



How to Start a Dental Practice

Introduction

Setting up a new dental practice and building a patient base can be an overwhelming experience. It takes time and careful planning but fortunately many resources are available to help you along the way. It starts with a good business plan and partnering with people who have proven expertise in the dental field.

This ebook provides structured guidelines and explains the tasks you must complete in relative order on your path to establishing a successful dental practice.

Introduction	2
Create a Dental Practice Business Plan	4
Consider a Partner	6
Find a Suitable Location for Your Practice	8
Determine What Equipment and Software You'll Need	10
Determine Your Space and Layout Requirements	12
Obtain Financing to Start Your Practice	14
Sign a Lease or Purchase Agreement for Your Office Space	16
Determine Your Personnel Needs	18
Develop a Dental Marketing Strategy	20
Apply for Necessary Permits and Licenses	22
Conclusion	24

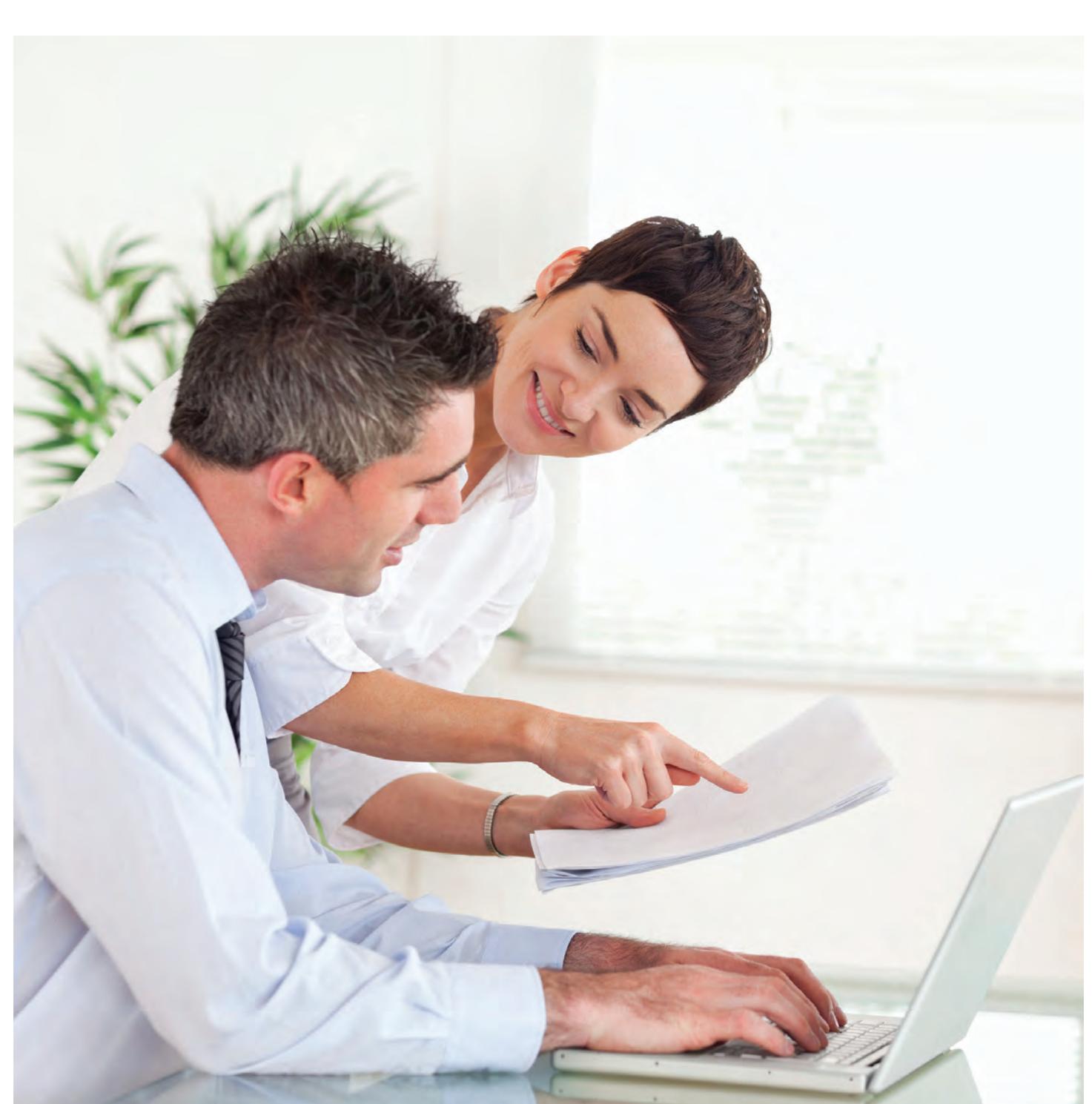
1. Create a Dental Practice Business Plan

The first step to opening a dental practice is creating a business plan – a prerequisite for obtaining a business loan for financing all the projected costs. The business plan is a detailed description of your envisioned practice and should include your business strategy, standard operating procedures, costs, projecting earnings, and other financial information.



2. Consider a Partner

Teaming up with a partner can help offset the costs of opening the dental practice and obtaining a loan. A downside of opening a practice with a partner is it can be hard to find someone who shares your exact vision. You also have to consider if your patient flow can support multiple providers.



3. Find a Suitable Location for Your Practice

One of the most crucial decisions that you will make is determining the location of your dental practice. Once you know the general area in which you'd like to practice, you'll need to research your competition and the population of the area where you'll be practicing. Factor in the total dentists per capita in your region and then determine where the other dental practices are located within your city. The convenience and total number of parking spaces must also be considered when choosing a location.

10 to 12 Months Before Opening

- Develop your practice philosophy and detailed business plan.
- Create a budget and determine all major expenditures.
- Decide whether you want a partner.
- Hire an attorney, accountant and practice broker.
- Decide on a general area for your new practice location.
- Evaluate potential locations for your practice with your broker.



4. Determine What Equipment and Software You'll Need

One of the biggest expenses when starting a dental practice is the upfront cost of equipment, surgical tools and supplies, furniture, software, and miscellaneous items. Find a reputable equipment supplier who can service the equipment they sell. When it comes to choosing practice management software, it's a good idea to read some dental software reviews and ask colleagues their experiences using various systems.



5. Determine Your Space and Layout Requirements

Before beginning your search for office space, you will need to determine how much actual square footage you need for your waiting room, consultation room, bathroom, reception area, operatories, x-ray, sterilization, private office and storage space. It's a good idea to research other dental practice layouts that you like so you can begin to envision how you want your own office to look.

7 to 9 Months Before Opening

- Determine your exact space and layout needs.
- Narrow your site search down to 1-3 locations.
- Get contractor estimates for any necessary remodeling/leasehold improvements.
- Compile a list of equipment you will need to buy and other major expenditures.
- Start reviewing **practice management software systems**.
- Evaluate different lending institutions.
- Put together a preliminary loan package with your lender.



6. Obtain Financing to Start Your Practice

After you have reviewed your business plan and determined financial requirements, it's time to apply for a loan from a bank or lender. If you are not able to obtain the financing that you require, then you might have to think about joining with a dental partner – even if you originally planned on opening a dental practice on your own.



7. Sign a Lease or Purchase Agreement for Your Office Space

Once you know where you want to buy a practice, and the exact type of office space you need, and (hopefully) have secured the financing you need to open your practice, you can start evaluating office spaces for your dental practice. A dental practice broker may be able to help even though you may not be purchasing a patient base.

Generally, dentists obtain a 10-year lease. This locks in the monthly rent and protects you from rate increases. Many landlords are open to offering discounted rental rates for the first few months and/or covering some leasehold improvement costs. Finally, be sure to have your attorney look over your lease before you commit.

6 to 7 Months Before Opening

- Finalize your loan package.
- Choose and finalize the site for your new practice (after reviewing lease with an attorney and making sure it fulfills all zoning requirements).
- Sign the lease.
- Develop your floor plan and equipment layout.
- Select a contractor to do any needed remodels and start remodeling.



8. Determine Your Personnel Needs

You should start thinking about your staffing needs sooner rather than later. As a minimum, to start you will need a dental assistant that can also cover as a receptionist. The next step would be to hire a receptionist with office management skills. As the practice grows you will need at least a full time hygienist and office manager. Determine an average salary for each position as this information will go into your final business plan and help you determine your financial projections.

5 to 6 Months Before Opening

- Start developing an office policy/procedure manual.
- Set the hours of operation for your practice.
- Finalize interior finishes.
- Decide on business software.
- Review personnel needs.



9. Develop a Dental Marketing Strategy

You will need a website that helps you attract new patients, increases the recognition of your dental practice, and acts as your primary marketing tool. In addition, you should also employ the services of an SEO firm to help your dental practice attract potential patients, and obtain favourable reviews. By getting started early, you will already begin attracting attention before your dental practice is fully operational. Once you are up and running, you can increase your SEO investment and online marketing efforts.



10. Apply for Necessary Permits and Licenses

One of the final things you need to do when opening a new dental practice is to make sure you have all the necessary permits, licenses, etc., required to practice dentistry in your area.

4 to 5 Months Before Opening

- Talk to SEO firms to start building a marketing strategy.
- Start checking out telephone and answering systems.
- Review and test **practice management software**.
- Get a telephone number.
- Review the provincial dental codes of ethics.
- Hire a web designer or use web builder software to create a business website.

3 Months Before Opening

- Start on-site monitoring of leasehold improvements.
- Apply for a business permit, if required.
- Apply for tax numbers (federal and provincial).
- Apply to dental society memberships (local, provincial, and national).
- Put in all dental equipment and supply orders and order all necessary utilities.
- Order/install a computer system, practice management software, and office supplies (stationary, business cards, prescription pads, etc.).
- Obtain necessary insurance and fill out necessary forms (unemployment insurance, workmen's compensation insurance, etc.).



Final Pre-Opening Steps

2 Months Before Opening

- Place advertisements for staff.
- Put together your fee schedule and payment policies.
- Make laboratory work arrangements.
- Make pharmacy services arrangements.
- Make arrangements for janitorial services, maintenance service, and uniform/linen service.
- Join a local credit bureau.
- Make arrangements with a bank or merchant account to accept credit card payments.

1 Month Before Opening

- Monitor completion of leasehold improvements.
- Finish installing equipment and computer systems and test them.
- Hire and start training your employees.
- Set your Grand Opening date.
- Put office opening announcements on your website, online and in local papers.
- Send office opening announcements using direct mail.
- Have your office inspected by necessary officials.



Conclusion

It is evident that there are many sequential steps to follow when starting a dental practice. However, the benefits of proper preparation are substantial. After all, you are starting with a clean slate and the choices available to you are only limited by budget.

Since many of the required steps will be a new experience, it is essential you surround yourself with people who have previously demonstrated expertise in their respective areas. While it may be tempting to take short cuts to expedite the planning and implementation process, it is best to complete every step appropriately. You'll then be ready to open your new practice with the confidence of knowing that you have done everything right!

ABELSoft Inc. is a leading provider of outstanding clinical and practice management software, exceptional customer service and 24/7 support.

Established in 1977, ABELSoft Inc. is a Microsoft Gold Certified Partner. The two flagship applications, ABELDent and ABELMed, leverage best-of-breed technologies in cloud, portal and paperless applications to provide dental and medical professionals with a competitive edge in the marketplace.

Authors:

David Rajczak, Marketing Consultant, is a dental practice management and technology expert with two decades of experience within the dental industry. He has published articles in Dental Practice Management and Ontario Dentist magazines. David holds a Bachelor of Commerce degree and an MBA from McMaster University in Hamilton, Ontario.

Angela Spinks is CEO of ABELSoft Inc. Her years of experience in the healthcare industry include senior roles in business development targeting dental and medical software markets in Canada and the United States. Angela regularly publishes articles and white papers on the company's blog. She holds a Bachelor of Science degree from McMaster University in Hamilton, Ontario.



ABELDent
Grow and Protect Your Practice

3310 South Service Road,
Burlington, ON L7N 3M6
info@abeldent.com
1-800-267-ABEL (2235)
www.abeldent.com

ABELDent® software is a product of ABELDent Inc., a subsidiary of ABELSoft Inc.