

Management Consulting

CHOOSING A MANAGEMENT CONSULTANT

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If there was ever a need for a management consultant, now is the time. With managed care and national health insurance upon us, many changes will occur in chiropractic in the next two years. Already many chiropractors consider it wise to retain a consultant just as they retain an accountant or an attorney.

Choosing the right consultant can make a major difference in your practice future. Here are 11 considerations in hiring a management consultant:

1. Hire your consultant at a flat rate. It's no secret that percentage contracts between consultants and chiropractors have precipitated numerous lawsuits in the last decade. By hiring a consultant at a flat rate, you have a known financial exposure from the beginning.
2. Use short-term contracts to limit your exposure. Most management consultants feel the shortest time you should be involved with a consulting firm in one year, but a past survey shows that chiropractic consulting firms have contracts ranging from one year to 10 years. Sign a contract with the consulting company of your choice. If you are pleased with the company during that contract, renewals are always available.
3. Avoid consulting firms which receive a large portion of their revenue from secondary sources, especially if those sources are related to the clients they serve. If a consultancy is operating on a fee-for-service basis but also depends heavily on revenue from products sold to clients, a conflict of interest can easily develop. The purpose of the company as a consultancy is to improve the client's profit; the purpose of the company in sales is to create a profit for the company -- frequently at the expense of the client.
4. Employ only management consultants that use mainstream business techniques. Avoid joining a consultancy which asks you to believe in or invest in other learning programs. Your management company should be capable of addressing your problems in their organization and not become a pipeline into other organizations or belief systems.
5. Join a management consultancy which is well-versed in all aspects of the chiropractic practice. Many single-issue companies have attempted to enter the consulting field, usually with poor results. Avoid single-issue management companies which instruct only in insurance practices, personal injury, computers, etc. The consultancy you choose should be knowledgeable in all aspects of chiropractic practice. If you need help in a specific area of your office only, you would best be served attending seminars of reputable groups which do not require a contract.

6. Join a consultancy with a good client history. While it is almost impossible to know the exact results of individual consultancies, it is obvious that some consultant companies enjoy more respect in the profession than others. Avoid companies which are involved in numerous consultant/doctor lawsuits and companies with a history of unsatisfied clients.

7. Join a national consultant firm that has experience and is full-time in the business. Part-time and local organizations frequently lack the resources needed to address issues that occur on a national level. By the same token, you want to join a management firm which is familiar with your local region. The way to accomplish this is by joining a national firm which has established a history of doing business in your area.

8. Join a full-service management firm. The more resources your management firm has available, the more value it is to you. Join a firm that has all the resources you need including seminars with basic and advanced classes, a full complement of teachers, and a service staff of people versed in both chiropractic and business.

9. Join a management firm that is innovative. Too many management firms teach a "here's how I did it 20 years ago" philosophy. Join a management firm which is progressive in their teaching. Last year, OSHA compliance, the Mercy document, and managed care were important. This year, national health reform is important. Next year new concerns will need to be addressed. Be sure the consultancy you join is on the cutting edge and addresses these issues early.

10. In the past, many management firms were personality driven, with the owner of the management firm being a guru to the clients. That era is past, and the guru-based management firms are being replaced by true business consultants. But personality, compatibility, and a similarity between your belief system and the management company's belief system is extremely important. Join a firm whose consultants believe like you do and whose personality is compatible with yours. They will be suggesting many changes in your practice procedure. The more closely you relate to them personally, the more likely you are to implement change.

11. Look for a long-term relationship. While a short-term contract is a good idea, you enter this business relationship anticipating a successful relationship. If the relationship is successful, you will want it to be long-term. Many management companies base their fees on the length of your contract. Some give discounts for signing up for a period of years; some have lifetime membership for previous clients. Look for a firm that offers some of these advantages. If you develop a long-term relationship with the company, your cost of retaining the company should drop significantly once you have been with them for a period of time.

Most professionals hire coaches, whether it's tennis, boxing or opera. The best in each profession are constantly under supervision. For many chiropractors, the question is not "Do I need a consultant?" but, "Which one?" These considerations should help you make a wise decision.

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