



MANAGING CHANGE IN ORTHODONTICS

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Practice Production Whitepaper Series



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Introduction

It has been said that, “Change is the only constant.” And in the world of orthodontics, change is occurring at an unprecedented rate. Technological advances, increased competition, more patients “shopping” than in years past, a difficult economy—these are just some of the external changes affecting orthodontic practices nationwide.

Then there are the changes that have occurred inside practices—turnover, new personnel, new procedures, new equipment, etc. Every orthodontic practice is different, but no practice is immune to change. It’s how you respond to and manage change that makes all the difference.

Many orthodontists reach a comfort level with their practice and hope to maintain the status quo for as long as possible. Unfortunately, doing what you’ve always done is often a recipe for a flat or declining practice.

No doubt, change can be scary at times. But I have seen too many orthodontists try to hold on to outdated management systems and marketing strategies and then suffer dire consequences, including:

- Declining production
- Lost referrers
- Lost patients
- High turnover
- High stress
- Selling the practice at a loss
- And even bankruptcy

In a provocative book, *Jumping the S-Curve: How to Beat the Growth Cycle, Get on Top, and Stay There*, authors Paul Nunes and Tim Breene use case studies of Fortune 500 companies to illustrate that very few CEOs understand when their companies are in danger of stagnation. They cite a statistic that only 7% of companies ever emerge from a plateau in growth. The analogy would be that orthodontic practices that hit plateaus are unlikely to experience significant growth again.

I don’t believe that. With the right management systems, strategic marketing and leadership, orthodontic practices can emerge from a plateau or decline and start growing again.

Good leaders have to anticipate change and respond to it accordingly. Let’s look at three “change” scenarios and how best to handle them:

1. Location
2. Services
3. Systems

1. The Influence of Location

An established orthodontist in his 50s noticed that referrals from three nearby and long-time referring GPs had dropped off considerably during the last six months. He didn’t give it much thought at first because his newer referring doctors—many of whom were miles away—continued to refer at a high rate.

A chance encounter with a parent at the neighborhood supermarket made the orthodontist rethink several things. The parent said her son, a former patient, had recently married and moved to the outer suburbs. He and his wife were expecting, said the parent.

The orthodontist looked around at the supermarket and noticed the majority of customers were in their 50s and older. The doctor realized he was located in an aging neighborhood. His patient base had grown up and moved away, and the upcoming generation of young orthodontic patients would live—and probably get dental care—in distant neighborhoods.



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The orthodontist loved his office and had hoped to retire there, but wondered how long could he expect prospective parents and patients to make the drive to his office?

To improve or merely maintain market performance, an orthodontic practice must often respond to changes in the community. How many children and adults are coming to the practice? What are the referral sources? Have referrals decreased from top referrers? Orthodontic practices can continue to have increases in revenue even when their referring doctors are slowing down in referrals. Those revenues may come from exiting lower-cost insurance programs, an uptick in patient referrals, or higher fees. Factors such as these could be masking a decline. The practice could actually be slowing down even though it may take up to three years for financial performance to plateau.

The question an orthodontist must ask is: how can I know if other areas of my practice are slowing down when financial performance is still strong? Part of the answer involves changes in the community—growth of the local population, housing sales and housing costs, debt levels of the community, number of children in different age groups, new schools opening or schools closing and many other factors. A change in patient population may indicate that financial performance will change. Possible solutions include moving the practice, opening a satellite office or implementing stronger referral marketing programs.

2. Responding to New Services

Another area subject to change is capability performance. Orthodontics has long been a single service field where an orthodontist becomes comfortable with a specific bracket system and will maintain that bracket system until there is a strong reason to change. There are orthodontic practices that have adopted new services and techniques while others have not, due to either lack of interest or fears about quality or higher overhead. Whenever an orthodontic practice ignores a new service desired by some segment of consumers, its capability performance drops and more potential patients select other practices. Continuing reassessment of service offerings is vital.

I was recently presenting a seminar to 200 orthodontists in Chicago when two different orthodontists came up to me to share their views on a specific orthodontic aligner. The first orthodontist told me that it doesn't work well and is time-consuming. His response to patients who inquire about the service is to move them over to traditional orthodontics. Minutes later, another orthodontist—one who liked the service—came over and congratulated me for bringing up the topic. He told me the service itself does have very strong potential even though each orthodontist has to decide whether to participate and to what degree. He had begun offering this service three years earlier and his practice had grown by 37%.

It was evident that he liked the service, had embraced it and was marketing it heavily. The five other orthodontists within a mile of his practice were barely involved in the service, and he knew they did not like the product; however, he was doing extremely well. After attending the seminar, he decided to launch a significant advertising program in the next 30 days to become the dominant practice in his area for this specific service. He became a client in the Levin Group's Referral Marketing Consulting Program and we were able to work directly with him on his community marketing for this specific service. In tracking the results, it appears that for every three patients he treated with this specific service, he received one referral for the same service from the new patient population. He not only acquired new patients based on his marketing campaign but a significant influx of referrals from those individuals.



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3. The Importance of Systems: a Case Study

A new orthodontic client of Levin Group was concerned about the handling of new patient callers by the front desk. To better understand the situation, the consultant made several calls to the front desk posing as a new patient. In all five calls, the consultant started by asking questions about orthodontics, leaving it open-ended for the front desk coordinator to answer the questions and move the conversation in any direction. The front desk coordinator never once asked the consultant to make an appointment.

This was a red flag. In none of the calls did the front desk person properly answer questions in such areas as types of orthodontic treatment offered, payment plan options, what made this office different from other offices and how long the orthodontist had been in practice. Clearly, her approach was just to schedule people who asked for an appointment. She in no way interacted with the caller to increase interest or the likelihood of becoming a patient.

While this situation can be easily rectified by creating a system for the New Patient Experience, it is not an isolated scenario. I have spoken to many orthodontists who have told me that their front desk staff is outstanding and knows exactly what to do, as is their orthodontic treatment coordinator, only to find that the staff was performing far below basic standards. Once again, these are easily correctable situations, but not unless an orthodontist is aware that the practice is operating at a level that restricts overall growth.

The principle here is that orthodontic management systems—the step-by-step protocols that delineate the operations of the practice—must be changed every three to five years. Levin Group has clearly demonstrated that when the staff is trained to use Value Creation Scripting™, systems become much more effective. Consumers today want more value for their money, and they are willing to shop orthodontic practices until they believe they have found sufficient value for the fee. Methods that worked just a few years ago are ineffective today. Practices will outperform others dramatically if they upgrade their management systems every three to five years.

Conclusion

As small businesses with finite resources, orthodontic practices are likely to reach plateaus and even decline at certain points in their life cycle. These challenges are most often caused by changes affecting three areas: location, services and systems.

Ortho practices that consistently reevaluate and upgrade their management and marketing systems can achieve dramatic growth. With strong leadership, a practice can embrace and respond to change, rather than ignoring or resisting it. So if your ortho practice has hit a production plateau or started to decline, now is the time to lead your team on the path towards managing change effectively!

Dr. Roger P. Levin

Dr. Roger P. Levin is a third-generation general dentist and the Founder and CEO of Levin Group, Inc., the largest dental practice consulting firm in North America. A keynote speaker for major dental conferences, Dr. Levin presents more than 100 seminars per year. He has authored 68 books and more than 4,000 articles. In 2014, he received the Dental Excellence Award for Best Practice Management Consultant from *DrBicuspid.com*. For the past 12 years, he has been named one of the “Leaders in Dental Consulting” by *Dentistry Today* magazine.



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