Look to the future
To make sure you have a fruitful retirement, it makes sense to capitalise on your assets ahead of time. ASPD member Lyndsay Luquoq of Libran Management offers some advice

Ideally, retirement is an exciting time, which if prepared for properly, should see career efforts come to fruition. However for some, retirement is an event that has not been prepared for and inevitably will fill individuals with uncertainty. Knowing where you stand with pension and retirement planning is crucial, and the first step towards planning for the future.

Facing reality with retirement plans enables maximum preparation and, if retirement is five or more years away, it is still possible, with expert help, to consider all options as a proactive attitude will make your retirement plan a productive experience.

Unless you have a stable retirement plan in place, receiving guidance from a dedicated dental industry management company is highly beneficial and will include invaluable guidance on methods to improve your practice for an enhanced sale price. Experienced management consultants will have first hand knowledge of the pitfalls principals can experience when they are not correctly prepared for selling their practice and the impact it can have on them and their staff.

The sale of a dental practice is a vital factor to think about when planning for retirement, and in preparation, a practitioner can assess whether they will need assistance by considering the following factors:

Confidence in potential
Consider ideas that would benefit the growth of the practice to its maximum potential, implementation of ideas that would increase the gross income of your practice will ultimately increase gross practice value. Ideas to consider include widening the patient base by employing alternative treatments, or renovation of surgery and waiting area. Increasing patient lists and patient retention may also enhance practice image, making it more attractive to prospective buyers.

Objective practice view
Gaining an outside opinion on your practice potential enables practitioners to see if there are any aspects you have not thought of that can be improved upon. Sometimes it is difficult, due an excessive workload or too much involvement in practice, to realise areas in which more attention should be placed.

Involvement of staff
Involving staff is essential in the effective management of a practice. Assessing whether your practice is both cost effective and organisationally efficient can be aided by full involvement of practice staff to gain their opinion.

Factors such as both external and internal décor of your practice should also be considered. If you would not be happy attempting to sell your practice in its current state, it will need an update to maximise sale potential.

Patient base
Awareness of an updated patient list will aid a practitioner’s assessment of practice potential and assist the implementation of plans for pre-retirement business growth.

Staff job descriptions
The majority of practices sold come with staff already employed, and to make the new practitioner’s transition as smooth as possible, job descriptions are key.

Keeping contracts for all staff is fair to both employer and employee, including practice associates and therapists. Potential buyers are more likely to feel secure buying a practice if contracts are already signed and in place, and knowing if associates will leave once the practice is sold will aid the buyer in planning for future recruitment.

Practice health and safety
Passing health and safety and infection control inspections is crucial to maintaining a practice and fulfilling legal obligations. A practitioner should have confidence in their practice to pass inspections to a satisfactory level once every two years.

Insurance policies
Reviewing current insurance policies to ensure the practice is both correctly insured and paying a cost effective premium is essential to reducing unnecessary overheads and safety assurance.

Organisation finances
Regular contact with the Financial Services Authority or an IFA will aid a practitioner in managing both personal and business finances to their optimum level. Being aware of what your pension income will be after retirement is crucial to future planning, as is noting the current total of a pension fund.

Ease of potential sale
Is the practice leasehold? If so, is the current lease long enough and sufficiently safe to make a sale possible when a sale is attempted?

Preparing your practice for sale is just one factor to be considered when reviewing retirement plans, and should not be overlooked. By working with an experienced management support company, dental professionals can ensure their practice is ‘up to speed’ and is achieving full potential, vital when planning ahead for retirement.

ASPD member Libran Management delivers management solutions supporting dentists in all non-clinical aspects of their practice, and offers dental professionals an expert retirement support service for those considering retirement in the next five to 10 years.