

IMPLANT PRACTICE SUCCESS REPORT

from Thommen Medical and Levin Group



Welcome to Issue #20 of ***The Implant Practice Success Report***, a monthly newsletter on implant practice success. Levin Group and Thommen Medical are very pleased to provide business education to you and your team. Each month, ***The Implant Practice Success Report*** will feature leading edge education for managing, marketing, and maintaining a robust and successful implant practice.

In this issue we focus on items to consider when selling your practice, and a way to score your leadership abilities.

Are You Ready to Sell Your Practice?

By Roger P. Levin, DDS

Every year, Levin Group has several surgical practice leaders that contact us because they want to sell their practice in a few years and build higher value for the sale. This is an excellent idea and one that we are delighted to help with, but there is a better way.

The better way is to spend your career always acting as if you might be selling your practice in the next three years. We understand that you may have no intention of selling your practice and we aren't encouraging you to move in that direction; however, the purpose of the exercise is to continually be evaluating your practice to ensure it's always at the highest level of value. This will help you to be ready to sell when the time comes.

If you were told that you had to sell your practice in three years, what would you do today? Here is a quick checklist to get started:

- 1. Upgrade your systems.** The absolute starting point is to replace your management systems with new systems. Scheduling, the new patient phone call, the new patient consult, customer service, financial management, financial options, overhead, inventory, and technology are all systems that need to be updated and upgraded on a regular basis. When they operate at the highest level, the practice also performs at the highest level and has the highest value. We know that almost any surgical practice can grow by 18% per year for the next three years. You have that potential; you just might not realize it.
- 2. Develop a strong referral marketing program.** Implement a strong referral marketing program with a minimum of 15 strategies that all function together and are focused on your referring doctors. Be sure that at least five of the strategies are implant related. Many general dentists are placing implants, but at very low quantities for the most part. They refer the other cases to surgical practices, and you want them to choose you. There are also many general dentists that aren't placing implants at all and want to collaborate with a surgeon who will support them, provide guidance and education, and develop a strong relationship. This is where sophisticated and systemized referral marketing comes in. Referral marketing is a science and should be approached that way.

- 3. Upgrade the skill set of the team.** In addition to training the team in new management systems, each team member should be reviewed to accept more delegation and perform at a higher level. The higher the skill set of the team, the better performance of the practice and the higher the practice value.

- 4. Increase practice production every year.** We have seen hundreds of practice valuations over the years and practices that show steady growth have higher values. Even one year of decline can significantly downgrade the overall value of a practice. The top goal of every surgical practice should be to increase practice production every year. When you study and analyze production, you'll learn more about the practice's strengths, weaknesses, opportunities, and threats than by using any other single metric.

The exercise of hypothetically preparing to sell your practice in three years and determining where you will start is a powerful one. Select a key area of where you want to begin such as management systems or referral marketing and get started today. If you were really going to sell in three years, you would probably have several moving parts and pieces in the exercise of increasing your practice value. You can implement new management systems while you improve customer service and referral marketing. You can increase practice production while you are training your team and building a powerful team environment. You can do more than one thing at a time if you know what to do and are consistent in making progress.

Ultimately, progress is the key factor in building practice value continually over your career. The only question is how much and how fast.

ROGER P. LEVIN, DDS

Roger P. Levin, DDS is the CEO and Founder of Levin Group, a leading practice management consulting firm that has worked with over 30,000 practices to increase production. A recognized expert on dental practice management and marketing, he has written 67 books and over 4,000 articles and regularly presents seminars in the U.S. and around the world.

How Do You Score as a Leader?

By Roger P. Levin, DDS

Let's start with a list of 10 key leadership items.

1. **Providing leadership in minutes since you don't have hours.**
2. **Clear communication as perceived by other people.**
3. **A positive attitude that you spread to the entire team and patients.**
4. **Being consistent.**
5. **Radical transparency and sharing information with the team.**
6. **Resilience in the face of anything.**
7. **Compassion and caring for the team, the patients, and community.**
8. **Living and being the example every day.**
9. **Never complaining.**
10. **Explaining what is expected in terms of results.**

Now go back and score yourself 0 to 10 on each of the above leadership characteristics. They are self-explanatory so this will not be an article about what each of those means. This is an article on where you are and what you need to do to improve.

If you did not score exactly as high as you wanted to in the above 10 leadership characteristics, you might be wondering where you begin to improve. We typically recommend starting with one thing. If you try to improve all 10 leadership areas, as some highly motivated people are prone to do, you may or may not make progress since your focus is diluted. However, if you select the lowest score of the 10 characteristics and work on that one until you improve, you'll start to make steady progress. Then you go to the leadership characteristic where you scored second lowest, third lowest and so on. This is the best way to attack becoming a better leader.

Is it worth it? Here are our findings at Levin Group.

1. Teams that rate their doctors higher in leadership have higher longevity. We know that team longevity is a key factor in practice growth and maintaining success. The loss of one team member can often cost a practice anywhere between \$50,000 to \$100,000 in lost production. In the

case of one practice, the front desk person left, and the new front desk person quickly alienated several referring doctors' front desk staff. Referrals dropped by over 20% in three-months. The new front desk team member in the surgical practice was replaced, but damage control had to be done.

2. Better leaders have smoother running practices which is something everyone wants. Regardless of how resilient a surgeon may be, the team is not as resilient in most cases. This is because the surgeon has a personal stake in the long-term success of the practice. A smooth-running practice typically is an example of a practice with excellent, documented operational systems that are updated or replaced on a cyclical basis. The team easily masters the new updates, and the practice continues to run smoothly.
3. Everyone is happier. We met a surgeon who said that he wanted everyone happy so that he could be happy. It was a beautifully simple philosophy. If the practice did well, and the team was happy, he could be happy. That was something he wanted as part of his career. Do you deserve to be happy? That's not actually the right question. Should you create a happy environment so that the doctors and team all drive high levels of career satisfaction? That is the question, and the answer is yes.

Once a year pull out this list of leadership characteristics. Score yourself again. Your goal is to have a slightly higher score every year depending on how much improvement is necessary. It is impossible to score high on all 10 of these leadership characteristics and not have an excellent, enjoyable, highly productive, growing and happy practice.

To contact Dr. Levin or to join the 40,000 dental professionals who receive his Practice Production Tip of the Day,

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