

## Getting Ahead of the Next Stage of the COVID-19 Crisis

### Video Transcript

Thank you very much, and thanks to Crest, Oral-B for sponsoring. I'm really excited to be with you all today. I know that we're facing just unprecedented challenging times. And the truth is that there's more that we don't know than we do know. So in order to try to put together strategies focused on the recovery, which I'll talk about a lot today, we started by thinking about how do we characterize what's happening? Six weeks ago, seven weeks ago, many of us had no idea that this was coming, no idea we'd be sitting at home, no idea that practices were shut down. The rumor started coming, then the recommendations, then the requirements. And when we get back to our practices, one of my main points is we are going to be in a business turnaround.

And a lot of times today, you'll hear me refer to the business turnaround as a recovery. Well, the good news is there is real science around how to turn around a business, and there is science about how to recover, and it's going to be critical for us going forward to make sure that we have that opportunity. So our title is called Getting Ahead of the Next Stage of the COVID-19 Crisis, and that title is really important, because I'm going to talk to you at first about the different stages that we have going forward and how we move ahead. So let's start by understanding the categorization I just referred to, and why we put that together.

People were scrambling, we were getting hundreds of emails and phone calls per week asking for advice and guidance. I've been on a lot of webinars so I guess people reach out,

and a lot of the questions are sort of a scramble where people are trying to figure out well, Roger, what do I do? Now, the last two weeks, and maybe the next 10 days to two weeks, everybody's focused on getting their loans. If they can get a loan, whether it's the EIDL, the EIDL loan as they call it, or the PPP loan, there's a huge focus on getting loans. And there should be. If loans will benefit you, and you should definitely talk to your CPA about this, then you want to go down the road of pursuing them.

However, I want to make the point that getting your loans, while critical and beneficial, will not take you through the recovery. So if there's an illusion by anyone that if I get my loans, I'm fine, that's just not going to work. And there are going to be a lot of restrictions with these loans. I got a call on Saturday from a dentist who said, "Well, I'm going to get my PPP loan now, but I'm not going to spend any of that money on my staff until we reopen." Well, I'm not an expert on this. But that may or may not be within the regulation. And that dentist may end up having to pay it back with interest or pay it back if indeed that's not an allowable action, because the clock starts ticking when they say when the government and the SBA say the clock starts ticking and where you need to spend your money.

Well, all of the loan frenzy, as I call it, and we're all caught up in it, Levin Group, the company I founded, is advising our clients to meet with your CPAs, get your loans. We are also looking at ours. And this loan frenzy is going to die down. Eventually, you'll know whether you're

going to get the loan or not, which loans are relative to other loans, which loans have restrictions relative to other loans. It's a very complex process, and you definitely want an expert to take you through it. Then once the loan frenzy dies down, we're going to be focused on our recovery. Now my suggestion would be to focus now on both your loans and your recovery at the same time, sort of a binary approach.

The reason is that if you're not making the right planning now, and you're not selecting the right strategies today to go forward in the recovery, by the time you get there, your recovery may be much longer and much harder. So what I did and Levin group did, and our team has been working every day, 12, 14-hour days on recovery strategies, we started by asking the question, "How do we characterize the recovery?" And we broke it up into three stages. And this has been very helpful for a lot of people and I sincerely hope it'll be helpful for you. The only focus I have right now is helping as many people as we possibly can.

So stage one at the top of your pyramid is the COVID-19 crisis. We are in that crisis now. We don't know when we'll reopen. I just was talking to some dentists a little while ago, they're hoping for a May 1st opening, but they have absolutely no idea whether that will happen or not. So we're looking at stage one, we call that the COVID-19 crisis, that's the crisis that we're in now. And right now, you should be planning for the next stage. In each stage, you want to plan for the next stage going forward, very important. So hygienists and assistants, many of you, or other team members, many of you right now, most of you are not in the office.

Some of you are going in for emergencies. Some of you are terminated so you can get unemployment benefits or furloughed. But if you're going to help your practice, so the doctors and the team on this webinar, it's really important to know what you can do during these three stages. So the first stage is where we are now. We don't know how long it will last. I have picked an arbitrary hypothetical date of June 1st for reopening. Now, let me be very clear, that is not a prediction. That is not a

guess. I have absolutely no idea when you will reopen, but we needed a date to work with and we're looking at June 1st as the date you move back into your practice, so to speak.

Well, then you go to stage two, Entering Recovery. You're moving back into the practice, and I'm going to go over a timeline after this, that will be helpful to you. But in entering recovery, you need to be now activating all of the plans that you're making. And I'm going to go back over a lot of the plans, very practical information of what you can do in just a few minutes. And you begin activating those plans as you move back into the practice. And then you go into stage three, stage three is what we call the Recovery. And this is going to be the critical element that's going to determine how fast you recover, how well you recover, and very sadly, and I have tremendous compassion right now for everybody, very sadly, if you recover. And I want every practice to have the best odds of recovery they possibly can.

So those are the three stages that we're working with, and in each stage, you want to be preparing now for the next stage so that you can move as quickly as possible in your business turnaround. So in stage one, the crisis itself. I'm advising dentists to be great leaders. Now, what is a great leader? Am I going to give you a six-day course on leadership? And the answer is no, because I really think leadership is very, very straightforward right now. I've said for many years in my seminars, the number one characteristic of a great leader is compassion. So we really want you to be in a situation where you simply have compassion for everyone around you, and compassion can translate into respect, into understanding, people are nervous, they're anxious, they're concerned. They have family members they're concerned about. Some people might have illness in their family. Others have layoffs, that they're not sure if they're going to be going back.

So I'm advising dentists as the leader of the team, to be in touch with the team in two ways. And this goes both ways. I'll get to the team in a moment. But for the doctors, I think there should be daily communication with the team where it can be a short video, it can be an

email, it can be upbeat, it's not rah, rah, it's not cheerleading. It's very important in a crisis that everyone is as open and honest as they can be, but staying close to people is really important. And then once a week team members, I'm asking the doctors to hold a Zoom meeting or whatever platform you like to see each other. Seeing each other is great. I think there are people who've discovered Zoom that loves Zoom. They'll never go back to something else for visiting family all over the world.

I know people that had Passover Seders and Easter with 30 people on webinar type products. And once a week, it's really important that you are in touch with each other. And even if it's not a business meeting, which you're welcome to discuss the planning, but even if it's not a business meeting, just staying close to each other. The staff, you're each other's peer group whether you recognize it or not, and it's nice to get support from our peer group. It's nice to hear that other people are doing okay, or what they're thinking or what direction they're taking while they're at home in their lives and how they're doing.

Number two in stage one, which is the COVID-19 crisis, number two is reduce your expenses, but do it carefully and do it thoughtfully. It was about two weeks ago, two, three weeks ago that I, as a dentist like everyone else, started getting emails from everybody who wanted to sell me something, telling me I had to reduce all of my expenses as quickly as possible. And the danger there, if you study business turnarounds, and they're taught in business schools, they're great case studies, there are textbooks on the subject, the danger is if you caught all your expenses to the bone, your turnaround is going to be very, very challenging.

Instead, you want to, number one, reduce unnecessary expenses. We all have them. They're things we've spent money on over time that are expendable. And expendable means they're really expendable, not simply something that we decide to give up, but something we never really had to have to begin with. And every business over time, if the business is at all successful, will gradually identify purchases that maybe they don't really

need that purchase. So you go through your expenses and the best way to do it is to put them in priority order by dollar amount, which are your biggest expenses, and begin to reduce those expenses as you move forward.

But don't reduce expenses that can help you in the recovery. The recovery is going to be based on four key elements: revenue, cash, advisors, and expenses. Those are the four most important factors in a business turnaround or your practice recovery. But you have to have resources to take you through and into the recovery. So advisors, for example, your CPAs, your accountants, your attorneys, your banker, your financial planner, if you have consultants, they may be the most critical people to help you through this process. A great statement I heard in a business webinar is you can't think your way out of this problem. You have to talk your way out, which means you need people to talk to.

If you're trying to get loans, your banker can be a great help to you, your CPA can be a great help to you. But neither of them are going to be a great help to you in terms of your recovery. That's where it's going to be about the recovery phases that I'll get into. So be careful, there may be a technology that will allow you to increase revenue. This is a Crest, Oral B sponsor presentation, and I've been a fan for years of identifying oral home care prescriptions for your patients, and offering the patients the opportunity to purchase those products and the practice. Over the years, it's gone slowly, quite frankly, but this is a time where every revenue opportunity should be very carefully considered.

So as we go forward, we want to look at coming back to our practice with a good expense structure. But where is most of the expense savings going to take place? It's going to take place in negotiation. I'm hearing, "Call your landlord and they'll forgive your rent." Well, a lot of landlords are not forgiving your rent, but they're willing to negotiate. They're willing to postpone. They're willing to amortize it, give you several months where you don't pay and then amortize it. Banks and credit card expenses, airlines refunding money.

Every business in the world right now understands what's going on and they will work with you. Most of them already have a plan. You don't have to call up and threaten them. You call up and explain your situation. They already have options and plans available to give you an opportunity to reduce your expenses today. It may increase over time but negotiation is going to be the biggest part of helping you through the expense factor, not simply cutting costs. If you throw out everything in the lifeboat, you will have a very, very difficult recovery because you've given up resources that can help you to move forward.

Number three, critically important, tracking overdue patients. Now, there are two schools of thought on what's happening. Some practices are canceling their patients and rescheduling them at the same time. That's fine. It's not my favorite of the two options because once you reschedule them, if you're not open at that point, you have to re-reschedule them, a new word I've made up, and some of you may have to re-reschedule patients three times or more if you keep scheduling them and you don't know when you're opening, which of course, we don't know right now.

So it's fine to do that but the one I prefer is maintaining exquisite lists of overdue patients. And overdue patients right now that ... Any patient who is in your practice right now that does not have an appointment, and I'm now changing a lot of words in the way I use them. The word is reactivation. Any patient who is overdue for an appointment by one minute, will need to eventually be reactivated. My instinct is that about two to three weeks before you think you're going to reopen, and we get a sense of reopening ... And by the way, everybody, I apologize, we're getting a big rainstorm here if you hear it, and I can't move where I am because I have great internet so it'll pass eventually. So I'll get a little closer so make sure you can hear me.

So you want to keep an excellent list of overdue patients. You want to measure every single day how many patients are overdue, and you want to reappoint, you want to prepare

now to reappoint them when you get a sense of reopening. So go to number four, which says reappoint now, I'd rather wait, or as soon as you can identify open hours of operation. Well, how do we reappoint? This is going to be a critical element in your success because patients coming back represent revenue and revenue is one of the single most important factors you can possibly have in terms of a turnaround. You want to get revenue up as quickly as possible.

So the way you reactivate every patient who's overdue for an appointment is not by texting right away. You need to call them. Now why do you need to call them? You need to call them because patients are going to have two levels of concern. One, fear for their safety. When you call them and you should be writing your scripts right now. Your scripts should be getting put in place right now. You call them and you tell them how you're going to keep them safe. And then the second factor will be patients who are financially challenged, or simply feel financially challenged or financially concerned.

We know from the 2008, 2009 recession, and we've got a large data center at Levin Group, the company I founded, so we have a lot of data behind this. So we have evidence that many patients stopped coming to the dentist, stopped coming for hygiene because they were afraid to spend money and many of them never got back. So we need to call them and when we call them, there are new things we're going to tell them that include how we're going to keep them safe. And we're going to tell them about my recommendation, expanded financial options that all come back to in just a few minutes. So we call them once a week for three weeks. "Hi, Janice, on this webinar. If you will call your hygiene patients there is a much better chance they will reappoint than if they just get a call from a front desk person, or the worst idea, sending a text or email right away.

Now after three calls, one per week for three weeks, the next step is texting and you should be writing your text messages now. Again, compassion is the word that should flow through everything you do. Tell them that it's an unprecedented time, that you

really are looking forward to seeing them, that you hope that they're healthy. And you are texting to reappoint them, and they can find more information and you want to get this on your website, how are you keeping your patients safe, and you should definitely mention financial options, including interest free financing. And again, I'll get there in a few minutes, the same thing that I will get to.

And then after texting three times in three weeks, you move on to email and you send three emails, you should be writing them now. You're home, you've got the time. Very positive, very welcoming, very compassionate, very warm, to schedule patients and ask them to be in touch with you. If, at the end of that nine-week process, because it's three calls once a week for three weeks, three texts once a week for three weeks, three emails once a week for three weeks, if no contact is made, then they go into a 90-day follow up cycle. There will be patients who will come back at 90 days or 180 days, or when they have an emergency, if you keep in touch with them. This is a time to go out of your way to keep in touch with people.

Okay, I hope you guys are doing great. I hope this is interesting. I hope it's helping give you ideas. And as I've been telling people, I'm not even sure these are recommendations. There's so much I'm saying that I've never said before. There are things I'm saying that I was opposed to before. But now, in this unprecedented COVID-19 crisis, there are things we need to do to make sure your turnaround is successful. So under the second stage, stage two called entering recovery, we've got another set of actions, and here are three things that you should be focused on. And this weekend I share with you, I don't know about you all but Saturday and Sunday are looking a lot like Monday, Tuesday, Wednesday, Thursday, and Friday.

And in our case, we've been working, as I said, 12 to 14 hours a day focused on recovery strategies and talking to our clients and putting together the recovery program, much of which I'm sharing with you now, happily. And one of the things that happened this weekend is I put together a document of 35 recovery strategies

that can be applied now and when practices reopen. So here are three that can be applied in stage two. The first one is production. You want to get production of ASAP. And let me tell you about a conversation that I had on Friday. I got a call from a dentist who's a client of ours, a very successful practice but like everyone, his staff are furloughed. He's at home, he's seeing emergencies when necessary. And he said that his office manager was in disagreement with him about scheduling the highest production patients first.

And her point of view, and I understand it again, compassion, was it's not fair to patients who are not high production, that they should have to wait like for a restoration for a cavity. And I explained to him that it's a leadership issue on his part. Yes, you should see the highest production patients first. This is critical, because we've got to get revenue in the door. Production creates revenue, revenue creates cash, cash creates income. So we need to do the highest production activities first, which I'm about to talk about, but at the same time, he needed to explain to her why he wanted the highest production activities first. He said, "Well, Roger, I told her why. I heard you say it on a webinar." Okay, that's not good enough. I wish everything I said was automatically accepted by everyone. But that's not good enough.

He needed to explain to her that if they didn't get revenue in the door quickly, which is one of the key factors in a business turnaround, he might have to lay off more people, he might have to decrease the number of hours they work, he might have to make changes that are in nobody's best interest. And to explain to her, he's doing this to turn around the practice for the sake of himself, the staff, and the patients. So number one, we want to do the highest production activities as fast as possible. The way you're going to do that, these are my recommendations or ideas, is when you first get back, you're going to have huge pent up demand.

Now I know we're talking about new regulation, what new regulation might come? How many patients will we be able to see? What will infection control look like? And here's my

answer, as of this moment. I don't know. You don't know. Nobody knows. Remember I said at the beginning, there's more we don't know than we do know. So I can only build models as of today, based on what we do know. And once we know new regulations, then we'll modify those models accordingly. Right now, we're expecting you to have very high pent up demand and be extremely busy months one and two in the timeline when you open. This is a 12-month timeline. And in months one and months two, we expect you to be very busy.

We want revenue up as quickly as possible. So we are recommending, or these are my ideas, that you expand your hours. You need to work evenings, you need to work Saturdays, you need to work as much as you can, and you can physically comfortably handle it. We don't want to make you miserable. We don't want to burn you out. We want to get your revenue up. The other reason for expanded hours is there are a lot of patients who are going to go back to work that have used up their PTO, they've used up their vacation time, they're not going to take time off of work, they might be afraid to take time off of work. And if you don't have evening or weekend hours, non-traditional hours, these patients are not coming back. And remember from the last slide, one of our major goals is get every patient back we possibly can.

So we add hours, we add days. Keep in mind again, I know it's hard to keep this in mind, I have trouble, too, we're only focusing on recovery. This isn't the rest of your career. But this could be anywhere from six to 12 months, but you're going to be paring your hours back as you're going to see in a moment. Because in months three through five, your practice is going to slow down. And that's because the pent up demand will now have been taken care of and you will have patients who do not come back, you'll have hygiene patients that do not come back, you'll have treatment that isn't automatically accepted. So with all of that happening, we're facing a situation where you're going to begin to slow down and we're preparing for it.

I know it's not good news, but my job is to tell you what we think is really going to happen.

And what we think is really going to happen is you're going to have a slowdown, where production is going to decline between 15 and 50%, depending on how well you prepare for the turnaround. So in months three through five, this is where you will need to tighten up everything in terms of your hours, your days, your systems, your procedures, and it's going to be a period of time where you're going to see the underlying fundamentals of the practice and you will know what to work on.

The second factor in stage two is retaining your patients. And the fastest way to keep your patients is scheduling them back ASAP. A scheduled patient has a great chance of staying with you. And the new mantra will be, "Nobody leaves our practice without their next appointment." Do everything you possibly can to schedule every patient for their next appointment. And then third will be to increase your marketing efforts. Now, I've got a few very blatant comments about this. First of all, there are marketing firms. I'm a dentist, I get the same solicitations, trying to sell you marketing right now. They're trying to convince you it's good for your brand or your PR.

I'm going to tell you spending money right now in marketing is pretty much an absolute waste of money that you can't afford right now. 90 to 100% of your marketing expenses should be shut down now, should have been shut down three to four weeks ago. And you should not build it back until just before you're ready to reopen. And here's the danger. We don't know what marketing is going to work. Marketing companies make it sound like all you have to do is sign up for their program and it's an automatic flow of patients. A, it's not true. And B, many of the patients, no show, don't accept treatment never come in because you don't take their insurance.

Marketing is going to be very different when we get back. It's going to be about touching people, it's going to be about relationships. It's not going to be about just putting up a Facebook ad and expecting people to run into your practice. So just be careful and the best way to be careful ... I'm all in favor of marketing. But the best way to be careful will

be don't sign expensive long term contracts. Do short term things. In marketing, the first phase of a marketing campaign is market research or what they call testing. If you sign up for long term programs, and now you're locked in because somebody convinced you to do it, and you didn't do any testing, you don't even know if it works.

So what you want to do is understand marketing will be different. Nothing about our future will be business as usual, certainly not in the next 12 months from the time of opening. So I like marketing. I also think your very best marketing early on is internal. It's marketing strategies to take incredible care of your patients. I've been telling people right now, you should be calling three to five to seven patients every single day, pick up a phone, call them and say hello.

I'm on another webinar with Dr. David Hochberg, we're on a panel together. He's the past president of the American Academy of Implant Dentistry, and we've been on this panel a lot together. And I made this recommendation, David started doing it. He's a private practitioner in Atlanta, and day after day on the webinar, when it's his turn to give his five minutes what's happening today, David says, "I did what Roger said I started calling patients and it's fantastic. They love it. They love hearing from me. They love that I care." Start calling your patients now. And team members, you can call patients just to say hi, see how they're doing. I mean, these are your customers. And if you're not staying close to your customers, you're not going to have them.

Okay, so now we move to stage three. Stage three is the recovery stage. So on the timeline, I hope it wasn't confusing, I told you about months one and two, pent up demand. The danger there is you might be so busy that you think it's all normal. Well, the normal coming up will not look like the normal we left about five weeks ago. And then we go to the second phase of the timeline months three through five, where you're going to decline in production. I guarantee it, almost everyone will see a hit to their production in that phase. You're going to be okay though, it's normal. In a

business turnaround you need time to put new programming in place to turn around unless you have a back room where you can make gloves, masks, and ventilators you're going to need a little time to turn around.

And then we hit the third phase of the timeline that I haven't mentioned yet, months six through 12. And that's where you're going to build back. And that correlates with this stage three that we call recovery. And our goal is to help most practices get back to 80% or higher of their average monthly revenue by month 12 of this timeline. If we can do that, you're going to be fine and you'll build back from there. So there are four things you should do in the recovery stage, stage three. Number one, solidify your systems. We've been teaching systems for 36 years. We were founded as a systems based consulting firm. And I'm going to tell you that the practices that were put in systems did really well.

Okay, so that sounds great. And it sounds like Levin Group helped a lot of people, which is what we want to do. But that's not really what I'm saying. This isn't about what Levin Group did. It's not even really about systems yet because what I'm going to tell you is I have met many practices over the years that had terrible systems or mediocre systems, and excellent profit and excellent income. Now after the 2008, 2009 recession, that began to change. And the reason is in the data. If you have data, which we have no data for what's happening today, but we do have data for 2008 and 2009, the longest deepest recession in United States history. And if you look at the data, prior to 2008, 91% of dental practices grew every single year. Think about that. We were in a business where 91% of the businesses grew every year. That is just winning the lottery.

If you became a dentist, and you had a practice and a team and patients, you won the lottery. Some people won a little bigger lottery, but you won the lottery. Well, after '08 and '09, that began to change. 75% of practices declined in production between 2008 and 2012. Not every year, but a number of the years. And that began to turn around in 2014 but it wasn't big growth. The industry was only growing

at practice, production was only growing at one to 2%. Well, the last couple of years the economy has been on fire, things are good, we're starting to feel good again. And now this. Well, this is going to be deep and have repercussions. I mean, that's just a fact of the way it is. And when you hit the recovery stage, you now are going to need excellent systems, and practices that don't have them, I believe, are going to be very challenged. Not like in the past, but very, very challenged.

So you need scheduling, you need insurance, you need financial, you need case presentation, customer service, hygiene, reactivation. No shows, collections, overdue patients, late patients, different services. You need systems for everything. And if you don't get excellent systems in your practice, your recovery will be longer, it will be harder. And in a few cases, it may not occur at all more than a few cases actually. So get your systems in place and right now you've got time. However, my message would be that the way you approach it is the word efficiency. You want the most efficient and effective systems you can get. You want to strip out any looseness.

And team members, once you have those systems, you need to follow them just like the way you drive a car. You don't drive sometimes in the wrong lane. You don't slam your brakes on so people can run into the back of your car. You don't violate red lights because you know that that's a high risk set of actions that you don't want to take or you will get hurt. Well now, not having systems that are efficient, that are simple, where we've gotten rid of anything complicated, unnecessary steps, and not measuring results daily, now almost daily to see where you are in your recovery, that's the same as all those bad driving factors that I mentioned a moment ago.

Number two, track your KPIs. Now, here's another thing that's interesting. For the last 36 years or so, Levin Group has had a set of 25 key performance indicators, or statistics that our clients track on a monthly basis, and they're really important. But in a turnaround, we slim it down. There are only about five or six key statistics you really need to track in a

turnaround. But the difference is you need to track them every day and in detail and exquisitely, and you need to know immediately when a key performance indicator is not in the range that it should be. So a couple of them for example, are production, revenue, cash. Do I sound like I'm talking about money? Yes, I am. A business cannot exist without production, revenue, and cash.

I'm not even talking about income. Because the first step is another KPI, the BEP, break even point. And one of the exercises our clients are doing right now, and I'll tell you about some other exercises our clients are doing in a little bit, is identifying the break even point. When you get back into practice, how much revenue do you have to bring in in a month, and then a week in order to break even? Every week we'll have a break even point and each week is different. Every month we'll have a break even point and each month is different. Let's say your landlord gives you three or four months of not forgiveness, but abatement where you don't pay rent. Okay, that contributes to one breakeven point being lower. But then in the next months after that, you've got to start making it up, what's a higher break even point and even higher than it would be in an average month.

You have to know this. You don't want to wake up and find out you can't pay your bills. And you'll be fine. I promise you, most of you will be fine if you follow what I'm suggesting. But you've got to know the first step is get to break even. Don't worry about profit yet, don't worry about income. If you get to break even, you survive, and that's great. You want to survive, that's first. Now, you might blow right through breakeven and those first couple months back, you will. The danger is you might think everything's fine, money's flowing, patients are coming in, but then you're going to hit months, three, four, and five in the timeline, and you're going to slow down so we want to be prepared.

Number three in the recovery stage is cross training staff. Now, I've never been opposed to it, but I've never been a big fan of cross training. I always felt it was better for a person to become super specialized and excel at



what they do. But now my opinion is different because this is a different time. Six weeks ago, I had a different opinion. Now I have this opinion, crosstrain team members, because cross trained team members can help with flexibility. Hi, Janice. If you have a no show, they're things you can jump into to make a difference because guess what, it will not be business as usual. And team members, you are what's going to make this practice recover but if you don't help it enough to recover, we may not have everybody and that would be a shame.

I've got huge compassion, but in 2008 and '09, dental hygiene went light and you want your practice to really bring those patients back or keep things flowing, calling a hygienist who calls an overdue patient has a much better chance of scheduling that patient than a front desk person. We know that. We have the data. And then number four. Oh, by the way, another reason for cross training before I move, is if you expand your hours, you may have some people who can't or won't work those extra hours. And you won't cross train people who are ready to jump in and know what to do and can make it happen. It's all hands on deck, folks, when we get back, I know a very high level office manager. She has a very high compensation. She deserves every penny of it. She has helped to build this practice. We've worked with them as a client for years, to \$2.2 million dollars. When we met them, they were 525,000.

And she called her doctor and said, "I just want you to know that I will do whatever it takes for us to be successful. I'm going to do everything I do as an office manager. But remember, I was an assistant years ago, you need me to jump in, I'm ready. Whatever it takes, whatever hours we need, you just tell me, I'm ready to go." And that is a great attitude. That's a superior attitude. Versus saying, "Well, I'm the office manager, I shouldn't have to do those things." And you shouldn't. But in recovery, it's a whole different game. And remember, this is only about the recovery. This is not forever.

Number four is to accumulate cash. If there are four things that will bring your practice back,

it's number one, revenue, number two, cash. How do you get cash? Revenue. And you watch your expenses, but you don't strip everything out, you build your revenue, you build your cash, you keep your income modest for as long as you can. The cash is still income later if you don't need it, but it's what's going to protect you. And 90% of dental practices have less than one month of cash available when COVID-19 hit. That's not a criticism. It's just a factual piece of information. We're suggesting that you build up to four months of cash for the future. We don't know if this is coming back, we don't know what's going to happen but if you've got cash, you will be fine.

And if you're turning around properly, if you're building revenue, you have cash. There may be a technology you want to purchase to expand your revenue, there may be a team member you want to bring on board at some point to expand your revenue. So there are all kinds of opportunities for practices with cash, and not as many for practices without it. So it's revenue and cash. And then the third key are your advisors, having advisors that are not just advisors, but they understand recovery or business turnarounds.

Okay, so now let's talk about some strategies to prepare for recovery. And in about 15 minutes, I'll move on to question and answer, which I'll be delighted to do. All right, the first thing every dentist should do, and this is for the dentist first, and then some of the staff, is write a COVID-19 One-Page Strategic Recovery Plan. This is critical. This is what you do in a business turnaround. If you go to our website, [levingroup.com](http://levingroup.com), completely free, all we want to do is help people, go to the homepage of [levingroup.com](http://levingroup.com), go into the COVID-19 Resource Center, everything's free, go to the one page recovery strategic plan and it's very simple to understand you can read about how to do it, which I will tell you in a moment.

However, let me warn you, one page plan sounds pretty easy. I mean, seriously, how big a deal could a one page plan be? And the answer is, it's really hard work. It's what I call deep work. I did ours for Levin Group. Okay, so our clients, fortunately, most of our clients

are working directly with us getting ready for recovery but we needed to look ahead as well. And I want you to know that I did 10 revisions of the One-Page Strategic Recovery Plan. And by the way, leave at least a day in between. You can't do it at 9 o'clock, 11 o'clock, 3 o'clock, your brain needs time to work on this. Talk to your advisors about it, get the best ideas. You can't think your way by yourself out of this problem that we're in. You have to talk your way out with people who are great advisors and resources to you.

So talk to your CPA, talk to your attorney. If you have consultants, talk to them and get your one page plan done. It's one of the most critical factors. I keep stressing that. I think I'm a little defensive because I so badly want people to do this because I know how valuable it is. So you turn a piece of paper into four quadrants, and each quadrant has a topic, it's practice, staff, patients, and financial. And then in each quadrant, you list three to four very high value strategies that will help you through recovery. Again, it's only about recovery, but it will not be business as usual. So in each category, you come up with three, no more than four high value strategies. And these are the strategies that are going to help you to recover.

And it goes to the heart of a concept called the 80-20 principle. And the 80-20 principle basically says that 80% of your results come from 20% of your effort, and it applies directly to the COVID-19 One-Page Strategic Recovery Plan, because in your plan, 20% of your strategies are going to get you 80% of your recovery or more. And that's why you don't get more than four in any one category. So under practice, you might literally put down how many patients you're going to reactivate and that number will change every day as more patients go on schedule. Under financial, you might put down how much cash you want in four months or five months or six months or 12 months. You might put down average monthly revenue once the practice reopens.

Under staff, you might put down, bringing the team back together. We are going to need a common purpose when we come back. Now those of you on this webinar, I hope I'm

doing a good job and you're understanding why recovery is so critical. It will not be we reopened, you show up and everything's back to normal. It won't look anything like that at all. In fact, we're going to go from pent up demand chaos, to a slowdown, to a build back in recovery, and you're beginning to understand that. But we want to bring the whole team together and we need a common purpose to make that happen. That's something you might identify in your one-page plan.

Under patients, identifying the average production per patient that you hope to achieve when you're back in practice, or how many active patients you want to have inside of the practice. These are all key factors that you absolutely want to keep in mind. So go do your one-page plan, get it done, review it with ... That's called pressure testing. That's a consulting phrase, makes you sound smart, pressure tested. Go to other people and say, "What do you think?" Go to your spouse, go to a colleague, go to people in-the-know that can help you because getting this plan right is one of the most powerful things you can do for your turnaround.

Okay, prepare your patients, communicate with them regularly. Your patients should be hearing from you once a week, minimally once a week. Update them, tell them what's happening. Send out a nice communication. Wish them wealth, wish them health, but be in touch with your patients. Don't just wait until it's time to reopen. I am seeing emails going out that are not good. I'm just going to say it. They're not good. They say something like, "We've canceled your April 18th appointment. We will be in touch." There's no compassion in that email. You open your communication by acknowledging where we are to a patient, "Mrs. Jones, we are certainly in unprecedented times," and then you wish them wealth.

"We hope you and your family are healthy and safe. Unfortunately ..." great word, "We have to ..." not cancel, don't use cancel, "We have to reschedule your April 18th appointment that was scheduled for three o'clock. We will be in touch with you shortly to reschedule that appointment. In the meantime, if you have

any questions or concerns, please call us at ...” and then you can say, “At any event that you would have a dental emergency, please call me personally, here is my cell phone. We will take care of you. Stay safe and stay healthy.” That’s a nice email compared to, “We canceled your April 18th appointment. We will be in touch.”

Communication is one of the most important of the Cs, C for communication that you can engage in. Communication, caring, compassion, concern. The Cs are powerful ways to relate and your patients or your customers and you need to be talking to them. Reschedule them at the right time. Call them to reschedule and make sure every single day if someone calls your office phone, they get a live person answering. I have a very high end dentist we work with. I won’t give you his name because he lectures as well in his clinical field. You might know who he is. I’m gonna talk about him. He actually, three hours a day he himself rotates in to answer the office phones and patients call. And he said, “Roger, they call me. They call the office, I answer. And every single one says, ‘Oh, wow, I didn’t know I’d get you.’”

He loves it. He absolutely loves it. Because this is a superstar person that behaves and thinks like a very ordinary everyday guy. He’s just a great guy, not impressed with himself despite his amazing accomplishments, but he, three hours a day, answers his phones, rotates through with the staff. Answer your phones live. Okay, next, prepare your practice finances. So let me go into a few things here. Calculate your break even points so you know exactly what you have to bring in. Monitor the gap between your breakeven point and revenue. It will be either negative or positive, almost never exactly right. If it’s negative, you’ll know what you have to cover. If it’s positive, you’ll know you’ve got some profit coming in the door, which is great.

But one way you’re going to achieve this is by expanding your fee options. And I mentioned that I would cover this, your financial options. Critically, critically, essentially important. It’s not going to be business as usual. So two things you can do in addition to your normal financial options, one is patient financing. Now,

you’re probably saying, “Oh, come on, Roger. We’ve had patient financing for years.” Okay. But here’s my new version of it. You want to increase your revenue from patient financing by 200 to 300%. Why? Because you got a lot of patients who aren’t coming back or aren’t accepting treatment because they don’t think they can afford it, or they can’t afford it, or they just don’t want to afford it. People are feeling financially afraid.

The only reason it’s not worse is that the stock market has gone up until today. I think it’s down today. But the stock market has gone up about 25% from its drop recently, and that makes people feel better. The fact is, when we get back from the COVID-19 crisis, we will be in a fairly deep economic recession for a while. I hope we bounce back quickly, that would be great. But at first, we’re in a deep economic recession. And in deep economic recessions, people stop spending. They drive their cars longer, they wear their clothes longer. Designers have challenges, designer brands, high end car companies. Forget the cruise industry, that’s a whole nother story unto itself. Who knows what will happen there.

But for you, having expanded patient financing is critical. Because in every phone call to every patient in your scripting, and I said I’d cover this, you want to mention that interest free financing is available. That will give people the confidence to come in and believe that they can afford it and they love those words interest free. The second thing, payment plans. Now, I never thought I’d utter these words. For 36 years, I’ve been opposed to payment plans, they’re a wonderful way to not get paid. The problem is that with payment plans, what you’re facing is some patients will not pay you. Most will. But why is that okay? It’s okay, because in a factory, sometimes they’ll take a job just to break even so they can pay their bills, pay their labor, and wait for better jobs.

Well, you might have some payment plans that only pay 60% or 70%. Well, you’ve covered overhead, you might even have a little bit of profit. It’s not what you want to hear. It’s not what I want to tell you, but it’s a reality. And if we don’t have patient financing, and payment

plans, and we don't tell people on the phone, current patients and new patients, we may well find many of those patients don't come back. In many practices, 15% of your patients will not be coming back and I'm trying to get that number much lower. Lastly, of course, accumulate cash, it's still your money. It's still in your practice if you don't spend it, but cash is truly king as most businesses are finding out, and if you have cash, you'll survive, and eventually you'll do better.

I'm tired of seeing these companies, they're going to show me how to survive and thrive. Right now, I'd like you to survive, have profit, have income, and recover. Okay, now, diversify and expand who you order from. In expenses, one of the things you might start doing is bidding out your expenses. Take your top 10 expenses, one will be rent, not much you can do about that, and bid them out, and not because you're going to leave who you're with necessarily. You bid them out because you want to understand what your options are. In some cases, you absolutely stay with companies that you trust and that have great research and great products.

But things like insurance, later this year when it's time to look at your different insurance policies, if you bid them out, you get a sense of what the market will be. And in a lot of cases, there are going to be better opportunities because companies are going to want to work with you knowing what businesses have gone through. Okay, online ordering will be essential. You're going to do more and more online, but keep an eye on how you're ordering. I'm talking about your supply chain. Make sure you can get your PPE, personal protection equipment, your gloves, your masks, et cetera. Make sure you can get the products that you need.

And by the way, pretty quickly, these will be geared up in manufacturing and things will be available, but when it comes to PEP, my suggestion is to have 125 to 150% of normal inventory only because we just don't know if and when you might need it again. When we

come to patients, and I'm going to move on here so we can get to Q&A in a couple minutes, money is going to be tight for many. So make sure you communicate with every patient on the phone. And at the beginning, not the end, but now at the beginning of every treatment presentation, that you have flexible financial options. Tell me upfront that you're going to make this affordable if I want it rather than me thinking it's not affordable, and I'll never be able to afford it.

So I'm going to say no, or I'm going to no show or I'm not going to come back. We saw this. We have evidence in the 2008, 2009 recessionary period. We're going to see it again. Patient financing I talked about. Another question is in-house membership plans. Well, here's a new way of looking at them. You're going to have patients who've lost their jobs. When people lose jobs, they lose their insurance. If they lose their insurance, they might stop coming in. That is unless they have another option. If they can sign up for an in-house membership plan...

Now they've been out there for a while. There's a company I like called Dental HQ. I know them well, and clients seem very happy with them. But if they've been out there for a while, but they're not big yet, they're trying to grow, there's advertising, but I think right now, you might want to offer it to patients who have lost their insurance and are looking for a way to stay with you, but to make it affordable.

And lastly, another thing I've never talked about before, I didn't think I'd ever be saying this. You may want to discount your fees over the next 12 months, especially for elective procedures, cosmetics, implants, aligners. Yes, I consider those elective for most people, because they have a choice of doing it or not. And all of those factors may be helped by saying to a patient, "Mrs. Jones, you need an implant. Right now we're taking \$400 off the implant fee or working with your specialist." People really appreciate you reaching out and helping them and their whole mentality changes to how can I do this versus there's no way I can do this.