

Protect Yourself from Tough Times Ahead By Dr Phillip Palmer BDS

As this article is being written in mid October, it is obvious that we are entering a different economic age. The future of the financial markets and national economies are more uncertain than ever before. In times like these when the future is questionable and unpredictable, what can you do to ensure that you and your practice don't become a casualty?

The first thing to realize is that when people are unsure about their economic future they will keep their hands in their pocket and not spend where not necessary. For dentists this may lead many patients to delay or postpone treatment. We may find that the practice is quieter than usual. If this is the case:

1. When you do treatment plans for your patients, ensure that the bigger cases have an option to be "phased" for patients that can't afford to have all the treatment done at once.
2. Invest in yourself, do some clinical courses that will extend the services that you can offer or are referring out at present. Get involved in courses such as implant surgery, prosthodontics, implant prosthodontics, invisalign, endodontics, etc. Having expertise in these areas so that you can do them in-house may make the difference between an empty chair, and one that's bringing in an income.
3. Your practice needs to be converting as many phone enquiries as possible so train your staff to communicate optimally to your patients. Remember they are the window that your patients use to view your practice. They answer the phone and answer patient enquiries. Make sure they are representing you as you would like to be represented and that your practice is putting the right foot forward. Remember, your marketing dollars will get the phone to ring. Your training will convert enquiries to patients.
4. Take some courses in communication yourself. Make sure that patients never perceive you as having a sales agenda. There are ways of offering optimum treatment without ever being pushy with your patients.
5. Some of your patients may lose their jobs or over-extend themselves and go bankrupt. You need to have as much empathy as possible for these patients that are affected by the hard times while still protecting yourself from spillover effects.
6. Keep a close eye on your accounts receivable and be diligent with chasing any outstanding invoices. Do not let any accounts get beyond 30 days owing. If patients do go bankrupt, you don't want them to do so when they still owe you money.

7. Minimise any treatment you do on patients who can't pay it now. Don't provide delayed payment plans whereby your practice is basically acting as a bank, loaning patients the money for treatment. Use outside 3rd party financing for your patients if necessary – CareCredit, Mediplan, etc.

In good times we can make errors in our businesses that are overcome by the sheer weight of the good economy. On the other hand poor business decisions in times of recession will be costly and unforgiving. During times like these as the business owner you need to:

8. Learn to be a better leader and manager. When the seas get rough, it is important for everyone to feel that they have a strong captain at the helm. This doesn't mean you have to be tough or nasty, but you do need to communicate the right messages to your team at all times.
9. Learn to be a better businessman. Your skills as a businessman will be much more important in the new economy. We all need to understand our businesses, learn to read the numbers and make adjustments quickly. Make rational decisions on expenditure, and ensure that we run our practices as the businesses that they are.

This is an investment in yourself that will be useful no matter what the economic times are.

Remember economic cycles are normal – markets go up and markets go down. Be optimistic and positive in your outlook while still being cautious and without putting your head in the sand.

When times improve, wouldn't all of these suggestions be of benefit to you anyway.

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