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"Basic to all work environments is the need to feel appreciated. **Team recognition** is a fundamental part of effective leadership. Recognition happens sometimes with a look, a pat on the back, an "I appreciate note", a gift or a financial reward. When I interview teams who have stayed with the dentist or other business owner to build the practice over time, I find they always feel their work is recognized and they feel appreciated.

Over the last ten years, we have worked with many dentists to build an incentive program to motivate their team to produce and reward them for their contribution. In every case, it was always necessary to discuss the team recognition factor as well as the team reward factor."



Suzanne Black
President and CEO of The Coaching Center

THE RECOGNITION FACTOR

How are you doing with
The Recognition Factor?

1. Do you acknowledge your team in the morning through a hello, good morning or smile?
2. Do you recognize a job well done during the day by a smile, nod or thank you?
3. Do you brag on your team to your patients and your fellow professionals?
4. Do you have a regular time in huddles or weekly meetings to say – "Thank You, I appreciate what you did."?
5. Do you sometimes recognize team members for the courage to try something new or to acknowledge a failure?
6. When you are unhappy or dissatisfied with performance, do you give your team the cold shoulder or do you address it by saying something like, "I'm disappointed in how that went. I know you care and want to do a good job. Is there something you can do to improve the situation? I count on you to get this handled."
7. Do you only acknowledge the numbers or do you recognize the performance that leads to increased results?
8. Do you acknowledge when you have made a mistake?
9. Are you willing to acknowledge that you did a good job?
10. Do you write "thank you" on their paychecks?

Check yourself here

Copy this list and use it for the next 30 days. Dr. David Doering from Tampa, Florida shared with me that he kept 10 dimes in his pocket and moved them from one pocket to the other when he thanked one of his team. Try Dr. Doering's method or come up with your own. Your team will be happier, more productive and ready to produce amazing results.

"Team recognition is a fundamental part of effective leadership."

REWARDS AND INCENTIVES

In the Dental Boot Kamp® Continuum we teach that a great dentist and a mediocre team will only produce mediocre results, but an ordinary dentist and a great team can produce incredible results. Doctors and their teams come to Dental Boot Kamp® and are very motivated to imple-

ment all their new ideas when they go home. They implement what they learned and then they see the results go up. Of course, the team is proud of the growth, feels responsible and wants to share in the success. While the Dentist is entitled to all of the additional profits,

since he or she has been investing for years in the success of the practice, it is in their best interest to establish some type of Team Rewards so the team knows they are included in the success.

ELEMENTS TO REWARDS AND INCENTIVES

Two elements are critical to all Rewards and Incentives systems. The first is clear goals based on past performance + performance required for profitability. Clear goals are important for several reasons. The Team loves to play and win the game. If they know the score and what's required to win, it allows for team spirit and "going for it". This element, coupled with their natural desire to serve people and contribute to their well being, is unstoppable. When we design an incentive system, we analyze profit and loss, daily and monthly production, salary levels and % of overhead. Through the analysis, results emerge that establish levels of performance that are worth rewarding.



The second is an easy to understand system that has elements for upgrading built into it – such as events that require an increase in Bonus Levels. The opportunity for regular review also must be built into the system. Team members should always be able to tell if they are achieving the bonus or not. When bonuses are intricate to calculate, team members can become suspicious and not quite trust the situation. I will often put a team member in charge of the tracking forms for the rewards system. This increases ownership and trust.

Most team members go into the dental field because they care about people, there is room for advancement in a small business environment and they want stability of income. While extra funds are always welcome, they are not always the motivator we think they should be. In a survey I conducted about nine years ago, I sought to determine what level of extra compensation served as the best motivator. The answers ranged from \$100 - \$400 per month for reaching a monthly goal. I still find this range works well as a guideline.

Whether we want them to or not, team members are concerned about the level of their salaries or hourly wage and they compare their salaries with others. Worth gets tied to the salary level which leads some to dissatisfaction. Team members want to feel proud and appreciated and some of that comes through regular wage reviews and evaluations. A Reward System is valuable when team members' salaries are at an acceptable level for your market and there are profits that can be shared. Sometimes the profits are meager but it is the sharing of them that makes a difference. It is always motivating to a team member to get their Rewards in a separate check versus with their regular payroll.

There is a difference between a Reward System and an Incentive System. Rewards can be a daily bonus for days with production over the goal. They may be monthly rewards for production, collection, new patients or hygiene effectiveness. In a Rewards System,



the team works toward the goal together and shares in the rewards.

An Incentive System is usually based on a % over a certain level of productivity. To have an Incentive System work, overhead must be under complete control. With incentives, bonuses can sometime become very large. This can be very motivating for some team members. However for others, the financial reward can be distracting from the purpose of patient care as a number one goal.

One criteria we apply when we create incentive programs is that the program must be designed so that the Dentist always feels glad to write the bonus checks.

Some dentists and teams would prefer not to have financial rewards dangled in front of them. Many dentists have told me bonus programs don't work. Some of my dentist friends have developed excellent relationships, given rewards and recognition for years so that bonus programs don't seem to be necessary.

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PROGRAM EXAMPLES

System Number One:

Surprise Rewards. Ask your team to write down events and activities they would like to receive as rewards for a job well done or a great month. Make sure they put their names on them. Review them and designate rewards for good months or good quarters. Put pictures and graphs up so the team can see their progress. With individual team members, have them set a personal goal and then give them one of the rewards they selected.

Dr. Stuart Kalmus of San Antonio, Texas, took this idea and expanded on it. They created a game of "I appreciate notes". The team member that gave out the most in a month was eligible to choose from a group of gifts he purchased at the beginning of the year.

Dr. Jeffrey Foltz of Atlanta, Georgia, had a game he and his team played for several years. His first quarter was always the most challenging so he created a goal for the first quarter. When that goal was achieved he took the team and their spouses to the beach for 4 days in April or May.



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System Number Two:

Greg Stanley's Whitehall Management Bonus. In Dr. Stanley's bonus, he suggests team members be paid a salary at their hire that is competitive and never changes. At the same time the collection level of the practice is noted. As the employee remains with the practice and the practice grows, the employee gets an additional \$.10 - \$.25 per hour for every \$1,000 over the original collection point. This is an excellent way to level out compensation, deal with the issue of merit and longevity raises and can be an incentive for team members. In addition, I like to add a monthly goal of some sort to this system so that the team has a common aim and game.

System Number Three:

In this system, after much analysis, daily production and monthly collection goals are set. Rewards of \$10 - \$15 per day are attached to the daily results. The reward of \$75 - \$300 is attached to the Monthly Collection. All of these goals are set based on the Doctor's goals for the practice, the past performance of the practice and the profitability of the practice including allotments for capital improvements.

In some cases the Daily Rewards are different for each position. For instance, the Patient Coordinator and Dental Assistants may receive a Daily Reward for each day the Doctor hits the goal while the Hygiene Coordinator and Hygienist receive a Daily Reward for hitting their goal. In other practices, the whole team has the same goals. All of this is decided in conversation with the Doctor based on the outlook and motivation of the team.



COLLECTION BONUS

In some practices, we set the Collection Bonus as a % of growth over a profit point. For instance, if the profit point is \$100,000 per month and the practice does \$115,000, the team shares in a % of the \$15,000. The percentage share is set between 15% - 25% depending upon the other expense factors of the practice. The profit point includes all overhead, Doctor's salary, benefits, CE and capital fund. This type of incentive can be very motivating to those people who are particularly goal oriented.

*"Great way to become exceptional." -
Brad Dickey, DDS*



PITFALLS TO AVOID

1. Holding the bonus over the team's head like a carrot.
2. Changing or dropping the program with no notice.
3. Paying bonuses late or not at all.
4. Giving insufficient thought to the program so that the bonus is inequitable.
5. Thinking the bonus is all that is needed to motivate the team.

No System is perfect for everyone! I usually see an increase in performance when a program is put in place. Certainly, the rewards are an incentive, but equally motivating are clear goals and shared commitment. All programs must be reviewed and refined over time.

And remember, nothing rewards as much as a sincere, **"Thanks!"**

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877- 63 COACH (877-632-6224)

12400 Hwy 71 W Suite 350-401
Austin, TX 78738