



HOW CHANGING YOUR BUSINESS MODEL CAN IMPROVE SUCCESS

THE GERALD BURNS PHARMACY EXPERIENCE

Tess Jones – QCPP Marketing Manager

A common misconception in the business world is that once you set up your space, order in your stock and open up the doors, you are now ready for business. But how many of us have been in a situation where your business model is the same as everyone else's and you have wound up scratching your head wishing you were better?

Pharmacy of the Year Excellence in Business Management winner Amanda Bryce was facing this dilemma in her Bicton, WA pharmacy. With a business model that was more everyday than extraordinary, Amanda recognised a dramatic change was required at Gerald Burns Pharmacy sooner rather than later. Their vertical management style of owners and managers feeding information and key business decisions down to lower-ranked staff, was stale and producing frustrating results. At the 2012 Pharmacy Business

Network (PBN) event in Canberra, Amanda jumped at the opportunity to learn from pharmacy leaders on innovative styles to develop a Gerald Burns succession plan.

Armed with the tools and ideas to influence change in her business, Amanda credits PBN as the driving force behind her business model overhaul. The PBN Master Class where participants analysed their own data and wrote action plans to stick to was a particular turning point in this change.

"I came home and decided this had to be an ongoing part of Gerald Burns pharmacy," Amanda said. "At the next staff meeting I talked about what I'd learnt at the conference and from this day forward, things would never be the same."

Despite being QCPP accredited since 2003, the Gerald Burns approach to procedures and protocols was haphazard

and irregular. Through the implementation of QCPP and assistance of useful tools and resources available, Amanda has tailored procedures to the way the pharmacy works, improving efficiency and setting consistent guidelines for all staff and roles.

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One of her first tasks in the change process was to overhaul the pharmacy's management style. Gerald Burns Pharmacy took the emphasis off top heavy management and moved to a horizontal management style, where importance is placed back on team work and an owner is directly involved in the day to day management of the pharmacy, rather than directing through a pharmacy manager. Horizontal models (Figure 1) work well in customer service industries, like pharmacy,

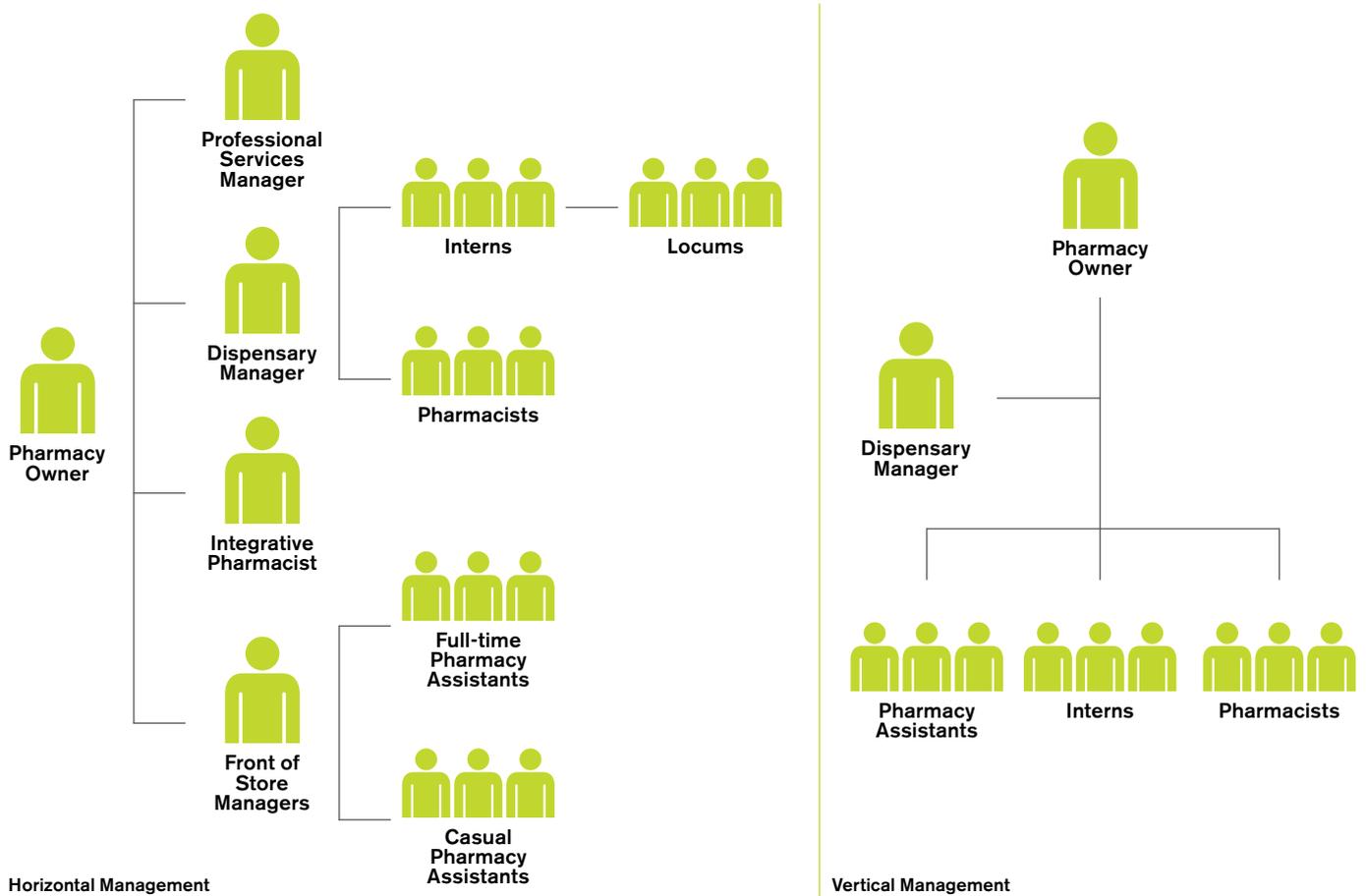


Figure 1. Gerald Burns Pharmacy – horizontal management vs vertical management

where the customer expects to have access and fast response times from business owners.

“Relinquishing control isn’t something that comes easy to pharmacy owners. We’re fantastic at multi-tasking, and sticklers for detail, but if you don’t let others learn (which means making mistakes along the way) there’s little incentive to learn and therefore become engaged,” Amanda said.

“Embracing horizontal management meant I needed to step back, and delegate responsibilities to others, making them accountable along the way. It’s a win-win for everyone. Staff feel more empowered with a sense of purpose at work and I don’t feel so overwhelmed by micromanagement.”

Staff empowerment is certainly an understatement at Gerald Burns. Business decisions are now made in collaboration with staff and each team member has gained experience in looking at the

pharmacy and business as a whole, rather than their specific work area. Personal and work goals, with self-driven Key Performance Indicators for 12 months, three years and five years are prepared and displayed for continuous reference.

Marketing Gerald Burns Pharmacy in the community has become a shared task, with the marketing budget shared between some key staff that provide initiatives about promotions. Professional connections are encouraged with local businesses such as gyms, health centres, walking groups and even the local vet practice. Regular customers are taken out for a cup of coffee for informal conversations to discuss improving the pharmacy. Patient parking outside the pharmacy, a reconfigured store layout and free use of wheelchairs in the shopping centre have been direct results of the Gerald Burns personal approach to marketing.

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Amanda Bryce

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One of the biggest changes to the community's health was initiated by Amanda's collaboration with local General Practitioners. Frustrated with the low level of engagement with local practices, Amanda organised lunches to meet the GPs in person and promote the services available at the pharmacy.

"The response was amazing – the GPs said they'd never seen an actual pharmacist before, and their reluctance to refer HMRs was usually due to them not having been shown how to access the referral form," Amanda said.

"Surgery staff explained the difficulties that they had in fitting emergency patients who needed medical certificates, so we made up a template of questions receptionists could ask over the phone to see if they qualified for a certificate issued by a pharmacy. Now the GPs and receptionists know who we are, we no longer have problems getting through on the phone to them, and several have asked for our visits to become a regular occurrence."

All these changes would not have been so successful if it weren't for strong team chemistry. Each staff member was tasked to complete a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of the pharmacy independently, which were then collated to form the Team Chemistry SWOT (Figure 2).

"Most of my staff had never heard of a SWOT. I used an example to explain how they can be used for creative problem solving and asked them to complete a SWOT independently for Gerald Burns Pharmacy and then for our competition. I wanted to see what their perceptions of us as a business were and then how our competition shaped up," Amanda said.

Figure 2. Gerald Burns Pharmacy Team Chemistry SWOT – November 2012

Strengths

- Good location in moderate to high income area
- Melville Plaza offers good parking and one stop shopping
- Highly professional and knowledgeable dispensary and floor staff
- Regular customer base (know their names)
- Awesome team
- Relationship with Allied Health Care Professionals (AHCP)
- Communication via diary
- Involvement in community/charity fundraising
- Opening hours (open seven days a week - 8am to 8pm)
- 2012 POTY finalist

Opportunities

- Younger families moving into the area
- Increased interest in CM
- Healthnotes SMS
- Val's trainings
- Professional services
- Increased opening hours
- Niche products
- New gym opening
- Needle service for vaccines
- Working with other AHCPs

Weaknesses

- Movement through pharmacy is often congested
- Not enough staff on floor to serve
- General neglect of the centre
- Digital scale for compounding
- Dispensary bench is too high
- Keeping up to date with category management (black files)
- Stock levels being inaccurate

Threats

- Increasing rent and utilities
- The discounters
- Centro's choice of short-term tenants
- Close proximity of so many other pharmacies
- Coles moving in on pharmacy lines
- PBS reform

"From the SWOT we decided that we didn't really know our competition very well at all, so I sent them on a mission. Everyone had \$10 to spend on any scheduled product they wanted. My intention was that if a S3 was involved, a pharmacist would have to interact with them, and their professionalism would be under scrutiny under the guise of being 'mystery shopped'. I also wanted them to experience how it felt as a customer asking for an S3 - did they refer, ask the right questions, question robotically and treat the problem appropriately?"

Staff provided feedback to Amanda on store appearance, overall impression and details of the S3 transaction; and their feedback was blunt.

"As a result, our S3 sales dialogue improved out of sight. Empathy is the most powerful teaching strategy I know," Amanda said.

This then led to the Gerald Burns team completing their final task – a dream exercise – where staff were asked how they would improve the business if it were their own. A common suggestion was to focus more on collaboration with other health care professionals in the area.

"If we didn't know what they did, chances are they didn't know what we did either. As a result, our relationship with other local health care professionals has grown phenomenally and we have engaged in joint health promotions with many of them," Amanda said.

"After all, it's our mutual patients who ultimately benefit and see that we truly are multi-disciplinary in our approach to their health care." ■

