THE EDITOR'S CORNER

Anticipating the Puck

Why is it so important to collect and analyze practice statistics, you might ask? After all, as the Great One, Wayne Gretzky, famously said, "I skate to where the puck is going to be, not to where it has been." While I really like this quote, another one is just as applicable: "If you don't know where you are going, you are guaranteed to get there" (Yogi Berra).

Data collection for statistical analysis is the best way to build a foundation for proactive strategic decisions. Orthodontists who know their key practice metrics are quicker to identify what changes need to be made, where they are excelling or falling behind, how to target markets for increased starts, which social media platforms produce the most new exams, when to add associates, and whether to open additional offices. Can you imagine wondering why your office starts are going down without knowing your total number of exams, or the percentage of exams that are children vs. observation patients, or your conversion rates? Without accurate numbers, you will only be guessing. Sadly, it seems that many practitioners are in just that situation.

The 2017 JCO Orthodontic Practice Study concludes in this issue. Why should you participate? Over all the years I have collected data from orthodontists, I have observed that roughly 75% of what they learned came simply from finding the answers to questions about their own offices. Orthodontists are often staggered to discover systems that are incorrectly monitored, data that have been inaccurately entered, or numbers that are not even recorded at all. When a practice updates its data-collection procedures, the team is invariably amazed at how much information is at its fingertips. The old saying, "Garbage in, garbage out," is so true in data tracking.[1]

Once you have collected your own numbers to respond to the JCO survey, you can compare findings with those of other offices around the country. There are two basic ways to do this: cross-sectional and longitudinal. In a cross-sectional analysis, you can look at offices with high or low utilization of a particular technique and see if one side has higher profitability. You can set goals based on what highly profitable practices do compared to low-profit offices. Longitudinal analysis is the best yardstick, however, because it examines the same practices over a period of years, allowing you to get closer to cause-and-effect relationships as opposed to mere correlations. For example, watching the impact on profitability of self-ligating bracket use over a hundred or so practices can provide crucial practice-management insight. This kind of analysis can be done quite easily in your own office, but is difficult to standardize across a large group of practices.

The JCO Practice Study is outstanding at cross-sectional analysis and provides some great information on solo practices. In the future, the report will need to further explore group practices as the dynamics of our profession change. Unfortunately, a longitudinal analysis would require each respondent to submit questionnaires that could be linked over time, which is not possible in the current anonymous survey. That should not stop you from linking your own practice statistics to profitability, starting today. Take some time to make sure you are using the correct definition of a start, as well as proper status and procedure codes, so that your numbers can be translated into productive actions.

Now is an ideal time to improve the statistical analysis of your office data. Orthodontic practices have shown solid growth over the past few years, numbers of 11- to 14-year-old children are at record high levels across the country, and you have the cash flow to implement state-of-the-art data-tracking systems. The best time to be strategic is when a business is going well, rather than waiting until you are in a reactive mode. Use the information from the JCO Practice Study as a guideline to create systems for metric analysis, identify areas that need improvement, and challenge yourself to know both where you are and where the puck is going.

ROBERT S. HAEGER, DDS, MS

REFERENCES

1. Haeger, R.S. and Zuelke, P.D.: Management & Marketing: Defining starts and status codes for actionable analytics, J. Clin. Orthod. 49:191-194, 2015.