



## **I'LL TAKE CARE OF YOU**

## **IF YOU'LL TAKE CARE OF ME**

The economy's deepening troubles are pushing a growing number of already struggling staff into appalling financial stress. Plummeting home values, higher prices, business failures and the disappearance of credit are proving a toxic combination. Some of the staff spouses' jobs are in jeopardy, if not already lost or reduced. And given the number of dental practices that are currently in dramatic decline, there are more and more staff layoffs certain to come. Be assured, your staff is very aware of these circumstances.

The current financial crisis coupled with staff's present anxiety and concerns is creating a unique set of circumstances. It is changing the landscape in which your practice and your business operate. For most of your staff, job loss at this time would be cataclysmic. And at this time, most dentists are reluctant to hire more staff while others are laying off staff and still others are reducing the hours of their current staff. The business of dental practice and its relationship with staff is in new territory.

In these rough economic conditions, there is an opportunity to significantly deepen the staff's loyalty, kinship and commitment to you and the practice, and at the same time totally transform your compensation model in a way that enhances the business of practice and builds a team of high performance and service-oriented staff.

To deepen staff's devotion, commitment and connection to you and the practice will require that you make a powerful declaration to staff. You can not be inauthentic about this declaration. You can not be deceitful, disingenuous, or artificial in your pledge. It must be a heartfelt vow. If you don't mean it, then don't say it. It will do much more harm if dishonest.

*I will do everything in my power to make sure you keep your jobs. I am willing to work more hours and days, I am willing to alter how I run the practice, I am willing to do more bread and butter dentistry and shift how I spend money. My commitment is to keep you employed. Job One is to save your jobs. I can't guarantee it, but I am totally committed to making sure you have your jobs here.*

If you can say this and you can mean this, if you can unconditionally commit to this end, if you can speak from your heart and your gut, given the staff's anxiety at this time about their personal financial lives, they will be moved and inspired by your devotion.

You are putting yourself on the line for them. What you give, is what you get. This will significantly enhance their loyalty and commitment to you and your practice. And as a result, performance will be better, they will be more open to requests, and far more teamwork will occur.

Now the underlying challenge in this stand is that as the economic breakdown unfolds, your practice may not be able to support your current compensation model. In your model, staff gets paid for simply coming to work and raises are typically based on longevity and acceptable individual performance.

In this compensation model, staff has little monetary risk in practice viability or success. And it puts the practice at significant risk in this environment. What if the practice experiences fewer new patients, decreased acceptance of high utilization treatment, more no shows, more cancellations, more patients rescheduling? What if your revenues drop? Since their salaries won't match the drop, what are you going to do? There is no reverse in your compensation model.

Once unconcerned about the practice's overall financial performance including expenses, the staff is now becoming acutely aware that in this economic climate, the practice's existence and their jobs are on the line. They will need to step up in all phases of work, customer service and marketing to ensure the practice's continued existence so their jobs continue to exist. With their jobs at stake, it's not just your problem anymore, it's their problem too.

If you are going to be totally committed to the staff in sustaining their employment, you can request that they in turn bring an equal commitment to the practice. That means they need to participate in a much different fashion. They need to bring their 'A Game' every day. They need to work and thrive as a team, provide unmatched service in every interaction with patients and commit their individual and collective performance to the success of the practice.

You therefore can implement a new compensation model for staff in the practice including yourself. In this new model, a portion of everyone's salary will be directly tied to the overall performance of the practice. If the practice revenues drop, so will everyone's salary. In other words, you will be moving from salaries based on *job position and longevity* to salaries based on *performance*. This is called pay for performance (P4P).

We are clear that P4P is a practical compensation model for dental staffs in these times. We have been working on our own P4P model. It is based on the following key elements: 1) Performance Reviews, 2) Fulfilling defined and measurable accountabilities\*, 3) individual staff member's capacity to embrace and express the core values of the practice, 4) budget, and 5), the margin.

In fact, our annual [Mastery Conference](#) in March of 2009 in Scottsdale is focused on completing the design of a P4P. At this conference presenters with expertise in staff compensation, panel members consisting of highly successful dentists, and invited dentists we will engage for three days to complete the P4P model. Each participant will leave with a workbook and their individualized P4P compensation model for their practice. They will also learn how to set it up so staff buys into the model.

We want our clients to have the tool set and the mind set to implement P4P into their practices. The intention is clear, we want the staff as much at stake as the docs in the financial performance of the practice. The P4P compensation model is being used in many industries because it delivers a level of commitment and intention from employees that promotes high performance and results.

The Chinese characters for crisis are danger and opportunity. With dental practices headed for the danger zone, you can transform how you compensate staff in a way that if the practice wins, they win. If the practice loses, it's not just you who takes the hit, but the staff as well. They want and need their jobs. You want and need them to perform at their highest level. P4P is a structure that empowers this condition.

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**Note\*** - The Mastery Company has developed an exclusive model of management, Management by Accountability. It has been taught and applied for five years in many dental offices. It delivers the result. It is simple, straight forward and as important, measurable.

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