



# Your Practice Transition Roadmap



**1** Set Your Priorities & Goals

Think about why you're considering a change. What are your goals, preferences and must-haves?


1-5 YEARS before change



**2** Prepare Yourself (& Your Practice)

Taking steps now to get ready can streamline the entire process down the road. (This can be an ongoing process that fills available time.)

1+ YEARS (ongoing)



**3** Build Your Transaction Team

You may need an attorney, accountant, real estate specialist, and other experts. Find professionals who understand dental practice transactions.

1 YEAR before desired sale



**4** Update Your Financials

Ensure all your practice financials are documented and ready to share when the buyer's bank or accountant asks for them.

6 MONTHS before desired sale date



**5** Find Your Match

It can take time to identify the right person for your practice. Keep an open mind to avoid limiting your options!

UNTIL it's right (varies greatly)



**6** Conduct Negotiations & Due Diligence

Work through the transaction with your trusted team, who can keep things moving as you nail down the details.

2-3 MONTHS



**7** Make it Official

Celebrate your next step! Then introduce the new doctor to patients, specialists, insurers, and the community at large.

## Your Practice Transition Roadmap: Practice Owners

Thinking about the next step in your dental career? Whether it's hiring an associate, looking for an eventual successor, or planning for immediate sale, ADA Practice Transitions can help you navigate every step.

Every transition timeline is unique, driven by your goals and the local market. However, they tend to follow a similar process. And if you understand everything that's to come, you can prepare yourself — and possibly even speed things up.



### Set Your Priorities & Goals

First things first: think about why you're considering a change and spend some time considering your goals, requirements, and preferences.

#### Ask yourself...

- Why am I considering a change? Why now?
- What do I want to accomplish? (Growing the practice, spending more time with family, less clinical work, a full sale?)
- Are my finances — personal and business — ready?
- How is my/my family's health?
- Do I need to move quickly, or can I wait for the right person?
- Does my practice have enough production for two dentists, or will I need to cut my hours to bring someone in?
- If selling, how will I ensure my family retains health insurance?
- Is my practice "show worthy," or does it need some sprucing up?
- Am I ready to give up control?
- Do I want to mentor a newer dentist?
- What do I want my retirement to look like?

If you are married or in a long-term partnership, be sure to involve your partner in your thought process. They know you best and can offer great insight. Ensuring you're both on the same page is essential for your family's happiness!

Write down your must-haves to keep in mind as you navigate the process. However, keep an open mind — the ideal path may not be one you had previously considered!

#### Resources

[How Long Does a Practice Transition Take?](#)

[The Mentorship-to-Ownership Path: Is it Right for Your Practice?](#)

[What Went Wrong: My Path to Retirement Got Way Too Bumpy](#)

## Before You Act: Prepare Yourself (and Your Practice)

Once you have decided that change is on the horizon, don't just sit back and wait to put your plan into action. Instead, use this time to take steps that will streamline everything that comes next! Consider:

**Refreshing your practice.** Simple cosmetic updates like painting, recovering chairs, and decluttering will make your practice more attractive to potential buyers and hires (and patients).

**Put your books in order.** Buyers will need to see the last three to five years of financials. Having this readily available and organized shows buyers that the practice is well run.

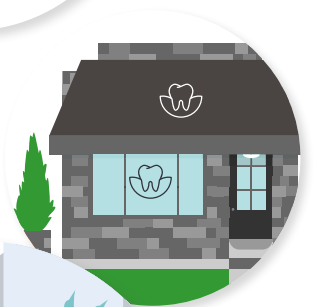
**Consider technology upgrades.** Most buyers expect digital radiography and electronic records. If you haven't invested in these tools, you may want to do it now.

**Review your fees.** Make sure your fees are competitive with the local market so that buyers don't need to raise them immediately after purchase.

**Update processes and job descriptions.** Document how the office runs, including how the team works together. This demonstrates an efficient practice — which is more appealing to buyers and hires. Strong collections policies are especially important.

### Resources

- [5 Easy Ways to Boost Your Practice's Curb Appeal](#)
- [Get Your Paper Work In Order for Your Practice Valuation](#)
- [The ADA Survey of Dental Fees](#)





Owners

## When It's Time to Begin: Build Your Transaction Team

While it can be tempting to save money by trying to do it yourself, hiring experts can help you avoid costly mistakes down the road. After all, an attorney doesn't try to do his own root canal!

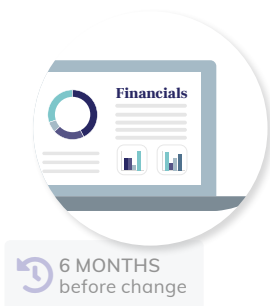
Ask colleagues or your state and local societies for referrals. Make sure to find professionals who have experience with the intricacies of dental practice transitions. When you join ADA Practice Transitions, you have access to real estate and mergers and acquisitions specialists as part of your ADA Advisory team. Your ADA Advisor can recommend professionals in all 50 states.

### Depending on your scenario, you will need:

- **An accountant** with dental practice experience to ensure your practice's finances are in order
- **Your ADA Advisor** to connect you with potential hires or buyers who share your goals
- **An attorney** with experience in dental practice sales to ensure your interests are protected and you comply with all applicable laws
- **A real estate broker**, which some states require for all practice sales
- **Your family**, a critical part of your decision-making process!
- **A fiduciary or financial planner** to help you make better-informed decisions

### Resources

[The National Association of Personal Financial Advisors](#)  
[A Dentist's Guide to Selecting a Lawyer](#)



## Update Your Financials

If you planned ahead, you already began to organize your financial documents. Now is the time to update them and ensure everything is ready when the buyer's bank or accountant asks for them.

### You will need:

- Tax returns (last five years)
- Employee list with compensation, dates of hire, and job descriptions
- Financial statements (last five years and YTD including P&Ls)
- Description of services offered and referred, broken out by treatment codes
- Copy of current lease and renewal amendments, or mortgage
- List of all dental equipment with age and condition
- List of all office equipment and furnishings to include in the sale

With these documents in one place, you'll also be prepared for a practice valuation. (And your ADAPT membership includes access to secure document storage that makes it easy to share with authorized members of your transition team.)

### Resources

[What Does It Actually Cost to Sell a Dental Practice?](#)

[What Went Wrong: We Disagreed on the Value of the Practice](#)

[Time to Value Your Dental Practice?](#)



## Find Your Match

When you work with ADAPT, we'll help you find the buyer or hire who shares a similar philosophy of care, or approach to dentistry. Studies show that practice transitions rooted in a shared philosophy of care are more successful in the long run, with less staff and patient turnover.

ADAPT also focuses on making sure buyers are well prepared for the process and understand their financial situation before they begin looking at practices. Then, we help them assess whether your practice is right for their goals — before you spend a lot of time and effort exchanging documentation.

Your initial contact with a potential match will likely be a 15-minute call. Use this time to ask questions that can help you identify whether this person might “fit” into your practice, how they would work with your team, and whether they can deliver the same standard of care your patients expect:

- Why did you choose dentistry?
- What has been your most satisfying interaction with a patient?
- What sparks passion in you – whether in or beyond dentistry?
- How are your core values reflected in your work?

If that first call goes well, begin a more in-depth evaluation. Show off your practice (and town, if the buyer would be relocating). Introduce the staff. Review a few charts together to see if you can respect their professional opinion.

The potential buyer then evaluates the finances and operations of the practice, working with their own accountant and attorney to make an informed assessment.

### Resources

[What Went Wrong: I Overlooked Philosophy of Care](#)

[Different Approach, Better Results: How ADAPT Matched Two Maine Dentists](#)

[Talk Less, Listen More: 10 Tips for a Better Interview](#)

[How \(And Why\) to Prepare for Tough Questions When Selling or Hiring](#)

## Conduct Negotiations and Due Diligence

Once you find the right person, the process really begins to move. If you are hiring, the ADAPT Associate Contracting Toolkit can help you draft a contract that protects interests for both owner and associate.

As part of your ADAPT membership, you'll have access to free templates and secure document storage from our partner, the Heimat Group.

If you are selling, work together to:

- **Draft a Letter of Intent.** See Chapter 6 of [Joining and Leaving the Dental Practice](#) for details on everything that should be included — it's more than just the purchase price!
- **Negotiate the terms** with your buyer, working with your attorneys as needed.
- **Conduct due diligence**, during which your buyer will validate the practice value and operations, plus any real estate or lease terms. Be ready to supply additional documentation.
- **Create the Purchase Agreement and Closing List.** Use the negotiated Letter of Intent as your template to speed up the process (and save on attorney fees).

### Resources

---

[Prepare & Prioritize: How to Negotiate with Confidence](#)

[Dentist Employment Agreements Seminar & Guide](#)

[What Went Wrong: My Transition Fell Through without a Letter of Intent](#)

[Webinar: Taking the Legal Pain out of Buying & Selling a Dental Practice](#)



## Make it Official

### Congratulations on finding the right buyer or hire!

Now comes the fun part: making it official.

- **Inform your staff.** (They should have been part of the process; if not, inform them now!)
- **Tell your patients.** Tell them why this person is perfect for the practice, and be sure to convey your utmost confidence in their skills.
- **Introduce the new dentist** to specialists, your local Society, and other professionals.
- **Notify any insurers, state agencies, vendors,** and anyone else who needs to know.



### Celebrate your hard work — you earned it!

#### Resources

[Shhhh, I'm Selling My Dental Practice](#)

[How to Manage & Retain Staff During a Practice Transition](#)

[6 Ways to Get Staff Buy-In for Your Practice Transition](#)



See how ADA Practice Transitions can help you navigate your own roadmap.  
➔ **Create your free profile now!**



## About ADA Practice Transitions

ADA Practice Transitions (ADAPT) can help you take the next step in your career. Whether you're looking to sell your practice, hire an associate, or find a partner, ADAPT can help you find the right person for your practice.

Visit [ADAPracticeTransitions.com](https://ADAPracticeTransitions.com).