Ep #44: Being Ready For Transformation with Dr. Mark Murphy

Full Episode Transcript

With Your Host

Allison Watts, DDS

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Welcome to *Practicing with the Masters* for dentists with your host, Dr. Allison Watts. Allison believes that there are four pillars for a successful, fulfilling dental practice: clear leadership, sound business principles, well-developed communication skills, and clinical excellence. Allison enjoys helping dentists and teams excel in all of these areas. Each episode she brings you an inspiring conversation with another leading expert. If you desire to learn and grow and in the process take your practice to the next level, then this is the show for you. Now, here's your host, Dr. Allison Watts.

Allison: Welcome to *Practicing with the Masters* podcast. I'm your host, Allison Watts, and I'm dedicated to bringing you masters in the field of dentistry, leadership, and practice management to help you have a more fulfilling and successful practice and life.

Welcome, everybody. I'm so excited to have Mark Murphy here. He has recently become one of my favorite speakers. I hadn't seen you in a long time and then now I've seen you several times in a row. So it's been really fun to get to know you and I'm honored to have you here. I'm going to tell you guys, some of you guys know Mark better than I do, but I'm going to go ahead and give an official introduction.

Mark is lead faculty for clinical education at MicroDental and DTI Dental Technologies. He serves as adjunct faculty at the University of Detroit Mercer School of Dentistry and the Pankey Institute, where he also serves on the board of directors. He practices general dentistry on a limited basis in Rochester, Michigan and lectures internationally on leadership, practice management, communication, case acceptance, treatment planning, occlusion, and TMD.

Mark is also the principal of the web-based application Funktional Tracker. It is a behavior-tracking app marketed toward dentists who wish to improve their practice through a

combination of daily user inputs and data synchronization, with office management software. The application lets small practice owners track and correlate desirable behaviors of their staff. So those are the Key Behavioral Indicators with Key Performance Indicators that measure the success of their practice.

One of Mark's favorite quotes is "When the student is ready, the teacher appears." He believes that when we're ready, no matter how many wonderful people are running around, when you're ready, you're going to hear things you didn't know before and that's when transformation begins. That's what we're here for; we're here for some transformation.

So I'm excited to have you. I guess you can start off if you want to give any more of an intro but I have you here because I'm curious about this conversation about the Funktional Tracker, not necessarily the software, but just this perspective of tracking behaviors.

Mark: Thank you, Allison. I'm here because I want to find out why I could become one of your favorite speakers. When I think of the number of people, the breadth of people, the depth of people that you've had the opportunity to interview in these podcasts, how in the world could I have risen to some level where you really enjoyed something. What did I do? What did I say that got you … ?

Allison: You're just charismatic.

Mark: [Laughs]

Allison: You have the clarity. No, I'm watching you because I want to be a better speaker and you just really, beautifully … the storytelling. You're just good. You're just good.

Mark: Well, thanks. Good luck. Let me go get my wife, I want you to repeat all that for her, please.

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Allison: [Laughs] This is being recorded so you can just play it over and over again.

Mark: I know. There you go, that would be great. Right around bedtime, I'm saying … Anyhow, we're moving on. So, thank you. I'm fortunate, as many of you know, and some of you who are on this call are people that have actually been on this podcast. It's a pretty great litany when you look down the list of folks who have been on here and the subjects they've talked about. A variety of people, many of whom have served as mentors to me and are friends of mine.

It's really kind of neat to see the camaraderie in a group, Allison, that you've been able to arrange and orchestrate over time. I think some of the most prominent, I want to say best, but that's my opinion. I don't have a lot of evidence, but I think I'm right on that one, but some of the best people that I think are out there in dentistry today, whether it's clinical skills for some of those folks or behavioral skills for many of those folks.

I think that they've got a stranglehold on the pulse of dentistry today. And a stranglehold on the pulse of what's going to make dentistry great, keep it great, and let some of the young folks in dentistry today have hope. Because I think that's, well, a lot of what we talked about centers around it, is giving people hope. So I think that's important. Thank you for having me on, I really appreciate it.

Allison: Absolutely.

Mark: It's funny because in the introduction, I know it's a bunch of words, and they're big words and they run together with acronyms and then there's those definitions, KPIs, KBIs, Key Behavioral Indicators and Key Performance Indicators, and I wouldn't be critical and say you tripped over those but it's a

mouthful to say all that. I guess I was critical, I apologize. I love you. I love you, you know that.

But it was a mouthful to say and that is fun and that's really all that that software is about is moving us from … there's nothing wrong with having a great array of performance indicators for us that tell us how we've done, but they're kind of like rearview mirror viewpoints of how we have performed, how we have accomplished things, how many crowns we did, how many fillings, how many appointments, how many patients we saw, production, collection, how many new patients, how many appointments, that kind of thing.

But it doesn't allow us to do anything about it in real time. So the thing that's happened for me, if we're talking about transformation, my transformation when I'm looking at practice management, coaching, and working with dentists is that I realized how important it was for us to find ways to quantify the behaviors that yield those changes and the results that we want to see. So when we look at numbers of new patients, or we look at using the intraoral camera, we look at making the next hygiene appointment, or any of those kinds of things and we say, "We've got to do more of that."

We meet in a team meeting, we talk about it in the huddle, and at the end of the day, how did we do? Well we had our hands on the fire hose pretty well because the yogurt hit the fan and we have a lot of stuff to do. But we didn't necessarily stay true and aligned to the behaviors that we kind of agreed to. So how do we stay on track? How do we stay aligned with those behaviors?

There's been so many ways and places historically where people have found their own way of doing that, whether it was Weight Watchers or AA or Ben Franklin and his cataloging and

his daily indexing of his thirteen virtues. There's no shortage of ways that people have figured out, "How can I keep track of behavioral change?"

Now we've got software applications like MyFitnessPal and Fitbit so there's all kinds of cool things going on. Those are great and we just needed something like that in dentistry. So I think that's what we set out to create, was something to track behaviors. But it's not really about tracking it with my software. It's not how you track. You and I talked about this.

Allison: Right.

Mark: It's that you track. I don't care if you use a paper and pencil. I don't care if you use an Excel spreadsheet and put it up on a pie chart for everybody to see at the end of the week. It's that you track the behaviors in real time, patient to patient. That's going to change the opportunities you have for helping your patients have healthier mouths. You can use it to do more dentistry that's important for you. And ergo, because of that, making a little bit more money.

So it's really about creating a supportive mechanism for behavioral change. That's really on the KPIs and KBIs, but it's fun stuff, and it's been really fun to work on that software, that's for sure.

Allison: Can all KPIs pretty much be tracked back to behaviors?

Mark: Wow, that's a … hm, hm, hm. Don't know, I hadn't … that's a good question.

Allison: I'm just wondering, we have a set of numbers that we're supposed to track and we sit and talk about them at our staff meeting or whatever and it's kind of boring, really.

Mark: Sure.

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Allison: And I think it'd be fun to … I do know when the numbers aren't where we think they should be, we go back and try to figure out, what do we do to get our numbers on track?

Mark: Yeah, so my quick answer to that, because I like that question because I've thought of a lot of things that I think are important to driving practice success, but I don't know that I've thought of all of them. So we've got about thirty trackers and some of them impact the same performance indicators. But as I think of it, from the top of my head, I would say to myself, "Yeah, there's probably a way of quantifying the behaviors that drive the results in pretty much everything we do in a dental practice."

Now, I don't know that I'm going to go in that direction very far. The reason for that is it's like when you drive a car, you can't keep track of everything that the car has or is capable of keeping track of or doing, it's too much information and it would get in the way of your ability to drive the car.

Allison: Yeah.

Mark: So we still have to get up in the morning and do dentistry for six or eight hours. I want enough information that helps me modify enough of my behaviors without getting in the way of me doing the dentistry that I want to do that day. So that my day is still about doing the dentistry and not just about tracking behaviors. I hope that makes sense.

Allison: Totally, yeah.

Mark: I can't put the car in drive. Why not? Because there's so many dials to look at. I have 33 dials here. We have 33 trackers. I have 33 dials on my dashboard and I'm trying to watch all of them to make sure everything's right before I put it in drive and actually go to the store. You say, "For God's sakes, let's just look at the two, or three, or four most important indicators."

Maybe your speedometer, and your direction, and if you have enough fuel, and is the engine running too hot, and what's the tachometer doing? Just a few pieces of information and then have indicator lights come on when things go wrong.

So I think that analogy of a dashboard … and in fact, that was the thesis behind designing our trackers with four trackers per team. Could we have more? Oh, absolutely. But four is enough information. We worried if the four trackers all happened to be around behaviors that occur in each and every patient, because some things occur once a day. Like, did you have a huddle?

Allison: Right.

Mark: So if you get to click that tracker in the morning, "Hey, we had the huddle, great." I don't have to look at that tracker the rest of the day. Some practices have … it's hilarious, we've had to create trackers for all kinds of situations. "Do we get out on time for lunch?"

Allison: I like that one [laughs].

Mark: Well it's funny. You know, you get into a practice and you think you're all geeked up to help them grow, then you find out that they're biggest problem isn't growing more. You can do that for them, too, but their biggest problem is they run late. They never get out on time for lunch and the team is stressed as heck. So you have a nice sit-down and if you're working with a dentist who is in touch with themselves and their team and everything, they realize that too.

And you say, "Should we fix this?" Yeah, well, we can track it. So we can track certain behaviors that might impact getting out on time for lunch. When we do that, we can usually lower the stress level in the office and everybody is happier. Then we can

grow in a more intentional, or a more responsible manner that's in harmony with our vision. So that works out well.

Allison: And part of this, it sounds like, I've heard before over the years, just the mere act of tracking it. Like just saying we're going to track it and tracking it, starts to change behavior. You can't help it, right?

Mark: Totally, totally. So I'll give you an example. One of the most common trackers that we pop up, I almost cannot recall an office where we didn't use this one, but there's a couple of examples, but not many, is did the patient who was in the hygiene chair today, each and every patient, whether I saw eight, or ten, or twelve, did they all leave with the next hygiene appointment in three, or six, or nine months, or whatever their hygiene intervals?

Let's just try and keep it simple and say for six months re-care visit. Did they all leave with their next appointment? Most practices think that they do that nearly 100 percent of the time and they don't. When we track, we've got literally hundreds of data points at practices now from the work I do at Mercer and the work we've got from our own data. The average practice is around 70 percent of the patients leave with a next hygiene appointment.

But our perception is that it's nearly 100 percent, "Oh, we do that all the time." "Oh, you do? Well, let's go measure it." And you find out it's 70 percent. Well if you go and measure it and you find out it's 70 percent and the only thing you do is tell your team that you measured it, it's 70 percent, so I'm going to measure it again in a month and you wait, it will go up on average ten points.

Allison: Wow.

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Mark: Now before we think, “Well, what’s the difference between 70 and 80 percent next hygiene?” Let’s pretend that it’s a normal practice that has a couple of hygienists doing $750,000, about a third of the revenue is coming from the hygiene department, so there’s about $250,000 revenue. They're working a little less than a couple hundred days. The two hygienists are each seeing six adults and four kids a day, it’s an eight hour day. They're seeing ten patients.

So with ten percent delta, ten percent change, if they're seeing ten patients a day, that’s one more patient a day times two hygienists, that’s two. They work four days a week, that’s eight. That’s almost a full day of hygiene that would be in their schedule down the road instead of having to call and chase all the people that are overdue for their cleanings or send them a reminder card and then call to make their appointment. All the time, effort, energy, stress, all of that, to go try to fill that schedule as it’s getting closer, instead we have almost a full day more of hygiene.

Depending on where everybody is, and I heard as people were coming on that were from Texas and New Jersey and Atlanta and New York and all over the place, California. So a full day of hygiene could be $1,200 or $1,500 or $2,000. If you work nearly 200 days, and a day of hygiene in a week was somewhere between $1,500, let’s just call it $1,500, somewhere between $1500 and $2,000, if you worked 50 weeks a year, that’s $75,000 in delta.

That’s a $75,000 … and before I think of this as just money and somebody criticizes me and says, “Mark, you just factor the money.” That’s $75,000 more, that’s a metric, of patients having healthier mouths. And it’s $75,000 more of patients who might happen to need some restorative work. If they need some restorative work, the average rule on that is just like your ratio

of hygiene to dental work in the practice, it's not uncommon to find the ratio, is there's about $2.00 of dentistry for every dollar of hygiene, or $3.00 for every dollar of hygiene. There's a 2:1, 3:1 ratio. Let's keep it small, 2:1.

So for every $75,000 in hygiene delta that we just found, there's another $150,000 in restorative need that will come out of those hygiene appointments. Because some of those people are going to need a crown, or a filling, or a bite splint, or an implant, fill in the blank. So now we're looking at $225,000 in potential production. And I don't expect somebody to be so good that they really move from 70 to 80 automatically and capture everything that's capable in that. So let's pretend we sucked at doing that and we only captured half of the opportunity and that was $112,500 instead of $225,000. Holy crap. That's still over $100,000 in revenue that you didn't have that you don't have to go out and fight to get.

Allison: And well it wasn't that hard to change it.

Mark: No, and honestly, I got to tell you what's crazy is I've had dentists say to me, "Well, if we do that, we're going to have more patients canceling." And I go, "Absolutely, absolutely." You know, if you have more people on the schedule, let me explain something to you, if you have more patients scheduled, there will be more cancellations. If you don't have anybody scheduled, they'll be, let me think, um, less cancellations. Isn't that amazing? Which would you like?

I'd like to deal with, I have such a full schedule down the road and I have an extra day of hygiene on my schedule and because of that maybe I get an extra cancellation or a no-show than I would have had but I still got six of the seven. Or seven of the eight in. Holy cow. Holy cow. Frustrates the bejeebers out of me when we get … you heard me talk at the annual

meeting for the Pankey Institute. When our reptilian brain gets so afraid of the pain, or our mammalian brain gets so afraid of facing the emotional challenges that we might feel about something like this as a behavioral change that we go, “Um, we’ll have more cancellations.” That’s not logical to worry about that, but yes, you're right.

You’ll also have more money in your pocket, is that something you’d like? You’d have more patients with healthier mouths, you get to do more of the dentistry you want to do. Along with that, you might have a couple more cancellations than you would have had, that’s true. Well, you said it, my favorite quote is “When the student is ready, the teacher magically appears.” It’s absolutely right.

So sometimes when you can not tell somebody the right answer but help them discover the right question to ask and they're finally ready to hear it. Then it’s really, really fun to say, “Oh, thank you for asking. Here’s the answer to that question.” That is life if you're going to hang around all of us dentists. We didn’t go to business school, we went to dental school, so we’re really good at fixing stuff. That doesn’t mean we all know how to run a business real well.

Allison: True.

Mark: We spent a lot of time talking about that, it’s good.

Allison: My question though is so you initially select, and you can if it’s important … and we don’t even need to just talk about your software obviously. But we would initially want to select a few behaviors per person, right? Is that true?

Mark: Mm-hmm.

Allison: Okay. Then what happens? What happens in our practice, I know we’re not unique, is that we get all excited about

something and we decide we're going to change it or we're going to start having a huddle or we're going to do this and then we do it for a while and then something happens and we stop doing it.

So you track these behaviors for some period of time and you feel like, "Okay, we've got this one down. So now we're going to go to a different behavior." Then do you come back and revisit? How often do you figure out what to track?

Mark: You should have written the software. Again, you're absolutely right, it's not about the software so don't hear that. It's about tracking behaviors. So if you're tracking, let's say four behaviors per team and you start to get really, really good at one of the behaviors, let's say next hygiene was up as an example but we can use intraoral camera, we could use restorative visit, we could use complete with pay, we could use a myriad of different things, checking hygiene patients—that's an important one lately. So let's say it's next hygiene.

You find out you're at 70 and you go, "Oh my gosh." And over the course of three, or four, five months, you go from 70 to 80, 80 to 85, and you're celebrating this with the team and you're finding ways to reward them emotionally and maybe even financially. Pretty soon you're at 90, 92, 94, and when you get up to 92, 94, 96, that's about it. You're not going to get every single patient consistently to leave with their next hygiene appointment.

No matter how many verbal skills I give you, no matter how crafty we are at statements and things like that and there's some really good things we can say. But, we're not going to get to 100 percent. You get some 92, 94, and you get stuck there. You do that for two or three months and stuck at 92 of course, it's high-five, dance naked.

Allison: That's pretty good.

Mark: Yeah. Dance naked on the rooftop, that's a good …. So you're doing well, so what do you do? Keep doing that? Heck no. Get the heck rid of that tracker. You said exactly the right thing, quit tracking that. Go track the next lowest hanging fruit or the next opportunity you want to see. Or the next de-stressor in the office, whatever it might have been and replace that one with one of those. Then do that for a while.

Once you kind of cycle through and you find yourself, I don't know, six, eight, ten, twelve, or fourteen months down the road and you've been tracking these behaviors and you've gotten really good at all of them because you'll progress and you find that you now have four trackers and none of which were your original trackers. You start to get good at those.

You might want to come back as you suggested beautifully, really well stated, and say, "You know, let's go check and make sure we're still doing good at the next hygiene visit." And you pop that in for a couple, three months and you make a fun game out of it. Do something for your team and you say, "This is awesome."

And the software, that's one of the advantages of the software, is whether you're giving your team a little shot of dopamine, whether you're giving your team a little oxytocin, whether you're giving your team some of the emotional, comforted feeling that they want to have being in the relationship with you, or whether the software helps them with some gamification and they earn another avatar, or they get another badge, or they reach another level, or they get so many points that they can do something with it, at least they'll be getting some sort of a positive reinforcement that's associated with the desired behavior. So you were spot on.

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Allison: So if we don't have the software, how do we figure out what we want to track? I know you have some questions you ask, right?

Mark: Yeah. We're going to come out with what's called the freemium in the software industry and it's an easy-access piece, the part of the software, we give that away, hoping some people will get interested in it and buy the software from us because it's a subscription thing on a monthly basis but I'm happy to give away a freemium anytime. I do it now even though we don't have a format sitting around in a written format. So if any of your readers want to just email me and I'll send them the twenty questions.

And the twenty questions ask you a bunch of things. Some of them are biographical information, demographic about your practice, practice size, and emails to your team, you wouldn't have to fill that in if you aren't going online but the idea is we ask you some things about your practice and from that we have a proprietary algorithm that comes out to what's the most likely group of behaviors that you should track. The freemium is going to do that for people and offer them that information for free and then they can go out and track those behaviors on their own and they don't need a software.

So I would take for example, for next hygiene, even if you were completely digital, I would still print out a day sheet that had my schedule on it just so I have a place to do this and I would go for each appointment, when the 8:00 patient came in, I'm a hygienist, and maybe my four trackers are: did I make the next hygiene appointment, did I use the intraoral camera, did I celebrate something with them, and when the doctor came in, did he find a restorative need? So those are my four trackers and I'm just pulling those off the top of my head.

So the first patient is at 8:00 and I'd have some sort of code that I would write. So I'd go “NV” if they made they made their next visit appointment and then I'd go “IOC” if we used the intraoral camera on that particular patient to demonstrate something. Restorative need—I wouldn’t put anything down if they didn’t have a restorative need and if the doctor said, “You need a couple crowns done, those teeth are breaking down,” I'd put “RN” maybe for restorative need. I'd have some code for that.

You could make up your own codes, whatever you want. Then the other one was celebrate, I'd put a smiley face on there if I celebrated something with them. I found out their youngest son is finally getting married at 32 and it’s a big deal. So I tell them, “That’s awesome” and “I remember when he was coming in as a little kid.” So I make a big deal out of it and that would be a celebration, not just being nice to people.

So now on that day sheet, I would have all that information encoded and I'd tally it up at the end of the day. I'd have each team member or somebody tally that up at the end of the day and then at the end of the week, or the end of the month, or whatever the time period is you wanted to, I would have somebody data point that into a spreadsheet so that then I could have that. And that wouldn’t be hard to set it up, even if you don’t know how, someone would help you. Take the Excel spreadsheet so it would read off into a graph for you then you could track without software very easily, in real time, sets of behaviors that people were doing or weren’t doing that you knew would impact the results.

Because for sure, and I agree there, if a team uses the intraoral camera more, they’ll have better case acceptance in hygiene and a lot better case acceptance in dentistry. For sure, if they make more of the next hygiene appointments, they’ll have a busier schedule six months down the road. For sure, if they

celebrate things with people more, more people will show up to their appointments in six months because they like you more. Can't fake it, you have to be that kind of person. And for sure if you find more restorative need because some dentists get a little hesitant and they watch everything, "Oh, we'll just watch that."

Instead if we said maybe on 33 percent of your patients today, we should find a restorative need because that's low norm, it's probably closer to 50 percent of your patients coming in have a restorative need in their mouth. So did you discover it? So if we track for 33 percent, at least we know that particular dentist isn't shying away from telling patients what they need. The reason for that kind of behavior in some folks is because they don't want to tell them anything that goes above what insurance covers.

So there's all these emotional challenges that we have to tell other people the right answer. So you track those behaviors in real time, write it on a piece of paper, score them up, graph them out at the end of that month period, share them with your team, have it in your monthly meeting, all that kind of stuff, and you got everything you could have had for $300 a month and you have it for free, no problem at all.

Allison: Yeah, that doesn't sound that much fun to me [laughs].

Mark: Well, it's not a big deal. I just taught at Pankey, what day is today? Today's Wednesday. So I was down there teaching Tuesday morning and there was a dentist in the E level 3 course sitting in the front row that—and it's so great because I can teach in the 1s and the 3s and so when I see the 3s, several of the people, probably half the class, I remembered pretty vividly from E1, which is kind of neat. We met couples who stayed in touch, they communicated and talked about stuff.

And this cat, he's monitoring all kinds of stuff. He's telling me his statistics and he's telling me his percentage, not his hygienists, his hygienists were all above 90 because he'd been tracking it since he wanted no software, he doesn't need software, but he's tracking even his own next hygiene visit. And I said, "What do you mean? You do a lot of hygiene?" This is great. This is great when somebody takes your idea and makes it even better. He goes, "No, new patients." He goes, "When new patients come in, do they have a next hygiene visit set up because otherwise they're running out of patients."

I go, "That's brilliant. That's brilliant, dude." He was bummed because he was at like 80-85 percent and his hygienists were at 95. I go, "I just don't think you're ever going to be quite as high as they are. They have a regular, routine, re-care patient coming in that they're rescheduling for the next visit and you've got a patient that might have come in with a denture adjustment or a toothache and you're going to fight a few of those to getting them to become regular patients."

So I'm pretty sure he should be pretty excited about 85 percent. Because when we have tracked that at practices, it's usually 50 or 60. So he did 85 and if we track whether a patient becomes a real patient, whatever that really means, 85 is pretty darn good. But isn't that awesome? He's doing that all on his own.

Allison: Absolutely.

Mark: It's cool.

Allison: I have a question that is, just for me, has been age-old and I almost feel silly asking it and if anybody else has a question, feel free to press *2. I just want to remind you, we've had more people come on each time I set it up.

Mark: Yo, everybody. What's happening?

Allison: [Laughs]

Mark: Look it, you have once chance and one opportunity to ask a question, would you capture it now or would you let it slip? Anyhow.

Allison: [Laughs] That's true. This is your one chance. Okay, so case acceptance. You know, we've tracked case acceptance and I think that one can get frustrating. You just have to pick, are you going to call case acceptance what they say yes to? Are you going to call case acceptance what they schedule for? Do you have suggestions on tracking case acceptance?

Mark: I do. So the first thing I'd tell you is, and I like questions like that because how you decide to track case acceptance could be highly personal and I don't really have a problem with that. In our software, when we ask them about case acceptance, we make a suggestion. We make a couple suggestions. But first stop and think for a second that technically, even though we will use case acceptance in some offices and we have, it's more of a performance indicator. So if I say, I'm at 50 percent and I've been working on my case acceptance, I've been working on these other behaviors over here that I'm not talking about right now, and my case acceptance is getting better, the case acceptance more people saying yes, is technically a performance. And my son hammers me on this all the time.

Allison: Totally. Yeah, I'm slipping back into my … I mean, that's what I think, exactly.

Mark: Yeah, so it's a performance indicator. However, I would also say that from the moment you say, "I'm going to track that." First, it's going to get better. So something about your performance will change because you know it's being measured. I know I'm going to get on the scale next Wednesday night when I get on Allison's podcast. I'm going to

do it in front of all these people that I talk to tonight and I'm going to get on the scale, so by gosh, I'm going to change my behavior between now and then because we're measuring that outcome publicly and we weren't measuring that outcome before.

So I get very careful about what I'm eating and how much I exercise. I get my 10,000 steps in on my Fitbit, and all that kind of stuff and I'm a little bit more careful. The same thing happens with case acceptance. I would also add that hardly ever would I see the algorithm spit out for case acceptance the performance metric case acceptance without maybe intraoral camera. Or without maybe curiosity, co-discovery, and insurance discussion. That's a tracker we have, Cur-, Co-, Ins-. That is a tracker.

Allison: Okay, that was my … that's interesting.

Mark: Then I would caution, and then we put a barrier, a benchmark up, must get past this line before you can even get on the grid line on case acceptance. You cannot talk about case acceptance until it meets a certain number. If we haven't talked about it individually, that number is $3,000. Because I don't want somebody saying to me, "My case acceptance is 95%." I say, "Really? That's awesome. Tell me about your cases." "Well, they're all single-year crowns with a filling or two cleanings a year."

Allison: Oh.

Mark: A crown and two cleanings. That's your case acceptance? "Yeah." Well why is their case acceptance so high? Well it's so high because it's covered by insurance. That's not what we want to track. I want to track what happens when you say you need two crowns, you need a splint, a couple of fillings, maybe an equilibration, and a couple of quadrants of scaling and root-

planning. That's going to be … I have no idea. You know, $6,500. Do you ship the bed so to speak? That's like shipping, S-H-I-P, do you ship the bed because you're afraid of ... But that's not covered by insurance?

So now your case acceptance stays really high because you never treatment plan more than $3,000 so you never get on that metric. So that's one possible way to avoid it. You know you're going to run into patients who need that kind of dentistry done. So what happens when you present that? Do they accept it? Really, if I was really going track the behaviors, I would track the entire process map.

Allison: Exactly, that's what I was thinking.

Mark: The process map says: I saw the patient, I examined the patient, I presented this information to the patient, they said yes, then they scheduled, then we did the work, then we billed them, then we collected. The process map looks something like that. Some of those steps are value-added, Porter's value chain. And we look at that from a business perspective, and Six Sigma, lean manufacturing, and all that stuff, but that still applies to processes that are deeply engaged in healthcare service deliveries and that's *Checklist Manifesto* and all that stuff but showing us how many times we can apply some of that same thinking. If we do that here, we really want to investigate the process.

Now that's a lot of work. So just measure, "I told them it's $4,500 and they said yes." Because at least there, at that one point, there's a choke point where I can say, if they didn't say yes there, none of the other stuff is going to happen. If they said yes there, probably more stuff is going to happen down the road. More of them will still schedule, do the work, and we'll bill them and they'll pay.

Now that's not guaranteed but it's an assumption I can live with to keep the metric simple enough because if I make the metrics too hard. In order to calculate your miles per hour in the car, you have to look at the mile marker that says you're at mile marker 101 then you start your stopwatch, drive to mile marker 102, and do the division, you'll never know how fast you're going. The measurement has to be easy.

Allison: So I want you to talk about … and on our team, we've had some things we've been measuring and I'd say they're all KPIs and we've recently …

Mark: Okay, don't mishear me. You should measure KPIs, they're important, we need to do lots of them but your software already does that. So yes, you should measure lots of KPIs.

Allison: Yeah. So we come and talk about them and I think that what you're talking about … first of all, it makes total sense the behavior is what leads to the results and tracking the results is important but it makes total sense to me. But also, talk about this idea of gamification. Like whether you have the software or not, you're building into this rewards and fun stuff and making it fun for the staff, right? And obviously, they're also being held accountable.

Mark: Yeah and you've got some really great people on this call because we were talking to a couple of them as we were getting started before you started recording, and so there's some pretty smart minds on this call already. If we sat around with any of those folks, we could talk very eloquently about philosophical approaches and what we know to be right and what we think is right or wrong with the world and all of this.

Then we could talk about maybe how we as dentists don't have a certain level of—it could be sales training, it could be business acumen, leadership skills. So there's things we're

missing and I know Barry is on the call so I'm not, Barry, plugging your book. But that's why Barry has been able to write a couple of the awesome books he's written. Listen to his title, *The Art of the Examination*. Why? Because we go in there and we gather data.

Allison: Right.

Mark: And it's not about the data. It's about the art of the examination: developing the relationship, being fully present, communicating, listening, all that stuff that he can write about so eloquently. So if that's true, then how do we take that so that we can move towards something that's really good and quantifiable change?

So we've got these metrics as you said, that are good performance indicators. We've got these behaviors that we want to track. We want to do it in a fashion that allows us to do it easily and make it fun and to give us feedback. So now if I'm a team member and you say to me, "Hey, I want you to measure this stuff." I'm going to say—I'm not going to say this because it's not how we communicate, it's not socially acceptable—I'm going to go, "Why? What's in it for me?"

Allison: [Laughs] Exactly.

Mark: And you go, "Well, there's nothing in it for you. You get to keep your job and I'm going to make more money and buy that Corvette I've always wanted." That doesn't motivate me. So what I'd really like, ideally, is to also have a coaching pattern where I've said to all those dentists that were using the trackers, so when you grow ten percent and we're averaging at least that across the board, which is kind of fun. So if you grow ten percent and you were a $750,000 ADA average practice and you've got $75,000 more, and if that was incremental income, you didn't have to create new fixed overhead for that,

use the variable, you're going to keep north of $50,000 of that, give $5,000 to your team. Give $10,000 to your team.

And whether you give it to them in money, or you give it to them in benefits, or you give it to them in perks that they get, they appreciate more. You'll find what floats their boat. Maybe what floats their boat is more time off. Maybe what floats their boat is you buy them lunch once a week. I don't know. You take them to the ADA meeting. You take them to the Pankey Annual Meeting. I don't know. You've got to figure that out. Maybe it's just money because they're having trouble paying their bills. Figure it out and fill their cup with whatever they need.

But it's more than that. Because at the same time, we have to be giving them the "Atta boys." We have to be telling them what they did right. Recent studies have shown that the average female college-level soccer player needs fourteen kudos to every criticism. Men need seven to one. And professional soccer athletes need three to one. I'm just guessing that if you, well, I won't guess about what the average dentist does, but if you look back at me before I had some training from my wife on that, I would say that I was at best, even, 1:1 at any given time until she coached me to put more things into people's buckets than I was taking out.

Well gamification does a little bit of that because gamification says, "Hey, you're doing a heck of a job. You've earned these points. Hey, you've earned this badge. Hey, you've moved to the next level." People don't get paid a penny for playing Words with Friends or Candy Crush.

Allison: Right.

Mark: But they do so because they get shots of dopamine and then if they talk about it with their friends, maybe some oxytocin ultimately. It makes them feel pretty good. They get some

endorphins, they get some oxytocin, they get some dopamine. They walk around going, “You know, I have to watch how much I’m playing that because that feels pretty good.”

That’s why people sometimes spend so much time watching comforting television or we think we’re going to get those same shots of chemicals into our body by eating macaroni and cheese just before we go to bed, or having pizza, or a couple of beers because we start to associate that with that … we think it’s causing a relaxation or comfort-level response and we should be able to get that from the relationships we have with our patients, the people we work with, our family, and the people we love and spend time with.

So the gamification … and it was great working with my son because my son, he’s brilliant, he gave up a tremendous job to head up this project but he was all over this. He’s always seen this as much bigger than dentistry. It’s just my expertise is in dentistry so we built this platform for that. But he fully intends to build this platform for other professions and other industries and it’s all about those chemicals and it’s all about that getting that positive reinforcement feedback that we so desperately need and seek.

Because we didn’t go to “How to Motivate and Stimulate Your Team to Help You Reach Your Goals and Your Vision.” We didn’t go to that school, we forget that we should be walking around with little syringes filled with dopamine, endorphins, and oxytocin and we don’t do it. Instead we say, “Who the hell left the pumps on last night? I came in this morning, the pumps were on. Who left them on? Who was the last one out? Who locked the door? Should have checked the pumps. Idiot.”

Allison: [Laughs]

Ep #44: Being Ready For Transformation with Dr. Mark Murphy

Mark: "Oh, I can't believe they even get a paycheck. I can't believe they get a paycheck." And we're not all like that of course.

Allison: You're embarrassing me [laughs].

Mark: So my wife worked in my practice and so did my mother-in-law, so I didn't get away with snot, right? I didn't get away with anything. They would tell me, "You don't talk to people like that."

Allison: That's good.

Mark: Right. So they coached me to be a better leader. Now, they didn't sit me down and go, "All right, leadership training 101. Here's your first day." No. They just, they were being them, and they just said to me, "No, don't do that. Do this." And I go, "Okay." And mostly because I was scared to death of my mother-in-law and second off I want to get laid with my wife at night. So I mean for God's sake, let's be realistic here.

Allison: [Laughs]

Mark: I didn't say that out loud did I? This is recorded?

Allison: No, no, don't worry about it. It's fine. I can edit it.

Mark: I just heard 17 people drop off.

Allison: Oh yeah, I think they did. Actually Barry raised his hand, that's exciting.

Mark: [Laughs]

Allison: [Laughs] Barry, perfect timing. I just unmuted you. You're on.

Barry: Oh, okay. Well you know, he's talking about gamification and I don't know if I have a question as much as there's so much science coming out on gamification. I'll give you just an example, I have an Apple Watch and if anybody has one, they

have this activity app. I do the same exercise all the time but ever since I've been wearing it, kind of like the Fitbit, I keep upping my calorie thing every day and I find myself doing more. And I find my attitude about it getting better and better. So I mean, it hits it from a lot of different perspectives. The other thing is there's a book. Mark, you know I read a little bit, you know [laughs].

Allison: Yeah.

Barry: There's a book by Jane McGonigal who is a positive psychologist. She wrote a book called *SuperBetter*, which is exactly what you're talking about right now, about all of the studies on how to gamify processes that help with our attitudes, our moods, our leadership abilities. Playing games with others. Like the benefits of Words with Friends, for example, breaks down animosity between people. There's a greater friendliness between people. It lifts depression. I mean, all kinds of things. It's a pretty good book and that's the second book she's written. I forgot the … have you read it?

Mark: I have not.

Barry: Yeah, *SuperBetter* it's called, by Jane McGonigal. But I find it also, that part about it, I find that interesting because you know, I look at this thing from the emotional aspect of it and the leadership aspect of it. When you first came on, you used a word that I'm getting into because I think it's a huge change about what we're seeing in dentistry today compared to when I started. You see, when I started dentistry back in '73, there was a lot of hope around. That's the word you used before.

I speak to so many young dentists today who … there's like a hopelessness and I don't mean a depression, it's just that they don't feel like … there's a lid. There's only so far they can go. And I had a sky-is-the-limit attitude in 1973. I think that can

wear on you after a while. I guess my question is from a leadership point of view, how do we get these kids going and get hope back in dentistry?

Mark: Yeah, Barry, to quote something that is from our era, because we're of similar age, I graduated in '81 but that's the $64,000 question. I think that when you or I are lecturing to Pankey folks, or Dawson folks, or Spear, or Kois, or if we were at LVI, or if we were doing stuff with Pride, and any of these places were the five or the eight or the ten percent or the fifteen, whatever number somebody wants to use, percentage of dentists who are striving for excellence, want to be. It's pretty easy to get up there and give them hope.

Barry: Right.

Mark: But when you graduate from dental school and you're $300,000 in debt.

Barry: Exactly.

Mark: And 15 to maybe 20 percent of the practices out there are corporate-owned and managed. You maybe feel like you don't have the same kind of choice. You maybe feel like there's an unfulfillable promise that you bought into four years before that, maybe eight years before that if you count your undergraduate education. That's got to be a tough place to be emotionally. I guess it's a tough place to be physically too because the debt is real.

So I guess, how do we give them hope, is to paint this picture that we should paint as leaders of a better place that we can live. A better place that we can do dentistry. A better way that we could do dentistry. A place that we can create for ourselves if we choose to. A place that's up the hill, not flat across the field, not downhill. It's up a hill. We're going to climb. But it's

worth it because when you get up there, the view I've heard is incredible.

But to do so, we have to really find a way to be super better. We have to find a way to have mastery as George Leonard said. We have to find a way to improve our clinical skills, our communication skills, our behavioral skills. And the good thing is there's places, like the ones I mentioned before, that help teach those kinds of skills to dentists of any age. You and I have both seen dentists who were burned out at 60 or 70 come to the Institute and they needed to have hope. And we've seen dentists who just graduated two or three years ago hoping that they can have hope.

So how do we give them hope? I think we paint this futuristic picture. We inspire them. We give them the tools that they need. And knowing that not everybody is going to succeed but more of them can. I'm inspired by things that even some structures that occur for us that are supportive of that. Things like Smile Source, which is this kind of franchise model if you're familiar with it.

Smile Source is a group, they've got 325 dentists, and already it sounds like a DSO, it sounds like Bright Smile and Aston and all those specific dental services. It's not. It's 325 fiercely independent dentists who bonded together so that they could buy more effectively, they could save money on things like the large groups get but they can remain fiercely independent. And they did this successfully in vision. They captured 3,900 optometrists out of the 40,000, ten percent total market share. And optometry has gone almost all corporately-owned offices. They own 33 percent market share of the independent optometrists.

So their goal is to do far better than that in dentistry because dentistry is about four times the size of optometry. So groups like Smile Source give me hope. Places like the Pankey Institute, a nonprofit educational institute, that's a place where we can find hope. I believe we can find hope at Spear and Kois and Dawson and Pride and LVI, these are great places. Some of them are more clinical than behavioral and I feel like we need both. But I guess the answer is, we have to provide those opportunities. And people like you and me and people like Allison and this podcast have to paint that picture of a preferred future that is inspiring to others.

Barry: Mm-Hmm.

Mark: And we have to make people understand that it's achievable. We can't lie to them and say, "You just sit there and you think about it and it will get there." No, you've got to work at it. "So it's easy and you have got to do a little bit of work?" No, it's hard and you've got to do a lot of work. "What do you mean a lot of work?" You've got to get really good clinically, you've got to get really good behaviorally. But if you do that, you can find yourself doing what thousands of dentists have done, not tens and hundreds of thousands, but thousands of dentists have done, and that's maybe find a way to define your practice where you're balanced inside and outside the dentistry.

For me, it was working 7:00 to 1:00 four days a week, meeting all my economic goals, working three weeks a month. You know, I was working about 145, 150 days a year, met all my economic goals, I did some really fun stuff. I didn't have to participate with dental insurance and I was able to do that in the Detroit metropolitan area. If you can do it there, you can do it anywhere. It's up to you [starts singing song *New York, New York*]. It just sounded like a song was coming.

So I mean, that's the picture we've got to paint. That's the story we've got to tell. I'm in the second half, man. You're in the second half. This game, the second half is shorter than the first half. I got less time left than I've spent and I want to leave dentistry a better place. I want to change the world, I can't change the whole thing but I can change my part of the world. I can make it a little better. You fight for that every day. I know you do. And this podcast fights for that.

Barry: It's one of the reasons why I write the blog and it's one of the reasons why I continue to write. But you know, I would like to see something in dentistry. I know, Allison, you're familiar with John Maxwell where they train people to become transformational leaders. Not necessarily better dentists or pastors but actually transformational leaders and send them out into the community and they train other people to become leaders. I don't see that happening in dentistry at all.

Allison: Barry, I would love … you and I have had this conversation. I don't know if you remember, do you remember talking about that with me and Alice Lam? Like years ago?

Barry: I do.

Allison: Yeah, I would love to have that conversation with you again. You too, Mark.

Mark: It's beautiful. So it's interesting, Barry. You and I get along well and we know each other well and we trust each other so I'm going to push right back at you for a second because I think people like John Maxwell do that for dentistry. They just don't do it for dentistry, they do it for mankind, for humans. And some of those people just happen to be dentists. But dentists aren't drawn like moths to the light to go to take courses on transformation leadership. We're drawn to the light to find out this is the best bur.

Barry: Right.

Allison: Yeah.

Mark: Oh, that's exciting. What is the best bur, tell me. That's what we want to know. We are hardwired to go find out what the best bur is, not to go become transformational leaders.

Barry: Exactly. And my feeling is that that's a missing piece of this profession. It's a missing piece of the medical profession and at the Cleveland Clinic right now, Terry Cosgrove is doing everything he can to change that. By bringing values and leadership and communication skills into the Cleveland Clinic. It's becoming the model for the medical community. But we need that in dentistry as well.

Mark: Yeah, we do. And again, I would look at our brothers and sisters in optometry and think of, if that model is what's coming for us, then it's important for us to protect as fiercely as we can those opportunities. Places like the Pankey Institute. Institutions and companies like Smile Source. Authors like yourself writing books. I would like to say people like me creating software like I've done. Allison creating podcast opportunities like this. These are little nodules of change. These are little places were synapses occur between like and unlike individuals. Where some of the unlike individuals can change. We need more of those. We do, there's no doubt.

And instead, we're being commoditized more than ever as a profession, as an industry, and the forces … you know, the average dentist's income is down and people don't talk about this, 15 percent over the last ten years. The demand for dentistry is flattening, maybe slightly declining. The number of dentists in the population, per population, is higher than it's been in twenty years. So all the storm factors are right for the

perfect storm that would say it would be harder now than ever. Which to me just is a rallying cry for it's more important now.

Barry: Yeah, exactly. What you're saying is 100 percent. This is the right time. This is the time because it's only going to get worse unless somebody steps up and does something, right.

Mark: I jokingly say to some dentists who say to me, "Well I have to take those insurances. I had to sign up for that plan," etc. I go through a little discussion with them about choice and how that's our most important capability as humans is between stimulus and response. We get to choose our response, you know, like that. But sometimes the choice is unconscious or by not making a choice, sometimes there's choice. And I have this discussion with them but then I say, "You know what?" I say, "There's never been a time where it would be easier to escape dental insurance because it is such a small piece of the pie."

I work with practices every day that have, it's scary to tell you the numbers, where they have $1.5 million in production and their collection is $720,000. Their expected collection was $750,000, so they're telling me they have a 90 plus percent collection ratio but the real production is $1.5 million if they collected their full, fair, submitted fee for things, they would be a $1.5 million business. They give 50 percent in some cases, and it's less in others, 50 percent of that up to insurance adjustments and a small amount for professional courtesy. But it's mostly insurance adjustments. People doing $1,200 crowns hoping to get $600.

Then to talk about behavior driving results, how about results impacting our behaviors? So when that happens, what do you do? You take cost up. You expand your procedures. You start to do root canals you shouldn't be doing. Pretty soon you're using a lab that's in a foreign country where you've never met

the lab technician, don't know anything about them, but you can get a $39 non-precious crown and an $89 high noble crown. It's driven with our demands for zirconia, monolithic zirconia, off it's charts. We're not doing monolithic zirconia because we think it's the best thing since sliced bread. We're doing it because it's—let me think—cheap.

Barry: It's cheap [laughs].

Mark: Anyhow, but I pontificate too much.

Barry: Well I mean if somebody doesn't …

Allison: Barry likes to pontificate too [laughs].

Barry: If somebody doesn't reverse the trend, it's going to continue on. It's been 40 years since I've been practicing and it seems like I woke up one morning and said, "Wow, dentistry really changed." But it changed drip by drip by drip. Basically, the word is the commodification of dentistry which is causing dentists to accept lower fees, to do work that they don't want to do, everything against mastery and autonomy that you spoke about. Somewhere along the line, someone's got to challenge those forces.

Allison: Which goes back to your point about leadership because if they believed in their own value and they believed … yeah, that all comes back to understanding your true value. There's a lot to that, your beliefs.

Barry: Right and I can take leadership skills back into my practice. I can take my leadership skills back into my local study clubs. But I can't take leadership skills to the entire dental community. That is what's missing.

Mark: Well, so let me just reframe that same statement and I think you both agree with this and I'm taking this and paraphrasing from

Alice's Restaurant. Not that *Alice's Restaurant* is some great leadership song or story that we should all embrace but in the movie, he marches in and he's trying to get out of being drafted and he says, "If one person marched in and sang a bar of Alice's Restaurant, they'd think he was crazy and they'd lock him up. But can you imagine if two people marched in and sang a bar of Alice's Restaurant, they'd think they were gay and they'd kick them out. But if you had three people marched in and sing a bar of Alice's Restaurant, they'd think it was a movement."

And that's exactly what is, brothers and sisters. It's a movement. Now, it doesn't have to be 3,000. It doesn't have to be 30,000. It doesn't have to 180,000 dentists. But Barry, every time we have a podcast like this, every time you write a blog and you write so eloquently, you know you do.

Barry: Thank you.

Mark: Or a book. Every time Mark Lewis is on the cover, I'm so jealous, of *Dental Economics*. Every time any of us, Bill Gregg, sits with students at the institute and has an impact on some, maybe not even all of them, every time any of us leaves a room after a conversation like this and has another one, it's that butterfly effect. And we are changing dentistry.

Just like it changed in the direction that we don't like, a drop at a time. Just like the frog who got in a pot of cold water and didn't notice it getting warmer, he's not going to notice it getting cooler either. We can't expect the same, it's taken 40 years and you woke up one day and suddenly you don't like it, you can't expect it to go [makes snapping sound] like that overnight back. It's going to take maybe 40 years. So let's be patient.

Allison: And well it's almost, you know, the pendulum swings. This corporate thing, hopefully Barry, hopefully it will mess things up

enough to where it will swing the other direction. The patients will figure it out and the dentists will figure it out and it will self-correct in a way.

Mark: Yeah, maybe someday.

Allison: It doesn't seem like a sustainable model to me anyway as far as quality and everything, sorry.

Mark: I sure appreciate that thought. I think it may be sustainable and I agree with you 100 percent, it's not sustainable as a quality dental delivery model, but it might be sustainable for a segment of the population that wants a commoditized delivery of dental or healthcare or transportation or fill in the blank.

As we look across other things that we get to do as consumers, we do get to choose what kind of an automobile or transportation we have. We do get to choose what kind of hotel experience or restaurant. We get to choose and we know what those expectations are. Where the challenge seems to feel so different in dentistry is because right now they don't have the expectations that match the reimbursement model. The expectations that match the customer experience. The customer thinks that a crown is a crown is a crown.

The customer knows a meal at McDonald's and a meal at Applebee's and a meal at Morton's are different and they have different expectations, they have different constructs, different deliverables. They're going to have different costs. They don't really think there's a difference, many of them, between a crown at your local DSO and a crown at Dr. Barry Polansky's office in Cherry Hill, New Jersey. They think those are the same.

In fact, we sometimes act like we think it's the same when we get a crown for $39 from an offshore supplier or when we get a

crown from Niche Dental Laboratory with Joshua Polansky creating a work of art. We think a crown is a crown is a crown and yet when they cost well more than ten times the cost of the other one but it's our job to learn that's our job to teach that, one patient and one interface at a time.

I'm loving this conversation but I'm watching the clock and I'm thinking to myself we probably have to let people get off.

Allison: Yeah, me too.

Barry: Anybody out there have any more questions, go ahead and ask. Don't be shy there.

Allison: Mark, if you would give us … you mentioned we could email you for those twenty questions.

Mark: Yeah.

Allison: Would you give us your contact information?

Mark: My email address is BPolansky@gmail.com and I'll be happy to respond right away [laughs].

[All laugh]

Mark: You should never come on live, Barry, you're going to get …

Barry: I love talking dentistry and I love talking to philosophicals.

Mark: I always enjoy great, great conversations. I always learn when I'm in your presence, there's no doubt about that. My email is MTMurphyDDS, as in Mark Thomas Murphy, DDS at gmail.com. Or you can reach me at MarkMurphy@FunktionalTracker.com. Funktional is with a "k" because we're kind of funky. FunktionalTracker.com with a "k."

Allison: Okay, and if you guys can't get ahold of him, I can help you as well. You can email me directly. Is there anything you want to

say in closing, Mark? I really appreciate it, I enjoyed it. Barry, thanks. I love those conversations also.

Mark: Allison, I had a blast. Thank you for having me on. I think what you're doing is great. Barry's charge to us, your charge to us, is how we change this world and it's actually by doing the kind of things we're doing now. Like the cathedral builders in Europe, you may not always live long enough to see the cathedral completed but you know you're doing something good. That's a way of looking at these kinds of things.

Our job today, because I'm 59 years old, so I might not see the completion of some of this transformation of our profession or segments of it, but I know I'm doing something good for the younger dentists and their children and generations of dentists. That feels good. You just have to know we might not get that shot of oxytocin, endorphins, or dopamine in my lifetime. I'm going to get it in the next life. So as my good friend Jack Shirley says, "Make sure they bury you with a fork in your hand because the best is yet to come."

Allison: Aw [laughs]. Great, thank you. Thank you so much for taking the time to do this for us.

Thanks for listening to *Practicing with the Masters* for dentists, with your host, Dr. Allison Watts. For more about how Allison Watts and Transformational Practices can help you create a successful and fulfilling practice and life, visit transformationalpractices.com.