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A SURVEY OF MUSIC THERAPY BUSINESS OWNERS

by

Julie M. Guy

A Thesis
Submitted to the
Faculty of The Graduate College
In partial fulfillment of the
requirements for the
Degree of Master of Music
School of Music

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“Gratitude is the fairest blossom which springs from the soul.”

Henry Ward Beecher

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Julie M. Guy

A SURVEY OF MUSIC THERAPY BUSINESS OWNERS

Julie M. Guy, M.M.

Western Michigan University, 2005

An invitation to participate in a survey was emailed or sent to 503 self-employed/private practice music therapists. As this study focused on describing current music therapy business practices, only music therapy business owners were asked to participate. Responses were received from 29% (n=147). Results indicated that the typical business owner is a Board Certified Music Therapist (MT-BC) with a bachelor's degree who has most likely owned a sole proprietorship for less than 9 years. They typically work 30-39 hours each week and maintain 10-19 hours of contracts (primarily consisting of individual sessions). Most of the respondents work in schools, group homes and assisted living facilities with children, those with autism or developmental disabilities. Gross income ranged from below \$10,000 to over \$300,000 with the majority making \$10,000-\$20,000 per year and private pay accounted for the largest source of business income. Fees varied greatly depending on the setting, type of service provided, the number/hours served and other factors. Relatively few businesses hire subcontractors (22%) or employees (16%).

Conclusions of the study indicate the need for educational opportunities to assist music therapy business owners in establishing successful businesses as well a need for further research and development of music therapy business resources.

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CHAPTER 1

Introduction

Survey of Music Therapy Business Owners

In an early article on music therapy, Tyson (1966), a private practice music therapist in psychotherapy, said that

The challenge of a private practice lies in the necessity for the music therapist to function with greater depth and maturity. This challenge can be met if we in music therapy have the vision to see ourselves in this more mature light and prepare ourselves for its rigors and if, by demonstrable achievement, we can convince the larger professional community of our capacity to assume a more mature role. (p. 18)

The challenges that self-employed/private practice (SE/PP) music therapists and music therapy business owners face today have changed since the 1960s. Not only has the SE/PP work setting increased in size, business owners today often work with a more diverse clientele and offer a wider variety of services to meet the needs of their clients.

CHAPTER 2

Literature Review

A computerized search of the American Music Therapy Association (AMTA) CD-ROM (1999) including the *Journal of Music Therapy* and *Music Therapy Perspectives* from 1963-1998 and a hand search of articles from 1998 to present were conducted to review the extant SE/PP music therapy literature. Results of this search indicated that there are minimal sources available about and for SE/PP music therapists. However, there has been an increase in the number of articles and resources published over the last 20 years. The literature review that follows will define SE/PP and the SE/PP music therapist, review known demographics, and examine SE/PP music therapy literature and resource tools. In addition, industry trends, business operations, finances, and employees/ subcontractors will be explored.

Defining Self-Employed/Private Practice

In order to define SE/PP, it is helpful to compare how the Internal Revenue Service (IRS) classifies an employee versus a person who is self-employed. First, an employee is defined as someone who receives income from an agency, which is reported to the IRS on the Form W-2 (Lacey & Hadsell, 2003). In addition to their salary, employees often receive benefits such as insurance, paid sick leave, vacation, and retirement plans (Applegate, 2003). In contrast, a self-employed music therapist

claims income on a Schedule C (Lacey & Hadsell, 2003), which is used to report self-employment business income and expenses. This includes income from an individual or business (including contract). According to Lacey and Hadsell, a contractual music therapist's income is reported on the IRS Form 1099. This form is used to report monies paid from a business or person to another business or person to the IRS. A self-employed therapist may work as a subcontractor, and/or own a private practice, consulting agency, music therapy studio or clinic.

Private practice music therapists and contractual music therapists, two terms often intermingled, are not considered employees. According to Griggs-Drane (1998), private practice refers to providing services at a private location (other than schools or agencies). However, a broader definition of private practice also includes many types of self-employment such as private clients, in-services/workshops, or contractual work (Kane, 1990). Contractual employment refers to providing services to more than one facility for less than part time (Griggs-Drane, 1998; Henry, Knoll, & Reuer, 1986). According to the definitions, some music therapists may be both self-employed and a contractual music therapist. Due to the nature of SE/PP work in music therapy, it is difficult to define each type of practice in a uniform manner.

There are many advantages to why a person would want to become a SE/PP music therapist. In addition to having an independent spirit and passion for her work, Behnke (1996) disclosed that her personal reasons for becoming a SE/PP music therapist and venturing into sole proprietorship (which will be discussed later in this paper) stemmed from her administrative history and desire for freedom, financial

control and flexibility. She indicated seven reasons why music therapists often choose private practice, most notably were personal circumstances, need for developing a range of services for clinical appeal, and having the ability to employ other music therapists.

Other advantages of SE/PP include greater flexibility and increased time with patients, which allows for deeper exploration of various facets of the illness (Skaggs, 1997). Also according to Skaggs, private practice allows the music therapist to address the client's individual needs such as lifestyle, belief system, personality, and physical and emotional needs. Skaggs concluded that compared to the hospital or hospice setting, clients seeking private practice music therapy have more time and emotional and physical energy to devote to treatment.

Another source, *You're the Boss* (Henry, Knoll & Reuer, 2000) highlights many advantages to self-employment, including the absence of a supervisor and staff meetings, control of personal income and schedule, ability to make executive decisions, time for special projects, tax breaks, and personal satisfaction. The authors also note that diversity of client populations can decrease burnout and increase job security through various income sources. Reuer (1996) draws attention to other advantages of SE/PP such as increased flexibility, independence, a clearer focus of job expectations, and the opportunity to create a business instead of a job. Another positive reason to enter self-employment is that therapists often experience an alignment of personal and professional identities when they own a business (Earle and Barnes, 1999).

Friedman and Yorio (2003) cite many positive reasons to own a business. For example, the owner is never bored, always challenged, in charge of his/her own time, can create an ideal work environment, and can adjust the workload according to his/her own life and needs. Outcomes that Friedman and Yorio present that are a result of owning a business include gaining respect from strangers and the rush that is obtained from the little things (e.g. opening the door to your own studio). Other benefits include enjoying learning about subjects that held no prior interest (for example marketing strategies) and the workday is more enjoyable when you love what you do.

In contrast, there can be many disadvantages to SE/PP. Henry, Knoll, and Reuer (2000) cite many drawbacks including the need for the SE/PP music therapist to develop his/her own support group and networking opportunities, and having limited access to support services, staff, clients and caregivers. Providing their own workspace, office supplies and equipment, and paying for their own health benefits, taxes and insurance are other difficulties in SE/PP. Another drawback is that a SE/PP music therapist needs to be adept in many facets of business—from ethics to liability, accounting and taxes, and business operations to marketing. Additionally, there are no paid sick days, vacation days, or personal days. Other potential disadvantages listed by Henry, Knoll & Reuer (2000) include not having financial support from contracting agencies, having irregular schedules and income, developing own job opportunities, not being able to enjoy client progress because of business

details, and having to maintain self-discipline to work in an unsupervised and unstructured environment.

Friedman and Yorio (2003) caution business owners to expect bad days and use a quote from Adrienne Arieff (founder of Arieff Communications, a public relations business): “The fragility of not knowing if the clients will be around month-to-month is tough” to emphasize their point (p. 5). However, they also warn business owners that if the majority of the day is spent worrying, crying, or obsessing, then this is not the job for them. Friedman and Yorio negatively advise business owners that they will feel out of sync with the rest of the world, dwell on money, be scared, have increased stress with employees, and become dependent on their clients for income.

Defining the Self-Employed/Private Practice Music Therapist

In addition to describing the pros/cons of being a SE/PP music therapist, many music therapists have indicated the personal attributes or characteristics that one must possess to be successful in this work setting. Griggs-Drane (1998) describes a SE/PP music therapist as highly motivated, organized, persistent and patient. They also enjoy working with a diverse clientele. According to Reuer (1996), the therapist’s goals and values, ability to establish a plan, take charge, to market, and sell themselves are factors influencing success. Another factor influencing a therapist’s success is finding a specialization (this often allows the therapist to charge a higher rate versus a generalist who may find more work but at a lower rate). In addition,

personal life stages, strengths and weaknesses, and beliefs and ideas regarding success and change will influence the success of a SE/PP music therapist.

Other attributes of a successful music therapy business owner include being confident, flexible, organized, hungry, patient, a self-starter and dreamer (Henry, Knoll, & Reuer, 2000). Availability and having the confidence to take risks in therapeutic and business decisions are other important characteristics (Earle & Barnes, 1999). Further attributes discussed by Friedman and Yorio (2003) include being a people pleaser, a planner, and a good leader. The ability to be diplomatic (ability to confront, negotiate, defuse and praise), ask for help, and live on a fluctuating income are also necessary.

In defining a SE/PP music therapist, it is helpful to examine self-employed people from a national standpoint. Hakim's (1998) research indicated that the self-employed have more work experience, are older, typically married with children and own a home. On the other hand, younger workers, age 16-24 years old, are rarely self-employed, which makes sense because older people entering self-employment often have better access to capital and/or resources.

In contrast to the music therapy field, which is female-dominated, self-employed women nationwide make up a small percentage of business owners. Hakim's (1998) research shows that women who own a business are strongly motivated towards a career, have spent a large portion of their lives working, many have a connection to a family business and value autonomy. Only 33% of women in the workforce work as many hours as men, the remainder work part-time (Hakim).

Women choose self-employment for various reasons including increased flexibility, freedom to structure work to personal preference, engage in part-time work and to escape roles that are stereotyped. Women more often than men work part-time hours, have a higher job turnover rate, are more likely to work at home or close to home, and do white-collar work. Twenty-one percent work at home while 41% of self-employed people utilize their home as a base location (Hakim). Because music therapy is a female-dominated field, it is not known whether the same overall business trends are similar for music therapists who own businesses.

Demographics

In the 1966-67 National Association of Music Therapy member directory (1967), only four private practice music therapists were identified from approximately 350 active members. Statistics from the 2004 AMTA Membership Profile (AMTA, 2004) show a total of 3,589 members with 1,792 professional Music Therapist-Board Certified (MT-BC) members and 351 Advanced Certified Music Therapist (ACMT)/ Certified Music Therapist (CMT)/ Registered Music Therapist (RMT) members. The largest number of music therapists practice in the Mid-Atlantic Region (736), followed by the Great Lakes Region (736), Western Region (451), and Southeastern Region (424). The Midwestern Region has 336 music therapists and the Southwestern Region has 212 AMTA members. The fewest music therapists work in the New England Region (192) and the South Central Region (66). Self-employed/private practice (463 music therapists) increased to the third largest work

setting in 2003 at 12%, preceded only by the mental health setting (15%) and geriatrics (16%). SE/PP and K-12 schools experienced the largest growth in the number of new jobs created. Nineteen new jobs were created in the SE/PP work settings; the new positions in SE/PP constituted 30% of the total new jobs created that year.

The 2004 AMTA Membership Profile (AMTA, 2004) also showed the average SE/PP salary was \$44,064 with a range from \$20,000-\$200,000 per year. The average individual session rate was \$55.22, group session rate was \$56.42, and assessment rate was \$77.43.

Growth of the music therapy field has also led to the development of internship opportunities in SE/PP. In a review of AMTA National Roster Internship Programs (AMTA, 1997), 11 active internship sites were listed as private practice agencies. California has the largest representation with four internship sites. Colorado, Georgia, Illinois, Missouri, Pennsylvania, Tennessee, and Texas each have one private practice agency internship site.

Further research into music therapist's salaries was part of a study by Lacey and Hadsell (2003) that investigated music therapy practice in the Southwestern Region of AMTA. The authors developed a survey, which focused on the percentage of music therapists' income that was earned entirely as a music therapist, the percentage of income received by music-related but non-music therapy work and the availability of benefits to working music therapists.

Results of the Lacey and Hadsell (2003) survey (sent to 106 music therapists and completed by 99) showed that only 55% (unfortunately the exact number of survey respondents was not given) of music therapists' entire income was solely from work as a music therapist. Of this number, 52% (29) were employees. Music therapists serving private clients was the second largest category of respondents. However for 35% (5) of respondents, private practice work accounted for a small percentage (25% or less) of their music therapy income. Similarly, for the 47% reporting income as a contractual therapist, music therapy work accounted for 25% or less of their income. For music therapists doing music-related work, their jobs consisted of special music education, adapted music teaching, applied music teaching (students with special needs but requiring no adaptations for successful participation), and music performance. Private applied music lessons, substitute teaching, and other supplemental jobs were also listed (e.g. retail, investment, secretary, and psychology) (Lacey & Hadsell, 2003).

The Lacey & Hadsell (2003) survey also reported the types of benefits most often provided to music therapists including health, life, disability and dental insurance and sick leave and vacation. Continuing education was another benefit reported. Unfortunately, the authors did not delineate the benefits received by full-time employed music therapists versus those whose work was comprised of private clients or contract work. The authors conclude with a list of additional beneficial areas for research including the comparison of this survey to other AMTA regions, investigating employment trends, retirement plans of private practice music therapists,

and salary differences in relation to educational degree for employed versus contractual music therapists.

Marketing and financial viability were the focus of a research study that surveyed private practice music therapists (Wilhelm, 2004). Four-hundred and sixty-five therapists were sent Wilhelm's survey in 2002, with 62% (288) of the questionnaires returned. The survey results indicated that most music therapists in private practice work with children, adults with disabilities or older adults. The results also showed that having sufficient start-up funds when establishing a business was considered important and recommended by the survey participants. Respondents also indicated that a guitar, tambourines, maracas, a CD/tape player and CDs/tapes were the most important session equipment when starting a business.

Wilhelm's survey results also showed that 72% (N=207) of the music therapists had two or more sources of income (i.e. private pay, grant, insurance reimbursement, etc.) while 41% had three or more (unfortunately the exact number of respondents was not given). Word-of-mouth referrals were found to be the most useful marketing strategy in addition to demonstration of services (live, recorded or through case example). The majority of music therapists spent 0-10 hours a week (67-84%) marketing the first year. Several marketed 11-20 hours a week (10-33%), 21-30 hours a week (0-20%) and 31-40 hours a week (0-2%). Wilhelm recommended future studies be conducted on specific aspects of finance (such as insurance, taxes, and bookkeeping) and marketing (marketing plans, positioning and promotion

strategies). He also stated that SE/PP music therapists need to share their knowledge because there are so few business resources and assistance available.

Self-Employed/Private Practice Music Therapy Literature

In reviewing the literature, the author found several resources written specifically about developing, managing, and marketing a music therapy business. Although many of the resources are dated, useful information can still be gleaned from them. In addition, a wealth of information is available outside of the music therapy literature (e.g. business, marketing, accounting, management, etc.). Brownell, Weldon-Stephens, & Lazar (2002) provide guidelines for developing and maintaining a private practice based on personal experiences using successful businesses as a model. The three authors discuss their own personal journeys and the different approaches they used in obtaining work in public schools. Two of the therapists (Brownell and Lazar) maintain private practices and discuss the steps they took to obtain contracts. Brownell identifies specific phases including gathering information, making initial contact from the top (with decision makers), making contact from the bottom (parents or consumers), and bringing contacts together and having an alternate or supplemental plan. The steps Lazar used to get her agency's "foot in the door" started with defining the role of the parents followed by giving presentations to the district administration, negotiating a written contract for services, addressing concerns and maintaining a contract. Additionally, useful information on developing specific

tools to use in the special education setting were included with examples. The steps Brownell and Lazar followed can be applied to obtain contracts in other settings.

In another practical source, Clark (1986) gives step-by-step advice on starting a music therapy-assisted childbirth (MTACB) program in private practice and other models of employment. The first step in making the decision and preparing to start a MTACB practice is developing a network of appropriate professionals (e.g. physicians, health care providers, consumers, and administrators). On an informal basis, Clark (1986) suggests starting with free demonstration sessions or encouraging patients to contact their physician. The music therapist should follow-up by contacting the physician and then the hospital obstetrics department (or the birthing center). After contacting the physician, Clark recommends contacting the unit supervisor and then providing a staff in-service training. Other alternatives include collaborating with the hospital childbirth program, group obstetrics practices, or developing a referral network. Clark also discussed appropriate marketing strategies including television and media, news releases, brochures, or presenting at meetings or childbirth classes.

When considering a location for providing services, Clark recommends using space in the music therapist's home, sharing space with other professional groups, or providing services in the patient's homes as viable options for the private practice music therapist. Another recommendation by the author is to practice in association with another music therapist to have the option to cover sessions whenever needed because deliveries are unpredictable. This advice can be transferred to other private

practice models, for example in a business partnership, where the therapist can have built-in coverage. This is important for maintaining as much stability as possible with client load and income flow.

In their systematic approach to developing a private practice, O'Brien and Goldstein (1985) indicate that the identity of a music therapist is an important foundation in order to be successful as a private practice music therapist. Educational experiences (including mentors and the development of a peer network), demonstration of ability in therapeutic skills, and consolidation of knowledge and experiences are the three stages they report that music therapists go through to develop his/her identity. To develop a private practice, the authors first recommend gathering information about the community and sending out materials, providing in-services, and volunteering. Once settled into practice, developing a protocol for treatment and supervision come into play. Practical concerns discussed include legal responsibilities, work site, fee schedule, and billing and taxes.

Another article on developing a private practice (Oliver, 1989) describes the author's experiences in establishing Music Therapy Services of Arizona. In her article, Oliver recommends developing a formal business plan and assessing all available personal resources and business structures, risk factors, timeliness and practicality. Based on her experience, the start up process included obtaining a fictitious business statement, registering with the county, obtaining a Federal Employee Identification Number (FEIN) from the IRS, opening a checking account, and obtaining liability insurance. Budgeting and establishing a system for billing and

bookkeeping were necessary start-up steps. Oliver encourages therapists to seek out other employment opportunities and take risks.

Reuer (1996) focuses on necessary elements for developing a business. These elements, published in 1994 by Pritchett (as cited in Reuer, 1996) include guidelines that one needs to succeed in the business world, such as speeding up, becoming a quick agent, accepting ambiguity and uncertainty, holding oneself accountable for outcomes, behaving like one is in business for himself/herself and continuing to learn. Other important factors needed to become successful include attending workshops and seminars related to business and finding mentors to give supervision. Establishing a multi-faceted network (including therapists from other disciplines, accountants, and attorneys), getting out into the community, educating others, and joining community groups are ways to build a broader network. The author's final point is that specializing, creating a niche, cultivating a network, and educating the community are important parts of the posture of a music therapist.

Conant and Young (1996) discuss the logistics of establishing a business using the development of their CCC Music Therapy Center as a model. Although they do not discuss the structure of their business model (e.g. sole proprietorship, partnership, etc.), they caution that ignoring business operations can cause a business to fail. Hiring professionals (e.g. accountant, lawyer, secretary, etc.) to carry out certain business responsibilities can influence the success or failure of the company. A company's focus, or how the business owner wants the business to be perceived by the public (identify formation or business recognition which will be discussed later in

this paper), is a significant factor to consider when setting up a practice. Deciding whether to diversify or specialize is another major decision and the authors warn that diversifying too quickly can result in confusing current contracts. Conant and Young feel that obtaining contracts is the most difficult part of running a business. A successful practice, according to Conant and Young, involves several factors including creating programs to meet client needs, focusing on the business aspects and networking with professionals in the appropriate setting.

In an article on developing a sole proprietorship, Behnke (1996) explores her experiences as a business owner. A sole proprietorship is a business owned by an individual who is personally liable for the business obligations including debts and has total control of the business operation. Maintaining a business resource library, taking small business courses and hiring professional advisors, sustaining the financial insecurity of private practice, finding and maintaining contracts are elements Behnke considers part of her business role. She also considers utilizing clinical skills in working with other professionals, expanding personal/business networks, and creating a structured daily routine and prioritizing needs are other aspects of being a business owner. Regularly organizing office-workspace, evaluating accomplishments, and giving appropriate self-care are additional parts of her business role.

As an alternative way to compete in the job market and find a career, some music therapists offer consultative services as they often have more flexibility in the types of special projects they take on and the services they provide. Consultation is a

way in which music therapists can diversify their income sources. Consulting is “the application of talents, expertise, experiences, and other relevant attributes, which results in an improvement in the client’s condition” (Weiss, 2000, p.1). It can also be described as the provision of professional consultation (training) to parents, family members, caregivers, teachers, aides, and caseworkers among others. According to Register (2002), “consultation allows for the dissemination of information to an individual or group in order to educate and advise on a given topic or methodology” (p. 309).

The goal of consultation is to “improve the functioning of the client while enhancing the functioning of the consultee” (Register, 2002, p. 309). In a study conducted by Register (2002), music therapists reported that the goals of consultative work included education, communication, socialization, and employee relations/productivity. Consultation can be provided in a variety of ways including institutes, in-services, staff support, presentations, informal lectures, video, or community outreach (Henry, Knoll & Reuer, 1986, p. 2-2). Some of the benefits of consulting as presented by Reuer (1996) include flexibility, independence, ability to create a personal focus and job expectations, and ability to diversify income and clientele.

Griggs-Drane (1998) looks at the implications of contractual employment and private practice from her experiences in Virginia. She provides steps for creating employment opportunities from the initial contact to the presentation (including marketing materials) and includes example program proposals and contracts for

different settings. Definitions and discussion on many topics from service options to assessment, providing service to billing procedures, and start-up business development (marketing and setting fees) are presented. Discussion on goals, communicating with parents and professionals, and consulting with other educational professionals within the school setting are also a focus of the article.

Self-Employed/Private Practice Resource Tools

While there are several tools currently available for therapists interested in SE/PP, a need remains for current, up-to-date information on a wider range of topics. One useful tool by Kane (1990) explores the first steps of starting a business (education, myths, planning, goal setting, etc.) and developing marketing strategies and tools (market research, establishing an image, and creating programs). Kane also reviews service options (from direct service, to indirect services and workshops), proposals, and contracts (cost evaluation and negotiation of options). The author also discusses issues such as bookkeeping and business taxes.

A similar tool, *Music Worx: A handbook of job skills for music therapists* (Henry, Knoll, & Reuer, 1986) is a notebook reference guide, which provides comprehensive information for the new music therapist. Employment options, finances, on-the-job considerations, and important steps toward success as a professional music therapist are discussed. Personal exercises, self-investigation, checklists, example forms, and suggested resources are also included in this handbook.

For those new to SE/PP, *You're the Boss: Self-Employment Strategies for Music Therapists*, written by Henry, Knoll, & Reuer (2000), is another useful resource. The included cassette/CD first discusses the topic in each unit and then provides exercises for self-study. This approved Continuing Music Therapy Education (CMTE) course aids the therapist in exploring the many facets of owning a business. Some of the topics presented include considerations (goals, priorities, pros/cons, and personal strengths and weaknesses), market research, job outline and developing a budget (including expenses, deductions, and purchasing plan). Creating schedules, developing policies and procedures, marketing tools, and setting up an office are also explored. Other topics include developing methods for self-evaluation and performance, documentation, personal care, professional growth, network development and expansion, and creating a public relations plan.

Industry Trends

Being aware of current trends and changes in the work force is important for SE/PP music therapists in order to anticipate changes that could potentially affect many facets of a business. Since the work force is continually changing, Reuer (1996) created a list of trends for consultants to consider including growth of outpatient treatment facilities, the wellness movement and increasing awareness of alternative therapies to improve quality of life. In addition, the expansion of the music therapy profession to serve a broader array of clients, and forming partnerships with music retailers are important trends for consultants to be aware of when making

marketing decisions. Lonier (1999) encourages small business owners to explore trends in other disciplines such as economy, politics, technology, employment, commerce, generations, education, housing, medicine, sports and entertainment, family and culture, and religion/spirituality. Identifying trends affects how, where, when, and why people do business.

Wellness is one trend that can be addressed by music therapists in a variety of ways such as providing consultation for an agency. People-consulting, a consulting term coined by Ackley (1997), is an example of how this might be implemented. People-consulting in the workplace addresses company problems involving teamwork, stress management and other people related issues. For music therapy business owners, people-consulting in the workplace can be a viable way to diversify business income. Another author, Belli (1996) identified the trend of music therapists developing and expanding markets through alliances with businesses such as local music retailers or the music products industry. Belli noted that schools, community-based activities, and alternative medicine are settings in which music therapists should target through collaboration with other industries. In looking at healthcare trends toward alternative medicine, Belli predicts that as “music and wellness becomes more widely accepted, the implications for private practice music therapists will be tremendous” (p. 6).

Another trend, and a way to diversify services, is to become a business coach. Grodzki (2000) defines a business coach as a “cross between a consultant and a mentor” or as a person that can help a business owner “bridge the gap between where

you are now and where you want to be in the future” (p. 17). Part of a business coach’s role is to challenge and motivate their mentees. Grodzki states that therapists who own businesses often encounter times of anxiety and need assistance from a role model. As a business coach, Grodzki helps therapists become skilled and savvy business owners by having them take review of their practices and make necessary shifts in their thoughts, feelings, and behaviors. While experienced music therapy business owners may find business coaching to be a way to diversify their services, new music therapy business owners may benefit from the guidance of a business coach.

The review of music therapy demographic information earlier in this paper indicated that the number of SE/PP music therapists is growing. With limited SE/PP targeted research, it is necessary to explore the trends of the general business market to find reasons for this growth in the field of music therapy. According to Hakim (1998), technological developments resulting in mobility of job location, changes in length of employment and work-related expectations, growing presence of women in the workplace, and changes in healthcare all influence the work force. Hakim also indicated other factors that influence the work force including early retirement, recession and high unemployment, expansion of service industries and non-standard jobs, increase in types of jobs and hours of work, and segregation of primary and secondary income earners. During the 1980s, people began to see self-employment as an attractive work alternative, which led to a steady increase in the number of self-employed professionals. Currently, the high number of self-employed

professionals remains a permanent fixture in the work force. This has also led to an increase in subcontracting and other flexible employment options. Another statistic presented by the author indicates a decline in full-time jobs from 70% in 1981 to 62% in 1993, which supports the move toward specialization in labor and products.

McGinty (1980) investigated the responsibilities and roles of music therapists in their current positions. The study's results were concerning because a large number of Registered Music Therapists (almost 38%) were not employed in music therapy positions and the jobs that were available were primarily full-time jobs. The author suspected that part-time jobs might be more appealing for women music therapists; however, there were not as many part-time jobs available. Since the 1980s, part-time work has been expanding, as have other non-standard employment opportunities. According to Hakim (1998), this change includes three characteristics. First, part-time jobs are becoming more readily available, often being filled by women and replacing standard full-time jobs. Next, there is a broad trend toward non-standard employment opportunities in a wide range of fields. Lastly, part-time employees have higher levels of job satisfaction (as compared to full-time workers).

Similar to what McGinty (1980) asserted, Hakim (1998) explains that the prevalence of women in the workforce is due to there being a viable option of part-time work, allowing for balance of both family and career. Previously, women were less likely to enter the workforce because full-time jobs were the only jobs available. A factor affecting the rate of this change was employers' willingness to create non-traditional jobs.

The growth of part-time jobs and other non-standard jobs (decrease of full-time jobs), an increase in job types and amount of hours worked, technological change resulting in mobility, recession and high unemployment, and more women in the workforce have all aided in an increase of subcontracting and other flexible employment options. An emphasis on independence and autonomy, flexibility, choice, the freedom of being “your own boss,” and financial rewards are several reasons why people seek self-employment (Hakim, 1998). This could explain, at least in part, the growth of the music therapy SE/PP work setting.

Changes in the job market influence trends and trends influence business success. Popcorn and Marigold (1996) state that:

Trends are rock-steady enough to last an average of ten years or more; certainly long enough to base a business plan on them. You can rely on the integrity of the trends to read the climate now and project into the decade beyond. (p. 48)

Being educated about current trends and changes in the workforce is necessary for the music therapy business owner. Trends in consulting, self-employment/private practice and populations served are only a few of the things that music therapy business owners need to keep abreast on. However being aware of trends is not enough, a business owner also has to be willing to change.

In his book, *Who Moved My Cheese*, Johnson (2002) tells a story of two little people (Hem and Haw) who become content eating from the same pile of cheese everyday. One day, however, the cheese was gone and the little people panicked. While Hem chose to stay where he was, hoping that the cheese would return, Haw ran

off to find new cheese. The lessons about change told in Johnson's story can be applied to the music therapy business owner. In order to be successful, one must "anticipate, monitor, adapt, change, enjoy change and be ready to quickly change again and again" (p. 74).

Business Operation

Several types of organizations or structures are found in business operations. Determining the business structure is an essential element in starting a business. As previously mentioned, a sole proprietorship is the most common and simple type of business structure because only one person owns and has control over all business matters. A sole proprietorship is a business owned by an individual who is personally liable for the business obligations including debts and has total control of the business operations. Drawbacks of this business structure include isolation and no protection against legal liability including personal and business assets (Lenson, 1994; Applegate, 2003). However, this risk can be limited with liability insurance. Other disadvantages include lower income, difficulty getting referrals and limited support. Recently group practices, at least in other helping therapies, have become more popular (Barker, 1991).

Another type of business structure is a partnership. Partnerships are formed by two or more people who pool their resources and share profits and losses. Partnerships save money on expenses, decrease isolation and provide coverage for vacations. The ability to provide specialized services and team approaches, and share

the workload between partners is another positive. However, both partners are liable for any debt incurred by the other partner and it can be difficult to find the perfect partner. There are several types of partnerships including general and limited partnership (Barker, 1991; Applegate, 2003; Lenson, 1994). The difference in a limited partnership or limited liability company (LLC) is that the partners do not participate in the day-to-day operation of the business. They agree to do so “in exchange for a limitation of their personal liability to the amounts they actually contribute to the partnership” (Applegate, 2003, p. 214).

A C corporation is another business structure that differs in that it pays a corporate tax on earnings and stockholders are required to pay income tax on the dividends received. One of the greatest benefits to a C corporation is that the owners are not personally liable. On the other hand, a Subchapter S corporation is taxed as if it was a partnership (Applegate, 2003; Lenson, 1994).

Another essential component to starting a business after selecting a business structure, is to select a business name and then to file a fictitious name (or business) statement, also referred to as DBA or “doing business as” (Applegate, 2003). A fictitious business name is required to be filed for any name other than the one listed on the business owners’ birth certificate. It is filed in the city or county in which the business owner(s) maintain a mailing address.

Filing a fictitious business name does not give the business owner(s) exclusive rights to use the name. In order to protect the name and/or business identity that a business owner uses it must be trademarked. The first step in registering a trademark

is to search the U.S. Patent and Trademark Office. State, national and international trademarks can be obtained giving the owner a legal monopoly on the use of the mark and entitles the person to use the registered trademark symbol ® (it should be noted that, it is a crime to use this symbol if a person has not officially registered the trademark). A business owner can use a trademark on the business's packaging, labels, and stationary without officially having it trademarked. All that is required to do this is to place the letters TM (for goods) or SM (for services) next to the mark (Applegate, 2003). Applegate encourages anyone interested in filing for a trademark to hire a lawyer because the registration is extremely complicated. This process could cost \$1,000-\$3,000 which is a small cost compared to the risk of losing a business name or logo because another company stole it.

Once a business structure has been determined, and a fictitious business name filed, the next step to a successful business is planning how the business will be operated. Developing a vision statement is an essential component in business operation. Popcorn and Marigold (1996) state that "Success is for the most part, not just an accident or a matter of blind 'luck,' but a result of having a clear picture of the future" (p. 34). The authors also say, "If the vision is there, the means will follow" (p. 22). As well as capturing the picture, a vision statement is "the end result of what you will have done...a picture of how the landscape will look after you've been through it. It is your 'ideal'" (Jones, 1996, p. 71). It is a present-tense statement written as if it has already been accomplished; it covers many different activities and periods, and is descriptive (Jones, 1996). A vision statement is "the big picture of how you see the

business several years in the future and how your product/service will impact the market it serves” (Lonier & Aldisert, 1999, p. 114).

Grodzki’s (2000) aligned vision model directs a business toward its goals and inspires people to take action. This model includes finding the future direction of the business by spotting trends, identifying professional strengths, organizing vision around integrity, aligning vision with heart, and creating a written statement. Jones advises business owners that clarity is highly important when describing what is being created (by looking at current practices) and comparing it to what the owner wants to create.

In creating a vision, Lonier (1999) states that a person must step back and assess what they value in their life and work in order to envision the future of the company. Steps to self-assessment include tracking changes, maintaining focus, identifying drivers (what a person values), and ranking priorities. Another factor important in creating a vision strategy is to be clear about the business by assessing capabilities and assets, understanding the market and gaining a new perspective. Lonier believes that finding a mentor and multiple sources of feedback are important to help a business owner through times of uncertainty. The author also asserts that the best way to bring business dreams to life is to make them as real as possible with the use of mental imagery, setting mileposts, putting the vision on paper, and continuously implementing and updating the vision.

The mission statement is another essential component of developing a successful business. Mission statements are the “heart and soul” of why a business

owner spends his/her talent in the business (Lonier & Aldisert, 1999, p. 115). In addition to aiding the business owner in making decisions in both work and home, it can be the best career and relationship insurance because it gets to the core of what is important in an individual's life (Jones, 1996).

Once vision and mission statements have been created, they need to be incorporated into the business plan. Traditionally a business plan is a document that a successful business owner develops in order to foster growth and attract outside investors (Applegate, 2003). It is a long and detailed 'living' document that is fine-tuned as a business develops and needs to be revisited often (Lonier & Aldisert, 1999). Components of a business plan usually include an executive summary, table of contents, description of the business, market analysis, marketing plan, operations plan, management team, professional support, risk factors, and a financial plan (Lonier & Aldisert, 1999; Applegate, 2003; Friedman & Yorio, 2003). The plan also serves as a guidebook through the first years of business and must be thorough and detailed. The business plan contains information about the business as well as management plans, financial facts, market analysis, and marketing strategy (Lawless, 1997).

An essential element of the business plan is the marketing plan. It is "the overarching plan you create and implement to let people know what you have to sell and, more importantly, why they should buy it from your firm" (Applegate, 2003, p. 221). According to Kane (1990), marketing reflects the image of a business and it educates people about what the business does. Writing a marketing plan, just like a

business plan, is a process that starts with an analysis of the needs of the business and the market. Then, based on future projections, goals are set and a plan to implement the finished product is designed (Earle & Barnes, 1999). The marketing plan includes the business goals, analysis of the business services, and describes the targeted clients and the demographics of the area. The marketing plan also takes note of the competition as well as attitudes in the community about marketing are also defined. This plan helps business owners by forcing them to evaluate their practice, resulting in concrete goals with a timeline, giving the business a sense of control and power over the future, and allowing for an outside consultant to help (when necessary) by knowing what needs to be accomplished and when (Lawless, 1997).

One final essential element for business operation is developing a business identity or brand. A business identity is more than a logo, stationary, or the image of a business on paper. It makes up the customer's perception of the business and has the power to invest or detract from the presence you are trying to create (Lonier, 1999). It will have an impact on the growth and success of a business. An identity should make a good first impression, present a distinct message and make a mark through a visual image or symbol. Important ingredients of an identity include distinctiveness, uniqueness, legibility, consistency, simplicity, and memorability.

Montoya (2002) states that "Personal brands are the new currency of business and culture" and that this is the age of personal branding (p. 1). A personal brand is a "personal identity that stimulates precise, meaningful perceptions in its audience about the values and qualities that a person stands for" (p. 15). Montoya lists eight

laws, building blocks, or important qualities a successful brand should have. They include specialization, leadership, personality, visibility, distinctiveness, goodwill, persistence, and unity. Branding creates an identity causing other people to associate values, qualities or feelings with that identity. Personal branding is the creation of an identity around a central attribute. O'Brien & Goldstein (1985) indicate that establishing a self-identity is the foundation for working in private practice.

A music therapy business owner has to contend with many aspects of operating a business. The structure of a business, the vision and mission statements, the marketing and business plans, and the business identity create the foundation that the business owner needs to have to build a successful practice.

Finances

It is essential to be upfront with clients when discussing fees and provide a written contract including fee information (Barker, 1991). Otherwise, this could lead to difficulties with the client paying for services. Rates that music therapists charge may vary from population to population, setting to setting, and by the type and duration of the services being provided. Fees that SE/PP business owners currently receive were discussed in more detail in the demographic section of this paper. While average individual and group session and assessment rates are known, rates charged by the music therapy business owner versus the rates that subcontractors receive were not differentiated in the 2004 AMTA Membership Profile (AMTA, 2004). This indicates that there is a skew of the actual rates being charged by SE/PP music

therapists because the subcontractor (who is self-employed) does not receive the full amount charged by the business owner. This is known as an override percentage.

Rate setting is often an issue for SE/PP music therapists because of the variance in the types of services provided, whether the session is a group or individual and other factors need to be taken into account. Barker (1991) reports several factors to consider when setting rates. First, consider the amounts that therapists in the same field and therapists in other helping related fields charge in the area. Second, look at the experience and education level of the practitioner. Third, determine what third-party financing organizations say are “reasonable and customary charges” for the profession (this may not relate to many music therapists). Fourth, what will be the most alluring rate for the clientele targeted (p. 94). Additional considerations include setting different fees for family and group rates, charging fees for non-clinical services (for example attending IEP meetings in a school), and charging extra for peak hours. Flexible fee scales (such as a sliding scale) may be necessary to service some clients.

Stern (1997) presents an externally driven formula for fee setting developed by Ken Norkin, called “Fee Setting=YECH” or Y(ou), the E(nvironment), C(ompetition), and H(unger) (p. 103). It is necessary to assess how much the business owner (you) needs to earn, find out what the competitors are charging (environment), find out about the competitors (competition), and how badly the work is needed (hunger). An alternative method is to consider the total number of available billing hours in a year (subtracting vacation, sick leave, and holidays) then subtract

time for administrative tasks. Divide that number by the targeted gross income and it determines the billing rate. This formula combined with factors such as population, group size, the services offered, and clinician experience are all important factors to consider when setting fees for a business.

Funding for music therapy programs is an ongoing concern for many private practice music therapists. As found in Wilhelm's (2004) survey of SE/PP music therapists, 72% of the respondents utilized two or more sources of income (i.e. private pay, grant, insurance reimbursement, etc.) while 41% used three or more. As part of the AMTA Operational Plan Reimbursement Initiative, 113 respondents completed a reimbursement survey. The results indicated that 30% had an active private practice (Simpson & Burns, 2004). However, no information was given on how many music therapists in private practice received third party reimbursement for music therapy services.

According to the 2004 statistical profile of AMTA membership, approximately 18% of the membership received third-party reimbursement (AMTA, 2004). AMTA members reported receiving reimbursement from Medicaid (6% or 145), Medicare (6% or 126), TRICARE/CHAMPUS (less than 1% or 6), and private insurance plans (6% or 136). Unfortunately, the data does not show how many therapists were in SE/PP.

Results of a survey of neurologic music therapists (NMT) compiled demographic data and described current practice patterns of neurologic music therapists (NMTs) via a survey and then compared the results with the American

Music Therapy Association (AMTA) 2003 member survey (Cortez, 2004). The total number of possible respondents to the survey was 224 and 114 NMTs responded to the survey resulting in a response rate of 0.51 or 51%. The survey participants were categorized into two groups based on the percentage of time NMT techniques were used in their work. For those who utilized NMT for 1-50% of their work were considered 'intermittent' and used NMT for 51-100% of their caseload were called 'regular'. Eighteen percent of intermittent survey respondents reported working in private practice and 31% work of regular music therapists worked in private practice.

For all survey respondents, 2% received payment from third-party insurance reimbursement where 5% received payment from Medicaid and 2.5% received payment from Medicare (Cortez, 2004). In the regular group, 2.5% received payment from third-party insurance reimbursement, 7.5% received payment from Medicaid, and 3% received payment from Medicare. The data showed that only three survey respondents (out of 114) indicated that they received insurance reimbursement. Wausau Benefits Inc, Blue Cross/Blue Shield, Ever Care Select and Definity Health were the insurance companies that survey respondents listed as reimbursing music therapy services.

In a comparison of results from the survey with AMTA data, no differences were found by the researcher in the percentage of music therapists receiving third-party reimbursement (Cortez, 2004). The author states that third-party reimbursement is a major concern for the profession and feels that "the lack of regular insurance

reimbursement for music therapy services confirms that these services are not accepted into mainstream healthcare by the majority of health practitioners” (p. 61).

Receiving third party reimbursement can be a viable income source for SE/PP music therapists. Disadvantages include that it is time consuming to complete billing forms and to follow up if the form is denied. On the other hand, a benefit is the diversification of income sources. Due to the need for alternative funding sources to support a music therapy practice, this is a needed topic of additional research for SE/PP music therapists. Simpson and Burns (2004) compiled a resource for music therapists interested in learning more about the process of obtaining insurance reimbursement.

Employees and Subcontractors

The decision to hire an employee, or work with a contractor (or subcontractor) must not be taken lightly by the business owner. The largest distinction between the two is that with an independent contractor or subcontractor, the business owner should only be concerned with the outcome or results of the work and not how it was performed (Lonier, 1998). There are advantages and disadvantages to each option. An employee is a “person who works for you whose activities you direct and control” (Applegate, 2003, p. 110). However, for the business owner, hiring employees brings about legal obligations for overtime pay, worker’s compensation, unemployment, paying taxes, providing health insurance and other benefits, and complying with federal and state laws. An employee is not allowed to advertise services to others

outside of the business, the business provides them with detailed training, work on the premises and use of equipment, all out-of-pocket expenses are reimbursed, and they receive a regular guaranteed hourly wage. Conversely, an independent contractor only receives compensation for services.

An independent contractor is not considered an employee for tax purposes (Applegate, 2003). The business owner does not control how the work is done and the contractor only receives payment upon completion of the service. A subcontractor, similar to an independent contractor, is hired to complete specific tasks. A subcontractor is self-employed and sets their own schedule, provides their own equipment, and works for one or more than one business. Applegate cautions business owners to draw agreements specifying the type of work, deadlines, requirements and financial information in writing. Hiring a contractor is simpler because the business owner does not have to worry about paying benefits, withholding taxes, or providing workspace (Stern, 1997).

Conclusion

This literature review has defined the work setting of SE/PP and of the SE/PP business owner, presented the available statistics and demographic information, reviewed the extant music therapy literature and resource tools, explored some of the trends in this work setting as well as business operations, finances, and employees and subcontractors. While this provides a foundation of information that is known about SE/PP, there is a need for more detailed and accurate demographical information to

help others in their entrepreneurial endeavors. Additionally, much of the information that has been published about SE/PP does not differentiate between the music therapy business owner and the self-employed subcontractor. No information was found regarding the size of music therapy businesses, the clientele that are serviced, or how the businesses are being operated. The known AMTA hourly rates of music therapists who are SE/PP are not necessarily the same for the business owner. While there are some quality resources and tools available to music therapists interested in business, many no longer are current or reflect the current “state-of-the-art” of music therapy businesses. This study is designed for the purpose of painting a clearer and more concise picture of what is happening in the world of the music therapy business or agency owner from business operations to clientele, to finances and employees and subcontractors. Several questions were the focal point of this study.

Business Operation

1. How do music therapy business owners define their businesses?
2. What legal steps/requirements have music therapy business owners completed?
3. What relevant written business documents do music therapy business owners have in place?
4. How long have music therapy businesses been in existence and how many hours is the average business owners’ workweek?
5. What are the marketing practices of a music therapy business owner?

6. How much indirect service do music therapy business owners take part in and how do they allocate their time?
7. Do music therapy business owners utilize outside professional services?

Finances

8. Do music therapy business owners work other music therapy and/or non-music therapy related jobs?
9. What rates do music therapy business owners charge for their services and indirect services?
10. What are the gross and net income of music therapy business owners?
11. Do music therapy business owners diversify their income? If so, how?
12. What funding sources does a music therapy business owners' income come from?
13. Are music therapy business owners receiving third party reimbursement?

Employees/Subcontractors

14. Do music therapy business owners hire employees? If so, how many and how are they compensated?
15. Do music therapy business owners hire subcontractors? If so, how many and how are they compensated?

Clientele

16. Do music therapy business owners specialize with certain populations?
17. With what populations and settings do music therapy business owners typically practice in?

18. What is the composition of music therapy business owners' direct service hours?

Business Owner Background

19. What are the educational and training credentials of music therapy business owners?

20. How many years have the survey participants been a music therapist?

21. In what region do the survey participants practice?

22. Does the profile of a music therapy business vary by region?

23. Do music therapy business owners' personal attributes, motivations for being in SE/PP, and the challenges they face align with what is reported in the extant literature?

24. What differences can be found between the most financially successful businesses and the least financially wealthy?

CHAPTER 3

Method

The purpose of this survey was to explore the SE/PP music therapy business in terms of business operation, finances, employees/subcontractors, clientele and the background of the SE/PP business owner.

Participants

Music therapists who were members of American Music Therapy Association (AMTA) who had reported that they were SE/PP served as the participants in this study. The researcher contacted AMTA to obtain permission to use the email and physical mail addresses of music therapists who were identified as SE/PP (please see the procedure section for more detailed information). AMTA provided email addresses and mailing labels for 503 music therapists currently working as SE/PP music therapists. The subjects' completion of the study indicated their permission. The AMTA listing does not indicate whether music therapists are owners or only self employed.

Survey Instrument

The researcher designed a survey specifically for this study since previously created surveys did not address the research questions in this research project. The survey, consisting of 59 questions plus comments, was comprised of five sections

including business operation, finances, employees and subcontractors, clientele, and therapist background. Survey questions consisted of choices (with one or multiple answers), matrixes, yes/no, ranking format, open ended, and checklists. Questions regarding business structure, number of years in practice and hours worked, business planning and marketing were the focus of the first section. The focus of section two was finance questions related to business income, third party reimbursement, and rates for services. Employees and subcontractors were investigated in section three, with questions regarding the rates paid, number of employees/ subcontractors, and benefits. Section four addressed the number of contract hours and type of clients and settings served. The fifth section on therapist background explored the music therapists' definition of their business, education, years of experience, credentials, specialization, personal attributes, and difficulties and motivation for owning a music therapy business. Though the survey was lengthy, a panel of music therapy business owners (described in the procedure section) felt that because of the motivation and dedication of music therapy business owners, participants would complete it regardless of time.

Procedures

After the initial survey tool was created, it was sent to a panel of five esteemed professional music therapy business owners across the country and the AMTA Director of Government Relations for feedback. Four out of the six responded and

changes were made based on their feedback. The researcher's thesis committee also reviewed the survey and a second round of revisions were made and then approved by the committee. The study was then submitted to the Western Michigan University Human Subjects Institutional Review Board (WMU HSIRB) and they gave the researcher feedback. Revisions were submitted and approved by the WMU HSIRB (see Appendix A).

The researcher determined that dissemination of the survey via an online company (as opposed to sending a paper survey) would be more cost effective, reduce the time needed for participants to complete the survey, eliminate data entry that a paper survey would require, and simplify data reporting. Upon approval of the study, the online survey page was created on www.SurveyMonkey.com, a web-based survey host, with some minor format changes necessary to utilize Survey Monkey (see Appendix C). The content of the survey was not changed.

After receiving approval from the thesis committee, the survey instrument and Label Request Form were submitted to AMTA. Once AMTA granted permission, a text file containing 503 email addresses was emailed to the researcher. The researcher then sent out an email invitation (see Appendix A) to all 503 email addresses requesting that they complete the survey via email between January 18 and February 1, 2005. The researcher notified AMTA of the email addresses that were returned and requested mailing labels for those therapists who did not have an email address. In response, AMTA then provided the researcher twenty-six address labels. The researcher requested two copies of labels so that a follow-up postcard could be

mailed a week after the initial invitation. One week following the initial email and invitation, reminder emails/postcards were sent to those participants who had not completed the study asking them to complete the study between January 31 and February 14, 2005. There was a delay in the mailed invitation/postcard due to the time it took AMTA to place and send the order. This resulted in the inability of potential participants to complete the survey by the deadline therefore lowering the response rate. One hundred and thirty-three music therapy business owners completed the survey for a 29% response rate.

Limitations

Some potential participants may not have had access to email or a computer or do not check their email account regularly and may not have been able to complete the survey. The length of time needed (approximately 10-15 minutes) to complete the survey may have deterred some therapists from responding. In fact, the researcher received responses from two business owners indicating that they did not have the time to complete the survey. Twelve music therapists indicated via email to the researcher that they were no longer in private practice and did not qualify to participate. Three music therapists emailed with specific questions or scenarios questioning if they qualified for the study. An additional three music therapists had difficulty accessing and completing the survey due to problems with Survey Monkey, the online survey host.

Though there were 503 SE/PP music therapists in the AMTA roster, many may be self-employed (for example as a subcontractor) but may not actually be a business owner. Therefore, the actual number of music therapy agency or business owners is unknown, which may have been a factor in the relatively low number of qualified respondents.

CHAPTER 4

Results

Business Operation

How do music therapy business owners define their businesses? The results of this study showed that many respondents (65 or 49%) indicated that they define their music therapy business with multiple definitions. Respondents were asked to select all definitions that described their business (out of six choices plus the option to specify ‘other’) therefore; the total answers for this question do not equal 100%. Out of the 133 respondents who answered this question, the majority (81% or 107 respondents) defined themselves as self-employed, as opposed to 34% (45) who defined themselves as being in private practice (see Figure 1). Another 33% (44) defined their business as a contractual agency and 23% (30) described their business as a consulting agency. Only 15% (20) described their business as a music therapy studio and 10% (13) as a music therapy clinic. An additional 5% (7) selected ‘other’ (where two respondents indicated owning a music therapy publishing company, and another a wellness retreat).



Figure 1. Music Therapy Business Definitions

All six definitions (self-employed, contractual, private practice, consulting agency, music therapy studio and music therapy clinic) were selected by three therapists to define their businesses. Fourteen reported that four definitions defined their business (self-employed, contractual, private practice, consulting agency), 19 indicated three definitions applied (self-employed, contractual and private practice), 36 indicated self-employed and contractual, 35 selected self-employed and private practice, and 25 indicated self-employed and consulting.

What legal steps/requirements have music therapy business owners completed? The survey data indicated that the most frequent type of music therapy businesses was a sole proprietorship (77% or 101). This was followed by an S Corporation (11%, 14) and a Limited Liability Company (9%, 12). Two music therapists indicated owning a C Corporation and one music therapist owned a General Partnership (refer to Figure 2).

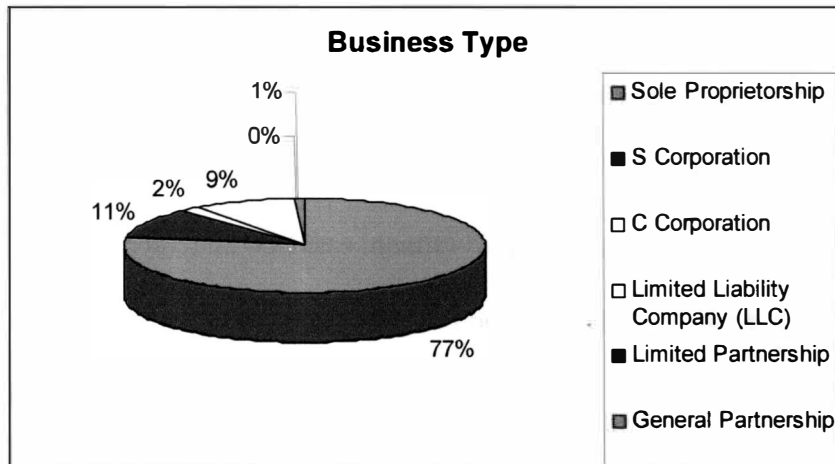


Figure 2. Business Type

Of the 132 respondents who responded whether or not they had a fictitious business name, only 34% included their full name in their business name (refer to Table 1). Surprisingly, 27% of respondents indicated that they did not have a fictitious business name for their business. Forty percent do not have a fictitious business statement or use their full name. Twenty-three percent of the respondents do not have a business identity (logo) and for 66% of those with a business identity, it is not a registered trademark. Only 5% have an identity or logo registered as a trademark, 6% are in process. Similarly, 82% of music therapists' business names (identities) are not a registered trademark. Six percent are in process and 12 % of business names are registered trademarks.

What relevant written business documents do music therapy business owners have in place? A majority of music therapy business owners who responded to this survey do not have a mission statement (46 %), business plan (45%), marketing plan

(53%), or a vision statement (59%) (see Table 2). Just over half (51%) have a business identity (logo). Several respondents reported they were in the process of writing a mission statement (12%), business plan (17%), marketing plan (19%), vision statement (16%), and business identity (6%). Forty-two percent of the survey participants have a mission statement, 38 % a business plan, 28 % a marketing plan, and 25% a vision statement.

Table 1

Components of Establishing a Business

	Yes	No	In Process
A fictitious business	27% (36)	73% (96)	0% (0)
Business name includes full name	34% (31)	40% (36)	0% (0)
Business Name is Registered Trademark	12% (16)	82% (107)	5% (7)

Table 2

Components of Business Operation

	Yes	No	In process	Do not know
A Mission Statement	42% (55)	46% (61)	12% (16)	0% (0)
A Business Plan	38% (49)	45% (58)	17% (22)	1% (1)
A Marketing Plan	28% (36)	53% (68)	19% (24)	0% (0)
A Vision Statement	25% (32)	59% (75)	16% (21)	0% (0)
A Business Identity (logo)	51% (66)	43% (56)	6% (8)	0% (0)

How long have music therapy businesses been in existence and how many hours is the average business owners' workweek? Results of the survey showed that current music therapy business owners (average of both full and part-time) have owned their businesses for less than one year to over 35 years (refer to Figure 3).

Most commonly, survey respondents (37%) have owned their own business for 5-9 years. Music therapists owning their business for 0-4 years was the next highest response by 34% of respondents. Seventeen percent have owned their business for 10-14 years. A small number of music therapists have owned their business for 20-24 years (5%) followed by 15-19 years (4%), and 25-29 years (2%). Only one music therapist owned their business for 30-34 and one for 35 or more years.

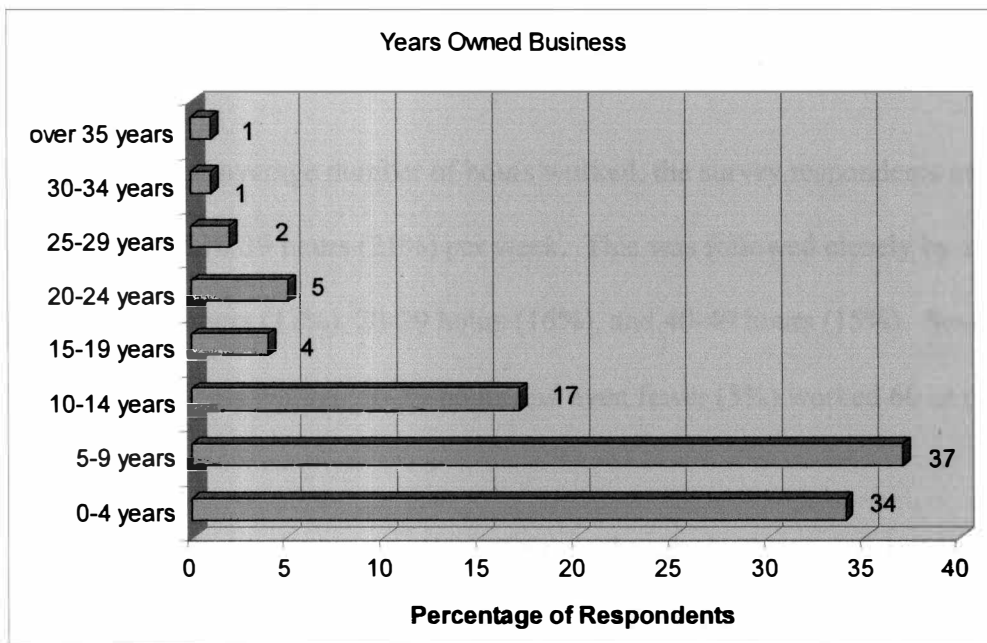


Figure 3. Years Owned Business

In correlating full-time and part-time business owners with the number of years they have owned their agency, few differences were noted. One difference is there are fewer full-time music therapists in all categories except for 5-9 years, 25-29 years, and 30-34 years. It is interesting to note that very few survey participants have owned their business or agency 15 or more years (see Figure 4).

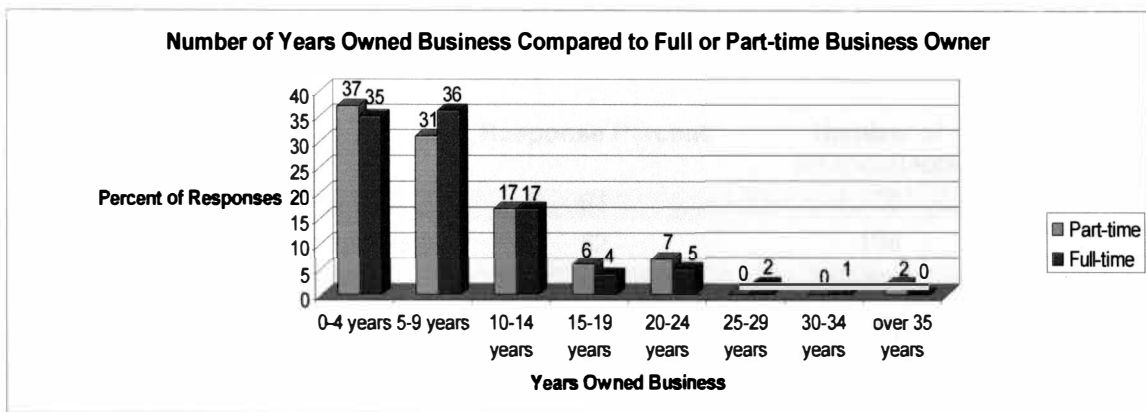


Figure 4. Years Owned Business Compared to Full or Part-time Business Owner

In regards to average number of hours worked, the survey respondents most frequently worked 30-39 hours (21%) per week. This was followed closely by 10-19 hours (20%), 1-9 hours (17%), 20-29 hours (16%), and 40-49 hours (15%). Seven percent of respondents worked 50-59 hours and even fewer (5%) worked 60 or more hours.

What are the marketing practices of music therapy business owners? Study respondents reported utilizing business cards (91%) and presentations (82%) as their most common forms of marketing (see Table 3). Brochures (65%), membership in organizations (61%), calling/networking (57%), free sessions (40%), and serving on committees (34%) were the next most common. Additionally, logos/slogans (29%), websites (26%), private meetings (25%), direct mailings/flyers (25%) and advertising (25%) were also utilized. The least common forms of marketing were volunteer work (20%), yellow page listings (17%), press releases (12%), newsletters (9%), and publications (10%).

Table 3

Marketing Strategies

	Response Percent	Number of Respondents
Business cards	91	120
Presentations/public speaking	82	108
Brochures	65	86
Membership in organization	61	61
Calling/networking	57	57
Free sessions/invite to see	42	53
Logo/message/slogan	29	38
Web site	26	34
Private meetings	25	33
Direct mailing/fliers	25	33
Advertising	25	33
Serve on committees	24	31
Volunteer work	20	20
Yellow Pages listing	17	17
Press releases	12	16
Other	11	15
Publications	10	13
Newsletters	9	12

When asked what ‘other’ forms of marketing activities and materials they used, five respondents reported referrals (word of mouth) and four respondents listed fairs, festivals, events and business/community expos. Individuals also reported utilizing email flyers, free initial evaluations, registry with organizations, parent organizations, interviews and presentations (TV, radio, and local cable), providing clinical training for non-music therapy graduate students (social workers, nurses, speech language pathologists, and recreation therapists) and having their business

listed on other professional websites. One respondent indicated not using any forms of marketing because he/she was not able to take on any more hours.

What types and how much indirect service do music therapy business owners take part in and how do they allocate their time? Unfortunately, due to an oversight, this survey question was not included in the online survey. There is no data to present.

Do music therapy business owners utilize outside professional services? The majority of music therapy business owners who responded to this study do not hire outside professional services. For example, 99% do not hire a marketing agency, business coach (94%), secretary (92%), administrative assistant (91%), janitor (90%), or bookkeeper (89%). The professional hired most often (by 71% of participants) was an accountant (see Table 4). A relatively low number of music therapy business owners reported paying for services of other professionals. Those who did pay for professional services employed a lawyer (28%), graphic designer (19%), and web designer (17%) and other (20%). Fewer hired a janitor (11%), secretary (7%), administrative assistant (7%), bookkeeper (6%), or business coach (3%). No respondents reported hiring a marketing agency. Many respondents reported that they received services pro bono from the following professionals: graphic designer (13%), web designer (12%), accountant (9%), lawyer (9%), bookkeeper (7%), business coach (4%), administrative assistant (3%), and marketing agency and secretary (2% each). No respondents indicated receiving janitorial services pro bono.

Table 4

Professional Services Utilized by Music Therapy Business Owners

	Paid	Pro Bono	Do Not Hire
Accountant	71% (70)	9% (11)	22% (28)
Administrative Assistant	28% (30)	9% (10)	64% (69)
Bookkeeper	20% (13)	0%	80% (52)
Business Coach	19% (19)	13% (13)	71% (71)
Graphic Designer	17% (17)	12% (12)	72% (73)
Janitor	11% (11)	0%	90% (89)
Lawyer	7% (7)	2% (2)	92% (93)
Marketing Agency	7% (7)	3% (3)	91% (91)
Secretary	6% (6)	7% (7)	89% (89)
Web Designer	3% (3)	4% (4)	94% (93)
Other	0%	2% (2)	99% (96)

Finances

Do music therapy business owners work other music therapy and/or non-music therapy related jobs? According to the survey results, a relatively large number of respondents (35%) supplement their income with another music therapy job (see Table 5). A part-time job was the most frequent response (51%) followed by those with a full time job (27%). Some music therapists subcontract for another music therapy agency (11%) while others (4%) do per diem work. Business owners (22%) may also engage in other music therapy-related work including creating materials for purchase, serving as an adjunct faculty member, directing a special needs choir, or teaching at a special needs school. In a breakdown by gross income, only those earning less than \$50,000 a year (36%) had another full-time music therapy job. Therapists grossing an annual income of over \$50,000 per year (71%), primarily

do not have another type of music therapy job nor do they subcontract for other music therapy agencies.

Table 5
Supplemental Income

	Response Average
Yes	35% (46)
No	65% (87)
Full-time job	27% (12)
Part-time job	51% (23)
Per diem work	4% (2)
Subcontracting for another music therapy agency	11% (5)
Other (please specify)	22% (10)
Total Respondents	45
Yes	49% (64)
No	51% (68)
Home-Based Business	9% (6)
Services	3% (2)
Sales	3% (2)
Multi-level marketing	0%
Lessons (non-adapted)	31% (20)
Music performance	25% (16)
Other	59% (38)
Total Respondents	64

Forty-nine percent of music therapy business owners in this survey reported having a non-music therapy job (more respondents have non-music therapy related jobs). This includes teaching lessons (31%), music performance (25%), home-based business (9%), services (3%), and sales (3%). Counselor, university teacher, adjunct

faculty, private teacher, employee of a non-profit social service organization, accompanying, medical secretary, ABA therapist and behavioral consultant, and drum circle and CMTE workshops facilitators were other types of non-music therapy jobs.

What rates do music therapy business owners charge for their services and indirect services? The results of this survey indicated that 60% of respondents' rates vary from setting to setting. In fact, as shown in Figure 5, these rates varied from as little as \$5 to over \$100. Several therapists commented that their rates depend on the number of hours requested per week, the service provided and one person charges \$10 extra for in-home visits.

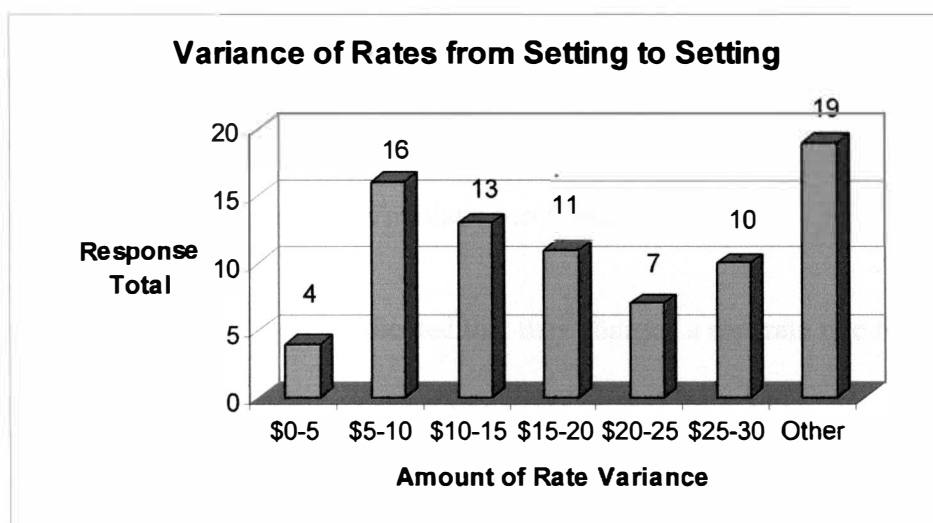


Figure 5. Variance of Rates from Setting to Setting

Forty survey respondents (33%) indicated that their rates vary from population to population (see Figure 6). They reportedly range from \$0 to \$42 depending on the population. One respondent also indicated the rate varied based on a sliding fee scale. Rates also vary from group to individual sessions for 67% (84) of the survey

respondents (see Figure 7). In the 'other' category, respondents reported a range from \$0 to as high as \$50. Factors reported by respondents that influenced the variance rate were the size of the group and the funding source. One respondent stated that their rate does not vary.

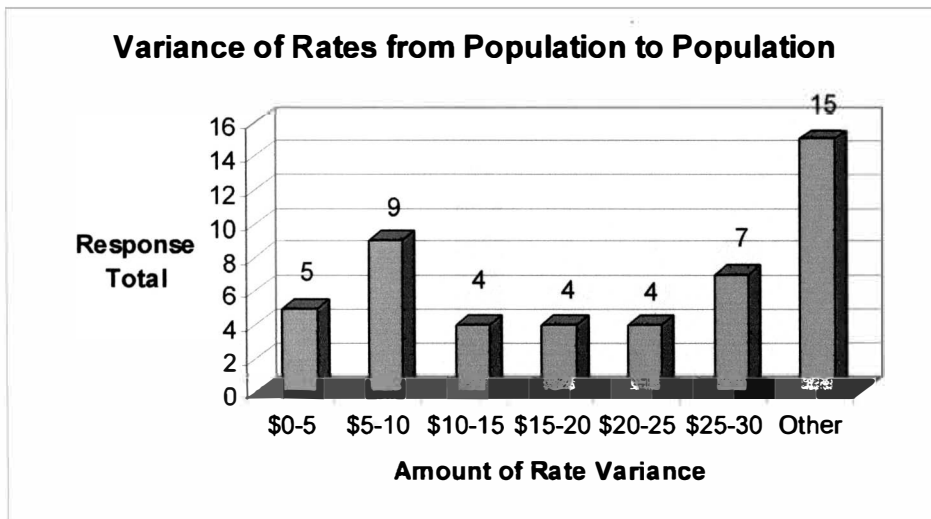


Figure 6. Variance of Rates from Population to Population

Additionally, 59% (75) indicated that they charged a separate rate for assessments. The rates among survey respondents ranged from \$40 to \$600. Since the question did not specify per hour or per job, some therapists indicated an hourly fee while others listed a flat rate or a range. Some therapists reported that their assessment fee was not set, another said it was included in the treatment or that it was free. Another therapist indicated a difference between a formal assessment (\$300) (such as an assessment for the school district) versus an informal assessment in the home (\$70). When the author analyzed only the responses that specified hourly versus a flat rate, the mean was \$60 and \$310 respectively. Because this question did

not specify hourly versus set rates, the researcher adjusted the responses so any amount listed as less than \$100 was considered an hourly rate (the AMTA sourcebook reported the average assessment rate to be \$77.43 per hour). Thus, the mean of flat rate assessments became \$215 and the mean hourly assessment rate was \$61 per hour.

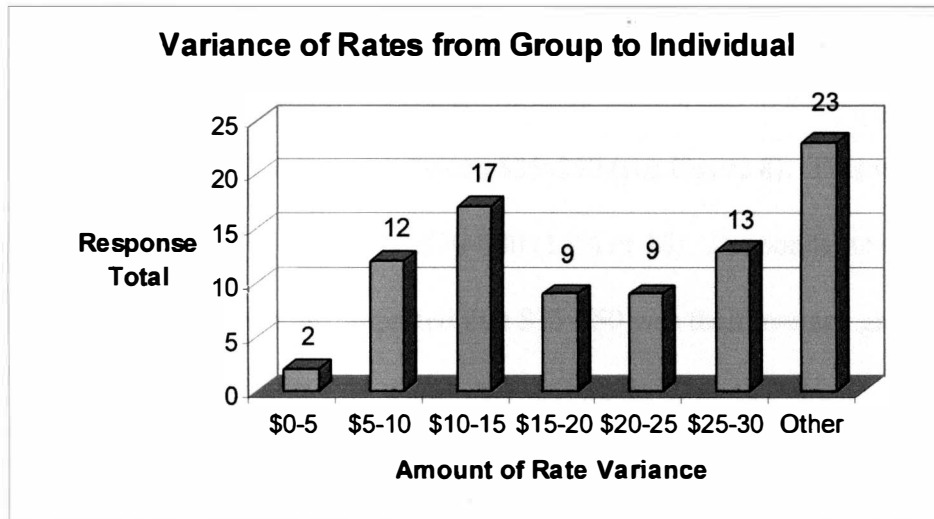


Figure 7. Variance of Rates from Group to Individual

Of the respondents, 54% (68) indicated charging different rates for consultation, which ranged from \$30-\$100 per hour. However, many participants indicated that their answers were variable, not set, or dependent on the time required and the situation. One person indicated a 3-hour minimum. A couple of therapists charged by the half hour. Yet another therapist reported a base fee of \$150, which included materials.

Different rates for presentations were reported by 70% of survey participants. Within their rates, respondents indicated that it varied depending on the length of the session, whether it was a workshop or a presentation, rate was determined on a case-

by-case basis, and depended on the funding or organization. One therapist stated, “We take what we can get”. On the low end, presentations started at \$30 an hour and went up to \$150 per hour. Many listed flat rates such as \$400-\$800 for a workshop. Some therapists listed fees as high as \$1,300-\$2,500. Several respondents reported that they did not charge for presentations.

When asked their average hourly group rate, the majority (56 or 45%) of respondents reported their rate was between \$35-\$50 (see Figure 8). This was followed by \$60-\$70 (21% or 26) and \$70-\$80 (14% or 18). Respondents with a bachelor or master’s degree also reported that \$35-\$50 was their average group rate followed by \$60-\$70 and \$70-\$80. Only six respondents with their doctorate indicated their hourly rate. Two respondents in each category reported charging \$35-\$50, \$60-\$70, and \$80-\$90.

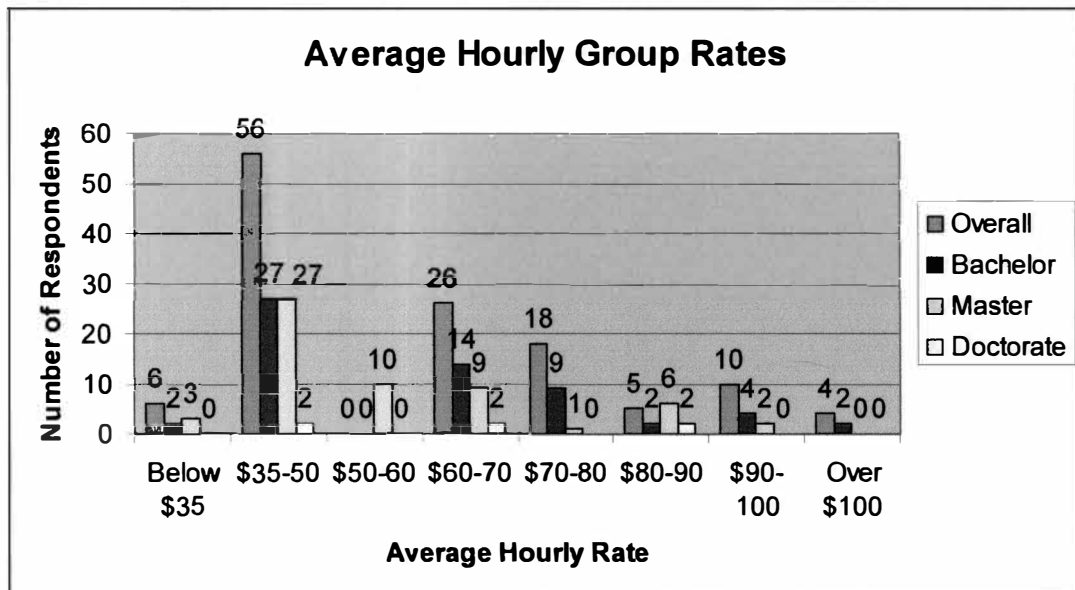


Figure 8. Average Hourly Group Rates

Individual rates reported by respondents were similar, with the overall average being \$35-\$50 per hour (31% or 39) (see Figure 9). This was followed by \$60-\$70 (20% or 25) and \$50-\$60 (14% or 18). The top three reported individual rates were the same for those who had a bachelor degree or a master's degree. Two respondents (33%) with doctorates reported charging over \$100 and another two reported an average rate of \$80-\$90.

In general, the survey respondents are not paid separately for indirect services including preparation (54%), drive time (69%), mileage (58%), other travel (77%) or other (65%) (see Table 6). Some business owners reported being reimbursed for preparation (35%), drive time (24%), mileage (32%), other travel (19%), and other services (30%). Only a few reported that they are always paid for preparation (11%), drive time (24%), mileage (32%), other travel (19%), and other expenses (30%).

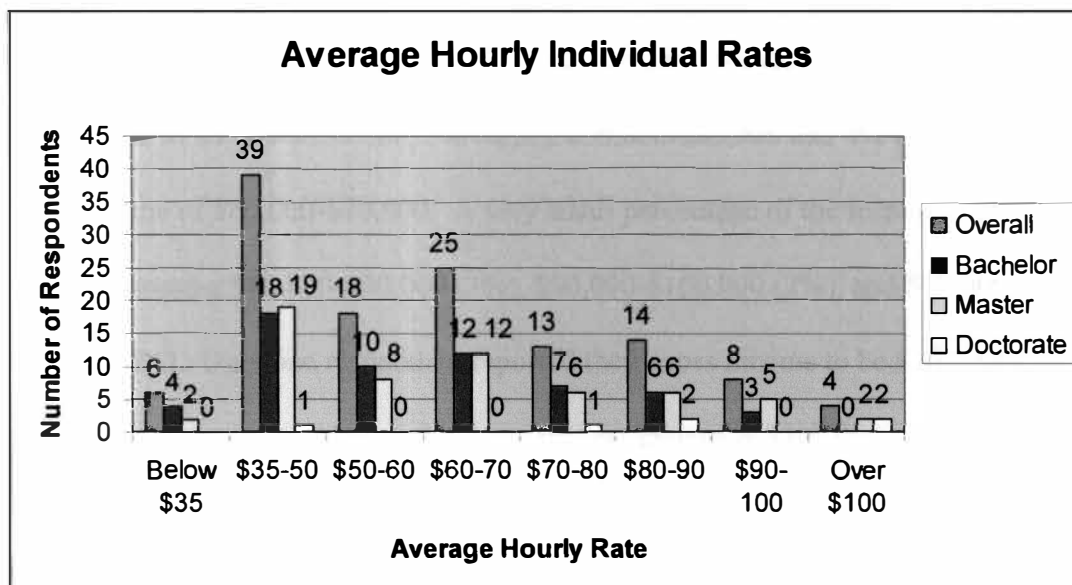


Figure 9. Average Hourly Individual Rates

Table 6

Reimbursement for Indirect Services

	Always	Sometimes	Never
Preparation	11% (13)	35% (43)	54% (67)
Drive Time	7% (9)	24% (29)	69% (83)
Mileage	9% (11)	32% (39)	58% (70)
Other Travel	5% (5)	19% (20)	77% (83)
Other	5% (4)	30% (24)	65% (52)

What are the gross and net income of music therapy business owners? The gross income (before taxes) of music therapy business owners ranges from below \$10,000 annually to over \$300,000 (see Figure 10). The largest group of participants (18 %) reported making \$10,000-\$20,000 per year. This was followed closely by 17% who reported they make less than \$10,000.00 a year. An annual gross income of \$20,000-\$30,000 was reported by 14%, \$30,000-\$40,000 was reported by 13%, and \$40,000-\$50,000 was indicated by 10%. Six percent of the respondents' gross income was \$100,000-\$150,000, 5% earned \$50,000-\$60,000 and 4% brought in a gross income of \$60,000-\$70,000. A very small percentage of the respondents reported grossing \$80,000-\$90,000 (3%), \$90,000-\$100,000 (2%), and \$70,000-\$80,000 (2%). Only one respondent reported their gross income to be \$200,000-\$250,000 and two music therapy business owners earn over \$300,000.

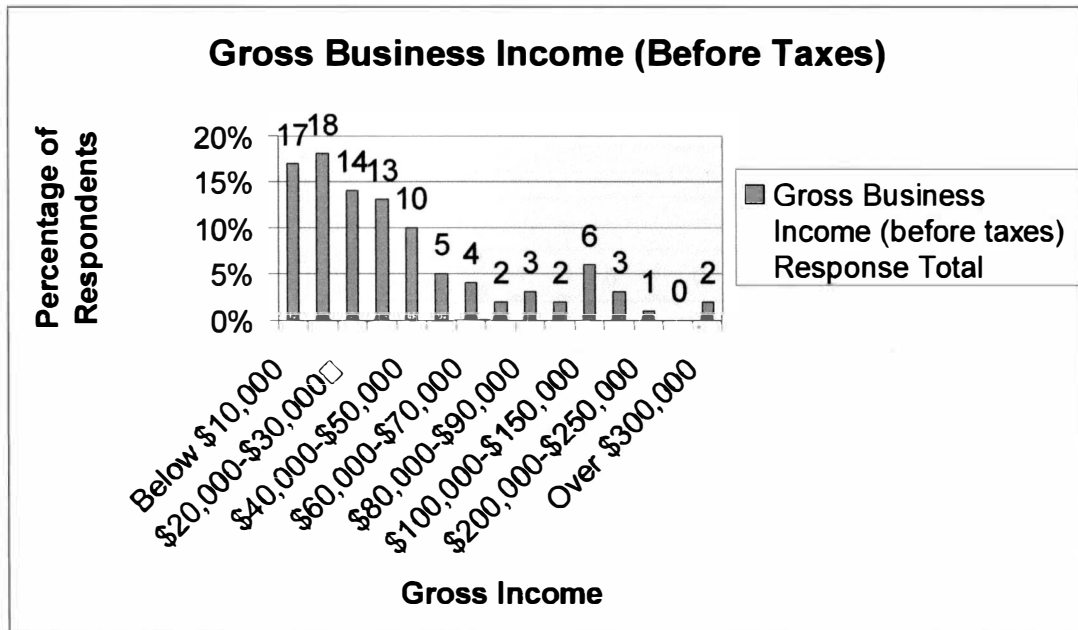


Figure 10. Gross Business Income

Net income or income after taxes and expenses was below \$10,000 for 33 % of music therapists, \$20,000-\$30,000 for 24% of respondents and was in the \$10,000-\$20,000 bracket for 18% of respondents (see Figure 11). For 11%, their net income was \$30,000-\$40,000. In the following income brackets, 4% of music therapy business owners reported a net income of \$40,000-\$50,000 and \$50,000-\$60,000. Only one business owner indicated a net income of \$70,000-\$80,000, \$80,000-\$90,000, \$100,000-\$150,000 and over \$300,000 per income bracket. Fifty-one percent of respondents reported that they accepted clients on a sliding fee scale and 20% accepted them on scholarship.

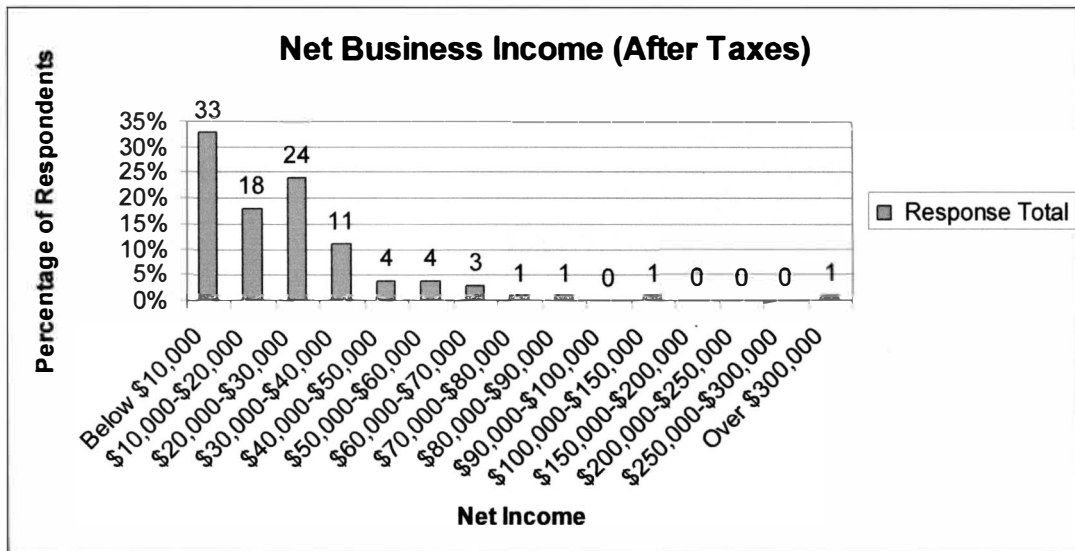


Figure 11. Net Income

Do music therapy business owners diversify their income? If so, how? Fifty-four percent of music therapy business owners who responded to the survey diversify their business income. Speaking engagements (35%), consulting (23%), and publishing materials (8%) are the primary ways that respondents reported diversifying their income (see Table 7). Other ways respondents indicated that they diversify their income included teaching professional workshops, early childhood and preschool music classes, and editing/consulting for publication of music related articles. In contrast, 46% indicated that they do not diversify their music therapy business income. *What funding sources does a music therapy business owners' income come from?* In terms of payment, private pay was listed as the primary source of payment for music therapy services (62%), followed by state (30%) and government (21%) funding. Many respondents did not know (18%) where the funding comes from for

music therapy services. Others reported that they receive payment from endowments (3%), Medicare (3%), and Medicaid (6%) reimbursement and other insurance reimbursement (7%).

Table 7

Income Diversification

Income Diversification	Response Average
Not applicable (I do not diversify)	46% (58)
Speaking engagements	35% (44)
Consulting	23% (29)
Other	18% (22)
Publish materials (books, articles, etc.)	8% (10)
Write/produce musical CDs	6% (7)
Write/produce informational CDs or materials	4% (5)
Sell instruments	3% (4)
Sell other merchandise	2% (3)
Business coach	2% (2)

Are music therapy business owners receiving third party reimbursement?

Only 28 respondents (21%) indicated receiving third party reimbursement (see Figure 12). Primarily music therapy business owners who responded to this survey have received insurance reimbursement for services through Medicaid waivers (12%), Blue Cross/Blue Shield (8%), United Health Care (6%), and Aetna (6%) (see Figure 10). Cigna (5%) and Tricare (4%) have also reimbursed for music therapy services. Music therapy business owners who responded to this survey have not received insurance reimbursement for American Family, Great West Life, and Kaiser Permanente. Sixteen percent of respondents marked 'other' in which they listed AAA, Allstate,

State Farm, Integrated Mental Health Value Options Disability Services of the Southwest, Magellan, Family Support, and PPOM.

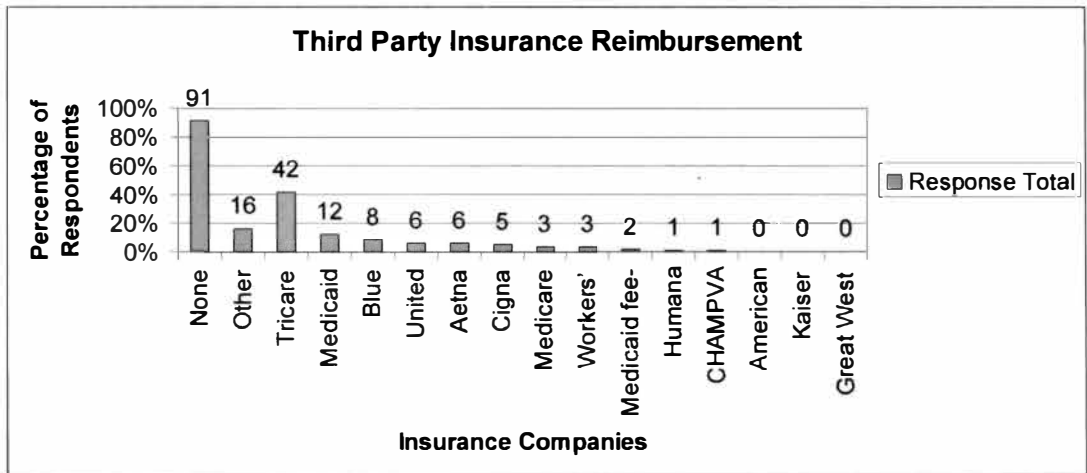


Figure 12. Third Party Insurance Reimbursement

Several respondents provided comments on third party reimbursement. One therapist commented, “Patients use tax saver plans and file for their own reimbursement, so I don’t know if they are using their insurance.” Another stated that they do not know because, “Clients usually pay me directly, I provide a paid invoice, then they are reimbursed by their insurance companies.” While one music therapist shared recent success with being approved for a state funded Medicaid program called Children’s Medical Services, others indicated difficulty in their areas. In one state, a music therapy business owner expressed frustration that music therapists were not eligible to be licensed and therefore could not be reimbursed. Yet another music therapist indicated that two agencies where they provided music therapy services (and received Medicare were) closed this year.

Employees and Subcontractors

Do music therapy business owners hire employees? If so, how many and how are they compensated? Survey results indicated that 16% of respondents have employees. Of these respondents, 62% have one to 15 full-time employees (AMTA defines full time as 34 or more hours). This is an average of four full-time positions. One therapist hires a $\frac{3}{4}$ -time employee (approximately 26-33 hours), 43% have one to seven part-time music therapists (approximately 15-25 hours). This averages to two part-time employees. Fourteen music therapists hire one to five $\frac{1}{4}$ -time music therapy employees (below 15 hours). The average number of $\frac{1}{4}$ -time or less employees is two. Nine respondents reported they had an employee, including eight respondents (89%) with full-time positions; 78% (7) hire $\frac{3}{4}$ time employees, 56% (5) have $\frac{1}{4}$ and below employees, and 22% (2) have a part-time employee.

The majority of survey respondents (76%) provide their employees with benefits. The most frequently offered benefits are professional liability (62%), travel time/mileage (57%), and continuing education (52%). They also offer paid vacation (48%) professional dues and fees (38%), sick leave (38%), health insurance (33%), 401K/retirement account (14%), disability (14%), and dental insurance (10%). Other services such as free meals during staff meetings and development, free company related materials, instruments/props budget as needed, memberships to other professional resources, option to select benefits or a higher hourly pay rate, monthly bonus program for client show rates (75% or higher), cell phones, instrument starter

kit, and some trainings are offered by 33% of respondents. The music therapy business owners who responded to the survey do not offer life insurance or childcare. Most employees (as indicated by 44% of respondents with employees) earn an average of \$20 or less per hour. Six business owners pay their employees \$20-25/hour and three (12%) pay their employees in the \$25-30 range. One business owner in each range pays their employees in the \$35-40, \$40-45, \$45-50, \$55-60, and over \$70 range. For 57% of businesses, the hourly salary/rate paid to employees does vary by therapist education and experience.

Do music therapy business owners hire subcontractors? If so, how many and how are they compensated? In this survey, 22% of music therapy business owners reported that they hired subcontractors. The number of subcontractors per agency ranged from one to 16. One therapist indicated hiring subcontractors for maternity leave coverage only, or for a seasonal contract running for only specified months of the year. Primarily, subcontractors work 1-9 hours a week as reported by 43% of the survey respondents who hire them. Only one respondent reported that a subcontractor works 30-39 hours a week. The data showed that 27% of subcontractors work 10-19 hours, and another 27% indicated that subcontractors work 20-29 hours.

Some owners indicated that they give perks to their subcontractors, including continuing education (17%, 5), travel time/mileage (24%, 7), professional dues/fees (10%, 3), professional liability (3%, 1), dental (3%, 1), health insurance (3%, 1), and life insurance (3%, 1). They do not offer 401K/retirement accounts, childcare, disability, paid vacation, or sick leave to their subcontractors. Other benefits listed by

24% (7) include a bonus, paid conference attendance, gifts, consultation with accountant, or sponsoring special events such as dinners and gatherings.

Because the rates that music therapy business owners charge per contract hour may vary, the rates of subcontractors also vary. When asked for the average override percentage of revenue retained for the business versus what is paid to the subcontractor, the most frequent response was 40/60 (21%, 6), where the business retains 40% of the income and the subcontractor is paid 60%. Both 50/50 and 20/80 override percentages were reported by 18% (5). Additionally, the survey results indicated that 11% (3) followed a 10/90 and another 11% (3) paid 30/70. Other override percentages collected by survey respondents reported 46/54, 5/95, or 60/40.

One survey respondent reported that the rate varies based on the contract, experience, time with the agency, etc. Another respondent indicated a commissioned position where the contractor received 60%, the business 20% and provider 20%. Average hourly rates paid to subcontractors range from \$20 to over \$70. The three most frequent average hourly rates are \$20-25, \$30-35, and \$35-40. In 82% (23) of the respondents who hire subcontractors, the rate they pay to their subcontractors varies by therapist education and experience.

Clientele

Do music therapy business owners specialize with certain populations? The majority (76%) of survey respondents specialize and/or target specific populations in their practices. The populations in which music therapy businesses most frequently specialize in include autism (59%), developmental disabilities (54%), children (52%), school age (46%), and early childhood (40%) (see Table 7). Multiple disabilities

(28%), learning disabilities (26%), behavioral disorder (25%), Alzheimer's/dementia (25%), and speech impairments (24%) are also areas of specialization. In the 'other' categories, one or more business owners reported their specializations include Latinos, music and spirituality, mental illness (schizophrenia), hospice, anxiety disorders, psychiatric, gifted and talented, music therapy assisted childbirth, school age special education, college and music therapy students, psychospiritual growth, and physical rehabilitation.

With what populations and settings do music therapy business owners typically practice in? According to the survey results, the most frequently serviced populations are autism (70%), developmental disabilities (66%), children (64%), school age children (59%), and early childhood (56%) (see Table 8). This was followed by speech impairments (42%), multiple disabilities (47%), learning disabilities (44%), adolescents (44%), and behavioral disorder (40%) are other populations music therapy business owners serve. Normal/healthy adults, normal neurotic, pregnant women, adult MRDD, William's Syndrome, inpatient TB adult patients, community based psychiatric are 'other' categories that music therapy business owners reported serving. The top eight populations are the same for both specialization and categories served (autism, developmental disabilities, children, school age, early childhood, multiple disabilities, learning disabilities, and behavioral disorder) (see Figure 13).

Survey respondents reported that they provide services in over 20 different types of facilities (see Figure 14). Primarily they work in schools (57%), assisted living facilities (27%), group homes (27%), skilled nursing facilities/care center

Table 8

Specialized Populations vs. Frequently Served

	Specialization	Frequently Served
Autism	59%	70%
Developmental Disabilities	54%	66%
Children	52%	64%
School Age	46%	59%
Early Childhood	40%	56%
Multiple Disabilities	28%	47%
Learning disabilities	26%	44%
Behavioral Disorder	25%	44%
Alzheimer's/Dementia	25%	39%
Speech Impairments	24%	42%
Geriatrics	22%	31%
Physical Disabilities	20%	37%
Emotional Disturbance	19%	35%
Neurological Impairments	18%	36%
Terminal Illness	17%	16%
Wellness	16%	19%
Rett Syndrome	16%	29%
Adolescents	15%	44%
Cancer	14%	11%
Stroke	14%	19%
Traumatic Brain Injury	14%	23%
General Medical	11%	9%
Hearing Impairments	11%	22%
Emotional Abuse	10%	18%
Head Injuries	10%	22%
Parkinson's Disease	9%	14%
Vision Impairments	9%	30%
Substance Abuse	8%	7%
Dual Diagnosis	8%	20%
Chronic Pain	8%	10%
Post-Traumatic Stress Disorder	8%	14%
Music Therapy College Students	2%	9%
Chemical Dependency	7%	9%
Preventative Health	6%	7%
AIDS	3%	3%
Music Education/College Students	2%	4%
Eating Disorders	2%	5
Forensic	0	2%

(23%), day care treatment center (21%) and other. Respondents to this survey did not report providing services in correctional facilities or halfway houses. Other locations

mentioned by respondents in the ‘other’ category included home-based sessions (22 survey respondents), leased/private offices (7), churches (5), adult day program (4), community or recreation centers (3), and after-school programs (3). Some music therapy businesses (one in each category) provided services in other therapy spaces (such as a speech therapy clinic), vocational center, health conferences/expos, day programs for homeless, child day care facility, private music school, children’s shelter, center for therapeutic recreation, hippotherapy clinic, ARC facility, adult training facilities, and retreat centers.

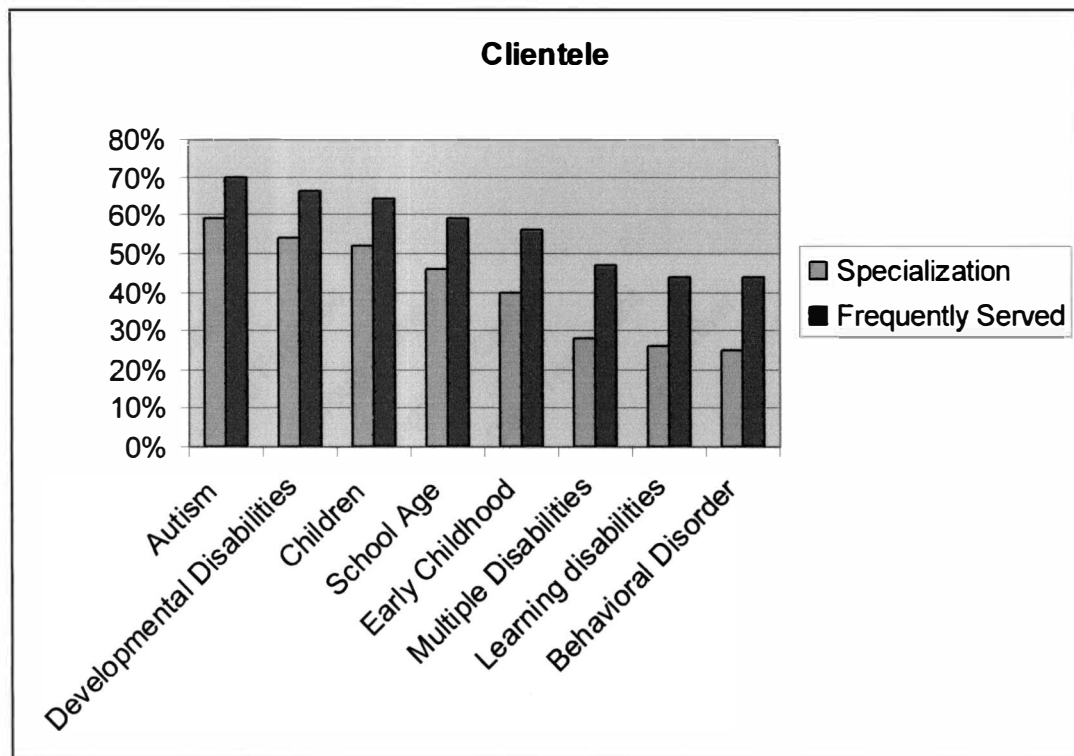


Figure 13. Clientele

What is the composition of music therapy business owners' direct service hours? According to 29% (36) of survey respondents, their music therapy businesses service 10-19 hours of contracts per week (see Table 8). This is followed by businesses with 1-9 hours a week (27%, 33), 20-29 hours (13%, 16), 30-39 hours

(12%, 15), 40-49 hours (6%, 7), and 100 or more hours (5%, 6). Approximately 2% (2-3 survey respondents) of survey respondents reported having 50-59, 60-69, 70-79, or 80-89 hours of contracts per week. Surprisingly, survey respondents with a bachelor's degree (34%, 21) most frequently have 10-19 hours of contracts per week as opposed to those with a master's degree (36%, 20) work 1-9 contract hours per week.

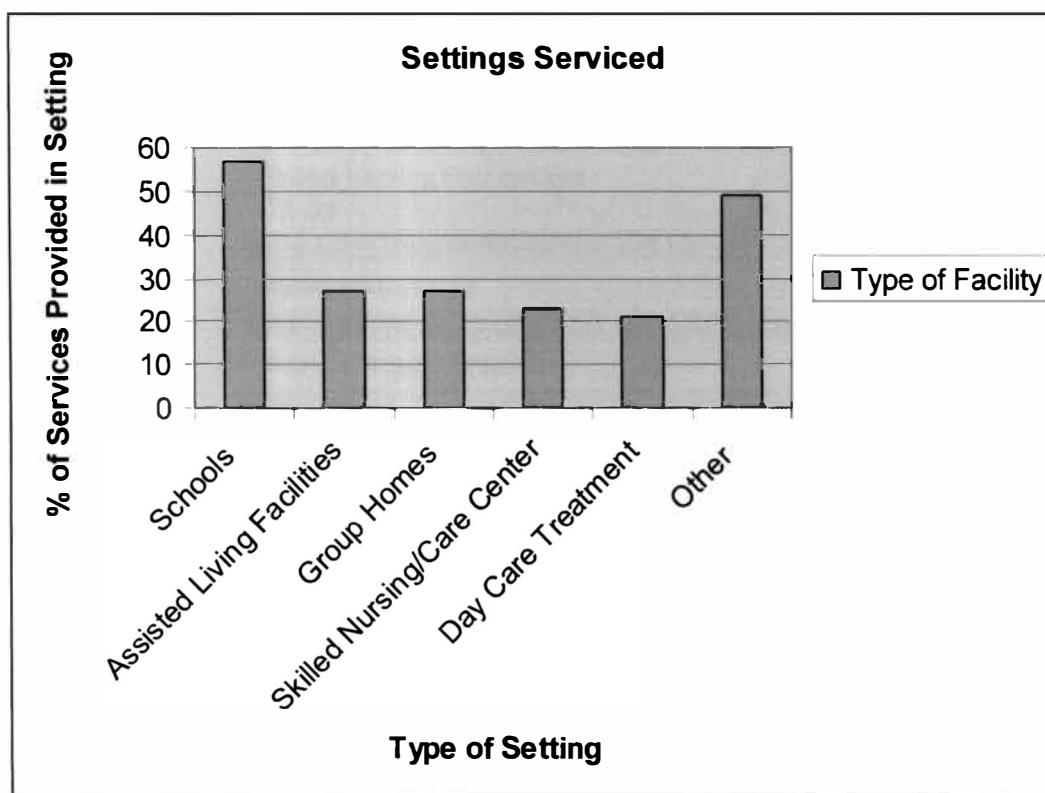


Figure 14. Five Most Frequently Serviced Settings

The majority (83%) of music therapy businesses provided services to 1-9 contracted agencies (see Table 10). Only 7% provided services to 10-19 agencies, 5% provided to 20-29 agencies, 3% to 50 or more, 2% to 30-39 agencies, and one business provided services to 40-49 agencies. Those respondents with a doctorate (83%, 5) most frequently reported servicing 1-9 agencies. Similarly 88% (44) of the

survey respondents with a master's degree and 78% (45) with a bachelor's degree reported servicing 1-9 agencies. Ninety-six percent of survey respondents whose gross income is less than \$50,000 and 71% (12) of those whose gross income is \$50,000-\$100,000 indicated that they contract with 1-9 agencies.

Table 9

Total Settings Serviced

Schools	57
Other (please specify)	40
Assisted Living Facility	27
Group Home	27
Skilled Nursing Facility/Care Center	23
Day Care Treatment Center	21
Residential Facility	17
Home Studio	15
Music Therapy Clinic	14
Hospice	11
Senior Center	11
Hospital	10
College/University	8
Wellness Center	8
Rehabilitation Center	7
Community Mental Health Center	5
Board & Care	4
Integrative Center	4
Drug/Alcohol Program	3
Outpatient Facility	3
Psychiatric Facility	3
Regional Center	3
Correctional Facility	0
Halfway House	0

In looking at the total number of contract hours in which survey respondents indicated serving groups, results indicated that 26% (31) of respondents serve groups for only 9% or less of their caseload (see Figure 15). Seventeen percent (20) of

respondents' contract groups for 90-100% of their caseload. Conversely, it makes sense that the largest number of respondents (29% or 36) indicated that individual sessions comprised 90-100% of their caseload.

Table 10

Number of Contract Hours and Facilities

Number of Contract Hours	Below \$50,000	\$50,000-\$100,000	100,000+
1-9	35% (30)	6% (1)	0
10-19	38% (33)	11% (2)	0
20-29	13% (11)	22% (2)	7% (1)
30-39	8% (7)	28% (5)	14% (2)
40-49	2% (2)	11% (2)	14 (2)
50-59	0	6% (1)	7% (1)
60-69	1% (1)	11% (2)	0
70-79	1% (1)	6% (1)	7% (1)
80-89	1% (1)	0	14% (2)
90-99	0	0	0
100+	0	0	36% (5)
Total respondents	86	20	14
Number of Facilities			
1-9	96% (73)	71% (12)	29% (4)
10-19	3% (2)	18% (3)	21% (3)
20-29	0	6% (1)	29% (4)
30-39	0	6% (1)	0
40-49	0	0	7% (1)
50+	1% (1)	0	14% (2)
Total respondents	76	17	14

Business Owner Background

What are the educational and training credentials of music therapy business owners? The results of the survey showed that 93% (123) of the respondents were

Board Certified (MT-BC), 9% (12) were Registered (RMT), 2% (3) were Advanced Certified (ACMT), and 2% (3) are Certified (CMT). Sixteen percent (21) of respondents indicated having other credentials and professional designations. These included Wisconsin Music Therapist Registered (WMTR), licensed marriage and family therapist (MFT), Licensed Mental Health Counselor (LMHC), Eye Movement Desensitization and Reprocessing Practitioner (EMDR), Licensed Professional Counselor (LPC), and certified group therapist. The highest degree completed by 49% (64) of the survey participants is a bachelor's degree. A master's degree is the highest degree completed for 46% (60) of the survey respondents and 6% (8) have a doctorate.

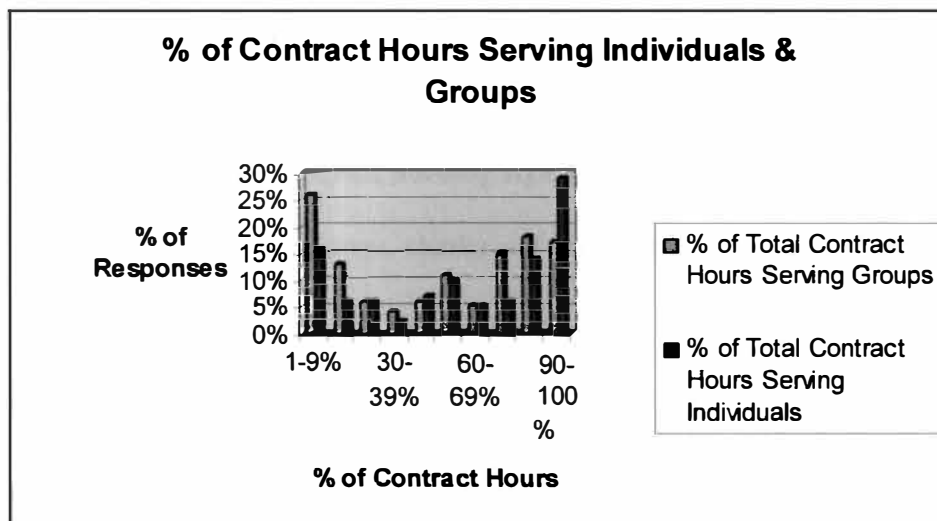


Figure 15. Percentage of Contract Hours Serving Individuals and Groups

In addition to college degrees, many respondents indicated have specialized training including Guided Imagery in Music (FAMI-Fellow of the Association of

Music and Imagery) (31% or 24), Neurologic Music Therapy (NMT) (26% or 20), Kindermusik (17%, 13), Orff (22%, 17), Nordoff Robbins (9%, 17), and Kodaly (5%, 5). Other specialized training included Music Together registered teacher (5), Sound Birthing-Music Therapy Assisted Childbirth (3), and MusicGarten (2). Several respondents indicated being trained in level I, II, or III in Guided Imagery in Music.

Drum circle facilitation such as Remo Health Rhythms, Education Through Music (ETM), neonatal rhythm-based work, Dalcroze Eurhythmics, music integration, and The Listening Program were also listed as music-related specialized trainings. Non-music related specialized training reported by individual respondents included Relationship Development Intervention (RDI), psychoanalytic training, Post Traumatic Stress Disorder (PTSD) training, Ericksonian Hypnosis, traditional hypnosis, Eye Movement and Desensitization and Reprocessing (EMDR), imagery, Feldenkrais, Alexander techniques, learning style preferences, and the MEE Model. Complementary medicine, wellness, chakra and energy meridians, energy meditation, healing and reading from InVision, cymatics, and Jin Shin Jyutsu were additional specialized trainings that were listed by one business owner.

How many years have the survey participants been a music therapist? Survey participants were asked to answer in full years (rounding down if less than 6 months; rounding up if more than 6 months) in an open-ended question for both part-time and full-time years (see Table 11). Respondents indicated that 86% (113) have worked between one and 35 years as a full-time therapist while 69 (53%) have worked 1-40 years as a part-time therapist. The average number of full-time years worked is 12,

the mean number of part-time years is eight and the mean number for therapists who have worked both full and part-time years is 14 years.

Table 11

Number of Years as a Music Therapist

	Mean	Median	Mode
Full-time	12	10	5
Part-time	8	6	2
Combined	14	11	5

In what region do the survey participants practice? The largest number of survey respondents (23%, 30) currently practice in the mid-Atlantic AMTA region followed by the Great Lakes region (21%, 28) and the Western region (16%, 21) (see Figure 16). The Southeastern region was represented by 14% (19) of respondents, 11% (14) from the Southwestern region and 8% (11) in the Midwestern region. Only a few of the survey respondents reported that they practice in the New England region (6%, 8) and South Central region (less than 1%, 1).

Does the profile of a music therapy business vary by region? In comparing salary by region, it is interesting to look at the Great Lakes Region (refer to Figures 17 and 18). Sixty-eight percent of survey respondents from the Great Lakes Region's gross salary is less than \$50,000 while the remaining 32% gross over \$80,000. However, when one looks at the net salary, all Great Lakes survey respondents' net income was \$70,000 or less per year. Gross income for the Western Region is fairly distributed across the income ranges. Survey respondents in the Mid-Atlantic and

Southeastern Regions primarily gross \$80,000 and \$60,000 respectively with a few therapists grossing \$100,000-\$200,000 per year.

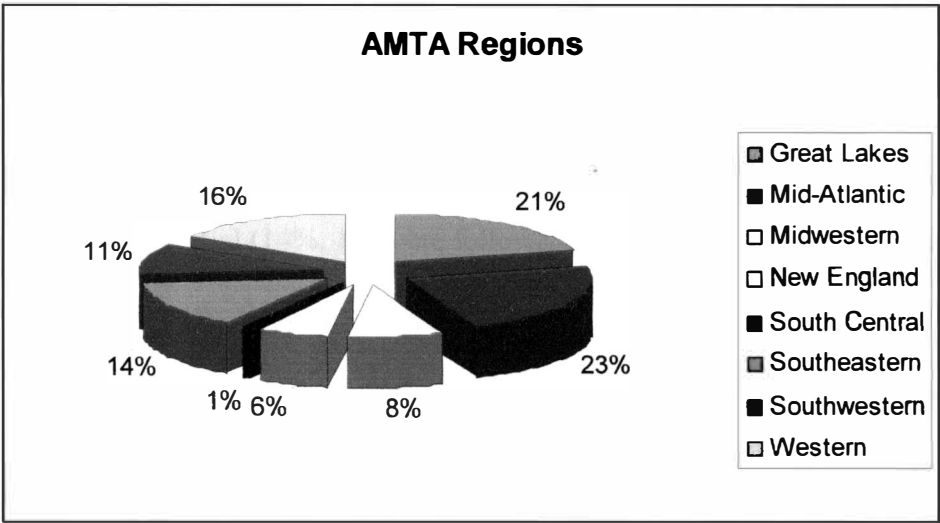


Figure 16. AMTA Regions

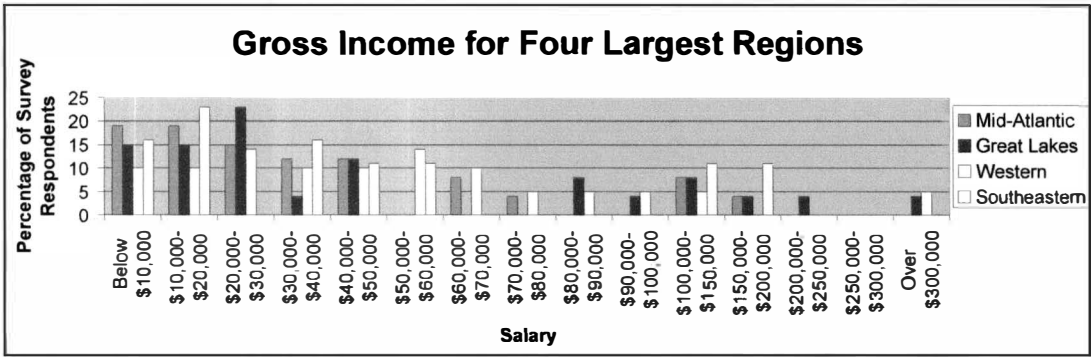


Figure 17. Gross Income for Four Largest AMTA Regions

Do music therapy business owners’ personal attributes, motivations for being in SE/PP, and the challenges they face align with what is reported in the extant literature? When surveyed as to the reasons why they became a music therapy business owner, 66% (86) of the survey respondents indicated that it was because of the ability to set their own schedule (see Table 12). Freedom to select population and

setting ranked second at 46% (60). Independence from boss and corporate setting and the need to create a job were 35% (46) and 33% (43), respectively. Satisfaction of creating own business (24%, 32), control over hourly rates (19%, 25), challenge (18%, 23), and diversity (18%, 24) were also factors. Other reasons include opportunities for additional projects (17%, 22), personal reasons (16%, 21), and unlimited earning potential (14%, 18) were followed by the ability to employ other music therapists (9%, 12), financial freedom (9%, 12), and tax write-offs (5%, 7). “Other” responses listed by individual music therapists included requests for services, opportunity, creativity, job title of ‘music therapist’, and filling a need as other factors influencing their decision to become a business owner. Stated reasons were the, “Need for therapist in area I wanted to move to,” “Ability to more closely meet the needs of my clients,” and “A need for music therapy in the area and no other way to get it out there.”

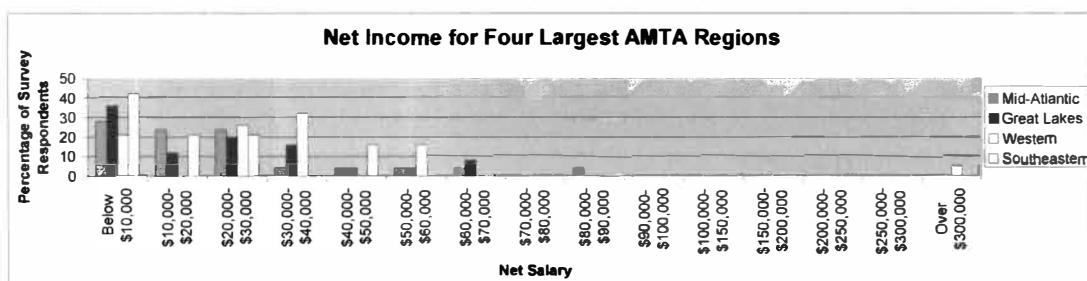


Figure 18. Net Income for Four Largest AMTA Regions

Survey participants were asked to rank the top three aspects of being a business owner that they felt were the most challenging. Based on the survey results

53% of the participants felt the most challenging aspects are the lack of benefits (health care, 401K, etc.), financial instability (38%), isolation from other therapists (33%), and bookkeeping (30%) (see Table 13). Marketing (26%), lack of support system (24%), income taxes (22%), and job instability (22%) are additional challenges. Some therapists felt that business decision making (19%), purchasing own equipment & supplies (17%), irregular schedule (13%), budgeting (9%), motivation (9%), and liability (6%) were the most challenging. Other difficulties reported by the participants included travel time, “doing it all”, staying healthy, supervising employees, dealing with client issues like billing and scheduling, difficult districts to work in, scheduling, lack of recognition and support of insurance providers, and “Finding other therapists who do what I do not have time to do.”

Table 12

Top 10 Reasons Respondents Became a Music Therapy Business Owner

Ability to set own schedule	66% (86)
Freedom to select client population and settings	46% (60)
Independence from boss and corporate setting	35% (46)
Need to create a job	33% (43)
Satisfaction of creating own business	24% (32)
Control over hourly rates	19% (25)
Diversity	18% (24)
Challenge	18% (23)
Opportunities for additional projects	17% (22)
Personal reasons	16% (21)

Flexibility (85%), confidence (74%), and motivation (74%) were the top three attributes or characteristics that music therapy business owners reported possessing which aid them in being a successful entrepreneur (see Table 14). Enjoyment of working with diverse clientele (65%), being organized (61%), patient (58%), a self-starter (55%), and willing to take risks (55%) were other characteristics. Being persistent (52%), having a strong sense of self-identity (50%), and being goal-oriented (48%) were additional attributes. A small group of respondents indicated that their passion and dedication to the field of music therapy, belief in efficacy of music therapy as a clinical service, belief in the value of what they do, and that they love what they do were important characteristics they possess. Being creative, enjoying clinical work, ability to relate well to clients and staff with genuine concern and interest, and willingness to seek out support and advice and continue training are other attributes that individual survey respondents felt were helpful. Having advanced education in another field, being experienced, and having other sources of income were other characteristics. Survey participants also listed spiritual support, faith and trust as well as having a community network for referrals as attributes that help them to be successful entrepreneurs.

What differences can be found between the most financially successful businesses and the least financially wealthy? In comparing the number of hours worked by gross income, therapists whose income ranged from below \$10,000 to \$50,000 most often worked 10-19 hours followed by 0-9 hours and 20-29 hours (refer to Figure 19). Those who reported grossing \$50,000 to \$100,000 most frequently

worked 30-39 hours or 40-49 hours followed by 20-29 hours per week. Music therapy business owners who grossed over \$100,000 reported working primarily over 40 hours a week.

Table 13

Ten Most Challenging Aspects of Being a Business Owner

Lack of benefits (health care, 401K, etc.)	53% (68)
Financial instability	38% (49)
Isolation from other therapists	33% (43)
Bookkeeping	30% (38)
Marketing	26% (34)
Lack of support system	24% (31)
Job instability	22% (28)
Income taxes	22% (28)
Business decision making	19% (24)
Purchasing own equipment and supplies	17% (22)

Table 14

Top Five Characteristics Respondents Possess

Top 5 Characteristics Respondents Possess	Percentage of Respondents
Flexible	86% (111)
Confident	74% (96)
Motivated	74% (96)
Enjoy working with diverse clientele	65% (85)
Organized	61% (79)

In general, the percentage of survey respondents whose income is \$100,000 or above hire more professionals than do respondents who earn less than \$100,000 per

year; however, because the survey pool is smaller for those earning over \$100,000, it may not be realistic to compare these results (see Table 16).

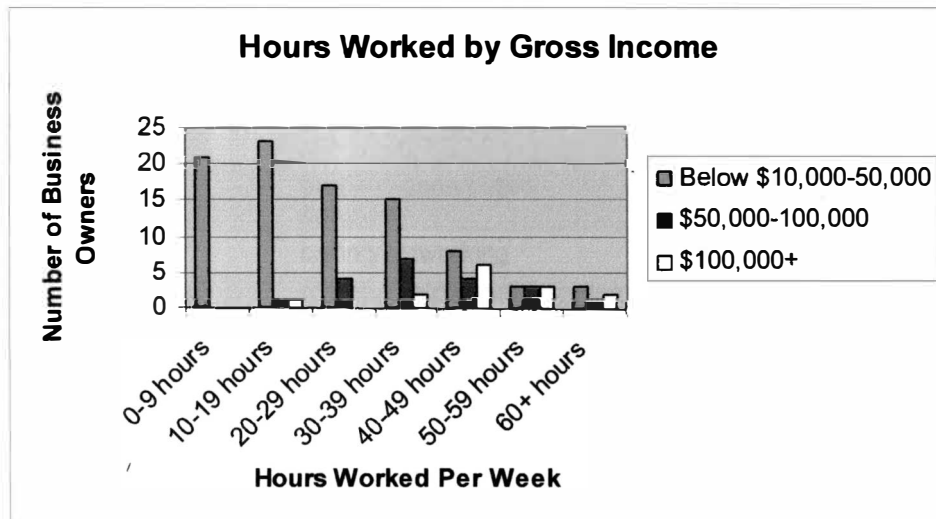


Figure 19. Average Hours Worked by Gross Income

Table 15

Top Five Professional Services

0-\$50,000	\$50,000-\$100,000	\$100,000+
Accountant 65% (56%)	Accountant 68% (13)	Accountant 92% (12)
Lawyer (18%)	Lawyer 38% (6)	Lawyer 79% (11)
Other 15% (7)	Other 33% (3)	Graphic Designer 45% (5)
Graphic Designer 13% (9)	Web designer 25% (4)	Administrative Assistant 42% (5)
Web Designer 13% (9)	Janitor 20% (3)	Janitor 36% (4)

The top five marketing techniques used by business owners in all gross income brackets (below \$10,000-\$50,000; \$50,000-\$100,000; and \$100,000 and up) were the same (see Table 16).

Table 16

Top Five Marketing Techniques Compared to Gross Income

	Below \$10,000- \$50,000	\$50,000-\$100,000	\$100,000+
1	business cards	business cards	business cards
2	presentations/public speaking	brochures	brochures
3	membership in organization	presentations/public speaking	presentations/public speaking
4	brochures	calling/networking	membership in organization
5	calling networking	membership in organization	calling/networking, free sessions/invite to see, free sessions/invite to see

Few differences were noted when comparing between gross income categories (refer to Table 17). One such difference is that business owners grossing over \$100,000 are slightly more likely to diversify their income. Those who reported that they earned less than \$50,000 per year do not engage in business coaching and those who earned \$50,000-\$100,000 per year did not sell instruments. Five respondents (6%) with a gross income of less than \$50,000 reported having employees and 11 (13%) reported having subcontractors. Similarly, six respondents (30%) grossing from \$50,000-\$100,000 have employees, and seven have subcontractors. Seven respondents who gross \$100,000 per year or more have subcontractors.

CHAPTER 5

Summary and Discussion

Business Operation

The business operation section of this study explored how music therapy business owners define their business, what their business structure is, business start-up requirements, and foundational aspects required for a successful practice. In addition, the number of years music therapists have owned their businesses, their average workweek, types of marketing materials and hiring of professionals were addressed.

Table 17

Income Diversification Compared to Gross Income

Income Diversification	Response Average	Below \$10,000-\$50,000 gross	\$50,000-\$100,000 gross	\$100,000 + gross
Not applicable (I do not diversify)	46% (58)	47% (41)	55% (11)	42% (5)
Speaking engagements	35% (44)	33% (29)	30% (6)	50% (6)
Consulting	23% (29)	21% (18)	20% (4)	33% (4)
Other	18% (22)	16% (14)	15% (3)	33% (4)
Publish materials (books, articles, etc.)	8% (10)	7% (6)	10% (2)	8% (1)
Write/produce musical CDs	6% (7)	5% (5)	10% (2)	0%
Write/produce informational CDs or materials	4% (5)	2% (2)	10% (2)	8% (1)
Sell instruments	3% (4)	2% (2)	0%	17% (2)
Sell other merchandise	2% (3)	1% (1)	5% (1)	8% (1)
Business coach	2% (2)	0%	5% (1)	8% (1)

Table 18

Supplemental Income Compared to Gross Income

	Response Average	Below \$10,000- \$50,000 gross	\$50,000- \$100,000 gross	\$100,000+ gross
Do you supplement your income with another music therapy job?				
Yes	35% (46)	36% (33)	50% (10)	29% (4)
No	65% (87)	64% (58)	50% (10)	71% (10)
What type of job do you supplement your income with?				
Full-time job	27% (12)	30% (10)	0%	0%
Part-time job	51% (23)	49% (16)	50% (2)	100% (3)
Per diem work	4% (2)	3% (1)	0%	33% (1)
Subcontracting for another music therapy agency	11% (5)	12% (4)	0%	0%
Other (please specify)	22% (10)	21% (7)	50% (2)	0%
Total Respondents	45	91	4	3
Do you supplement your income with a job/business outside of music therapy?				
Yes	49% (64)	53% (48)	50% (10)	36% (5)
No	51% (68)	47% (42)	50% (10)	64% (9)
What type of job do you supplement your income with?				
Home-Based Business	9% (6)	9% (4)	0%	17% (1)
Services	3% (2)	4% (2)	0%	0%
Sales	3% (2)	4% (2)	0%	0%
Multi-level marketing	0%	0%	0%	0%
Lessons (non- adapted)	31% (20)	40% (19)	10% (1)	0%
Music performance	25% (16)	23% (11)	30% (3)	33% (2)
Other	59% (38)	60% (28)	60% (6)	67% (4)
Total Respondents	64	47	10	6

When asked to define their business, 82% of the survey respondents defined themselves as self-employed, 34% as being a private practice, 33% as a contractual agency, and 23% as a consulting agency. Many survey respondents indicated that two or more definitions described their businesses. While additional research is needed, possible reasons why the survey respondents have diverse practices could include the necessity to meet the needs of the community or to diversify income sources such as with consultation as noted by Register (2002); Weiss (2000); and Henry, Knoll & Reuer (1986).

Seventy-seven percent of survey respondents indicated owning a sole proprietorship. Because SE/PP business owners are often isolated from other music therapists, one could suggest that this is a reason why only one therapist reported having a partnership. As discussed in the literature review section, there are several drawbacks to a partnership including that it can be difficult to find the right business partner. However, decreasing isolation from other music therapists and a decreased workload are advantages. Partnering with other helping professions, doctors, dentists, and therapists could be beneficial in terms of a built-in referral source. The survey results showed that most businesses have been in operation for less than 9 years. Perhaps this is a factor in why not many of these respondents own an S Corporation or Limited Liability Company. Or maybe these structure types are too complicated for the new business owner, are too time consuming, not cost effective or possibly that therapists do not realize the importance and/or benefits of incorporating.

As mentioned in the literature review, business owners are legally required to file a fictitious name statement. The survey results showed that only 40% (36) of the respondents utilize their full name and that 73% (96) do not. This results in a discrepancy of 33% (60) of survey respondents who, in extreme circumstances, run the risk of a legal battle and criminal investigation if they are caught. Eighty-two percent of respondents have not filed for a trademark in order to protect their business name or logo. This is extremely unfortunate because the trademark or business name could be taken by someone else and then trademarked, leaving no legal recourse to the original owner (even if they had had the name for years and had a fictitious business name). As SE/PP grows, the need to have a registered trademark may become increasingly important. Potential reasons SE/PP business owners may not be going through the trademark process are lack of time, funding, or knowledge of the process. The high costs of going through the trademark process could be prohibitive to many small business owners. The investigation of why many music therapists have not pursued this option of trademarks may provide further information on how the SE/PP business owner can be assisted in this process.

It is interesting to note that very few music therapists (13%) have owned their business or agency 15 or more years. This could be because many businesses fail in the first three to five years. Perhaps, as discussed by Hakim (1998), music therapy business owners are establishing practices later in life and therefore do not own businesses for the entire time that they have been practicing music therapy. Other factors potentially influencing these numbers could be growth of music therapy as a

discipline or the SE/PP work setting, changing of circumstances (e.g. having a family, moving to a new location, etc.) or the popularity/growth of small businesses (and the decline of the traditional job). Another possible factor is that business ownership is a relatively new trend in the music therapy profession.

More than half of the survey respondents did not have a vision statement (59%), or a marketing plan (53%). Just less than half did not have a mission statement (46%), business plan (45%), or business identity/logo (43%). According to Popcorn and Marigold (1996), Jones (1996), Lonier & Aldisert (1999), Grodzki (2000), Applegate (2003), Friedmand & Yorio (2003) and Lawless (1997), each of these components is necessary in order to develop a successful business. Without focus, a clear vision of the future and a plan to get there, a business owner is more likely to fail. These results indicate that there is a need to educate music therapy business owners on the importance of laying a strong foundation. However, if a business owner does not have any desire or goals for developing a thriving practice, opportunities for education and development would not be useful. Therefore, further study on the goals and perceived needs (e.g. national seminars, institutes, conferences, or other resources) of music therapy business owners would be essential to those interested in developing tools on the subject.

In regards to the number of hours worked per week, most of the survey respondents (21%) reported that they worked 30-39 hours per week. Many therapists (20%) reported that they worked only 10-19 hours while a smaller number (17%) worked 1-9 hours per week. In a comparison of the amount of hours worked per

week with salary, the survey results indicated that most respondents earning over \$100,000 per year worked at least 40-49 hours per week while those grossing \$50,000-\$100,000 per year worked at least 30-39 hours per week. Most survey participants earning less than \$50,000 per year indicated that they work 10-19 hours per week or 0-9 hours a week. This question did not define whether to include only direct hours or to include total hours in the workweek. In future studies, this question should be clarified. The author suspects that many music therapy business owners want to work less than part-time and do not want to increase their hours. It would be useful to investigate music therapy business owner's satisfaction with their income, hours worked, etc. in order to determine if this is true. Unfortunately, due to an error of the researcher, data was not collected for one survey question addressing percentage of time spent on specific aspects of running a business (for example how many hours a week are dedicated to administration tasks versus drive time). This information could be useful, especially for new music therapy business owners as a model for how to schedule their time or what is realistic to expect in terms of workload compared to number of contract hours in order to avoid burnout.

As discussed in the literature review, Wilhelm's (2004) study on SE/PP music therapists found that word-of-mouth referrals were the most utilized marketing strategy in addition to demonstration of services (live, recorded or case example). While this was not a marketing strategy addressed in this survey, several music therapists listed word-of-mouth referrals in the "other" category for this question. Word-of-mouth referrals are a sign of a healthy and successful business and a

powerful form of marketing for small businesses. Customer or client referral rewards are an easy and popular way to encourage them to tell others about a business (Applegate, p. 360). It is recommended by the researcher that word-of-mouth referrals should be included in future marketing studies.

Demonstration of services was the second most used marketing technique reported by Wilhelm's (2004) survey respondents. In this study, demonstration of services was broken down into two different marketing activities (presentations/public speaking and free sessions/invite to see). Results of this study showed that presentations/public speaking were also the second most utilized marketing technique as reported by survey participants. Many of the resources listed in this survey were discussed in the literature by Clark (1986); Brownell, Weldon-Stephens, & Lazar (2002); Griggs-Drane (1998); Henry, Knoll, & Reuer (1986).

Another aspect of business operation is hiring professionals to help with portions of the business. For example, a bookkeeper or tax accountant can increase the available amount of time that the owner could bring in money from seeing clients or doing tasks that cannot be delegated. A benefit of hiring a professional is that they can be contracted and paid for the specified amount of work. This is often less of a financial commitment as compared to hiring an employee. Survey respondents most frequently hired accountants and lawyers. Not hiring employees or other professionals, however, may be the best option for some small business owners because of the cost. Studies investigating music therapy business owners' motivation(s) for hiring or not hiring outside professionals could be useful for other

music therapy business owners to be aware of and to help them in making their decisions. An interesting area for future study would be to explore the use of interns (music therapy, business, marketing or interns from other helping professions) as an alternative to hiring a professional. This may be a viable and more cost effective alternative for many music therapy businesses.

Finances

The finance section of this study investigated music therapy business owners' income, including supplemental income, diversification of income sources, the amount of group and individual contract hours, funding sources, and rates. Results of the study indicate that many of the survey participants do not solely rely on income from their business instead; they often have other music therapy jobs (35%) or non-music therapy jobs (49%). This finding is congruent with Lacey and Hadsell's (2003) findings. The most frequently reported music therapy jobs included part-time (51%) and full-time (27%) jobs. In comparing income with supplemental jobs, 36% of respondents earning less than \$50,000 per year had another full-time music therapy job. Survey respondents who supplemented their income with non-music therapy jobs often had music-related jobs such as teaching lessons (31%) or music performance (25%).

While it may be surprising that so many music therapy business owners supplement their jobs outside of the music therapy field, there may be several reasons that contribute to this. The advantages of owning a business (presented in the literature review) include that it is flexible, allowing the therapists to choose their

own schedule and select the populations and/or setting they want to work with (decreasing burnout). Another positive reason for the business owners to have a job outside of music therapy is to diversify income so they are not reliant on income from one source (Henry, Knoll, & Reuer, 2000, Unit 1 p. 1-2). An additional positive is that in SE/PP, one can create an ideal work environment (Friedman & Yorio, 2003). The self-employed music therapy business owner often wears many hats or is a “Jack of all trades.” Perhaps the type of person who selects SE/PP as a work setting has many talents and interests and the setting allows them to pursue them. Looking at personality traits, motivations, and interests of music therapy business owners may provide more insight into this area.

Over half (54%) of the survey respondents indicated that they diversify their income primarily through speaking engagements (35%), consulting (23%), and publishing materials (8%). Only four of the survey respondents indicated that they diversify their income as a business coach. According to Grodzki (2000) this is a new career option within the therapeutic setting. It is the prediction of the author that this trend will become increasingly popular as music therapy business owners have been in practice longer and become more experienced and as they look for fresh ways to become better at directing their businesses and to market and diversify their services.

Forty-six percent of business owners reported that they do not diversify their music therapy business income. This could be because music therapy business owners have not been educated on the importance of having income from more than one source or perhaps they diversify by providing services with different populations

(this was not an option in this question but should be included in future studies). Or perhaps because the majority of survey respondents have owned their business for less than nine years, they are still new to SE/PP, are still building their businesses and do not have the resources necessary to diversify. Diversification of income streams may be another topic for education and growth in the field.

The majority of survey respondents (62%) receive private pay, state (30%), and government (21%) as their primary funding sources. Interestingly, 18% did not know where their funding came from. The author suspects that faulty wording of the question resulted in the high number of respondents who reported “do not know”. Another possible reason survey respondents indicated that “do not know” is that rather than thinking of who pays their fees, survey respondents may have been thinking a level above this as to where the agency/facility’s funding came from. In future studies or replications, this question should be reworded for clarification.

Over half of all respondents did not receive reimbursement for indirect services including preparation (54%), drive time (69%), mileage (58%), other travel (77%) or other (65%). The remainder of survey respondents received payment for these services at least sometimes. One potential reason for the low reimbursement rate for indirect services is that music therapy business owners actually may be negotiating higher hourly rates which includes indirect services. This would eliminate the need for several different rates resulting in a simpler process in regards to billing and invoicing.

In comparison to AMTA data, results of this survey showed a wider gross salary range (below \$10,000 to over \$300,000 as opposed to \$20,000-\$200,000). The discrepancy may be due to Survey participants in this study were only asked to report income from contracts that they have and did not include other music therapy jobs. The largest group of participants (18 %) reported earning a gross salary of \$10,000-\$20,000 per year followed closely by 17% who reported they make less than \$10,000.00 a year. An annual gross income of \$20,000-\$30,000 was reported by 14%, \$30,000-\$40,000 was reported by 13%, and \$40,000-\$50,000 was indicated by 10%. A small number of survey respondents (28 or 22%) reported grossing \$60,000 or more. Because business owners are able to write off expenses on their income taxes, the actual net income after taxes is usually greatly reduced. This explains why 33% of survey respondents bring in a net income of \$10,000 or below compared to 17% before taxes (a difference 13%). Additionally, 24% reported that their net income was \$20,000-\$30,000 while 14% reported it was their gross income (a 10% change). While 18% of respondents who reported their net income was in the \$10,000-\$20,000 bracket, the percentage was the same for gross income. Only 25% of survey respondents net \$30,000 or more. Unfortunately, net and gross income was not able to be compared by therapists who work full-time versus those who work part-time due to an oversight of the researcher in the way the question was set up in the web-based survey host.

In looking at income for the four largest AMTA regions, Mid-Atlantic, Great Lakes, Western and Southeastern, net income for the majority of survey respondents

was \$70,000 or under. No major differences between regions were noted. Because income was collected by range, data from this survey could not be averaged. In future studies it would make more sense to ask for a specific amount so that mean, median, and mode could be calculated. It would be also be interesting in future studies to look at the entire income that a music therapy business owner earns. As discussed in the literature review, the AMTA Descriptive Statistical Profile (AMTA, 2004) does not give a clear view of what the differences are in rates of subcontractors versus business owners. Because of the larger response rate, AMTA's salary information may be more representative for the nation in comparison to the results of this study. In future AMTA Member Surveys, it is recommended that AMTA revise the survey to more accurately reflect the rates of SE/PP business owners versus subcontractors.

Twenty percent of respondents reported they accepted clients on scholarship and 51% accepted clients on a sliding fee scale. Although the questions addressing third-party reimbursement showed that 21% (28) respondents have had success in receiving third-party reimbursement for services there is room for growth in this area. The limited number of respondents who reported receiving insurance reimbursement is similar to the results found in Cortez's (2004) study of NMT therapists. Even with the AMTA Operational Plan Reimbursement Initiative, which began in 2001, it is surprising that so few music therapy business owners are seeking reimbursement. Insurance reimbursement could be a viable source of income for funding which is essential for someone in SE/PP when marketing and seeking new contracts. Therefore, further exploration of the reasons why business owners are not seeking

reimbursement, or other obstacles may provide useful insight for the profession and identify difficulties that could be addressed at a national level by the AMTA reimbursement committee. It is recommended that future surveys investigate why respondents have or have not sought insurance reimbursement, what roadblocks they encountered, and if they have asked for and received assistance from AMTA. Perhaps a workshop panel of business owners who have successfully received reimbursement could be formed for national and regional AMTA conferences. Experienced business owners could aid the profession in sharing ideas include compiling a resource guide, or writing an article written specifically for the SE/PP setting on reimbursement.

Survey respondents reported that their rates varied greatly based on the number of clients being served, the number of hours at a facility, what the agency/individual can afford, and many other factors. For 60% of respondents, rates varied from setting to setting. Thirty percent reported variance from population to population and from group to individual sessions (67%). Research comparing regional trends such as cost of living, would give a more accurate and precise description of SE/PP rates.

Reportedly, assessment rates for 59% of survey participants ranged from \$40-\$600. Due to an oversight in the writing of the question, participants were not asked to specify rates by the hour versus rates for the entire assessment. For respondents who indicated a flat rate, the average amount per hour was \$60 and the average amount for a flat rate was \$310. This hourly rate is low compared to the \$100 rate

listed by AMTA (2004). A similar number of respondents (54%) also indicated different rates for consultation ranging from \$30-\$100 per hour. Future studies investigating session rates specifying per hour and/or flat rates would be beneficial. A comparison by region and type of area (metropolitan vs. rural) could also be beneficial. Also, studies investigating rates for specific assessments, such as the Special Education Music Therapy Assessment Process (SEMTAP), would be useful.

Individual and group rates reported by survey respondents were similar with the majority of therapists charging \$35-\$50 per hour followed by \$60-\$70 per hour. In retrospect, responses from this survey may have been more useful had the question asked for a specific rate rather than a range.

Employees and Subcontractors

The results of this survey indicated that most survey respondents (84%) do not hire employees. For those who do hire employees, the average number of full-time positions per business is four and part-time positions are three. Benefits most frequently provided to employees included professional liability, travel time/mileage and continuing education. The results of Lacey and Hadsell's (2003) study reported that one of the benefits most often provided to music therapists was life insurance, which was not consistent with the results of this study. Rates for employees were most frequently reported to be in the \$20-\$25 range.

Twenty-two percent of survey respondents hired subcontractors. Responses indicated that subcontractors typically work 1-9 hours a week. Continuing education and travel time/mileage are the most frequent perks offered to subcontractors. Most

frequently, the override percentage used by survey respondents for calculating subcontractor rates was 40/60. Results of this section may be helpful to music therapy business owners in making decisions on hiring employees/subcontractors, salary rates, and benefits. One has to be careful not to give the subcontractor too many perks (for fear of crossing the line of employee-employee relationship) because it could be a red flag to the IRS. Comparison of these findings to other music therapy work settings as well as replication in future studies may be useful.

Clientele

Autism, developmental disabilities, school age, and early childhood were the most frequently specialized and serviced populations as reported by the survey respondents. As presented in the literature review, Wilhelm's (2004) survey of SE/PP music therapists also showed that most music therapists work with children, adults with disabilities or older adults.

The average survey respondent has 10-19 hours of contracts a week. The majority of the survey respondents reported that they provide services to 1-9 contracted agencies. Survey respondents also reported servicing more than 20 different settings and most often working in schools, group homes and assisted-living facilities. In future studies, it would be helpful to give more setting options because many participants wrote in additional settings (e.g. home-based sessions, leased/private offices, churches, etc.).

Surprisingly, 90-100% of the survey respondents' direct service hours were individual sessions as opposed to only 0-10% of hours, which comprised group

sessions. Future studies could investigate possible causes. For example, one possibility is if therapists only work from an office or clinic; it may not be feasible for a group (due to transportation difficulties) to come to the therapist, therefore limiting the potential for group sessions. Perhaps music therapy business owners prefer to work on a 1:1 basis. Outside of contractual group work where the music therapist provides services at the facility, home or clinic-based settings may not be realistic for music therapists to organize group sessions especially in urban areas with heavy traffic. In the SE/PP setting, running groups may not be possible due to the constant need for marketing to maintain a group, which can be costly.

Business Owner Background

The section on business owner background investigated the number of years survey participants had been a music therapist, the credentials and specialized training of music therapy business owners, the AMTA region they currently practice in, gender, reasons for becoming a business owner, difficulties of the setting, and characteristics of the music therapy business owner.

The average number of years that respondents reported working full-time was 12 years and part-time was 8 years (resulting in a combined average of 14 years). The majority of respondents (93%) had the credential of MT-BC with the highest degree of completion being a bachelor's degree (49%). Guided Imagery in Music, Neurologic Music Therapy, Kindermusik, and Nordoff Robbins were the most frequently reported specialized trainings. Similar to the number of AMTA members in each region listed in the literature review (AMTA, 2004), the largest number of

survey respondents reported that they practice in the Mid-Atlantic Region (23%), followed by the Great Lakes Region (21%), Western Region (16%), and Southeastern Region (14%).

Music therapy is a female dominated profession. The results of this survey are consistent with AMTA data as the participants in this survey were primarily women (91%). These results are not typical when compared to national business statistics where women are in actuality a small portion of business owners (Hakim, 1998).

The most frequent reasons survey participants indicated becoming a business owner were for the ability to set their own schedule, freedom to select population/setting, independence from boss/corporate setting, and the need to create a new job. Behnke (1996); Henry, Knoll & Reuer (2000); and Reuer (1996) included the same reasons in their resources.

The most challenging aspects of owning a business, reported by survey respondents, were the lack of benefits, financial instability, isolation from other therapists, bookkeeping and marketing. These findings were consistent with Henry, Knoll & Reuer (2000). Obtaining contracts was the challenge that Conant and Young (1996) felt was the most difficult however; none of the survey respondents indicated that to be a challenge in their responses (though it was not given as an option).

The most important attributes and characteristics that survey participants felt were necessary for a business owner to possess in order to be successful included

flexibility, confidence, and motivation, which were also reported by Griggs-Drane, (1998) and Henry, Knoll and Reuer (2000).

Limitations of the Research

This survey only had a 29% return rate, which is low compared to the 62% return rate in Wilhelm's (2004) study. Possible factors contributing to this low rate may include the fact that the survey was long and it was distributed to the majority of therapists electronically and therefore many potential respondents may have not received it. Another possibility is that many therapists may not have met the criteria for participation in the study. Due to the low response, there is limited ability to generalize the survey results.

Additionally, some questions, due to design error did not provide useful information and/or had a low response rate. This study was designed to cover a broad scope of topics and issues in SE/PP and therefore does not provide in-depth information on each topic. To obtain a clearer picture of the facets of SE/PP, the author recommends that further studies should be narrower in scope with the focus of one topic in each study.

Recommendations for Further Research

In order to increase response rate, the author recommends that future studies request that all therapists reply (even if they do not qualify). Some questions had a low response rate possibly due to the wording of the question or available time of the

participant. Future studies could decrease the length of the study by focusing on only one aspect of SE/PP (for example business owner background), which would allow the research to go into more depth in each area. An additional change that is recommended for future studies is to allow more time for postcard invitees to complete the study.

The investigation of why many music therapists have not pursued trademarking may provide further information on how the SE/PP business owner can be assisted in this process. Exploration of the goals, perceived needs (e.g. national seminars, institutes, conferences, or other resources), and interests of music therapy business owners would be useful to those interested in developing useful tools specifically for SE/PP.

Research and compilation of successful start-up stories and business models may serve as useful tools for university programs and those interested in starting a business. Investigating the percentage of time spent on specific aspects of running a business (time allocation) is another area of recommended research. This information could be useful, especially for new music therapy business owners as a model for how to schedule their time or what is realistic to expect in terms of workload compared to number of contract hours.

Studies investigating music therapy business owners' motivation(s) for hiring (or not hiring) outside professionals could be useful for other music therapy business owners to be aware of and to help them to make wise decisions. Another interesting area for future study would be to explore the use of interns (music therapy, business,

marketing or interns from other helping professions) as an alternative to hiring a professional.

Studies focusing on employment trends of the profession would help universities to prepare their students for the realities of finding work after the internship as well as the profession at the national level in terms of continuing education. Surveying music therapy business owners on their education experiences during college, in the internship and after to determine what they felt was lacking from their educational programs and what skills were most important, may also be helpful in providing direction for university and continuing education courses. Replication of McGinty's (1980) study to update the responsibilities and roles of music therapists in their current positions could also be helpful in determining implications for the educational/university setting.

In terms of rates, in future studies, it would make more sense to ask for a specific amount from survey participants so that mean, median, and mode could be calculated. Research comparing regional trends in rates, type of geographical area (metropolitan/urban versus rural) accounting for cost of living, and other issues would give a more accurate and precise description. Future studies investigating session rates specifying per hour and/or flat rates would be beneficial. In addition, studies investigating rates for specific assessments, such as the Special Education Music Therapy Assessment Process (SEMTAP), would be useful. Exploration of why business owners are not seeking reimbursement, or other obstacles may provide useful insight for the profession and identify difficulties that could be addressed at a

national level by AMTA. It is recommended that future surveys investigate why respondents have or have not sought insurance reimbursement, what roadblocks they encountered, and if they have asked for and received assistance from AMTA.

Overall, results of the business operation section indicated that further study on the start-up procedures of music therapy businesses and the goals and perceived needs of music therapy business owners would be beneficial to aid in the creation of additional tools and educational opportunities for the music therapy business owner. Comparison of music therapy business operations versus other therapy practices, business owner satisfaction (in regards to income, hours, etc,) would be helpful.

A historical study on SE/PP and comparison to other work settings over the last 40 years may provide insightful information such as growth projection rates for this work setting. Investigation of the music therapy job market in relation to attrition and private practice is necessary to ensure that music therapy students are being appropriately trained for the work settings they are most likely to encounter in the workforce. One such study on attrition (Cook, 2004) surveyed 99 people who were no longer board certified in the Great Lakes Region. Results of the study showed that people left the field for reasons such as difficult or poor working conditions; lack of appreciation from staff and administrators; low compensation; and family/personal reasons. Unfortunately, the survey did not specifically address the inability to find a job as a possible reason for people leaving the field. It would be interesting to replicate the survey in different regions given that the Great Lakes Region is the second largest region and compare the number of available jobs to other regions. In

the comment section, individual respondents indicated that “Didn’t want to work for geriatrics long-term but no other full-time positions were available in the area” and “Couldn’t find a full-time MT job.”

Other areas that have not been researched in the SE/PP realm include consultation, theoretical models, techniques and interventions, and comparison of music therapy SE/PP with other related health care fields. Retirement plans of SE/PP music therapists (Lacey and Hadsell, 2003), finance (insurance, taxes, bookkeeping) and marketing (plans, positions and promotion strategies) (Wilhelm, 2004), and SE/PP internship programs are other areas that have not yet been explored.

Professional Implications

The results of this study may be useful to new music therapy business owners or for those interested in owning their own business. Utilization of the bibliography to find resources for personal study and growth could be beneficial for all business owners. For new music therapy business owners or those looking to have a more successful practice, the author recommends modeling their business practices after the most successful music therapy businesses and practices reported on in this survey. For example, prioritizing marketing efforts to the top five marketing techniques reported by the survey respondents may be beneficial.

After completing the survey, one business owner stated, “I realized that I have some things to fine-tune in my business. I’m anxious to get into my business plan and make some changes.” As indicated by this business owner, this study may be useful to other established business owners to review each facet of their business to assess

where they may need to make changes in order to be more successful. For experienced business owners, looking for areas of need within the SE/PP work setting as reported in this study could provide insights for needed resources such as articles, books, and topics for workshop presentations. These areas of need could be opportunities to diversify income or to create passive income streams for the ambitious business owner.

CHAPTER 6

Conclusion

The intent of this paper was to investigate and describe the current facets of music therapy businesses. Survey respondents reported many reasons for becoming a business owner including the ability to set their own schedule, freedom to select population and/or setting, independence from boss/corporate setting and the need to create a new job. They indicated the most challenging aspects were the lack of benefits, financial instability, isolation from other therapists, bookkeeping and marketing. Flexibility, confidence, and motivation were characteristics that helped them move towards success. As with any business, owning a music therapy business can be both rewarding and challenging. It can be competitive and as Johnson (2002) noted in order to be successful, one must “anticipate, monitor, adapt, change, enjoy change and be ready to quickly change again and again” (p. 74).

Results of the study showed that while the SE/PP setting has grown and changed since the 1960's, many music therapy businesses are in their infancy. There are many areas for potential development of resources and educational materials for the music therapy business owner including diversification, development of business practices, alternative funding sources (e.g. third party reimbursement) and marketing. Professional concerns that will have a direct impact on the development of music therapy businesses include third-party reimbursement, education and resources. Areas for further research include exploration of the goals, motivation, perceived needs and

interests of music therapy business owners. Other research needs include identifying successful music therapy business models, historical study of employment trends, and educational experiences.

Appendix A

Protocol Clearance From the Human Subjects Institutional Review Board

WESTERN MICHIGAN UNIVERSITY



Human Subjects Institutional Review Board

Date: November 8, 2004

To: Brian Wilson, Principal Investigator
Julie Guy, Student Investigator for thesis

From: Amy Naugle, Ph.D., Interim Chair

A handwritten signature in black ink, appearing to read "Amy Naugle", is written over the printed name.

Re: HSIRB Project Number 04-10-30

This letter will serve as confirmation that your research project entitled "The Business of Music Therapy: State-of-the-Art Practices" has been **approved** under the **exempt** category of review by the Human Subjects Institutional Review Board. The conditions and duration of this approval are specified in the Policies of Western Michigan University. You may now begin to implement the research as described in the application.

Please note that you may **only** conduct this research exactly in the form it was approved. You must seek specific board approval for any changes in this project. You must also seek reapproval if the project extends beyond the termination date noted below. In addition if there are any unanticipated adverse reactions or unanticipated events associated with the conduct of this research, you should immediately suspend the project and contact the Chair of the HSIRB for consultation.

The Board wishes you success in the pursuit of your research goals.

Approval Termination: November 8, 2005

Walwood Hall, Kalamazoo, MI 49008-5456
PHONE: (269) 387-8293 FAX: (269) 387-8276

Appendix B

Participant Cover Letter

Western Michigan University, Department of Music Therapy
Principal Investigator: Brian Wilson, MM, MT-BC
Student Investigator: Julie Guy, MT-BC

Dear Music Therapy Business Owner,

You are invited to participate in a research project entitled “Survey of Music Therapy Business Owners”. This study is being conducted as part of the requirement for the Master of Music in Music Therapy at Western Michigan University. As a fellow music therapy business owner, I have a vested interest in exploring and helping to define the practice in self-employment/private practice setting. Upon approval of the study, the American Music Therapy Association provided me with your name and contact information. Your participation in this study will aid in providing a precise picture of the background, business operation, clientele, finances and employees/subcontractors of music therapy business owners. The researcher plans to make the results of this study available to the music therapy community.

Only music therapists who currently own a business are asked to participate in this survey. If you are a self-employed music therapist working solely for another music therapy business (as a subcontractor) or if, for any reason, you do not claim your business income on your taxes, please disregard this survey. To access the survey, click on the website address, [SurveyLink] or cut and paste the link into your email browser. Please read the directions for each question carefully. Your responses will remain confidential. You may refuse to participate, answer any question you choose, or to stop your participation at any time without penalty, or prejudice. The survey contains approximately 50 questions and your participation will take approximately 10-15 minutes. Your completion of this survey indicates your consent to use the answers for research.

This consent document has been approved for use for one year by the Human Subjects Institutional Review Board (HSIRB) as indicated on November 8, 2004. Do not participate after February 14, 2005.

If you wish to obtain the results of this study, have any questions, or problems arise during this study please contact the researcher, Julie Guy, MT-BC at julie@themusictherapycenter.com, 877/620-7688, or Brian Wilson, MM, MT-BC, Chair of the Music Therapy Department at WMU and the study advisor at 269/387-4679. You may also contact the Chair, Human Subjects Institutional Review Board (269/387-8293) or the Vice President for Research (269/387-8298) if questions or problems arise during the course of the study.

I appreciate your time in completing this survey and I thank you in advance for your prompt response. Cordially, Julie Guy, MT-BC

Appendix C

Participant Survey

The Business of Music Therapy: State-of-the-Art Practices

Please Note:

- *Responses to this survey should reflect the current status of your business, not your future plans*
- *If you are a self-employed music therapist working solely for a music therapy business or if, for any reason, you do not claim your business income on your taxes, please disregard this survey*

I. Business Operation

1. There are many definitions of a music therapy business. Select the definition(s), which best describe your business (Definitions obtained from Griggs-Drane, 1998; Henry, Knoll & Reuer, 2000; Kane, 1990; and Lacey & Hadsell, 2003).
 - ☐ Self-employed
 - A self-employed music therapist claims income on Schedule C, which is used to report your self-employment business income and expenses. This includes income from individuals or business (including contract). A self-employed therapist may work as a subcontractor, may own a private practice, consulting agency, music therapy studio or clinic.
 - ☐ Contractual Agency
 - Contractual employment refers to providing services to more than one facility for less than part time, income is reported on the IRS Form 1099-misc. (Form 1099-misc is used to report to the IRS monies paid from a business or person to another business or person.)
 - ☐ Private Practice
 - Private practice refers to providing services at a private location (other than schools or agencies)
 - ☐ Consulting Agency
 - Consultation is providing training to professionals, caregivers, teachers, aides, etc. Workshops, in-services, staff support, informational lectures, conference presentations are types of consultative services
 - ☐ Music Therapy Studio
 - A music therapist who owns a studio delivers services to individuals or groups in the client's home, or in an office or studio
 - ☐ Music Therapy Clinic

- A central clinic that provides music therapy services in the clinic or in the community. May be within a retail music store, community music school and may include other health care providers.
- ☐ Other (please describe/define):

2. What type of business do you own? (select only one)

- | | |
|--|--|
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Limited Liability Company (LLC) |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Partnership |
| <input type="radio"/> S Corporation | <input type="radio"/> Limited partnership |
| <input type="radio"/> C Corporation | <input type="radio"/> General Partnership |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Other _____ |

3. Have you ever filed a fictitious business statement with the county (i.e. "doing business as" (DBA))?

- ☐ Yes (skip to question 5) ☐ No

4. If no to question three, does your business name include your full name?

- ☐ Yes
- ☐ No
- ☐ My business does not have a name

5. Is your business name and/or business identity (logo) a registered trademark?

- | | | | |
|--|------------------------------|-----------------------------|--|
| <input type="checkbox"/> Business name | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> I do not have a business name |
| | | | <input type="checkbox"/> In process |
| <input type="checkbox"/> Business identify | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> I do not have a business identity |
| | | | <input type="checkbox"/> In process |

6. How many years have you owned your business or agency?

- | | |
|--------------------------------|---|
| <input type="checkbox"/> 0-4 | <input type="checkbox"/> 20-24 |
| <input type="checkbox"/> 5-9 | <input type="checkbox"/> 25-29 |
| <input type="checkbox"/> 10-14 | <input type="checkbox"/> 30-34 |
| <input type="checkbox"/> 15-19 | <input type="checkbox"/> 35+ please specify _____ |

7. Do you have (select all that apply)

- | | | | |
|--|------------------------------|-----------------------------|-------------------------------------|
| <input type="checkbox"/> A mission statement? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Don't know |
| <input type="checkbox"/> A business plan? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Don't know |
| <input type="checkbox"/> A marketing plan? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Don't know |
| <input type="checkbox"/> A Vision statement? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Don't know |
| <input type="checkbox"/> A Business Identity (logo)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Don't know |

8. How many hours is your average workweek?

- | | |
|--------------------------------|--------------------------------|
| <input type="checkbox"/> 1-9 | <input type="checkbox"/> 30-39 |
| <input type="checkbox"/> 10-19 | <input type="checkbox"/> 40-49 |
| <input type="checkbox"/> 20-29 | <input type="checkbox"/> 50+ |

9. Please indicate on average what percentage of time (if any) you spend per workweek on each of the following tasks. Percentages should equal 100% but not exceed.

- | | |
|---|--|
| <input type="checkbox"/> Accounting ____ | <input type="checkbox"/> Planning/
preparation ____ |
| <input type="checkbox"/> Administration ____ | <input type="checkbox"/> Presentations ____ |
| <input type="checkbox"/> Business Image/Branding ____ | <input type="checkbox"/> Scheduling ____ |
| <input type="checkbox"/> Bookkeeping ____ | <input type="checkbox"/> Secretarial ____ |
| <input type="checkbox"/> Clinical work ____ | <input type="checkbox"/> Self-care ____ |
| <input type="checkbox"/> Consulting ____ | <input type="checkbox"/> Travel (work
related) ____ |
| <input type="checkbox"/> Documentation ____ | <input type="checkbox"/> Workshops/
seminars ____ |
| <input type="checkbox"/> Education ____ | <input type="checkbox"/> None |
| <input type="checkbox"/> Employee Supervision ____ | |
| <input type="checkbox"/> Internship Supervision ____ | |
| <input type="checkbox"/> Marketing ____ | |
| <input type="checkbox"/> Meetings ____ | |
| <input type="checkbox"/> Other _____ | |

10. What types of marketing materials and activities do you utilize? (select all that apply)

- | | |
|--|---|
| <input type="checkbox"/> Advertising | <input type="checkbox"/> Presentations/public
speaking |
| <input type="checkbox"/> Brochures | <input type="checkbox"/> Press releases |
| <input type="checkbox"/> Business cards | <input type="checkbox"/> Private meetings |
| <input type="checkbox"/> Calling/networking | <input type="checkbox"/> Publications |
| <input type="checkbox"/> Direct mailing/fliers | <input type="checkbox"/> Serve on committees |
| <input type="checkbox"/> Free sessions/invite to see | <input type="checkbox"/> Volunteer work |
| <input type="checkbox"/> Logo/message/slogan | <input type="checkbox"/> Web site |
| <input type="checkbox"/> Membership in organization | <input type="checkbox"/> Yellow Pages listing |
| <input type="checkbox"/> Newsletters | <input type="checkbox"/> Other _____ |

11. What professionals do you use? Of the professionals you use, do you pay for their services or are they pro bono? (select all that apply)

- | | | |
|--|-------------------------------|-----------------------------------|
| <input type="checkbox"/> I do not hire any professionals | | |
| <input type="checkbox"/> Accountant | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |
| <input type="checkbox"/> Administrative Assistant | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |
| <input type="checkbox"/> Bookkeeper | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |
| <input type="checkbox"/> Business coach | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |
| <input type="checkbox"/> Graphic Designer | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |
| <input type="checkbox"/> Janitor | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |
| <input type="checkbox"/> Lawyer | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |
| <input type="checkbox"/> Marketing agency | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |

- | | | |
|---------------------------------------|-------------------------------|-----------------------------------|
| <input type="checkbox"/> Secretary | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |
| <input type="checkbox"/> Web designer | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Paid | <input type="checkbox"/> Pro bono |

II. Finances

12. Do you supplement your income with another music therapy job?
 - ☐ Yes
 - ☐ No (skip to question 14)
13. If yes to question 12, what type of job do you supplement your income with? (select all that apply)
 - ☐ Full-time job
 - ☐ Part-time job
 - ☐ Per diem work
 - ☐ Subcontracting for another music therapy agency
 - ☐ Other _____
14. Do you supplement your income with another job or business outside of music therapy?
 - ☐ Yes
 - ☐ No (skip to question 16)
15. If yes to question 14, what type of job or business (outside of music therapy) do you supplement your income with? (select all that apply)

<input type="checkbox"/> Home-based business	<input type="checkbox"/> Lessons (non-adapted)
<input type="checkbox"/> Services	<input type="checkbox"/> Music performance
<input type="checkbox"/> Sales	<input type="checkbox"/> Other _____
<input type="checkbox"/> Multi-level marketing	
16. How do you diversify your music therapy business income? (select all that apply)

<input type="checkbox"/> Business coach	<input type="checkbox"/> Write/produce informational CDs or materials
<input type="checkbox"/> Consulting	<input type="checkbox"/> Write/produce musical CDs
<input type="checkbox"/> Publish materials (books, articles, etc.)	<input type="checkbox"/> Other _____
<input type="checkbox"/> Sell instruments	<input type="checkbox"/> Not applicable (I do not diversify)
<input type="checkbox"/> Sell other merchandise	
<input type="checkbox"/> Speaking engagements	
17. Please indicate what percentage of your total business income comes from the following sources. Percentages should total 100% (select all that apply)

<input type="checkbox"/> Endowments _____	<input type="checkbox"/> Other Insurance Reimbursement _____
<input type="checkbox"/> Government _____	<input type="checkbox"/> Private pay _____
<input type="checkbox"/> Grants _____	<input type="checkbox"/> State _____
<input type="checkbox"/> Medicaid Reimbursement _____	<input type="checkbox"/> Do not know _____
<input type="checkbox"/> Medicare Reimbursement _____	<input type="checkbox"/> Other _____

18. Other than direct service hours, are you paid for other services?
- | | | | |
|---------------------------------------|------------------------------------|---------------------------------|--------------------------------|
| <input type="checkbox"/> Preparation | <input type="checkbox"/> Sometimes | <input type="checkbox"/> Always | <input type="checkbox"/> Never |
| <input type="checkbox"/> Drive Time | <input type="checkbox"/> Sometimes | <input type="checkbox"/> Always | <input type="checkbox"/> Never |
| <input type="checkbox"/> Mileage | <input type="checkbox"/> Sometimes | <input type="checkbox"/> Always | <input type="checkbox"/> Never |
| <input type="checkbox"/> Other Travel | <input type="checkbox"/> Sometimes | <input type="checkbox"/> Always | <input type="checkbox"/> Never |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Sometimes | <input type="checkbox"/> Always | <input type="checkbox"/> Never |
19. What is your gross business income (before taxes)?
- | | |
|--|--|
| <input type="checkbox"/> Below \$10,000 | <input type="checkbox"/> \$80,000-\$90,000 |
| <input type="checkbox"/> \$10,000-\$20,000 | <input type="checkbox"/> \$90,000-\$100,000 |
| <input type="checkbox"/> \$20,000-\$30,000 | <input type="checkbox"/> \$100,000-\$150,000 |
| <input type="checkbox"/> \$30,000-\$40,000 | <input type="checkbox"/> \$150,000-\$200,000 |
| <input type="checkbox"/> \$40,000-\$50,000 | <input type="checkbox"/> \$200,000-\$250,000 |
| <input type="checkbox"/> \$50,000-\$60,000 | <input type="checkbox"/> \$250,000-\$300,000 |
| <input type="checkbox"/> \$60,000-\$70,000 | <input type="checkbox"/> Over \$300,000 |
| <input type="checkbox"/> \$70,000-\$80,000 | |
20. What is your net income (gross income minus business expenses)?
- | | |
|--|--|
| <input type="checkbox"/> Below \$10,000 | <input type="checkbox"/> \$80,000-\$90,000 |
| <input type="checkbox"/> \$10,000-\$20,000 | <input type="checkbox"/> \$90,000-\$100,000 |
| <input type="checkbox"/> \$20,000-\$30,000 | <input type="checkbox"/> \$100,000-\$150,000 |
| <input type="checkbox"/> \$30,000-\$40,000 | <input type="checkbox"/> \$150,000-\$200,000 |
| <input type="checkbox"/> \$40,000-\$50,000 | <input type="checkbox"/> \$200,000-\$250,000 |
| <input type="checkbox"/> \$50,000-\$60,000 | <input type="checkbox"/> \$250,000-\$300,000 |
| <input type="checkbox"/> \$60,000-\$70,000 | <input type="checkbox"/> Over \$300,000 |
| <input type="checkbox"/> \$70,000-\$80,000 | |
21. Do you accept clients on scholarship or sliding fee scale?
- | | | |
|--|------------------------------|-----------------------------|
| <input type="checkbox"/> Scholarship | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Sliding Fee Scale | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
22. If you currently receive third party reimbursement (insurance), which companies reimburse for your services? (select all that apply)
- | | |
|---|---|
| <input type="checkbox"/> Aetna | <input type="checkbox"/> Medicaid waivers |
| <input type="checkbox"/> American Family | <input type="checkbox"/> Medicare |
| <input type="checkbox"/> Blue Cross/Blue Shield | <input type="checkbox"/> Tricare (formerly CHAMPUS) |
| <input type="checkbox"/> CHAMPVA | <input type="checkbox"/> United Healthcare |
| <input type="checkbox"/> Cigna | <input type="checkbox"/> Workers' compensation |
| <input type="checkbox"/> Great West Life | <input type="checkbox"/> None |
| <input type="checkbox"/> Humana | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Kaiser Permanente | |
| <input type="checkbox"/> Medicaid fee-for-service | |
23. Does your rate vary from setting to setting?
- ☐ Yes ☐ No If yes, please include range _____
24. Does your rate vary from population to population?
- ☐ Yes ☐ No If yes, please include range _____
25. Do you have separate rates for _____

- ☐ Assessment? ☐ Yes ☐ No If yes, please include range _____
☐ Consultation? ☐ Yes ☐ No If yes, please include range _____

☐ Presentation? ☐ Yes ☐ No If yes, please include range _____
☐ Consulting? ☐ Yes ☐ No If yes, please include range _____

26. What is your average hourly group rate? (If your rates vary from agency to agency, average your group rates for all of your contracts and select the rate that most fits your average.)
☐ Below \$35 ☐ \$80-90
☐ \$35-50 ☐ \$90-100
☐ \$60-70 ☐ Over \$100
☐ \$70-80

27. What is your average hourly individual rate? (If your rates vary from client to client, average your individual rates for your clients and select the rate that most fits your average.)
☐ Below \$35 ☐ \$70-80
☐ \$35-50 ☐ \$80-90
☐ \$50-60 ☐ \$90-100
☐ \$60-70 ☐ Over \$100

III. Employees/Subcontractors

28. Do you have employees (do not include yourself)?
☐ Yes
☐ No (skip to question 33)
29. If yes to question 28, how many employees do you currently have?
☐ Full time (AMTA defines full time as 34 or more hours)____
☐ $\frac{3}{4}$ time (approximately 26-33 hours)____
☐ Part-time (approximately 15-25 hours)____
☐ $\frac{1}{4}$ time (Below 15 hours) ____
30. What benefits do you offer your employees?
☐ 401K/Retirement Account ☐ Paid Vacation
☐ Child Care ☐ Professional Dues/Fees
☐ Continuing/Education ☐ Professional Liability
☐ Dental Insurance ☐ Sick Leave
☐ Disability ☐ Travel Time/Mileage
☐ Health Insurance ☐ None
☐ Life Insurance ☐ Other _____
31. What average hourly rate do you pay your employees?
☐ Below \$20 ☐ \$35-40
☐ \$20-25 ☐ \$40-45
☐ \$25-30 ☐ \$45-50
☐ \$30-35 ☐ \$50-55

- ☐ \$55-60
 ☐ \$65-70
☐ \$60-65
 ☐ Over \$70
32. Does the hourly rate/salary you pay your employees vary by therapist education/experience?
- ☐ Yes
 ☐ No
33. Do you have subcontractors?
- ☐ Yes
☐ No (skip to question 40)
34. If yes to previous question, how many subcontractors do you have? ____
35. On average, how many hours do your subcontractors work per week?
- ☐ 1-9
 ☐ 20-29
☐ 10-19
 ☐ 30-39
36. Do you give any perks to your subcontractors?
- | | |
|--|---|
| <input type="checkbox"/> 401K/Retirement Account | <input type="checkbox"/> Paid Vacation |
| <input type="checkbox"/> Child Care | <input type="checkbox"/> Professional Dues/Fees |
| <input type="checkbox"/> Continuing/Education | <input type="checkbox"/> Professional Liability |
| <input type="checkbox"/> Dental Insurance | <input type="checkbox"/> Sick Leave |
| <input type="checkbox"/> Disability | <input type="checkbox"/> Travel Time/Mileage |
| <input type="checkbox"/> Health Insurance | <input type="checkbox"/> None |
| <input type="checkbox"/> Life Insurance | <input type="checkbox"/> Other _____ |
37. What is the override % of revenue retained for the business versus what is paid to the subcontractor? For example, if your business charges \$50 for a contract hour, a 10/90 override would mean that the business keeps 10% and the subcontractor receives 90%; 40/60 the agency retains 40% and the subcontractor receives 60%, etc.
- ☐ 10/90%
 ☐ 40/60%
☐ 20/80%
 ☐ 50/50%
☐ 30/70%
 ☐ Other _____
38. What average hourly rate do you pay your subcontractors?
- ☐ Below \$20
 ☐ \$45-50
☐ \$20-25
 ☐ \$50-55
☐ \$25-30
 ☐ \$55-60
☐ \$30-35
 ☐ \$60-65
☐ \$35-40
 ☐ \$65-70
☐ \$40-45
 ☐ Over \$70
39. Does the hourly rate you pay your subcontractors vary by therapist education/experience?
- ☐ Yes
 ☐ No

IV. Clientele

40. Does your business specialize and/or target specific populations?
- ☐ Yes
☐ No (skip to question 42)

41. If your business currently specializes and/or targets specific populations select all that apply all populations that your agency currently serve will be addressed in another question)

- | | |
|---|---|
| <input type="checkbox"/> I do not specialize | <input type="checkbox"/> Multiple Disabilities |
| <input type="checkbox"/> Adolescents | <input type="checkbox"/> Music Education College Students |
| <input type="checkbox"/> AIDS | <input type="checkbox"/> Music Therapy College Students |
| <input type="checkbox"/> Alzheimer's/Dementia | <input type="checkbox"/> Neurological Impairments |
| <input type="checkbox"/> Autism | <input type="checkbox"/> Parkinson's Disease |
| <input type="checkbox"/> Behavioral Disorder | <input type="checkbox"/> Physical Disabilities |
| <input type="checkbox"/> Cancer | <input type="checkbox"/> Post-Traumatic Stress Disorder |
| <input type="checkbox"/> Chemical Dependency | <input type="checkbox"/> Preventative Health |
| <input type="checkbox"/> Children | <input type="checkbox"/> Rett Syndrome |
| <input type="checkbox"/> Chronic Pain | <input type="checkbox"/> School Age Children |
| <input type="checkbox"/> Developmental Disabilities | <input type="checkbox"/> Speech Impairments |
| <input type="checkbox"/> Dual Diagnosis | <input type="checkbox"/> Stroke |
| <input type="checkbox"/> Early Childhood | <input type="checkbox"/> Substance Abuse |
| <input type="checkbox"/> Eating Disorders | <input type="checkbox"/> Terminal Illnesses |
| <input type="checkbox"/> Emotional Disturbance | <input type="checkbox"/> Traumatic Brain Injury |
| <input type="checkbox"/> Emotional/Physical Abuse | <input type="checkbox"/> Vision Impairments |
| <input type="checkbox"/> Forensic | <input type="checkbox"/> Wellness |
| <input type="checkbox"/> General Medical | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Geriatrics | |
| <input type="checkbox"/> Head Injuries | |
| <input type="checkbox"/> Hearing Impairments | |
| <input type="checkbox"/> Learning Disabilities | |

42. How many total contract hours does your business serve per week?

- | | |
|--------------------------------|--|
| <input type="checkbox"/> 1-9 | <input type="checkbox"/> 60-69 |
| <input type="checkbox"/> 10-19 | <input type="checkbox"/> 70-79 |
| <input type="checkbox"/> 20-29 | <input type="checkbox"/> 80-89 |
| <input type="checkbox"/> 30-39 | <input type="checkbox"/> 90-99 |
| <input type="checkbox"/> 40-49 | <input type="checkbox"/> 100+ please specify__ |
| <input type="checkbox"/> 50-59 | |

43. What is the total number of contracted agencies your business provides services for?

- | | |
|--------------------------------|--------------------------------|
| <input type="checkbox"/> 1-9 | <input type="checkbox"/> 30-39 |
| <input type="checkbox"/> 10-19 | <input type="checkbox"/> 40-49 |
| <input type="checkbox"/> 20-29 | <input type="checkbox"/> 50+ |

44. In what type of facilities do you or your business provide services? (select all that apply)

- | | |
|---|---|
| <input type="checkbox"/> Assisted Living Facility | <input type="checkbox"/> Community Mental Health Center |
| <input type="checkbox"/> Board & Care | <input type="checkbox"/> Correctional Facility |
| <input type="checkbox"/> College/University | <input type="checkbox"/> Day Care Treatment Center |

- | | |
|---|---|
| <input type="checkbox"/> Drug/Alcohol Program | <input type="checkbox"/> Regional Center |
| <input type="checkbox"/> Group Home | <input type="checkbox"/> Rehabilitation Center |
| <input type="checkbox"/> Halfway House | <input type="checkbox"/> Residential Facility |
| <input type="checkbox"/> Home Studio | <input type="checkbox"/> Schools |
| <input type="checkbox"/> Hospice | <input type="checkbox"/> Senior Center |
| <input type="checkbox"/> Hospital | <input type="checkbox"/> Skilled Nursing Facility/
Care Center |
| <input type="checkbox"/> Integrative Center | <input type="checkbox"/> Wellness Center |
| <input type="checkbox"/> Music Therapy Clinic | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Outpatient Facility | |
| <input type="checkbox"/> Psychiatric Facility | |
45. Approximately what percentage of your business's total contract and/or hours serve groups?
- | | |
|--------------------------------|---------------------------------|
| <input type="checkbox"/> 1-9 | <input type="checkbox"/> 50-59 |
| <input type="checkbox"/> 10-19 | <input type="checkbox"/> 60-69 |
| <input type="checkbox"/> 20-29 | <input type="checkbox"/> 70-79 |
| <input type="checkbox"/> 30-39 | <input type="checkbox"/> 80-89 |
| <input type="checkbox"/> 40-49 | <input type="checkbox"/> 90-100 |
46. Approximately what percentage of your agency's total contract and/or hours serve individuals?
- | | |
|--------------------------------|---------------------------------|
| <input type="checkbox"/> 1-9 | <input type="checkbox"/> 50-59 |
| <input type="checkbox"/> 10-19 | <input type="checkbox"/> 60-69 |
| <input type="checkbox"/> 20-29 | <input type="checkbox"/> 70-79 |
| <input type="checkbox"/> 30-39 | <input type="checkbox"/> 80-89 |
| <input type="checkbox"/> 40-49 | <input type="checkbox"/> 90-100 |

V. Business Owner Background

47. How many years have you been a music therapy therapist? (if less than 6 months round down; if more than 6 months round up)
- ☐ Part-time years: _____
- ☐ Full-time years: _____
48. What credentials and/or professional music therapy designations do you have?
- | | |
|--|---|
| <input type="checkbox"/> Advanced Certified (ACMT) | <input type="checkbox"/> Registered (RMT) |
| <input type="checkbox"/> Board Certified (MT-BC) | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Certified (CMT) | |
49. What is the highest degree you have completed?
- ☐ Bachelor's ☐ Master's ☐ Doctorate
50. Do you have any specialized training? (select all that apply)
- | | |
|---|--|
| <input type="checkbox"/> Guided Imagery in Music | <input type="checkbox"/> Nordoff Robbins |
| <input type="checkbox"/> Neurologic Music Therapy | <input type="checkbox"/> Orff |
| <input type="checkbox"/> Kindermusik | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Kodaly | |
51. In what AMTA region do you currently practice?

- ☐ Great Lakes
 ☐ Southeastern
☐ Mid-Atlantic
 ☐ Southwestern
☐ Midwestern
 ☐ Western
☐ New England
 ☐ Outside the US
☐ South Central
 ☐ Do not know
52. What is your gender? (This question is being asked so that data can be compared with national business data to see if music therapy is similar to other professions)
- ☐ Female
 ☐ Male
53. What are the main reasons you became an owner of a music therapy business? (select and rank 3, 1=most important reason)
- | | |
|---|---|
| <input type="checkbox"/> Ability to employ other music therapists____ | <input type="checkbox"/> Independence from boss and corporate setting____ |
| <input type="checkbox"/> Ability to set own schedule____ | <input type="checkbox"/> Need to create a job____ |
| <input type="checkbox"/> Challenge____ | <input type="checkbox"/> Opportunities for additional projects____ |
| <input type="checkbox"/> Control over hourly rates____ | <input type="checkbox"/> Personal reasons____ |
| <input type="checkbox"/> Diversity____ | <input type="checkbox"/> Satisfaction of creating own business____ |
| <input type="checkbox"/> Financial freedom____ | <input type="checkbox"/> Tax write-offs____ |
| <input type="checkbox"/> Freedom to select client population and settings____ | <input type="checkbox"/> Unlimited earning potential____ |
| | <input type="checkbox"/> Other____ |
54. What aspects of being a SE/PP (self-employed/private practice) music therapy business owner music therapist have been/are the most challenging? (select and rank three, 1=most challenging aspect)
- | | |
|--|---|
| <input type="checkbox"/> Business decision making____ | <input type="checkbox"/> Lack of benefits (health care, 401K, etc.)____ |
| <input type="checkbox"/> Bookkeeping____ | <input type="checkbox"/> Lack of support system____ |
| <input type="checkbox"/> Budgeting____ | <input type="checkbox"/> Liability____ |
| <input type="checkbox"/> Financial instability____ | <input type="checkbox"/> Marketing____ |
| <input type="checkbox"/> Income taxes____ | <input type="checkbox"/> Motivation____ |
| <input type="checkbox"/> Irregular schedule____ | <input type="checkbox"/> Purchasing own equipment & supplies____ |
| <input type="checkbox"/> Isolation from other therapists____ | <input type="checkbox"/> Other____ |
| <input type="checkbox"/> Job instability____ | |
55. Select those characteristics or attributes you possess that most help you to be a successful entrepreneur.
- | | |
|---|--|
| <input type="checkbox"/> Confident | <input type="checkbox"/> Persistent |
| <input type="checkbox"/> Enjoy working with diverse clientele | <input type="checkbox"/> Self-starter |
| <input type="checkbox"/> Flexible | <input type="checkbox"/> Strong sense of self identity |
| <input type="checkbox"/> Goal-oriented | <input type="checkbox"/> Willing to take risks |
| <input type="checkbox"/> Motivated | <input type="checkbox"/> Other____ |
| <input type="checkbox"/> Patient | |
56. Please provide any additional comments that you feel would be relevant to this survey. Your time and feedback are appreciated.

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