Leadership essentials for the ‘rookie’

By Sally McKenzie, CMC

4) The amount must equal or exceed the identified goal. Now you can identify tasks that can be delegated and opportunities for training that will maximize the assistant’s functions. You also should be able to see more clearly how setup and tasks can be made more efficient. Thus, you’ll be well on your way to achieving your own production goals, whatever those may be.

In your practice, every system directly affects your success, as does every member of your team. Each is an extension of you. Your systems and your team will affect whether you have enough money to pay your bills. They will keep your schedule on track or off. They will tell you what you don’t want to hear when you don’t want to hear it. They will be a source of great joy and satisfaction, as well as anger and frustration. But no matter what, your success as a dentist is dependent upon your ability to lead your team effectively and manage your systems efficiently.

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No. 5: Give feedback often

Along with clear expectations, direction and guidance, employees crave feedback. Don’t be stingy. Give praise often and appraise performance regularly. Employers want to know where they stand and how they can improve. Verbal feedback can be given at any time, but it is most effective the moment the employee is engaging in the behavior that you either want to praise or correct.

Know the numbers

Certainly, it doesn’t take long for every new dentist to realize that just as important as your role as dentist is your role as CEO. It’s critical that you understand completely the business side of your practice. There are 22 practice systems, and you should be well versed in each of them. If not, seek out training for new dentists. The effectiveness of the practice systems will directly and greatly impact your own success today and throughout your entire career.

Overhead. For starters, routinely monitor practice overhead. It should break down according to the following benchmarks to ensure that it is within the industry standard of 55 percent of collections.

• Dental supplies 5%
• Office supplies 2%
• Laboratory 10%
• Payroll 20%
• Benefits 15%
• Miscellaneous 5%

Salaries. Keep a particularly close eye on staff salaries. These can mushroom out of control and send overhead over the 70-80 percent range in record time. Payroll should be between 20–22 percent of gross income. Tack on another 5–6 percent for payroll taxes and benefits. If your payroll costs are higher than that, here’s what may be happening.

• You have too many employees. More staff does not guarantee an improvement in efficiency or production. It does, however, guarantee an increase in overhead, unless you are hiring a patient coordinator who is going to be able to increase the schedule and full production goals can be met.
• You are giving raises based on longevity rather than productivity. Performance. If production is going down and overhead is going up, payroll cannot be increased. Establish a compensation policy stating that raises will be based given upon employee performance and only if the practice is making a profit.
• The hygiene department is not meeting the industry standard for production, which is 45 percent of total practice production. If the department back and looks closer at what is happening, he/she will find that the hygienists have for far longer than they should. Patient retention is seriously lacking and periodontal treatment is minimal at best.

The recall system, if there is one, needs immediate attention. That is, the hygienist schedules all patients, in the same way that the feasibility. They will tell you what you don’t want to hear when you don’t want to hear it. They will be a source of great joy and satisfaction, as well as anger and frustration. But no matter what, your success as a dentist is dependent upon your ability to lead your team effectively and manage your systems efficiently.

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