

# Maximising the potential of your practice

## Part 2 – Taking advice



In the second of three articles on getting the most from your practice, *Optician* examines what specialist business consultants have to offer

In Part one of this series (March 31) we looked at tracking the performance of your practice, the seven Ps and factors to consider when choosing external consultants to help develop your business.

This week, *Optician* examines the various business consultants specialising in optical practice, their background and the services they provide.

### EROS BUSINESS CONSULTING

Established in 1998, Eros Business Consulting is run by optometrist Bob Hutchinson, who has spent 25 years in retail and wholesale optics.



A former chairman of the Federation of Ophthalmic and Dispensing Opticians, Hutchinson helped secure a national apportionment system for VAT. More recently, he has worked with government, statutory bodies and health contractors on clinical governance issues.

Eros is based in Suffolk and has worked with a variety of clients, from Specsavers and medium-sized multiples, to smaller groups and sole traders. Hutchinson also advises optical manufacturers and service providers.

Target markets in the retail sector are start-ups, existing businesses wanting a health check to improve growth, and practices in need of trouble-shooting. Eros also offers help with the sale or purchase of a business and with banking facility discussions.

The company has a network of associates offering advice on marketing, finance and tax planning, web management and IT, HR and investment.

Hutchinson says that each client assignment starts by positioning the business, its

owners and staff against known industry norms. Frank discussions from top down identify the strengths and weaknesses of the business and provide the opportunity for the whole team to buy in to the changes required.

'Eros looks at every part of the current business from financial set-up and VAT apportionment, to stock control and product mix. After identifying and priori-

#### What it costs

Each process is agreed with the client and work is charged on a time basis at an agreed rate from £400-600 per day, depending on the size of the business, with reductions for longer term assignments

#### Whom to contact

Eros Business Consulting, Bassett House, Bury Road, Newmarket, Suffolk CB8 7BY. Tel 01638 667770, email [solutions@erosconsultants.com](mailto:solutions@erosconsultants.com), website [www.erosconsultants.com](http://www.erosconsultants.com)

tising the key areas for improvement we agree them with the owner/manager and provide them with help to help themselves,' he says.

'We often advise putting in place reliable and informative practice management software that will save time and money and provide practices with the figures they need. Only when you can measure the business do you know the engine is fine-tuned, and only then is the time to consider marketing.' For more specific issues such as VAT, Hutchinson will negotiate for clients with local VAT officers.

Hutchinson advises practices against letting consultants immediately change the way the business is run. Improvements in marketing are often worthwhile but not necessarily the first task. 'You already have a core business, so why not try to improve that first?'

### HIRJI ASSOCIATES

Midlands-based Hirji Associates was established in 1996 by Professor Nizar Hirji, who is also its principal consultant. He has optometric, academic and business qualifications and experience in a variety of senior posts over 30 years.



A practising optometrist, Hirji is personally involved in each project. The consultancy process begins with a systematic audit of the business: analysis of the practice's market, patients and customers, competitors and suppliers, and a review of its objectives and strategy. Hirji then examines the capability of the practice to implement any agreed strategy and its ability to analyse, plan and control the business. Reviewing the profitability of the products and services offered, their cost effectiveness and the marketing mix, is a key part of the process.

Audit starts with the owner/manager supplying strategic, operational and financial information before any meeting or visit takes place. This information could include trading accounts, day-to-day activity reports, samples of promotional activity, methods of scheduling patients, the range of products/services offered, details of the staff and their skills/training, and any special supplier arrangements. Clients are asked about the challenges facing the business and the outcomes they are looking for. A practice visit is then scheduled.

An audit on a single-practitioner practice is normally conducted within half a day, although the larger the business the longer the visit. An additional day is allowed for analysis and reporting.

Hirji says that his company offers no 'quick fixes'. 'We don't confine ourselves to a limited aspect of the practice, such

#### What it costs

Fees are charged on a per day basis and the number of days is agreed at the outset. A half-day audit costs from £380 plus expenses. Alternative methods of charging are also considered

#### Whom to contact

Hirji Associates, 7 Milford Rd, Harborne, Birmingham B17 9RL. Tel 0121 682 7041, email [nizar@hirji.co.uk](mailto:nizar@hirji.co.uk), website [www.hirji.co.uk](http://www.hirji.co.uk)

as key financial drivers, and then provide off-the-shelf answers, nor do we offer "one size fits all" marketing or training solutions.

He explains that solutions to maximise the practice potential can include anything from simply re-organising the appointment scheduling, to more complex re-engineering of the business. Audits often identify multiple factors for maximising potential, such as the introduction of new skills, retraining staff, revision of fees and charges, or a need to articulate and communicate a clear strategy.

**INSIGHT MARKETING**

Insight Marketing provides marketing consultancy and marketing materials to independent optical practices. The company is run by Graham Hutchison who has an MBA and is a fellow of the Institute of Direct Marketing. It has an affiliated team of four design staff who produce patient newsletters and leaflets.



Insight Marketing was established by Hutchison in 1990, initially to offer marketing consultancy to small firms under the DTI consultancy initiative. Because he had worked as a marketing manager in the optical industry since 1983, many of the DTI projects awarded involved helping optical practices.

According to Hutchison, the same issues kept arising. 'There was very poor or non-existent marketing due to three main reasons: a lack of understanding by opticians about the need for regular customer communication; a lack of knowledge about how to promote a practice successfully; and a lack of financial resources to implement an ongoing marketing programme.' Meanwhile independents were losing market share to the multiples that successfully used their marketing power to attract new patients.

**What it costs**

Membership of the Independent Marketing Partnership costs £395 per year. Marketing leaflets cost £195 per 1,000 and newsletters £295 per 1,000. Individual consultancy is either charged on a project basis or at a daily rate of £500. A typical marketing project would take 3-5 days, including a report

**Whom to contact**

Insight Marketing, 9 Southwood Gardens, Hinchley Wood, Esher, Surrey KT10 ODF. Tel 020 8224 1595 email info@insightmarketing.co.uk, website www.insightmarketing.co.uk

To address these issues, in 1996 Insight Marketing established the Independent Marketing Partnership, now the largest marketing support group in the UK with 700 practices. Members are offered 12 marketing programmes a year, as well as promotions aimed at attracting new customers, such as household leaflet drops. Another benefit is practice newsletters, made more affordable by spreading the cost of design, artwork and printing over the membership.

The partnership also provides marketing consultancy free of charge to members. Face-to-face consultancy is available, but Hutchison says this is rarely necessary as most marketing issues can be resolved either over the phone or internet.

Aside from marketing support, the partnership offers members a free quarterly benchmarking service. Every three years, it carries out a patient satisfaction survey for members.

For Hutchison, the principle behind his consultancy business is to offer 'honest advice based on an assessment of each practice's specific marketing needs'. Although most practices would benefit from better customer communication, certain types of marketing activity are not appropriate for some practices, he says.

**MYERS LAROCHE**

Founded in 1986 by Patrick Myers, Cheshire-based Myers Laroche is the UK's largest firm of business advisers specialising in helping optometrists, opticians and ophthalmologists improve their practices.



Myers' interest in optics began as a business management student at Brunel University where he developed a machine to measure eye fatigue. Joining Thorn EMI as a postgraduate trainee, he worked in the defence market before eventually moving into management consultancy.

In 1994, Myers La Roche became the marketing partner of the Association of Optometrists. Myers has since established the Optic2000 Club, which provides monthly information on market conditions to practitioners. Eight years ago, he set up a division that manages the sale and purchase of optical practices.

The company currently employs 12 consultants including marketers, management consultants, solicitors, accountants, graphic designers, IT/website specialists, trainers and practice negotiators. Associates are used for specific assignments such as VAT advice and copy writing.

Myers has worked with more than 400 optometrists and opticians on business

**What it costs**

Costs vary with the product or service provided, starting from £12.50 per month for membership of the Optic2000 Club. Fees for selling a practice are based on 6 per cent of the transaction value. Design fees are based on an hourly rate of £65 and consultancy fees are £140 per hour. The AOP has negotiated reduced rates for members

**Whom to contact**

Myers Laroche, Regents Court, 1 Lloyd Square, Altrincham, Cheshire WA14 2RL. Tel 08700 620430, email info@myerslaroche.co.uk www.myerslaroche.co.uk

improvement and marketing assignments. A majority of clients are independents; the company's smallest clients typically consist of two people (an optometrist and a receptionist) although its largest current client employs nearly 50 staff at one practice.

Among the range of services Myers Laroche offers are practice development strategies, business planning, market research, practice health checks and pricing formulae and policies. The company also provides an expert witness service and dispute resolution. Other specialised work includes investigating sites for new start-up practices, and design and campaign management. Management and marketing training is also available.

For Myers, the objective of its consultancy offer is to increase the clients' sales and profits in a tough and changing market. 'Some clients are probably insolvent when they come to us – although they may not realise it! However, our most successful clients probably believe they're doing quite well but would like to do better.'

**PTR CONSULTANTS**

PTR is an ophthalmic marketing and professional services consultancy based in Hampshire, established by Nick Atkins and now in its third year. Atkins is a contact lens optician who has gained business, sales and marketing experience over the past 14 years, working for Bausch & Lomb and as general manager of Advance VisionCare, an independent laser eye surgery clinic.



Atkins is the sole proprietor of PTR but a creative design and print service is available to clients through an affiliate company. Sister company Proven Track Record provides clinical or commercial training support, with associate tutors from a variety of backgrounds.

PTR has independent practices among its client base, alongside pharmaceutical, ophthalmic equipment and contact lens companies.

Atkins' focus for independent clients is marketing, from positioning and pricing to promotion and PR. Consultancy is often aimed at restructuring the business model into one based on charging realistic fees. PTR offers a bespoke service on a short-term project basis although it can provide ongoing marketing support. However, a review of the contact lens business and conversion to a professional fee model (including practice visits) would typically take 4-5 days of consultancy time.

The company's creative design and

#### What it costs

PTR charges a daily rate for time spent with clients, based on £60 per hour. The amount of time is confirmed upfront based on the size and scope of the project. Initial discussions and a first meeting are conducted without obligation and the charge for this 1-1.5 hour session is a nominal fee to cover expenses

#### Whom to contact

PTR Consultants Ltd, Tel 0870 757 4489, email [nick.atkins@proventrackrecord.co.uk](mailto:nick.atkins@proventrackrecord.co.uk) website [www.proventrackrecord.co.uk](http://www.proventrackrecord.co.uk)

print arm produces bespoke consumer literature for those clients who want quality, personalised literature rather than 'off-the-shelf' products, he says.

Atkins says his philosophy is to provide clients with easy to understand, practical support to improve their commercial success. 'Optometry is not retail in the purest sense and cannot simply adopt retail strategies to try and compete with the 'big boys'.'

But he warns that clients need to truly want to change things and be prepared to listen to new ideas. 'A "can do" attitude is essential as consultancy can't work if the client isn't prepared to listen, or finds excuses not to implement the consultant's recommendations,' he observes.

#### SIGHT CARE

Established 16 years ago by the Association of Optometrists, Sight Care is a not-for-profit business support group for independents. The Hampshire-based company is owned by members and provides a range of benefits to help maximise business potential.

Sight Care's team includes chief executive Paul Surridge, a marketing



manager and three regional managers to consult with member practices. These individuals are supported by an in-house administrative team of 15 staff who also work with external creative, marketing and business services specialists.

Annual membership of Sight Care entitles members to a wide range of services, including in-practice consultancy to review financial and business opportunities and advice on establishing business, marketing and promotional plans. Members receive twice-yearly personalised patient newsletters and help with copywriting and design of practice brochures and leaflets. The group also runs its own practice benchmarking service.

'From a consultancy perspective, we do not charge members for practice visits to review financial and present-day business activity,' says Surridge. There is also no charge for any recommendations we may make in establishing business, marketing and promotional plans. Literature design and print are charged at cost with no additional charge for copywriting.

'All members can seek support and advice via practice visits, telephone, fax or email,' he adds.

Other services, from bespoke newsletters and patient surveys to website design and construction, are available at an additional charge. The group also provides a buying group facility and competitive terms for prescription work and other goods and services. A staff recruitment service with a flat fee of 8 per cent and personnel, health and safety consultancy are among other optional benefits.

For Surridge, maximising the potential of any business today requires considerably more judgement than luck. 'Within a highly competitive optical market, it's rare for an independent practice to reach its potential and then go on to increase profits year on year unless there is a clearly defined strategy and plan of action.'

He adds that key components in the mix are the practice owners' business aptitude and attitude to change, as well as the motivation and commitment of staff to deliver excellence. 'Business success is a journey, not a destination. It's a never-ending commitment to continual improvement.'

#### What it costs

Sight Care members can choose to access all or some of the benefits available. Annual membership for a single practice is £580, and £120 for each additional practice, and includes a range of benefits

#### Whom to contact

Sight Care Group, Bakers Business Park, Pardown, Oakley, Basingstoke, Hants RG23 7DY. Tel 01256 781522, email [info@sightcare.co.uk](mailto:info@sightcare.co.uk), website [www.sightcare.co.uk](http://www.sightcare.co.uk)

#### TCOS

TCOS was established in 2005 by dispensing optician Tony Clark. The team has over 25 years' experience, as qualified professionals and senior managers working in both independent and multiple sectors. The company specialises in improving business profitability, company, team and individual performance and professional resource management.

TCOS offers a range of services from assessment and analysis to consultancy, business review and specialised services. These include finance (P&L analysis, establishment of Key Performance Indicators, data sheets, benchmarking and budgeting processes and operations (development plans, customer satisfaction analysis and professional resource planning), as well as marketing and people-based services. HR support and



#### What it costs

Costs depend on the work required. An introductory day costs £450, plus £350 for a report. For bespoke project work an individual estimate is provided. The cost of a full business review is tailored to the scope of the task and size of business. Detailed costings are discussed prior to any contract of work

#### Whom to contact

TCOS, Lurley Farmhouse, Lurley, Tiverton, Devon EX16 9QS. Tel 07742 497222, email [tcos@btinternet.com](mailto:tcos@btinternet.com)

management training are provided by qualified HR practitioners.

A typical starting point would be a one-day review of the practice or group, from which an outline report of findings can be produced. A first meeting with principal and key stakeholders and key support staff, to understand the culture, processes and performance of the business, is followed by a review of the practice/practices and local competition. Initial feedback is then provided.

Clients are asked to consider how the business could perform differently, what is happening to the sales and profit trend line and why, what development activity is in place to improve profitability, if any aspect needs to be reviewed and improved, and whether TCOS can offer any solutions.

A tailor-made package of support is then put together to meet the needs of the individual business. The company's approach is based on the balanced scorecard model which reviews each of the key business disciplines: finance, operations, people, marketing and communication.

According to Clark, practitioners can expect honest and direct feedback on the business issues identified and the potential solutions required. 'The essential foundation of a successful optical practice is the provision of high quality, friendly, professional service and independents are very well placed to deliver this,' he says.

**TMR LTD**

Based in Fleet, Hampshire, TMR is a specialist consultancy working nationwide to increase sales, profitability and growth within retail optics. Since 1993, the company has worked with more than 1,500 practices, primarily independents and regional groups.



The company's two consultants each have more than 25 years' experience in retail and manufacturing optics. Managing director Martin Russ's experience in optics began in 1979 with an independent optical group in Bristol and the South West. Since joining TMR in 1993, Russ has trained and lectured in the UK and abroad, and published widely on practice management topics.

The main services TMR offers are training and business consultancy, although the company also advises on staff recruitment, new practice acquisitions and practice sales. Most services are bespoke to suit the needs of the practice and the aims and aspirations of the owner.

Some practices choose TMR's retained consultancy services, using the company as a permanent part of the practice business team year on year, while others commission it to work on a single-project basis, for activities such as competitor analysis or site surveys. Projects have varied from a few months to five years or more, depending on the level of involvement and the changes desired.

TMR also offers marketing services,

from practice newsletters, brochures and reminder letters, through to full marketing planning services. Mystery shopping, patient satisfaction surveys or a complete advertising/promotional campaign are among the marketing support services provided.

For Russ, the most important task for the company is to identify ways for the practice team to work 'smarter not harder', while providing greater levels of care and service to patients. 'For an established practice it's more likely that many small changes will improve results, rather than one large change,' he observes.

TMR's approach is not just to consider Key Performance Indicators, but also how the 'customer journey' can be improved to enhance patient care and, ultimately, practice performance.

So what can clients expect to achieve? Russ says that improvements to patient satisfaction and practice profitability are the expected outcomes. 'It's not possible to make guarantees, but previous clients have experienced increases of around 30 per cent in profitability, along with similar improvements in patient satisfaction – measured with a detailed patient survey.'

**TOPPIN/YOUNG**

Glasgow-based Toppin/Young was founded in 2003 by Archie Toppin, an optometrist in independent practice for 30 years, and David Young, in charge of motivational training and sales at Lever Brothers Scotland. The pair have worked with established independents and groups who want to maximise profits and reduce workload. Toppin is responsible for planning and monitoring and Young carries out on-site training.



Toppin/Young offers bespoke, long-term consultancy with a hands-on approach, from tax planning and VAT to training and the 'patient journey and experience'. It aims to become intimately involved in the day-to-day running of the client's practice.

The company's approach is based on Toppin's personal experience, as he explains: 'I hadn't intended to do this work, being quite happy to potter about and do nothing, but other optometrists heard I was earning a good income without having to work and asked me to show them how to do it.'

The consultancy process involves investigation and analysis, setting goals and targets, preparing a plan and putting it into action, then monitoring the plan constantly.

Toppin's principle is that 'every little thing matters, right down to the smallest

**What it costs**

Toppin/Young charges £20,000 per practice plus expenses, with discount for additional practices

**Whom to contact**

Toppin/Young, 73 Renfield St, Glasgow G2 1LP, Tel 0141 353 1898

detail'. Among the services provided are profit planning, leadership training, pricing for profit, business modelling, staff training and motivation, competitor analysis, shop-fitting, relationship marketing, practice magazines and leaflets, profit share targets, stock control, VAT and tax planning.

'You can earn more and work less – it's easy when you know how,' he says. 'Ethical and clinically orientated practices can be very profitable when the correct business model is identified and developed.'

**CONSULTANTS4OPTICS**

London-based dispensing optician Yogesh Patel offers specialist business advice on VAT, financial analysis and accounting. Patel has management experience in multiple groups



as well as having run an independent practice and two optical franchise companies. His clients include franchisees and independents, single practices and small groups.

Although performance management is its main area of interest, Consultants4Optics has been involved in practice set-ups, including the business plan and profiling. Typically, clients are seeking VAT advice but Patel can also provide tailored training in management and dispensing to enhance practice performance.

Patel says that his business is built on recommendation. 'We have a strong emphasis on relationship. We believe that consultancy is not about running a business on behalf of a client. Nor is the consultant's role about justifying or confirming what the client wants to hear – it's about stimulating beneficial changes.'

**What it costs**

Costs depend on the size of the project and type of advice provided, starting from £250 per day

**Whom to contact**

Consultants4Optics, 36 Broadway, Stratford, London E15 4QS. Tel 0790 447 9699, email consultants4optics@hotmail.com

**What it costs**

An initial visit to assess needs by observing the 'customer journey' and discussing needs with the practice owner/manager costs from £495, depending on the detail of the report required and location of the practice. Subsequent work and follow-up will be quoted for in the initial report on an individual basis. Customised practice team training and development costs from £1,150 per day

**Whom to contact**

TMR Ltd, 341 Fleet Road, Fleet, Hampshire GU51 3NT. Tel 01252 626137, email martin@tmr.co.uk, website: www.tmr.co.uk