

The original and authentic practice value index

Motivating your team makes good business sense

Frank Taylor & Associates gives some quick, simple tips on how to keep your staff motivated

Smart business owners know that there's a direct link between motivating team members and the success of that business. Want a good example of why you should be one of these smart managers?

Let's imagine that your best associate/dental nurse has just resigned. How much will it cost directly and indirectly to find, hire, train and get that replacement up to the right level? The answer is maybe months or years. Scary, huh? Now ask yourself if you could be in jeopardy of losing team members merely because you aren't motivating them.

There are many ways to successfully motivate your team and all of them require owners/managers to focus on the human beings with whom they work, and who desire to find their own success. Consider these six motivational elements:



1. Communication

There's nothing more fundamental to having loyal, productive and engaged team members than good communication. If you're having problems, the low-hanging fruit for you may be to just start talking with – not to – your people.

2. Professionalism

This is the aggregation of proper business, ethical and interpersonal behaviour, and it's critical to successful team motivation.

Professionalism fosters pride and team loyalty. Demonstrate your professionalism first and then help your team achieve and value their own professionalism. And don't forget to recognise their progress.

3. Management style

Check yours. Are you a leader or a driver? Managers who are drivers disregard others, consume people as a means to their end, and are identified by high staff turnover.

Leaders value their people and encourage them to be successful. They can be identified by the double-digit numbers

representing how many years their team members have been with them, and the multiple black digits to the left of the decimal on their bottom line.

4. Training and development

Team training pays operational and motivational dividends. It fosters knowledge, which fosters self-confidence, which fosters leadership, which fosters loyalty, which fosters patient loyalty, which fosters your bank account. How's that for a training straight line to return on investment?

5. Recognition

A robin noticed a turtle sitting on top of a fence post. When the robin stopped to ask how he got there, the turtle replied,

'Obviously, not by myself.'

When talking about what your practice has achieved, be sure to manage your pronouns properly. Whenever 'I' can be replaced with 'we,' do it. This tiny two-letter pronoun is a powerful verbal high-five that resonates motivational energy throughout your team.

6. Fun

Fun is very motivational. Make sure your practice finds ways to have fun at work. The people I know who are the most successful and the happiest are those who take their work very seriously, but they don't take themselves too seriously. **D**

Practice one – South west England

Practice location – this practice is located in a purpose built property in a mainly residential area, close to a busy town centre. There is parking available for 10 patients at the practice in addition to staff parking.

Practice type – this is a fully private nine-surgery practice being sold as an expense share. Nine years are left on the lease with a rent review every five years. The practice has been established for over 40 years and the sale is to facilitate the retirement of the principal.

Practice financials – the gross fee income is shown to be in the region of £600,000, of which 81% is fee per item and 19% a share of the practice income. The adjusted net profit shows at 50.1%. The fee per item gross has been generated by the expense share partner working full time, supported by a full-time dental nurse. This expense share has five partners, all of whom offer a mix of specialist as well as general dentistry, and are supported by a team of hygienists/nurses/receptionists a practice manager and a full-time practice account manager.

Price achieved – a price of £450,000 was achieved, which was the asking price. The purchaser used FTA Finance to secure the funding.

Agent's comments – this expense-share partnership had excellent agreements in place that made the transfer from the existing partner to a new partner very straightforward. This is often not the case where agreements that may have been formed informally years ago are no longer fit for purpose. As a first-time buyer, the incoming principal welcomes the opportunity of joining expense share partners where the experience and understanding of the remaining partners can be drawn on.

Practice two – South east England

Practice location – the practice is located in a single-storey detached property situated to one side of a large free car park in a market town.

Practice type – this is a fully private two-surgery practice being sold as freehold. The practice has been established for over 40 years and is being sold due to family commitments elsewhere.

Practice financials – the gross fee income is shown to be in the region of £200,000 and 85% is derived from a capitation scheme with the balance coming from fee per item. This is an associate-run practice with a locum working three to four days a week. Professionals complimentary to the clinical team are a hygienist working two days a week, a full-time dental nurse and a full-time practice manager. The adjusted net profits are a comfortable 61%.

Price achieved – a price of £330,000 (including freehold) was achieved, which was the asking price.

Agent's comments – this practice is ripe for a new principal, particularly if he/she would work in the practice full time. With a robust number of patients enrolled into a capitation scheme, there is security in the turnover and, with a fresh approach to marketing, the practice could witness an increase in turnover very quickly.

Practice three – Home Counties

Practice location – this practice occupies a detached two-storey property within walking distance of a busy high street amidst residential and commercial properties. There is ample parking space at the practice alongside free street car parking.

Practice type – this is a mainly private three-surgery practice, which is being sold with a newly created lease of 15 years and an annual rent of £29,000. The practice has been established for almost 30 years and is being sold to facilitate the retirement of the principal.

Practice financials – the gross fee income is shown to be in the region of £360,000 and comprises of 89% fee per item and 11% NHS-GDS contract, which is 1,600 units at a UDA rate of £24.92. The gross has been generated by the principal working full time in the practice and one associate working three days a week. In addition, there is a hygienist working two days a week, two full-time dental nurses and two part-time receptionists. The adjusted net profit for the year is 48.4%.

Price achieved – a price of £530,000 was achieved, which was in excess of the asking price. The funding for the purchase was secured by FTA Finance.

Agent's comments – this practice proved to be an incredibly popular practice and went to our sealed bids process. There were 13 offers, all at or above the asking price, which gave the principal the luxury of choice when he was making his final decision. The outgoing principal was happy to provide a level of comfort by staying on for a limited period to ensure a smooth handover.

Practice four – South west England

Practice location – the practice occupies the first floor in a purpose built building. It is located on a main road in a residential area with a mix of residential and commercial properties with free parking in the surrounding roads.

Practice type – this is a predominantly private five-surgery practice, which is an expense share. There are four partners and the practice is being sold as one entity.

Practice financials – the gross fee income is shown to be in the region of £650,000 and comprises of 53% fee per item, 40% capitation scheme and 7% NHS-GDS contract. The gross has been generated by all four principals working four days a week and are supported by two hygienists who both work three days a week, four part-time receptionists, four full-time dental nurses and a part-time administrator. Adjusted net profit is shown as 53%.

Price achieved – a price of £615,000 was achieved, which was slightly less than the asking price.

Agent's comments – whenever there is an expense share the value is always affected; however, despite only two principals wishing to retire in full as all four principals were in agreement to sell, they were able to achieve a higher price selling the practice as one entity. Post-completion, two principals have remained as associates at the practice, which helps with the continuation of patient relationship whilst the new principal settles in.

FOR ADVICE AND information on selling your practice, contact Frank Taylor & Associates by calling 0330 088 1156 or emailing team@ft-associates.com. Alternatively, visit www.ft-associates.com.