

A spotlight on post-completion

In the final instalment of his series considering common pitfalls of buying and selling a dental practice, **Luke Moore** concludes his articles looking at the pitfalls of buying and selling dental practices.



There are many different areas where problems can occur during a dental practice sale. With so much to do, so many people to chase up and so many potential complications, it's no wonder

that both vendors and buyers often forget to prepare for possible issues after completion. However, there are several common pitfalls here to be aware of if you are to really enjoy a successful outcome.

protocols and patient care. Where conflict may be predicted, establishing firm rules to move forward with will help prevent problems.

Accepting a new commander

It can be frustrating for both vendor and buyer if staff don't treat the new owner as such when the previous principal remains at the practice. It means the vendor has to carry on managing the practice while the new owner can feel pushed out of their own business. To avoid this, implementing new protocols for any clinical or business-related questions and suggestions can help. In addition, it should be made clear to staff that any queries should be

Avoiding personality conflict

Where the vendor is remaining at the practice, it's important that they can do so without clashing with the new owners. While personalities may differ, they need to have a similar work ethic and similar clinical opinions in order to work together effectively. This will also help to ensure continuity in the practice, both in terms of professional



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directed to the new owner. A good fortnight's holiday after the initial handover period often serves the practice well as it allows this migration to happen naturally.

Liquid cash

Some purchasers make the mistake of pouring every last penny into buying a practice, but then don't have enough working capital to pay initial business costs like lab bills and staff wages. As such, simply incorporating additional funds into the initial loan or an overdraft can help buyers operate effectively in the first few months of ownership.

Patient communication

Patients will of course need to be informed of the change in practice ownership, but how and when they are told is important to think about. The transition should be handled gently and it is often beneficial to demonstrate that quality of care has not changed since the sale to reassure patients.

Prevent competition from capitalising

In some instances, a competitive

practice may hear of the sale and use it to market to patients in the area with the aim of pulling people over. To stop this from happening, it's good to just keep the sale quiet until completion. The practice should also continue its marketing activities during the transaction period as this will help to balance out any patients that do decide to jump ship.

Be prepared for completion

Another result of unblinkered focus on the transaction can leave some purchasers unprepared for completion when it comes to seemingly small, practical considerations. Organising the card machine by changing the bank details, for example, could help new owners avoid significant problems in the first few weeks of business – not doing this could leave them unable to take money for weeks.

Protect the goalposts

There is a danger that either the vendor or the purchaser could change lots of stipulations originally agreed as part of the transaction when they reach completion. For

example, the vendor may stay on at the practice, but suddenly announce that they will work only two days a week, they want more money and they're off on holiday for two months. In contrast, the new owner could decide that the vendor needs to work longer days or meet higher targets than initially stated. To protect both parties, all agreements should be in writing and signed by all involved prior to completion.

Keep one eye on the future

Dental practice sales can be time-consuming and all-encompassing, but it is important to remember what comes next. Being prepared for life beyond the transaction will enable a new practice owner to really make the most of the business in the initial few months.

However, this is easier said than done. There is so much to think about during the transaction that anything after that can seem like a tiny light at the end of a very long tunnel. Seeking support from experts in the field can help you navigate the waters.

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