WHERE ARE THE OPPORTUNITIES FOR INNOVATIVE MANAGEMENT IN MY DENTAL PRACTICE?

Dentists are aware of the power of innovation. Their patients benefit every day from the advances made in the prevention, diagnosis and treatment of oral health problems. These innovations in improving the quality of care must be matched by equally powerful advances in the business of managing a dental practice.

Until recent years, dentists felt little or no pressure to think creatively about administrative matters. Though growth of their small businesses was by no means guaranteed, they could focus all their attention on providing excellent clinical care and still operate a successful practice. Unfortunately, that scenario has changed, and dentists must adapt to new conditions.

PERMANENT CHANGES TO THE DENTAL LANDSCAPE

Faced with new business challenges, dentists and their staff members must seek innovative ways to address such factors as customer service and the management of financial matters such as overhead and cost-efficiency. This shift in focus has been necessitated by “change agents”—major events and forces beyond the control of individual dentists. These change agents, which have had a significant impact and will permanently alter the dental landscape, include the Great Recession and slow recovery, the opening of more dental schools, expansion of dental service organizations, declining insurance reimbursements and record levels of student loan debt.

In the business world, it is well known that when profound changes such as these occur, innovation is essential. The status quo no longer suffices. Regardless of their earlier success, dentists must now look for new and better ways to manage their practices. This will enable them to once again devote virtually all of their time to providing the best care to the greatest number of patients.

INNOVATION BEGINS WITH EVALUATION

Before innovative thinking can yield the greatest benefits, the dentist and staff members first must determine what changes are needed. A thorough, objective analysis will reveal where the practice currently stands. The particular parameters to measure will vary, according to each practice’s unique situation and the needs of its patients. Perhaps the most important element in this evaluation is conducting a strengths, weaknesses, opportunities and threats (SWOT) analysis for the practice. This analysis is a way to evaluate a business both internally (strengths and weaknesses) and externally (threats and opportunities) in a comprehensive way. It is a standard strategic planning tool used by many successful businesses, and it can be adapted to help guide dentists in their search for innovative ways to operate more efficiently while providing the best oral health care. Using practice data from the preceding three years, dentists and office managers, along with staff members, can identify items in each of the four categories.

Roger P. Levin, DDS
THE SWOT ANALYSIS
SEARCH FOR INNOVATIONS

Once the SWOT analysis is complete, innovative thinking can begin. Each of the four SWOT elements can be a source of valuable ideas.

**Strengths.** Some dentists overlook opportunities for innovation in areas in which the practice is strong. In fact, analysis of this category can yield ideas that lead to some of the quickest and most dramatic changes. For example, if the results of the analysis show that the front-desk team members are exceptional at providing patient support, the dentist should look for innovative ways to transfer their skills to other staff members. Bolstering the strengths of the practice will help it be less vulnerable to the negative influences found in the new dental landscape.

**Weaknesses.** This category includes areas in which the practice needs improvement—such as outdated business systems, bottlenecks and inefficient protocols that interfere with the smooth delivery of dental services. Identifying administrative impediments and replacing them with effective new systems will allow the dentist to concentrate more fully on dentistry.

**Opportunities.** Some people fear change and, therefore, ignore changes that occur. Others, including successful business leaders, realize that new developments result in new opportunities for those who recognize and respond to them. As the field of dentistry changes, innovative dentists will foresee the new opportunities that are being created and use them to leverage their dental skills to provide even higher levels of service. For example, if the recession has made it harder for patients to take time off from work for dental appointments, a practice can offer expanded hours to meet their needs.

**Threats.** Although protection will be the first priority when addressing threats to the practice, innovative protective measures often become powerful tools for enhancing quality of care. Anticipating and responding to challenges can put a practice on a sounder footing than if the threat had not occurred. Overcoming an obstruction often energizes a business owner to think more creatively and find innovative solutions that he or she would not have sought otherwise. For example, a new practice opening down the street can inspire a dentist to broaden and strengthen the range of dental services he or she provides.

**CREATING A GAP, THEN CLOSING IT**

A highly productive technique for developing innovations involves putting a numerical value on the difference between where the practice stands in terms of a certain parameter and where it needs to be. For example, if the dentist determines that the practice should reduce overhead by 6 percent, then he or she can focus on closing that 6 percent gap. The dentist and staff members can brainstorm innovative ways to cut costs, control spending and make operations more cost efficient. Just as metrics can drive practice growth, working to close a quantifiable gap can lead to innovative thinking that will make the dentist and staff members better at accomplishing the practice’s patient care mission.

**CONCLUSION**

Innovation means doing what has not been done before. For years, dentists could navigate the dental landscape without really needing to implement any innovative business solutions. Now that the business environment has changed, they should conduct SWOT analyses to guide them in the development of innovative new business systems and strategies. The ultimate result will be the ability to provide an even higher quality of care.

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The views expressed are those of the author and do not necessarily reflect the opinions or official policies of the American Dental Association.