

Using a System to Build a Sustainable Business

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Introduction

The job of a CEO is to maximize profit for the company's shareholders. To achieve that objective, CEOs must build a sustainable business that has the ability to:

- Seize opportunities in the marketplace
- Grow and maintain the number of customers
- Withstand competitive pressures
- Weather a challenging economy

DBSC Data Center defines a sustainable dental practice as an ongoing enterprise that has excellent prospects for continuing to perform profitably in the long term. At first glance, it would seem that most dental practices would fall into this category. Yet, in recent years, a majority of dental practices saw decreases in production, doctor income and profitability. While very few of them were forced into bankruptcy, dentists across the country had to cut staff hours, reduce employee benefits and even lay off team members. The sluggish economy has shattered the illusion that dentistry is recession proof.

Even so, many practices have managed to keep growing. They were able to sustain themselves, as good businesses do, during difficult times for one reason and one reason only—they had outstanding management systems in place. Carefully designed, up-to-date, step-by-step systems are what keep businesses going through good times and bad. In a booming economy, businesses

with poor systems can still be successful. But in a tight economy, only those with excellent systems will grow and prosper.



Building a Sustainable Practice Requires Systems

To be sustainable, practices must have step-by-step systems in place. A practice that depends solely on the knowledge and commitment of the doctor and staff is not sustainable. However, if excellent systems have been implemented, the doctor and team can simply follow the systems as they go through the day. There will be exceptions, of course... situations that the systems don't address. But with proper planning, these will be minimal. Overall, the systems-driven office operates smoothly, efficiently and sustainably.

The right systems allow the practice to significantly improve performance by hitting performance targets such as:

1. Practice production growth of at least 15%
2. Practice profit increase of at least 18%
3. 98% of all patients scheduled at all times
4. Less than 1% no-shows and last-minute cancellations
5. Case acceptance of 90% on all cases

Training—the Key to Making Systems Work

Many doctors ask me how to get their staff to use the systems correctly. As a CEO, the dentist must focus on helping team members understand the systems, training them thoroughly and working with them to follow the systems for the highest level of efficiency, productivity and enjoyment. I have never seen a team that was unwilling to follow systems... but I have seen teams that did not want to change from their old systems. Keep in mind that most employees in any business will cling to the status quo. They're comfortable with the current way of doing things, and any type of change represents a threat. It's up to the leader to help the staff understand why the changes are beneficial. Rather than *ordering* people to do things, it's far better to *motivate* them.

Dentists have a mindset that the current team will actually be there forever and don't make provisions for some level of regular staff turnover over the years. Once the proper step-by-step systems have been put in place, the practice should document all the steps involved in operating them. This will serve as the foundation for a sustainable, scripts-based training program. This kind of program typically cuts the time and cost of training in half. Not only that, when a new employee joins the staff, or existing team members need to be cross-trained, the practice can

bring them up to speed quickly and cost efficiently, thanks to this systems-documentation-scripting approach to training.

Most often, when dental team members fail to meet practice owners' expectations, it's due to a lack of proper training. This is why every dollar spent on training typically yields three dollars in new revenue.



Final Thoughts

When excellent step-by-step systems have been implemented and documented, it's as if they are running the office rather than the dentist. This frees up the doctor to spend more time on direct patient care, which increases production—not to mention enabling the doctor to spend more time doing what he or she truly enjoys.

Sustainability means creating a practice that is built for long-term growth and success—not just getting through the day. Without systems, practices will never be able to reach their full potential. Systems provide the foundation that can sustain practices now and well into the future.