCLUSION AND RECOMMENDATIONS

5.1 Introduction	44
5.2 Summary of results	44
5.3 Recommendations	47
5.5 Conclusion	47

Appendices

Appendix A: Questionnaire

LIST OF FIGURES

Figure 2.1 Ophthalmic market shares	6
-------------------------------------	---

LIST OF TABLES

Table 2.1 Primary practice type	6
Table 2.2 Individual mean net income by years in practice	7
Table 2.3 Median percentage of gross practice income, selected expenses categories	8
Table 2.4 Advantages and disadvantages of sole proprietorship	10
Table 4.1 Age and gender of respondents	40