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# Personal Goal and Practice Objective Setting: The First Steps to Building a Strategic Plan for Practice Success

**M**ost dentists receive minimal business training at dental school and once they are in practice, clinical demands may often push business concerns to the backburner. Yet, statistics prove that the absence of a well thought-out strategic business plan prevents many dentists and their team members from reaching their full potential, both professionally and financially.

This article will help you initiate the planning process by defining the various practice profile/career stages and enabling you to establish corresponding personal goals and practice objectives that are necessary for success. These form the foundation of a solid business plan, which is essential for building a rewarding and profitable dental practice.

| Practice Profile/<br>Career Stage  | Advantages  | Typical Goals/<br>Objectives   | Resources/<br>Software Emphasis   |
|------------------------------------|---|--|---|
| <b>New grad associate</b>          | <ul style="list-style-type: none"> <li>• Less pressure</li> <li>• No administrative responsibility</li> <li>• Little or no initial investment</li> <li>• Flexible hours and practice choices</li> <li>• Mentorship</li> </ul> | <ul style="list-style-type: none"> <li>• Pay back student debt</li> <li>• Learn clinical dentistry</li> <li>• Hone skills</li> <li>• Determine desired career path</li> </ul>      | <ul style="list-style-type: none"> <li>• Business and clinical courses</li> <li>• Financial planner</li> <li>• Dental mentor</li> <li>• Lawyer/accountant</li> <li>• <i>Production and collection metrics for compensation calculations</i></li> </ul>                                |
| <b>Career associate</b>            | <ul style="list-style-type: none"> <li>• Minimal administrative responsibility</li> <li>• Work flexibility</li> <li>• Better equipped to run own practice if desired at some point</li> </ul>                                 | <ul style="list-style-type: none"> <li>• Generate income</li> <li>• Reduce stress</li> <li>• Increase production rate</li> <li>• Maintain flexible lifestyle</li> </ul>            | <ul style="list-style-type: none"> <li>• Continuing education</li> <li>• Financial planner</li> <li>• Lawyer/accountant</li> <li>• <i>Production and collection metrics for compensation calculations</i></li> <li>• <i>Productivity key performance indicators (KPIs)</i></li> </ul> |
| <b>Solo practice (purchase)</b>    | <ul style="list-style-type: none"> <li>• Instant patient base</li> <li>• Turnkey set-up</li> <li>• Ability to make own practice decisions</li> <li>• Building of equity</li> <li>• Fewer unknowns</li> </ul>                  | <ul style="list-style-type: none"> <li>• Pay off financing</li> <li>• Increase practice value</li> <li>• Improve operational efficiency, productivity and profitability</li> </ul> | <ul style="list-style-type: none"> <li>• Continuing education</li> <li>• Financial planner</li> <li>• Lawyer/accountant</li> <li>• Practice management consultant</li> <li>• <i>Metrics for sound decision-making</i></li> </ul>  |
| <b>Solo new practice (startup)</b> | <ul style="list-style-type: none"> <li>• Shape own practice from ground up</li> <li>• Ability to earn income elsewhere until practice supports full-time work</li> </ul>  | <ul style="list-style-type: none"> <li>• Accelerate practice growth</li> <li>• Establish practice differentiation</li> </ul>   | <ul style="list-style-type: none"> <li>• Continuing education</li> <li>• Financial planner</li> <li>• Lawyer/accountant</li> <li>• Practice management consultant</li> <li>• Marketing, patient retention and referral tracking</li> </ul>  |
| <b>Group practice</b>              | <ul style="list-style-type: none"> <li>• Economies of scale</li> <li>• Breadth-of-service offerings</li> </ul>  | <ul style="list-style-type: none"> <li>• Market share</li> <li>• Branding</li> <li>• Operational efficiency</li> </ul>   | <ul style="list-style-type: none"> <li>• All resources as above</li> <li>• <i>Enterprise/consolidated reporting</i></li> </ul>  |

## Defining your dental practice model and career stage profile

The chart on the opposite page depicts the various practice/profile stages and the factors for you to consider when developing a strategic plan or modifying an existing one. As these elements change, so too will your goals and objectives. Similarly, your reliance on outside expert resources and dental practice management software to support your plan will vary over time.

## Identifying personal goals

With the career stage/profile discovery process completed, it is much easier to identify and prioritize your core personal and practice goals and formulate a practice mission statement to serve as a strategic guide. The most common personal goals for health-care professionals, as evidenced over time, have proven to be:

- **Professional pride.** To be recognized by your colleagues and patients as an expert in the dental field (or particular specialty) who provides exceptional patient care.
- **Job satisfaction.** A treatment mix and patient base that give you satisfaction based on your skill set and professional goals.
- **Clinical excellence.** Freedom to acquire and implement the required/desired technology to increase treatment efficacy and productivity.
- **Operational efficiency.** To acquire, develop and manage a high-performance team with whom you truly enjoy working.
- **Financial.** The ability to sufficiently fund your practice operations and lifestyle during the life of the practice, as well as provide for a comfortable retirement

Although it may be difficult, try ranking your personal goals in order of their importance to you, as this will guide your strategic planning direction.

## Prioritizing core practice objectives

The following are the most common dental practice objectives:

### 1. Quality of care

Patients have the right to choose where to go for their dental care. Consequently, your commitment to provide high-quality service and achieve patient satisfaction should remain one of your primary objectives. Positive patient outcomes will enhance your practice's reputation and contribute to patient referrals. High patient-satisfaction levels carry the promise of high patient retention; conversely, there is a risk of patient loss if expectations are not met.

### 2. Patient growth

Net patient growth (new patients, fewer lost patients) is vital for any practice. Internal marketing strategies for attracting patient referrals and for patient retention are generally your best method to achieve this objective. External marketing activities such as direct mail and advertising can be less cost-effective.

### 3. Production growth

To increase production revenue in the absence of patient growth, unscheduled prescribed treatment and outstanding recalls needs to be diligently tracked. Effective use of practice management software can help with this task to ensure all patients are properly informed about the appropriate treatment for their needs and that it is scheduled and ultimately completed. Increased patient acceptance rates will naturally lead to a higher average production per patient.

### 4. Practice sustainability

Too much practice overhead reduces profit margins, whereas too little overhead will choke your practice growth. Consider every major spending decision from a return-on-investment perspective if profitability is one of your main goals.

### 5. Low-stress environment

In many cases, inefficient business systems can be a source of dental practice stress. By implementing well-designed operational systems, including practice management software and effective human resource management, improving your practice's performance becomes easier and more productive, resulting in less stress.

### 6. Professional satisfaction

Reflecting on why you wanted to become a dentist and what type of dentistry you like to do will help determine where professional satisfaction fits in when prioritizing your objectives. Also, consider that your staff cannot be expected to work merely to make money for your practice. Each member of your team also needs a sense of purpose to make their work meaningful.

When ranking these practice objectives, it is important to involve the entire dental team, since they are also stakeholders and will have to have buy-in for these objectives to be fully achieved.

## Articulate your dental practice mission, vision and values

The practice **mission statement** is a concise summary of the practice objectives you would like to portray to the outside world. It defines the services provided, what makes the practice unique and ultimately determines the strategy to follow.

### Mission statement example:

ABC Dental is committed to providing our patients with the highest quality dental care in the most comfortable and stress-free environment possible.

The **vision statement** adds the “how” of the business. A vision statement is important, but without a solid plan that supports the practice values, it is likely to remain just a vision.

### Vision statement example:

To operate an efficient, profitable and satisfying practice based on proven management principles.

**Value statements** can serve as everyday guides for long-term success.

| Value proposition examples | Value proposition statements  |
|----------------------------|---|
| Quality                    | “We provide exceptional dental care and service for maximum value.”                             |
| Commitment                 | “We develop relationships that make a positive difference in our patients’ lives.”              |
| Full Disclosure            | “We provide a full explanation of all treatment options and the consequences of non-treatment.” |
| Integrity                  | “We are personally accountable for delivering on our commitments.”                              |
| Respect                    | “We value our employees, encourage their development and reward their performance.”             |

## Conclusion

The first step in developing an effective dental practice strategic plan is to define your practice profile/career stages in order to establish your corresponding personal goals and practice objectives. These then form the basis for development of your practice mission, vision and value statements. While these statements will paint a picture of the kind of practice you desire, your strategic business plan will help to provide the road map to get there. 



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