



## **Taking Ownership**

As one dentist discovers, acquiring a dental practice straight out of school calls for strong business and leadership skills

Roshan Parikh never saw himself working for someone else. True to his dream, today he is his own boss. And, though he may be the toughest boss he ever worked for, in his first year of business, he has learned what it takes to win his staff's respect and appreciation, and double his patient load.

"My plan was always to go to dental school," says Parikh. "The detour was getting an MBA first. But, I was attracted to the business side [of dentistry] early on, and having a business background has given me an edge over my peers." That's not to say it was an easy path to pursue. Convincing a bank to fund him, in spite of his dental school debt, was his first challenge. "The last six to eight weeks of dental school, I began investigating dental practices and working with a practice broker," he recalls. "So, my projections and ideas were in place, and [I could provide] banks with a formal business plan. I think the banks were impressed," he adds. "[Several] asked me when I had graduated!" Still, coming out of University of Illinois-Chicago College of Dentistry with debt meant he "had some explaining to do to the loan officers, and they had some explaining to do to their supervisors." In the end, three of the six banks he approached were willing to back Parikh.

## **The right fit**

Not any practice would do. Parikh was confident about his decision to venture out on his own, but he needed to purchase a practice that meshed with his approach to dentistry. Indeed, screening potential acquisitions is a huge undertaking, he explains. "It's part of a diligent process for a new dentist to [evaluate a practice], look over

charts and see what types of procedures are done and how far out patient scheduling is," he points out. "If the previous dentist is doing a lot of specialty work that I can't do, then that practice won't be a million-dollar business for me."

So, he spent three or four hours a day for days at a time, pulling charts and exploring various Chicago-area practices for their dentistry style. On the face of it, his current practice did not appear to be a likely fit. "The previous dentist was referring a lot of patients out," says Parikh. "He didn't do many veneers and absolutely no whitening procedures. Looking at the records, I could see that some patients hadn't returned since 2005 or 2006." Upon further investigation, he learned that in many cases, patients failed to return because the office had no system for sending out reminders. "The staff was overworked and underappreciated," he recalls. "Two of the three front desk receptionists were looking for a new position." In addition to the two part-time receptionists and one full-time receptionist, the office only staffed one hygienist.

But, that wasn't all. The 700-square-foot, two-chair office was "antiquated," he continues. Still, as much a challenge as this practice presented, it was one Parikh was ready to accept. A year after moving in, it's a whole new practice with a larger, more diversified staff and a rapidly expanding patient base.

### **Meeting the challenge**

After purchasing his practice, Parikh wasted no time. Immediately, he gutted his space (as well as additional space he purchased next door) and expanded the two-chair practice to a five-chair one. He retained every employee and added a second hygienist, three assistants, a periodontist, two front desk receptionists and a treatment plan coordinator. In addition, he promoted a former staff member to an office manager. "She had leadership potential written all over her," he says. The original dentist decided to stay on two days a week as well, providing a sense of continuity for former patients.

Then there was the selling, he continues. "I have done a lot of internal marketing to reactivate old patients," he says. Patients leave a practice either because they are unhappy or they have been forgotten, he explains. "[Marketing] involves sending out letters, letting [old patients] know we'd love to see them and explaining how the office is the same [as before, yet] different." He has no doubts that the investment has paid off. "[By making these changes], I have added 30 new patients each month in the last year," he points out.

And, the staff appears to be happy as well. "We work as a democracy," says Parikh. "If we are going to hire a new employee, everyone has a say. And, I'm a big fan of staff appreciation." In fact, to celebrate the revamped practice's one-year anniversary, he took the entire staff on a local dinner cruise, Chicago-style. Has revamping and running a practice been a great experience? Sure. Has it been a huge undertaking? By all means, notes Parikh. "I am the youngest one at the practice," he says. "But, as the manager and owner, I must be a leader.

"In the early years, it's all about the practice," he continues. "I can count on one hand the number of times I've been home before 6:00 p.m. However, I cannot count the number of times I have come home after 9:00 p.m. My staff often gets mad because I miss lunch, and my fiancée, Neeta Bhushan, gets mad because I'm often updating my Quickbooks at 12:30 a.m. So, I need to achieve more balance in the second year." One way of doing so will be to increase his office manager's responsibility, he says. "I

have sent her to quite a few management seminars," he says. And, Bhushan, who is a dentist as well, helps out a lot and plans to join the practice in the near future.

In spite of the hard work and long hours, Parikh wouldn't have it any other way. There are definitely perks with having your own business, he points out. For one, an owner earns two or three times (on average) as much as an associate, he says. And, having a part-time associate made it possible for he and his fiancée to travel to Egypt for two weeks in 2009. In fact, after his current associate retires, Parikh plans to replace him with a new part-time associate who can transition into a full-time role. "Then I'll be able to purchase my next practice," he says. "I'm already looking. Our goal is to own five very well managed Chicago-area dental practices in the next eight to 10 years. And, my brother is a 3rd year dental student at University of Illinois-Chicago. (Inevitably, he'll join Parikh soon after his graduation.) The help of his brother and fiancée will be instrumental in running multiple practices, he adds.

### **Working with reps**

Parikh is well aware that a smooth-running business depends largely on sales reps who provide high-level service. As such, he values his reps, who are "great at helping us out when we are in a bind," he says. "When reps can get us products on demand, that means the world to a dynamic business. And with patient care being a priority, we often need things immediately. We needed an implant in a day, and one of our local reps got the whole kit to us."

On the down side, he recalls one experience when a rep promised various services and rebates, but never delivered on his promises. "I think some reps might forget the smaller dental practices," he notes. But large or small, every practice expects the same degree of customer service, he points out. "I went straight to the top of this rep's company to let them know what a poor job he did. It's the principle of making promises and not delivering on them. If I ever did that [to my patients], I'd probably be sued."