

An Overview of Viable & Enjoyable Long-Term, Sustainable Dental Practice Managerial Systems:

7-31-23 v.5 jc

As we look at the concept of optimally efficient management...as it applies to the management of a great dental office...or group of outstanding dental offices...we must apply the lessons learned in the world's largest businesses, academic organizations, military & governmental entities over many decades...for managerial precedence...& sound guidance.

Below is an outline of many of the vital managerial systems, approaches & protocol that will allow you to leave your office & enjoy traveling or relaxing with your family or friends...while predictably generating more personal income.

As your practice is managed properly, you will NEVER consider selling your practice.

But like everything...if you are not pushing ahead...you will soon be falling behind.

No matter how great your systems are...toward the end of attaining your goals, all dental practice systems will need to be monitored, fine-tuned, perfected & improved into the future.

As these systems are replicable & permanent...but always monitored & upgraded in unison...perhaps as often as hourly...they can be applied to one office...or many offices or chairs as you (more enjoyably) add.

They all MUST have the optimal same backbone.

Properly applied...particularly with optimal incentive & compensation systems...you will no longer need to MICROMANAGE & look over doctors, hygienists, staff or manager's shoulders quite as much.

They will ALL become far more self-motivated.

The minute you leave or look in another direction...they will no longer immediately go back to working against you, cutting corners...& taking "the easy way."

Ultimately, you...as a practice owner...will STILL need to be the manager (this will never go away)...but not a manager of people...as much as you are the manager of divisional managers...& an overseeing manager who will monitor systems!

Sadly, we must assume that if unmotivated by ethics or money...& not monitored...& not appropriately guided...most dental office staff (including associate doctors & hygienists) will...sooner or later (usually sooner)...take “the easy way” ...to the detriment of the practice...& their patients.

Sometimes...they may not even realize they are slouching!

So on one hand, we must incentivize (\$) to ensure growth...however, on the other hand, we must work to nourish, elevate & cultivate whatever *shred* of ethics that the employee, manager, hygienist or doctor has buried DEEP in the depths of their consciousness.

It's money...& it's culture...all combined.

So in effect, dental staff management is all part of a larger “Push-Pull” “Carrot & Stick” integrated marketing & managerial effort.

We need to market to the staff in order to ensure they understand their big picture role in the world, the public's health & welfare...& in the practice...& compel them to do “the right thing.”

Another integrated marketing component of this process is related to the fact that the configuration of the business...or practice...must be OPTIMAL BEFORE we can invite patients in or back...& it can be optimally marketed to potential new &/or existing patients.

Thought to be separate in the past, the two spheres (marketing & management) in fact are now understood to go hand in hand...& are inextricably bound!

The monetary incentives “pull” the staff (including managers, doctors & hygienists) in the proper direction (the more on point & surgically precise, the better)...while the managers push them along by regularly monitoring their behavior (so you don't have to)...while reminding the staff of their sense of team unity, purpose, social value, higher goals, ethical mission...& so forth.

While it at times can be VERY upsetting...staff will almost always follow the money.

This is usually to a point where it **thoroughly disgusts** managers who oversee their subordinate staff's ABRUPT change in behavior IMMEDIATELY in the direction of THE MONEY as a new incentive is unveiled.

I have a pretty decent graduate level marketing & advertising education.

And I now have 43 years of experience being the owner & CEO of our dental-only (vertical) integrated marketing & advertising firm...chrisad.

HOWEVER, like YOU...I have VERY little FORMAL managerial education.

I knew that if I didn't figure out how to manage & delegate...my success level as a business owner would be VERY limited. AND I'd be stuck at my desk. (I'd die!)

I always envied dental practice owners because they could hire legally qualified & licensed employees like DDS, hygienists & assistants. How simple...I thought!

YIKES! I would need to train mine from scratch!

Even individuals from my graduate marketing school...or the advertising industry...would not even begin to understand chrisad's vertical, one-industry approach...or our industry!!!

It takes decades!

Plus, an MBA degree merely teaches a VERY broad & general outline of what happened in PAST businesses & why...but is substantially disconnected from the world of dentistry!

So at first, I thought delegation was impossible. How could I replicate myself?

In search of solutions, I have read perhaps a hundred books on the subject of business management over the past four-&a-half decades. (I suggest that you do the same.)

I regularly visit my graduate university for various updates in my field...& sometimes even management.

Many of my friends have large companies around the world. We regularly meet & compare managerial notes. It's a great deal of fun. I have learned a great deal through this.

Not to brag, but my company...that I founded in 1980...each quarter has enjoyed greater sales than the same quarter...a year earlier...except during the COVID period.

One quarter...in late 1980s...was an exception. I was distracted by building a house...which I mostly performed by hand. (like an idiot!)

During ALL other quarters, we GREW ...while I am mostly away from the office. Commonly, I'm not even in North America!

This commonly occurs without any contact with my office...for up to a month.

And we experience even greater growth during recessions!

Learning From Other Industries' Systems:

In addition to the above, I have closely monitored the managerial behavior of one specific industry...aviation/**aeronautics**...over many decades.

I have dissected...reverse engineered...& emulated that industry.

As much as possible, I have applied proven aeronautic industry managerial principles to my business...& suggested similar systems to our valued clients.

So why did I choose to emulate the aircraft business?

Because aeronautics is a “**zero error**” business.

If those guys make a mistake once...& someone is injured or dies...& they allow the same mistake to happen again...**MORE** people will **DIE**!

So their systems are scientifically exacting, redundant...& **airtight**.

Best in the world...behind the military.

They can never let the same mistake happen again.

Neither can you.

And neither can I!

That's why at the moment I wrote this, there were around 22,000 airplanes are in the air worldwide...& around 6,000 flying over the U.S. alone!

There are essentially **NEVER** any mishaps or crashes.

Redundancy. Systems. Checks & balances. Protocol. Transparency.

This requires a willingness to not point fingers but to accept & understand mistakes...& never let errors or omissions EVER happen again.

One VITALLY EFFECTIVE approach that most (if not all) larger businesses use...& all military & aeronautic entities implement...is the **always-upgradable “manual insert” system**: All rules & instructions regarding ALL aspects of the operations of a company...or division of a company...are printed in a book...& are updated as required.

If there is a better way...we gotta implement it TODAY!

A formal framework, rules & boundaries must be also established...like a constitution...or perhaps more appropriately...like fences at a children’s playground.

These rules, instructions & protocol are the backbone of any business.

Understanding the Infinitely Replicable & Fluidly Permanent “Manual” Protocol System:

ANY “PLAYGROUND” MUST HAVE ITS FORMAL RULES & BOUNDARIES!!!

And **consequences**.

Every social or business entity must have a “constitution” or “backbone” of rules.

Business manuals are **excruciatingly** precise. Every detail & related step is UNAMBIGUOUSLY spelled out.

These manuals entail the RULES OF THE COMPANY.

If an employee does not adhere to The Rules, it is by definition insubordination”...& thus is cause for immediate dismissal.

However, if they follow the RULES...they know that will be richly rewarded.

The company will then grow more smoothly & enjoyably...even while you are away.

As part of this carrot & stick...push-pull management system...all employees are made VERY aware of this fact.

Your regular staff & managerial training sessions center on these manual sections.

These rules apply to all employees...in all of your shifts...across the board...regardless if you have one office or 50. It is like a cookie cutter. Or a rubber stamp. **Infinitely replicable**. Automatic.

And it goes on forever.

Not to be rude or simplistic...but you simply invoke the rules...& walk away.

When I was in the U.S. military (Six years in the California & Washington National Guard!!)...& additionally associated with various large corporations in the 1960s & 1970s...these manuals were published in three-ring binders.

As a better way is discovered or developed...the old sections of the manual binder are torn out & replaced with the new & improved inserts.

If there is a better way...we gotta implement it TODAY!

Unambiguous. Firm. Undeniable. Irrefutable.

Every week...or so...an update to “section 231-11” was superseded by a new & better insert (“231-11a”) that was to be inserted...& the old protocol was tossed out.

In an aeronautic context, the United States Federal Aviation Administration (FAA) & National Transportation Safety Board (NTSB) will IMMEDIATELY issue an Airworthiness Directive (AD) to all operators of 737s WORLDWIDE if a problem arises anywhere in the world with the airframe or any aspect of one of (for example) the 11,000 Boeing 737s in the air every day.

Sometimes they are urgent...& relate to negating a condition that had caused another 737 to experience difficulties...or even crash.

The AD is sent via multiple mediums simultaneously (never trust email alone!) & the operator of each & every 737 aircraft must confirm receipt...& later that the upgrade was made.

The AD will outline the nature of the problem...with extremely detailed & unambiguous specifics as to the remedy...& when it must occur.

Sometimes they are ordered to IMMEDIATELY ground ALL planes until the repair has been made.

This is why those planes do not crash.

The same mistake will NEVER happen again.

This vitally important AD is entered into the manual of each & every aircraft...& is maintained into perpetuity.

Think how this might apply to your practice...or group of practices?

Regardless of the context or industry...new employees are asked to read these manuals as part of their orientation...& are regularly tested on their content.

When staff appear weak in a given area...they are asked to re-read specific manual sections related to their shortcomings.

While FAR from perfect, I maintain five to six such manuals for the various divisions of my company.

Some of the inserts were originally written in 1981 (handwritten by me...& Xeroxed).

I still write every one.

Many of my departmental manuals are now 100+ pages long.

I added a dozen important NEW inserts updated already this year.

The beauty of this approach is that it is permanent.

You & I don't have to REPEAT ourselves to the point of a **headache**...or spend as much time teaching or explaining. And as I suggested, your competent manager...or subordinate...can refer back to it repeatedly for a brush up or training.

Sadly, we must assume that many of our **employees cannot read**...or are masking their reading difficulties.

Twenty-four percent of Americans did not graduate from high school...& guess where many of them are working today?

Accordingly...in the context of dental practice management...we must use a multitude of easy to understand media to communicate these vital manual-based rules.

OBVIOUSLY, these all can be digitized now. Microsoft Word...& so forth...seem to be stable platforms that will be viable into the future.

My company's manual inserts are now IMMEDIATELY faxed, emailed & U.S. mailed to every employee...sometimes on three continents. Receipt is verified. And they are...soon after receipt...told that they gotta read them that day & that they will soon be tested on the content by our HR department.

In addition to written manuals...as first suggested (as far as I know!) by Dr. Toussaint Crawford in Washington, D.C.,...these manuals can be videotaped...& even formatted as YouTube videos so they can be viewed ANYWHERE & at any time...on iPhones or other handheld devices.

So even if they can't read...they can watch.

And watch again.

When it comes to specific dental verbal skills & presentation approaches...such as restorative case presentation...a hidden camera can be placed in the operatory during case presentations (or front desk!), recording the securing of appointments, answering the phone, reactivating, making financial arrangements & so forth.

The best handful...of (for example) 300 videos...can be edited & memorialized for training...into perpetuity!

As a note, check with your local lawyers. You probably need to place a "patient release to be videotaped for training purposes only" in your health history form...or elsewhere.

(Chrisad also has available...on our website...a dozen excellent staff training videos for your immediate training purposes...into perpetuity.)

Whatever format, your manuals are all part of a PERMANENT system that allows you to leave your office & enjoy yourself with your friends &/or family...while making more money.

The more you permanently implement any such training...the stronger your "backbone" of rules is...the less you have to repeat it...& the more sane you remain...as you step away from the chair...when & if you want.

You Must Implement Hour-By-Hour Monitoring:

In the 1970s, & '80s...former U.S. Secretary of State Dr. Henry Kissinger repeatedly suggested that we "trust but verify."

By that, he meant that you can incentivize, focus & train properly...but you still gotta make sure all staff stay on track.

Verify, Verify, Verify!

If you cannot measure it...you cannot manage it!

Stats are at the heart of THE TRUTH...& all practice staff must be focused on the most meaningful of statistics.

On some days, I receive 25 pages of statistics (faxed & emailed to me...wherever I am) from various corners of my company. I want the divisional employees to watch these stats...so I don't have to. I rarely look at them.

Here's why:

In some nations & states, they have only ONE Highway Patrolman or Trooper on duty at the same time. (Really!)

So why don't all the people speed on the highways or drink & drive?

The jurisprudence & military doctrine of oppressive **deterrence** comes into play. If the one Trooper HAPPENS...by chance...to catch you speeding...in some Scandinavian nations, YOUR NICE NEW BMW is **immediately impounded...permanently.**

So one trooper is enough.

In Germany, in addition...they don't just fine you....they look at your income & fine you MUCH MORE...in proportion to your income. (OUCH!)

So you don't need a ton of police.

Bad behavior is DETERRED!

At Google...if they catch you surfing the web or on Facebook when you are supposed to be working, the ball game is over: YOU ARE IMMEDIATELY FIRED!

So, if you ask your employee to be responsible for keeping a stat in line... & ask them to additionally send it to you each week so that you can monitor it...you can check it every so often.

That's enough.

However, they DO NOT know that you are NOT checking it EVERY time they send it. You must make THEM responsible for maintaining that stat at an acceptable level.

If you find an area where they are slipping...you must attack it immediately...& make a big deal about it.

A weakness in one statistical area will often lead you to find a weakness in another area. You will become a detective...like a regular Sherlock Holmes!

For instance...when hygiene patients per hour drops...you will be compelled to ALSO look at your pre-appointment & "day before" call systems...as well as your Secret Shopper scores, hygienists compensation systems...& if your marketing is optimally configured...or reached the homes appropriately...& if your phone lines are working (too many are not!).

So a weakness in one area...will lead you to ask questions in another...& you will appear to your team to be on top of it!

Even though you may not look at every statistic...every day...staff doesn't know when you might be behind them on the highway...while you are traveling 200 kph!

Many of these stats are ABSOLUTELY NOT comfortable for most practices to focus on. They expose glaring weaknesses! For instance, our hygiene retention stats expose the fact that...when they come on as clients...virtually all new clients had been losing the equivalent of 100% or more of their recent past year's new patients!!!!

However, as your managers examine the following stats on an hourly basis...& maybe even you look at them as well...these managers & staff will improve...the practice will do better...& the public will similarly be better cared for.

2-3x Per Day Upgraded Practice Stats To Regularly Check:

New Patients Per Month Per Day & Month (Per Office...v. Same Time Prior Month)

Hygiene Pre-Appointments Per Day & Month (Per Office, SUPER IMPORTANT: Differentiate Prime v. Non-Prime Time)

Collectable Production Per Day & Month (Per Office, v. Same Time Prior Month)

Collection Per Day & Month (Per Office, v. Same Time Prior Month)

Patients Seen In Hygiene Per Day & Month (Per Office, Versus Same Time Prior Month & v. Hygiene Pts. & New Patients Seen Six Months Prior)

Production Prior Month...Per Chair

Production Prior Month Per Hygiene Check (Per Doctor)

Year-to-Date Production (Per Office)

Year-to-Date Collection (Per Office)

In my company, our vital stats are uniformly sent (via text message) 3-4x per day to all employees...wherever in the world they are.

In addition, we have 2x IN OFFICE, very conspicuously placed video monitors...at each end of our 12,000 square foot office building...that displays the exact same vital statistical chart...& are similarly updated 3-4x per day.

As these stats are divided by offices or divisions within your practice...all can compare the stats of various practice teams against one another...to identify & (hopefully) correct weak behavior.

Many of the above stats ALSO provide the basis for your EXCELLENT incentive systems.

As we have suggested many times over the years...when combined with all the training & managerial backbone components contained herein...**a great incentive system is the BEST managerial system.**

Can't push a rope uphill.

A good incentive system in effect pulls the staff the direction you want them to flow to...almost to the point of embarrassment. And they don't cost you a penny...until AFTER you have made 10X or so MORE MONEY.

We will discuss these systems in more detail below.

Finally, the topic of "The Truth."

Statistics are at the heart of The Truth.

Management must instill, elevate & cultivate proper behavior among all employees.

Generally, all decisions must be made of the basis of the statistically ascertainable The Truth.

All employees must understand that if anybody "lies"...they are outta there!

At my company, we tell staff that if they ever felt the need to "bend the truth"...they should INSTEAD direct their energies toward the areas they were considering misleading another about...& focus on CORRECTING THE PRE-EXISTING DEFICIENCY!

Make Your Systems Formal & Permanent...for the Long Run:

The better your managerial systems are...the more efficiently that you can operate over the long term...& never begin to even consider selling you practice.

Just “Will” (assign in your will) your practice to your spouse, friends or kids.

Yes, it is TRUE! Non-DENTISTS CAN own practices.

Perhaps 7,000 offices in the U.S. & CANADA are currently owned by NON-DENTISTS.

Great systems are key: **The better & more formal (& replicable) your systems...the larger your practice gets...& the longer...& more enjoyably...you’ll live!**

Remember: People need structure & rules. A backbone.

There must be a formal chain of command, hierarchical company organizational chart that briefly outlines each & every employees’ duties...company departments & divisions, who is in charge of what, 2nd in charge...& so forth. This should be sent to employees electronically, placed (in paper form) in every employee’s inbox...& is posted on the break room wall.

This chain of command takes the MONKEY OFF OF YOUR BACK: It enforces the fact that (for instance) when the hygienist screws up...you don’t chat with the hygienist YOURSELF...the hygiene manager does. Per the chain of command it is the hygiene manager’s DIRECT responsibility. The hygienist is THEIR direct subordinate...not yours! They are paid to manage their assigned subordinates.

In addition, you must produce a regularly updated roster of all staff. This is organized by the divisions of your company...& has all staff photos, titles, contact info, (university & degrees?) & so forth.

This too is available to all other staff & patients (if they want) & is regularly upgraded. It should be sent to employees electronically, placed in employees’ inboxes...& is conspicuously posted on the break room wall.

I suggest that you select a formal typeface that is always & consistently used for these & all internal company posters & documents. This uniformity subtly suggests the permanence, consistency & strength of your backbone...& fosters an understanding of the power & uniformity of your organization.

At my company we use the Goudy Old Style typeface. All such digital/electronic & paper posters...as well as documents...must uniformly use this font...& must be executed consistently...with the same design logic & elements...& all must include the company logo.

In addition, there must be a relatively concise & simple “Constitution” or “Golden Rule” of the practice that suggests the overriding spiritual intent of the office. (Some 1990s business “experts” refer to something similar to this as a “mission statement.”)

This must be posted in conspicuous places around the office (maybe frame them!)...especially in the employee break room. It should be written in such a way that patients...if they happen to read it...would think even higher of the practice.

After all...as Dr. Nate Schott suggests, “What is good for the patient is good for the practice.”

Transparency is a good thing.

So if your “constitution” (for example) states that,

“At our practice, we will do whatever it takes to ensure that our valued patients are cared for at the highest levels possible...& that avenues are constantly expanded such as to make it more convenient & affordable for the patient to receive such care.”

...who cares if your patients see it?

In fact, as a patient see this poster...it might stimulate even more resulting referral & retention.

The right thing...is the right thing.

Finally, we suggest that once you get to a certain size (\$10 million+)...that you hire a Human Resources manager (HR) to oversee employee’s behavior...& perhaps enforce these systems.

This also acts as a lightning rod between you & employee drama while increasing the likelihood you will be protected legally.

And it allows you to get away from the office more.

HR managers can save you from insanely time-consuming & expensive employee legal actions. (Trust me!)

The HR manager can ensure that each & every employee is following your manuals, constitution...& is statistically performing at an optimal level.

Why Your Goal Should Be to NEVER Sell Your Practice:

Think about it! What if you bust your tail & push your practice up to \$50 million a year...netting \$4 million a year personally...after taxes...but must sell it after five years because you are WAY TOO burnt out?

Trust me...there will be a great many corporate types (usually insurance industry funded & controlled) offering you all sorts of schemes to buy your practice.

Most will promise you anything & everything...& tell you what you want to hear...such as their promises to retain you, your staff & everyone’s salaries.

(Ha! Ha!)

However, they will usually simply compress your former practice into a model that makes them more money...as they combine it with a bunch of other offices...& sell it for a profit.

All but one of dozens of former owner doctors’ practices don’t even last six months after they sell.

There are a great many lawsuits, too. Many had to give their money back. Many deals unexpectedly fell through last minute.

So you sold it & netted \$20 million over the previous five years (\$4 million/year net) ...PLUS the \$60 million from the sale.

Sounds like a great deal of money, doesn’t it?

Well it is...& you should be very proud of yourself...but it could be FAR greater!

The \$60 million sales proceeds will only be around \$35 million...after taxes.

And NOW you've lost your tax write offs (OUCH!).

How much of the \$20 million you made over the past few years do you have left?

How much longer will you live? (Hint...you will probably live to around 100 years old.)

Did you consider TRUE inflation? (It is silent...but HUGE!)

Cool stuff WILL cost **many times more** into the future!

HISTORY WILL REPEAT ITSELF: **Remember:** A Porsche 911 cost \$5,990 in 1965...& the Space Needle in Seattle cost \$4.5 million to build in 1961.

Play it forward. History repeats itself...inflation is always happening.

Did you plan on moving into a trailer park? Sadly, many of our dear former clients ended up there.

And currently, six to seven clients who sold in the recent past now work as associates in our clients' practices!

That's why we wrote the first version of the "Bahamas Paper" in the early 1990s!!!

Think about it! Can you find a better, more profitable (& if managed properly, enjoyable) business than dentistry?

Very unlikely! While most will not admit it...I have never seen ANY brilliant practitioner...who sold their practice...fare better AFTER SELLING...than they did while they owned their practice.

We have been involved with practices that sold for up to \$300+ million.

Why not manage your practice for predictable, sane & enjoyable growth...(obviously, you shouldn't be in the chair unless you want to) with moderate increases every year...& plan to stay in over the long haul?

If it runs itself...why would you sell it?

Starting to burn out? Then walk away...relax...upgrade your systems while relaxing somewhere (Bahamas?) making the same or more money.

CONSIDER THIS more viable LONG-TERM, BIG PICTURE BETTER OPTION: If you engineer your currently (for example) \$5 million/year practice to sanely & enjoyable grow 10-20% a year (compounded) you will do far better than you would by accepting a one-time \$60 million buy out!

Consider this: Even if you conservatively **personally** earn an average of \$1.5 million a year for the first 10 years...\$2 million/yr. for the second 10 years ...& \$2.5 million a year for the next 10 years...& \$3 million a year for the fourth 10 years...That's \$90 million total (probably) after taxes...PLUS the value of your NOW \$100 million a year practice!

What would it sell for?

Who cares?

Why would you EVER sell your practice if you have managed it to keep "kicking out" \$3 million a year after taxes?

It's a GOOSE THAT LAYS GOLDEN EGGS!

Let's say you are at only 25% of the above level...the math still is valid.

NOW do you see how important these managerial systems are?

If you plan on leaving the earth at some point, think of your spouse...kids or even a friend or valued employee!

Pass on the YOUR wonderful “Goose”...& make a wonderful life for your kids or loved ones!
I am mine.

A Spiritual Backbone & Unifying Sense of Purpose:

We (perhaps too rudely!) state that, “**There is NO WORK ETHIC.**”

However, to be more accurate...this work ethic is not always pre-existing...but it CAN be taught, cultivated & nourished. But you still must verify that proper behavior is occurring.

Many historians suggest that the Americans “lost” the Vietnam War because the hearts & minds of the soldiers & locals were not “in the game,” aligned or focused. The soldiers didn’t understand why they were there.

There must always be a reason why you work (aside from money) & everybody needs to row the boat in the same direction.

We all must build a strong, properly focused culture in our businesses.

In terms of inspiring a sense of focus, purpose & ethics...I have never seen a better manager than Mr. Alan Mulally of Boeing...& until a few years ago, Ford. He is currently on the board of directors of GOOGLE.

We can incentivize all we want...but everything works better if ALL of your staff’s hearts & minds are ALSO in the right place...properly engaged & focused.

At Boeing...nearly 3 decades ago ...Mulally was responsible for the near flawless launch of the 777 aircraft.

This aircraft...& its introduction...are viewed as a gold standard of managerial, manufacturing & aeronautical engineering excellence.

Hired away to Ford Motor Company in late 2006 (when Ford stock price was plummeting towards \$1 a share. Now it is around \$14!)...he kept Ford out of bankruptcy court & away from governmental bailouts during a deep recession that bankrupted both other U.S. carmakers.

I watched him at Boeing...& suggested that my friends...who gambled in stocks...place their bet on Ford. They shoulda listened. They would have made 14x on their money!

After reading about his approach...& speaking with numerous Boeing & Ford employees...it is clear that in addition to financial compensation & incentives...Mulally had a goal to get people to work together across the company as “One Ford,” or “One Boeing.”

This unified focus became a mantra that was integrated into the company DNA...& was repeated in every conversation, meeting, email & interview within the company or with outsiders.

He pushed for GREATNESS.

“Good enough” NEVER, NEVER was!!!

So should you.

Instead of people pursuing their own self-interest, teams “worked together” (his commonly repeated phrase) to focus on the greater good of the company & society.

The greater good.

When the company did well...the employees were all credited with the success...were thanked...& made to feel that they had a role in the success. (They did!)

Expectations were created for acceptable behavior: They were coached on how to treat others, the accomplishments of others were credited, people were thanked, individuals were taught to TAKE RESPONSIBILITY when things went wrong...& they regularly provided staff with regular & specific feedback to help them improve.

He made a big deal about setting an example of “doing the right thing” & taking the high road...even to the extent of testifying in the U.S. Congress on behalf of the other 2x (competitor!) carmakers in order to save them...& (presumably) save jobs...& help the overall economy.

For him...the focus was always the better societal good. He maintains the moral high ground. As should be the case with YOU: **NEVER, NEVER, NEVER THE MONEY first.**

At Boeing, I am told Mulally spoke to staff, investors, the public & others of building a safe, reliable & efficient aircraft (777) that would bring the world together...keep the peace...build economies...& make the world a better place.

He did...by working together.

At Ford...I am told he spoke about re-starting the Michigan & U.S. economy...while providing car purchasers with a superior option (Ford) that everyone in the company could be proud of.

They all rallied behind him & worked together toward these extremely ethical, valid & meaningful goals.

He always put on a good face (as if he were on stage) & appropriately smiled. He never got mad (Staff WILL remember a pissed off boss forever!). He always praised great effort. He never gave up. He regularly thanked individuals & teams. And he always reminded them of THE GREAT they were accomplishing by working together!

So should you.

Employees must be valued as individuals. Treated with respect & cordiality.

Hired well & optimally.

Nurtured often.

Regularly trained & elevated.

From a business/financial perspective, it is cheaper to hire properly...& continually motivate, cultivate & improve one employee...than it is to continually hire & fire.

Every company must have a unifying higher ground purpose that everybody in the company understands.

At our company (chrisad), we work together to increase the awareness & attractiveness of dentistry...while removing the barriers related to preventative dental care...so that more of the public can avoid extreme dental costs, discomfort & expense...& enjoy **healthier**, better lives.

Your dental company’s mantra is not far off from ours.

Also, at chrisad, we save our client dentists from what would likely otherwise be a **TORMENTED** & wasted career...& life...that would have left the public cared for at a **FAR** lesser level.

Really.

Proper Compensation & Incentives Are the Perhaps Best Managerial System

While a good focus & culture will **DRIVE** your staff...a good incentive system will work in concert with your good culture to in effect pull the staff the direction you want them to flow to...almost to the point of embarrassment.

Everybody must row the boat in the same direction.

Yes, they will **immediately** follow the money.

With optimally configured incentive systems...optimal team performance doesn't cost you a penny...until **AFTER** you have made **10X** or so more money.

Many of your vital stats **ALSO** provide the basis for **EXCELLENT** incentive systems.

As we have suggested many times over the years...when combined with all the training & managerial backbone components contained herein...a great incentive system is the **BEST** managerial system.

It is the right thing to do: If you double your income, shouldn't the people who helped you do so...receive more money as a result? Isn't that fair?

However, usually, you **WON'T** double your money **UNLESS** your staff (including managers, doctors & hygienists) **KNOW** in exacting terms **AHEAD OF TIME**...that is ascertainable on a **daily basis**...that they will be similarly receiving more money...as a result!

You can't push a rope uphill.

Here are some of the incentives that you should consider implementing. We won't go into too much detail herein as many of these subject are additionally covered in **GREAT DETAIL** in various chrisad growth managerial books.

Managers are in a position to micromanage so you don't need to. They should be given very predictable & lucrative incentives.

One approach that we have successfully experimented with over the past one-&a-half decades...in our company...was to give our 4-5 managers a \$2,000/year raise each...for each 1% that they helped grow our company.

They watched the ball...& oversaw their subordinate staff & systems far more than they might have otherwise. And they were richly rewarded...into perpetuity. As they should be.

As a result, I did not need to be in my office & micromanage...was able to travel around & learn even more about our clients' offices, the industry & various growth opportunities...as well as the world...while our company grew by \$20-30 million a year over the decade!

It allowed me push our valued clients...& our company **WAY** ahead...now into eight nations & our clients' \$3 billion a year in combined sales!

While you can fine tune the following for your situation...in many client practices...offering managers...or divisional/individual office managers...a \$10,000 raise for every \$100,000/mo. increase (or proportion thereof) is a good place to start.

Associate doctors who are paid immediately (next paycheck) based on accepted/appointed/deposit paid collectable production produce 2-3x more...& love to check SUPER LUCRATIVE hygiene all weekend & evenings!

Since the 1990s, we have suggested that our clients compensate their associate doctors on the more **exciting & immediate** basis of production...rather than a **vague & distant** collections basis. However, apparently the temptation to NOT pay the associate doctor until the practice was paid FIRST (collections) was too great for many clients.

This has led to a greatly increased likelihood of schedule & other associate-manipulated SABATOGE, demoralized associates, low associate income levels...& inevitable associate-ship failures.

Remember: Even though they graduated from dental school...they have proven (at least initially) to not be as smart as you.

Like all other staff...they must be immediately FINANCIALLY compensated to offset the VERY REAL inconvenience tied to missing social events on weekend days...early mornings or evenings.

Many clients tell us that associate doctors...who they believed were incompetent...will INSTANTLY transform into geniuses...with a little training & oversight...BUT ONLY AFTER THEY ARE PAID ON THE BASIS OF PRODUCTION!!!

We need to redirect associate doctors who INCORRECTLY believe that they earn more money by performing same-day restorative on weekends & evenings.

THE MATH: In fact, while the associate is performing a \$1,000 crown...they miss checking five SUPER PATIENTS that would have been worth \$1,000 each had they been checked.

These weekend & evening SUPER PATIENTS would not have otherwise come in but during prime time.

To guide associates properly, many offices pay associates \$30 per hygiene exam on weekends & evenings.

Others VERY WISELY provide the associate doctor with an "IOU"...for all the money they will be receiving on their next paychecks (at 30%) of amounts accepted...at the end of EVERY weekend & evening hygiene period.

IMPORTANT: Associates who are reasonably successfully while currently being paid on the basis of collections will almost always (to one degree or another) slouch the minute you turn your back!

Once paid more immediately on the basis of production, they will ALWAYS perform at FAR greater levels (commonly 2-3x more!), more enjoyably...& for far longer...when later paid on the basis of **reasonably collectable production**.

Production-paid associates are FAR more focused, dedicated...& are VERY eager to ONLY check SUPER LUCRATIVE hygiene (they double their income!) on weekends & evenings, stay longer...& will as a result earn much more for themselves & the practice.

You'll need to monitor them far less closely.

They will no longer tend to bend over to “pick up pennies” (injuring their back!) while \$1,000 bills slip out of their back pocket by (greedily) performing more immediately paying restorative...when had they checked those 6x hygiene patients that were displaced or missed...they would have earned 2-3x more!

However, many brilliant clients...who were compensating their associates on the basis of collections...were understandably concerned that they'd be paying the associate based on funds that the practice might not receive.

Common sense checks & balances eliminate this risk! The payment to the associate can only be made after the appointment has been made with the patient & (most practices) only after initial payment has been made...& on the basis of “REASONABLY COLLECTABLE PRODUCTION.” If the insurance ends up paying more or less (clients tell me they are within 1%)...the books are balanced every pay period.

Regarding HYGIENISTS...they must be paid by the patient. The more patients they see...& the doctor checks...the more that will be found.

In this era of diminished work ethic, it is clear that generally...paying hygienists by the hour (EVEN IF DOUBLE LOCAL \$ PER HOUR AVERAGE!!!)...is in effect paying them to sit around, file their nails, chat with friends...& spend time on FACEBOOK!

While they must be assisted with a full-time dedicated assistant & scheduled properly for 2x patients per hour or more...this is great for the patient...& the practice.

When paid by the patient, they will more commonly jump on the phone & bring in (reactivate...appoint) patients...as opposed to (if paid by the hour) looking at an open chair as an opportunity to sit around...visiting their friends on Facebook!

When paid on a % percentage of sales commission, they are more likely to poke around for STM (or maybe push harder!)...which if mishandled...(in addition to huge ethical concerns) will cause the vast majority of patients to leave.

Most guarantee the hygienist \$55/hr. (or whatever the local going rate is) or \$50 per patient...whatever is higher.

This works great. Some even see 3-4 patients per hour...including pedo...to help themselves...& the practice...even more!

As for other staff...they (usually quietly) view coming into your office weekends, early AM & evenings...when the wealthiest working local SUPER PATIENTS will ONLY come in for hygiene...as a HUGE PAIN IN THE ASS.

All other staff as well must be disproportionately compensated to offset their inconvenience.

In some nations & (I believe) provinces/states, paying weekend or evening time & a half or double time is the law.

Even if it isn't...staff usually won't budge...& will frequently sabotage prime time appointments...unless they are going to make a lot more to offset their missing little Johnny's soccer game!

Properly managed, production that is diagnosed & accepted during prime time weekends, morning & evenings...but actually clinically performed/produced during mid-day...mid-week...has been documented to be 2-3x more money than mid-day...mid-week.

Why not pay staff more?

Some practices add \$2-\$3/hr. to those hours.

Some voluntarily pay time & a half or double time.

However, the best overall staff incentive system is the simplest...& this system usually transcends & supersedes any additional hourly rate paid to staff :

\$5 Per \$1,000 Above 3 Month “Rolling Average” of Production

\$5 Per New Patient Above 3 Mo. “Rolling Average” of New Patients **

\$5 Per Patient Above 3 Month “Rolling Average” of Monthly Hygiene Patients **

Obviously, the \$5 is a sample amount. You must determine the dollar amount that is best for you in consideration of your marketplace economic conditions...number of staff...& so forth.

****VERY IMPORTANT:** In order to counteract the propensity for staff to sabotage appointments that they do not want to work...but that are the most lucrative for the practice...in 2023 & beyond...I'd ONLY account for & PAY for new patients...& returning patients in hygiene...that are APPOINTED DURING PRIME TIME in this “rolling average” incentive system!!!

Accordingly, here's an recently evolved, MORE POWERFUL incentive system based on the above foundation:

It assumes that as the number of Super Lucrative Prime Time Hygiene Exams increase...all else falls into place!

The system discussed in this section was pioneered by a brilliant client that had used the above three element, three-month rolling average incentive in his past office's system for many years. But for his NEW SCRATCH office, he correctly reasoned that “as hygiene goes, so goes the practice.”

He understood that the patient public no longer viewed mid-day, mid-week hygiene appointments as being an option. Particularly the wealthier working or student majority.

He knew that adding more hygiene checks would NECESSARILY result in more production & more referral. The more the merrier.

When these hygiene checks were mostly comprised of PRIME TIME SUPER PATIENTS...the practice's return on the exam investment would be 2x-3x higher.

So why not **ONLY incentivize prime time hygiene fill rate increases?**

\$5 Per Patient Above 3 Month “Rolling Average” of Monthly ONLY PRIME TIME Hygiene Patients. Mid-Day, Mid-Week Patients are NOT Counted.

This practice quickly grew to \$1.35 MILLION per chair, per year (7 chairs at first) ...mostly while the owner doctor was thousands of miles away...vacationing.

We must ACTIVELY & AGGRESSIVELY COUNTERACT the extremely PERVASIVE subtle, long-documented, active & powerful staff (including hygienists & associate doctors) subtle undercurrent (I am being kind!) to keep patients out of the prime time period.

ACCORDINGLY, tightly focused **proactive mechanisms must be employed to AGGRESSIVELY COUNTERACT** this propensity...& instead, persuade staff to ENJOYABLY offer, fill & work these EXTREMELY valuable appointments.

There is much more on the above...in much more detail...in our NEW 2023 COMPLETELY UPDATED “Incentive” book! jc [DOWNLOAD HERE](#)