



Failure Factors... continued from page 1

for many dentists. Lack of verbal skills creates failure in two ways - either being too technical and overwhelming patients, or remaining silent about needed treatment and sharing only what you think the patient will accept. The good news is there is a way to appropriately convey your message without blowing patients out of the water. Learning the skills to appropriately communicate with patients has a beneficial impact on team communications.

The third fear seems unlikely on the surface: fear of success? Never! Before you make that declaration, consider that the ADA estimates that 95% of dentists cannot retire with financial security at age 65. Many practitioners have limiting beliefs and mixed messages regarding profitability. One way of combatting this is to take a close look at your cost of doing business - include all start-up costs of time, education, equipment, and then treat these costs as investments. By our calculations, most practitioners have a minimum of \$ 1,000,000 invested in their education and business - when they start their career! Give it twenty years, and a few advanced continuums and this figure grows substantially. By setting a minimum goal of achieving a 15% return on your investment. Many dentists would see that as a business leader, they have a responsibility to pay themselves just as they'd pay an associate dentist and create an additional profit based on the investment they've made. Otherwise, why would you become an owner? Why not work for someone else who is willing to create abundance and guarantee your income?

What you can do: Work with your coach, accountant, financial planners to determine your break-even point. At PDA we call this your PIP (profitability incentive point). This includes the collections needed to pay all practice overhead, the dentist as if she/he were an associate in the practice, as well as owner's ROI at a minimum of 10% collections, and adopting a reserve fund for future upgrades. This is very different than traditional "BAM" formulas that estimates overhead based on a formula of staff salaries times a variable (4.5 - 5). That outdated formula often-times does not consider the full overhead of the practice.

FATIGUE:

Fatigue presents itself in two ways: emotional and physical. Often-times, the emotional fatigue creates the physical discomfort and is closely related to the internal fears being carried by the dentist. As my partner, Dr. Bruce Baird, often says, "As dentists we tend to burn out every seven years, and want to open a Quizno's or Jiffy Lube - anything seems easier than dentistry!" Truth is, even though the economy has taken a tumble since 2009, for dentistry, most areas of the country have fared well. Many PDA members actually report increases in productivity. How can this be true?

The key is to focus on your energy and how your time is scheduled. Out-of-control scheduling creates a roller-coaster effect of high and low productivity. Haven't you noticed that some of the

most exhausting days are also some of the least productive? During the previous seven years, we've noticed an inverse relationship between productivity and fatigue - the more you produce, the more energy you have! That is a bold statement, yet we see it time and time again.

Dentists producing \$450 per hour report much higher stress than dentists producing \$750 per hour. The reason is that in order to increase productivity, the entire team has to begin thinking in a different way. Systems are enhanced to create smoother workflow, and you begin scheduling for productivity, not time. Once you understand the concept of scheduling for productivity, you'll find that you have more time than you ever did using the traditional "x" and "/" system of filling the book.

The flipside of the fatigue coin is that once you begin producing at \$1,000 or more, you may need additional down time to refresh your senses. Productivity gives you freedom; the freedom to earn more, save more, and have more time with family. The choices are up to you. We typically see productive dentists reducing their work week or taking more frequent vacations.

What you can do: Unlike previous "shrink to greatness" theories that circulated in dentistry or the knee jerk reaction of hiring an associate when you feel tired or busy, Productive Dentist Academy takes a systematic approach to increasing productivity, stabilizing the practice, and re-assessing before making recommendations for reductions in time, or adding providers.

It is possible to produce \$1.8 million per year (personal production not including hygiene). This can be done over the course of 4 days per week or in as little as 2 days per week with proper systems in place. The first step is to get clear on what you want to achieve, and more importantly, why! Work backwards to identify your current areas of fear, frustration and fatigue. Now you have the ability to ask better questions, identify continuing education programs and access resources that can help you get past your failure factors.

Vicki McManus is one of the nations' leading dental business coaches. For a free copy of Productive Dentist Academy's: "Three Ways to Kill a Recession," visit www.productivedentist.com.

About PDA: The Productive Dentist Academy is helping dentists across the country boost their production and dramatically reshape their bottom line. Now, in just months, you can raise your production by a minimum of \$300/hour and learn how to keep your production healthy for life. PDA provides bona fide, "in-the-trenches" solutions that will lead to a surge in your production regardless of where you practice. For more information, call 800.857.6077 or visit www.productivedentist.com.

A MARKETING OPPORTUNITY by Dr. Craig Callen²

About 7 or 8 years ago a large, well known chain dental group came to our small city. They aggressively marketed dentures and dentistry. While their fees were not a whole lot different than ours, when you added up all the nickel and dime things they did to the patient, the quality of their treatment suffered. The place was a revolving door of young, inexperienced dentist associates. I spent a fair amount of time trying to correct their problems to help patients. Unfortunately, they also did what I thought to be some underhanded, if not illegal, manipulating of the patients' finances and insurance.

Unlike a lot of you out there, I have learned to enjoy providing higher quality dentures to our patients. With our systems and materials we are able to consistently provide a nice denture at a slightly higher than average fee with not a whole lot of doctor time. So, when this chain came in offering low cost dentures and free exams, they definitely cut into my business. While I was able to remake a lot of their mistakes, more often than not, the patient was broke when they came to me. I decided to fight back and started offering free exams and X-rays for denture patients, or at times, free esthetic denture consultations.

Just last week this chain folded with no advance notice to their employees or patients. Thousands of patients in our area were left without a dentist. Many were in the middle of treatment and others paid for treatment that will never be completed by this chain. A good portion of the patients are covered by lower-end insurance plans and will probably

end up in another chain (a second one opened in town a few years ago) many were just uneducated as to what is and is not quality dental care. I decided to market to the cream of the crop of patients abandoned by this chain. Within three days of the company closing the office, we had an ad running in the local newspaper. We make it clear to patients that we have no association with the chain office and emphasize our experience and stability. Some of these patients will present a challenge because of a lower trust of dentists. It should prove to be a rewarding experience helping many of them through what for them is a major hassle.

I have other marketing ideas to come with regards to this situation. I will let you in on them as they become available. If you have one of these chain offices in your area, don't hesitate to market directly to these disenfranchised patients.

Dr. Callen can be reached at craigcallends@gmail.com.



FREE FINANCIAL MANAGEMENT WEBSITE

By Dr. Craig Callen³

Recently, I had some time to catch up on my reading. One of my favorite newsletters, *The McGill Advisor*, had an article on a free website to organize your finances, www.mint.com. When you register and enter your information this site will track all of your financial data, including checking and savings accounts, credit cards, investment accounts and loans. You simply download the information and passwords on the various accounts and with one password you will be able to access everything in one place. It will also collate all of the information to give you an instant picture of where you are spending your money. Now instead of logging onto multiple sites to check balances you just go to one place for everything. As I have a couple of business ventures other than the practice and multiple accounts, this has greatly simplified my life.

Not long ago in my haste, I double entered a rather large deposit into the practice account. I went along like a happy fool paying my bills until the overdraft notices starting piling up, eating up all of my overdraft protection. By the time the bank notified me, there were hundreds of dollars of charges before I could transfer money from another account. Now with mint.com I would have known before the charges started piling up that there was a problem with the account.

Because it is a free site, you can expect some financial related marketing to be sent your way, but it is a small price to pay for such a great service. Log onto www.mint.com today and get a better handle on your finances.

Dr. Callen can be reached at craigcallends@gmail.com.

MEET TERESA & RACHEL!

We are excited to welcome two new employees to our staff at CROMFS. Teresa works as a Surgical Assistant alongside Dr. Hart and Rachel helps out at the front desk as the Insurance Coordinator. Danielle, whom is also up front, has assumed the Patient Coordinator position.



Teresa and her family recently relocated to the Castle Rock area from Oregon, where she worked in the field of Oral Surgery for many years. She graduated as valedictorian from the Utah Academy where she studied assisting in both general dentistry and oral surgery. Teresa was an active volunteer for Northwest Medical Teams, donating her time and efforts to help provide dental care and services to those in need. Teresa and her husband John have been married for 18 years and have a 13 year old daughter. She enjoys traveling, outdoor activities and spending time with her family.



As the newest addition to our team, Rachel was born in Glendale, AZ, and moved to Loveland, Colorado, when she was six years old. For the last five years, she has been working in the medical field and enjoys the interaction with patients and learning her role as Insurance Coordinator. Rachel has an interest for anything vintage, especially old muscle cars which began when she owned a 1970 Mustang as her first car. In her spare time, she enjoys being with her son Tyler, going for walks, swimming, cooking and camping in the beautiful Colorado mountains.

CLASS IS NOW IN SESSION!

With the end of August having passed, summer is coming to a close which means school is gearing up! Dr. Hart makes it a priority to be involved in the community and to sponsor nearby high schools and their programs. Look for our ads and banners at upcoming athletic events!



Failure Factors

by Vicki McManus!

As achievers, we tend to focus on success; reading articles like "5 Steps to Total Freedom." There are times when the best way to achieve success though, is to pause and

discover what is holding us back! Katherine Kolbe, in her book "Instinctual Leadership," writes about three failure factors: frustration, fatigue and fear. How do these manifest themselves in dentistry?

FRUSTRATION:

Each year, Productive Dentist Academy surveys its members to discover their current stressors. Over time we've discovered that dentists are frustrated on many levels:

- With equipment purchases promising to be the silver bullet to their success, only to sit idle in a corner.
- Staff who interview well, and seem to fall short of expectations 90 days later.
- Working harder than ever for less money.
- Having to "market" to gain patients – and getting mixed messages about what marketing works.
- Patients not accepting treatment; elective cosmetic procedures decreasing 30% in the past 3 years; patient financing tightening.
- Restrictions on delegation based on state legislation.
- The speed of changing technology.
- Inability to balance personal and professional lives.

- Lack of business preparation, and ability to understand benchmarks of success.

Sound familiar? Regardless of the economic mood of the country, these frustrations exist in our industry and hold you back from being more productive. We've found that stress is the #1 killer of productivity; anything that stresses you, the patient, or your team, automatically draws focus from your day.

What you can do: Start thinking of these frustrations as "training opportunities." Once you've identified the source of the concern, you can take action to minimize the impact on your practice. There's a reason the schedule isn't filled, the equipment is sitting in the corner, and cash-flow is faltering. Sometimes a simple conversation with your team can get you back on track - other times it is helpful to have an outsider take a look and help place priority on changes.

FEAR:

Fear manifests itself in many forms. Primary fears that we've identified at Productive Dentist Academy are: financial fear, confrontational fear and fear of success. We've polled more than 500 dentists during live seminar events, to discover that only 30% of attendees create an annual budget! Of those that create a budget, only 1/3 of them reconcile with actual spending on a monthly basis. Depending on your accountant to reconcile the books and give you a report (often 2-3 months later) is like driving a car using the rear-view mirror. The uncertainty of cash-flow creates massive stress and poor decision making.

The second most predominant fear is the fear of confrontation. This prevents dentists from being honest with their patients, their team and (believe it or not) themselves! Diagnosing, treatment planning and conveying comprehensive care to patients is scary

Failure Factors.....	(1, 2)
A Marketing Opportunity	(3)
Free Financial Management Website.....	(3)
Meet Teresa & Rachel	(4)

Continued on page 2