

The next chapter

Lis Hughes breaks down the stages of recovery to provide the best chance of receiving full goodwill value

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Dental practices having the ability to reopen from 8 June wasn't the end of the story. It wasn't even the beginning of the end – it was more like the end of chapter one.

There will be a series of recovery chapters. For practice owners, the number of chapters and the speed they are passed through is in their own hands.

To achieve financial recovery, there are three key elements to consider:

- Speed of work
- What can be delivered
- Patient charges.

The pace of work has been dramatically impacted in the short term and it's likely there will be an ongoing impact, too. With doffing and donning, fallow time for surgeries to be prepared for the next patient, enhanced patient checks at the practice and, of course, the much talked-about PPE it is inevitable.

The new way of working will also directly impact productivity. Efficient diary management will be vital to ensure you are able to maximise the efficiency of each surgery. A structured approach will help with treatment scheduling, coupled with triaging patients prior to appointments to minimise downtime in the practice. Adjustments like accepting online payments will all positively impact on the whole practice over the course of a day.

Passing on increased costs to patients is a delicate subject. It is an economic reality, however, that increasing prices will boost profitability. It is important

to consider when you last increased prices and if you do pass on increased costs to patients explain why and what the additional charge is for.

Looking to sell?

Time is of the essence for practice owners who are either in the middle of a sale or looking to sell in the next nine to 12 months' time.

Financial recovery needs to be a top priority, and to minimise the impact of productivity and pace of work this can be addressed through increased opening hours. I appreciate this may not be attractive, however, it is a strategy that should be seriously considered to protect your goodwill value.

If you saw 13 patients a day over a 35-hour working week pre-COVID-19, then maybe you will only see nine patients per day in the same time frame post-COVID-19. Therefore, to see the same number (say 65 in a week) you'd need to be open for 50 hours. This could be managed by being open 8am-5pm Monday-Friday, with a rota to stay open through the lunch hour and for five hours (say 9am-2pm) on a Saturday.

By flexing your opening hours, you can mitigate the pace of work issue and create more capacity to drive up your productivity.

Buyers, quite reasonably, will be looking to see what action has been taken to ensure the practice is heading back towards pre-COVID-19 performance levels. Pragmatic buyers will take a sensible view and not necessarily expect a full recovery in a couple of months, but the path back to success has to be laid out before them.

The recovery steps will give you the very best chance of receiving the full goodwill value you hoped for. **D**

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