

Saturation is Good News

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You have heard me talk about the concept of saturation: that doctors who are diagnosing and treating comprehensively, hit a place where they cannot be more productive or profitable, without working more hours; or sacrificing hourly productivity.

It is at this point that practices begin to plateau and gradually decline in value. This can happen when a doctor is in their 40s or 50s; if the practice is successful. We've even had practices reach saturation when the doctor(s) were in their thirties.

Picture this: Doc is booked out several weeks, or months. Hygiene is booked out at least as long. Doc is now scrambling to check hygiene and still do the larger, more time-consuming cases; with the proper comprehensive care. Administrative/management issues are also becoming time consuming and increasingly frustrating.

Over time doc gets a little lethargic and simply doesn't want to put the "pedal to the metal".

Everything that I described above applies to specialty practices. Doctors in an ortho, or an oral surgery practice get saturated by new patients and procedures. After they get booked out a couple of months, the referrals will dissipate and this means practice shrinkage.

General dentist, or specialist, this shrinkage occurs, not only, because you *feel* busy; but because you are *perceived* as busy by patients and referring doctors.

This is when the practice begins the inevitable decline. This the "transition by default".

I want folks to do the transition *on-purpose* and methodically. By designing a proper transition strategy we stop the decline in value and start the growth of the practice. This growth doesn't require the doc to work harder; but allows him/her to work less and work smarter.

With the proper associate coming into the practice, we grow the wealth and value of the practice, without increasing the workload: new patient growth resumes and retention and active patient base grows.

Many folks tell me that they have tried the associate thing; or have friends with horror stories. We find, almost inevitably, that they did the planning the wrong way. They didn't do the proper financial due diligence at the front end; or used a broker. Which is fatal!

Even if you're not at this point of saturation; you're going to get there soon. Let's start your planning. The earlier we start the better. The clients who start this planning early in their career can do two, three, or four transitions during their career. I have many fortunate clients in this position. These folks are working less, making more and watching their practices flourish.