

Management Consulting

SAFETY FACTORS

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This column is intended to help DCs make more informed decisions in operating their practices. The authors of the Management Consulting column are members of the Society of Chiropractic Management Consultants, a group formed in 1991 aimed at self-regulating the practice consultant industry and setting standards of excellence to benefit doctors of chiropractic and the chiropractic profession.

1. Competition is increasing.
2. When buying an existing and established practice with a "track record" you know whether or not it is a good location, because you can access patients who are already attracted to the location.
3. For about the same initial down payment, you will eliminate the pain of building a new practice, and with careful counseling the new doctor and retiring doctor can make the transition with a minimum of patient loss.
4. The new doctor can see "first hand" the profit and loss faster from the existing monthly records.
5. The new doctor buys an experienced staff and with few exceptions the staff remains the same, making the transition smoother.
6. The new doctor has a backlog of files of inactive patients that can be reactivated, in addition to the stream of new patients.
7. The retiring doctor will have a history of patient records; those who pay on time, those who are slow pay, and those who are unsatisfactory with making their payments. A new office would not be able to supply this information.
8. When buying an existing practice it can save the doctor 50 percent on the price of equipment, because it is used equipment and with few exceptions it is still in good condition and serviceable.
9. You will save the cost of freight on the equipment, electricity for installation of the x-ray

equipment and the installation of the lead lining for the protection of the staff.

10. By buying an existing practice that has been appraised by a qualified appraiser you will be assured of receiving a true value for the practice.

11. Also, by buying an existing practice, many times you leap ahead eight or nine years in growth, as it eliminates the "start up" period. It also eliminates the headaches and heart aches of starting from scratch.

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