

Center for Oral & Facial Enhancement



Dental Practice & Economy

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Five Strategies to Keep Your Practice Healthy During Times of Recession

Yes, we are officially in a recession and there are indicators that the slumping economy has effected dental practices. There has been some reports of offices closing while there are many who are struggling to make their overhead and payroll. There is bad news but also opportunities. The bad news is that many patients who need elective / cosmetic procedures are on the fence, not just for their dental needs, but for just about everything in their lives. The good news is that patients still need other dental care that can not be postponed. Every dental practice can benefit from having a written *Economic Emergency Plan* that would be implemented with the emerging indicators of an economic slow-down. Think of it as your medical emergency protocol: Prevention is the key but once it happens it must be immediately managed based on a well prepared protocol. For many caught in the aftermath of current recession, there is still hope. Advertising is effective but can be costly, especially for some practices who are trying to tighten their belt and cut cost.

The following **five strategies** can be implemented immediately to give your practice a 'jump' and overcome the current financial challenges:

1) Connect to your existing patients:

2) It is important to stay well informed about the economy and anticipate the implications with affected patients. Send a letter or email to your existing patients. Make it personal and talk to them as a member of their health care team who is concerned about their dental health. The letter should contain the following:

- Your recognition of that current economy and difficult financial times that they might be experiencing. Show empathy and let them know you understand their concerns.
- Emphasize importance of continued dental care to avoid disease progress that can result in more serious problems and subsequent higher costs. While patients may remain on the fence for that anterior veneers you recommended, they might be more likely to address a crown with recurrent caries that can lead to endodontics complications or extraction.
- Offer payment options- Design an automatic credit card charge installment plan (3–6 months) to your trusted patients using a carefully written agreement form. Offer third party financing such as capital one or carecredit.

3) **Unique bundled value-packages:** While I don't believe in discounting or coupon dentistry, I think there is a great place for value-packages that bundle several procedures along with added services that are perceived as high value with minimal cost.

- Bundling refers to offering a number of services with a fixed fee. For example, a bundle service package may consist of exam, necessary x-rays, and up to 5 simple restoration for \$X rather than

itemizing each one. A good rule of thumb is to make the \$X amount, 5–15% less than your actual overall fees.

- Adding high value perceived services may include: Free oral hygiene kit for your next 6 months,;A free teeth polish in 3 months (This can be a 5 minute teeth polish); Referring a friend and your next cleaning for free, etc. Think of items or services you can offer that makes a patient happier, makes their visit experience more pleasant, or saves them money, however small it may be.

4) **'Needles of Growth' incentive plan for your team:** Rather than laying off people in tough economic times, one can inspire them to come together with shared visions and work harder towards agreed goals and achieve prosperity through team work. Remember that “engaged” employees are one of the main ingredients of a successful operation and hence, “satisfied” patients. This is more easily accomplished if you have capable and willing A-players in your team. The bonus or incentive is given when a large objective, known as the needle, is achieved. This requires the team to perform both on individual basis and also as a team following a well designed plan, great leadership on your part, and hard work. The bonus amount and its distribution should be clearly discussed with the team. This is how it works:

- List 4–5 parameters or objectives (these are the needles) in your practice that if changed , will result in significant growth. Examples of such parameters may be : increasing number of new patients, enhancing service, improving operations, increasing external marketing, increasing teams knowledge and effectiveness in patient education, improving treatment acceptance, etc. The entire team will focus on one parameter for 2–3 months and then onto the next one. All parameters will be covered during a given year and then repeated again.
- Consequently for each parameter, write down a detailed action plan. An action plan is a written our guide that defines specifically each of the following components:
 - **Objective:** This is the needle; It must be quantified, realistic and achievable. e.g. To increase number of new patients by 20 per month or increase quarterly production by 20%, etc.
 - **Goal:** These are individual goals that if achieved will result in achieving the objective, to increase number of patients. Examples of goals may be to increase community involvement, Increase community recognition, become recognized as an expert in my field, advertising, and bring back lost patients.
 - **Actions required:** For each goal list the actions that are necessary to accomplish it. For example to accomplish the goal of increasing community involvement, the actions may be to 1) Become member of the local chamber of commerce; 2) Get involved with a school program; 3) Become involved with a local charity group; 4) Join a local health fair, etc.
 - **Target date:** Create a target date when actions and tasks to be completed are due. Make it realistic and achievable.
 - **Measurability:** If not measured, it never gets done! Set up a system of measurability to assess where you are and how well you are progressing. For example, a measure for the example given is to contact 3 schools every week and find out about their programs where you might be able to get involved, or by contacting one upcoming health fair every week and getting complete information on their program, where, when, how much, demographics, etc.

- **Support:** Assign people who will be responsible for the individual actions. The support maybe people, things they need to perform the action, and necessary funds. An action may require two or three people for complex tasks or one if fairly simple. Knowing the strengths of your individual team members is the key in proper assignment of tasks and actions.

- **Status:** Get a weekly update from the support team on the status of their actions and whether they are meeting the measured parameters. If not, find out why and how they can correct it.

Hence, each individual will have a specific task that is measured and accounted for during the process. The team receives credit and the bonus if goals and the ultimate objective has been met, although partial achievement may also be rewarded. Some of the benefits from changing these needles are realized right away, while others will continue to mature over months to come.

5) **Community involvement programs:** A great way to network and become better known in the community.

- Join the local chamber of commerce and attend their weekly meetings; A great place to meet other local business owners and inform them about your practice
- Charity events: The members of charity organizations are often well connected in the community. Volunteer your time and your assistance and connect with the community.
- School programs: Find out about your local school programs, whether it has charity events, high school career programs, etc.
- Sponsor a local 5k or 10k race. A great way to get your name out in the community.
- Health fairs or expos- Set up a booth or table in your local community health events and educate people about current trends in dentistry and about your practice.
- Organize local educational seminars and invite people to learn about what's new and hot in dentistry and show examples of your work. This can be done in a local hotel or restaurant offering refreshments and a 30–45 minute presentation. A great opportunity for potential patients to ask questions, learn, and get to know you.

6) **Internet marketing:** More and more people are finding their doctors through internet. Patients are increasingly becoming engaged in their decisions about their health. They search doctors through directories to learn about their background, practice information, ratings, experience of other patients, and reviews in the media. Here are a few recommendations on how to use internet to market yourself and increase exposure:

- Have a well designed website. Forget about flash and fancy graphics. According to many experts, the site needs to be clean, simple, and 'talk to the patient' in personal ways. It should be intuitive for the user and key information available within one or two clicks. Web 2.0 technology allows creation of sites that are interactive providing the users with much more features than just receiving information.
- Post blogs and videos on various health related sites. Patients will perceive you as an expert which will increase their trust and confidence.
- Join search engine directories such as locateadoc.com, dentist.com, or findadentist.com. There are many similar sites. It's important to know how well they come up on google and yahoo searches. If they

come up on the second page, then it's too late!!! Cost varies based on their service, exposure, and exclusivity. You need to do as significant degree of due diligence here. There are many companies that just want your money but give nothing back in return. Talk to other members and learn about their experiences.

- Offer your bundled value-packages through various sites to drive traffic and inquiries.
- Live internet operators can be incorporated allowing patients to ask questions and get immediate answers.

Once again, let's explore the opportunities and use the mentioned five strategies to sustain and even vitalize your practice in a weak or even a strong economy.

For more information on how to create a well designed strategic plan contact Dr. Kazemi:
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