

Why Hire a COO?

A surgeon discusses the advantages of having a chief operating officer on staff.

BY DWAYNE K. LOGAN, MD

After hiring and unsuccessfully micromanaging five consecutive front office administrators over a 7-year period, I can compare my experience to that of Bill Murray's character in the movie *Groundhog Day*. We both repeated the same mistakes over and over again.

I grew tired of watching the practice's physicians (including myself) and staff wander out of monthly and quarterly meetings skeptical that the great issues of the day would receive the proper follow-up. The problem was not a lack of knowledge or effort but rather the doctors' inability to structure, organize, and execute a meaningful plan of action. Soul searching led me on a quest to find a chief operating officer (COO). Our practice needed an energetic, well-organized, multi-tasking, business-oriented individual who could free us from the time-consuming day-to-day operations and allow the doctors to concentrate on providing more efficient, better-quality health care. This article describes how hiring a COO has benefited our practice.

ORGANIZATION

The COO's first order of business was to create an organizational table listing his selected team members. The doctors' first step was to list and prioritize our short- and long-term practice management goals. To no one's surprise, we unanimously voted improved customer service our number-one goal. Number two on our list would end 7 years of frustration for me. It was the development of a functional, user-friendly Web site that patients with various concerns and diagnoses could navigate with ease. I knew that a practice's Web site can serve as an excellent source of information and a wonderful marketing tool. Priority number three was to establish an efficient billing and collections protocol.

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ADVANTAGES OF A COO

An effective COO can find balance between a practice's strengths and weaknesses, starting with the doctors themselves. For example, during a paradigm shift in eye care toward fee for service, most ophthalmologists have a certain level of discomfort discussing matters such as patients' payment for premium IOLs. The COO can hire trained counselors and technical support and can organize internal and external marketing campaigns. He or she can help to focus a practice on its goals and financial benchmarks.

Taking advantage of all of the good ideas introduced to a practice is vital no matter whether those ideas come from a doctor, technician, receptionist, optician, or janitor. The key to improving and growing a practice is having proper operations in place to make visions a reality. A good COO will follow through on ideas. The officer we hired is now executing all of the practice management ideas that our group of doctors had discussed over the years but could never fully implement.

RESULTS TO DATE

Simply working toward our top three operational priorities has significantly enhanced our practice. The doctors now have a greater opportunity to practice clinical medicine in a more structured environment. With the advent of premium IOLs, the need for fine-tuned opera-

tions and excellent customer service has never been greater. Doctors can no longer afford to be inefficient with their time and energy, which ultimately are most valuable to a practice in the OR and clinic.

Since hiring a COO, customer service at our practice has improved significantly. Our premium lens channel has increased by 322%, the long-awaited Web site is up and running, and billing and collections have increased by 8%. In addition, our practice now has a positive culture focused on continuous improvement.

CONCLUSION

Before beginning a search for a COO, one should bear in mind the old saying, "You get what you pay for." The financial benefits of an effective COO will offset his or her salary and help a practice grow significantly.

The process of finding a COO begins with recognizing the difference between this position and that of a practice administrator. The former has the attributes of a corporate business leader, whereas the latter I liken to a manager. In addition, an ideal COO holds a BA or an MA in business administration and has a marketing background, which helps him or her to define and promote excellent customer service.

Because the search for an effective COO goes beyond assessing candidates' past work experience, I did not consider previous employment as a COO to be mandatory. Instead, I looked for the characteristics that drive people to be successful such as charisma, vision, and the desire to overcome obstacles. I was seeking an individual who would challenge the status quo in order to find and implement solutions. During my search, I found that the best ophthalmic business leaders develop within the corporate walls of major ophthalmic manufacturers. ■

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