The Number One Wealth Building Strategy in Dentistry

I would have to say that the idea of helping young to mid-career doctors build their financial future, and helping late term doctors transform their practice into a 5-10 year exit strategy was the real reason we wrote this book. It excites me to think of passing along my past experiences in the hope of helping thousands of doctors not only increase their net worth, but foremost, create more choices for each of them. Being financially independent creates choices. It gives you the opportunity to fine tune the journey, and pick your destination. Bob Buford’s book, “Half Time” dramatically changed my focus. Set me in the direction of my final destination, and helped me clearly see the path. I just happened to be a dentist when this happened. I hope what you are reading adds a little light to your journey. I have reprinted a bit of prose by Robert Hastings called The Station. It may help you realize that your goal is not the destination, but enjoying the trip.

THE STATION by Robert J. Hastings

TUCKED AWAY in our subconscious minds is an idyllic vision in which we see ourselves on a long journey that spans an entire continent. We’re traveling by train and, from the windows, we drink in the passing scenes of cars on nearby highways, of children waving at crossings, of cattle grazing in distant pastures, of smoke pouring from power plants, of row upon row upon row of cotton and corn and wheat, of flatlands and valleys, of city skylines and village halls.

But uppermost in our conscious minds is our final destination—for at a certain hour and on a given day, our train will finally pull into the Station with bells ringing, flags waving, and bands playing. And once that day comes, so many wonderful dreams will come true. So restlessly, we pace the aisles and count the miles, peering ahead, waiting, waiting, waiting for the Station.

"Yes, when we reach the Station, that will be it!” we promise ourselves. “When we’re eighteen, . . win that promotion. . . put the last kid through college. . . buy that 450SL Mercedes-Benz . . have a nest egg for retirement!” From that day on we will all live happily ever after.

Sooner or later, however, we must realize there is no Station in this life, no one earthly place to arrive at once and for all. The journey is the joy. The Station is an illusion—it constantly outdistances us. Yesterday’s a memory, tomorrow’s a dream. Yesterday belongs to a history, tomorrow belongs to God. Yesterday’s a fading sunset, tomorrow’s a faint sunrise. Only today is there light enough to love and live.

So, gently close the door on yesterday and throw the key away. It isn’t the burdens of today that drive men mad, but rather regret over yesterday and the fear of tomorrow. Regret and fear are twin thieves who would rob us of today.

"Relish the moment" is a good motto, especially when coupled with Psalm 118:24, "This is the day which the Lord hath made; we will rejoice and be glad in it."

So stop pacing the aisles and counting the miles. Instead, swim more rivers, climb more mountains, kiss more babies, count more stars. Laugh more and cry less. Go barefoot oftener. Eat more ice cream. Ride more merry-go-rounds. Watch more sunsets. Life must be lived as we go along. The Station will come soon enough.
**Word of warning:** Don’t get stuck in the “I’ll do this when” excuse mode many of us live. It will never be the perfect time to do anything. There will never be enough information for you to digest in order to not make a mistake. The mistake is not going for it. Now is the time to embark on the changes and actions described in this book. Excuses and procrastination accomplish nothing but holding you captive. If you are reading this, you are ready to do it. As Nike would say: Just Do It. Don’t be the “Average Dentist” who “would of, could of, or should of done more”.

I would like to share a quote from “Alice in Wonderland”. I have used this quote many times at seminars I have presented. It hones in on direction, focus, and purpose. I know you will like it. Following the quote is a commentary by Roy Williams.

> “Would you tell me, please, which way I ought to go from here? Asked Alice.

> That depends a good deal on where you want to get to: Said the Cheshire Cat.

> I don’t much care. Said Alice

> Then it doesn’t much matter which way you go. Said the Cat

> So long as I get somewhere. Alice added

> Oh, you’re sure to do that; said the cat, if you only walk long enough.”

Don’t tell me what you see. Tell me what you want to see. “What are you trying to make happen? And how will you measure progress?” When I ask these questions, most business owners stammer, stutter and hedge, then change the subject by asking a question of their own.

I usually ignore that question and ask, “How am I supposed to help you make something happen when you can’t tell me what it is?”

Sigh.

How many of your actions are actually reactions triggered by circumstances? (Please know that I am as guilty of this as the rest of you.) Are we allowing the merely urgent to set aside the truly important?

Do you know what you’re trying to make happen? Can you tell me exactly how you plan to measure progress? The shortest distance from Point A to Point B is always a straight line. The best marketing strategies begin by drawing a straight line from Where We Are Today to Where We’d Like To Be Tomorrow.

You can’t navigate a ship by studying the wind and waves. Fix your gaze on your goal, a non-negotiable, fixed position that can never change. Let that be your lighthouse, your reference point, your North Star.

No stack of dollars can be your lighthouse. Dollars are merely a byproduct. Money fails as a compass because it can be found in every direction. Guiding directives and unifying principles are never merely financial.

Where do you want to be tomorrow?

Now point to your North Star so that I can see it, too.
Too often, I am surprised at the assumptions that dentists operate from. When it comes to business strategies, we fall short on planning and find ourselves in financial situations we never planned or imagined. No longer can we just keep “walking” through our careers to just get somewhere. I have made it a priority to seek out and pick the brains of some of the brightest minds in dentistry over the last 35 years. Their insight, business sense, enthusiasm and strategic planning are reflected in these pages. Without the mistakes of those who went before me, success would have been out of my reach. Looking back on the entirety of my dental career gives me a perspective few enjoy. By accident, hard work, or just dumb luck I was fortunate enough to attain most of my financial, clinical, and business goals. This treatise is my effort to pass along some of those lessons in the hope that you find success without having to suffer the pain of every mistake I made along the way. You do not have to reinvent the wheel. In these pages, you will find the foundation to create a successful practice, multiply your productivity, and create a roadmap for an exit strategy from day one. That’s right - day one. Every business is created to be sold. Failure to understand this will have you making decisions without an overall strategy.

Steven Covey, in The Seven Habits of Highly Effective People, stated “beginning with the end in mind” was the number one habit of those he researched. Begin with the end in mind. If you do not know where you’re going, how are you going to know when you arrive? How do you know what path to take? Insurance companies tell us that statistically at age 65, 97% of the population will be dead, or dead broke. Only 3% of those reading this book will find themselves financially independent at age 65. The rest will be dead or working for the rest of their lives. Decide today what you want and go get it.

A little history might be in order. Prior to the 1970’s you rarely found anyone selling their practice, bringing in a partner, or relying on the sale of a practice for a majority of their retirement. The practice of dentistry was really a calling, not a business venture. Either you saved enough money to retire, used it to build other business investments, or continued to work until death. Dentistry was in the top 3 most respected professions in the US. Banks would lend you the start up money. No one ever failed to make a go of it. There was little school debt. You could simply open your practice and patients would come to you. It truly was the “practice of Dentistry”. Some called it the “Golden Age of Dentistry”.

Fast forward 4 decades and things have changed. Dentistry has dropped in trust to number 24 out of 25 of the top professions. We rank just above used car salesmen in trusted professions. Cosmetic dentistry has become the best and worst thing for dentistry. Dentists have become salesmen with high pressure sales techniques, a new product to push each year couched as the ultimate in “comprehensive” dentistry. We have gone from the “practice of dentistry” to the “business of dentistry”. I’m not complaining; I just want you to consider that the last decade or so may be the aberration and not the norm. What if we go back to where we started and your dental practice is unsellable? What if we find more dentists trying to retire than we have graduates looking to buy? Consider that 50% of the
graduates are females who statistically practice full-time for only 7 years. What if a particular political party gets control and turns health care into the next financial debacle? Imagine that every patient in the future has government managed health care insurance. Plan on a 50% cut in pay, while the overhead continues to climb. We have been so insulated to what America has faced in every other sector of the economy, that we have forgotten that we are not immune to the market place. Get ready. What is may not continue. I believe there is a new reality coming, and we are on the tipping point of this transition. Success will go to those who act quickly. You do not have to be the very best in what you do. You just have to be better than the next guy. Kind of like the joke about the two campers who are awakened from their tent by a rampaging bear. While running from the bear one of the guys pauses to tie his shoes. The other guy says: “Why are you putting on your shoes? You won’t be able to out run that bear.” The response from the camper who just finished putting on his shoes as he dashes off was: “I don’t have to out run the bear. I only have to out run you”. Lace up your Nikes, the race has already begun.

Assume that there is even a small amount of truth in what was just presented in the above scenario. What are your plans? What strategy should you consider? When should you start? There are three letters that guarantee success. These three letters formed the backbone of my entire career strategy. These three letters, if you will act on them, will assure that you are one of the 3% of dentists who are financially independent at age 65. Those letters are: N-O-W. NOW is the time to read this. Now is the time to take action. Now is the time to strategize and execute your plan. Instead of waiting, ask the right questions now, and get the answers that will take you where you want to go.

This book will lay out a very specific, thoroughly researched, totally predictable strategy to create wealth, decrease stress, and insure that you will finish in the top 3%. I realize that I am addressing doctors of various ages, clinical skill, and business interests. Let me assure you that the strategy of “equity harvesting” through trial partnerships, partnerships, satellite facilities, all based on Summit Practice Solutions decades of experience with thousands of dental offices, works at any level of expertise or years in practice. The outline that we will present works incredibly well for young doctors as well as for those contemplating an exit strategy at the end of their careers. The contributing editors in various chapters are the best in their field. We assembled a group of mentors that will give you every head start on reaching any financial goal you can imagine.