

# Practice acquisitions: How has the independent buyer changed?

Leah Turner, Practice Sales Director of Dental Elite considers independent buyers' purchasing habits...

As you know, the dental practice sales and acquisitions market is constantly evolving, which can affect everything from dentists' ability to buy and sell, to the practice asking price. But it's not just trends that change; so do the buyers. Independent buyers in particular have changed somewhat over the years, in that the overall knowledge of buyers on the purchasing process and market trends has improved drastically.

Whereas before dentists might have been unsure about what buying a practice entailed, it is now the case that more dentists are aware of what is involved; especially in regards to how to model a practice themselves and how aspects of the transaction – such as the valuation – theoretically work. This is due, in part, to the amount of information that is now available via different mediums and an increase in being business savvy. But there's also an element of necessity, as expectations from banks are far greater than a decade ago. Buyers have to not only be able to prove that their chosen practice is viable, but that they're capable of running and growing a business. It's no longer enough to just have the clinical skills.

We've also noticed that an increasing amount of dentists are less reliant on advisers; at least in regard to identifying whether a practice is a good business venture or not. This is a good thing, as it means that buyers are less likely to make bad investment decisions – not necessarily from a financial perspective, as banks don't tend to lend against a failing or non-profitable business – but in regard to time and effort. This means that dentists are able to search more efficiently and find a more suitable practice fit for their needs.

In regard to the plans that buyers have, there's been a real resurgence over the last few years in private practice acquisitions. Of course, there's still strong interest in NHS practices and we are continuing to see dentists follow the pattern of: qualify, complete foundation training, and work for a couple of years as an associate before buying their first practice. A number of these dentists invariably go on to acquire additional practices and build what is essentially a small group, most likely with the intention of reducing their presence in the practice over the course of time. But alongside this, there has been a notable rise in the number of dentists looking to enter into private practice, who tend to go down the route of further

education after working for several years as an associate. This has grown from the fact that because there are more and more dentists offering specialist treatments due to greater postgraduate training opportunities, not all specialists are able to feasibly offer their services as associates. These dentists are therefore seeking alternative options – that is, buying a private practice that they can work in and grow themselves.

Due to the time it takes to secure the right qualifications and financial wherewithal, these buyers tend to be a bit older. This is also the case where goodwill values are higher, though you do see younger buyers if they have the support of family money. Where the buyer is younger or more entrepreneurial, we have seen a growing interest in buying under new structures that means they don't own 100% of the practice. Not only can this be beneficial for the buyer in terms of easing some of the financial burden and providing business and clinical support, but it can also be extremely advantageous to the existing principal looking to decrease their involvement in the practice.

In light of all this, it is important to remember that trends (including those pertaining to lending) can change very

quickly, meaning that the current pool of independent buyers could well be different in the future to what it is now. The market too can evolve rapidly, which can make it extremely difficult to navigate through the transaction – regardless of prior knowledge and understanding. Indeed, no matter how clued up you are, there are certain aspects of the process that are best dealt with by a specialist sales and acquisitions agency like Dental Elite. Plus, going at it alone, you can't guarantee that what you're getting is the best deal in the long-term. As for the vendor, staying up to date with current market trends and having an awareness of what the buyer pool looks like is essential to ensuring a successful sale. Only by seeking professional help can one hope to stay ahead of the game.

For more information on Dental Elite visit [www.dentalelite.co.uk](http://www.dentalelite.co.uk), email [info@dentalelite.co.uk](mailto:info@dentalelite.co.uk) or call 01788 545 900

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# Keep it merry and avoid the festive stress

Helen Minnery, President of the British Society of Dental Hygiene and Therapy (BSDHT), offers her advice...

The nights are drawing in, the weather is getting cooler and you've noticed that every shop has started to play Christmas carols on loop – it can only mean that the festive season is almost here. Whilst this suggests that soon you can acceptably eat lots of treats, reunite with your family members and finally catch up on all of the television you've been missing, the season does come with numerous stresses, especially in the workplace.

**Why does the festive period tend to be stressful?**

Alongside the need to buy everyone presents, sort out where and what you're doing for Christmas Day and see extended family, people working in dental practices also often experience enhanced patient footfall.

December tends to be a particularly busy month during the year, which is especially true for practices that offer services such as tooth whitening. This is thought to be because people are more concerned with their appearance during the festive season when there are plentiful social occasions, and also wanting to look good in "selfies".

The pressure of dealing with more patients than usual can quickly build up, meaning that you feel far from festive. So what can you do to tackle these feelings? The first step is understanding how stress works.

**What is stress?**

To put it simply, stress is your body's way of reacting to any demand or threat. In reaction

to these events, our bodies automatically create a "stress response" – a sort of fight or flight reaction that can be highly useful in dangerous situations. This response is characterised by your body releasing a flood of hormones including adrenaline and cortisol, both of which increase your heart rate, tighten your muscles and make your senses sharper.

**So why is stress a bad thing?**

Well, it turns out that these effects become highly damaging once they extend past the original incident, and this can happen easily, as the human nervous system finds it very difficult to distinguish between physical and emotional threats. This means that something like work pressure can easily be confused for a life-threatening situation, resulting in adrenaline and cortisol being pumped around your body for extended amounts of time. Furthermore, this is worsened by the fact that the more your emergency stress response is activated, the easier it is to trigger it in the future, quickly causing a spiral of stress that is difficult to escape.

**What are the negative effects?**

Chronic stress can cause and exacerbate a number of health problems. These include physical issues such as skin conditions and weight gain/loss, to conditions that affect mental health, such as depression, anxiety, thinking and memory problems.

There are also several significant behavioural indicators linked to stress, and

people who are suffering may eat more or less, take drugs or drink a lot more alcohol in order to try and combat the feelings that stress can cause.

**Nip it in the bud**

In light of this, there are a number of measures you can take that help to decrease the stress you feel during the Christmas period. As you know, the Christmas period is likely to be busy, so it's worth having your patient lists organised in advance. This will help you to balance the rush and cope with the sudden influx of demands.

It's also a good idea to make sure that your colleagues are similarly prepared. We've all had those days where someone else's stress transfers to us, so by helping your colleagues to keep organised and feel ready in everything they do, your work environment is likely to stay calmer this Christmas.

Another measure you can take is to restock any products or equipment you know that you will need, and even bulk buy some of these in case of sudden influxes of patients. This will help you avoid running out and disappointing patients, as well as erratic Christmas delivery schedules.

**Soothe away the stress**

Of course, there will be situations that are impossible to plan for, but in these scenarios there are a few things you can do to chase away those stressful feelings. Simple breathing exercises, such as taking

deep breaths in through your nose and out through your mouth, can help, as they reduce your heart rate and allow you to take a moment to collect yourself. You can also try introducing stress-relieving items into the atmosphere, like pleasant scents or take certain supplements, such as valerian or lemon balm, which are proven to have calming effects.

It may also be worthwhile seeing if you can help to relax your stress response by making certain changes. Exercise is especially beneficial as it can help you sleep and releases endorphins that combat stress. Even small changes like reducing caffeine intake can have a positive effect too – perhaps skip that gingerbread latte!

Overall, it's important to steel yourself for the Christmas period if you think that stress may become an issue. By being prepared for the rush you can take appropriate measures, meaning that your Christmas will definitely be merry!

For more information about the BSDHT, please visit [www.bsht.org.uk](http://www.bsht.org.uk), call 01788 575050 or email [enquiries@bsht.org.uk](mailto:enquiries@bsht.org.uk)

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