

Profit from Happiness

Inspired by the ideas of Paddi Lund, John Wilde discusses the changes he has made for the better in the running of his dental practice in Iowa in the USA

I have been earning my living by putting my fingers in other people's mouths for 25 years; practising dentistry and running a very successful business in Keokuk, Iowa, a small Midwestern town of 13,000 nestled on the banks of the Mississippi River.

Since I turned forty, ten years ago, I have not needed to work for income. I became financially independent by earning well from my dentistry, then saving and investing effectively.

Coming from grinding poverty, then working hard to pay my way through eight years of education, may explain why financial freedom is such a precious gift to me. I well remember long, dangerous days spent harvesting hay, cutting lumber in a sawmill, and toiling as a prison guard. Contemplating ghosts of past-days hard labour makes my current life even sweeter.

In 1986, like many who have slaved at the 'coal-face' for a few decades, I decided the best way to practice dentistry was to have others do it for me. I hired associates and gradually cut my days seeing patients to 50 per year. I now spend my time hunting and fishing, gardening, writing and doing whatever takes my fancy.

Paddi Speaks in Las Vegas

Last year I read Paddi Lund's book, *Building the Happiness-Centred Business*. As an author, I enjoyed Paddi's light, personally revealing style, but it was his ideas that most impressed me. As I discov-

ered, it's a hard book to find. I count myself lucky to have a copy.

I sent Paddi copies of my dental books and we exchanged phone calls and letters. However, it wasn't until I heard Paddi speak at a large dental conference in Las Vegas that I realised how much his ideas could enhance my life.

I was staying at the same hotel as Paddi and for three days my lovely wife, Joann, and I shared meals and philosophies with him. During that time, I became excited about Paddi's concept of a 'Happiness-Centred Business'.

By Invitation Only

I feel blessed by the opportunity to write about Paddi, because I don't think the world has heard nearly enough about his unique philosophy and methods. Paddi chooses not to broadcast his ideas widely. He has the singular notion that he will only share his concepts with people who ask!

Paddi runs his dental business in the same unusual way — 'By Invitation Only'. Authorities at American seminars (and possibly at meetings in other parts of the world), like to focus upon 'marketing'. They dispense all sorts of wisdom and advice aimed towards helping draw an adequate supply of living bodies into your office. The main thrust is towards making your presence felt in the marketplace through direct mail, external signs and

display advertising. It is quite a paradigm shift to Paddi's position: an unidentified building, an unlisted phone number and a locked office door.

Consistent with Paddi's philosophy, you won't find his books in bookstores. He requires his publisher to supply it only to those to whom the book has been recommended by others. Strange but true! If people do manage to hurdle the barriers and make their way through the locked doors of Paddi's office, or secure a copy of his book, they tend to appreciate the privilege of their position.

This is not so silly, especially if your goal is happiness — as is Paddi's. Still, this philosophy means a lot of people don't hear Paddi's ideas, and I believe they are too important to miss.

Joann and I Start Changes

From the time we said goodbye to Paddi at the airport, Joann and I excitedly discussed the changes we wanted to make in our office.

We talked of little else during our long flight and on the drive from the airport to Keokuk. I began to feel the same sense of excitement that I had long ago when I first began my dental practice: an excitement that for the last decade I'd only associated with the opening day of hunting season.

In the months that have passed since Las Vegas, we've listened to the recordings of his talk in the *Paddi in Las Vegas* program (Solutions Press, 1997). We've made a lot of changes and plan to make many others. We didn't copy all of Paddi's concepts. He has some unusual ideas and Paddi doesn't suggest that anyone try to clone his office setup. On the contrary, he feels the basic ingredient to success is 'congruency': build your



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business and life based on the core of personal values, culture and tastes that define the person you really are.

Like Paddi, I believe every successful office must reflect the true beliefs of the person running it. Trying to copy someone else doesn't work unless you share the same philosophy.

Paddi has a large, expensive Italian espresso machine, and he bakes 'dental buns' in his office. He locks his front door during business hours, has no signs on his building and isn't listed in the phone book ... a little too far out for me!

In spite of the fact that some of his ideas are extreme, I realise Paddi has discovered some techniques and a philosophy that have the power to change the very nature of our profession of dentistry.

We will no longer have to spend a stressful life 'drilling, filling and billing' ... until old age and infirmity finally overtake us. There really is a better way to practice dentistry. Our work time can be spent pleasantly and not in long gruelling days trying to keep to sweatshop production schedules.

But, change — even so obviously for the better — is frightening and difficult. It's easier to go along in the same old way. Most of us (except, it seems, Paddi) fear the ridicule and rejection that can result from doing things differently. And radical new ideas are often greeted with an undeserved scepticism....

Bemused Audiences

I often write and speak to US dentists about using nitrous oxide to restore baby teeth without numbing them. I see the faces of dentists in the audience cloud as I speak. The idea is attractive, but they all know that 'drilling on teeth without local anaesthetic' is certainly painful even though few of them have tried it.

As Paddi spoke in Las Vegas, I saw the same looks on the faces of people around me in the audience. In a word, they looked ... bemused.

Paddi's ideas sounded vaguely familiar and certainly attractive. I

guess they remembered learning about such things as 'truth', 'trust', 'kindness', and 'honesty' on the knee of their parents or grandparents. No doubt they cherish these virtues in their personal lives, but they hadn't considered them a useful, or realistic, part of their commercial lives. They seemed to consider these concepts longingly as Paddi wove them into his prescription for business life, but they were puzzled as to how the concepts would fit with the hard reality of their business worlds.

When we were young, most of us believed we would grow up, go to work and there act with kindness and

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honesty. Unfortunately the pressures of the business world can change us. For many, business grows to be more like a battlefield than the rose garden we planned.

Paddi claims your business really can be as you dreamed. You can have a happy, profitable place where kindness and tolerance are the norm. But wishing doesn't make it so ... and no one will do it for you. You must seize the initiative if you wish to create such a future for yourself.

A Transformation

The changes implemented in our office as a result of my encounter with Paddi's ideas have made it a happier place than ever before. This focus on happiness in business is a new path for me. I've always believed dentists were capable of making a wonderful income, and for the first period of business life, my money-focus served me well. I believe my

success — starting as I did from nothing — has shown this.

In 1996 I saw patients 52 days and reported a net income of US\$347,000. That's a before tax take-home pay of \$6,700 per day. Others may make more, but to a poor working boy, this is financial success and freedom.

If you are like most of us dentists, you have not had accounting and business management as part of your professional training, so you may find monetary matters quite difficult to understand fully and comfortably. You may spend a lot of your waking hours worrying about money, yet find it hard to discuss finances with customers. You do great work for clients, yet they don't always want to pay you. And still the bills roll in. Many people in business feel unable to improve their financial situation and have to labour long past the age where they cease to enjoy their work.

There are two ways of solving this profitability/retirement problem. You can run your business more efficiently, so you make more money, which you then invest wisely. If you follow this path you can afford to retire when you choose. This is the strategy I adopted and teach. It has worked well for me.

Since listening to Paddi I see there is a slightly different, more inviting path. If you plan carefully and implement the right systems, you can create a business that makes money easily ... and is a place in which you enjoy working. You can find pleasure and fulfilment in your office to such a degree that you don't want to retire — even though you can afford to. Now that's a revolutionary idea! Savour the sensation! You enjoy going to work...and you make a lot of money, too.

The fact that I chose to work 52 days last year indicates I haven't been having much fun in my office. Money is important, but it's not everything. Like Paddi I'm now convinced we dentists can derive not just income, but happiness from our profession. We are truly blessed to be dentists!

Paddi's Philosophy

People get an idea of what Paddi is about by his more offbeat ideas. However, if you examine his thoughts carefully and think about them deeply, his core concepts are reasonable and simple.

Based on Paddi's ideas, we have made changes that have already had a significant impact on our business, and we are happier and more fulfilled than ever before.

What marvellous ideas has Paddi given us? Well, a few new pages of philosophy certainly, and that's very important if we are to continue on the track by ourselves. But even more important, Paddi has contributed some practical new methods and systems based on his philosophies.

Focus on Happiness

"Focus on happiness for yourself and your team", Paddi says, "and use systems to help you achieve this." Paddi is talking about his 'Courtesy System', a system that has changed the personality of our office and reduced stress as we grow closer as a team.

Systematising politeness, as Paddi teaches, sounds like a strange concept for a business office — most people believe they are polite enough already. But let me tell you that it works. Using this system has profoundly altered the way our team thinks about other staff in the office, and the way we treat those who come to us for care.

Select Customers Carefully

Don't have just anyone as a customer. Paddi takes new patients only by invitation from his present patients. He even sends a 'Welcome Book' (*Educating New Customers*, Solutions Press 1995) to the prospective new patients to tell them just what to expect and what he expects from them, so the patient can check if they are suitably matched to Paddi's office.

We have not gone quite that far, but we do now send a 'Welcome' letter to new patients clarifying the relationship between us.

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I think that telling patients what to expect and filtering them for suitability before they arrive for care will certainly increase our efficiency and provide us with more committed people than before.

Sell Happiness

Paddi has the unusual idea that he 'sells happiness'. (A little like Charles Revlon who said: "I make cosmetics ... but sell hope.")

Before you can begin to sell something as positive as happiness you have to remove a lot of the negatives — mainly the fear — that surround your industry. Since Las Vegas, we have taken a further step in that direction in our dental practice.

Now our patients are given a 'Pain Buzzer' (of Paddi's invention, and Solutions Press manufacture), that emits a loud buzz if they push the 'control button' on its surface. It is used for the patient to signal, for any reason, a wish for us to stop treatment. It seems to give them a sense of control and helps them relax. I know in most offices patients 'just have to raise their hand if it hurts' but it's amazing how much calmer a nervous patient becomes with this small grey box in hand.

Our patients have not all reached the stage of being 'happy' yet, but we will get there.

Environment

Paddi believes that one of our jobs as leaders of the business is to provide an environment where everyone — staff and customers — can become fulfilled and happy. I felt that our environment was pretty good already, but there was the problem of the

'dental smell' that set patients teeth on edge. We haven't started to bake 'dental buns' as Paddi does, but we have invested in a bread machine that creates delicious hot bread to be shared with our patients and perfumes our office with the wonderful aroma of fresh baking. It's quite an improvement from the pungent, patient-alarming smell of formocresol and eugenol.

Little Things

I am the same as Paddi — obsessive about the 'Little Things'. Paddi points out that how people FEEL about the things you do for them is far more important in determining their level of satisfaction than what you actually DO for them.

Patients usually judge our clinical dentistry far more on the quality of our tea or coffee and the smiles of our team than the accuracy of our margins. I once bought a Cadillac because I was intrigued by the gold ignition keys. I knew they were not real gold — it is much too soft a metal. But this small detail made me feel good, so I bought the car.

We have thought further about the 'Little Things' since Las Vegas. We already have a large Sega video game machine in our reception area. Young patients bring friends with them to our office just to play. It's the talk of the junior high set. Now we use sun-

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glasses to protect our patient's eyes, and we have fresh flowers around the office to add beauty and fragrance. We have taken out our front desk so we can communicate without barriers, and I had the idea of warmed neck pads to help our patients relax.

I was fascinated by some of the things Paddi said about the financial aspects of his business: asking for money up front, no bad debts, guarantees, staff bonuses, patients asking to buy...

Spending money to make a nice work environment also makes good financial sense because it is tax deductible, whereas investing in one's home is not. I don't make a penny from a chair or lamp in my house, no matter how wonderful. To me, it makes a lot more sense to putting money into the area of my life that creates, not spends money.

Paddi used expensive china and his 'tea ceremony' to impress his clients with his attention to detail. It sounds like a great idea — perhaps we can even expand on it and open a dental-teashop in Keokuk!

Finances

In Las Vegas I was fascinated by some of the things Paddi said about the financial aspects of his business: asking for the money up-front, no bad debts, guarantees, minimalism, bonuses for the staff, multi-skilled 'care nurses', patients asking to buy, guarantees ... not conventional ideas.

As my financial success might indicate, I have an abiding personal interest in money management, and I believe happiness has a lot to do with having a profitable business. Money can't buy happiness, but we do have to make a profit to live. Getting a coke out of one of those machines sure is a lot easier when you have money!

Dentists, I have observed, oftentimes don't like to discuss money. They tend to leave it to the front desk people to make financial arrangements and to extract the fee. If the staff are unsuccessful in their collection efforts, and patients don't pay their bills, patients are often threatened with legal repercussions.

As in most areas of business, in regard to the financial transaction, Paddi seems to advocate just the opposite of what most professionals have come to expect.

Dealing with Debts

"Ask for and require the money up-front," Paddi says. "Be very tough at the beginning — before the treatment — but if things don't work out, forgive the debt quickly."

Paddi would rather give up money than have someone be in debt to him. There is some sense in this. When people owe you money they look for reasons to justify having not paid. If they search enough, they will find one. We've probably had the experience of this behaviour ourselves, but we haven't let this valuable knowledge affect the way we do business.

"Don't send nasty collection letters." Paddi doesn't want people speaking badly of him — and this is a real danger when you start sending threatening letters. Your patients won't say nice things about your business with a demand notice in their hand. We are all happy to pay for positive advertising. Doesn't it make sense to invest money to suppress bad advertising? Paddi suggests that if customers haven't paid after three months, send them a check (for the amount owed) that they post back to you.

These techniques lead to avoidance of a lot of money problems. If you know you are going to forgive any debts over 90 days, you quickly work out ways to have people pay before then!

Patients Buying

What about selling in your work? Now, that interests me. I've had a belly-full of sales consultants trying to teach dentists how to sell like insurance salesmen: how to 'close', how to 'screw-down' the customer. As caring professionals, this is not what we want for ourselves or our patients.

Paddi's ideas are much milder and more successful in establishing long-term relationships. High-power sales-

manship seems to be designed for quick, one-time sales rather than the continuous, trusting relationships we in business prefer.

Paddi says, "Don't sell your services." Instead, create conditions where patients 'ask to buy'. (In America we say you can't make a horse drink ... but you can make it thirsty!)

Paddi has a system that he calls the 'Buying Cycle', which makes 'selling' a thing of the past. It goes like this: educate for benefits ... build trust ... disclose financial commitments ... help-to-buy ... ask for the money ... congratulate ... prepare for the next transaction. Interesting stuff!

Towards the Edge

So there you are. I could say more, but I have probably said enough to either convince you this Paddi is a madman or to whet your appetite for a few changes in your business. Profit plus enjoyment sounds like the best of all possible worlds to me. But is it possible? After trying some of Paddi's ideas, I can tell you that it is; quite definitely! You may not want to go as far as Paddi, but it is always useful to look at the edge of what is conceivable. Paddi is certainly voyaging near the edge ... but heavens, so was Christopher Columbus!

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Dr Paddi Lund has written about his journey mixing business, profit and happiness. You will only find *Building the Happiness-Centred Business* in a few specialty bookstores around the world.

It is also available direct from the publisher for A\$29.95 (£15, US\$20) plus shipping. Please call or write to Loretta Cohen at Solutions Press:

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