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HJ PODCAST AUGUST 2021: Deb Zener

MAIN SHOW

00:07 Dr. D' Anne Rudden: How many of you have fielded phone calls or had meetings with strangers who walked into your office and immediately announced, "I want to help YOU grow your practice"? UGH!

I feel like I have had this conversation a thousand times over the years as a private practice owner and how they usually want to get there is by getting me to track even more metrics than the ones I already do.

I'm not saying "throw the numbers out the window." And there are thousands of resources out there to help people track different Key Performance Indicators (KPIs) and thousands of varying opinions on which KPIs are the right KPIs to help you assess the health of your practice and push your staff to increase profitability.

All important stuff—and if you are a spreadsheet and numbers person, this type of talk is making your heart sing. Unfortunately, I am not one of those people and math is rarely my bestie.

Now, I'm not saying that data isn't important or that understanding the numbers in your business is a fool's errand, but let's be real...for most of us, tracking metrics sucks!

I'm a practice owner and I know I need to do it, but I can't say it's my favorite way to spend a Saturday and it certainly doesn't light me up to track my ASP.

In fact, as I was preparing for this podcast, I actually Googled "why tracking metrics sucks." Not surprising, I didn't get a great answer other than if I don't love tracking metrics, there must be something wrong with me and my business is headed for the toilet. Insert facepalm here.

I know, "if you can't measure it, you can't manage it"...but, in my humble opinion, the truth of the matter is most of "the important stuff" can't be measured.

I realize that this may not be a popular stance and it may fly in the face of business principles that have been propagated for the past 100 years, but let's name the elephant in the room and stop pretending that you can make your organization successful solely by hitting little numbers in little cells in a spreadsheet.

When employees are treated like machines whose only value is to answer 40 customer calls a day and get each caller off the phone within three minutes, they will never give a fig about your company's success. How can you blame them?

Our guest on the podcast this month may or may not agree with me, but I have a feeling that regardless of where her opinion of KPIs shake out, this conversation is gonna be a good one.

Deb Zener is an alumna of Harvard Business School as well as being a Certified Coach. She has more than 30 years of corporate and business experience with Fortune 500 Companies, working and consulting with thriving and competitive entrepreneurial organizations and owning her own businesses. Deb has worked with Audiology private practices for the last 5 years and deeply appreciates the challenges and opportunities of the ever-changing landscape we face.

Full disclosure, Deb has coached me in my own practice, so I know that she always comes with stories, lessons and

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truths for being a better businessperson.

So happy to have you on the podcast, Deb!!

03:40 Deb Zener: I am so happy to be here. Though, I do have to admit when you said KPIs I went, "Ugh! Isn't there something more fun for us to talk about?" Not necessarily evil, but an unnecessary subject, right?

03:59 Dr. D' Anne Rudden: Right. It's not my favorite thing to do as I said on a Saturday, but you gotta look at the numbers.

Before we jump in, I want to give people a little bit of background about you. Tell us more about your story. How did you get interested in business and how did you become a coach?

04:20 Deb Zener: I was an English major in college. I have always gone with "What do I like?" and I love English literature. Even in college, I had no idea how I was going to use it. I knew I didn't want to teach, so I thought I wouldn't probably use it, and I will always have to find something else to pay the bills.

I have always been in business. I have always been hired in different jobs where numbers and business made a difference. I was a buyer for a retail organization. I was an underwriter for a large insurance company. I slowly moved out of my little English realm and got comfortable with numbers, the whole concept of business and strategy, marketing and finance, and how the business ran. The guts of any business became attractive to me. I worked for a lot of large companies. I kept thinking that I was working so hard...what can I do for myself?

About twelve or thirteen years ago, I decided that it's my time to do what I want to do. I went and got a credential in coaching because I need to understand the format. I got certified, all my business licenses, my business card, and my business logo...I had to go find a client. For me, I was lucky because it didn't take very long. I remember I got my first paying client, then I got another client the next month. I have been very fortunate because I've been in a lot of different industries and fields, and a lot of good people have recommended me along the way, including an Audiologist.

Five years ago, I was asked to speak at an event which was also the first time I met you. I didn't know anything about audiology. I was like, "What do they do?" but I came up with a talk I thought would be pertinent. Then, I was invited to speak at another event. Apparently, I have a thing for audiologists because I kept working and wouldn't go away. I wouldn't leave your tribe of people. So, here I am today.

07:01 Dr. D' Anne Rudden: You have an honorary place in audiology. You get us whatever weird little things that we do. Mostly, we don't come to the table with a lot of business acumen. It is not necessarily part of our favorites, but we clearly need more understanding of how it works within the realm of health care. Having someone like you is good for all of us.

07:37 Deb Zener: Thank you, D'Anne. I would say, one of my biggest joys is when I am working with an audiology practice owner. Many of you are good business people, but there is always a little part of you that you don't like and you don't want to do—the bane of your existence. If I could help somebody to get to the point that they want to go, then it isn't so bad if I look at this way or if I turn upside-down, and think of it as part and not as unpleasant as you thought it would be.

For me, it is pretty easy because I wear a business hat all the time, but for you, it's hard because you wear this medical hat, then have to take it off to put a business hat on. There is a lot of back and forth during the day. Who

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you are as a doctor is not always exactly who you are as a business owner, and sometimes they feel they're at odds. Whenever I could get somebody as comfortable in their business hat as they are in their audiology hat, then it's a win all the way around.

08:54 Dr. D' Anne Rudden: So KPIs...how do I fall in love with tracking and studying my numbers?

09:06 Deb Zener: We are going to keep this super simple otherwise you won't fall in love. Love will be absent from this process unless we can keep it super simple.

I Googled, "I hate KPIs," and I found stuff that made me feel much better because there was a whole community out there. The thing about KPIs...unless somebody has broken it down for you in the right way (because there are a lot of wrong ways), then I don't think that it will have the meaning that it's supposed to have. I also don't think it becomes an ineffective tool.

I was reading a different article and thought about this...if we look at an inverted pyramid sitting on its point, and if the big tall band on top of the pyramid is the "culture," then the next big piece is called "goals." What is left is the little tiny point at the bottom, and that would be KPIs. I would want people to visualize KPIs because it is not the biggest part of anything we are doing. It is not the most important part—and not the part we should be spending all of our time on.

Number one, let's talk about the culture that we want in our office. What is Culture? Culture is truly who we are. We have a vision and a mission statement. Do people even know these? Do we truly do these things? Are we living these things, and being who we say we are? That is culture in a nutshell. Everybody in a practice needs to know and understand who we are, who we say we are, what we do, are we true to our word, and what is our greater purpose here?

The other part of the goals within the practice can be things like you want to sell a lot of hearing aids, you want to balance clinics, and you want to work with tinnitus patients. Goals are also how you want somebody to feel when they walk into your office. It's how you deliver that emotional news. Hearing aids are expensive and your [patient's] insurance doesn't cover them. There's a lot of information for people to grasp that isn't always the most positive.

The other part is how our goals will fit. We don't talk with the front desk. How can you help a patient who wants to take the advice of a practitioner? They are also part of the culture and the goal setting.

The KPIs are the little part of the end which we should be able to measure based on the culture and the goals. If we look at it like that, then it will have meaning and purpose to people. The KPI—the numbers will take on a whole relevancy, if that makes sense.

12:54 Dr. D' Anne Rudden: A lot of times, myself and other people do it this way and I feel that I don't have enough knowledge. If somebody walks in and hands me a spreadsheet, all I have to do is put some numbers on those cells and have magic at the end. I think what was lost on me was the answers that those KPIs are giving me. What questions will these KPIs give me answers to? Is there a right KPI? If only we can track one thing, then what is the question we are trying to answer? And how can the metric you are tracking give you confidence that you are achieving the goal? Is that what I am hearing you say?

14:06 Deb Zener: That is right. I remember when I first took Algebra. I am not a Math person, but there are letters that I can do and understand better.

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What we are doing is we are taking your hopes, dreams, beliefs, and goals into your vision. We are going to see if these are possible. We are going to lay all the groundwork to accomplish these things. It's where we should be spending most of our time. It is where almost all of our effort should be.

For instance, you want to train your front staff, so that if every call that comes in is potentially a new patient you will get on a schedule. That is the goal. Maybe, in the past, they were able to get half of the people to call in for a schedule. We are going up. We want 75%-80% or 95% of the people on the schedule. Now, they will do their part in getting the person that has a problem to the doctor that can solve it. So, we could talk about a number that will be in the KPIs spreadsheet, or we could say that you've been getting half of the phone calls on the schedule, and you want to shoot for 75 percent.

The words will translate the numbers. If the front office person can achieve that, then it will also happen to your KPIs for that category. They are going to go right where you want them to go.

There shouldn't be a huge surprise here. What I mean is, if you are working within your culture and as a leader in your office, then you should be a visionary. Even if it's not natural to you, it is part of your job. You should be a visionary. What does a visionary do? A visionary has a glimpse of what the future could be and draws the pathway. The visionary draws the picture for me. If I am the employee, I should know, number one, where we are going, number two, how you are going to get there, and number three, my part in it.

Through that path and the picture that I developed in my mind, I realized what I am supposed to do, and what piece of load I was supposed to carry. If I am doing it, and I am clear with the objectives and goals, then it should show in the KPIs. But, the majority of work is not spent on KPIs, it is spent on all of those other things that lead up to an end.

16:51 Dr. D' Anne Rudden: What I am hearing you say is, you can't just go to a front desk person and say, "I want you to increase your phone call intake to 75%" without giving them the tools, the resources, and the vision behind why they should care about the number.

17:15 Deb Zener: It is 100% the training. Some languages are better than others. Scripting is not natural, but in some cases, we start with a script, then we let people turn it into their own language. They need to see what we are trying to accomplish and how we can affect it. They need every single tool such as equipment, software, and training. If we leave it to them, then every person at the front desk is going to say, "But, I am nice and the patients love me." We know it is good, but we also know that it is not good enough because you can be nice and let them go.

The only answer is, we want to be nice because if somebody has a hearing healthcare issue, then they belong in front of you, and not anywhere else. The person at the front desk needs to believe that they belong in front of you for their best hearing healthcare needs. If they don't go and you can't get them on the schedule, then the person is not getting the help that they need. That is what we have to look at first before we look at dollars.

18:46 Dr. D' Anne Rudden: This can also be individual to different practices. It is hard to come up with a list of KPIs. Now in audiology, are there some metrics or some KPIs that you would encourage practice owners or anyone like department heads or even an employee that you should be keeping your eye on as a valuable metric for you?

19:23 Deb Zener: One of the things in audiology, especially in private practice that is easy to talk about is hearing aids. It is easily measured and understood because it is an important profit center. Everyone understands not only

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its importance to somebody who has hearing problems but also its importance as the profit center to an audiology private practice. The easiest way to start is with the hearing aids and measure the number per month or for whatever period. Our goal is to sell as many hearing aids, so the whole office will have an idea what the number is. How do we sell? We sell by getting patients with possible hearing loss on the schedule. How many patients do we need in order to sell many hearing aids? Knowing that some have good hearing, and that not every single person is going to buy.

First, I would start with the number of hearing aids, then you might start with ASP (average selling price) per hearing aid to see how you are doing. Often, we round up the number that we think in our head all the time. Is it what you want it to be?

I think it could be units for the office, but it could also be units by a provider, and I know a lot of offices don't keep track of units by provider. Some of them do it collectively. Whether you believe it's too competitive and you are not inclined to do it. I still think units by provider serve as an important source for us because if you have somebody spending a lot of time with tinnitus patients, then their units are not going to be the same as somebody who spends a lot of time selling hearing aids. It is okay, but we should have the information.

For instance, whatever category is, I want to know the units of that framework if you sell high, medium, and low-end products. I've tripped a lot on audiology and sometimes we are surprised by the profit piece of each high, medium, and low. I worked for the practice recently, and we realized that they are making more money on their low-end products than on their high-end. How did that happen? It is not a good or bad thing, but it is just a thing to understand. There is another opportunity for us here.

Lastly, are the units returned. I will just focus on hearing aids because the goals are clear all throughout, from the front desk to the assistant (if you have one) and to the audiologist. Everybody is clear with a little bit of black and white, and a little bit of cut-and-dry.

If we set our vision or our goals, then we can see what we want to do. Once they get comfortable with the numbers, which I hope the whole office would know and be shared, or if an office puts a lot of emphasis on tinnitus, cochlear, or balance, then I would do KPIs within those categories, too. These are the areas where we can trip ourselves up and think we are making but actually not. I would start with hearing aids especially with people who have KPI anxiety.

23:45 Dr. D' Anne Rudden: I am going to put a pin on that because I want us to come back on the Aftershow, and dive a little bit deeper beyond the surface. You are the best. I am so glad to have you here.

24:06 Deb Zener: I am so happy to be here.

AFTERSHOW

24:12 Dr. D' Anne Rudden: We are back on *The Hearing Journal* Podcast Aftershow with Deb Zener, our business guru extraordinaire.

We talked in the first segment about KPIs which, sometimes can be our nemesis. You mentioned some simple metrics in hearing aids, the direction of audiology, and how it is headed is to try in some respects to get away from the widgets. You hinted about other aspects of the practice and the things you track around to ensure that you

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have success not just in the profit center of hearing aids but also in other parts of the practice that could boost revenue and the health of your practice in general. Can you dive a little more deeply into how you go about from—you can take the example of a tinnitus clinic—and the things you might want to track to ensure this particular aspect of the practice is a value-add for you?

25:39 Deb Zener: I do help people that hire a lot...it is funny because every student who graduates says, "I want to be in tinnitus and cochlear implants." And it kind of builds on that. And we know there is not enough of that business everywhere to keep everybody in business. When you look at the average private practice, it might be 10% or 15% max of a business. We need to know that if we pick one or if we want to be expert in it and make it an integral part of our business, then we have to look at the reality of how big, how much space or time in our practice to do that.

One of the examples is tinnitus. I was in an office a few years ago, and this office where you ask people with their hourly rate, or your overhead, and what you need in the office. What you need to be looking at all the time is to make sure you are paying your payroll or overhead and all of your expenses. I think, in this office, let's say it was \$350-400 an hour. One of the audiology employees loves tinnitus. She was very good with it all day long, so when I interviewed her I said, "How much do you charge?" and she said, "I like to keep it very reasonable." When I heard that, it struck fear in my heart because what we are trying to do is gear that thing towards the need of the patient in a way that might not be healthy for the business. I want it to be healthy both for the patient and the business. So, I said, "What do you do?" and she said, "My first appointment with them was 2 hours, and then I charged \$200." I said, "Well, okay. We should have charged \$700 or \$800 dollars for those 2 hours because—that is what we are supposed to be doing." The problem now is we are in a hole, and she is not paying for herself. And she asked, "What do I do?"

I am not a medical person, and people are free to disagree 100% with this example. In fact, I don't know the ins and outs of tinnitus, but this is what I compare it to in my mind: If I were to go to a nutritionist, and I said I have a couple of food allergies that I wasn't sure about but I thought I did. She would probably say to eliminate it first. She wouldn't say to eliminate everything at once. I might have an initial visit with her for an hour and then she would say, "Do you think you have a problem with these 10 foods? We are not going to eliminate all of them or we won't know which one is the problem. What we are going to do is to eliminate each one each week, and see how you do, and you come back." And my follow-up is probably half an hour each week because there has to be an unfolding of a plan. I can't take all of that information and digest it at once because it's too much and overwhelming. Tinnitus is one thing that weighs too much information right upfront depending on where they have been. They want to tell us the story of how it is instead of seeking your advice. I think there's a need to have a well-thought-out plan of what we do and how much you charge with the first hour.

For instance, if it's a half-hour follow-up, then our program is laid out so that people literally aren't biting off more than what they can chew. In tinnitus, you are trying to get the patient to do a lot of things, engage in a lot of things, and accept new ideas that maybe they haven't worked with before. To do too much or front-load that, I would imagine it not as successful as doling it out a little bit at a time. The thing about doling it out is if we are charging the right price, if we make it more affordable to them, then they are paying for each appointment. The other part of it is we have an actual program that we are adhering to. We know the program, and we can visualize it as it is unfolding. It will give the patient better confidence with us when they are getting some results.

How will that pertain to a KPI? If the goal were for every tinnitus patient that walked in, we would be able to take them to a formatted program from beginning to end and collect the appropriate money for that. Those are the things you measure. You measure how many people we get on the schedule that is called first, how many people did we get to show up for that first-hour appointment. If there are 15 following appointments, or how many are

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appropriate at a half-an-hour each? How many people did we get to follow all 15? If they are following up, where could they be following, so that I may have the need to restructure the program. You could do all that through a KPI format. Does that make sense?

31:45 Dr. D' Anne Rudden: Yes. What often happens is no one will pay for that, so I am going to charge less up-front to get them in the door, and then hopefully they could have buy-in and will continue along the way. It is not a business eccentric way to make that decision, but I am looking at it more from an emotional standpoint, or I am putting judgment on what I think that person will or won't do based on a particular dollar amount?

32:35 Deb Zener: It is right. When we talk about all the tinnitus patients out there, first, some won't pay but a bunch will. You will have to decide which is your customer. I don't mind if you guys give away some of your time, but I would like it in the KPI. Every single time that you gave away time, you would keep track of it, and then you would know at the end of the month how much time you gave away, and why? So, we could see the place where you have a tendency to be too emotional, or too kind, or too giving, and how much it will cost you in the end. The truth of the matter is if somebody has something like tinnitus and we know it could be the most annoying thing in the world, then is \$300 too much to make that go away? I don't think it is.

I have had this ongoing thing with my foot for a couple of years that I know you know about. Somebody was talking about what they were doing, and what you are doing—projecting on an unknown person. What they thought they would or wouldn't pay. I said, "If you told me right now, I could write a check for \$3,000 and my foot would be fine—I would write it in a heartbeat. I wouldn't even think twice about it."

The assumptions that we make about people are: number one, really bad, and number two, we throw them all into a collective pot. They are all the same people that can't afford anything, and those are the only people that want to see me. That is false.

The other part of it is, it is not that we don't want to help people who can't afford us, but we are a business. Again, I know you have a non-profit, but if I want to stick you in my non-profit or I want to help you because you really do pull on my heartstrings, and I have the time because I allowed this amount of time, then help them. But you can't do that for everybody and run a successful business.

35:10 Dr. D' Anne Rudden: I am thinking that I need to start tracking the number of minutes that I give away so that at the end of the month, based on my break-even calculations, I can figure out how much that means in dollars. I do think it seems so intangible and so big, and that's where you don't want to track stuff becomes a lot more real in a way to have a much better understanding of things. Like you have 5 minutes but what does it mean to you? On the service it feels like it's not a big of a deal, but then at the end of the month, you will find out how many minutes you could have been doing reports instead of bringing it home.

36:03 Deb Zener: The truth is, it's how many minutes, hours, or days. That is where the problem is because the things that we call "Just minutes" can be days. The other part of it is the treatment, the next step is with dollars. Everybody does what you do. To some degree, the projection that they can't afford the best, or what I recommend. We all have these kinds of thoughts. The important part of it is, if we concentrate on what they need, like the hearing loss, tinnitus, balance issue or whatever it is they have, you are the person that went to the school, paid an enormous amount of money for a great education, then you have been deemed the one to help them go on this journey of getting that thing fits. The moment they arrive in their office, they pick you, and they have confidence in you. People don't doubt you nearly as much as you doubt yourselves. Most people have incredible faith in you. You are the people that can help them on this part of their medical journey.

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Whether it's our own insecurities, we don't have it all the time, they come and go. Those are the things that keep us forward. For people who do KPIs, for the time they gave away, what a painful yet beautiful thing to have to do, right?

38:08 Dr. D' Anne Rudden: Yes. I am scared of it, but at the same time even if I did it for a week, it would be eye-opening. That's a mandate to myself starting Monday morning.

38:25 Deb Zener: Yes. Keep a little notepad and a little stopwatch.

38:33 Dr. D' Anne Rudden: One of the things I love working with you is learning from myself better employee management skills. I feel I have become a better practice owner, a better manager of people from some of the input that I have gotten from you as a coach. In fact, I remember you telling such great stories around this particular aspect, but when you talk about hiring people which is an inevitable part of what we do—people come and go. Having difficulties with employees is where we all struggle. You have said, "The same voice that I hire you with is the same voice I fire you with" ...life skills for keeping "Cool as a cucumber!" What is your story of helping a practice owner become a better manager?

39:54 Deb Zener: I spent a lot of time on the HR because it is a big pain. Most people would say, "I don't like having difficult conversations." Nobody comes to the planet unless something is wrong with them. Loving difficult conversations by honing our skills and trying to get better. We hire people from different places of life. We don't know their stories or where they came from.

One thing I notice from having employees and working with people over the years is they often take you seriously by watching you escalate. Your voice goes up, getting mad, being passive-aggressive. Harrumph if you will. I decided that I don't like those kinds of bosses because it is not how I want it to be.

I listen to my voice. The voice that I like to hear is myself. All those matters are my work. I don't want to be mean with anybody, to be unkind, or to be passive-aggressive, but I am committed to telling the truth.

If somebody came in to work late a lot, it would be like, "Susan, you are coming in to work late a lot. Three out of five days you are not here when we should be getting going, and when we hired you we told you of the time. For a while, you were really good. It seems like you are slipping. I need this to not ever happen again or otherwise, it will be a performance issue with the consequences of a performance issue. Is there anything I should know that would explain this? If not, you need to know that you need to be at your desk, phones are on, computer is up and be ready at 8 o'clock. Anything about that you don't understand?"

That is the way I deliver it. Susan can get us "twitterpated" if she wants. I'm going to deliver that message, but I tell people in the interview that is how I am because it is important to listen to my words. I am not the type who has to get fired up to get a conversation. I try to think about it, I try to pick good words that will not trigger somebody, but I will not avoid the truth. If it comes that I have to fire somebody, then there should be no surprise. All the groundwork should have been laid. If somebody is surprised, then I have not done my job. It is easier to talk about it in this voice.

43:01 Dr. D' Anne Rudden: I love it. I am so grateful for you. The time went so fast. We could talk tons of subjects, but I appreciate you coming on the podcast leaning into an area that makes me somewhat uncomfortable. Hopefully, it will help some of my brethren out there embrace the idea of tracking numbers and employee management just a little bit more.

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43:34 Deb Zener: What I want for all the audiologists of the world is to be their wonderful, kind, beautiful caring selves. The people that got into this work were so interested and loved it. I also want them to be business owners that are proud, build successful businesses that grow and not reap a profit of making money for them while they are owning it, but something that they can proudly sell and have a legacy going forth into the future. That is the ideal situation. We always want to keep the other piece in mind. Sadly but gladly, the numbers of the things do that.

44:23 Dr. D' Anne Rudden: May you have an amazing rest of your day. Thank you so much for your time and expertise you share with all of us.

44:35 Deb Zener: This was truly a joy and a pleasure. Thank you so much D'Anne.

44:40 END