

# Archimedes, Leverage, and Modern Healthcare

These concepts can boost practice productivity.

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**A**rchimedes was a well-respected philosopher and mathematician in Syracuse, Italy, in the 3rd century BCE. On many occasions, the king of Syracuse relied on Archimedes' scientific acumen to provide answers to impossible challenges. Whenever Archimedes proclaimed something, no matter how audacious, people knew that Archimedes would find ways to prove it. The king and the people of Syracuse learned to listen to him with respect. One day, Archimedes claimed that he could move the earth. Now, this was a bold proclamation, even from him. People knew for sure that this was something beyond even the great Archimedes. However, such was his reputation that no one dared challenge him. This declaration became the talk of the town and made its way to the king's ear.

The king summoned Archimedes to the court. "I heard you claim that you can move the earth. Is it true?" the king asked. "Yes, your majesty, what you heard is correct," replied Archimedes pretending to be respectful. "Can you demonstrate it?" With this question, the king knew that

all of Archimedes' pretensions would fall apart. This was the moment that Archimedes said something that would be remembered for centuries. "Give me a lever long enough and a

results. For example, creativity is a long lever you can use to make a significant impact. This article explains the creative use of leverage to build a more successful practice.

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place to stand, and I can move the earth." This was Archimedes' dramatic way of presenting the importance of the lever to the world. We often use this metaphor of long levers to describe those small events or efforts that create disproportionate

After reviewing the philosophical and business foundations of the concept, we propose eight kinds of leverage, non-financial and financial, with examples of how to use each type to increase efficiency and productivity.

### The Concept of Leverage in Business

Archimedes' principle of leverage illustrated how a lever can be applied to provide a mechanical advantage in moving or lifting an object. For a small effort to lift a significantly heavy or challenging object, the length of the lever must be appropriate. In business, leverage involves using capital, typically loans, to increase a company's potential financial return or growth. The potential magnitude of growth cannot be accomplished without the benefit or leveraging of additional funds. In short, a small loan lifts up and unleashes opportunities for increased

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results where there once were none. A small action, well leveraged with long-term vision, can unleash smarter and more efficient productivity.<sup>1</sup>

Southwest Airlines provides a good example of unleashed efficiency through leveraging that decreased its planes' turnover rates. Desperate to compete with the major airlines (e.g., United, American, and Continental), Southwest focused on leveraging

Imagine you are a manufacturer who would like to develop an easier, simpler product line to produce and sell. Or perhaps you provide a commercial service and find an untapped market for apartment complexes in your area. Or maybe you could expand to a different geographical area to reach consumers who want or need your product. Or maybe you have a business relationship with another company or vendor that could help get your product in front of more consumers. All

steps to unleash potential where limits currently may exist.

## **Non-Financial Sources of Leverage**

We suggest examining the hidden power of seven nonfinancial sources of leverage to propel your practice's success with increased efficiency.

### **1) Other People's Energy**

Highly effective physicians look for ways to delegate and outsource lower-value activities so that they have more time to do the activities that give them the highest payoff—i.e., see more patients or do more procedures.

Proper coding is crucial so we are paid for the services we render on behalf of our patients. We can leverage the energy of a certified coding expert who will remove that burden from physicians. A coding expert will properly submit correct codes that will ensure payment without the risk of underpayment or fines for up-coding. If coding is not performed correctly, we either leave money on the table or up-code and risk nonpayment or penalties.

Effective practices know how to leverage time. One easy way is to use a scribe to enter data into the EMR.

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## **Leverage can come from both financial and non-financial opportunities.**

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time, specifically aiming to unload and load passengers faster than the other airlines. Southwest realized that this small change could unleash further efficiencies and result in planes getting back in the air in 10 minutes. The leadership of Southwest had discovered that planes make more money in the air than on the tarmac.

Efficiently growing a successful business requires consideration of all points of leverage and evaluation of how they work, both with and against one another, to maximize growth in the shortest amount of time with the fewest additional resources. Leverage can come from both financial and non-financial opportunities. One specific type of leverage focuses on key limiting factors or the biggest constraint currently limiting growth. Small changes in limiting factors can be leveraged for long-term sustainable positive impact on efficiency of a successful practice.

### **Limiting Factors**

A key limiting factor is an aspect or feature of business that would allow instant growth if only more was available. This could be, for example, a lack of an effective lead generation system for your business. Your lack of marketing systems is holding your business back from growth; once that is addressed, therefore, you should expect to see more revenue coming in. That one problem could be your key limiting factor and your top opportunity for growth, all in one leverage point.

these examples are opportunities that, if acted upon, could make a huge difference for your business.

The best way to grow your business is to consider your key limiting factor and your top opportunity and focus on the two together. These often are linked. You may expand into a new market, but if your lead generation efforts need work, you might fall short. Or perhaps you have come up with a new, simpler product to manufacture, but you don't

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have your staffing issues figured out, so you have delays and problems bringing that item to market. In summary, by putting together and paying attention to your key limiting factors with your top opportunities, you will be much more successful in your efforts to grow and expand your business.

### **Leveraging Limiting Factors in Medical Practices**

The story of Archimedes and his vision of moving the world encourages us to step back and change our perspective to see greatness in small things and employ the power of leverage to unleash great outcomes from small treasures. With straps on financials, leveraging can begin with non-financials by taking

A scribe can take the history of the present illness and past medical history and review systems while the doctor sees other patients. When the doctor is in the exam room with the patient, the scribe can enter additional information and the physical exam findings into the EMR. This allows the doctor to remain face-to-face with the patient, which enhances communication. The scribe improves efficiency, enabling the doctor to see more patients. Using a scribe can increase the number of patients seen each day and seeing just one or two additional patients each day pays the scribe's salary (Figure 1).

Leverage also is used to decrease

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denials of payment, which are costly to a practice. Some software programs provide clean claims before submission to insurance companies.

## 2) Other People's Knowledge

Successful people are like radar screens, constantly sweeping the horizons of their lives, continually seeking books, magazines, tapes, blogs, podcasts, and conferences for ideas and

This source offers lectures on every topic, from astronomy to zoology. You can access industry leaders, professors, and titans at a minimal expense.

## 3) Other People's Success

Seek out successful people and ask them questions to learn the how, when, what, et cetera of their decisions. You meet highly successful people in medicine and in other industries, and you can leverage their success for new ideas. Meet them on their turf, invite them for lunch, or meet them virtually and ask for their advice. You will be amazed at how helpful they can be and that they will give advice for your practice. If you are hesitant to reach out to luminaries, you can hear them in podcasts, YouTube videos, and books on tape.

## 4) Other People's Failures

Benjamin Franklin said, "Man can either buy his wisdom or borrow

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Clean claims result in fewer denials and prompt payment for your medical services. These software programs also offer a fee schedule analysis, eligibility and benefits verification, insurance and patient payment posting, billing to secondary insurance providers, insurance follow-up, call service centers to manage patient queries, appeals administration, and accounts receivable recovery.

insights they can use to help them to achieve their goals faster. Leveraging other people's knowledge can save an enormous amount of time, money, and stress. We have found that more knowledge from others is available when you reach outside your medical circles. Examples include museums, travel, and taking classes at a local university.

Our favorite is The Great Courses (<https://www.thegreat.courses.com/>).

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it. By buying wisdom, he pays the full personal time and treasure price. But by borrowing it, he capitalizes on the lessons learned from the failures of others.”<sup>2</sup> Learning the failures of others often is where the gold lies. Successful people have failed on their way to success. They have learned from their failures, leveraged them, and morphed them into achievements. Hear about their failures and how you learn to avoid the same mistakes.

Burnout is at epidemic levels in healthcare, with nearly 50% of physicians experiencing one or more of the classic signs or symptoms.<sup>3</sup> One of the issues that contributes to burnout is the requirement to record data in an EMR, which can be a burdensome and confusing process. This process has caused middle-aged and older physicians to retire, leaving gaps in the provider workplaces. Physicians commonly spend two additional hours of uncompensated time each day to complete filling in their patients’ records. Ways to reduce this pressure include use of a scribe and voice recognition software, where the clinical note can be dictated in front of the patient. Any errors in the record can be corrected later at the point of service.

Many medical practices have noted that their online reputation management has taken a turn for the worse. The most common patient complaint is long delays in obtaining an appointment and prolonged time in the reception area or the exam room waiting to see the doctor.

Doctors can improve their efficiency and time management by having the staff prepare the examination rooms the evening before the next clinic day. This ensures that all the necessary supplies are in the room. If office hours start at 8:00 AM, the first patient should be scheduled to come in at 7:45 AM to allow time for registration and clinical intake. That way, the physician can quickly initiate the encounter. The same rule applies to the first appointment after lunch.

**5) Other People’s Ideas**

Leverage consists of connecting the dots. The more you read, learn,

**How Will Adding a Scribe Affect Your Bottom Line?**

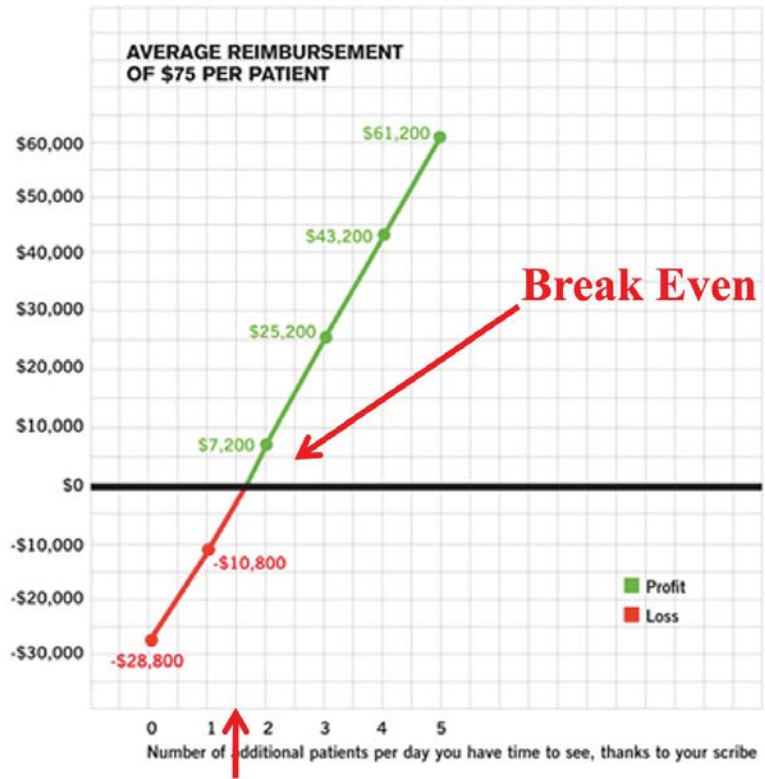


Figure 1: Economic advantages of using a scribe

discuss, and experiment, the more likely you are to come across an idea combining what others have done with your own abilities and resources to make your practice successful! When you get ideas from others, you can harness them and make them work in your practice. However, once a new idea is recognized, you must act on it, as success only happens when the action takes place. Remember, if you continue to do what you have already done, you get more of what you already got!

**6) Other People’s Contacts**

The power of multiplication and networking is well known, and there are many networking organizations that you can get involved with. The best advice is to get involved with the right people. They are the ones who open doors for you. We suggest reaching outside of your medical contacts and looking for other networks, for example, by joining one of the many service organizations,

such as Rotary, Kiwanis, or Knights of Columbus.

A few decades ago, a person’s net worth was correlated with the number of contacts in their network. The size of a man’s Rolodex (okay, one of us [NB] is dating himself) indicated the size of his network. Today, LinkedIn measures the size of a person’s network. Make sure to be on LinkedIn, because you can quickly grow your network with this free online professional website.

**7) Technology**

Leveraging technology is integral to any healthcare practice, because it may lead to better healthcare delivery and increased revenue. There’s an app for that! Deloitte’s 2018 Global Mobile Consumer Survey found that Americans look at their phones more than 50 times per day across all age groups. With a projection of 3.8 billion smartphone users in 2019 the app ecosystem is flourishing, and the upward

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trajectory is forecast to continue.<sup>5</sup> Medical professionals have abundant options for choosing which apps will help them most—the Apple App store offers more than 2.2 million options, and about two percent of all the active apps are medical-related.<sup>6</sup>

Mobile apps that are hospital-approved for clinical use can be helpful. The EPIC *Haiku* App assists doctors in locating patients in the hospital, looking up lab results, and checking

ping the 401(k) contribution even for one year means you're giving up the growth potential for your retirement nest egg. You may think you're skipping out on \$18,500, but you're more likely cutting off hundreds of thousands of dollars from your eventual nest egg. The sum of \$5,500 may feel inconsequential. But the financial consequence of omitting \$5,500 invested annually for 30 years at a seven percent return is \$597,769! That could generate \$24,000 a year in retirement using the four percent

**Sir Isaac Newton said,**

**“If I have seen further, it is by standing on the shoulders of giants.”<sup>4</sup>**

the operating room schedule. The Welch Allyn *iExaminer* App, which is used with its ophthalmoscope, turns the iPhone into a mobile digital imaging device, allowing users to view and take high-resolution pictures of the fundus and retinal nerve in the eye. The app then allows users to store the images in a patient file or email and print them.

### Financial Leverage

Every physician should look for opportunities to borrow or invest money and achieve returns that are greater than the cost of borrowing that money. Your ability to borrow money or tap into the financial resources of others can make significant accomplishments possible. The trick here is to borrow money when you do not need it. Borrow a small sum of money, place it in safe security, such as a Treasury bill, and pay it back in a few months. Repeating this process will establish a solid positive credit rating track record, making it available when you need a big loan for growth, expansion, or purchasing new equipment.

You can leverage your own money early in your career. Consider starting to save for retirement by contributing \$5,500 to your 401(k) account when you start in practice. This can have a profound impact on your ability to build wealth. Skip-

ping the withdrawal rate,<sup>7</sup> all because you saved a small amount of money early in your career.

Or you might consider leveraging the time you spend driving from your home to your practice or hospital. Saving a few minutes daily may seem insignificant, but it can directly impact your quality of life. If you are starting your practice, you could live in a less expensive apartment close to work where you will be able to walk to work. Imagine that you have a 30-minute commute to work. If you add 30 minutes to your commute, you've effectively lost 15,660 minutes of wasted time each year (261 working days × 60 commuting minutes daily). That's not to say that one path is better or worse, but rather to point out that small changes have enormous results.

### Bottom Line

Using leverage is a vital skill for contemporary physicians. We think it is part of physicians' narrow vision to fail to understand the power of a series of small, seemingly insignificant steps that lead to significant changes. The point is to get us to think about how small actions significantly impact our lives and practices. By becoming skilled in several forms of leverage, you will have a positive impact as you relentlessly work to become more productive. PM

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