

PRACTICE DEVELOPMENT DIGEST

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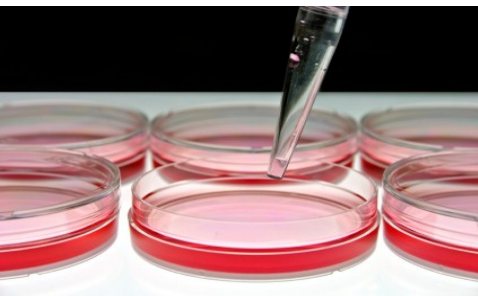
Updates from the professional press for the Fall 2011:

Practice Development Digest showcases leading-edge marketing, branding and strategic planning articles from prominent professional publications and journals in all sectors. The digest is published by Bekhor Management, a Toronto-based consulting firm focused on developing Canadian professional practices.

Across professional sectors, the focus seems to be on figuring out ways to build a practice with built in systems and processes to sustain itself over the long term.

Key issues and opportunities receiving attention range from the more traditional themes of succession planning and retention to those inspired by the demands of a modern lifestyle, including security in a digital workplace and the evolution of a fees versus value proposition.

Sandra Bekhor, MBA, B.Sc.





Leading practice development themes in this issue:

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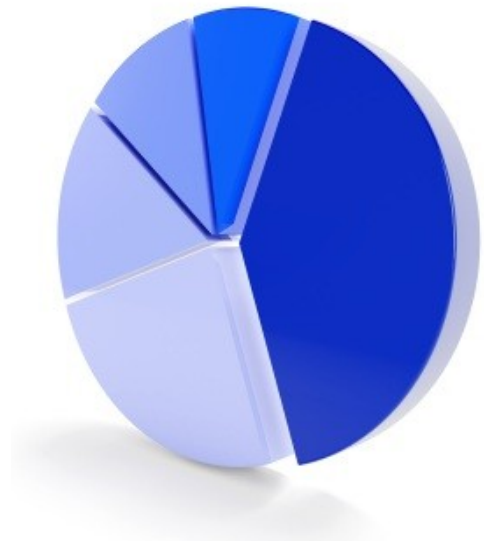
- 5** **Mergers & Succession Plans**



Changing Times

Advancements made in evidence-based Healthcare Design p.48 by Rosalyn Cama, FASID, EDAC at Contract Magazine:

- "...In fact many healthcare RFPs now expect design teams to launch innovation from the baseline of intelligence embedded in evidence-based design checklist where clues exist to achieve the most effective outcomes. "Most large healthcare design firms now employ researchers who translate research and make it accessible to architects and designers. They also conduct research on key design issues and contribute to the knowledge base," Dr. Joseph says.
- "...The evidence-based design process prescribes that the entire team responsible for designing, building, and utilizing the new project space be brought together early and include thought leaders from all areas of interest armed with, at minimum, baseline data in their given field of expertise..."



Security

Protecting digital infrastructure through CIE p.38 by George R. Comrie, P. Eng., CMC, FEC at Engineering Dimensions:

- "...Much of the success of the Internet as we know it today may be attributed to the fact that its evolution has been largely unconstrained by regulation and economics. Innovators have responded to its promise of virtually free access to a world-wide market with a flood of applications, products and services. There have been relatively few restrictions on what one can offer or to whom.
- "...The downside of this lack of regulation is that it has exposed us to harm in ways we did not imagine and are unprepared to deal with. Over its short lifespan, the Internet has profoundly changed the way we communicate, entertain ourselves, do businesses, even govern ourselves, and it has contributed greatly to our productivity and prosperity. But as cyber technology matures, we must expect some discipline to be imposed in the public interest. The challenge will be to balance public safety with the freedom necessary to continue to innovate..."



Identity

Perfecting the Multi-Specialty Practice by *Leon Roisman, DMD at Dentistry IQ:*

- “...it is not only the dentists that are crucial to the success of a multi-specialty practice, but also the hygienists and office staff. The overall patient experience begins the moment the patient enters the door. Patients want to know that they are being listened to, that the dentists and entire staff are respectful of the patients’ needs and desires, and that their concerns are being addressed. Communication is the key to the success of not just a multi-specialty practice, but any practice. However, with the multi-specialty practice, communication emanates from the cohesive nature of several specialized dentists working together.
- ...In this new age, patients demand immediacy and convenience, better results, and faster and more accessible communications...”

Small to Medium-Size Enterprises are the Future, but How Should the Profession Respond?
by *Dr. S.Felber* at Consulting Magazine:

- “...Helping develop and apply a brand image that reflects your ethos and brand promise is a major responsibility of every CEO. Most people who buy goods or services gravitate towards organizations that “stand for something”. The image SMEs project in their chosen marketplace is fundamental to attracting the right customers...
- ...Providing access to resources and helping define and exploit an SME’s competitive advantages is part of the new consulting paradigm...”

Priorities

Knowing When to say No p.52 by/par *Mindy Abramowitz* at *CGA Magazine:*

The high cost of saying yes
versus the risk of saying no.



- “...It takes focus to execute a strategic plan to its desired completion. It requires an ability to distinguish between activities that will advance the end goals of the plan from those that hinder its accomplishment; it calls for courage and discipline to choose between them. It’s as simple a concept as avoiding distraction in the pursuit of a goal, but it’s also as complex as evaluating risk under conditions of uncertainty. Often we cannot determine the consequences of saying no before we do it, so naturally doing so represent a risk, and saying yes seems safer and makes us appear agreeable, at least superficially. But saying yes when we should say no – when we are not interested, or too busy, or under-qualified-threatens to sour business relationships and thwart carefully laid career plans...”

Structuring Fees



Law firm leadership for a changing world by *Michael Dempster* at *CBA Practice Link*:

- "...The billable-hour system, Brody adds, should have been abandoned 15 years ago. On the one hand, clients are dissatisfied having to go through a bill with a fine-toothed comb. On the other, lawyers undersell themselves because they're operating like factory workers.
- "...Lawyers say their time is worth 'X' amount per hour, no matter what value they provide," he explains. "So if they do a deal and make an extra \$30-million for the client, there's no upside . . . I think that's an unsophisticated way of doing business."...

Don't be too quick to discount by *Vikram Barhat* at *Advisor.ca*:

- "...While advisors as a whole reduced their average client load over the period, the data show that advisors who raised their prices by 25% or more lost fewer clients than other advisors with a decline of 6.1% versus 9.4%...
- "...Further, average production increased 12% for the group that raised prices, compared to 9% for advisors who did not raise their fees. Advisors who raised prices saw a 10% growth in the number of households generating \$2,500 or more in revenue compared to a 6% for other advisors...
- "...Raising prices does not result in significant client attrition, less revenue or fewer assets," said Trott. "Rather, the facts demonstrate that advisor-client relationships can withstand repricing and that clients are willing to pay for trusted advice."...

Retention

Keeping clients is top concern by *John Tabone* at *CA Magazine* :

- "...Retaining quality clients is the top issue facing CA practices, according to a CICA survey conducted on behalf of the International Innovation Network. Among the 664 owners (partners/sole practitioners) of Canadian CA firms polled, nearly nine in 10 (87%) rate client retention as critical or very important..."

Employees penalized for having a life *CA Magazine*:

- "...There is a divide between what employers say about work-life balance and what they actually do, according to a global survey by US-based human resources association World at Work. "Eighty percent of employers around the globe avow support for family-friendly workplaces, [while] simultaneously penalizing those who actively strive to integrate work with their lives," says Kathie Lingle, executive director of World-at Work's Alliance for Work-Life Progress..."

Simple Solutions for Success written by *Barbara Eaton, DC* at *Canadian Chiropractor Magazine*:

- "...retention factors:
 - ...asking them what their expectations are of you as their chiropractor, while uncovering how they want to live their lives...
 - ...Ask them to address questions: "What do you value the most about our relationship and your care?" or "What keeps you coming back?" or "What is your favourite benefit of regular chiropractic care?"...
 - ...teach them how to refer and then ask them to refer..."

Mergers & Succession



Succession Planning:

Solos and First Generation Law Firms by *Arthur G. Greene, Esq. and William E Howell, MBA, CPA/ABV/CFF ASA at CBA Practice Link:*

Elements of a Succession Plan:

- “...as you grow your firm, make sure you hire from different generations
- ...successful succession involves identifying or developing one or more effective leaders
- ...Every law firm needs individuals who are organized and have the ability to carry out policies and effectively implement new plans
- ...Entrepreneurial Spirit... Unless you focus on this factor in your recruiting process, you are likely to make hiring decisions that surround you with lawyers who are not and never will be entrepreneurial and therefore not the firm’s successors...
- ...The lawyer/client relationship is intensely personal. The successful transition of clients to successor lawyers takes more effort than most lawyers appreciate...”

Merging Professional Practices, Part 2 Putting it all together by *Lloyd Manning* *at Canadian Chiropractor:*

- “...You will require a good accountant, a lawyer, a business analyst who is qualified to value professional practices, and depending on the number of prospective partners, perhaps a facilitator to get everyone to agree and tie it all together. Don’t rush into it. Many mergers that have the potential to be successful do not happen because the participants lack sufficient guidance, or the patience, to plow through and resolve the many decisions that must be made, or feel uncertain regarding whether the end product is worth the upfront cost. Do not be too disappointed if some of the pending merger partners fall out along the way...”

