

## Ep 181: Dr. Mike Abernathy - Creating Cultures of Excellence



### **Full Episode Transcript**

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**Dr. David Phelps**

**[Dentist Freedom Blueprint](#) with Dr. David Phelps and Evan Harris**

## Ep 181: Dr. Mike Abernathy - Creating Cultures of Excellence

You're listening to a special edition of the Dentist Freedom Blueprint Podcast. This four-episode summer series is your all access pass inside the closed doors of the Freedom Founders Mastermind. You'll hear special presentations from your host Dr. David Phelps and some of his top trusted advisors as they give straightforward advice to transform your practice into a self sufficient cash machine to compound your net worth and to multiply your cash flow streams with hassle-free real estate. These never before release presentations were recorded live from inside the Freedom Founders Mastermind in Dallas, Texas. More at [freedomfounders.com](http://freedomfounders.com)

David Phelps: The gentlemen that you'll have the privilege of hearing from is someone I've known for many, many years. He graduated ahead of me with honors at Baylor College of Dentistry, a few years ahead of me. Has his own story, has his own story. As we talked about this morning, life is never a straight trajectory as much as we want to lay out those plans. There's bumps and bruises on the way/ I'm sure he'll share some of that story.

But, what I like to do is bring people with real character, with real integrity that share from the heart. We both come from the school of introverts anonymous, so getting up here in the front is not always the greatest thing. But when you have a conviction and something to tell, it's something you want to do.

Mike Abernathy is somebody who helped me, he'll help me in many ways some 10 years ago when I had a practice sale that failed. I knew Mike enough and had spent enough time to know he would be a great guy to come and give me some guidance because we all need mentorship. We all have those blind spots when we're

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going through struggles and who better to come in and help?

He made a huge difference for me and my practice. I've had now the privilege to travel with him and really get to know who the man is. He's a person who has a real grip on reality. He tells it like it is. He has a clear vision for the future. But behind that rather blunt exterior is a man with an enduring faith, a true conviction and an undaunting spirit of giving back. So without further ado, I'd like to introduce my good friend, Dr. Mike Abernathy.

Mike Abernathy: That was way too long. I wasn't going to tell him that I went through a divorce, was addicted to drugs and stuck a 45 my mouth and pulled the trigger and someone introduced me to God. But if you want to know about it, I'll talk to you later. My problems when I talk to doctors, they think they're captured in a place that they can't get out of. And again, they can't handle the truth. You can't just tell that to them. You have to listen and then go, "Well, have you ever thought about ..."

But I felt like Dr. Phil like, "What were you thinking?" You get the idea. I mean, I'm looking at people that are the highest educated people in the world, they have income potentials that are in the top 1% of the world, and they're struggling. I mean, give me a break. There was an article in Dental Town this last month by Howard Fran. He's going, "Don't come up and tell me that you can't afford to pay your bills because you refer out root canals, you refer out oral surgery and you don't do this. Are you kidding me? Go take a course and learn to do it."

So again, I'm not telling you this. I can't tell you that. But when you talk about accountability, what we're talking

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about is that, well, accountability is kind of like rain. Everybody knows we need it, but nobody wants to get wet. Now, that just doesn't work. There has to be accountability. It means answering or owning up to all your actions and results. You have to own your performance regardless of the amount of noise that's going on around you. You still own your performance, okay, bottom line.

Accountability means letting your actions rise above your excuses and I've heard every excuse. I talked to David, I said, "What do you want me to talk about?" It was totally opposite of what Robert wanted me to talk about. But again, this is kind of a mindset. As you sit here making decisions about real estate, making decisions about your practice, I want to throw out some things because you're not going to get through this without having a great team around you, and that is not a strategy.

I've had 20-something practices. I start five or six practices every year, I own real estate. I mean, I've had to make decisions about that. I have other investments. But, the best thing I ever did was sit down and decide that my business would be purpose-driven, owner-lead or doctor-lead if you're a dentist and then staff-owned.

I want to go through these real quickly to give you an idea what that might look like because for you to get where you want to get in life, you're going to have to partner with people. You're going to have to accept the responsibility for your results. And so, there really are no excuses. You just get back up and try it again till you get it right.

Purpose is really the why. If we had a magnifying glass, here's a glass here. You have a magnifying glass, we're

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out on a sunny day and we get the focal length, the distance from the lens to the target just right, it burns white hot right? If it's a little bit too far, doesn't do anything, little close. Now how do I know this? Well, when I was a little kid we had a big red fire ... Not fire ant. You know the big hairy? Not the little bitty, tiny fire ants, but big ones.

You could pet them and they're real sweet, but I would see if I can cut them in half with my magnifying glass. So, purpose is that focal length. You have to figure out the why so that that focal length is perfect to burn white hot. That gives you success. It builds morale. I mean, your employees deserve to know what your vision is, to know where you're going. They got to know, or how are they going to participate.

It reduces frustrations. I mean, it makes the main things the main things. That word smeagolism when I sold my practice, my main practice in McKinney, I was coming home after a speaking engagement on a Friday night and I got home a little early and there were 30 cars outside my house. Now, I live on a farm. There's nobody there, but me. There's 30 cars and I'm going, "What is this?"

I'm walking in, I'm tired, and it's my staff. My wife gives a party every year for my staff from the first year I opened past when I sold that practice. She still does it. I came in ... And my staff hired the staff, my staff hired the doctors that became partners, my staff participated in the management, that ownership mentality. They came in, I walked in and there's Candy.

Candy was one of my assistant. She's about 6'2, 270 pounds. She is not a fat, she's just a large lady. She

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always wears elevated shoes and she always has a country girl hair, so she looks big. She's going, "Oh Dr Abernathy," and she's running over to me. I know she's going to hug me and I'm real embarrassed about getting hugged. It just makes me turn red and everything else. Sasha comes, "Oh, Dr Abernathy," and I went, "Break, okay, we're done."

I'm sitting there going ... Trying to hyperventilate because her boobs are going to hit me right in the face, she's going to lift me off the ground and my legs are just going to be flopping and I'll be trying to tap out like an MMA fight. But, we were sitting there just talking. They'd had a few drinks and they went, "You know, I don't think you know this." I went, "What?"

She said, "You remember those bonus checks of \$3,000 a month for each of the employees or whatever it was based on a formula? Do you realize our husbands never knew we got that bonus check? Your accountant set up trusts and I guess you paid him to do it." "I didn't even know about it." Half of them had gone through divorces. Never came up in a divorce because it was an uncontested divorce. They were assuming that they had no money.

They said, "That paid for our kids college, they're clothes on their back, their cars," whatever it was. "I said, "That's awesome guys." She goes, "You know, it was different. When you were there with our practice, it was our practice." I never talked about the name of the practice, it was just our practice and I and I treated them that way. She says, "When you left, it became all about the money."

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And so, while you're sitting here talking about money, money is just a way of measuring the amount of service you deliver to your clients. Whether it's in real estate, whether it's dentistry, chiropractic, whatever it is. It's just a way to measure the amount of service. Now, smeagolism... Do y'all know who Gollum is or Sméagol on Lord of the Rings, anybody?

This is always tough when you're a lot closer to the use before date than you're born on date and you're trying to use an example of a movie that's 10 years old. But, there was about five iterations of it. But, it was a hobbit. Originally it was a hobbit. He had a ring that had a power and every time you use the power, it took a little bit of your soul. I think he abused it a little bit.

And so, he's walking around, crawling in a diaper. He kind of looked like he just survived an atomic blast. He's wearing a diaper, nothing else on and he's talking in third person. He's talking about the ring who is precious. He's, "We need precious. I need to find precious." I think of people that just work to make the money like smeagolism. "I need the Porsche, go make me more money," and it's not very neat.

But anyway, once you know your purpose, the why, it reduces frustrations, allows concentration. It assists in evaluation. How are you going to measure where you are? When I sat down with the staff and we talked about purpose and everything, I wanted to lay out a playing field because most offices don't have team members, they have just a group of people that work there.

I want to know; where are the boundaries? How do I score? Where are we on the field and what do we have to

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do to get down there to score? So, purpose was the first thing. These are in the order of importance. Next to it would be the owner or Dr-led. I think leadership is one of those things ... We'll talk about that just a minute since that's what Robert wanted me to talk about.

We'll talk about leadership here just a moment but, the first act of a leader is to define what's core. What is the reality of working here? It needs to be clear. As a leader Walter, if I went, "I'm trying to talk to you," my job as a leader isn't just saying the right things or doing the right things, it's to make sure that he understood what I said. You'll appreciate this, I mean most of you have children.

I was going to be gone on Friday, have three kids" Courtney, Jordan, Jacob. Jacob is the youngest one, probably the most intelligent but he's stupid. Like you'd say, "Jacob, what are the seasons of the year?" He'll go, "Winter, spring, summer, fall and autumn." I say, "Jacob, fall and autumn are the same thing." "Oh, okay." He was the one when we were out on the ranch and he found a box of matches.

He'd never seen matches before. I guess we lit fires with the big, long lighters. He goes, "What is this?" I went, "It's a match," and he's like 11 years old. "It's a match." He's going, "I know, but what does it do?" "Starts a fire." He says, "How do you make it go?" I went, "You take it, close the deal and you strike it against that." I took him out and I said, "Okay, here's what you do. Don't burn yourself. Make sure it's closed and do it." He goes, "That is the coolest disposable lighter I've ever seen."

I mean, he just thinks ... With that being said, he has a masters in marketing and he does all of Apple's video



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marketing, so he does okay. But, as a leader we have to define reality and what's core. Now, let's talk ... Do we have any Hindus here, Muslims, Baptists, Catholics or ... We've got somebody here right? I'm going to pick on a protestant because it's just so easy to pick on them< and I are one. It's just easy. We pick on anybody a little bit.

But, is it core in a protestant church that you have Sunday between the hours of 11 and 12? No. Bible says wherever two or more are gathered, there I am in your midst. I mean, is it core that is have to wear a coat and tie and preach behind a podium? No. I teach 300 kids every week, teenagers and I wear gym shorts and a T-shirt. I'm going to wear what they wear.

So, the businesses that you see fail are the ones that make non-core things core. In dentistry, is it core to work Monday, Tuesday, Wednesday, Thursday eight to five? No. Your dental practice is just a small consumer-driven business and consumers define what they need, or they vote with their feet. If you constantly see the back of their heads leaving, you're doing something wrong.

The problem with some leaders I see, string leaders but they don't embrace change. I think healthcare, real estate, banking, investment are just areas that change is constant. You never get out of that, so you have to embrace ... Preserve the core, but embrace the change. Staff won't be motivated and committed unless the doctor is. You can't show up late, leave early, circumvent systems and protocols that create problems in your practice. You just can't do it. But bottom line, it's serving the clients.

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Now, most businesses are operated on transactional management, not transactional leadership. Leadership is not transactional, every business has to go through this, but your goal is something greater than this.

Transactional management; rules and regulations. If this was a box and you didn't know that I was trying to tell you that this was bad, how many boxes would you check?

Most of us would check most of the boxes. It's a way of just changing your mindset and looking.

So, rules and regulations. We have policy manuals right? ...does a policy manual for you, it's very clear. You show up, you have this many sick days, you have these vacations, you're paid or not paid for them, here is our culture on a piece of paper. We're trying to create that culture, rules and regulations.

It's fear-based. You either do what I ask you to do or I'm going to free up your future dear. Because you have that relationship with them, you can ... You don't even realize it's fear-based. Have you ever done this with your kids and ... I mean, just something, you say something or just ... For me it was a look. I don't throw anything, I don't yell and scream. I just go ... And my kids would just start crying. That was fear and intimidation wasn't it?

That was my bad. Now again, in a transactional management system, you can get compliance, you won't get commitment. See the difference? You want commitment, quid-pro-quo. In other words, instead of I give you this, I expect you to do that. This job description and do it well. It's got to go beyond that. It creates groups of workers, not teams members, we said that. It's..., but it has poor morale and negativity.

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Gallup Poll done two years ago said that of the 100% of employees that you have, 67% are disengaged, they just show up and leave. Of that, 50% are actively trying to sabotage your business by doing things the wrong way. This gets scary in an office with only five employees. Think about it this way, if I said, "I want you to write down the name of the one person in your office that you could do without," and everybody has a name.

What you allow, you encourage and when you allow marginal staff to stay in your practice, it tells the other people it doesn't matter. You can get away with mediocrity and stuff. In the book Good to Great, the biggest ... You could all have good practices or good businesses, but the trouble in going from good to great is that you've lost that desire to strive, the accountability for your results.

Now, culture. Culture involves everything. But just to make a point, it trumps beliefs. Every time it beats them. It'll just eat a strategy all day if you have a great culture. I mean, if you're in the military, they teach you to go over, and over, and over procedures, firing drills and fam clearing and a bunch of stuff. They have a plan going to battle and it lasts till the first person opens fire on you and it all goes to heck in a handbag. That's where culture comes from.

In the military, especially if you're an elite group you got six guys working with you, you can see not quite 180 degrees, so these other five guys are covering your back. Do you want a marginal one of those back there? Uh-huh, because it's real, it's real. The leader must create the culture, but the staff drives it so you both have to be on

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board. I'll be glad to send you this PowerPoint if you want it. I'll just send it to David and you'll get it from him.

Now, here's what we're looking for, transformational leadership, transformational leadership. Do y'all remember the ... You may not know this, but the word coach, like football coach didn't mean coach in the 1800s. It wasn't till 1914 that it became a term used for football trainers. They call them coaches. Original, it was a vehicle that took you from one location to another.

Then about the turn of the century, early 1900s, they had people called coaches, I mean even singular, you're a coaches because they were teachers that helped them go from one point to another. So, we kind of lose that translation here. Transformation is taking somebody from one location to another, but in a way that it creates. It's vision-driven. So you've got to get where you can communicate.

I've got to be able to paint you a word picture that is so clear that you can smell it, you can taste it, you can see it. Once I do that, I can step back and not have to do the things that have always driven me crazy like micromanaging, rules and regulations and all those things. They understand the why, they understand the vision and in a minimum, we'll talk about ownership.

So, it's vision-driven, embraces change. It creates commitment. That's what we're looking for, it's commitment. It's a win-win deal and it empowers the team. I am only a pair of hands. In fact, I said this over and over when I used to speak. I said, I know if I died on the plane back home, on Monday morning they'd have t=funeral between one and two when they took lunch, but

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they'd have somebody there at two, to do better than I did.

I sold that practice on November the 11th, now, Candy's there the large lady that is not fat, she's just a big lady. Weighs about 270. She was a great assistant, I even reminisce. You're working, you're working, you're working and all of a sudden out of a cloud cover comes this ... She was never in my way. Where was I here? Whoa re you people? Who are you people?

So again, it really empowers the team and we have got to grasp this because this is what we're looking for. The ultimate goal in leadership, doesn't matter what because you're in, a committed staff, committed employees. They can't be committed unless they have leadership from you, vision ... Doesn't mean you do everything. The great thing about a leader is, they don't have to be the smartest person in the room. They just have to know themselves well enough that they can hire staff that complement them and also compensate.

David was talking about being a professional ... What did you say? Introvert David? Okay, I'm a professional extrovert. People that know me out there, I am really quiet when I'm not up here. I can't even go to a wedding, I go, but I stand way out of the way. It just bothers me being to be around a bunch of people. One on one it's fine, or if you have a problem, my love language is gift giving and service so when you have a problem, I'm going to help you find an answer to it.

There's no need to manage people once you have this transformational leadership. You only tell them what you want and manage the process and they'll do it. I mean,

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who better to raise the hygiene product or the conversion from a phone call to an appointment than those individual staff people? You can do all of that yourself. As a leader, you ... team.

Now, what I was going to say, I was just a pair of hands here in the day. On November 11th when I sold that practice, we brought in another doctor that bought my last third. From November 11th to December 1st, he did over \$200,000 in production. Now, I'm assuming that the staff said, "Look, you keep your mouth shut, you do what we tell you to do, you'll be fine." So, it didn't matter.

The process was there, the systems, the protocols were there. That made the difference, not just my lack of charisma or my horsepower. It wasn't just me driving it. You're going to find ... When we look at dental practices, we're having multiple doctor practices increase 20% a year, and independent practice of dentistry diminishing 7% a year. The writing's on the wall, you will not survive in the next 20 years of you're a solo practitioner.

You need to get your practice to the point where ... And that's a good point about the roadmap. It gives you those benchmarks and stuff. You need to move in that direction, otherwise you won't be viable. Now, sure you could do it as a hobby, but you can't do it as a profession. That's probably some of the reason people are here for a plan B and I think it's great.

The only problem is, you guys look way too old for a plan B. You need to start when you're 28 doing this. Now, they can't invest in a lot of things but they could get the knowledge, and use your expertise to help them. We can't mold people, we can't make them do things, we can't

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inspire people. Do y'all remember Vince Lombardi the coach? Little bitty guy with the big space and always wore a hat.

After he won the Super Bowl he was starting to take questions. He answered one question and then somebody in the back said, "Coach, how do you motivate your players?" He goes, "Who said that?" He goes, "I did?" "What did you say?" He took his hat off. I've never seen him take his hat off. When he's interviewed, he always wears that hat. He took his hat off and he said, "Son, my job is not motivating my players. My job is to keep 11 motivated players on the field. You got that."

He was so irate that he left the stage after answering two question after winning the Super Bowl. Everybody's going, "What did we do?" You don't have a clear vision of what leadership is. So, staff ownership. This is probably the one thing that made every business that I have do well, and I see this in David's group. Not just the mentors, the people that he partners up with but his staff I see this. They have an ownership mentality and I'm assuming they all work from home. Is that right David? You have a virtual office, but it's Zoom or GoToMeeting or whatever it is that you're doing.

Okay, high communication. Now, let's take my three kids, the youngest being not super intelligent, stupid. I had to go somewhere, I needed the yard mowed. I needed to get the yard mowed. So, I'm talking to Courtney and Jordan, the two oldest. All I'd have to do is say, "Guys, I need the yard mowed, edged, blown off and it has to be done before noon at Friday. I think mom's having something afterwards. It's got to be done, can either one of you do that?" If they couldn't do it, is hire somebody to do it.

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They went, "Sure, we'll do it." I could turn and walk if they said sure and wouldn't have to worry about it getting done. They'd it done. Now Jacob, okay, Jacob, "I need you to mow the yard, edge it, blow it off. It has to be done before noon on Friday. Can you do that?" He says, "Absolutely dad." Now, I know better than to walk off. "Jacob, what'd I just say?" He goes, "I need to mow the yard." I said, "By when?" "Sometime this weekend." "No, no, no, no before noon on Friday. What else?" "I don't know." I said, "it's got to be edged, it's got to be blown off. Can you do it?"

Now, when he says yes now ... Because that's my job as a leader, is convey to him, communication the way he learns so that he can perform. He goes, "Absolutely dad." It's going to be twice as good a job as Jordan and Courtney could do. They would just get it done, "Check the box, we're done." He would manicure it. He'd be out there looking at it, clipping. It'd take him twice as long, but it would be good.

But again, you don't make that high communication, it goes both ways. Alignment of vision. How are they going to know, you're staff, your employees going to know your vision for your business if you don't share it with them? I think it's interesting, if you look at the New Testament ... I look at the Bible as one of the best business manuals you could have.

You look at the New Testament, Jesus starts out with 12, majors on three or four of them, loses one in the class. I got to think He's a pretty good communicator. Or, He's got a group like this, He knows who you're going to marry, all of the things about you, what's going to happen. He's God and man, He goes, "Let me tell you a parable." He gets to



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the parable and He goes, "Okay, let me tell you another parable," because somebody didn't get it.

This alignment of vision is so important. The neat thing in the Bible is that Jesus goes back and 75% of the time, He never discusses anything real complicated, but He revisits the little things over and over. You're going to have to do that. As frustrating as that is as an owner and leader, you have to go back and revisit those core principles. Like Vince Lombardi, every year they'd start off he'd go, "This is a football. No one take your football." He would just start from the basics, "Here's running. Then we'll add passing."

Participate in the leadership. What is that? My staff hired the staff, my staff hired the doctors. I would interview them of course, but at the time when I would come in there and interview them, I would get down to two or three and then they would come in for working interviews. I would make sure they worked with my best assistant and my best hygienist until everybody knew what was going on.

Then I'd say, "Okay, here's a credit card. Go get hors-d'oeuvre, drinks, whatever you want, chilies. Talk to this young lady or this young man, then let me know what you think afterwards." They'd go thumbs up or thumbs down, and I'd go with their decision. It's almost like females, and I'm not picking on female dentists. But, if you went to dental school, you lost this whatever it is, piece of your DNA.

But, females in general just know, intuitively understand how somebody else will fit into the team. Now, keep in mind they do have a business mind to. They're averaging

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\$2,500 to \$3,000 a piece every month in bonus checks. We never put them on a 90-day probation period. End of 30 days they get it, that means if I pay somebody \$4,000 a month and I'm trying to keep my overhead at 25%, they've got to increase our production four times what I pay them. And believe me, that staff wanted to make sure ...

When I hired that ... Not hired, when I sold that last practice, their whole concern was, "Don't mess this up. You do what we tell you to do. I don't care what bird you like, this is the best bird to use. You use it and we'll keep you on task." Once you have that high communication, alignment of vision, participation in leadership, it's just so obvious that you need to share the responsibility and that's where delegation comes in.

And again, you have to hire, get the right people on the right bus, on the right seat. Got to hire the right people, train them well, but then you have to let go and they're going to make some mistakes. They're going to make mistakes, but you let them make some of the mistakes and they learn from it.

The trouble with most office managers, I think men are guilty of this to. And again, I'm not being sexist, I'm just saying a lot of women in an office manager position have been moms. When you have little kids and they need something, you've got to do something. You can't let them cry forever, you got to feed them, you got to change their diaper, whatever it is. But, they got used to fixing problems for these kids.

And so, what happens is when they get in a position of leadership or management, they tend to keep fixing

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problems for the staff. I remember sitting in a church one time. They were doing a project and they had about \$10,000 they were short on it. I just pulled out my checkbook, I was just going to write a check for \$10,000. My wife put her hand on my hand and went, "Don't do that." "Why? We can afford it honey." She says, "No, don't do it."

We couldn't talk about it a church and I said, "Why did you not want me to donate?" I said, "You're robbing everybody else of the opportunity to give." Toxic charity kind of give. When you fox the problems for your staff, you're robbing them of the ability to grow in that position. Now, you're not going to let them go out and be addicted to heroin, you're not going to let them wreck a car and kill somebody, but they've got to learn that way.

If you train them well, they know what the purpose is, they don't even have to think about it. They just do, they just do. And, they're future-focused. I have a 10-year planner that ... Does anybody know Naomi and Jim Rhode? Okay, I figured you guys did. In 1975 they gave me this 10-year planner. It takes the five areas of your life. I think it was physical, financial, intellectual, emotional, whatever, five of them and they just ask you questioned. It's a 10-year planner.

So, it's today. It's 2017. It starts out with, how much do you weigh? You're going ... How do you feel about that? You go ... Now, it's 10 years later. You say, "How old are you?" "Well, I'm 68." How old are you now? I'm going to have to start going 1, 2, 3, 4. Okay, I'm 78. How do you feel about your age? Good or bad? I'm still alive, I guess that's good. You go down through all these questions. By

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the time you get through, it has completely rewired your brain.

It's gotten your left and right to connect and all of a sudden you're thinking, future-focused. You're thinking 10 years out where it's not just to the next paycheck. I do this for my Sunday school class, I've done it with my kids every year, and every year I would go out for a couple hours in the middle of the country, sit down and do that for myself. Now, the interesting thing is I did that in a seminar, I lost it. I have no idea where it went.

We moved, it was about 10 years later, I found it. I think it was 11 years. Now, part of it was how many kids do you have? Are you married? I was not married. How many kids do you have? I don't have kids, so 10 years I'll have three. I missed the amount of production that I predicted by \$100,000, I had three kids and I had ... It's like, don't touch that dial. It was scary.

So, I did this with the kids and what I did is, I'd have them do it and I said, "I want you to fold it up. I'm not going to read it, put it in an envelope, address it yourself, stick a stamp on it. I will send it to you in six months." I do that with Sunday school class, I do it ... it is amazing how it orders your actions to meet your vision. It works great. If anybody would like a copy of that, David I'll send it to you and then you can send it. It is very simple, but don't discount the fact that it's simple. It's profound.

Team members, how do you hire good team members? What does a good team look like, or employees? Patrick Lencioni is probably one of the best writers on management I've ever met. This is for business, he doesn't deal with dentists. He just came out with a new

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book called The Ideal Team Player. You have got to read it, it probably wouldn't take an hour and a half to read, but when you read it ... He always tells it in the form of a parable.

You learn it because it's a story you can visualize, and it's really, really, really good. But, this Five Dysfunctions of a Team came out about 10 years ago. I want you to think about your staff. We've all had staff meetings and if the doctor's leading it, you have some people that are quiet. They just don't say much and others that you wish they didn't say much.

That person that's not talking, if you've got the right person in the right seat on the bus, their opinion's real important because they know their job better than anybody else sitting around that table. You've got to draw them out. Oftentimes they won't discuss thing with you because it makes them vulnerable. There's a fearful ... It might've happened like this; they were in kindergarten, they were four or five years old and the teacher says, "What is the capital of Texas?" Everybody goes, "Call on me," and you go, "Okay Mikey, what is it?"

I go, "Dallas, Texas," "No, anyone else." Of course guys will go, "Dumb ass," or they'll hit you or something like that. If it's a girl, you don't ever say anything. It's like you have this communication skill. It just twitches, but I couldn't even say the words it probably meant. It is such a bad cut. I don't know what they do. I don't read Woman, but I mean ... Now this person;s scared. They have this limiting belief. What happens is, they don't want to be vulnerable again. They don't want to put themselves out there and be ridiculed. So, absence of trust will create a dysfunctional team.

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Fear of conflict, this is great. Young staff believe this all the time. They come on, they've got this halo effect about your business, they're so excited about having a job that pays money. They're thinking we sit around at staff meetings, hold hands and sing kumbaya, which doesn't happen most of the times in my office. Once they see conflict ... If we were just sitting at a table with six others and we were talking about something just really important, you might get very emotional like, ""No, that's bull hockey. You're not even seeing the problem."

I say, "Yeah, I am, I am. Look, I took notes." It goes back and forth. But again, we don't make it personal, but it's a passionate discussion that sometimes turns into conflict. We've got to have that. You're never going to get resolution or get a great team if you don't have conflict. They're wanting an artificial harmony and I see that in offices all the time.

Lack of commitment. If there is an absence of trust and fear of conflict, there's no way to get them to commit. You can coerce them into doing something because you're using that transactional management. You can get them to do it, but they're not committed to doing it so the results are going to be horrible.

Avoidance of accountability. It just goes right down the aisle. If there's an absence of trust, conflict and you're not committed, you're going to void accountability because you don't ... And the final thing, this is inattention to results. This is a dysfunctional team. That book that you can buy with and without a test sheet to test your staff ... Now I read the book and went, "This is awesome."

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You ever notice David, when you read a book and they kind of think like you do? You think, "These guys are really smart." I'm going, "These guys are really smart. I'm going to ace this test." So, I did it, it was horrible. It was horrible and I said, "I got to go back to the drawing board," because most of us walk around as owners, leaders and doctors with a legend in your own mind. Great self-image for no apparent reason.

Here's what we're looking ... I'm sorry, yup that's everything. Now, why do we struggle? Why do we struggle? Again, it doesn't have to be a dentist, it could be anything. Why do we struggle? One is a limiting belief. What is a ... Somebody answer that. What's a limiting belief? Women know that. What's a limiting belief? Okay, somebody else. Don't make it a big deal.

Speaker 4: I'm not good enough.

Mike Abernathy: I'm not good enough, okay, in any form or fashion. Me, it's women. I am not good enough to be attractive to a female. Now, I was this size, I was only 135 pounds and I'm 165 now. But, I was this size in the 7th grade. I was a big 7th grader and I liked to hit. It was fun hitting. We never lost a football game from the 7th grade till the last game we played in the 12th grade where we played against Bridge City and they had a named Steve Worster. They only had one play.

They'd go, "We're giving it to Steve." He's running over the tackle, he's running over the guard, or he's he's going around the end. I played safety and I'm going, "Om my gosh." Well, by the 9th grade I figured, "I can't do this. I'm just getting killed." These guys are 270, six foot three. I'm

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five foot nine, 140 pounds. Now, in McKinney, Texas if you don't play football, you don't get a date.

I've heard every excuse in the world. It's like, "Would you like to go to the cinema on Saturday," and she goes, "You know, actually I'm thawing out my freezer," or whatever it is." Or, "My aunts coming." "How about next week?" "My aunts coming to visit." So, I started studying, like most of the dentists in here, the only reason you got into dental school was because you made better grades than somebody else.

It wasn't that you had any talent for dentistry. Wasn't that you even had a clue what it would take to be successful in dentistry, because it ends up being your people skills and your persistence. And, that continued and never-ending learning cycle that you have. And, maybe picking up a few tips on leadership. But, limiting belief for me was females. When I worked every day, I carried seven marbles in my pocket.

I would catch you doing something good and I would go, "I can't believe ..." I would touch her. It's called neuro-linguistic programming. I'd touch her and say, "I can't believe ..." We did that all day with patients. "If I hurt you at all," and then you touch them, "Just let me know, anything bothers you, just let me know." Then, I would compliment you. I'd say, "I can't believe you got Mrs Jones to do that implant. How long has she been missing that tooth? 20 years?" They'd say, "Yeah." "Way to go."

I'd do it in public, I'd take that marble and I'd put it in the other pocket. My goal every day was to contact at least seven people, strike on them and tell them how good they are and how much I appreciated what they did. Now, my



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staff knew that I carried marbles in my pocket. They knew that that was not my natural thing, but they also understood that I was trying to incorporate that into our culture, so they felt comfortable.

It was so comfortable, I've had a hygienist go, "Can I show you an X-Ray?" I go, "Yeah." She says, "you see this crown?" I said, "Yeah, looks fine to me," and she says, "Well actually, there's an open margin on the distal lingual corner of number 18." I said, "I can stick an explorer up under it. We need to tell them that they need a new crown." I said, "Well, tell them. Why are we talking?" I said, "When was it done?" She goes, "Last week." "Who did it?" "You did it."

Now, she's going to tell the patient that it needs to be redone, but she's going to protect me. She's going to say, "You know Mrs Jones, how's your crown doing?" She's going, "It's perfect. It feels so good. I've never had my tooth feel that well." She says, "Part of the porcelain is chipped at the margin. We're going to need to replace that so you don't get a cavity there. There's no charge or anything, but we'll get you in to do it whenever you want to do it."

She's going to protect me, but she also had that ... She wasn't fearing conflict, she trusted me that she could say that. So, we constantly worked on each other's games. So, what is your deserve meter? Because, a limiting belief is a belief that you have that you kept it so long it becomes truth to you, and most times it has no basis in truth. David does a great job of this. He takes your deserve meter, which is kind of like ... And you go ... because you're partnering with people that have that confidence and competence and things just work out.

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But, you need to tune up your deserve meter. It's like, "I'm woman, hear me roar kind of." You just need to be believe that you can do this. What's the old saying? I'll believe it when I see it, right? I'll believe it when I see it. You won't ever see it until believe it. You have to believe it first. It's an act of faith.

Lack of consumerism. What is consumerism? Somebody give me a definition of consumerism. Actually, consumerism if you look in the dictionary is not in there. I keep saying I misspelled the word, but consumerism, does anybody know what consumerism is? Sasha, you're an office manager. You're a practice management guru. What is consumerism?

Sasha: It's what people want and meeting what people want...

Mike Abernathy: Right. Everything you do is to get a patient who shows up, pays for the treatment and refers everybody they know. If you don't get that, you're doing something wrong. So again, lack of consumerism. We have an educated consumer now. I'm just talking to dentists, the rest of you can go back to sleep for a minute, and then we'll go back to businesses. But, we have educated consumers in investments and whatever it is; real estate, whatever.

This consumerism, if you don't embrace it ... Because they can vote with their feet and then go next door or the next door, or they had to pass 25 offices to get your office. You're not going to grow. There's two axioms in any business actually, not just dentistry. One is you, can't get better at giving people what they don't want. That's kind of a double negative, but you can't get better at giving people ...

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Doctors, an example of them would be, they go to a sleep apnea course. Okay, great. It effects like 15% of the people and only 4% or 5% actually need intercession. But anyway, so they come back and the hygienist is in there all day and they're going, "Would you breathe for me? Yes, you need to sleep apnea appliance." Get the impressions ... It's like every patient needed a sleep apnea. I'm going, "How does 100% of your people in a day need a sleep apnea appliance?" We know that's not the case.

They become hammer and nail, kind of anti-consumerism. You just work Monday through Thursday, Monday to eight. I'm sorry, people don't spend money eight to five, Monday through Thursday. They spend it on the weekends. They spend it after hours. So again, the reality is, if u don't get in step with consumerism you're not going to serve. So, you can't get better at giving people what they don't want.

And if you're not growing in your practices or in your business, you're trying to give something to your clients that they don't want. It would be like me being a chef. I came up to you and I'm going, "David, I want to borrow \$300,000 from you. I'm going to open a restaurant, we're going to out it in Mckinney and it's going to be open from two in the afternoon till four."

David being the wise man he is goes, "People eat about noon, about six or seven and breakfast. They don't eat between tow and four." I say, "I'm an awesome chef, people will come," and of course, it doesn't work. But, you have to decide to make these decisions pretty quickly. When it's not working, you're trying to give something to people ...

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Okay, second thing; everything you do, the way you answer the phone, the way you market, the people you hire, the way the phone I answered. Everything you do is precisely designed to give you the results you're currently getting. If you're getting results you don't want, you have to go back to ... You can't do it longer and harder, you have to go an it different. Different is the only thing that works.

Lack of action. You come in here and you listen to all the experts talk. I've seen, I won't even point you out but you know I'm looking at you. You've been here four times and you still haven't acted. What are you waiting on? What's the old joke about the guy that's ... A food's coming and it's a ... He opens the door and the police officer says, "Sir, you're going to have to evacuate your home. The dam's going to burst. We're in California, it's going to burst. You've got to get out of here as quick as possible," he goes, "I'm not worried, God will provide," and he shuts the door.

Now, the water's up about two feet deep, somebody comes by in a canoe and ... He opens the door and he says, ""Sir, it's estimated to be 20 or 30 feet. You've got to get out now. We can put you in the boat, take your dog, kids, whatever it is." "Nope, God will provide." Finally he;'s on top of the roof looking at all the water and houses floating down the street and a helicopter flies in. They're going, "Sir, you've got to come now. It's your last opportunity." "God will provide," and he dies."

He dies and he goes to heaven and he goes, "God, I was praying. I've always walked with you. You didn't help me." He said, "I sent a cop, I sent a guy in a boat, I sent two people in a helicopter. What were you waiting for?" So

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again, you're sitting here and you're going, "This is a great plan B." Your office is a plan A. You can fix both of those. What's better than taking all the money you've made in dentistry and investing in something that doesn't have the risk level?

So, lack of action and financial captivity. Wow! Debt, whoa! We're raising generations of people that think debt is normal. I've never seen a dental student or a doctor that within five to seven years I could have them completely out of debt. Give me a break. I know you guys know that, but there was a time where ... I was about 40 before I figure this out. I don't need this debt, if I can't afford it, then maybe I don't need it.

It's funny, when you're flush and you don't have any debt, you don't go out and buy a brand new car. You might buy one a year old, or I might drive my pickups. I've got pickups that are 15 years old. I just can't get rid of them because they still run good. So again, financial captivity hold people back. I won't be much longer here. I talk too fast. I could slow down, but then we'd take forever and I know we started about seven to 10 minutes late. I want to make sure you get your lunch.

Okay, what is success DNA? I'm just pulling this out of my tush. It's something I've been thinking about a long time. It's almost so simple, you're going to discount it. Right next to the 10 Commandments, you ought to have this up there. Income, I don't care what you do, you have to grow it. The only reason I own a business to sell it are to get passive income off of it at some point.

Somehow that got lost in the mix because the average dentist can't do that. I don't know any dentist that got their

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diploma, they get their diploma and get off and go, "I can't wait to be average." No, they all had this great self-image for no apparent reason, because anything worthwhile is uphill. You ever notice that? Anything worthwhile is uphill.

I don't know about you, but I married way above my pay grade. I mean, it was hard to get her to say yes and 40 years later, I'm still worried she's going to say no. It's one of those things. Okay, income, we've got to figure out a way to grow it. Consumption, that's a biggie for a lot of doctors. I have doctors every day, they're sitting at the same table and then separately come up to me. One will say, "You know, I want to have a practice like his."

I say, "He's a client, he's got \$3 million in debt, he's got \$160,000 in revolving credit, he can't pay his bills." You don't want to be like what these people look like out in the world. You've got to realize that consumption, your burn rate will kill you. You're going to spend statistically 50% of everything you earn in your lifetime paying back money. We've got to break that cycle, I've got to teach my kids to do that. Debt, we need to eliminate it.

Now, I realize there's good debt and there's bad debt and I can't think of a ... If I were a young doctor, I would say invest in your practice. Where else are you going to get a 300%, 400% return? But, there's going to be excess and that's when you start branching out. But again, if you've got debt, it makes it hard to do.

Savings, we need to build it up. And when I say savings, I'm not talking ... Maybe your visualization is just a bank account. But, it could be real estate, it could be money in the bank, stocks, bonds, whatever you feel comfortable doing. Your IRA and using it for investments. It could be

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whatever you want to, but we've got to save. Now, here's the statistic. Currently if you are an American who's below the age of 18, you're going to have to save between 13% and 14% of everything you make to be able to retire.

We went through three recessions, last one was 2008, 2009. Since that point, dentists have made on the average \$4,000 less each year for the last eight or nine years. It's not getting better. Some of the people were cripples. Think about it, in dentistry we face ... Dental students. Do I have any dental students in here? Do we have any young people in here? Okay, great. Where are the young people? I keep smelling dead people. Why aren't there young people in here?

Because, I wish somebody had cornered me when I was 27 to 30 and went, "This is what you need to do." Here's what I'm hoping, is that they'll actually go, "You've been healed by the power of Michael." Then they'll go jumping up and down and we're all happy. Again, we're facing ... Dental students in 2008, 2009, there were 3,000 graduates, now there's over 6,000. They're putting a new dental school in Texas and they're putting two on the East Coast. They just opened one in New York that'll have 500 graduates a year.

Now, think about it. We got a graph. Supply and demand, when I graduated from dental school in 1974, the decayed, missing and filled teeth in an average adult was 12. Every adult on the average had 12 teeth that had decay, missing teeth or they had already been filled. Huge, huge demand so dentistry back then was basically needs based. When something hurt, they came in. The hygiene department wasn't real strong, but they came in.

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Now let's fast forward. The youngest two generations that we have on the face of the earth here in the US, the average decayed, missing and filled teeth at 18 or over is two. Now, we've doubled the number of dentists and knocked down about 90% of the need. The minute those two lines cross, this is where you kind of back up to a wall, shimmy down and pull your knees up real tight in case you're asked goodbye, because you cannot make a living once that happens. Does that make sense?

So, we got to eliminate debt, we've got our savings. This one I went, "I need to move that bottom one up," because it seems like when you get your mind right ... And I don't care if you got to church, but if you just give back, and maybe you can't afford money. It's your time. It could be your money, whatever it is. The more I do that seems like everything else seems to get better. It order my mind, things are great where I am, makes a huge, huge difference.

I'm going to close with this, and I know I'm finishing up a little early David, sorry. I was so nervous about this. I do this every time. I get so nervous about this and it's like I have to go to the bathroom two or three times before I get in here, then I couldn't sit still. This is a pump, a pitcher pump. Do y'all know what a pitcher pump is? It's an old fashioned well. Now, this is a little bit different and it's on our farm.

My dad bought this farm when I was about 10 or 11 years old. The sucker rod, the ... I can point it on there I think. The sucker rod right here that runs all the way up is eight feet in the air. This is a big pump. If I'm standing there, my eyes would be about right here. It's not like something you've seen with a little, it's a big one.



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So, we get out there, it was August and my dad went, I said, "What is that?" He said, "That's actually ... We've got about 500 acres here. We've got two government lakes on it. They all got fish, ducks, stuff like that." He said, "But, this was one of the things I really wanted." It's an artesian well. Goes down 1,100 feet. It's the coldest, purest water you can find. I went, "Cool, how does that work?"

He goes, "Well, you just pump that handle and then the water comes out." So, I start pumping and he goes, "Wait, wait, wait, wait, wait, wait, wait, wait, wait." He said, "Do you see this little ..." There's a little round circle right down there on the concrete pad right here. That's an old coffee can from the early 1900s turned upside down. You can pull it out and inside of it is a one-quart mason jar full of water.

Now, you can't get water out of that pump without putting something into it first and this is why. That sucker rod goes down and about 10 feet down or so, there's a layer of leather washers because they didn't use rubber like we had, but they're all leather and they shrivel up, so it doesn't for a seal. So, you have to pour the water in to make them expand and now they create the suction.

So again, your businesses are kind of like this pump. If you want something out of it, you have to put something into it first. I see a lot of doctors sitting in front of a stove going, "Give me heat and I'll give you some wood." It doesn't work that way, it just doesn't work that way. So, I start pumping again. Now, you're not like this I know, but I'm into instant gratification so I'm thinking, "Turn the knob, drink." Or, I'd already thought about, "Let's just drink this water. It's in the jar. Duh dad!"

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Then he explains the reality. So, I'm pumping, and pumping, and pumping, and pumping and it felt like it was 10 minutes. It was probably 30 seconds but I went, "This isn't working," and I just throw it down. He reaches over, grabs it and starts pumping again, he says, "Mike, this is the cleanest, sweetest, purest water you can get. It's 1,100 feet in the ground. You keep pumping until the water comes up. I realize you're pumping hard right now, but once the water comes up it's real easy."

So, in your businesses, you're going to always have hurdles, thresholds and things you stumble over. What you need to understand, if you stop trying, because you only fail if you don't get up. It'd be like having the little baby just walking and you go, "Okay, let's walk," and they just go, boom, "Okay, he's never going to walk. Just forget it, we won't ever do it."

I see doctors operate businesses, or I see people with businesses, you're going to have hurdles and stuff. Again, he lets me pump some more. I'm pumping and I'm not ... I say, "Dad, I think it's broken. It's not going to work." Finally the water came out and the first thing he did was fill that jar back up. That was your initial investment. You put the money back and you save it. Goes back in because you can't get water without it next time. But, he let me drink out of it a couple times, he poured it out and he filled it up. Screwed it down, put it back in the hole.

But, it was weird. It wasn't hard to do, but it was like, "Man, this is really getting tired." Then when the water settles, it was like ... When you hit that success, that tipping point of where you're striving, striving and nothing's happening and you fall back down and strive,

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once you hit that deal and you hit your stride, everything just seems easier and there's just nothing to it.

So, you cannot be special, distinctive and compelling in the marketplace unless you create something special, distinctive in your workplace. This would go for your home place to. I rarely see people who are mean-spirited in their business, that they aren't mean-spirited when they go home. Or, they struggle with money in their business, they hey are going to struggle at home. You can't escape this. That's all I had to say David.

David Phelps: That was great Mike, awesome.

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