Setting up in practice: Things to consider

Isabella McLean

Practice Management Consultant, British Dental Association

You might be thinking 2022 is the right time for you to begin setting up your own dental practice. It offers you an opportunity to take over clinical leadership and control in what could be your dream workflow efficient and inspiring clinical space. It can also bring in to play other expertise you have enabling you to grow the practice personality and vibe that you want.

The fundamental considerations are prioritised at the initial planning stage for instance, practice location, patient base, funding, who you might want as business partners and your business exit strategy.

But given the past almost two years of pandemic, what extra challenges or opportunities might 2022 bring to the table if contemplating setting up a dental practice?

Location and patient base

Location and patient base are for the most part inextricably linked, with local population forming the major consideration in deciding a location. The recently accelerated demise of high street retail and incumbent hollowing out of town centres has led to a superfluity of empty commercial premises available in and around towns across the country. But in a positive light, this situation presents extra scope for the negotiation of commercial premises on cheaper and more favourable terms. Combine this with the current drive of Government and Local Authorities to revive town centres, in part by the re-classification of commercial premises as domestic living space. This could present a significant opportunity for you by increasing the number of people in potential walking

distance of a town centre or high street dental practice. A potentially large and growing patient base right on your doorstep.

Careful analysis of location is required. You can speak to the area planning department and find out if/what regeneration schemes there are in place and how its anticipated this will affect the town centre population (or any other area you are considering for that matter). You can also visit Local Planning Authority (LPA) websites for information. Any additional information could be helpful when choosing a location for a new practice.

Premises

Likewise, you could benefit from the move by LPAs toward relaxing the 'change of use' rules. This could make life easier when identifying a premises for conversion to a dental practice. You can contact the LPA department to discuss how the land lies in this regard.

Networking

At the outset this might prove profitable. Other businesses and individuals can help in multiple ways whether they are in the dental field or not once you discover them and get talking. For instance, since COVID-19 there may be more practice owners who are considering selling up, perhaps because they feel they have had enough and maybe COVID-19 was the final straw for them or, for any other reason but that's also an opportunity you could explore with them, an opportunity to look at whether it's a business that you could make flourish with new ideas injected. If you hear in advance of such an opportunity it can put you in a strong position for first refusal.

Funding

Funding a practice is a primary consideration but after an extended period of very low interest rates it's now on the cards that rates will start to hit an upwards trajectory for the short to medium term and could even rise

significantly in the next few years. Inevitably rising loan costs will be disappointing but nevertheless must be factored into the business plan.

Recruitment

This is currently a big challenge for dental practices. It's reached a crisis point for some, compounded by the loss of EU workers and COVID-19 it looks like the problem will not be resolved anytime soon. Check whether there has been a recent decline in commerce or working age population within the area for any reason and whether there are any regeneration plans in place to reverse the trend. You will need to be able to draw on the nearby population for most of your staffing requirements but you could find that staffing costs are being driven higher.

Exit strategy

Your business exit strategy is a factor which needs thought at the planning stage and one in place from the outset. After running a successful practice there might be any number of reasons why you want to pull out at some stage. There is more than a single route to manage an exit from a dental business albeit the plan can be revised any time and as we know there is always the unexpected which can put in a spoke to any plan. Options for exiting the business may be determined by how you choose to set up or run your business either at the beginning or later down the line.

Summary

Whilst finding a location and premises may present some interesting and positive new opportunities going forward to 2022 and beyond, recruitment and funding could present an increasing challenge. As always though careful and relevant research and obtaining good advice is of paramount importance. ♦

<https://doi.org/10.1038/s41404-021-0965-3>