

Why Lead?

In Part 1 of a series, Dr Joel Small emphasizes the value of leadership in the dental office and explains how management styles and office “culture” influence productivity

If we understand why “good” is the enemy of “great,” it is easier to understand why there is often little momentum or motivation for us to lead our dental practices. If you also believe, as I do, that good practices can be managed, but great practices must be led, then we must answer the question, “What’s wrong with a good practice?” Consider this argument: If you are able to manage your own business and make a decent living while working four days a week, why should you feel compelled to become a leader? What’s the benefit?

Being from Texas, I have become accustomed to hearing the often-quoted statement, “If it ain’t broke, don’t fix it!”

So what is in it for us? What are the rewards for making the effort to become a leader? We have to see some significant value to make the effort worthwhile. The rewards are significant, and choosing to embrace leadership can become a life-altering decision. Let’s look at the facts.

Leadership makes good business sense

1. It increases productivity and profitability: There is a danger that if the owner/manager chooses not to lead, that he or she may attempt instead to replace leadership with management. This is a particular danger for dentists who have had little training or exposure to the art and benefits of values-based leadership.

In recent years, several dental management/consulting firms have promoted a form of “results-based” management. This is the antithesis of values-based leadership. Results are a poor substitute for values, especially when they replace values as the practice “anchor.” This reversal of culture in which results drive values has proven to be a poor form of management. No matter what the espoused qualitative values of the leader, in a results-based practice the staff sees the obvious lack of alignment between the stated values and the actual behavior of the leader. It is important to note, that our staff sees and learns what is valued by the leader by observing what we choose to reward and punish, as well as how we utilize the practice’s resources. When we reward or punish behavior based on predefined performance numbers, we send an incredibly negative message to the staff.

I have observed the destructive nature of results-based management through interaction with several of my referring practices that have adopted this form of management. My assessment of this form of management has been repeatedly corroborated by research that has proven the superiority of “qualitative” versus “quantitative” cultures. There is a profound irony in the fact that numerous research findings unquestionably prove that qualitative cultures that stress values over financial gain are more productive and have a better bottom line than businesses that adopt a quantitative, results-based culture.

It makes perfect sense, for example, that people commit to values, not rules or results. (People comply with rules.) Committed people tend to enjoy their jobs and exhibit longevity. Longevity of staff promotes continuity in the practice, and happy staffs are significant determinants of satisfied customers in a service industry. Satisfied customers

exhibit brand loyalty, which results in repeat business and drives the bottom line.

2. As leadership skills increase, management problems decrease: In her article published in the Journal of The American Dental Association in 20001, Anita Jupp notes, “An overwhelming percentage of dentists report that staff-related issues, not clinical dentistry, are the number one cause of stress in their offices.” Does this sound surprising?

All of us have heard this common refrain from fellow professionals: “If only I had to worry about treatment issues, and I didn’t have to deal with staff, life would be grand!” Those who truly understand the nature of leadership do not need to lament their troubles with their staff. Instead, they have a valued and supportive staff that makes their lives easier.

The key to creating a supportive staff is being able to use effective communication to create a culture of commitment. Effective leaders are exceptional communicators, and as such, they are able to overcome what is arguably the number-one cause of staff problems—poor communication. By clearly communicating their practice culture’s values and purpose, both verbally and through role modeling, a leader has the capability of serving as a catalyst for the development of a culture that fosters commitment by all of its members. An essential axiom of communication is that the clearer the message, the less ambiguous it is. It is often uncertainty or ambiguity on the part of the staff, as a result of poor communication, that creates practice problems and drains our energy by interfering with our ability to maintain our focus.

An ideal practice culture would be one in which the leader is able, through his/her verbal and nonverbal communication, to create crystal-like clarity with regard to his/her culture’s core ideology. In this ideal culture, there is no longer ambiguity. Every team member knows precisely what is expected and is able to decide with certainty whether specific actions are aligned with the culture’s values and purpose.



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More importantly, when clarity prevails, poor or inappropriate actions become painfully obvious not only to the perpetrator, but to the entire team. It has been my experience that cultures that maintain clarity of purpose and values become self-policing cultures in which the entire team has decided that chronic inappropriate behavior will not be tolerated.

3. Leadership improves staff retention and recruitment: Over my 30 plus years in private endodontic practice, I have noticed that the better practices, with well-developed cultures, have much less turnover than other practices. I know of practices that have retained staff for 20 to-30 years. Many of these team members have no financial need to work. They simply enjoy their work because they see value in what they do, and they enjoy being part of a team that is committed to commonly shared values and purpose. Such an environment does not develop spontaneously. At its core you are likely to find a leader that has intentionally created this culture.

Another observation that I have made is that these very same practices have little difficulty attracting excellent people as members of their practice teams. It seems as if these practices become magnets for exceptional talent. Perhaps this is a result of the self-policing nature of a strong culture. In our practice, for example, the staff makes the final decision on new hires. I have complete confidence that my staff has a clear vision of what we collectively expect from our fellow team members. I never worry about them choosing the wrong person because I know that they are extremely protective of our culture, and they would never allow someone to jeopardize what we have built together. Interestingly, it is usually the staff that also decides when someone is not aligned with our core ideology and needs to be let go. A culture in which clarity prevails is like a finely tuned and trained marching band. Someone who is out of step sticks out like a sore thumb.

4. Leadership creates a happier and more fulfilling environment: Value-based leaders believe in the value of people. They understand that it is much more than money that creates a happy and fulfilling work environment. They know this because it is much more than money that brings them joy and fulfillment as a leader.

There is a striking difference in perception between workers and managers when questioned about the connection between pay and work-related motivation. Workers will routinely list money as the fourth or fifth most important motivating factor when it comes to their work. Routinely, they will place greater value on interesting, challenging, or meaningful work, along with recognition and appreciation, a sense of accomplishment, and growth opportunities. Each of these valued factors is an expression of fulfillment.

Managers, on the other hand, when asked about what they perceive to be the motivating factors for workers, will consistently list money as the primary factor. This represents a huge disconnect with significant implications. Managers consistently attempt to motivate workers by throwing money at them, and workers become increasingly dissatisfied because it is fulfillment, not money, that motivates them. The chasm grows increasingly wider as managers begin to feel that the workers are lazy and unappreciative, while the workers see their jobs as unfulfilling and their managers as being uncaring.

Value-based leaders also recognize the importance of adequate pay, but the significant difference is that they, like their followers, understand that financial gain is most fulfilling and motivating when viewed as a form of recognition for a job well done. By creating a culture that values initiative, creativity, and accomplishment, value-based leaders are able to motivate others while creating a happier and more fulfilling work environment. Money, as we have seen, is a

poor motivator, and rules and regulations are a poor substitute for values and purpose as the cornerstone of an organization's culture. Consequently, a results-based culture fosters compliance rather than commitment and is characterized by low morale and constant turnover.

Even more central to this discussion is the distinction between "transformational" and "transactional" leadership. Transactional leadership style is based on a quid pro quo relationship with the follower. Simply stated, the follower provides a service in exchange for a reward, or in this case, a paycheck. Additionally, a common feature of transactional leadership is the establishment and mandatory compliance with numerous rules and regulations.

Transformation implies change. With regard to leadership it implies a significant and positive change of the followers that is brought about by a transformational leader. Such a leader is able, through leadership skill, to compel his/her followers to subordinate their own individual needs to the needs of the organization. The leader-follower relationship becomes synergistic in that both parties are elevated to higher levels of morality, performance, and commitment based on a mutually shared purpose and values.

The difference between transactional and transformational leadership has been the subject of numerous intellectual discussions over the past 25 years. The general consensus is that people will commit to shared purpose and values. They will only comply with rules and regulations.

5. Leadership fosters commitment: How can we ask someone to commit to something when we have not defined what that "something" is? This question may seem to be simplistic in nature, but in reality, it happens every day in dental practices, and in many small businesses. As owners/managers of a business, we all expect commitment from our staff, and if asked what that means, we give some vague answer like, "I expect them to be loyal." Loyal to what? No wonder there is so much uncertainty and ambiguity among our staff. We create our own worst problems because we are either unaware of the importance of clearly defining and communicating our values and purpose, or because we are unwilling to accept the responsibility of leadership. Remember that leadership is one of very few responsibilities that we as practice owners cannot delegate, and if we choose to create our ideal environment through effective leadership, we must begin our journey at home. We must first begin with us.

Edgar Schein, one of the world's most noted authorities on organizational culture, states in his landmark book, *Organizational Culture and Leadership*, that there is a critical relationship between the strength of an organization's culture and its leadership, size, communication, and structure. Microenterprises, because of their size and the familiarity between the leader and followers, are more directly affected by and focused on the owner/manager's personal core ideology. As such, it is the leader's responsibility to create the organization's culture by first defining his/her own personal, deeply held values and core purpose. This, then, becomes the "something" to which we seek our organization's commitment.

Part 2 of this article will emphasize the personal benefits of becoming a leader. 

References

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