

Turning Lean Times into Good Times

7 ways to survive and grow in any economy.

BY WILLIAM J. LYNOTT



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In podiatric medicine, tough times come and go. Whatever the state of today's economy, whether we move into the grip of a recession or not, it isn't going to last forever. Every practice experiences times when business is slow and the phone isn't ringing often enough.

When things are tight, it may seem natural to pull in your horns—take shelter until the storm passes—but that's exactly the wrong thing to do. Even in lean times, there are plenty of patients out there. That's why you need to sharpen up your management efforts while your competitors are slacking off. When the smoke clears, you'll be stronger and the competition will be wondering where they went wrong.

Many practices emerge stronger than ever as the result of management techniques that owners and managers put to use while things were tight. The most obvious of these is expense control. Chances are you've already taken a line-by-line

look at expenses, looking for costs that can be reduced or eliminated.

Even if you run a tight ship, there are probably ways to significantly reduce operating costs. In some practices, for example, elimination of an

(or anyone who wants to reach you). Unfortunately, you're probably paying a lot more than you realize for all that techno-communication. Contact your primary provider to see what bundled plans are available in your area. In

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As a busy practitioner, you rely on modern technology to keep you in touch. With your cell phone, pager, broadband Internet access, and regular telephone service, you're never far from anyone you want to reach

addition to saving you money, dealing with only one company will greatly simplify your bill-paying procedures.

These and other cost savings steps are usually the first things that come to mind during a business slowdown, and rightfully so. But surviving during tough times calls for more than taking obvious steps to reduce operating costs.

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Here are seven other battle-proven survival techniques that can help to strengthen your practice in any economy:

1. Adopt a Marketing Mentality.

If patient satisfaction is the mashed potatoes, marketing is the gravy.

Keeping your practice healthy and profitable requires an ongoing marketing program.

So, keep in mind that marketing involves far more than a webpage on the Internet and passing out your business cards. Marketing is a complex challenge, all the more so in a business operating in a specialized niche such as yours. If you are to achieve optimum success in marketing your practice, you must be willing to spend time studying, reading, and analyzing your market and your competition.

Keeping your practice healthy and profitable requires an ongoing marketing program. There is no other way. Competitive prices alone won't do it; dependability and skill alone won't do it.

Marketing embraces all facets of your operation. To be an effective marketer, you must nurture and promote your business image, sell yourself as well as your practice, and concentrate on making your services the best choice for discriminating patients.

2. Determine That You Will Never Lose a Patient to a Competitor.

Numerous studies over the years have shown that, on average, it costs five times as much for a business to find a new customer than to keep an old one. Focus on the significance of that statement; it is one of the most powerful concepts in the world of business.

With competitors standing ready and anxious to snatch away your patients and prospective patients, and your awareness of the cost of replacing a lost patient with a new one, it should be easy for you to understand

the importance of never giving even one patient a reason to stray.

Once a patient uses your services for the first time, you've done the hard part. Now, your job is to instill the notion that doing business with you will always be a satisfying experience.

You and your employees must never lose sight of the fact that de-

veloping a new patient is a costly and difficult job. Once a stranger becomes your patient, a major part of your overall marketing program must center on ways to make sure that he or she never has reason to leave you for a competitor.

3. Set Your Practice Apart.

America's most successful entrepreneurs, gigantic or tiny, are those who have carefully developed an identity all their own. Your job is to evaluate your strengths and then combine them to form a unique identity—an identifiable image for you and your practice.

Patient satisfaction is the most powerful advertising and marketing medium available to you.

Perhaps you've been in practice longer than your nearest competitors; or maybe you have a reputation for especially skillful workmanship at competitive prices. Whatever your marketable strengths, you should write them all down, study them, and then determine how to separate yourself from your competitors—how to motivate potential patients to seek you out, and existing patients to feel fortunate to have discovered you.

4. Go the Extra Mile.

Never forget that a complaint from a patient can easily be turned into a valuable asset. Some years ago, a major retail marketing study revealed that customers whose com-

plaints were satisfactorily resolved became better customers of the company than they were before the incident that triggered the complaint.

Some of the most successful companies in the world were built on a foundation that revolves around the principle that client complaints provide a valuable opportunity to build the business.

When L.L. Bean, founder of one of the world's most successful catalog order firms, was starting out, he suffered what could have been a disastrous setback. Shortly after he began shipping his first waterproof, hand-made boots, complaints that the boots leaked started coming in. Determined to fulfill his promise of client satisfaction, Bean returned the full purchase price to every client. Then, he set out to correct the flaw in the boot's design. That was the beginning of the client loyalty that helped to make L.L. Bean what it is today.

Sometimes, satisfying a patient's dissatisfaction calls for measures that you may feel are unreasonable. When that happens, think of the cost in time and money as an investment in your future.

Once you've sold yourself and your employees on why you are the best choice for patients who require

the utmost in dependability and know-how, you must focus your marketing efforts on ways to promote this image to both patients and prospects.

5. Make Patient Satisfaction Your Hallmark.

Patient satisfaction is the most powerful advertising and marketing medium available to you. Nothing will build your practice faster than patients bragging to their friends about you, and nothing will eat away at your practice more relentlessly than unhappy patients complaining about you on the golf course or at a Rotary meeting.

Yes, it can take money and time

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to resolve a complaint, and it can be especially trying when you feel that the complaint is not justified. However, it's important to remember that the dollars you spend resolving a complaint are marketing dollars—arguably the most effective marketing dollars that you can spend.

6. Treat the Telephone as an Important Business Tool.

Your patients' experiences with your practice begin the moment that you or your employee answers the phone. Everyone who answers the phone must be trained to understand the importance of treating every caller with courtesy and respect. The phone needs to be answered promptly, never allowing it to ring more than two or three times. Staff should identify themselves by name in a cheery voice.

If your calls are usually answered

by an answering machine, the voice heard by the caller must be friendly and professional. If your voice doesn't fit that requirement, consider asking someone else to make the recording.

Most important: Always, always respond to every phone message. Today's patients are frustrated enough by the impersonal nature of voice messages. Don't force a caller to wait for a call that never comes. That's a certain way to alienate a patient or prospect.

7. Clamp Down on Those Accounts Receivables.

Your accounts receivable system must be capable of telling you whether any accounts are overdue by 60 days or more. If that comes to 10 percent or more of your total A/R, you need a more aggressive collection policy.

Never delay sending out your invoices. Every day that you fail to process invoices is a day that someone else has the use of your money.

The more casual you allow yourself to become about collecting the money owed to you, the more casual your patients will become about paying you.

Taken individually, the seven commandments of successful practice operations may seem inconsequential. However, when you blend them together in a consistent manner, they will form a significant and permanent contributor to your bottom line and your economic future. **PM**



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