# Leadership in a Time of Crisis: A Guide for Aesthetic Practices



A FUNDAMENTAL APPROACH TO CRISIS LEADERSHIP

10 minute read

#### **By Brian Hayes**

Leadership has long been identified as the key component in the success of any organization. During times of crisis, effective leadership is even more valuable, but significantly more challenging for the leader.

Among the many hats you wear as an aesthetic physician, you may be feeling the most pressure from your role as a business leader. So how do you lead effectively during these unprecedented times?

During a crisis, experienced leaders concentrate on the fundamentals in order to protect their teams and lead their organizations to safety. This article presents a fundamental approach to crisis leadership, with the goal of helping you deal with the professional and personal challenges of leading your practice.

### Develop a leader's mindset

The first step in crisis leadership is to develop the proper mindset. It is completely normal to be concerned or frightened right now. Great leaders are not expected to be fearless, they are expected to be courageous, moving forward despite their fear. Leaders are not expected to have "everything under control" but rather to concentrate their efforts on those things they can control, and not waste energy on those things they can't.

You're not expected to have all the answers. Leaders are decisive, taking action based on the best information available. In this fast-evolving crisis, it is important to listen and learn, gathering as much information as possible. However, obtaining all the information you need to make a perfect decision is unlikely. Action is better than overthinking. Whether in good times or bad, great leaders make quick decisions, aligned with their goals, based on the best information available. They don't expect to have all the answers, instead they surround themselves with great teams and focus on asking the right questions.

### **Knowledge is power**

It is critical that you understand EXACTLY where your business stands right now. What is your current financial situation? What are your monthly operating costs? What bills are due or pending? Do you have automated ordering or billing systems that need to be addressed? Do you have products or supplies that will expire soon? How long can you go with zero revenue? This is a time for gathering detailed information, not a time for guessing or assumptions. If you haven't already done so, contact your accountant and practice manager and get these answers ASAP.

It's understandable that some of the information you receive may be difficult to hear. As I outlined in the mindset section, put your energy into those things you can control. Use this information to create a plan and guide your actions. Regardless of how difficult your current situation is, there are tactics and strategies to deal with it. Once you know the detailed state of your practice, you can get to work on leading your way through this.

## **Planning: Tactics and Strategy**

The idea of creating an effective business plan during such an unpredictable environment may sound impossible. However, the lack of even a basic plan will make you vulnerable. This crisis is evolving quickly, however taking a wait-and-see, reactive approach can lead your business far off course, while also putting significant personal stress on you.

I've written several articles about the importance of both tactics and strategy, particularly how these terms are often used incorrectly (and interchangeably) and the need for balance between the two. Simply put, strategic planning focuses on those actions needed to reach long-term goals (1- 5+ years), while tactical planning focuses on short-term goals (1- 3 months).

With so much uncertainty surrounding the impact and duration of this crisis, the traditional approach to strategic and tactical planning must be modified. In this environment, your immediate actions should become much more tactically focused. Imagine you were at sea and fell overboard. While it would be important to think about reaching a beautiful island or signaling a passing ship for help, your immediate focus should be on staying afloat and preserving your energy.

Begin by shortening the time horizon for your planning, changing your focus from years to months. What do you need to do to keep your practice alive and ready to restart business in 3-6 months? I believe this is a reasonable timeline not because I have a crystal ball, but based on current information and expert's predictive models. A market shutdown beyond 6 months will require revised planning on your part and would likely trigger new scenarios, such as additional government intervention, which must to be considered. Accurately predicting the business landscape beyond 6 months is outside of a leader's ability to control at this point.

Focus on those actions you need to take this week. Then review your results relative to your goals/priorities and adjust your tactics for next week. There is ample information available to operate effectively in this timeframe. Not only is this important for your business success but also for the mental health of you and your team. It's much more difficult to be scared when you're focused on daily and weekly actions. You'll take pride in your progress and the feeling of having some control in the face of chaos will be powerful. As the old saying goes; "How do you eat an Elephant? One bite at a time."

#### **Prioritize**

Start by putting first things first. It's easy to see the multitude of items that need your attention as equally urgent and necessary, however trying to address everything at once is a recipe for overwhelm and paralysis. Work with your team to make a list of items to be addressed, then weigh and rank them by their ability to impact your practice (positively or negatively). Convert the list into tangible action items, ranked by importance and begin working through the list.

One likely priority is to reduce outgoing cash flow and cut fixed costs. Looking at your practice from an accounting perspective, your largest operating costs are undoubtedly related to staff and payroll. Faced with little to no revenue, many practices are making the difficult decision to layoff some or all of their staff. However, I believe this step should be your very last resort.

A leader's primary responsibility is to support and protect their people. Your team is your most valuable and important asset. *They must not be viewed as a cost!* I'm empathetic to the pressure you're under and I know the prospect of zero revenue for a prolonged period may ultimately require you to lay-off your team. I urge you prioritize other cost-cutting measures before taking this step. Even with reduced or no office hours, you will need your team's help to effectively navigate these stormy seas and you will need the support of a dedicated team once you're through this crisis.

Address other operating costs first. Call your bank or landlord and ask for a pause/reduction in your rent/mortgage. Contact your credit card companies and ask that payments be reduced or suspended for 3 months. Do the same with any equipment leases or payments due to suppliers. Stop auto-shipments. Ask to return unused supplies for a credit.

Get creative. Can you reduce salaries across the board before letting everyone go? If you stop paying salaries, can you continue to provide benefits for a period of time?

I assure you, investing in the protection of your people will create a level of trust, respect, and loyalty that will be unbreakable. The loyalty and dedication you create will be invaluable in helping your practice get through this difficult time and will position you to thrive in the future.

NOTE: While there is still much confusion, the recently passed stimulus package (CARE Act) will provide USA practices with quick access to emergency funding. In particular, this funding provides practices with cash to continue to pay employees for a period of time and funds used for this purpose may not need to be repaid. I'll post a follow-up article with additional information asap. In the meantime, more details may be found <a href="https://example.com/here-needed-com/he

#### **Communicate**

Effective communication, both internal and external, is critical. Regardless of how difficult the circumstances are, clearly communicate your current situation, priorities, and plans with your team. Be honest and direct, even if you're communicating bad news. Keep them updated as these messages evolve. Connect with them as a group and individually. Do the same with your patients.

The goal is to COMMUNICATE, which means listening as well as speaking. As I mentioned earlier, great leaders don't have all the answers, they ask great questions. Effectively listening to your staff and patients will give you valuable insights as to how to move through this period. They offer unique perspectives that can guide your planning, content creation, service offerings and more.

### Serve, don't sell

With your practice at a standstill, you're not only looking for ways to cut costs but also generate at least some revenue through online product sales, taking deposits for future procedures, etc. But should you?

Once again, I empathize with your situation, but consider your patients. What are they facing right now? The majority of Americans are focused on the health and safety of their families. They're likely dealing with their own job loss or <u>facing their own</u> <u>financial difficulties</u>. What will they think of your marketing and promotional efforts during this time?

Consider your own experience as a consumer. You're probably being inundated with offers promoting aggressive discounts on aesthetic devices and products. Are you excited about these promotions? Do you see these companies as providing the type of support and partnership you need right now? How will you view these companies when this is over?

This extraordinary time calls for more service and less selling. As outlined in the last section, communicate with your patients. Seek to understand the challenges they're facing and how you can help. Be creative. If they value skincare advice and aesthetic beauty tips, excellent. However, don't restrict yourself to aesthetics. Find ways to connect with, support, educate or entertain them.

I'm thrilled and inspired by those doctors who are demonstrating this example by donating needed supplies and ventilators to local hospitals. Some have offered their facilities for the treatment of minor injuries to take the pressure off the local ER. Many have offered tips on Coronavirus protection or how to treat minor injuries at home. One creative surgeon, no doubt recognizing that many of his patients are parents with children at home, even offered <u>online art classes!</u>

It may sound counterintuitive, but the best approach is to stop selling for now and find ways to serve. While this won't help your immediate cash flow issues, it will have a major impact on your patients and your community, as well as position your practice for growth in the future. This is not just about doing the right thing. As with your staff, a commitment to serving your people will create trust and loyalty among your patients that no marketing program could ever hope to duplicate. You will need that trust and loyalty to move forward.

### Long-range strategic thinking

Once you address your practice's most urgent needs, you must begin thinking about and planning for the future. While there are still many unknowns, I am certain of two things: first, this crisis will end, and second, the new business landscape will be dramatically changed.

Provided you're aware and prepared, this will create an incredible opportunity. The Dotcom bubble, the September 11th attacks, the 2008 recession, while admittedly none of these is on the same scale as our current crisis, in all cases business eventually returned stronger and more vibrant than before.

However, not all companies thrived in the recovery following these events. Those that struggled or failed provide key lessons for us as we move forward. The companies that struggled post-crisis spent significant amounts of time, energy, and money trying to recreate "the good old days" and do business as they had always done. Those businesses that succeeded, did so by innovating and adapting to the new environment. While I can't predict exactly what the new environment will look like, I assure you it will require you to evolve and adapt in order to thrive.

How do you prepare? Invest in your people. Focus on timeless aspects of business: relationships, providing value, service, etc. Communicate with your patients. How will you best be able to serve them following this crisis? Why would they choose your practice?

Listen and learn.

## There is no "one-big-thing"

Recognize that there is no "one-big-thing" that will get you through this storm. A single speech will not provide lasting motivation for your team. There's no single social media post that will secure your position with your patients. Effective leadership is a lot of little things, consistently applied. In the words of leadership expert John Maxwell, "consistency compounds".

### **Protect yourself**

Leaders are human. You're a doctor, a small business owner, the leader of your family, parent... Many people count on you to lead, support and provide for them. Regardless of how strong and confident you are, this responsibility is stressful under "normal" conditions. Now that your people need you more than ever, this pressure can be incredible.

Acknowledge that and protect yourself. Leaders need a support system too. Surround yourself with family, friends, colleagues, who will listen to you and will understand.

Give yourself breaks. Give yourself permission to rest. Workout. Read. Meditate. Stay healthy mentally and physically. You can't help others if you break down.

You will get through this. Hopefully, you will soon look back on this time as a bad memory, but you may also come to see it as a time of extraordinary growth.

Stay safe and healthy.

#### **Brian Hayes**

Orion Strategic Consulting <a href="mailto:brian@thehunterorion.com">brian@thehunterorion.com</a> <a href="mailto:www.thehunterorion.com">www.thehunterorion.com</a>



About Brian: I've held sales, marketing and leadership roles in the aesthetic medical business for more than 23 years. During that time I've worked for market leading corporations, launched multiple startups, built and led high-performance teams, and generated hundreds of millions of dollars in sales. Currently, I am the Founder and President of Orion Strategic Consulting, which I created to help aesthetic practices become thriving businesses; by providing leadership coaching, team building, strategic planning, and business process development.