

Technology versus Culture

Not long ago, I had the opportunity to visit with a young endodontist that had recently purchased an existing endodontic practice. He was seeking advice regarding upgrades for his newly purchased practice. He had a limited budget for new expenditures, and wanted to know if I thought that his limited resources would best be spent for digital radiography or for a cone beam scanner. I responded by asking him what he wanted to achieve by purchasing the technology. He replied that he wanted to improve the quality of care that he and his staff could offer their patients.

I feel certain that he was surprised by my reply. I told him that I would not recommend purchasing either piece of technology, but instead I recommended spending the money on developing his culture and his people. I suggested a retreat with his staff and hiring a professional consultant with expertise in leadership and team development as a facilitator for the retreat. He looked uncertain as to how to respond to my suggestion and after a short pause he admitted that he was unable to see the value in my suggestion because he and the previous owner of the practice shared a similar practice philosophy, and he anticipated very little change as a result of the transition. I assured him that even though their philosophies may seem similar, that his leadership qualities and his expectations of the staff were different from that of the previous owner. I also assured him that quality of care begins with his practice culture, not new technology.

I don't know whether he took my advice or not, but I felt strongly that investing his time and money in his people and their culture at this critical juncture of the practice transition was the right place to allocate his resources. It has been my experience that we too often lose sight of the importance of our staff with regard to their critical role in our practices success. We frequently make the mistake of believing that technology is more important than people as a key success factor for our practices.

In his bestselling book *"Good to Great"*, Jim Collins refers to technology as "an accelerator". He contends that technology by itself is never a primary cause of either greatness or decline. Rather, technology can become a potential accelerator of growth or greatness if used as an adjunct to a well developed culture and the correct business strategy.

With regard to a dental practice, technology will accelerate practice growth only if the practices fundamental core business and cultural principles are in place and functioning. Relying on technology to serve as a primary practice builder is a costly mistake. I have seen this time and time again. One practice may grow exponentially after investing in new technology, while the practice next door languishes in spite of having purchased the same technology. In one scenario, the practice is able to pay for the new technology through increased practice revenue, while in the other scenario, the practice does not grow and is saddled with the additional expense of the new technology. The difference between these two practices is that in the less successful practice the doctor sees technology as a quick fix, and never examines the underlying issues that are negatively impacting the practices ability to provide quality service for their

patients. The other, more successful, doctor understands that technology cannot create growth, but rather can only enhance the growth of a well run practice.

In a broader context, technology represents a competitive advantage for a well run practice. By definition, a competitive advantage is the ability to provide a service or product in such a way that it allows you to maintain a market advantage over your competition. Technology can do this for our practices. The question is whether this advantage is sustainable. Take my practice for example. We recently purchased a cone beam scanner. We were one of the first endodontic offices in our area to have this piece of equipment. We decided to purchase this technology based on its ability to significantly improve our diagnostic capabilities. Financial gain was not a factor in our decision to purchase the scanner. We fully understood the temporary nature of any competitive advantage that we might enjoy from being the first to own this technology. Indeed, our competitive advantage was short lived, and disappeared as other endodontists purchased scanners for their offices.

So what would constitute a “sustainable” competitive advantage? A sustainable competitive advantage is an advantage that is enduring due to its uniqueness or because it is very difficult to copy or reproduce. Warren Buffett often refers to a sustainable competitive advantage as a moat or barrier to entry for another business. This analogy implies that there is a degree of permanent insulation obtained by creating a unique advantage.

In his book, *“From Brand Vision to Brand Evaluation”*, Leslie De Chernatony suggests that in today’s environment a sustainable competitive advantage is based not so much on what you provide but rather on how you provide it. Considering this, it is important to recognize that

your staff is the primary determinant of how your practice's care is delivered, and as such, your staff and the unique culture which guides them are your most significant sustainable competitive advantage.

No one can duplicate the uniqueness of your culture. Your culture defines your practice as surely as your DNA defines you, and it is because of your culture that patients seek your care and refer their friends and family to your practice. Unfortunately, there are some among us that don't get this concept. Instead they believe that some new technology or "gizmo" can reverse their lagging production. To paraphrase a well known politician, and with all due respect, "It's the culture, stupid!" Today's new gizmo is tomorrow's old gizmo, but your practice culture endures and is sustainable.

I'm not suggesting that we disregard technology. After thirty plus years of endodontic practice, I have witnessed the incredible impact that technological advances have had on the quality of care that we can offer our patients. I am a huge fan of technology, and my office is equipped with all the latest and greatest endodontic equipment. What I am suggesting, however, is that we begin to regard technology realistically. In my humble opinion, having the newest technology is the price of admission for an endodontic practice. It is a baseline requirement, and therefore does not separate us from our competition.

From my perspective, I have yet to find any form of technology that can possibly affect the long term success of my practice more than the people who treat my patients every day.