Growing your practice in a recession

Gary Bettis highlights five reasons why now is a good time to refurbish, expand or relocate your practice

We are experiencing a recession, but growth is important during all types of economic cycles. Those dental practices that continue with their efforts to generate new business during difficult times will be more adequately poised for growth when opportunity arises.

With all of the discussion in the media today, many dental practices are bracing themselves for the economic downturn. Most people would equate a downturn in the economy with bad timing for anything business-related. This is a dangerous approach considering your practice thrives on growth to succeed. It’s not the economy that determines how well your practice performs—it’s how you react to it. If you want to stay out of economic turmoil, you need to keep your dental marketing momentum.

Continue with your efforts to communicate with your patients via newsletters, advertising and treatment offers but do not forget the importance of creating the right environment. This is true whether NHS or Private. Your patients’ needs must be a priority. Having a well-designed practice will deliver a positive experience and encourage patients to return and recommend your services to others.

From a functional point of view, you must constantly review how your practice is operating. Do you have an efficient workflow? Is there enough storage? Are you running out of space? Are you able to incorporate a separate decontamination area within your current set up?

Whether you choose to refurbish, relocate or expand, we look at the reasons why it is important to maintain your position within the dental marketplace, maximise efficiency and keep abreast of current legislation, even during an economic downturn.

Refurbishing, extending or expanding

Most dentists dread the day when they will need to refurbish their practice, yet a refurbishment should be seen as an ideal opportunity to improve the efficiency and productivity of your practice.

If you find yourself outgrowing your current premises but do not want to move you could consider the option of extending or expanding before looking for an alternative property. There may be opportunities to take on additional space such as a flat upstairs, or in the instance of a semi-detached house, the neighbouring property, particularly at a time when rental/purchase prices are low. There may also be the possibility of a rear or side extension, subject to the boundaries of the existing site and planning permission being granted.

Relocation

You may find that you are unable to meet the demands of your patient base within your current premises or comply with new guidelines. Continuing success in many cases requires relocation to new premises. This gives you a fresh start, and allows you to choose a location that suits your business. But in the current economic climate dentists are reluctant to take on such a large financial commitment. However, if an expanding dental practice has the capital, there has never been a better time to invest in a property.

In the wake of the credit crunch, there is the situation where:

• The supply of office space within certain areas outweighs demand. Prospective tenants and buyers are able to negotiate favourable terms.
• Landlords and vendors are now more likely than ever to cut their rentals and vendors are anticipating selling commercial office space at much less than its previous worth.
• Many office development opportunities are under construction, but the waiting lists for tenants have evaporated over recent months. The leak of more office space into the market will continue to force rental and investment price drops.
• There will be rising vacancy rates across the capital for the next year and a half.
• While dentists looking to buy can expect to snap up office space for much less than its previous market value, dentists looking to rent can look forward to a series of incentives to accompany low rentals, such as ‘grace’ periods.

1. Creating the right image

Highly successful practices today are realising that patient care is no longer simply about being nice. Patients expect clean, modern practice design and associate it with the highest standards in healthcare. After about 10 years, the furnishings and fittings in most dental practices become worn. Visual styles also change—so much so that even the most brilliant design in 1997 can simply highlight the age of your practice.

2. Updating old equipment

Dental technology has evolved dramatically over the last 10 years. The use of digital radiography, lasers, and advanced aesthetic products can offer value-added services. An advantage of relocating or a major refurbishment is the opportunity to upgrade equipment and introduce new systems that will aid efficiency, patient comfort, and promote your practice. In the current economy, these strategies to redesign your systems are more important now than ever.

3. Streamlining the business

In a tight economy, it is essential that your practice operates as efficiently as possible. Moving into new premises or refurbishing your current practice gives you the opportunity to design the perfect layout and make best use of the space available.

A well-designed workplace is more streamlined, productive and motivating—which maximises the output of your practice.

4. Conforming to legislation

You must ensure your practice conforms to all the necessary legal and statutory requirements, including the newly published HTM 01-05 documents and the Disability Discrimination Act.

The Dental Defence Union

– The only dental defence organisation in the UK to offer dental professionals access to both discretionary assistance and the reassurance of insured indemnity for claims for clinical negligence.

Helplines: Membership enquiries: 0800 085 0614 / 24-hour dental-legal advice: 0800 374 626

Website: www.theddu.com

The Supply of Office Space

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Refurbishing or moving into new premises provides you with the ideal opportunity to incorporate these facilities and prepare for the future.

**HTM 01-05**

Dental practices must incorporate a Decontamination facility to carry out procedures in accordance with the Department of Health document HTM 01-05.

By allowing a skilled designer, with experience within the dental industry and an understanding of HTM 01-05 to incorporate a Decontamination Area within your practice you will be adequately prepared for 2010. This is when all practices in the UK, both NHS & Private, will have to register with the ‘Care Quality Commission’. The HTM 01-05 gives the ‘CQC’ the right to inspect all practices and to see that they attain two standards: ‘essential’ and ‘best practice’.

Adhering to this document will mean that your practice will achieve high standards of infection control with streamlined surfaces and correct workflow.

The **Disability Discrimination Act**

The Disabled Discrimination Act 1995 is applicable to every dental practice in England and Wales. If you don’t provide access to your practice for people with disabilities, you risk prosecution. Your designer will guide you through the process of making sure that your design proposal conforms to the requirements of the DDA well before builders commence work on site.

5. **Negotiating a good price for building works**

In a recession building companies look at ways of saving costs. How can you ensure that your project is not compromised in any way by builders cutting corners, re-designing the design scheme to their benefit or ‘down-specifying’ with inferior quality products?

‘Competitive tendering’ is the answer! It offers a financial transparency that ensures you receive the best value for money. Your designer will send your design scheme (in the form of drawings and written schedules) to a small number of experienced building companies inviting them to quote for the work. This is a formal process and is the best way to create competition between the tendering builders. It ensures you receive the most competitive bids without compromise.

We have recently noticed that builders are finding themselves short of work and the prices of building materials are falling too. As a result builders will be more willing to negotiate a price for the building works.

**Moving into the future**

The recession should not be seen as an obstacle for growth. Instead it should be welcomed as an opportunity for you to create the ultimate working environment for long term profitability. Taking advantages of the opportunities and continuing to move forward will give your current patients a feeling of stability. It will demonstrate to your community that you are stable, and still want to be a part of it.

Gary Bettis is the Architectural Director of DDPC Limited. Since 1970 his company has provided architectural and interior design services to the dental profession. He has a wealth of experience in designing dental practices, with expertise in resolving planning and building issues. He helps dentists set up from scratch, expand or relocate their premises. He provides advice on choosing the right property and ensures that your practice meets current legislation, including Health & Safety and the Disability Discrimination Act.

DDPC is not affiliated with any construction company and can therefore provide a totally competitive tender service enabling dentists to obtain the best value for money.

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