

Soon-to-Be Practice Owner Feeling Lost on How to Build Up the Practice

Townie "ddsmcd" is looking for ways to reinvigorate his father's practice

ddsmcd

Member Since: 07/31/13
Post: 1 of 45

I am four years out of dental school and plan to take over my father's practice in the next 12 months. The patient base has declined over the years and he only works three days a week with a not so full schedule. Much of the equipment is outdated and the office manager plans to retire when my dad does. There are a great many things I need to do to make the practice viable and I have no idea where to start. Dental school definitely didn't prepare me for this part of the job and I'm feeling very overwhelmed!

Can anyone recommend a consulting firm to help me get started? Or perhaps a class or other resources? Any advice you can provide is greatly appreciated! ■

10/12/2017

UPSZack

Member Since: 12/05/07
Post: 2 of 45

Step 1. Watch Howard Farran's 30 day MBA free on Dentaltown. ■

10/12/2017

AMDMD

Member Since: 06/16/09
Post: 6 of 45

Why are you taking over your father's practice? Maybe this isn't the practice for you.

That said, you have to look at this like a startup with a six-month head start without the nice equipment that usually comes with a startup. What are the community demographics and how visible is the location? If you have barriers to growth, it may not be economically a good idea to move into this practice. ■

10/13/2017

First Time Dentist

Member Since: 11/29/16
Post: 12 of 45

First and foremost, where do you want to be in 10 years? What does the ideal practice look like to you? Next chart the journey to get there.

1. Patients—Ideal client? How many? How do you reach them?
2. Staff—Do you need to replace the manager? Can you take on some responsibilities to learn the business before immediately hiring? You did say practice shrank in last few years.
3. Equipment—Look at your numbers, what can you afford to do each year from an equipment purchase perspective? What are the priorities on equipment?
4. Lifestyle—Sounds like you may have a great opportunity to fall into a practice where you have some familiarity with patients. Flip side is that you may have to live small (i.e., like a college student) for a year or so while you reinvest earnings into business.

I would recommend Howard's book "Uncomplicate Business." Really good.

Best of luck! ■

10/13/2017

Kevin Tighe

Member Since: 12/27/10
Post: 14 of 45

First, get to know the patients and staff. Then don't try to change too much, too quickly. Concentrate on one area at a time. For example, if you need more patients, work on patient reactivation, internal marketing, etc. Then if there hasn't been a lot of comprehensive dentistry done you can convert many of the patients if you do so on a gradient. You will also likely find that there will be staff turnover within the first year. This is common with practice purchases. ■

10/13/2017

Good questions already asked.

1. Do you really want to practice here? (Not just doing this for your dad.)
2. Is the area an area where you would open a practice if your dad weren't already there?
3. Is the community growing or declining?
4. Is the specific location of this practice good or would you be better off somewhere else in the city?

Even if your dad is giving you the practice, this could be a bad deal for you if you can't turn it around. If the area and location are viable and he has just run it down as he slowed down, then tighten up the managerial aspect, market and work hard and you will be fine. If you don't really want to be there, don't do it. Your dad would likely sell to someone else for more than he would sell to you anyway. ■

10/13/2017

wdhenry

Member Since: 01/09/06
Post: 15 of 45

I'll definitely check out that 30 min MBA, seems like a great resource. Thanks! ■

10/13/2017

ddsmcd

Member Since: 07/31/13
Post: 21 of 45

New Patients Inc. is highly regarded. Do-it-yourself postcard mailings are another option. For an existing practice, active internal marketing and reactivation protocols might be all you need.

See these DT blog articles:

1. Internal Marketing: New Patient Referral Protocol
2. Reactivation Tips
3. End of year "Use it or lose it" insurance letters or postcards ■

10/16/2017

Kevin Tighe

Member Since: 12/27/10
Post: 25 of 45

The answer to the very important question of why my dad's practice is a bit long so I'll try to be as succinct as possible. I graduated with a staggering amount of student loan debt which so far, I have been unable to put much of a dent in it. I'm working six days a week as an associate at three different locations and barely coming out ahead each month after taxes and living expenses. I don't live extravagantly, no new cars, don't go out much.

The rub is that the cost of living in my area is very high and I have a wife, daughter and a mortgage. I talked to a financial planner who specializes in dental and he told me that the only way to get out from under my debt is to either buy a practice to increase my earning potential or move out of state where the cost of living is much cheaper. The wife is dead set against moving at this point because of family being close. I'm honestly not sure if I really want to own but I chalk that up to just a fear of the unknown and I feel like I just need to man up and do it. Regardless of my apprehension, it ultimately is what I have to do financially.

So now to why my dad's office. I've looked at a few other offices including the ones I associate at, and what they are asking for would double my debt and I doubt I would qualify for a business loan of that size anyways. My dad made me a very generous offer, not completely free but compared to the other practices it's practically nothing. So, the answer is that I need to own for financial reasons and this is the most accessible option.

Other advantages are:

- My father owns the building so he is willing to be flexible with rent while the practice is in a growth phase.
- My father is also willing to help with some renovations over the next year before the full transition (mostly cosmetic.)
- The area is undergoing explosive growth with multiple new housing developments seeming to pop up every month.

ddsmcd

Member Since: 07/31/13
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Disadvantages are:

- Relatively high concentration of dentists in the area.
 - The building is in a medical complex, not highly visible with next to no foot traffic.
 - Having to learn the office side of the practice so I can hire and guide the new office manager.
- I know it sounds like a terrible reason to own. I just don't see any other way out of my situation and it would give me a lot more control over my life once I've built it up and that sounds like a goal worth working towards. ■

10/16/2017

RubinsteinDDS

Member Since: 08/15/07
Post: 28 of 45

It doesn't sound like a terrible reason to own actually. It sounds like a good opportunity. With a little effort, education and determination you should be able to build it up significantly. At which point you could keep it or sell it and move elsewhere ... ■

10/16/2017

drpainlus

Member Since: 03/01/04
Post: 31 of 45

I think you're looking at an awesome opportunity.
First thing you can do right now is add more days at your dad's office. Two things will happen. It will give you the opportunity to see the current patients in the practice if they need to come in on a day your dad's not there. And the added hours have the potential to grow the practice with minimal cost. ■

10/16/2017

mlau

Member Since: 11/08/08
Post: 32 of 45

What days does he not work? In my area, I'm one of maybe three dentists that work on Saturdays (which sucks, but helps drive new patient numbers.) My Fridays are also pretty booked. Quite a few older dentists don't like Fridays too. I'd recommend adding a Friday/Saturday/Monday on top of his three days. This will generate the most growth in my opinion.
Also, you may want to see what demographics you want. A simple website is a must—clean, mobile optimized, doesn't need to be fancy, just lets patients know you exist. Facebook is okay, not super essential, but can help. Good service and a smile are as helpful as word of mouth. Yelp and Google are an extension of this. ■

10/16/2017

ddsmcd

Member Since: 07/31/13
Post: 34 of 45

Thank you all so much for all of the amazing advice and links to resources! It makes it all feel more manageable knowing that there is this fantastic community that is willing to take the time to advise a newbie like myself. I really appreciate it!

After hearing your advice I will focus my efforts on the following:

- Internal marketing to build up the practice.
- Improving the aesthetics of the office to help with new-patient retention.
- Studying the 30 day MBA videos.
- Changing my work hours to include nights and Saturdays to try to attract all those commuters.
- Making lists of things I want to change and prioritize them and implement them slowly.
- Trying not to rock the boat too much in the beginning with the established patients and staff.

The only thing I left off the list is the hiring of the new office manager. I feel like I need to better understand how the front office works and in turn figure out how I want it to be in the future. I'm still a complete novice in understanding insurance and what plans I will want to take. I hear things from the senior associates I work with that things have changed for the worse and keep telling me I'm "screwed" as a newer dentist. Can anyone recommend a comprehensive resource to better understand the current insurance situation? ■

10/18/2017

Jason Whitener

Member Since: 01/26/16
Post: 35 of 45

One thing I would add to this list: Send out a letter announcing the transition to patients of record going back at least three years. This is a great opportunity to let your current patient base know about the exciting things going on at the practice (expanded hours, improved aesthetics, practice staying in the family, etc.) Our transition clients have found this to be a great way to reactivate many patients that may have gone dormant and now have a reason to come back in to meet you and see the improvements.

Congratulations and best of luck! ■

10/18/2017

BlackhorseMarketing

Member Since: 11/15/16
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There are going to be varying opinions on hiring the new manager. Mine would be to find someone with strong business sense and organization. Perhaps someone that doesn't have any medical experience. That way you can train them in a way you're most comfortable.

Also, I'd suggest targeting someone else simultaneously that can help you develop a system that you can be comfortable with, help you fill in the blanks that you say you have as far as the front office. Steering clear of consultants, as mentioned before, you could talk to a manager that has been a part of an office that has experienced growth within an office, because, like you said, you don't want to floor it from 0-60mph right away. ■

10/23/2017

ToothNinja99

Member Since: 01/07/10
Post: 39 of 45

I have talked to a few consultants and practiced under a few models. Everything can be gleaned from plumbing the DT archives. It's all here at your fingertips.

After spending five years on here I went to Breakaway and it was nothing new (not detracting from a practice management course.) Just saying the basics of a successful practice have been around for decades. There is no magic silver bullet. Identify the systems, improve the systems, work the systems and constantly make sure it's all being done. Or, spend the money and have someone spoon-feed it to you. Only you know what your time is worth.

My only bit of advice: Find a strong OM who knows all this stuff so you can concentrate on the back and most of your work is already done. That will require an office that collects enough to afford one and keeping a reasonable OH around 50 percent. ■

11/3/2017

Sandy Pardue

Member Since: 08/21/02
Post: 42 of 45

Come to the Townie Meeting in Orlando this April. You will learn so much and take home tools to help you work on the practice and gain confidence in the area of practice management. ■

11/5/2017



What advice do you have for this young Townie?

Search: "Soon-to-Be Practice"

Taking over a practice can be difficult but with Dentaltown it doesn't have to be. To share your tips or even ask for advice yourself, go to dentaltown.com and search the message boards for "soon-to-be practice"—this conversation will be one of the top results.