



Implant Game Changers

A Whitepaper Series By Roger P. Levin, DDS

Implant Game Changers is a monthly whitepaper on an important implant practice management topic. It provides you with a quick and easy way to understand a specific business challenge and how to translate the solution into higher production and profit, greater efficiency, more implant patients, lower stress and greater personal satisfaction.

How Does Leadership Increase Practice Production

How does leadership increase practice production?

After 38 years of studying practice management and observing the impact of different approaches to leadership and different levels of practice production, I want to bring these two concepts together that many practice owners do not correlate as directly having a major impact on practice performance. We would all agree that good leadership and good production are good things to have. We would also agree that leadership does have some influence on team performance and therefore influences production. But how closely can we correlate these to management concepts to get the best results for a practice?

Understanding production

Production is, without question, the single most important factor in practice financial success. In every business there is one metric or statistic that reveals more about that business than any other single factor. In dentistry that metric or statistic is production. If production is at the right level for a practice and growing annually, then all the other financial metrics or statistics will also reflect a successful practice. The one exception, which with good management should not be an exception, is overhead. A practice can spend such significant sums annually that even with high production, profit ends up being low. Therefore, practices need to pay attention to statistics about national overhead averages and compare. In most cases, if production is at the right level, you'll find that collections, profit, income, and overhead also fall into line.

Practices should focus on strategies to increase production. This is how businesses can continue to move forward as inflation increases or insurance reimbursements decrease. Simply put, practice production keeps the practice healthy. At Levin Group we have

identified hundreds of ways to increase practice production, and we estimate that 40 of these strategies will account for most of the production increase. As you can see, the 80:20 principle is in full force with practice production. In other words, the minority of strategies will achieve most of the results of increasing practice production.

The main point of understanding production is that it is the single key factor in keeping practices healthy, vibrant, and growing. Can production be better achieved with excellent leadership?

Understanding leadership

Leadership has been made into an extremely complex academic topic. There are lengthy textbooks written on the subject that, while interesting, are becoming impractical regarding what steps a surgeon should take. There are also other shorter books and articles that have excellent information, but often don't apply to surgeons. This is because almost all books and articles written on leadership assume that the leader has time to be a leader. Managers have time to mentor, coach, and meet with employees. CEOs have time to have long operational, planning or strategy meetings with other executives. Surgeons have minutes.

I have previously written about the concept of "leading in minutes" because that is typically all the time that surgeons have. We certainly support the importance of the 10-minute morning meeting each day and the monthly business review meeting. Very few practices have meeting time beyond this level, and we do not necessarily recommend it. Too much meeting time detracts from production time and therefore affects that critical process explained above. Instead, surgeons must learn to lead in minutes and sometimes even less.

So, given a surgeon's lack of time, is leadership a viable management factor in dental practice success? Not only is it viable, but it is also essential. The challenge is that those complex textbooks with charts, graphs and long list of leadership attributes have created a level of complexity that makes it difficult for any leader to move forward. The truth is that leadership must be easy and simplified or it will not work.

Surgeons, who have minutes to be leaders, require a very simple method to drive leadership through the practice. After years of observing practices, we routinely find the surgeons who have worked on their leadership skills often have teams characterized by higher longevity and satisfaction, higher practice productivity and an enjoyable, fun daily environment. Isn't this something we would all like to have while increasing production on an annual basis?

Leadership and production

Our experience is that leadership does increase practice production. Although it is not a 100% guarantee, we have observed this repeatedly, especially when the practice leader adopts a simplified approach. Consider the following three key points that will help any surgeon to improve leadership and practice production.

1. Be the example. If you want to be an excellent leader, then the goal is for the team to have characteristics and behaviors that fit the leader's view of good leadership. The easiest, fastest, and best way to do that is to identify between four and six key characteristics that the leader would like to see demonstrated consistently by the team. These four to six characteristics can include concepts such as integrity, positive attitude, teamwork, work ethic, punctuality, caring, compassion, and consistency. These are not values as much as they are behaviors that once identified are the behaviors that are most desirable for the team according to that leader.

The next step is for the leader to begin to live these characteristics daily without exception. One suggestion would be for the practice leader to take on one

characteristic per week for the next four to six weeks. At first it will take a conscious effort, but as soon as the team begins to see these behaviors in the leader, they will gradually begin to demonstrate them on their own, thus improving practice performance.

2. Focus on making other people successful. One of the things for a leader to consider is how to make the team members, both individually and collectively, more successful. A surgeon that we know who went through this process explained that after he had implemented updated step-by-step systems into his practice, trained the team, and demonstrated his commitment to following the systems, the team became consistent in carrying out the systems and production increased. He was surprised that after he implemented new systems and demonstrated his commitment to consistently following them, the team transformed almost instantly. However, it's not magic or some mystical process. All he did was make it possible for team members to be more successful in their jobs by having better systems and information to achieve the desired results.

3. Stop managing and start measuring. Leaders are results oriented. If you want to know if you have achieved the desired result, there must be a way to measure it. Measuring production, the most important metric or statistic in the practice, is the place to begin. Each practice and leader should identify no more than ten key performance indicators or KPIs that the practice will review daily, weekly, monthly, or annually where appropriate. For example, a practice can determine whether it has achieved the daily production target at the end of each day (or the next morning.) Either way, this gives the practice excellent information about production performance or any other daily statistics. Some statistics are followed daily, and others are weekly, monthly, or annual measurements. This allows the team to understand their own performance, make corrections in how they operate, and move forward. Remember, leadership is not just about the leader, but about making other people successful, which also encourages them to think independently in the best interest of the practice.

Summary

In a surgical practice, leadership must be simple. Surgeons, and many office managers, only have minutes each day to be leaders. The concepts explained above will help to revolutionize the leadership method in any practice, which will directly correlate to increasing practice production. Once these three concepts are mastered, other

opportunities arise. The starting point is simply to be the best example of how you would like the team to behave in the practice and understand that your role as the leader is to make other people successful. Then use measurements to determine performance and results, which will allow for making future improvements, implementing course corrections, and helping team members—in minutes!

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.

To contact Dr. Levin or to join the 40,000 dental professionals who receive his *Practice Production Tip of the Day*, visit www.levingroup.com or email rlevin@levingroup.com.