If the Eurozone crisis teaches us anything it is to never underestimate the difficulty of management by committee. It has been painful to watch the comings and goings, the agonising attempts to reach a consensus through the accommodation of so many diverse agendas. At times Nicolas Sarkozy has looked like a man on the verge of apoplectic self-implosion, so frustrated has he become by the whole process.

The late advertising mogul David Ogilvy once observed: ‘Search all the parks in all your cities. You’ll find no statues of committees’. With the best will in the world, we all know that decision-making is usually made all the easier the fewer people there are to appease and placate. In particular, small businesses seem to work best when run by a single-minded leader who has a clear vision of the way ahead. As another great, late, management thinker Peter Drucker put it ‘Whenever anything is being accomplished, it is being done, I have learned, by a monomaniac with a mission’.

Anyone owning and running a dental practice has to gauge opinion, make sure everyone is on board with goals and how they will be achieved but ultimately decisions have to be made. The larger a practice, the more complicated this whole process becomes until a situation is reached in which there may be multiple practices, a number of business partners, many dentists and support staff and a multitude of patients all accompanied by the attendant difficulties such a heady cocktail presents. I think this is why practice expansion is often far more difficult than it seems at first sight. Invariably more people are involved in the process and increased numbers of stakeholders always complicates matters. Whereas there may have been a time when the principal could both practise clinical dentistry and manage the business side of things, the larger the operation the more difficult this becomes. Many dentists are loathe to cut back on the time they spend with their patients and so management issues aren’t addressed, get swept under the carpet or are dealt with at the end of the day when he/she is tired and unable to concentrate properly on the issues at hand. This puts strain on relationships and the seeds of a predictable and steady decline are sown.

I think, therefore, that while it may seem that the advantages of practice expansion (greater economies of scale, wider range of services, and yes maybe even increased profits) outweigh any disadvantages, you need to think long and hard before going down this path. You have to be prepared to spend far more time working on the business and less time working in it and you have to be prepared to compromise once your equity in the practice has been diluted.

As Michael Gerber discusses in his seminal book The E-Myth you have to devote more time to being an ‘entrepreneur’ and a ‘manager’ and far less time to being a ‘technician’. You will have to let go of some things and delegate these to others (some things but not everything). To come back
to where we started – you must continue to assume responsibility for strategic decision-making.

For all these reasons I think that in the future the majority of dental practices will follow one of two very different business models. The first is the small, bespoke practice offering extremely high levels of attentive, personal service. The team will feature up to, say, three dentists and be headed by a committed principal who does treat patients but also spends a good proportion of his working week managing and planning future direction. The team is closely knit and all share the same values. The practice won’t offer every service imaginable but will be able to satisfy most needs and anything out of the ordinary will be referred to like-minded specialists.

At the other extreme lays a completely different kettle of fish. Multiple locations marketed to death and governed by strict protocols aimed at maximising return on profit. Dentists are hired simply to do dentistry. This includes specialists who, despite their status, are little more than hired hands. Management is there to make sure the business is efficient and offers sufficient levels of service so as to not alienate customers. These managers will know that service doesn’t have to be amazing, as most patients will remain loyal as a consequence of inertia and indifference.

While you may think that this second scenario is unnecessarily bleak, it already exists and will become more and more prevalent as the economy continues to wallow in the mire. Richard Branson recently wrote that the book that influenced him most was EF Schumacher’s *Small is Beautiful* and my advice would be to think very carefully before believing that bigger is always better. Switzerland or the EU – the choice is yours. ☛

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