

5 Steps to Recover From the COVID-19 Crisis and Improve Your Practice

Step 1

Develop an action plan...

Identify 5 to 6 specific actions that if executed exquisitely, will allow for the fastest and best recovery. Post them in the staff room, review them every day and make sure everyone on the team knows exactly what must happen.

... and measure, measure, measure.

Place a measurement on every action item. What gets measured gets done. If you can't measure it is likely to be ignored or forgotten. As you develop the items in your action plan make sure you have a way to measure results. This is how you will know when you have achieved each action.

Step 2

Build a powerful profit and loss statement...

Know your financial position weekly. Make sure that you understand your collections, revenue, payables and receivables on a weekly basis as you recover from the COVID-19 crisis.

... and remember that cash was, is and always will be king.

Once reopened and back-to-work, *gradually* accumulate four months of cash on hand. We don't know if COVID-19 will resurface, or what other crises may happen. Having four months of cash will protect most practices. If you never need to use the cash, eventually it can be converted into income.

Step 3

Streamline expenses...

Reduce unnecessary costs. Every practice has approximately 4 to 6% of completely unnecessary costs.

... but do so thoughtfully and carefully.

Be careful not to reduce expenses too far. If you throw everything out of the lifeboat you will not have the resources for a strong recovery.

Step 4

Build a powerful team...

The team that returns after COVID-19 will need to be shaped into a powerhouse team. You can't afford to have any individuals that cannot perform at the highest level during the recovery. This means that they need training, guidance and measurement.

... and surround yourself with the right advisors.

Find the right advisers to help you in the recovery. Make sure these are people who understand how to conduct a business turnaround. This will not be business as usual. Identify 25 people including your team that will be of help to you in recovery.

Step 5

Give your team specific measurements and targets for every activity...

Revenue, daily production, collections, insurance reimbursement, number of new patients, overdue patients, inactive patients, and more. Make sure every team member has 3 to 5 very specific numbers that they carefully track, and they know are their responsibility. Let them know that each number is essential to the practice's recovery.

... and get the right mix in your team.

Make sure at least 40% of your team is "great", 40% is "good" and 20% is "ok". Anyone below "ok" needs to move on. This is the formula.