

## THE EDITOR'S CORNER

### Expense or Investment?

Did you ever have one of those days when it seems like the only things that don't go wrong are the ones that just don't happen at all? Not too long ago, I had a couple of those days almost back to back. First thing one dreary Monday morning, my compressor went down. Like many orthodontists, I am totally dependent on the compressor to run the handpiece for a plethora of chores: pumicing before bonding, removal of composite flash, air-rotor stripping to gain space, esthetic recontouring of incisal edges, composite removal after debonding, and right on into retainer adjustment. Add to that the number of times the triplex syringe is used to rinse and dry my various fields of operation. So when my compressor went down, it was a major inconvenience to everyone concerned—me, my staff, and my patients. Fortunately, this dilemma was resolved within a week, thanks to the presence of a cheap backup compressor that I learned long ago to keep on hand (about \$300 at any hardware store) and a reliable equipment dealer who could supply a new one posthaste.

As we were getting over that incident, the second catastrophe struck, this time with a much higher level and longer duration of inconvenience. Gina, my top assistant, the young lady I depended on to keep everything from patients to inventory to carpet cleaning scheduled and flowing smoothly, had the audacity to quit her job with me to marry a promising, devoted, and loving young man who had a great job in a distant city. Since Gina knew all the subtle nuances of our patients' schedules (Maria has piano lessons every Wednesday afternoon, so she can never be scheduled then; Mrs. Campos can't get Louis to the office before 5 p.m. any day of the week, so we have to stay a little longer on a Thursday every four to six weeks), these details had to be relearned, first by me and then by Sonia, Gina's able replacement. Our practice inventory went wildly out of control. Just when I thought I would never have the right items on my procedure trays and the carpets would never be cleaned again, Sonia caught on. Eventually, our office life returned to normal, but it probably took all of a year.

What brought these twin disasters to mind was a statement I heard the other day with regard to office expenses. The speaker at this particular business seminar was expounding on the issue that employees—personnel—are the single greatest expense in any commercial operation. My initial gut reaction was, “Well, some money is just well spent.” But on further reflection, it was exceedingly difficult for me even to think of either Gina or Sonia (or any of my other employees) as “expenses”. In many ways, they are my partners in practice. While they do not have fiscal equity in the assets of the corporation, they do hold a real stake in the ownership of the practice. The patients see me as the central authority figure of the practice, the doctor who holds the keys to their successful treatment. Though their visual acuity may be questionable, they see me as the brains of the operation. On the other hand, they see Gina and Sonia and the other staff as the heart and smile of the operation. Theirs are the personalities that really define our practice-patient relationships. To draw a different analogy, I set the overall tone and establish the game plan, but the members of my office staff are the key players who make it all work. How can I consider them merely “expenses”?

My compressor was an expense. I paid a handsome sum for it when I set up my practice. I paid for regular maintenance on it until it wore out. I then paid to have it replaced. If my accounting practices were fastidious enough, I could figure out the proportion of my total practice expenses attributable to my compressor. My

staff, on the other hand, is a genuine *investment*. Even when my practice management consultant comes up with a formula that predicts the increase in office production per unit of “staff hour expenditure”, this estimate pales in comparison with the true return on investment I receive from a capable and devoted staff member. I get happy patients who have fun when they come to the office. I get satisfied parents who recommend our office to their friends. I get a tremendous reduction in my level of work-related personal stress. In short, I get a well-functioning office that runs more like a happy family and less like a soulless business machine.

To be sure, I have visited many offices that operate more efficiently and effectively using a much stricter business management model than mine, but even in those practices, the investment in human capital is critical. My initial outlay for the compressor was followed by relatively minor maintenance fees, making it, for all practical purposes, a one-time expense. Human capital, on the other hand, like all true investments, flourishes best with periodic reinvestment—continuing education, travel to professional meetings, retirement plans, medical insurance, and so on.

To my mind, orthodontic staff members are well worth not only the initial investment, but the continuing reinvestment. My calamitous week was a case in point: When our compressor failed, Gina rapidly resolved the crisis; when we lost Gina, the compressor couldn't do a thing to help.

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