

## Maximize Your Chances of Selling Your Dental Practice and Your Sales Price – Part 2

[In Part 1 \(5 Ways to Improve the Selling Price of a Dental Practice\)](#), we dealt with issues within your **dental office** you can “clean up”. However, if those items are already completed, what else can a seller do to enhance the **value of their dental practice** and increase the chances of selling?

Here are five additional tips a dentist should or should not do prior to putting their dental practice up for sale:

1. **Don't coast** - This is one of the worst things a dentist can do prior to **selling their dental practice**. It decreases **dentistry production**, thereby decreasing practice revenue, which buyers AND bankers do NOT like. If you want or need to cut back on hours or procedures, consider hiring an associate to help you out. Just be sure you protect the practice with a legal agreement and proper covenants.
2. **Don't reduce your hygiene hours** - **THIS** is the worst thing a seller can do prior to selling their practice. Not only are you reducing your **dental practice revenue**, you're potentially losing patients as well. Reduced hygiene hours also leads to reduced dentistry, a horrible idea if you want to get the most value out of the practice you've spent 25+ years building. Keep in mind, if you **reduce the hygiene hours**, your hygienists may be forced to work elsewhere and inadvertently have patients follow them as well.
3. **Review your dental office policies and systems** – Long before you sell, make sure you have excellent operating systems and policies in place. If you're not collecting a patient's portion of the fee at the time of their visit, make that change now. If you don't take credit cards, start taking them. If you're not running daily, weekly and monthly management reports, start doing so. Invest in your dental practice if you have to by hiring the proper consultants to assist you in implementing the necessary protocols that your practice may be lacking. That investment will absolutely be recouped in a higher sales price.
4. **Track your referrals to specialists**- At least one year, and preferably two years, prior to a sale, begin tracking the procedures you refer out each day/week and be prepared to provide your broker with good, accurate information for the prospective buyers. We're seeing a younger generation of **dentists** who are getting educated and trained on procedures that many older doctors are referring out. If you can show a buyer the additional revenue potential with these additional procedures, they're more likely to pay a premium for the dental practice.

5. ***DON'T add or eliminate any PPOs prior to the sale of your dental practice*** - This can backfire terribly. If you eliminate any PPOs you will probably begin to see fewer patients. Even if the collections stay about the same, it's typically going to be a short term thing. You'll likely see a loss of patients as well as a loss of production. When a dental practice decides to eliminate PPOs, there's a transition period where you'll have more openings in the schedule as patients cancel their re-care appointments and/or follow-up work dentistry. If you add PPOs shortly before you prepare to sell, you may NOT get the influx of patients you wanted. In addition, some of your existing patients may actually participate with the new PPO and will be paying less for their treatment, which will show in your production and collection numbers

This is why it is so critical to think and plan WAY ahead of actually putting your **dental practice up for sale**. There are always opportunities to enhance your "house" to make it more marketable and more valuable.

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