

# **A Medical Practice's Intellectual Capital: How to Identify, Document, and Protect It**



If you've ever started a new managerial job without much information (verbal, written or otherwise) from the previous manager about how and why things are done, and what the secret handshakes in the practice are, you'll know what I am talking about when I say that most practices do a terrible job of collecting and protecting their Intellectual Capital. Like many other small businesses, there is little down time in medical practices, no way to stop the phone calls, the visits or the tests long enough to even squeeze in a staff meeting.

## **What is Intellectual Capital?**

Intellectual capital is the non-physical assets of the practice. For purposes of this article, the Intellectual Capital I am talking about is the talent of staff, the value

of proprietary knowledge and processes, and the value of relationships with customers and suppliers.

## **How do you identify Intellectual Capital?**

Intellectual Capital is all the information and knowledge that makes your practice work as well as it does. It's the combination of **people** with knowledge and the **ways** they have discovered over the years to make things work as efficiently and as productively as they do.

It's how each doctor's schedule runs best and how each insurance company wants the claims submitted. It's how you can get the most out of the machines you use and what you have to do to get the computers and software and the phones to work correctly. It's what changes in the practice routine when there is a three-day weekend and what you do when the practice is closing because of snow, or rain, or wind or flooding. It's a whole lot of information stored in the brains of your employees and it's rarely ever written down or secured.

Think of who has information that no one else in the practice has, and get that information documented and protected now.

## **How do I protect my practice's Intellectual Capital?**

**Start by developing a spreadsheet of every software and site the practice uses that requires a login and a password.** Don't forget online medical supply ordering sites, payer websites for providers, practice website administration, voice mail software, banking passwords, clearinghouses, tax payment website password – you know you have a million of them. Keep the grid organized by which employees are using which

passwords and make sure employees know they are responsible for updating you anytime they update a password. Try some of the sites and passwords now and then to make sure you have the most recent information and could get in if you needed to.

**Have every employee write down a list of their tasks.** This is not the same as their job description, these are tasks that they are responsible for, either primarily or in rotation, and could be one of the few that know how to do it. Once you have the tasks, prioritize the most important ones first. Any task that is critical and only one person knows how to do it needs to be documented immediately. **Then, a second person needs to be taught how to do it.** Make a grid of the practice's tasks and start protecting your Intellectual Capital by making sure at least two people know every task. If your practice is large enough, make sure three people know how to do it. Create the "how-to" not in a narrative, but in the cookbook style:

1. Go here.
2. Do this.
3. Be careful not to do this.
4. Double-check it.

Have someone who doesn't know how to do the task try to follow the directions and see if anything was left out.

**Repeat this process regularly.** Things change so fast that it's hard to keep up, but you need to. You need to protect the business entrusted to you by keeping a current list of how-to's and making sure the practice cannot be thrown into turmoil by the unexpected absence, illness or death of someone with non-shared proprietary knowledge.

## **What about the Intellectual Capital of the Manager?**

The manager may have more of the practice's Intellectual

Capital than anyone else in the workplace. It is the **owner's responsibility** to make sure that the manager has his/her how-to's and all logins & passwords documented in case the manager leaves – for any reason.

A copy of the manager's Intellectual Capital should be in the hands of the managing physician/owner at all times, or should be available on an offsite server (cloud) and accessible by the owners.

For more information about protecting your Intellectual Capital, contact Manage My Practice by email – [marypat@managemypractice.com](mailto:marypat@managemypractice.com) or by phone (919) 370-0504.