

# RESILIENCY

IS YOUR PATH TO

# RECOVERY

---

DR. ROGER P. LEVIN



Levin Group, Inc.  
10811 Red Run Blvd.  
Owings Mills, Maryland 21117

Phone (toll-free) 888.973.0000  
Phone: 410.654.1234  
Fax: 410.654.1238

Web: [www.levingroup.com](http://www.levingroup.com)  
Twitter [@levin\\_group](https://twitter.com/levin_group)  
Facebook [/levingroup](https://facebook.com/levingroup)  
Linkedin [levin-group](https://linkedin.com/company/levin-group)

Copyright© 2020 by Levin Group, Inc. All rights reserved.

# Introduction

When dentists think of failure they typically think of either a basic dental case that did not work or the total bankruptcy of a practice. What they do not think of is the reality that dentistry is now a business and businesses go through cycles and phases. Almost every dentist who practices for many years will experience both periods of great success and periods of failure. Hopefully the periods of great success will far outweigh the periods of failure, but periods of failure will happen along the way.

What is failure? Failure for most businesses is a normal and temporary period of time where current performance is not on par with previous performance. Production and revenue might be down, the number of new patients could decline, insurance plans may reduce reimbursements, or competition could emerge in the community from group practices or new private practices.

Failure is not the total collapse of a practice and in most cases will be a temporary state if properly addressed. However, dentists are not used to experiencing failure and have no background or training to identify periods of failure or how to correct them. Perhaps the worst factor is that dentists do not expect to have failure and become demoralized and often depressed when failure occurs.

Failure should be expected. There will be periods in every practice that are challenging and others that are extremely challenging. As an example, I recently received a call from a former client who had a practice producing in the 97th percentile. In the last two years his practice had declined 18% due to new competition in the area. At first he thought it was merely a blip that would pass and not worth paying attention to. As production dropped, first by more than 10%, he began paying attention but did not take any action. Once production had dropped by 15% he became panicked, and at 18% I could hear the fear in his voice when we talked. He was asking questions such as, “Should I sell my practice and get out now?” or “Should I fire half my team to save money?” These are questions rooted in panic not planning or business acumen.

## How Will You Handle “Failure”?

The first step in handling failure is to expect it. It is egotistical and unrealistic to believe that anyone can run a business that never has bumps or bruises. Failure comes in many forms and at unpredictable times. You can't control when another practice opens near you or whether an insurance plan changes reimbursement. Nor do you control when a key staff member decides to resign suddenly and possibly without giving any notice. And, you can't predict a global pandemic a personal illness or a divorce that may completely distract you from your practice and have a negative impact on practice performance.

What you do control is your ability to expect failure to happen periodically throughout your career and your preparation in managing through it. You can be resilient. Some failures can be

somewhat predicted based on statistical analysis. For example, if the number of new patients coming to the practice declines it is highly predictable that production and revenue will decline down the road even though they might currently be stable. If a team member starts displaying a bad attitude and behavioral issues, it is predictable that this person may be exhibiting signs that he or she needs to leave the practice. It is predictable that well-paying insurance plans will eventually lower reimbursements to match other plans of their size and scope in the area. I spoke to one client who was shocked to find out that one of the largest dental insurance plans in his state had just reduced reimbursements by 15%. In our conversation he stated that he was shocked that they would do the same thing in his state that they had recently done in an adjacent state. I found his position to be almost illogical. His thinking should have been if they did it in his neighboring state, his own state would probably be next. In regard to understanding failure these are predictable events.

There are other types of challenges or failures that are completely *unpredictable*. A virus could shut down the country. A doctor can suddenly have a diagnosis of a serious illness. A team member can have an auto accident that no longer allows her to work in the practice. A spouse can suddenly announced that he or she is leaving the marriage. A national dental group can open up to 10 practices in your area and you can be sure they won't call you to announce that they are coming or ask your permission.

Whether the challenge is predictable or not, at this point you have many choices. You can ignore what is happening and think that everything will get better somehow, become extremely depressed and unable to take action, race to a practice management seminar that may or may not help address your issue, sign up for

several insurance plans which could actually result in lower production, call a dental friend who has no idea what to do, or start asking non-dental friends who also have no idea what to do. And the worst of all of the options is simply to panic and experience extreme anxiety.

---

**The road to bankruptcy for most dental practices does not begin with a period of failure.**

---

This happens to many dentists simply because they do not expect to ever face any period of business failure in their career. But what they don't think about is that this period of failure is not going to lead to bankruptcy and can be overcome due to the high potential growth of almost any dental practice when the right actions are applied. However, it will not pass all by itself.

The road to bankruptcy for most dental practices does not begin with a period of failure. It begins when you don't do anything effective to address a period of failure.

So how will you deal with a period of failure once you expect, identify or get hit over the head with the realization that you have one?

## **How Do You Deal with “Failure”?**

Let me remind you again that periods of failure are normal in business. You are not about to go bankrupt, you have an excellent chance of working through it, you are not a loser, and you are not a total failure. This is a blip in time that most businesses go through and when you solve it you will probably go through a different period of failure at some point in the future.

We read about successful businesspeople every day. The articles make them sound like they have never had an obstacle or a challenge.

They are business geniuses and everything they touch turns to gold. None of this is actually true. They have certainly accomplished great success, but they didn't do it without failures along the way. There was a statement 20 years ago that most billionaires had already been through one or two bankruptcies. Sheldon Adelson, who was at one point the third richest American, sold one of his companies for \$800 million before building the Venetian in Las Vegas and a much larger casino resort complex in Asia. He also bankrupted two companies before he had his first success. Legend has it that he was driving a cab after his bankruptcies when he got the idea for his first successful company.

Elon Musk, who at the time of this writing is worth approximately \$18 billion after launching highly successful technology firms, is now struggling with his car company, Tesla. It is losing an enormous amount of money, can't produce the cars anywhere near the schedule that he had set out, and recent articles have reported that he will be sleeping on the floor of his factory until he solves his company's problems. Time will tell. This is certainly a period of failure in his current car company, but one that he may well be able to overcome.

Dentists and dental practices are no different. While we are not billionaires, we do have solid businesses that will go through periods of failure. The definition of success in business is not to never having bumps and bruises, but rather how you deal with those periods of failure and recover. How resilient can you be? It is unlikely you'll ever meet a highly successful businessperson that hasn't had times of moderate and extreme challenge.

So how do you manage through failure? It doesn't really matter whether the failure is one you can control or one you can't. The

same steps can apply that will benefit anyone from a billionaire to a dentist who goes through a challenging period.

## Step 1: Resiliency

Simply by expecting that you will have periods of failure, you build up resiliency. Resiliency is like a muscle. If you don't work the muscle it will atrophy and when you need it you won't have the strength that is required. Most dentists have a weak resiliency muscle. Perhaps it is because our ego is so heavily tied to being excellent dentists. Very few dentists ever admit that they have experienced problems with a specific discipline of dentistry, multiple case failures, high levels of lab remakes, or troubles with understanding new procedures. Yet it happens all the time. Our ego does not ever want to allow us to feel that we have performed

---

dental procedures at less than the optimal level.

---

**Successful business people have mentors. They don't wait until they need them; they accumulate them along the way.**

---

The same ego can carry into the running of a successful dental practice. While every dentist has case failures, almost every dentist also has periods of business failure or will in the future. You are not immune even if you think you are. It is the expectation that these periods will occur that gives us the mental muscle toughness to deal with failure.

Rather than ignoring failure, it is better to expect it. Rather than being immobilized by it, it's better to take very specific and predictable actions. Rather than feeling sad or depressed, it is better to simply recognize that this is a normal business cycle.



Your body has times when it is ill with the flu or a cold and you get through it. Your business will also have times when it is “sick” and you will get through it. However, if you do not take care of it, it could get worse.

## **Step 2: Mentors**

Many dentists go it alone. Whether is a personality trait or the nature of owning a dental practice we tend to want to run our own show our own way, and at our own pace. There is no reason not to do this as long as everything is going well. In fact, we begin to believe that we are the reason it is going well rather than the truth about supply and demand. It is rarely the business knowledge or acumen of the dentist that is as impactful to building a successful practice as is being in the right place... at the right time ...with the right situation.

Successful business people have mentors. They don't wait until they need them; they accumulate them along the way. For example, each year I personally accept a small number of clients that I handle for executive coaching. It gives me great pleasure to help and guide others who aspire to increasing success and improvement in their lives. I recently spoke to a potential executive coaching client and asked him why he wanted to engage me as his executive coach. His answer was, “I've been very successful to date but recognize that I have run out of my ability to take this to the next level.” This was a brilliant insight. He was successful by all means and yet put his ego aside to recognize that if he continued to press forward without the necessary knowledge and guidance, he could end up hurting what he had built rather than reaching the next level.

Highly successful business people always have mentors. They may change over time but they always seek out experts. The three founders of 3G—currently the world’s largest private equity firm with control over 80% of the international beer market—meet every year with Jim Collins, the author of *Good To Great*, for strategic guidance. Sometimes these sessions last five days. Here are three of the richest men in the world, meeting with a best-selling author and professor whose net worth is considered a “rounding error” compared to the net worth of the three owners of 3G. Yet they recognize that his insight and wisdom is so critical to their ongoing success that they make a pilgrimage to him each year to spend time working on strategy and future-based decisions. If three of the wealthiest men in the world go out of their way to meet with Jim Collins at least once a year, doesn’t it make sense for dentists to seek out mentors to help guide them?

### **Step 3: Control Your Emotions**

You will have times of failure. Quick fixes, knee jerks and illogical reactions will not create the cure. I have had calls from dentists who are literally having tantrums on the phone (not at me) based on what happened to them. They would rail against the insurance companies and how horrible they are and how they’re destroying dentistry. Unfortunately, none of those emotions will make any difference. No dentist will be able to change the insurance industry, and by the time a movement might happen that dentist could be in serious trouble.

Instead, control your emotions. The worst business decisions are made when they are emotional. I have talked to many other

dentists over the years that have had challenges and made emotional and reactive decisions in response only to find that they were in worse shape than when they started. I remember one dentist who made a series of insurance decisions based on his tantrums and essentially destroyed the excellent practice he had built. His attitude was: *If I can't have what I want, then I will just implode.* And, of course, that is exactly what happened.

Calm, logic, and evaluating the reason for a period of failure is the best approach. One of the great questions I have asked many executive coaching clients is, "Will your emotional reaction to this period of failure increase the number of options that you have to find a solution?" The answer is always no.

## **Step 4: Hire and Pay for Expertise**

After you have logically identified the reasons for the period of failure, accessed your mentors, and remained calm, you may need expert guidance. The easiest way to determine whether or not you need expert guidance is to ask yourself the question, "Do I have the expertise to manage through this period of failure?" Don't let your ego overtake your logic. I've seen too many dentists who believe that because they've been successful, they can work through a period of challenge and figure it all out on their own. If you're wrong, the consequences are high.

Decide what expertise is needed, who might be able to provide it, and happily pay for those services. But remember, your mentors will guide you, but only so far. Your practice is not an essential part of their life; it's an essential part of yours.

Seek out the people who spent their career solving your particu-

lar problem.

As an example, there was one client who was sued for malpractice and it came as a total surprise. Rather than understanding that failures will happen, like a malpractice suit, whether justified or not, he became obsessed with the lawsuit. He couldn't sleep, had

high anxiety, lost weight, and spent a great deal of time thinking about it. He talked about it continuously and how unfair it was that it happened. The truth is that the world does not really care whether we think something is fair or not. Things happened and this lawsuit happened. To make it even worse, my client had absolutely no control over the progress or final settlement of the malpractice suit as it was in the hands of his insurance

company.

This reaction can happen in a multitude of situations. We become obsessed with what has been done to us. We are hit by another car and want to blame them for not paying attention. A team member quits suddenly, despite all we think we have done for her, not even coming in for the last day. A patient with an unusual and generous payment plan stops paying. We focus on these negatives and at times let them take over parts of our life. The bigger our perception of how unfair it is, the more likely we are to fall into this trap.

Don't misunderstand me. Nobody likes having a negative situation thrust upon them out of nowhere. Life is not fair and it will never be fair to anyone throughout their entire life. There really ar-

---

**A period of failure does not normally resolve itself. It gets worse. And the longer you wait to get the right expertise, the worse it will be.**

---

en't any people that have everything they touch turn to gold. Most highly successful people have a number of things that not only did not turn to gold, they turned to mush.

The best approach to dealing with failure is to resist reacting emotionally, recognize that it will not last forever, and accept the reality that it will not bankrupt you. In this case, the doctor who spent over a year making himself miserable over a malpractice suit did not have to lay out one penny of his own money. Nor did it end up published in the papers or on the Internet. The case was settled for an undisclosed sum and it went away. He spent a year internalizing the failure when in fact it was going to be resolved without any negative impact on him other than his own mental state.

As a final note on surrounding yourself with the right experts, I suggest you do it as early as possible. A period of failure does not normally resolve itself. It gets worse. And the longer you wait to get the right expertise, the worse it will be. I've noticed throughout my career that most dentists don't really want to believe they're having a period of failure and wait longer than they should to get help. Their period of failure could be much shorter if they had experts around them.

## **Step 5: Accept the Worst That Could Happen**

A very difficult skill, especially for those not prepared for a period of failure, is to accept the worst that could happen. In the above example of a new client, he could have easily lost the malpractice lawsuit and had to pay thousands of dollars. It might have gotten posted on the internet. His practice might have suffered from

negative publicity. My concern was that this would send this dentist into a further tailspin and ultimately affect his performance in the practice. Not only would he have been affected by the lawsuit which was covered by insurance, but he could have hurt his main source of income which would have serious consequences for many years ahead.

When you have a period of failure, accept the worst that can happen. Maybe you'll no longer have the very high production that you had in the past and you might have to streamline your practice

a bit to live at a lower production. One client came for consulting in order to correct a \$1.4 million-a-year revenue with an 88% overhead. After analyzing the situation, I pointed out to him that he had several options including cutting his revenue in half and doubling his profit. He couldn't understand why he would want to have lower revenue until I explained that he was working six days a week to pro-

duce \$1.4 million at half the income that he could have. He struggled with the idea of reducing his revenue and ultimately we landed on a strategy that combined some revenue reduction with extensive overhead reduction. You can't always cut your way to success.

It is possible that your practice may not recover from a period of failure. It is possible that you could lose a malpractice suit. It is possible that you could have an illness that only allows you to practice part-time. I have a friend who loved being a dentist but his back became so bad that he could no longer practice dentistry. For the next five years he had no income as he went into the field of investment banking, but today he is doing extremely well and enjoying a sec-

---

***Wouldn't it be fantastic if we could calmly and objectively give ourselves the advice we need when we need it?***

---

ond career that has been very rewarding and lucrative. He had every right to be demoralized and clinically depressed as he lost his career path with limited disability benefits, however he chose to move forward in order to build a new career. He had a serious failure but he worked through it and has emerged successful.

When you accept the worst that can happen you regain a level of peace of mind. Peace of mind is important for your day-to-day life from a lifestyle standpoint, but it also has the added benefit of allowing you to slow down, calm down, and think and see clearly. That is when you have a chance to recognize why the period of failure has occurred, what actions can be taken, how mentors might help you, and what experts you need to hire. That is when you become your own consultant to yourself.

It is amazing, how we can become so spun up and illogical about our own situations. Yet, if someone else had your situation and you were objectively advising them, your advice would be so much better. Wouldn't it be fantastic if we could calmly and objectively give ourselves the advice we need when we need it? This may be the singular most important concept in dealing with failure.

## **Step 6: Throw Out Your Passion**

Many motivational speakers tell you to follow your passion. However, many people who follow their passion end up broke. Every year, commencement speakers give presentations that you can watch on YouTube, advising all of the students to do what they are passionate about and nothing else. We've been convinced if you have enough passion you will be successful in that area. We have heroes that we read about who have done it. But most of it isn't true.

Many highly successful young people go through numerous jobs before they find the one that they want to pursue. It is the young graduates who only accept what they want on their terms that often find themselves floundering. The truth is, somebody may have to take a job you hate to get to the next step.

Dentists are passionate about dentistry and their practices. But sometimes that passion, meaning only willing to approach it one way, can create a sinking ship. Although I am not promoting insurance versus fee-for-service dentistry, I've seen many fee-for-service practices continuously decline because the dentist refused to participate with insurance plans and those plans became such a major competitive factor that the practice could not survive. I've seen others that used fee-for-service dentistry as their competitive advantage.

The point is that your passion can blind you. How many people believe they are the next great writer of the world? Have they even written their first book yet? How many people wanted to go to dental school but were never able to gain entry? Dentists love dentistry and that is a great way to live. Having passion makes great sense until it doesn't. When you experience a failure don't be so locked into your passion or your way that you miss all of the different options and opportunities. This is where outside mentors and experts become essential. They possess an objectivity that most people simply do not have. The expression "you can't see the forest through the trees" is very real for most of us.

## Summary

You've heard it said by the military, sports coaches, and business leaders that failure is not an option. That is also untrue. Failure



is always an option. A military campaign can be derailed by the unexpected strategy of an enemy. A sports team could have their top players suddenly injured, ending their run for a championship. Business leaders may become so impressed with themselves that they build a car company that is lauded to be the next major force only to have it go bankrupt (google John DeLorean). And dentists are not immune to this syndrome partly because we don't expect there is a possibility of failure. When they happen we often want to ignore it in the same way that we rationalize why certain dental cases did not go as well as we would like.

Understanding and managing failure is one of the most important aspects of building a successful business. No business grows linearly with success after success, never experiencing a failure. Expect it, embrace it, stay clearheaded, access your mentors and experts, and expect the worst that could happen. Then, and only then, will you be able to act as your own consultant and manage through.

As a final note, resilience and perseverance are two essential traits of long-term successful businesspeople. When times get tough, the tough get going and being tough means persevering through the period of failure without emotion, not cracking under pressure, and having a commitment to solve issues and move forward. There are always options. You just have to be able to see them.

*As always, I wish you dental business success.*



Roger P. Levin

---

## About the Author

Considered one of the most dynamic speakers in dentistry, Dr. Roger P. Levin is a third-generation general dentist and the Founder and CEO of Levin Group, Inc., which has consulted to over 30,000 dental practices.

Dr. Levin has authored 68 books and 4,200 articles. He regularly lectures at major dental conferences and has served as an advisor to over 20 dental organizations. He sits on the editorial boards of five prominent dental publications and has been a regular columnist in *Dental Economics*, the *Journal of the American Dental Association* as well as other major dental publications. He has been interviewed by *The Wall Street Journal*, *The New York Times* and *Time* magazine.

Dr. Levin has been named one of the “Leaders in Dental Consulting” by *Dentistry Today* magazine for the past 13 years and for the second consecutive year, one of “The 32 Most Influential People in Dentistry” by *Incisal Edge* magazine. He recently received *DrBicuspid.com*’s Dental Excellence Award for Best Practice Management Consultant.