

OPPORTUNITIES IN A RECESSION

In the middle of difficulty lies opportunity.

- Albert Einstein

According to authorities, a recession is a period of broad economic decline. A recession exhibits a significant downturn in general economic activity extending over a period of time and is characterized by rising unemployment and falling levels of output and investment. A recession is distinguished by reductions in industrial production, a quantifiable loss of real income, and a calculable decrease in wholesale-retail trade. No doubt about it, we're in a recession.

Accordingly, if a dental practice exhibits moderate to considerable economic decline attributed to patients being distraught about finances and uncertain about their economic future, the practice is operating in a recession. If the practice is having difficulty attracting and retaining new patients because potential patients are reluctant to spend or add additional expenses to an already strained family budget, the practice is working in a recession. If current patients are saying "No" to recommended treatment plans, delaying treatment, or completing the least amount of dentistry they can get away with, the practice is in a recession. If a dentist is constantly worried, anxious and edgy about the sustainability of his or her practice, that's symptomatic of a recession. Many of you are undoubtedly in a recession.

First piece of advice. Don't buy the garbage consultants are peddling, "Recession-proof your practice?" How can you recession proof your practice when you're in one? That's like, "Hey, don't get wet when you jump in the pool." Recession proofing is impossible. It's out of the question, inconceivable, absurd and totally ridiculous. No matter how you look at it, we're in a recession. In my experience, if you operate inconsistent with the state you're in, you cannot succeed. You need to operate consistent with the state you're in and the state you are in is a recession.

Instead of pondering how to avoid a recession, your question ought to be, since it is unavoidable, how to take advantage of it? How do you find and take advantage of the opportunities a recession offers?

One readily available opportunity is this. In order to navigate the recession you will need to produce results with less - less time, less money, fewer staff hours. You will have to deliver a much higher efficiency, better team performance, with greater customer satisfaction, at a higher consistency, all with less money.

During the recession, patients will be reluctant to spend money and you'll be forced to adjust your treatment plans to accommodate their financial resistance. In order to sustain your viability, you'll need to deliver your dentistry at the most efficient

and cost effective level. This means seeing patients on time, setting up rooms impeccably, materials readied, charts up to date, all communications impeccably performed and fully complete, no mistakes. You need to run your practice like Toyota, not GM.

In order to come out of the recession in better shape than you went into it, you will need to focus on system and process improvement. You'll need to find answers for: *How do we do more with less? How do we make fewer mistakes? How do I become a better leader and manager to generate better staff performance? How do we provide superior customer service? How do we create a budget and make it work? How do we eliminate those items and actions that had nothing to do with producing results? How do we learn to operate mean and lean?*

Any system improvement begins with measurement. As shown by many corporate models, CQI, TQM, Six Sigma, measurement reveals the performance of your system. For example, how effective is your recall system? What percentage of patients actually show up for their scheduled six-month appointments, even with post cards and confirmation calls? How effective is your word of mouth marketing? Is there a correlation between how many patients you ask to refer and how many new patients show up? During a recession, every little bit counts and when the numbers are crucial to performance you'll pay close attention.

And what about better customer care? The opportunity during the recession is to significantly improve your customer service - to take it to a whole new level. When you were busy, when things were flush, being nice was good enough. Now each and every patient interaction counts. The better the service, the fewer cancellations and no shows. In these times customer service isn't just lip service, it is survival.

And what about team work? Being a coordinated unit wasn't mandatory when times were good. Helping each other out wasn't critical. Being impeccable in your work and your word wasn't essential. Now it is.

The opportunity during a recession is to transform your practice into a high performing enterprise able to deliver outstanding service through strong team work supported by highly effective systems. If you can succeed in the recession by doing these things, then when the recession is over and the economy rebounds, you're ready to take full advantage of the opportunities.

And THAT is the opportunity of a recession.

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