

Leverage in dentistry

Leverage is the ability to grow a business or practice through other people. It is not the same as delegation. Delegation is having other people perform specific tasks. Good delegation includes complete communication, outlining expectations, providing deadlines, motivating team members, letting them know the checkpoints, staying out of their way other than at those checkpoints and acting as a resource when needed. Dentists typically do not use leverage properly, and as a result, the entire burden of the practice constantly falls on their shoulders.

With delegation, a dentist might assign a specific task to a dental assistant. In contrast, the chief executive officer (CEO) of a 1,000-person company who uses leverage may have six vice presidents who run six different business divisions. The CEO is not delegating daily assignments to the vice presidents. Following the leverage dynamic, the vice presidents are running those divisions.

Dental practices rarely have vice presidents or even sophisticated office managers, as other business fields would define the term. Although many people in practices have the title of "office manager," they are truly front-desk staff members. If you believe that you have an office manager, evaluate whether this person is doing the hiring and firing, handling all human resource and staff management functions, controlling all financial parameters of the practice (including the implementation of financial controls) and setting policy for the practice (often with the approval of the dentist). Short of this range of responsibilities, this person is not a real office manager.

When using well-documented systems, dental practices have hundreds of opportunities to delegate but few opportunities for leverage. Look again at the CEO of a 1,000-person company and you will rarely find that person doing "work." The CEO's job is to focus on strategy and the company's direction. Conversely, dentists must and should spend approximately 98 percent of their time in direct patient treatment to be productive, based on the model of dental practice. This leaves little time to act like a company CEO, who is focused on strategy and direction.

Any business that can identify leverage opportunities has an opportunity to grow. Not only is leverage important for dental practices to grow and expand, but also it creates an opportunity to relieve the dentist from being the sole producer. As an example, dental hygiene in general, prosthodontic, pediatric and periodontal practices provide a significant production center using leverage. Another example might be a dental practice that has a strong in-office whitening program handled by dental assistants. A third example would be a dentist who opens additional practices and staffs those practices fully or partially with associate dentists.

These examples of leverage are important for dentists interested in expanding their practices. A way to create leverage is to begin by making a list of three or four opportunities for leverage and to set timelines and guidelines for implementation. Practices that take advantage of leverage (even if they do not know it by that term) often are 20 to 100 percent more productive than similar practices that do not take advantage of this principle. Dentists should consider the concept of leverage when attending dental trade shows. In addition to visiting a dental meeting to evaluate what is new or innovative, also focus on how to advance leverage. For example, what could be purchased for the dental hygienist who already has leverage to expand the hygiene program? Or what innovations in tooth whitening have occurred that provide leverage opportunities through the dental assistant?

The concept of leverage is one that should be considered at all times. Any practice will reach a certain point at which the dentist no longer can continue to monitor, control and watch everything. This is the point at which a legitimate office manager needs to be put in place. As an example, I have observed a number of larger group practices that are in great need of leverage. Despite their impressive size, these practices often have 10 to 15 percent lower productivity and profitability per clinician, ineffective communication and a high level of bureaucracy. Although large group practices face many challenges, leverage issues often stay below the surface and rarely are discussed. Why? Often, it is the lack of a highly qualified or well-trained office administrator, executive director or staff member who operates the practice day to day.

J Am Dent Assoc, Vol 136, No 1, 87-88 (2005)