

BEFORE YOU WRITE THAT CHECK...WHAT EVERY ORTHODONTIST MUST KNOW

By Amy Morgan, CEO, Pride Institute



It never fails to amaze me how many orthodontists have purchased “stuff” for their practice, only to have an important piece of “must have” technology gathering dust several weeks later for lack of use! Even in this challenging economy technology purchases are still being made, although many dentists and teams are much more cynical when it comes to silver bullet promises or “Sugar Plum Fairy” hopes for results.

The truth is for a practice to stay cutting edge, there needs to be a plan for continuous growth and improvement. Technology, clinical innovations and enhanced business processes are a must for a practice to remain viable at all times. So the answer shouldn’t always be no when considering what to buy. The answer should be based on:

- Why am I purchasing _____?
- When should I make this purchase of _____?

- And how will I realize a return on the investment on _____?

If the Doctor and team plan well for a new purchase or upgrade there is a huge potential for real return on the investment. That’s the problem... there has to be a plan. It can’t be an impulse buy or get ready for the latest and greatest dust gatherer.

So if you want to make a new purchase count, before you write that check or pull out that credit card make sure you answer these very important strategic questions!

1. WHAT ARE THE VISION, GOALS AND STRATEGIES FOR OUR PRACTICE? And how will this new technology support all three?

Too often technology purchases are made in the spirit of competitive sports. If the answer to “Why am I buying this?” is because your roommate from

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dental school bought one and you think you're better than him/her... then this new purchase will automatically become that dust collector! If you have a strategy to be cutting edge and your budget and goals reflect an increase based on specific technology upgrades, then and only then do you have the green light to go shopping.

2. WHAT PATIENT PROFILE WOULD APPRECIATE AND VALUE THIS NEW INNOVATION? Do they already exist in my patient base? Can this be a "unique selling proposition" to attract new patients?

The wrong reason to purchase new technology is when it's based on the orthodontist and team's personal gratification versus addressing the needs and desires of existing and potential new patients. This reminds me of a quote from the book If Disney Ran Your Hospital by Fred Lee. In the book Fred states, "Selling is trying to get people to want what you have. Marketing is trying to have what people want." When you have what people want, no selling is necessary because they are already inspired to say yes. If you have purchased technology and it feels like you have to force your patients to accept its use, you may have made the wrong purchase!

3. WHAT IS THE INITIAL COST OF THE NEW TECHNOLOGY? How long before we expect to not only return the investment but see a profit (by increased money, efficiency or quality of experience) from our purchase?

When referring to cost, all direct and indirect expenses must be included when calculating a return. Does the purchase require additional supplies, different staffing, leasehold improvements, investment in marketing pieces, etc.? Many orthodontists don't want to take the time up front to examine the costs and then are surprised to be spending a great deal more than expected on the back end. Once you know the full financial commitment, you can plan for the appropriate return on investment. ROI can be multi faceted and includes the possibilities of: increased profit, productivity and efficiency

while improving time management, decreasing stress, enhancing workplace and customer satisfaction plus much more. If the Dr. and team do not demand ROI, they are not likely to realize it. An easy formula for analyzing ROI from the viewpoint of an increase in productivity and profitability is to expect a range of 3 to 10 times the initial cost of implementation. This will help you decide if the purchase will be a successful addition to the practice.

4. WHAT STATISTICS OR BENCHMARKS WILL WE MONITOR TO PRAISE PROGRESS?

When it comes to tracking success, the team can manage by judgement or manage by statistics. In #3 above, we discovered that ROI comes in many different forms, so choosing the right benchmarks for success is pivotal to test, track and adjust implementation. Are you looking for an increase in production per day/hour? Collections? New patient flow? Case acceptance? Referrals? Do you expect to see a decrease in expenses? You can only manage something that is measured and the right measurements helps set priorities and success points!

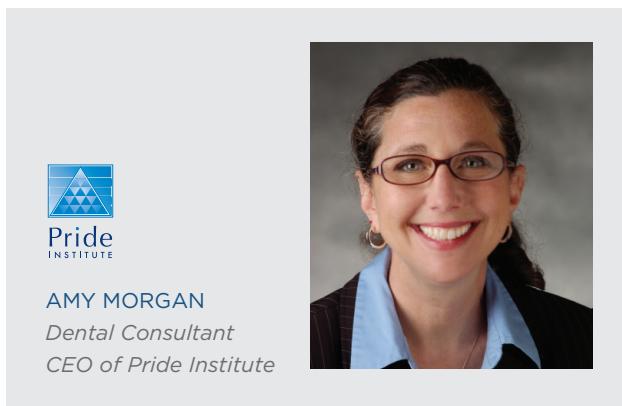
5. WHAT IS THE TIMELINE TO FULLY INTEGRATE THIS NEW INNOVATION? What is the training plan? What resources are needed to master the new skill?

This is a pivotal part of the strategy for implementation. Knowing what systems and staff will be affected by the new technology, having an understanding of the training and practice required and identifying how long changes will take removes stress and pressure! Most practices are like cars racing down the highway at 75+mph. There is no way a team member can open the hood and crawl out the window of the racing car to work on the engine! That might seem obvious, but a fatal flaw in implementing new technology is expecting the practice to stop everything and integrate the new purchase immediately. This can lead to burn out and feelings of overwhelm for everyone involved.

6. HOW WILL WE MARKET THIS NEW ADDITION TO INCREASE INTEREST AND INQUIRY?

I once had a senior orthodontic resident show me a rather flawed business plan. His written marketing strategy for his potential practice startup was that he was going to... Deliver cutting-edge, modern orthodontic care (end of section). When asked who he would do this with, he had no real answer. The moral of the story is that your marketing strategy can't be a Field of Dreams movie (build it and they will come). There needs to be a communication strategy in place from day one. Will you be promoting this on your website, creating buzz through social media, sending "e-vites" to existing patients, to your GP referral sources, etc? The bottom line is that no plan = no patients!

The great news is that any new technology purchase can have tremendous potential, if you follow these 6 steps. Dare to dream, write the check, continuously improve and watch your practice grow!



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*Amy Morgan is a top dental consultant and CEO of *Pride Institute*, a nationally acclaimed, results-oriented practice management consulting company. Amy has revitalized thousands of dental and speciality practices using time-proven management systems, so they become more secure, efficient and profitable. *Pride Institute* is the premier consulting organization for dentists/specialists and their teams who want to acquire the skills necessary for running a successful practice. *Pride Institute* offers a nationally acclaimed, results-oriented management program, accredited continuing education management and marketing workshops, on-site training and telephone consultation support.*

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