

March 24, 2010 | dentalproductsreport.com

THINK LIKE A CEO

Leveraging your time for fun and profit

Finding trusted employees and consultants to handle certain tasks can free up more time for yourself—both at work and at home.

by J. Haden Werhan

You strive to deliver to your patients the best possible oral health care in a safe, friendly and professional environment. At the same time, you owe it to yourself and your team to smoothly juggle the many components of a professional business: personnel, marketing, accounts payable, risk management and more. Oh, you also hope to reserve some time for family, community and personal interests.

Based on my experience advising hundreds of dentists since 1980, there is no one-size-fits-all solution to balancing these competing demands. But I have seen a common thread, regardless of practice size. Those who adeptly use the skills of others tend to have more time to enjoy whatever professional and personal rewards they seek.

Let's look at some examples.

"Dr. Smith" has an intimate practice with one assistant and spends a good amount of time with her family. Could she generate more revenue with a front desk person and a hygienist? Probably, but the reward is not there for her. Her husband is a physician with a similar practice in the same building. They probably car pool! They have low overhead, low stress and, as far as they're concerned, enough income.

"Dr. Jones" on the other hand, seeks a bigger lifestyle, plus he gets real satisfaction out of expanding his practice. He already has a hygiene department, front desk team and highly capable back office staff. He's considering adding an associate and a practice administrator or consultant for continued growth.

Dr. Smith's need to outsource may be more modest, but there are still experts she should turn to, precisely so she can keep her operations small and efficient as desired. Dr. Jones also can benefit from sensible leveraging opportunities to sustain profitability amidst expansion. Thus, regardless of your practice size or ambitions, I recommend you consider how to incorporate leveraging into your unique equation. Following are opportunities to consider.

Consult an expert

Unless your continuing education includes regular labor law classes, I highly recommend the services of a personnel specialist or labor attorney because poorly managed HR can lead to very expensive mistakes.

Are you sure your personnel files are properly organized, and your office policies are well documented and comprehensive? It may cost a few dollars to hire expert support for this, but it is some of the least costly protection you can buy. Check around. There have been large legal settlements over labor-related complaints well in excess of \$100,000.

Make marketing a pay day

A carefully planned and executed marketing strategy can add significantly to your practice development; marketing in the absence of such a plan can as easily (and expensively) detract from practice development.



When I started working with dentists in the early 1980s, it was all about expensive Yellow Page ads. Then along came direct mail, print, television, radio and even telemarketing. Fortunately, marketing has evolved. With the Internet, there are many cost-effective marketing tools available. There also are good people who specialize in dentistry and on harnessing tools, both new and traditional.

Then and now, there remain some eternal truths that a marketing specialist can help apply. For example, a marketing agency can and should help you (as cost-effectively as possible):

- I Identify a specific niche or niches to target
- I Define and refine the messaging that will appeal to and educate your niche(s)
- I Select the best ways to foster ongoing, strong relationships within your niche
- I Pay your bills, but on someone else's time

Do you really think that paying your own bills or doing your own payroll is the best use of your time? Professional bookkeeping services strike me as one of best ways to leverage your valuable time: It's easy to do. A competent bookkeeper can come in a few hours a month to pay bills, do payroll and reconcile your accounts. Bill payment and payroll are too date-sensitive to be casual about. Your CPA will love your clean records, as will those who are getting paid on time, including your staff. Remember also, mistakes can be very expensive. One mistake on a payroll tax deposit can cost more than the services of a bookkeeper for an entire year.

Don't get tangled in insurance options

Remember Bubba in *Forrest Gump* listing all the ways his mama could prepare shrimp? "There's shrimp kabobs, shrimp Creole, shrimp gumbo. Pan fried, deep fried, stir-fried. There's pineapple shrimp, lemon shrimp, coconut shrimp ..." Well, you get the rest.

Insurance is like that. You have health insurance, workers' compensation insurance, business property & casualty insurance, employee liability insurance (if you don't have a specific EPLI policy, get one), malpractice insurance, life insurance, overhead insurance, disability insurance (deep breath), auto, home, umbrella and long-term care insurance.

The bottom line is, don't try to figure this out on your own. And don't use your brother-in-law! Spend the necessary time researching who the best people are in their fields. (Most really good insurance agents specialize in certain kinds of coverage.) Interview them, check references and only work with someone you know you can trust.

Don't entrust your rainbow to just anyone

Whether you're just beginning or your practice is humming profitably along, what about protecting your financial well being and achieving personal dreams? How do you find that same safe, friendly and professional environment you provide your patients, where someone can be entrusted to provide you with the best possible wealth care? As a first step, it pays to take on some self-education. Here are a few good books to help you achieve the right mindset about life, wealth and investing:

The New Retirementality, by Mitch Anthony—A particularly timely read given the economy and its impact on so many doctors' retirement plans, Mitch shows you how to find balance between work and leisure or, as he puts it, how to earn a "playcheck" for doing what you love.

The Millionaire Next Door, by Thomas Stanley and William Danko—This book explores the value of spending less than you earn, regardless of your financial status.

The Coffee House Investor, by Bill Schultheis—Pick this up for a straightforward tour of investment essentials, such as the crucial relationship between market risk and expected returns.

Practicing balance

To quote Mitch Anthony: "The bottom line is that most of us want to work in our lives! ... We don't need to hear any

more about the pot of gold that must be full by the age of 62. It would be nice to have a plan in place that fits our own life vision and desires—a vision that marries making money with doing what we love.”

In other words, it's not about work versus play, it's about figuring out how to combine the two to reflect your personal definition for “success.” As I hope I've convinced you, a key way to create that unique blend is by finding the right leverage to begin with. •

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