THE LAST WORD IN PRACTICE ECONOMICS



Don't Procrastinate

Setting interim deadlines beats setting a single deadline.

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rocrastination is the cause of much of the inefficiency and poor quality in a business. Samuel Clemens once said, "The secret to success is getting started"—but, isn't there always a good excuse for putting things off? If Clemens is correct, following our "natural" tendency to procrastinate negatively impacts our level of success. This is especially true in today's changing healthcare environment, one that requires rapid response to frequent change.

As students, most of us have had the experience of putting off assignments until the last minute, at which time we rushed to get them done. If we ended up turning in an assignment late, or if we didn't have the time to give it our best effort, we suffered the consequence of a lower grade. In spite of having endured such negative experiences, many of us continue to procrastinate. Today, we are running busy practices and depend on associates, advisors, and support staff to help us get work done. Unlike school, our success in practice is not only impacted by our own tendency to procrastinate, but

also by this tendency in those working alongside us.

Better management of our human instinct to procrastinate can make a dramatic difference in the economics and quality of our practices. A study conducted years ago by Dan of interim deadlines for completing portions of the project, and the third group was allowed to set a series of interim deadlines for itself—all three attempts at lessening the effects of procrastination. Participants were told they would receive ten cents for

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Ariely, of MIT's Sloan School of Management and Klaus Wertenbroch, of Insead in Fontainebleau, France, can help us understand how we can best work towards achievement of our goals while curbing our tendency to procrastinate. These researchers found that procrastination is closely tied to the deadlines we set. They conducted a series of experiments in which participants were given a complex proofreading assignment.

The first group was given a deadline of three weeks to complete the project, the second was given a series each error they found and would be penalized one dollar for each day of missed deadlines.

The results revealed dramatic differences among the groups in both quality of work and completion time. The first group (given a single deadline) performed the worst in both areas. Their work, on average, was completed twelve days late, and each participant found only 70 errors. The second group (given a series of interim deadlines) performed the best. Their work, on average, was 0.5 days *Continued on page 122*

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late, with each participant detecting 136 errors. The third group (setting its own interim deadlines) had a performance which scored between the profit (earning \$10.40 in revenue and losing \$6.50 in fines). In business terms, group one is out of business, while group two outperformed group three by 67%.

There are strong parallels between

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other two. They averaged 6.5 late days and found 104 errors.

Profit was not mentioned in the study, but you can do the math to compare outcomes. Members of Group One lost \$5.00 (earning \$7.00 in revenue and being fined \$12.00), those in Group Two achieved \$12.60 in profit (earning \$13.60 in revenue and losing \$1.00 in fines), and those in Group Three produced \$3.90 in

the findings of this study and the real world. There are numerous medical practices outperforming the average profit level by 67%. Many are doing even better. One consistency in practices which achieve high profit levels is that their doctors make fast decisions, implement them in incremental steps, with minimal procrastination, and they achieve higher quality outcomes. It is clear from the above study that once you have decided to implement something new in your practice, you should set interim deadlines for your partners, associates, staff, and even yourself. This will be a far superior approach to setting a single deadline or having members set self-determined, interim deadlines. The next time you find yourself setting a single deadline (e.g., "I need this completed in two weeks"), you should re-think your strategy. There are too many important goals that need to be met quickly, with little room for procrastination. PM



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