



Ask the Broker

Why are some practice transitions better than others?

I recently experienced a practice transition that I could easily use as a case study of what NOT to do during a practice transition: firing most of the staff, discontinuing immediate use of the seller's name on the door, webpage, advertising or phone service and basically changing everything in the practice for whatever reason, based on the buyer assuming "they could do it better". Our standard advice to any buyer is to "ride the bike around the block" for a while before making any drastic changes. Most of us know that the "practice" of dentistry is about relationships with the staff as well as with the patients. These relationships foster trust and doctors who are capable of building trust quickly with their patients tend to have more successful practices. A new dentist in any practice must first concentrate on the staff relationships and the patient relationships will follow.

The new dentist may present EVERYTHING correctly during the first visit with a patient, but may overlook the fact that the patient will ALWAYS ask a staff member what they think of the new dentist. Of course this exchange usually occurs when the dentist isn't in the room. The point here is that even if staff changes or salary changes are inevitable, the new buyer needs to understand that this needs to be handled appropriately. Necessary changes should be done gradually, without making abrupt, sweeping changes from the very start.

"Trust builders" may not necessarily be the best clinical dentists. Obviously, dentists who possess outstanding clinical skills, communication skills and management skills will run the most profitable practices. However, the most important attribute that will usually define success is the ability to relate to people. Building trust will usually trump clinical skills as patients usually cannot judge the quality of dentistry they receive. Rightfully, our dental schools are geared toward producing dentists with a measurable clinical skill set, but may leave the interpersonal lessons to be learned at the "school of hard knocks."

The truth is that some dental students inherently will be better at interpersonal skills than others. After being subjected to four years of judgment based solely on their clinical skills, they are thrown into a world that will judge them mostly on their interpersonal skills. For buyers, hiring the best dental attorney and best dental accountant is certainly good advice, but it will not guarantee success as much as treating people right!

Questions? E-mail wps@succeed.net



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