

COO
SIDECAR

THE KPI GUIDE FOR CHIROPRACTORS



Know your Numbers. Grow Your Business.

THE KPI OVERVIEW

"What gets measured gets managed."

At SIDECAR, we believe any chiropractic practice can be transformed into a chiropractic business that works. The results of the SIDECAR business systems are proven to result in:

- **More Time**
- **More Money**
- **More Patients**
- **A Better Team**
- **You Living your Affluent Lifestyle**

In order to achieve your desired results for your chiropractic business – you must know your numbers **inside and out**.

The old method of keeping Chiropractic Statistics is old, tired, and *fundamentally flawed*.

We'd like to introduce a language that is well-known in the business world but new to chiropractic – **KPIs**.

Key Performance Indicator (KPI) – a measurable value that demonstrates how effectively a company is achieving key business objectives.

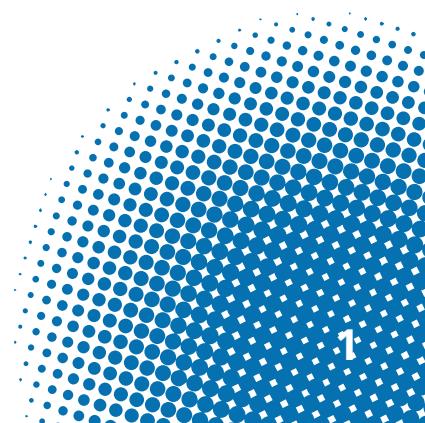
This guide is going to change your business.

Our goal is to help you:

- Identify the numbers you need to monitor
- Understand what they mean and how you need to leverage each KPI for growth
- Get set up tracking these KPIs consistently

It's time to get serious about being a business owner.

Let's get started...



CREATING YOUR PATH TO AFFLUENCE

Our goal is to help you on your journey to achieving affluence.

Affluence - flowing towards an abundant supply of options to live the life you desire. That includes all your resources and assets in all possible forms. It's a lifestyle enriched by the characteristics of heart, humility and hustle.

ABOUT SIDECAR

Welcome to SIDECAR.

You're in the hub of a company born from a vision to liberate chiropractors. We are the world leader in billing and teaching chiropractic business systems.

SIDECAR is more than a logo. It embodies what we do. Our clients are in control of the motorcycle that is their business. But they have us next to them to navigate the challenges. They have control of the throttle, the gears and the direction. What they have is an experienced COO along for the ride.

Today we serve clients around the world with billing, business development and one-on-one mentoring.

We are also the home of the #1 virtual training platform, SIDECAR OVERDRIVE.

SIDECAR is a beacon for the masses of chiropractors searching for an organization that meets their needs – belonging, business, billing - with the goal of a life of affluence.

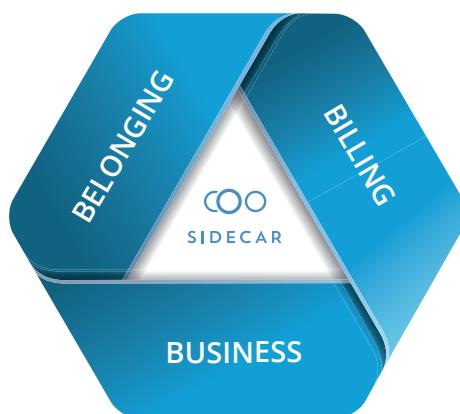
We are not now – and never have been – a practice management company.

Our quest is not simply finding new patients. That's a mythical grail that hurts individual practices and chiropractic.

Where practice management gives formulas, we build systems.

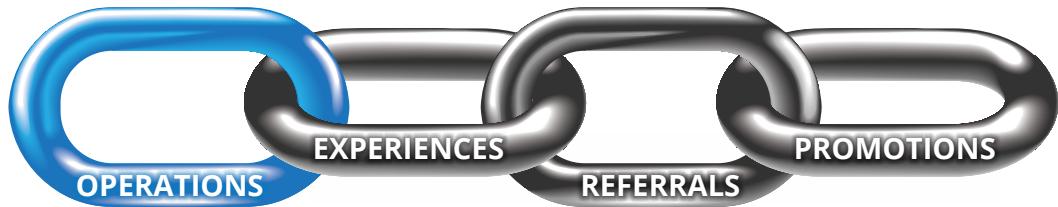
Where practice management gives instructions, we build foundations.

Where practice management gives numbers, we build business.



Operations ► Experiences ► Referrals ► Promotions

Your business operations are the foundation of your business. **That's where KPIs fit in.** The success of your operations dictates the experience in your business. A world-class experience leads to referrals... which leads to growth. Promotions are strategically added to fan the flame.



KPIs EXPLAINED

Let's take a deeper dive into understanding KPIs.

Key Performance Indicator (KPI) – a measurable value that demonstrates how effectively a company is achieving key business objectives.

KPIs are the numbers that tell you exactly where your business stands: its health, viability, and position for growth.

KPIs tell the truth – they aren't subject to emotion or reasoning.

The hard truth?

These KPIs exist right now in your business – whether you are aware of them or not!

Qualifying Elements of a KPI:

- They're specific and measurable
- Important to drive results
- Easy to understand
- Tracked regularly
- Can't be hidden

*And they're
only good if
you **USE** them.*

Why Chiropractic Statistics Don't Work

- 1 Emotion trumps logic**
- 2 Track what you want, not what you need**
- 3 Top-line focus with bottom line ignorance**
- 4 Worshipping numbers that don't matter**
- 5 Tracked inconsistently**

For years (okay, maybe decades) we fell into the same trap that most chiropractors fall into ... tracking "chiropractic statistics".

This is going to be a tough pill to swallow but stick with us here.

What we found is that the "statistics" most chiropractors choose to track and monitor fall into one of two categories. The statistics either:

- A. Don't matter**
- B. Don't represent reality**

Check out the video below for examples:

Traditional Chiropractic Statistics have run their course in relevancy.
They no longer tell the right story relating to the health of your business.

The SOLUTION

The Solution – Chiropractic KPIs

Is your head spinning?

So far, we've proposed that the old adage of tracking Chiropractic Statistics is broken and no longer worth your time.

We've also introduced a concept, **KPIs** (Key Performance Indicators) as the solution to help solve your current business challenges and springboard your business into growth.

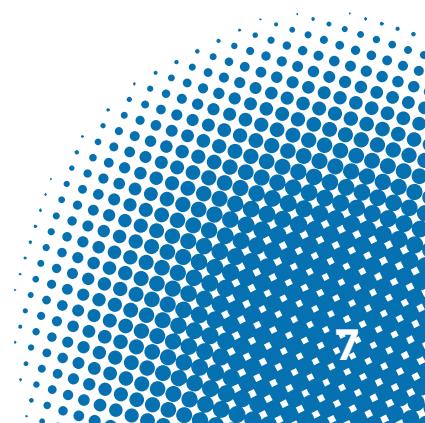
So, what now?

Your investment in your business and your future starts now. Taking the time to go through this guide and reflect on the current state of your business will prove itself to be foundational.

At the end of this guide, we'll provide you the opportunity to go even one step further. You will know you are ready by the time you get there.

**Your journey to achieving the lifestyle
of affluence you desire begins now.**

Let's get started.



WHERE TO START

Here comes the easy part:

We've already identified the KPIs that you need to track and monitor to determine the current state of your chiropractic business and how to grow it.

Years of combing through the data on thousands of chiropractic businesses ranging from small, cash-strapped start-ups to large multi-million dollar enterprises has led us to be able to guide you in:

- 1 Knowing the numbers that truly matter
- 2 How to systematically track these numbers
- 3 Interpreting the numbers to identify the current state of your practice
- 4 Leveraging the numbers and implementing the necessary systems to grow

"In God we trust; all others bring data."

— W. Edwards Deming

Now, we're going to dive into each KPI and what it means.

IDENTIFYING THE BUMPS IN THE ROAD

Before we begin, let's run through the most common bumps in the road we find from chiropractors struggling to grow their business:

- Lack of clarity regarding their business model
- Doctors holding on to "practice past"
- Avoiding reality
- Doctors that don't know what they don't know
- Unaware of how to compete in today's marketplace
- Lack of understanding what the healthcare consumer really wants
- Doubt
- Raging indecisiveness
- Lack of commitment to becoming a better business leader

**99% of the time the bump in the road
is rooted in the FEAR of CHANGE!**

*"If you focus on **results**, you will never **change**.
If you focus on **change**, you will get **results**."*

- Jack Dixon

THE TOP TEN LIST

The Top 10 List

We've identified the top KPIs that you need to track and know at all times to grow your chiropractic business.

1 Profit

It's obvious to start with profit – but it's simply the most important. Many chiropractors get caught up on increasing topline revenue and focus their attention there. At the end of the day, it doesn't matter how much is coming in to your business – it's how much you are taking home with you!

Questions:

1. Do you know your profits? (You'd be surprised how many chiropractors don't.) If you don't, start here. You need to understand this – even if it's zero.
2. How often are you being updated with your profits?
3. How much profit did your business earn last year?

KPIs:

- ▶ Profit (\$)
- ▶ Profit Margin (%)

THE TOP TEN LIST

2

Cash

"Cash is the oxygen that fuels growth." – Verne Harnish

How would you rate your relationship with money?

If this is the first time you've thought about that question – odds are... your relationship isn't great.

It's hard to deny that cash is king when it comes to business. Find the cash in any business to find the real story.

"Your relationship with money permeates all other relationships."

– Dr. Douglas Sea

Our cofounder, Dr. Sea, created a money management system to solve the cash problem so many chiropractic business owners face. Read the book. Implement the system.



Questions:

1. What does your current relationship with money look like?
2. Do you have an emergency plan?
3. Are you living an affluent lifestyle?

KPIs:

- ▶ Cash Balance
- ▶ \$even Accounts System

THE TOP TEN LIST

3

Customer Satisfaction

At SIDECAR, we guide business owners in implementing patient-centric business systems designed to provide the best possible experience for each patient. Patients (your customers) pay the bills and drive the key end results of your business – so let's measure them.

Market research tells us that the #1 indicator of your future growth comes down to one question:

"Would you recommend this company to a friend?"

This is known as NPS – Net Promoter Score. It was created by Fred Reichheld and has been proven to be "The best predictor of top-line growth."

Questions:

1. Do you have a consistent way of getting customer feedback and input right now?
2. Where can you insert a system to get this feedback?

KPIs:

- ▶ NPS
- ▶ Testimonials
- ▶ Transformational Experience Score

THE TOP TEN LIST

4

Employee Engagement/Satisfaction

The team carries the dream.

As a business owner, you've got to know how your employees feel about their role and the company in general.

You know how important a strong company culture is to any organization. You can't claim to have a strong company culture without being able to objectively measure it.

Employees that are humble, hungry, and smart are worth their weight in gold.

The #1 problem dealt with in chiropractic businesses is people problems. Avoid this by getting feedback from your employees and optimizing your workplace experience to drive results.

Questions:

1. Have you ever tracked employee satisfaction or engagement? If not, start now!
2. How often do you engage with your employees to see how they're doing, what they need from you to succeed, and ensure they are set up for success?

KPIs:

- ▶ Cultural Index
- ▶ TIRP Enrollment
- ▶ eNPS

THE TOP TEN LIST

5 Your Business Model

We've identified three business models that you will find most commonly throughout the chiropractic market:

- 1 **The Prophet Centered**
- 2 **The Profit Centered**
- 3 **The Patient Centered**

The prophet centered business model can be best summarized by the phrase "if patients knew what I knew, they'd do what I do!" This model has the following characteristics: low average collection per visit, a uniform approach to patient care recommendations, and the need for a long line of new patients. These doctors spend a lot of time promoting Dinner with the Doc opportunities, spinal screenings, etc.

The profit centered business model squeezes every nickel out of every patient visit. These practices report high top-line production but tend to have a low collection rate. They are insurance dependent and bill multiple codes per visit. Patient visits are long in duration and the business sends out a high number of statements in an attempt to get paid for what they bill.

The patient centered business model is focused on creating a transformational experience for each patient. These practices have clear financial policies that don't confuse the patient. The doctors are focused on executing three things: clinical results, customer fulfillment, and financial accuracy. These doctors are empowered by their business model and enjoy the opportunity to live an affluent lifestyle.

Questions:

1. Which of these three models best represents your current business model?

KPIs:

- ▶ Average Collection per Visit
- ▶ Average Charge per Visit
- ▶ Collection %

THE TOP TEN LIST

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Building Your Brand

As a chiropractor, you are your brand.

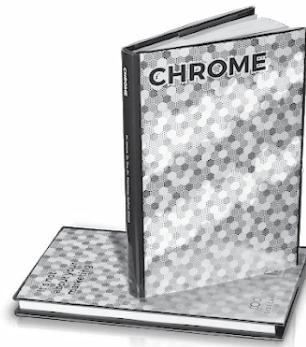
Everything about you makes up your brand.

You need to define your brand, understand it, and then use it to your advantage.

Establishing a strong brand opens you up to being able to market yourself effectively. Effective marketing enhances your ability to advertise.

And no, branding, marketing, and advertising are NOT the same thing.

We took everything we know about branding, marketing, advertising and put it into a guide. This guide tells nothing but the truth when it comes to effectively and efficiently building your brand.



Questions:

1. What do people think of your brand when they think of you?
2. How much money do you spend on marketing?
3. What is your most effective form of advertising?

KPIs:

- ▶ New Patient Visits
- ▶ Reactivated Patient Visits

THE TOP TEN LIST

7

The Three Wheels of the SIDECAR

There are three principles to every patient interaction that must be executed every single visit:

1. Clinical Results

Patients have to get clinical results in your office or you won't be in business for long. You must be a master of your chosen technique and utilize what you know clinically to achieve results for the patient.

2. Financial Accuracy

Your office needs financial policies that are clear and make sense to the patient. Patients have to understand what their financial responsibility is. If you surprise patients with a bill, don't be surprised if you never see them again.

3. Customer Fulfillment

The experience in your office needs to rival the patient's last best experience. Patients are comparing you to their most loved experiences. You and your team need to create a world-class experience.

Questions:

1. Are you a master of your technique?
2. Are the financial policies in your office updated and applicable to today's healthcare market?
3. Do you and your team stage a world-class customer experience?

KPIs:

- ▶ Current Active Retention
- ▶ 8 hour principle
- ▶ 1 minute principle
- ▶ Number of statements per month

THE TOP TEN LIST

8 **Labor Efficiency**

We mentioned earlier that the team carries the dream. We believe that every chiropractor deserves a team as good as they are. However, your team can also hold your business back.

One key number to track is how efficient and effective your employees are. You should see a progression over time that your business gets more value (profit) per employee dollar spent.

Tracking and optimizing this component over time will lead you to become a very happy business owner.

Questions:

1. What key measures do you currently look at to measure an employee's effectiveness?
2. Do you track your employee overhead as a % of revenue and profits?

KPIs:

- ▶ LER – Labor Efficiency Ratio
- ▶ Employee overhead vs. Revenue or Profit

THE TOP TEN LIST

9

Customer Fulfillment

All these numbers mentioned are for naught if you can't fulfill your customer base. We live in an experience economy – the experience in your office is the #1 marketing and advertising tool you've got.

It's essential to be able to evaluate the key numbers to help you measure the level of fulfillment achieved in your office.

We know that there are five components that must occur to create a Transformational Experience:

- 1 It's about time
- 2 It's not what you do, but how you do it.
- 3 Only and Exactly
- 4 Surprise!
- 5 All for one

We take the customer experience very seriously – that's why we've partnered with the experts. Learn more about them here.

Questions:

1. How would you rate the experience in your office?
2. Of the five components listed – which one is your office the strongest in? The weakest?

KPIs:

- ▶ Transformational Experience Score
- ▶ Reactivated Patient %

THE TOP TEN LIST

10 Fundamentals

Lastly, there are fundamental principles in every chiropractic business that must be trained and mastered to ensure a replicable patient experience.

These fundamentals help to guide the office flow operations within your office and help to gauge how you and your team are performing.

When executed properly -- the best possible outcome for every patient visit is achieved.

Questions:

1. What is the average time per visit a patient spends in your office?
2. When are the busiest times in your office?
3. What metrics do you currently keep to track your office flow?

KPIs:

- ▶ Door-to-Door Time
- ▶ 2.5 Hour Principle
- ▶ Peak Time

We've highlighted ten areas that are critical to own as a business owner. However, there's more out there. In fact, there are over 30 KPIs we've identified and track regularly to ensure business success.

Now let's talk about how you track them.

TRACKING AND MONITORING YOUR KPIs

Tracking and Monitoring your KPIs

Now that you know what numbers you need to track and monitor – how are you going to do it?

Simple.

Introducing, the **SIDECAR KPI Dashboard**

We've created a dashboard that is easy to use, simple to implement, and fully automated.

Check out this video that walks you through everything you need to know about utilizing the SIDECAR KPI Dashboard.

ONE CORE METRIC

One Core Metric

As a chiropractor, you live in a service business. As such, the only product you offer is your time.

How you spend your time with the patient is your product. Whether it is delivering a specific chiropractic adjustment, nutritional counseling, acupuncture, massage or physiotherapy, you are selling your time.

Your #1 product is your time.

Our time is our product and we fail at trying to manufacture more of it.

To change your business, you need to stop performing dollar per hour work and start performing dollar per minute work.

Something has to give and the process of growth begins by shedding.

Once you understand the true value of your time you will:

- 1 Make more money**
- 2 Work less hours**
- 3 Enjoy guilt-free time off**
- 4 Become a confident business leader**
- 5 Live your AFFLUENT lifestyle**

YOUR OPPORTUNITY:

THE SIDECAR BUSINESS NEEDS ANALYSIS

Congratulations!

By making it this far through the KPI Guide you've learned enough information to make changes and grow your business.

SIDECAR is your guide for billing, business development, and belonging.

So, what's the next step? **The SIDECAR Business Needs Analysis.**

The Business Needs Analysis is a crime scene investigation into your business that will provide you with:



- **Clarity** on your business model
- **Systems** that will solve your problems
- **Implementation** – what to do and how to do it.

The analysis itself will **change** your life.

Click below to begin your Business Needs Analysis.

Let's Ride!

*"The gap between ignorance and knowledge
is much less than the gap
between knowledge and action."*

- Anonymous