



Business Adages That May Not Always Be True

Don't view these expressions as universal truths.

BY JON A. HULTMAN, DPM, MBA

Business advice is full of catchy one-liners that are simple, memorable, and often repeated as if they were universal truths. These adages are often turned to when deciding whether to pursue certain ideas or projects. Because these adages are often considered universal truths, once evoked, they can be discussion enders. But when examined in many

ineffective healthcare processes. Following up with continuous quality improvement (CQI) was the way to continue improving those processes. Both reengineering and CQI required tearing apart a process that previously *seemed* to be working and then rebuilding a new effective one to take its place.

Growth Solves Everything

Growth is often cited as the ul-

they are not capable of supporting any increase in volume. When this is the case, rapid growth creates chaos, backlogs, and an increase in patient waiting times. Growth in patient volume without first creating a reliable infrastructure can lead to an increase in staff size and other expenses that offset or eliminate any resultant increase in revenue. This, in turn, leads to a point at which there is no increase in profit. This is why many companies that grow too quickly collapse under their own weight. Development of sustainable systems should come before aggressive expansion. A better adage would be, "Healthy growth matters more than fast growth."

Development of sustainable systems should come before aggressive expansion.

A better adage would be, "Healthy growth matters more than fast growth."

Hire Slow, Fire Fast

This advice encourages careful hiring and decisive action when things do not work out. While well-intentioned, it can be misapplied because following the advice of "fire fast" can lead to premature decisions about dismissing staff who have not yet received proper training or coaching. It also can create a culture of fear rather than one of development. A better approach would be to "Hire thoughtfully," and, "Invest time and effort in onboarding, feedback, and development" before deciding to part ways.

Data Doesn't Lie

This is quite similar to the quip, "Figures don't lie, but liars do figure." Figures and data can be powerful tools but can be manipulated. Data can be incomplete, biased, misinterpreted, and even reflect past conditions rather than future re-

Continued on page 122

real-world situations, these so-called truths often break down. In fast-changing or complex businesses, blindly following them can hurt performance and derail projects before they even begin.

If It Ain't Broke, Don't Fix It

On the surface, this makes sense, but when used to avoid taking action on a new idea (which itself may be essential for the success of a business), it might cause you to dismiss that idea before it even gets off the ground. When I first heard this adage, I was focused on re-engineering and continuous quality improvement projects. As I discovered, the adage that applied to many of these projects was, "If it ain't broke, break it." "Breaking", followed by re-engineering, was the way to fix outdated, costly, and

timate goal of a practice. When one experiences declining profit, the focus often goes to increase revenue by increasing the number of patients through investment in advertising and marketing. The hope is that an increased patient volume will simultaneously increase profit. But growth can amplify problems, especially if processes are so inefficient and ineffective that





Adages (from page 121)

alities. Practices that rely *solely* on data can miss emerging trends or qualitative insights. A better approach is to “Use data as a tool, rather than a crutch.” It should always be viewed through the lenses of experience and context and utilized with sound judgement.

Time Is Money

While time has economic value, viewing every minute purely in terms of its financial value can be shortsighted. Over-emphasizing this adage stifles creativity, reduces the value of relationship building, and leads to work-life imbalance, among other things. In my experience, some of the highest-value time spent—such as building trusted relationships and one’s reputation in the community—does not produce immediate returns. The time spent on these pursuits does, however, build the framework for a successful career that then results in financial gain. This pursuit is definitely not “time wasted.” A better approach is to realize that “Time is an investment, not a cost.”

podiatric medicine and surgery is a good thing because it increases awareness of our specialty. What is most important is for these “competitors” to be well-trained and ethical.

The Patient Is Always Right

This phrase is meant to be used as emphasizing patient focus but fol-

such as workplace culture, leadership quality, and trust are hard to measure but are all deeply impactful on a practice’s success. Exclusive reliance on metrics can lead to managing what is measurable to the detriment of these qualitative factors that also matter. The takeaway is to “Measure what you can, but do not ignore what you cannot.”

While time has economic value, viewing every minute purely in terms of its financial value can be shortsighted.

lowing it religiously can be damaging. Obviously, not all patients are always right. They may request services or medications that are not medically indicated for their particular condition. Some are misinformed, unreasonable, or even can be verbally abusive of staff. Overly emphasizing every patient request or complaint can undermine trust and lead to staff turnover. A better approach is to emphasize that

Failure Is Not an Option

This adage applies far more to the surgical side of practice than to the business aspects. On the business side, it does promote accountability, but it can also discourage risk-taking. Staff development is a critical area that requires an environment that encourages risk-taking; otherwise, staff will never become confident enough to function independently. In many industries, especially innovation-driven ones, failure is unavoidable and often necessary. We do learn from our failures. A better approach would be to recognize that “Failure can be *managed*, not eliminated.” The goal is that when you fail, you fail intelligently and learn quickly from that failure.

While measurement is critical for process improvement when using statistical methods, not all that is important can be easily quantified.

Competition Is Bad

Though many businesses fear competition, it is what often drives innovation and can set your business apart. Monopolies tend to become complacent, while competitive environments sharpen a company’s strategy and its execution. In my podiatric career, I saw first-hand the positive effects of competition. When I graduated from podiatric medical school, the estimate was that only 5% of the population knew what a podiatrist was. As more DPMs opened practices in my geographic area, a larger portion of the population learned who we were. More importantly, physicians in that area also learned what podiatrists have to offer. The number of practices in my location increased substantially, but none were lacking for patients. Every one of those practices was busy. If anything, competition in

“Patients deserve to be heard and respected but are not infallible.”

You Can’t Manage What You Can’t Measure

For most things, this is certainly true. I have been an adherent of the teachings of W. Edwards Deming, who implemented statistical process controls and continuous quality improvement in multiple fields. These ideas led to a revolution in the Japanese auto manufacturing industry and, later, in auto manufacturing in the USA—lowering costs while increasing quality. I have utilized these same principles to reduce the cost and increase the quality of medical office processes.

While measurement is critical for process improvement when using statistical methods, not all that is important can be easily quantified. Factors

Keep in mind that business adages endure because they contain a kernel of truth. But they should not be viewed as universal laws. Context, industry, and timing matter. The most effective leaders do not follow slogans. They think critically about when those slogans apply, and when they do not. In business, wisdom is not about memorizing and blindly following the rules. It is about knowing when to break them. **PM**



Jon A. Hultman, DPM, MBA, is the president of Medical Business Advisors, specializing in practice evaluations, practice valuations, and mergers. He is the author of *Reengineering the Medical Practice and Medical Practitioner’s Survival Handbook*.