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F O R O P H T H A L M O L O G I S T S

SPECTACLES, CONTACT LENSES, AND CORNEAL AND LENTICULAR REFRACTIVE SURGERY FOR PRACTICE GROWTH

Work SMART: Better Delegation Boosts Dispensary Income

Donna A. Suter

Enhancing productivity can double dispensary income. Key to that kind of success is delegation of both responsibilities and authority to the optical manager.

Each day, my consulting group receives calls from dispensing ophthalmologists who are frustrated with the lackluster performance of their optical shops. When asked to elaborate, physicians often talk about optical staff who take advantage of their employer by arriving late, leaving early, extending lunch hours, and/or receiving personal phone calls. Some speak of feeling embarrassed by the sloppy appearance of opticians who come to work with no makeup, dirty uniforms, or unkempt hair.

Others lament that the optical shop manager seems to be complaining more (e.g., “I don’t have time,” “I can’t do it all”) while doing less—yet, all the while asking for increased compensation. Indeed, as practice and dispensary CEO, the physician can, at times, feel besieged by employee complaints, criticisms, demands, and sub-par job performance.

Empowering the Optical Manager

Faced with such management dilemmas, most leaders seek to gain control by pinpointing where the problems lie and then imposing corrective actions from above. While identifying root causes is paramount, taking control is not. According to William C. Byham, PhD, author of *Zapp! The Lightning of Empowerment for Healthcare Workers* (Ballantine Books, revised edition 1998), helping employees take ownership of their jobs so that they take, for example, personal interest in improving the performance of the optical dispensary is fundamental to success in the new millennium.

In other words, increasing physician control over daily management of the dispensary is not the best route to success. (Neither is putting the responsibility on the practice manager’s shoulders). This is good news. After all, physicians are far too busy being physicians to assume the re-

sponsibilities of optical manager as well.

The keys to obtaining improved performance from the optical manager lie in providing clear goals, firm guidance, and employee empowerment. By definition, “empower” means to give power or authority to someone. Empowerment is the act of empowering or the state of being empowered. For the optical manager to be empowered, he or she must first know precisely what is expected of the dispensary. Clear performance goals must be established.

Set SMART Goals

When helping a practice develop objectives for its dispensary, I use the acronym SMART as my guideline for developing meaningful performance goals.

S is for specific. The more tightly defined the optical dispensary’s goals are, the more focused the optician’s actions will be.

M is for measurable. Goals must be measurable if the optical dispensary hopes to benefit from the tracking and feedback that are so critical to performance.

A is for aggressive and achievable. Set ambitious goals to push dispensers beyond their comfort zones, but don’t put the goals out of reach.

R is for relevant. The goals should pertain directly to the optical shop’s performance challenges or weak spots.

T is for time. A reasonable but firm deadline is essential. Without a time deadline, there is no built-in performance accountability.

Examples of well-defined core goals for an optical shop include:

- Keep the cost of goods sold (COGS) at or below 33% of gross sales and staff salaries and benefits below 20%.
- Convert at least 80% of all patients with a refraction change into optical shop customers.

The keys to obtaining improved performance from the optical manager include clear goals, firm guidance, and empowerment

- Fit 40% of all spectacle-lens wearing presbyopes in a progressive lens technology.
- Dispense antireflective coating for at least 30% of all lenses.

Provide Substantive Support

What if the practice has set appropriate goals for its optical shop but is

EMPOWERING THE OPTICAL MANAGER	
<input checked="" type="checkbox"/>	Establish clear performance goals (SMART)
<input checked="" type="checkbox"/>	Delegate decision-making authority
<input checked="" type="checkbox"/>	Provide support <ul style="list-style-type: none"> — Team commitment — Training — Information access
<input checked="" type="checkbox"/>	Ensure practice actions are consistent with dispensary goals
<input checked="" type="checkbox"/>	Include optical manager in leadership team <ul style="list-style-type: none"> — Meeting participation — Access to other managers
<input checked="" type="checkbox"/>	Monitor quantitative progress <ul style="list-style-type: none"> — Regular review of performance checkpoints

still not seeing results? This is where empowerment comes in. A truly empowered optical manager can—and should—expect cooperation from practice staff. For example, the optician should be able to enlist the help of technicians and front desk personnel in tracking prescriptions with a refractive change. Problems arise when the optician can't do this due to lack of authority. Delegating responsibility without authority to marshal the practice's resources toward goal achievement creates the kind of frustration and stagnation that causes employees to lose interest in their jobs.

It is also important to ask whether other practice decisions are consistent with the performance expectations of the optical shop. Little headway will be made toward goal achievement if, for example, the dispensary is expected to

increase its percentage of premium product sold but the practice focuses on enrolling in poor-paying eyewear plans that don't allow patients to "trade up" easily.

Ensure Access

When it comes to running the optical shop, knowledge is not only power, it's empowerment. An optical manager who is asked what is the dispensary's cost of goods sold as a percentage of sales or what percentage of gross income staff salaries and benefits represent should know the answers immediately. The empowered optical manager needs access to appropriate financial statements and the training necessary to understand and make budget-based management work.

In order to successfully empower the optical manager, practice management should offer direction, knowledge and skills training, support, information access, and performance feedback. The physician's role in empowering the optical manager includes investing in appropriate training and ensuring regular access not only to information but also to the practice's decision-makers, doctor included. The optical manager should be included in management meetings and made to feel a part of the leadership team that steers the practice.

Monitor Progress

With delegation comes the need to monitor how the delegation is working. Appropriate monitoring of the optical shop's performance by the physician includes review of weekly sales reports, monthly calculations of cost of goods sold, and scrutiny of key performance indicators (e.g., gross sales, percentage of premium lenses sold, complete lens-and-frame packages dispensed as percentage of total sales). By reviewing such progress markers with the optical manager on a regular basis, the physician encourages diligence on the manager's part while signaling the importance of dispensary performance to the practice's overall well being.

Over and above the optician's job

description are the invisible traits, the common sense "smarts," that employees are expected to possess. In many instances, these traits are more critical to the optician's overall performance rating than technical skill alone. As the practice CEO, the physician can help employees do the best job possible by

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<input checked="" type="checkbox"/>	Time-based <ul style="list-style-type: none"> — Checkpoints — Deadlines

explaining the importance of appropriate personal work habits and making clear the characteristics they are expected to demonstrate.

Achieving Repeatable Success

Success is also contingent upon pursuing goals in real time. That is, the optician must work on achieving the agreed upon SMART goals between meetings, not just during them. This outcomes-based manage-

Make sure that other practice decisions are consistent with the performance expectations of the optical shop

ment approach, combined with the concept of employee empowerment, can transform the optical into a smoothly working instrument of sustainable performance cycles. By following such a course, most underperforming dispensaries can readily double their incomes.

The challenging business of overseeing the optical dispensary will become less time consuming and more

productive as the physician learns to distinguish between simple delegation of tasks and the more effective process of *delegating authority* to the optical manager to allow pursuit of clear-cut performance objectives. Even while busy diagnosing disease and performing surgery, the physician can contribute to the attainment of above average dispensary profits by following these proven management tips.

THE BOTTOM LINE

As practice CEO, the physician can improve dispensary performance by successfully empowering the optical manager. This outcomes-based management approach requires the physician to set SMART goals, invest in knowledge and skills attainment, ensure access to support and information, and, most importantly, delegate decision-making authority. It is possible to double dispensary income by following such a course.

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