

How to Transition from Associate to Owner

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For many dentists, one of the appealing aspects of dental practice is the concept of practice ownership. Whether catalyzed by the desire for autonomy in dentistry or in office design, many dentists seek ownership as a means to create a dental practice that reflects their particular practice philosophy.

Before you begin the process of ownership, you must first start with a business plan, which will serve as a road map to help you determine your vision for the practice. Your business plan should include: a mission statement, the practice structure, market opportunity, competitive advantage, services you will offer, management team, office manual, benchmarks, exit strategies, and pay and compensation structure. If you need to finance the practice, the lenders may require that you complete a business plan in their specific format, which they will provide. You will also need a personal plan, which is equally important to create, but will require involving your family in decisions about lifestyle and location.

Next, you need to decide if you want to do a startup, or buy an existing practice. There are advantages and disadvantages to both. Purchasing an existing practice supplies you with an immediate patient base, trained staff, office set-up, and the selling dentist will (likely) stay on to transfer patients. The disadvantages may occur when the dentistry is not up to your standards and needs to be retreated on existing patients. Also, the transferring dentist may not be compatible with you, and the patients may not transfer completely.

If you're considering a startup, the advantages include having all new and current equipment and technology; you are able to set everything up your way to maximize your goals and aspirations. The disadvantages are not having a patient base, and therefore no immediate income, which



Focus of a Business Plan:

Demographics

Practice Size

Type of Practice

Equipment

Staff & More

must be planned for. You also have to navigate government regulations, hiring and retention of staff, and development of marketing skills, to name a few of the key administrative responsibilities.

For those of you who are currently associates and have the opportunity to become a partner, the advantages of knowing the practice philosophy, as well as the patients and staff, can create a very comfortable situation. The disadvantages arise if the buy-in is not a 50-50 partnership, or the production discrepancy of one partner over the other creates tension in the practice.

Whether you find your practice on your own, through professional publications, practice brokers, dental supply reps, study clubs, or the dental com-

pany, that you choose advisors that specialize in the specific needs of dentists.

When looking for your next career move into ownership, as you begin the process of looking at numerous practices for sale or locations for a startup, always look past the color of the paint on the walls. In other words, look for untapped potential, a solid patient base, a dependable staff and a functional facility. We've all watched enough home improvement shows to know that anything can be renovated.

The step from associate to practice owner is one of the biggest you will make in your dental career. Plan it wisely, and you will be better prepared to deal with the unforeseen changes that occur along the way. There's no better feeling than working hard for yourself and succeeding beyond your dreams.

Dr. Studley and Peltz, dentists and educators, are the co-founders of DOCCUPATIONS (www.doccupations.com) - the online site for finding dental jobs for employees - endorsed by NYCDS.

