

EXPANDING YOUR BUSINESS

Hospitals can help in growing your practice

Developing a trusting relationship with your private hospital can be one of the best business decisions a consultant makes. **Kate Crewdson** explains how to go about it

A VITAL ASPECT of private healthcare is the development of trusting relationships, whether they are between patients and doctors, different healthcare disciplines or front-line workers and support staff.

But one that may not always be exploited to its best potential is that between consultants and business managers. Historically, the consultant/business manager relationship in the independent sector has been slightly 'hands off', as each party has been viewed as an independent business.

But, in recent years, closer relationships have developed, adding to the mutual gain of both parties. For example, a consultant who takes the time to explain his personal goals to a business manager is not only likely to receive free business advice and support but also to become a key consideration when the hospital business manager is making investment and marketing decisions.

Good business managers fully recognise the benefit a committed consultant can bring to their hospital business. As the understanding deepens, benefits such as clinical service development, networking and other collaborative opportunities are likely to present – not only between the hospital and the consultant but also between different consultants, specialties and GPs. For example:

■ The cost per head for marketing is high, but when a collaborative approach is taken, workload and cost per person is cut and better value for money achieved.

■ Business managers have a 'helicopter' overview of consultant aspirations and can facilitate introductions between those with complementary business aims.

A consultant's reputation can be enhanced by aligning him- or herself closely with a reputable hospital with highly trained staff. By working together in partnership, it is more likely that the service presented to patients and customers is consistent and of increasingly high standard.

To achieve these benefits, consultants should first proactively advertise their willingness to work closely with the relevant business manager: either the hospital director, consultant relations director or, in the case of BMI Healthcare hospitals, or possibly a company executive.

First discussions

They should do this by committing adequate time to an initial business meeting. This means sitting down with the business manager – and for much longer than five minutes at the end of a consulting session. First discussions, which involve the consultant briefing the business manager on their propositions and managers exploring the possible ways in which to achieve these goals, can frequently take up to an hour.

The second step is to commit to having open and honest discussions in the future. A relationship will quickly dissolve if one party feels the other is working only for their own benefit or cannot be trusted. Trust and transparency



will take time to develop, so ensuring both parties' interests are represented in the form of a business plan or heads of terms agreement is a good idea.

For the relationship to mature to its full potential, both a consultant and business manager should expect to invest a considerable amount of effort into the venture. This may not be in terms of all of the deliverables, such as operational process development, website or other promotional material, but certainly availability, flexibility and enthusiasm should be matched by both parties.

The consultant can expect the manager to provide business support such as action planning, implementation and reminders about any deadlines. It is the business manager's job to ensure all that is agreed actually happens.

Remember, this is a long-term

relationship. Collaboration does not finish once a venture is launched; successful relationships move onto reviewing of actions and evaluation of achievements, then further planning and implementation – an ongoing cycle.

But before a consultant starts setting up meetings, they should perform a simple health check on their practice to ensure they will be able to sustain a higher level of business activity and to identify what level of business risk or opportunity they offer.

After all, the relationship between a hospital manager and a consultant is not just about business development, it is also about the day-to-day workings of a customer-facing service.

Consultants should review the existing operational management of their practice to ensure they have a sound option for invest-

ment and a sound platform to grow on. There is no point in having fantastic business aspirations if the core values of the current business are not already good starting points.

The questions below aim to provoke some thought around three core business areas: quality, people and finance. They are simply starting points for a basic business health check.

■ **Do you have the correct level of support to manage your patients effectively?** I.E. is your secretary available to handle patient enquiries? Part-time phone cover and answerphone services can be off-putting for patients and negate any effort put into promotion or business development.

■ **Do you have a proactive relationship with your secretary?** Do they warn you when waiting times for appointments are getting too long? Do they suggest ways to improve the service? Do they have the necessary patient-friendly phone manner and interpersonal skills to promote your service?

■ **How much time do you have and are you a good time manager?** Do you have the time available for additional business or will it adversely impact on other commitments? Cramming too much into a schedule can impact on punctuality – which is poor for both customer and business relationships.

■ **Does your service meet patient expectations or do you receive complaints?** It takes more money to create a new customer than keep an existing one. If you are not looking after your existing customers, any investment in promotion could be money down the drain. Also, we can never underestimate the power of word-of-mouth advertising and the damage an unhappy patient can do.

■ **Are you adaptable?** The health-care world is ever changing; are you flexible enough to respond to new opportunities or threats?

■ **Do you have a good relationship with hospital staff?** Staff will respond much more positively to consultants who value them and regularly communicate with them, are available when needed.

■ **Do you manage your finances effectively?** Are you in debt to the hospital? Do you have good relationships with the insurance companies? Are your fees at the right level (neither too high nor too low)?

If you have answered these questions positively and with confidence, you are ready to move forward with business development. If you have not, then still make an appointment with a business manager; they may be able to help address the areas of deficit. ■

Kate Crewdson is a consultant relations director for BMI Healthcare

HOW CONSULTANTS HAVE WORKED WITH BMI HOSPITALS' BUSINESS MANAGERS

'My colleagues and I were approached regarding the development of an oncology service at BMI The Beardwood Hospital. We have really appreciated the partnership approach that has been taken; we've been fully involved in the design of the new unit, the operational management of the business and the plans for business development. As a group, we have now decided to base all of our work here'.

Dr Shabbir Susnerwala, consultant oncologist

'I've always found BMI business managers to be very helpful when it comes to organising the basics (such as equipment and theatre time) and particularly supportive when it comes to business development. Kate and I meet or email fairly regularly with ideas for how we can support each other. Recent examples of this include Kate assisting me with GP promotional activities and ensuring everything functions smoothly on the clinical side, and my supporting her by speaking at a new consultant evening and introducing other consultants interested in business support.'

Mr Lennard Funk, consultant orthopaedic surgeon.

"I'm letting PHF take care of it all..."

"Before I joined PHF, I was trying to do everything by myself. I was spending hours each weekend sorting out paperwork but soon realised that this was no longer sustainable. Now, everything is so much simpler: my dictations are handled remotely, my practice is well organised and I don't have to spend any time on people management.

The web-based technology has proved to be really convenient, especially as I am based in three different locations. I can access my paperwork wherever I am, and check up on admin without having to go into an office at all. Everything is more efficient – my letters go out on time and both my patients and the GPs find this a lot better.

Probably the greatest benefit is that my cash flow has improved significantly. This is what makes the PHF service so cost-effective: if I was to add up the amount of time I was spending on admin and the time I would have to spend recruiting a secretary – not to mention paying another salary – PHF has saved me so much time, effort and money."

Malobi Ogboli
Consultant Dermatologist

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*£60K average earnings Source: Lang and Buisson Healthcare Market Review.
£9K average practice management costs Source: Stanbridge Associates Ltd 2008
20% average increase in revenue. Source: PHF research conducted on qualifying clients in 2007. £10k (including VAT) – PHF fees on a £72K practice



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