<u>Finding the Right Associate to Transition into Your Practice</u>

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So how do we position ourselves for the right associate and how do we find that person?

Doing the groundwork

The first thing that we need to know, is that the best practices find the best associates and the best practices have done their homework and are prepared to present their practice in a powerful way.

I have many clients who are preparing for an associate by doing the practice financial planning for their practice now. The reason for this is: that in order for us to know whether the practice can support an associate we need to know the current value of the practice and how the practice would be affected (positively or negatively) by the entry of an associate and ultimately his/her transition into partnership/ownership.

The best way to guarantee the permanency and success of this relationship is to have done the necessary counseling and planning at the front end. In this way, both parties know the numbers and also know the reasonable expectations of each other.

I am a firm believer that the difference between successful and unsuccessful partnership transitions is planning.

This front-end planning is not just about numbers; but also about the various business structure options, partial vs. complete buy out; choice of entity, tax ramifications, etc.

Many doctors have had the "bad associate experience". In the vast majority of these cases, the failure was in not doing the necessary financial due-diligence at the front end.

The best practices have done their homework and this is obvious to potential candidates. It allows you to show the practice opportunity in a clear, transparent and thus a powerful way.

Finding the right candidate

Many folks struggle with: "How do I find the right candidate?" The first step is to do the valuation and financial analysis described above; but you also have to find the candidates.

There are many things that you can do to find candidates. The ADA website lists doctors looking for practices and there are many specialty websites that do the same. Your equipment and supply reps know a lot of practices and also know a lot of working associates who are unhappy and want to find a better transition opportunity.

It’s amazing how many people will contact you, once you get the word out to colleagues and the community; but it is important that the language in these announcements be crafted very carefully. You are not retiring or slowing down; you are: “growing and expanding the practice, in order to better serve the community…”

We are happy to help you with the appropriate approach to the “languaging”.

Remember that the best associates are already working; so you may know doctors already, who are looking to make a change.

Setting the Context

Finding candidates is important; but setting the context for moving forward is also important.

Making sure that the associate knows that you are committed to his/her success.

Of course, we will want to do a “trial period”; in order to make sure that this person is a fit for the practice and vice versa.

In the meantime, it is important that we do the financial work to present the practice opportunity in the proper way.