

President's Column

RUN YOUR PRACTICE — DON'T LET IT RUN YOU



Dr. George Sweetnam

It's that time of year again, when new graduates emerge from their academic cocoons. Every now and then, a golden moment arrives in your life and this emergence is one of them. It's a time when we as an Association and as individual mentors can be of great assistance, ensuring that new graduates benefit from our experience and become credits to the profession.

Although highly trained from our world-class institutions, fresh graduates confront the business side of a dental practice without the benefit of much business training. Faculty members no longer vet decisions on diagnosis and treatment. A peer or mentor to turn to is a reassuring presence, until experience builds confidence.

The business side of dentistry can be daunting, with its daily round of

decisions often made under intense pressure. Yet good dentistry is still mainly in the head and hands of the dentist and can be done with basic equipment.

The most important advice I can give new graduates is to keep debtload under control. A pre-dental science degree and a dental program can easily have a graduate looking at a total debtload of \$150,000. This debtload often precludes setting up one's own practice. Often, new graduates seek associateships to get out from under the weighty financial obligation.

If and when they find themselves in a position to set up a practice, it is time to make one of the most important decisions of their career: Do they want to run the practice or do they want the practice to run them?

I count myself lucky in having been advised to start small and expand, as I could afford it. I credit the flexibility to enrich my life without being tied to the chair to good advice I received at an early stage of my career. This wise counsel gave me the freedom to pursue other interests and Association activities, so I could give something back to my profession.

Next to demographics, equipment purchases are the key to getting started properly. Each piece requires a considered business decision as to its usefulness in increasing productivity. Patient traffic being rather slow in the early days of a dental practice, time saving is not a factor that should be heavily weighted in the productivity equation. A good practice usually evolves from referrals by word-of-mouth from satisfied patients. Early on, I learned that, if you provide good service to patients, the office bells-and-whistles will come eventually.

Interest and loans are to be avoided as much as possible. Delaying capital purchases until they can be self-

financed requires much self-discipline, but it can save you many thousands of dollars over a career. Also, be wary of the taxman and set taxes aside in advance. When you get behind on taxes, it takes about \$4 in earnings to pay down \$1 in tax debt — \$2 to pay current income tax, \$1 to eat and \$1 for the old tax debt.

I confess that I am partially motivated by self-interest in providing this advice. CDA likes to present the profession in its best possible light in terms of public relations. Dental regulatory authorities tell me that it is often the dentists who have let their lifestyle and debtload get ahead of them who get into trouble by billing fraudulent claims. The whole profession suffers when dentists go this route and CDA then has to deal with scrutiny from the media.

If we are to care for all levels of society, we must not lose the trust that the public places in us. The lasers, digital radiography and other high-tech equipment all add to the overhead of a dental practice. Is that hourly overhead now so steep that you cannot accept discounted welfare fees at the break-even point? Are you turning away welfare patients because you cannot afford to treat them? If our profession doesn't provide for the needs of the disenfranchised, then auxiliaries will be found who will. So maybe the question has far greater implications for all of us than what we have discussed here. Am I running my practice or is it running me?

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