

# Dental leaders eat last: Understanding how to lead your practice

By Graham Middleton, BA, MBA



*“Dental practice owners get paid what is left over... If the practice owner wants a healthy profit left over, they have to continually reinforce the success of the practice by their own example...”*

**W**hen Army Units are deployed in the field and eat from field kitchens, there is a time honoured tradition that officers eat last; certainly in the Australian Army. The Infantry Platoon Commander carries the same load or more than his soldiers, but see’s that they are fed then eats himself.

Julius Caesar personally knew all of the centurions in his army. Centurions were experienced soldiers placed in command of 80 men (not 100 as commonly supposed). The more senior officers, who commanded cohorts and legions, were political appointees. As battle was imminent, Caesar would ride along his battle line before engaging the enemy and greet each centurion by name.

Alexander the Great demonstrated his leadership by personal acts of bravery which inspired his soldiers on the battlefield.

Robert E Lee, who commanded the Army of Northern Virginia during the American Civil War, was revered by his men. Despite having much greater numbers, five Northern Generals in succession were sacked as they could not defeat Lee’s Army. Eventually Ulysses S Grant overwhelmed him with vastly larger and better equipped forces, against which not even Lee could win ultimate victory.

During this period, Lee was revered by the civil populous of Virginia and a succession of visitors turned up at his headquarters, wherever it was temporarily located, bringing hampers of food. Lee

always thanked them courteously, but as soon as they had departed, he had his aid take the food to the field hospital. He ate the same, usually measly, rations as his men.

The well-known German general Erwin Rommel, known as the Desert Fox, visited a prisoner of war camp which contained allied prisoners. A prisoner asked Rommel why the food and water rations were so small, Rommel pointed out that he was on the same rations himself as were the soldiers in his army.

Soldiers willingly followed and fought under men like Julius Caesar, Robert E Lee and Erwin Rommel. They had mastered the art of leadership.

Not as well-known are the exploits of tiny Australian Special Air Service Regiment patrols who penetrated deep into Taliban territory in Afghanistan. These patrols usually consisted of four men led by a Corporal or a Sergeant. They had often spent years in operations and training together. Their leaders were hardened and shared everything including hardship, risk, load carrying, sentry duty and rations.

By contrast when the numerically inferior British Army Paratroopers, Gurkas and Royal Marines stormed the heights surrounding Port Stanley in early 1982 during the Falkland’s war, Argentinian Soldiers surrendered in hordes. Their officers were found to have significant caches of food that they had not shared with their cold, hungry soldiers. That’s no basis for leadership and the result showed it.

## Relevance to a dental practice?

If you are regularly late for work, your staff will follow your example and they'll be late too. Patients will be annoyed at being kept waiting and your practice will suffer. If you expect your staff to be on time then get into the habit of getting to work early. Otherwise, chances are that reception staff will get into the habit of not booking the first appointment slot in the morning so that everybody can get a comfortable start. Respect that your patients have their own commitments by keeping their appointment schedule running to time, and by starting the first appointment in the morning at the appropriate time.

At the end of the day, don't rush out the door. Make a habit of being the last to leave on at least most nights. Your example lessens the probability of your staff expecting late starts or early knocks offs, or of receptionists avoiding booking the last patient slot of the day so that everyone can clean up and be out the door early. That might feel good but it costs lots more than is readily apparent as ultimately profit is earned at the margin. The extra procedure that you perform at, or close to, knock off time has a much higher profit content because the marginal expenses are minimal.

## Don't flaunt your wealth

If you are successful, don't flaunt your wealth in front of patients or in front of staff who earn much less than you. Flaunting wealth suggests to patients that you're overcharging. If you're very successful and you've got a super expensive top of the range European car, because you're passionate about cars, its best parked anywhere but your practice carpark. It's better to drive a modest car to work and save your luxury machine for weekends.

If you aspire for the best outcome from your staff, don't brag about your expensive holidays in front of them for whom a week in Bali is a big deal.

Young Australian Army Officers are expected to know the soldiers in their platoon or troop and have concerns for their fitness, medical treatment, family support, knowledge of equipment and overall well-being. They are expected to be well-briefed on operations and well led on training exercises and have an understanding where they fit in the overall unit program.

A dentist needs good rapport with chairside and reception staff and needs to

maintain their respect, but also needs to keep a little distance because there needs to be a differentiation between dental practice owners and support staff.

## Meetings more meetings!

In the 2 years and 8 months that Robert E Lee commanded The Army of Northern Virginia, he had one meeting at which all of his subordinate commanders down to brigadier general level attended. Meetings with his two or later three infantry corps commanders and his cavalry commander would have occurred, but only on a necessary basis. They in turn were expected to know their jobs and lead their formations. Yet the dental profession abounds with HR staff consultants spouting a need for the weekly staff meeting. The most profitable dentists I know are able to operate their practice with less frequent meetings, but leave their staff in little doubt as to their expectations. Have less frequent meetings and keep to a serious agenda.

## Full time better than part time

The key issue is that having fewer staff working full time is preferred over having numerous part time staff who add to administrative requirements and make it much more difficult to be a practice leader when there are staff change overs during the day or on successive days.

## Associateship success & failure

In successful associateships or partnerships, each associate is prepared to do their fair share of administration and a little more. Each associate is considerate of the impact their leave has on the practice and discusses this with their co-owners and ensures substantial notice is given to reception staff so as not to cause disruption.

Each associate being early to work and keeping to appointment times ensures they don't generate bad reports of the practice amongst patients, which would inevitably upset their fellow owners. Each associate should generate as many personal referrals as possible and mentor young dentists.

## Succession

You bought your practice from another dentist and one day you expect to sell it to a dentist, so treat it as a precious undertaking provided to you in a form of trust

which you intend to nurture and develop before handing it over to somebody else.

## Communication

There is overwhelming evidence indicating that a dentist with average clinical skills but high level communication skills will substantially outperform a dentist with high level clinical skills but poor communication skills. If you and your practice staff don't communicate well with patients they will desert your practice for one where the communication skills are better.

## Young dentists - Practice builders or destroyers?

If young dentists are going to have a successful career, as well as improving their clinical skills, they must also demonstrate by measurable means that they can retain patients and build their book by attracting personal referrals. But if they consistently fail to generate second appointments from new patients who have been booked to them or attract personal referrals after a reasonable period in the practice, they are practice destroyers and their failure demonstrates that patients won't retain a dentist who does not communicate with them to an adequate standard.

## Dentistry is about the patient

The dental practice which doesn't do dentures is sending profitable work out the door. I know competent profitable dentists whose practices rank near the top of virtually any measure who can and do do dentures profitably. Similarly with cleans. If you have a gap in your surgery book, it's not surrendering your dignity to do a clean on the preceding patient. Passing work to hygienists and oral therapists is problematic because overwhelming they don't find work for dentists, but expect dentists to find work for them. Dentists are much better at finding work that needs to be done. Receptionists and chairside assistants have more respect for busy dentists who provide a variety of treatments. Busy staff are invariably happier than staff that are not busy and a chairside assistant with a boss who fills up the day will be kept busy and respect her job because it is important to her boss's production. Patients relate to a dentist who can satisfy more of their needs.

## Overstaffing & featherbedding

Overstaffing a practice with too many support staff is bad for everybody's morale and leads to whinging about who should do what. Busy practices without surplus staff are invariably more efficient and happier than one that has been featherbedded; provided that the proprietor dentists are visibly punctual, busy and competent and have a good rapport.

### Presence

During the First World War, Australian light horsemen were mainly employed in the Middle East under the ultimate command of a British General. For much of the war, that General's headquarters were back in Cairo. After the failure of the first battle of Gaza, lost because of a General's incompetence, General Allenby was appointed to take command. He immediately shifted the headquarters closer to the battleline and made it his business to regularly visit forward units. Units at the front regularly experienced Allenby driving up to their headquarters carrying out a brief inspection. From that point, the entire army had purpose and direction. Allenby also thinned out his headquarter staff and welded it into a tightknit team. He had, as a more junior officer, commanded a squadron of New South Wales mounted troops in the Boer War and was known to be an effective leader. He utilised the Desert Mounted Corps, to which he appointed Australian Lieutenant General Harry Chauvel as its commander, to head his drive against the Ottoman Army. They were driven back through Palestine, Damascus and eventually to Aleppo where upon armistice was declared. The troops never doubted that Allenby was prepared to undergo personal discomfort and he related to the army he commanded.

### Practice managers, yes or no?

Too many dental practice owners abdicate their responsibility to practice managers. Dental practice is an activity that must be led by dentists at the front. In reality, the key decisions have to be taken by dentists. It's the practice owners who must take responsibility for fee setting. It's the practice owners who must make decisions over significant capital expenses, whether it be renovating the practice (or

part thereof) or purchases of significant items of equipment. It's also the dental practice owners who must take key hire and fire decisions. Whereas some practices will give the courtesy title of manager to a senior receptionist/nurse, it is important that it not be a distinct position separate from either front desk or chairside work. Indeed head nurse or nurse supervisor would be a more appropriate title. Where a separate practice manager exists, it tends to become an expensive overhead. They are not quite in the chain of command and not quite out of it. That's always messy and it often leads to bad decision making and lack of profitability. To the extent that a separate practice management position exists, it is realistically only necessary in practices with annual fees well in excess of \$2 million. Periodically we come across practices whose support staff cost ratios indicate that a practice manager is unnecessary and is costing the owners a significant amount of profit forgone. Some practice managers are practice destroyers.

### Relevance to marketing

There are no shortage of marketing consultants who purport to tell you how to build your practice. Most are a waste of money. Question and answer surveys of numerous dental groups I have spoken to in the last couple of years have revealed that:

1. Overwhelming dentists receive almost all new patients by personal referral by existing patients to their friends, relatives, neighbours and work mates;
2. Letterbox drops of practice promotional material don't generate new patients;
3. Advertising in local newspapers doesn't produce new patients;
4. Paying somebody to get you the top of a Google list is not cost-effective;
5. Websites enable patients who have been referred find out how to make an appointment and the practice location. However, they have significantly lost their place as a source of new patients; and
6. Other facilities which claim to help you build your practice turn out to be fronts for health funds and should be avoided. However, well-presented practices that have dentists that generate personal referrals through their chairside manners and have personable receptionists are successful and the have the least trouble in warding off health fund predators.

### Paid last

Dental Practice Owners get paid what is left over after all staff have been paid and all expenses have been met. If the practice owner wants a healthy profit left over, they have to continually reinforce the success of the practice by their own example.

### About the author

*Graham Middleton personally has been advising dentists on strategic, practice management, valuation and conflict resolution processes for 30 years, the last 23 as a founding partner and director of Synstrat Management Pty Ltd and Synstrat Accounting Pty Ltd. He was once a regular army officer and later, Director Human Resources Manager, Attorney General's Department of Victoria. He is considered an expert on dental practice valuation and practice performance benchmarking. He has spent many years advising dentists in respect of their business and financial strategy and measuring their practice and financial performance. He is the author of Synstrat Dental Stories, the Synstrat Guide to Practice Management, 50 Rules for Success as a Dentist and Buying & Selling General & Specialist Dental Practices. He is a long-term contributor to the Australasian Dental Practice magazine. The Synstrat Group is an independent data-based organisation providing management, benchmarking, valuation, financial and accounting services to the dental profession. Synstrat Management Pty Ltd is a Licensed financial services company. Both Synstrat companies are owned by the same directors who work within the Synstrat Group. For more information, call (03) 9843-7777 Fax: (03) 9843-7799 Email: dental@synstrat.com.au or visit www.synstrat.com.au.*

### Synstrat Publications - Obtaining Synstrat Dental Stories

*If you would like to obtain copies of Synstrat's publications, we ask that you make a charitable donation to the Delany Foundation. See the Synstrat website or email annie@synstrat.com.au for details on how to do this.*