



How to Run a Practice Like Elon Musk Runs Tesla

It's all about thinking big.

BY CHRIS BLEDSOE

Tips from the Trenches is a new every-issue column featuring practice management issues, and is written exclusively for PM by members of the Institute for Podiatric Excellence and Development (IPED). IPED's mission is to motivate, inspire, and synergistically bridge the gap between students, residents, new practitioners, and seasoned veterans in the field of podiatric medicine. They are committed to the idea that mentors with passion to share and mentees eager to learn make a powerful combination that allows IPED to bring and renew a full life to podiatric physicians, their practices, and their well-being throughout the U.S. and beyond. Visit www.podiatricexcellence.org.

The business of medicine is changing at a pace that is picking up speed. Much of this change has resulted in the consolidation of practices, mainly by hospitals. Others have

that, and they are beginning to assess opportunities to get more in tune with the business of medicine. It is not necessarily just a focus on increasing profits (which is not a bad thing), but also

- Setting some crazy goals and

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banded together in an attempt to take advantage of economies of scale, resulting in shared expenses and a workforce across a larger number of providers.

One medical practice is doing just

watching what happens

- Enhancing the patient experience
- Challenging the norm and asking why frequently in all areas of the practice

Continued on page 58

Tesla (from page 57)

- Operating the practice more efficiently, resulting in increased effectiveness

Ashlee Vance recently wrote a book titled *Elon Musk: Tesla, SpaceX, and the Quest for a Fantastic Future*. Elon Musk has changed the automobile industry, the space industry, the electric industry, and most recently the transportation industry with the HyperLoop project. He does not look at how things have been done, but at how things could be done.

He Sets Crazy Goals, Then Makes Them Happen

At the headquarters of SpaceX, visitors are greeted by two giant posters of Mars hanging side by side on the wall leading to Musk's cubicle. One poster depicts Mars as it is today, a cold barren red orb. The other poster shows Mars alive with green landmass surrounded by oceans. It is a clear example of just how vividly Elon Musk dreams and sets goals. Elon plans to launch a spacecraft bound for Mars in 2020.

By shooting for big goals with near-impossible odds, Elon's team pushes through barriers previously thought unattainable. When looking at goals for your practice, setting similar goals that challenge the mindset of your

a better way of doing something, they make the necessary changes and push those out to the raving fan owner base. Changes to the body of the Tesla do not wait on a new model year schedule, but are often made on the fly.

In your medical practice, if you are anything like us, when you start looking

the customer. The way the arm rests sit, the dashboard screen, every feature is congruent around "how it should be", not how it has always been.

The result? You typically have to order your Tesla with the features you want; there just aren't that many on the showroom floor. It's also in-

Consider mapping out what you hope happens in your office and share that with your team. This is commonly referred to as "The Vision."

at why you do some of the things you currently do, it will only pick up speed. Some examples we have seen are:

- 1) *Why* do patients have to re-enter all that vital information annually? Doesn't the system already know the bulk of the information?

- 2) *Why* is the waiting room layout like it is? What do your patients want? What would it take to have a Ritz Carlton-like waiting experience? Why are some patients no-shows? Is there data that can support those reasons?

- 3) *Why* aren't our patients "raving fan" referral sources for our practice?

A great question to ask yourself and your team is: If we doubled our

teresting that you very rarely see any advertising (compare that to Ford, Chevy, Mercedes Benz, etc.). He has built an experience that sells itself.

If you were to ask the next twenty patients coming through your office to rate their patient experience, you will likely receive scores across the board. Much of this is based on an expectation that is probably already pretty low. You just don't hear about an exceptional patient experience when it comes to seeing the doctor. You probably don't have an expected experience mapped out to compare the results to. The reality is you probably haven't given it much thought. This is pretty standard in our "industry", and in fact most industries are similar. The companies known for exceptional service are very intentional about what is expected, and the deliverables are often measured daily.

Elon Musk wants every Tesla owner to feel like his/her Tesla was designed and built just for them. What would happen in your practice if every patient coming through your doors felt that about every aspect of the experience they receive? Measure what you can (patient wait times, no show rates, satisfaction levels, etc.) and expect what you hope will happen.

Consider mapping out what you hope happens in your office and share that with your team. This is commonly referred to as "The Vision." We find it's the little things that can make the most impact. Compare your expected experience to other service-related companies like The Ritz Carlton, Disney World,

Continued on page 60

Whatever you need to change, begin to look at ways to change that now.

team to find ways to accomplish them will no doubt result in ideas and creativity not normally expected in a medical practice setting. Some goals to consider setting in your practice may be:

- 1) Payor collection rates of 98% (why not?)
- 2) Claim error percentage of < 5%
- 3) Days in A/R of 30

Musk Challenges the Norm, But with a Slant to the Why Part of the Norm

If you are an owner of a Tesla automobile, it is not unusual to see changes made on a regular basis. Software updates to the operating system happen frequently and not on some formal regular schedule. If the team at Tesla sees

current volume, what systems would fail without adding staff?

Whatever you need to change, begin to look at ways to change that now. Take the easiest one first and build some momentum. Ask the question *why* or even better, what would Elon do?

Musk Built an Automobile Experience, Not Just a Car

If you have talked to a Tesla owner, having one is similar to being a part of a fraternity. They tend to "drink the Kool-Aid" and expound on the many features as if Musk had read their mind when designing and building a Tesla. The fact is, Musk built a transportation experience that was centered on

Tesla (from page 58)

Tesla, or other well-known organizations that takes this part of their brand seriously. You will find things you can apply to your practice starting today. What are you waiting for?

Musk Looks for Every Opportunity to Get More Efficient

Much has been discussed about how automobile assembly lines are laid out—all with a focus on streamlining the process of how a car rolls through toward the finished product. But much of that was based on how cars have always rolled down assembly lines. Musk turned this logic on its head with how the Tesla plant and the SpaceX plant are designed. How quick and how efficient can the finished product be done (and whatever that result is, let's cut it in half). Survival in both companies was dependent largely on getting as efficient as possible in building incredibly complex products. Efficiency was and is

on top of mind in Musk's companies.

The medical practice industry is ripe for efficiencies. The use of technology offers many opportunities to streamline practice flow, from check-in to the final receipt of payment from the providers. How we look at the flow of a medical practice can change our perspective and allow for many areas of improvement that also result in enhanced patient experiences. Survival of the typical independent medical practice is predicated on these practices using tools to gain efficiencies and do more with less. By creating a heightened awareness of potential areas of improvement, efficiencies are born. Some areas to consider include:

- 1) Patient Turn Times
- 2) No Show Rates by provider/day of the week/hour of the day/demographic
- 3) Collection Rates by provider/payor/office
- 4) Patient encounter totals by provider/office/day
- 5) Revenue per patient visit

What do you want the end result of a patient visiting your practice to be? Is it to be healed of whatever ailment they present? Or is it to be cared for, administered to, and sent away feeling better than when they came in with a hope for continued improvement? By focusing on what you want to happen, efficiencies can result and patients become raving fans. Look daily for areas of efficiency in every aspect of your practice. **PM**

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Chris Bledsoe is a seasoned financial and operational executive, founder, leader and strategist. He is currently the CEO of MedForge, LLC and is leading a team simplifying the business of medicine. He has worn many hats since graduating from the University of Georgia with a BBA in management information systems. Chris is former accountant, CFO of a financial institution, and Founder/CEO of two startups that resulted in multi-million dollar exits.