

Dentistry Business

Keeping it healthy

Sim Goldblum offers some observations on practice healthchecks

During the recent BDTA Dental Showcase exhibition, we offered dentists the opportunity for a 10-point practice healthcheck, and we are pleased to say this received a healthy response. While our views of individual responses must remain confidential, the overall impressions are worth bringing to the notice of the wider dental population. Scientific? No. Statistically valid? Perhaps. Biased? Maybe.

But anyway, here goes...

- Principals were asked to indicate their satisfaction on a six-point scale (plus 'don't know') with seven elements of their practice, and were also asked how often they reviewed their production (output/fees), financial status and strategy.
- Associates were asked six questions about the practice they worked in (five of which were the same as the principals) and four questions about how often they reviewed their output and financial status, their contract with the principal and their future plans.
- The maximum 'score' for each questionnaire was 70, ranging from 'don't know' scoring one to 'delighted' scoring seven.
- Principals' ratings ranged from the low-30s to the mid-60s and, in general, they rated their practices 14% more highly than did associates.

Principals were most satisfied with their staff turnover, almost half being 'delighted'. They were least satisfied with teamwork and the fees they generate/overall profits. While patient satisfaction achieved a similar low score, it was primarily due to principals not knowing how satisfied their patients were. In addition, low scores were achieved for the frequency with which principals reviewed their practice financials and strategy.

Let's look at these five low-scoring elements and establish some recommended actions:

Teamwork

Never easy, even in the best run organisations. Successful teamwork depends on clear and consistent leadership – and getting each member of staff to buy-in to the leader's vision of the practice and the key goals for the next 12-36 months. It means clearly defined roles for each team member, so they understand how they personally contribute to the achievement of those goals, and regular and clear communications among all staff. There needs to be clear monitoring and management of the key performance indicators so everyone knows how well they are doing (as individuals and as a team) and a consistently and regularly applied

personal development plan for each staff member.

Fees generated/overall profitability

In our experience, practices are dissatisfied with their output or fees generated because they are either failing to achieve UDA targets or not generating the private fees they expected. In both cases, when combined with only an annual view of their financial status, lack of planning and absence of monitoring on a regular basis are the root causes of the problem. We are firm believers that a practice must have an annual budget, which is then put on a calendar monthly and monitored and reported on soon after the end of each month. If output, whether UDAs or fees, are monitored on a weekly basis, changes can be made if necessary during a month, so that shortfalls can potentially be addressed – whether it be recall follow-up, improved reminder processes, short-term special offers, better staff cover. Better management of income must of course be accompanied by excellent cost control of the major expenditure items.

Patient satisfaction

It was noteworthy, and very disappointing given the number of column inches on this topic in

Dentistry, that at least 15% of respondents did not run patient surveys and therefore did not know what patients thought of their practice – the fact that patients continue to visit is not a sign of satisfaction, it's just inertia! Be brave. Establish a regular survey process – for new patients, for existing patients and repeat every six months. More importantly, do something with the results – talk about it in staff meetings, agree actions, follow-up and repeat.

Practice reviews

As mentioned, practices should be reviewing their output on a weekly basis and overall financials every month. They should be compared to the annual budget and the appropriate actions agreed and implemented as a team. This is a team game, so the team must be involved in the process. We know this is a touchy subject for many principals, but

the principal's profits depend on the whole team delivering and if they do not know how they are performing, how can they respond to 'we're not making enough money' exhortations?

Practice strategy

Most principals do not have a strategy for their practice, so all of the above suggestions are almost immaterial. I don't turn up at an airport and expect to get to my holiday destination without knowing where it is, what plane I have to catch, at what time etc, so how can I run a practice without knowing what type of practice I want, serving what type of patients with what type of treatments and so on? And once I've got a strategy, I need to check it's still robust for turbulent times.

If you would like to take the pulse of your practice, you can complete the questionnaire online at www.thedentistrybusiness.com.



Sim Goldblum is a partner in The Dentistry Business and has a wealth of experience in business planning, marketing and finance. The Dentistry Business offers one-day and modular courses and one-to-one practice consultation, to help with all aspects of NHS and private practice management. For more information on The Dentistry Business, ring 0161 928 5995 or visit www.thedentistrybusiness.com.

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