The Ultimate Guide to Buying Software for Dental Practices

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The 6 Steps of <u>Buying</u> Dental Practice Software

Purchasing new software is an excellent way to contribute to the growth of your dental practice.

The right solution should help you save a significant amount of time and money, while boosting practice revenue and employee satisfaction.

Unfortunately, too many dental practices get stuck with software they hate instead.

Even worse? They waste countless hours trying to find and implement a new solution that becomes a drain on practice resources until it ultimately falls by the wayside.

Because of this, many dental practices choose to move forward with their existing problems and frustrations instead of even attempting to buy new software. After all, why trade one set of issues for another?

Thankfully, there is a way to avoid the pitfalls of buying bad software for your dental practice.

Our teams at Carestack, Cavaretta Consulting Group, Dentist Advisors, Method, and Uptime Health have partnered to give you the 6 Steps of Buying Dental Practice Software.

This guide will walk you through every step of the software buying process and help you make a confident purchase decision without hassle, frustration and wasted resources.

Each step includes simple action items you can fill out with others involved in the buying process to ensure your new software tool aligns with your practice's needs and goals. To make it even easier, we've added the action items to a printable worksheet at the end of this guide.

Your dental practice deserves software that helps you grow, adds to revenue, and saves you time.

Let's get started!

Define the Problem and Why it Needs Fixed

The first and most important step in buying software for your dental practice is clearly defining your problem and establishing the importance of finding a solution.

$2,000
MONTHLY BUDGET

$2,890
MONTHLY EXPENSE

Without a clear picture of what you are solving for, finding the right software or tool will be next to impossible. For example, if you don't plan on offering Teledentistry at your practice, investing in a practice management solution with robust teledentistry tools wouldn't be a wise investment.

To begin, simply write down the problem you need fixed in one sentence. For example:

We are going over budget on supplies every month at each location.

Inventory is taking too long and is rarely accurate.

We have too many patients that cancel or show up late.

Once you have your problem written down, write one sentence on what you need from a software tool to fix the problem. If you aren't quite sure what would fix the problem yet, don't worry! Throughout your search, you may discover a solution you didn't even know existed. Regardless, starting with a potential solution will make it much easier to ultimately find the right software tool for you.

A solution statement will look like this:

We need to drastically reduce our supply spending and create a preferred product list (formulary) across multiple locations.

We need to reduce the hours spent on inventory and make sure it is accurate.

We need to decrease the number of appointment cancellations and late patients

Once you have both your problem and solution statements, it's important to determine the "why?" behind the solution. A clear "why" statement will help tie a new software solution directly to the business goals of your dental practice and increase executive buy-in throughout the entire process. Additionally, a solid business case will boost the odds of purchase approval and priority.

Once you write your why statement, here's an example of what it will look like when you combine each statement:

"We have a problem of going over budget on supplies every month at each location. To solve this problem, we need to drastically reduce our supply spending and create a preferred product list across multiple locations. Why? It will save us thousands of dollars a month in supply spend and reduce time spent ordering supplies."

Action Items
- Write a problem statement to clearly define the issue your dental practice is facing.
- Write a solution statement to use as a guide to eliminate the problem.
- Write a "why" statement to tie the solution to business goals and increase buy-in.

Buying Software for Now AND the Future

Before we jump into determining your budgeting and creating a list of requirements you need from a new software tool, it's important to spend some time thinking about the future!

While you'll certainly need to purchase software that addresses your current issues and needs, you'll also want to find a product that can contribute to your long-term success and scale with your practice as it grows. Without doing this, you run the risk of making a purchase that creates more issues than it was originally intended to fix.

To demonstrate, let's continue with one of the examples from Step 1:

1.
Imagine your dental practice is going over budget on supplies every month at each of your five locations. You want to find a software tool that will help you drastically reduce supply spending and create a preferred product list (formulary) across multiple locations.

2.
You spend a lot of time and effort looking for the right tool and finally make a purchase, hoping it will save you thousands of dollars a month in supply spend and reduce the amount of time spent ordering supplies.

3.
You ensure each location gets onboarded with your new software, create your formulary, and start seeing an improvement to your bottom line. Everything is going smoothly, until you start to notice a few of the locations are ordering outside of the established formulary.

4.
Even after you've sent reminders about the importance of sticking to the formulary, nothing seems to change and your new software has no ability to help you fix the issue. Savings have stalled, inventory waste has increased again, and it feels like you are back to square one. Only this time, you have the additional expense of your new software tool.
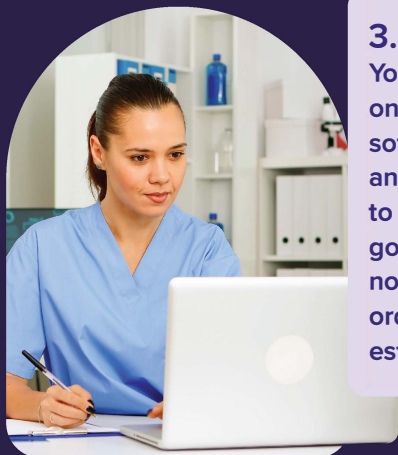
Fortunately, this doesn't have to be your future!

Even though it's impossible to anticipate all of your future needs, you can prevent situations like this from happening by thinking through the challenges a new process may present.

In the scenario above, future-thinking would have helped you uncover that the ability to lockdown your formulary across team members, locations, suppliers and products so purchases outside of the preferred list can't be ordered or having an automated approval workflow process would have easily solved your new problem in a way that can continue to scale as your dental practice adds new locations.

By combining your current needs with future-thinking and a focus on the long-term goals of your practice, you'll be in a much better position to make a software purchase with lasting impact.

One more thing
As you move through this guide and reach the demo stage, any good software company should be able to help you see how their product can scale with you as your practice grows and new challenges arise over time.

Determine Your Budget & Software Needs

Once you have clearly defined your problem and why it needs fixed, you need to determine your budget and create a list of requirements a software tool needs to fulfill before you begin your search. When it comes to what a new piece of software will actually cost, there are a few key factors to consider:

The Cost of the Software

Generally, most software companies offer a monthly subscription pricing model. In addition, many companies offer a discount on the monthly price if you decide to pay your subscription quarterly, annually, or for a multi-year contract. It's also worth noting that you may have access to discounted pricing if your practice belongs to a peer network, such as a Group Purchasing Organization (GPO), depending on the software you need.

Hidden Costs

Hidden costs in software are potential monetary or time expenses associated with your purchase that could impact other parts of your dental practice. It's important to consider whether new software will demand hardware upgrades or integrate with your existing systems, as these factors can influence overall "costs" beyond the subscription price.

The Cost of Doing Nothing

While your subscription price and hidden costs are tied to the money you will have to spend, it's important to consider the cost of leaving your problem unsolved and doing nothing. As an example, if you are looking to save time and money by streamlining your operations, chances are you will spend less money a month on a new piece of software to fix the issue than you are already losing from low productivity or excess supply spend.

Each of the above factors will help you determine your budget range. As a note, if your problem is costing you a substantial amount of money, your budget might be less of a factor in the buying process. That's why it is also important to address the other needs you have that will factor into your purchase decision.

Will your purchase require a significant amount of training with your team? How big of a priority is customer service? Do you need a large, comprehensive solution or will a software tool that only does one thing well suffice? Once you create a list of needs, you should rank them based on importance (including price) to help guide your search in the next step of the process.

Action Items:
- Determine how much money you are willing to spend on a software tool.
- Create a list of things you will need from a new software tool.
- Rank your needs based on importance.

Research Solutions and Make a Shortlist

With your clearly defined problem, budget, and list of needs from a new software tool, it's time to begin the search for potential solutions and make a shortlist of your top options.

As you may have already discovered, sorting through all of your options can quickly become overwhelming. Thankfully, there are a few simple ways to narrow your search:

✔ Refine Your Search Question

Searching for software on the internet is much easier when you are more specific with what you type into the search bar. For example, searching for "procurement software" will return results for software in all types of industries, most of which won't be useful for your dental practice. However, searching for "procurement software for dental practices" will give you a much better list of procurement solutions specifically designed for the dental industry.

✔ Check Software Review Sites

In your search, software review sites like Capterra and G2 are also great places to see a product overview, read customer reviews, and compare tools side-by-side. It's important to note that some review sites or review blogs will receive compensation for positive reviews, so take recommendations from these sources with a grain of salt. Looking for an unbiased review site will give you much better information to narrow down your options. Be sure to include your search terms from the above section to help find solutions specifically for your dental practice.

✔ Talk with Peers and Partners

Another great place to find a potential solution is to ask for recommendations from your trusted peers and partners in the dental industry. Chances are they've purchased and used a software tool they like (or dislike) or know someone who has! You also might belong to a social media group you could check with to see if anyone has recommendations that will help your search.

✔ Compare Options and Make Your Shortlist

Once you've sifted through search engine results, checked review sites, and consulted your dental industry peers, you should have a solid list of options to create a shortlist of your three to five favorites. To do this, you'll want to eliminate any options that are outside of your budget or don't meet your needs. Finally, you can rank your favorites based on how strongly they match up with your needs, price, or any other way you want to prioritize your decision-making.

Action Items:
- Explore refined search questions, check review sites, and talk with trusted peers.
- Eliminate any options that are outside of your budget or won't meet your needs.
- Compare the remaining options and rank your shortlist.

Get Stakeholder Buy-in

Now that you have a shortlist of software solutions that will help solve your problem, it's time to connect with key stakeholders and get their buy-in to move closer to a purchasing decision.

There are several groups of stakeholders in the buying process. Depending on your dental practice, people may only have one role or fall into several categories:

End-users: The primary users of the software.

Decision Makers: Those with the ability to sign contracts and approve the purchase.

Influencers: Primary change drivers and champions of the new software.

Executives: Leaders who need to be informed of the purchase and its impact on the practice.

Finance: Those with the ability to approve the funds needed for the purchase.

IT: Team responsible for integrating and implementing the new software.

With your stakeholders explicitly defined, you can keep everyone properly informed and aligned throughout the remaining buying stages.

It is worth noting that if you don't take the time to align with your executive stakeholders first, you will severely stall or halt your progress toward a purchase. With this group, you will need to additionally share the business case you built in Step 1 to determine your "why" statement.

The best way to create alignment is by sharing your documented responses to the action items from the previous three steps. Doing this will allow each stakeholder to ask better questions and understand how you arrived at your shortlist. Plus, it also allows you to adjust any of your responses to these action items as necessary before you schedule any software demos.

Once your stakeholders have been defined and informed, you need to determine which stakeholders need to be part of the demo process. While every stakeholder might want to be involved in the demo, the more people you add, the harder it will be to coordinate schedules and find a demo time that works for everyone.

A good rule of thumb for software demos is to only bring stakeholders with the ability to purchase the software or influencers who will be the primary change drivers after the purchase to the initial demo. Most software companies are happy to provide resources that you can take to the rest of the team for feedback or to have secondary calls to answer specific questions from other stakeholders so you can still involve everyone without needing to get every stakeholder on each call.

Action Items:
- Create a list of stakeholders and define their role in the buying process.
- Share your Action Item responses from Steps 1-3 with your stakeholders.
- Create a list of stakeholders who need to participate in the demo process.

Demo Your Software Shortlist

You've made it to the most exciting part! With all your planning and research done, it's time to finally get an inside look into the software products on your shortlist.

To schedule your demos, simply visit the website of each company you are interested in and fill out their demo request form. Most companies will have a "Request A Demo" or "Get Started" button on their homepage where you can select a time that works best for your schedule.

Even before your demo arrives, you can take note of a company's customer service and communication style. If scheduling a demo or communicating with their sales team is difficult and more focused on the deal than helping you solve your problem, you'll want to include your customer experience in your decision-making process.

It's important to remember the entire purpose of a demo is to get the answers you need to move forward with a purchase decision. During your demo, make sure to address the following:

✔ **Discuss your list of needs and questions to get confirmation their product can actually solve your problem**
✔ **Ask for pricing and clarity around their pricing options**
✔ **Give the salesperson a specific example of your problem and ask them to explain how their software tool would solve it.**

There are several other things you may want to learn during the demo process, so don't hesitate to ask questions or request clarification on anything that doesn't make sense. If there are parts of the product you want to share with the rest of the team who aren't on the demo, make sure to ask the salesperson for any resources they have available for you.

Thankfully, you don't have to make a decision right away! Give you and your team enough time to demo each product on your shortlist and discuss with all stakeholders involved.

Lastly, you can always schedule follow-up demos with any product you have more questions about or want to see more specific feature demos to compare with all of your other options.

Action Items:
- Schedule a demo for each product on your shortlist.
- Work through your list of questions/needs during each demo and ask for pricing.
- Schedule any follow-up demos as necessary.

Purchase Your Top Choice

Once you've completed all of your demos and feel properly informed about each of the products on your shortlist, it's time to connect with your stakeholders and decide which software solution you are going to purchase!

Establish Your Top Choice

Whether a clear winner stands out or there are several great options to choose from in your shortlist, it's time to discuss the results of your search and determine the top choice with your stakeholders. Remember, the software solution you choose to buy should be the one that best solves your problem and meets your needs. If you do end up with a tough decision, utilize the ranking you created for your needs in Step 2 to help make your choice.

Move Forward with the Purchase

Once your team is aligned on the purchase decision, simply reach out to your top choice and let them know you'd like to move forward with their software! Additionally, it's also best practice to notify each company you didn't choose to let them know you are going with another option.

Review and Sign the Contract

While you may be eager to dive into your new software, it's important to thoroughly review the deal and make sure the contract you sign includes all of your agreed upon terms, conditions, and pricing. Once everything checks out and you have your payment plan in order, you can sign the contract knowing you've done your due diligence from start to finish!

Build the Implementation Timeline and Kickoff Date

Once everything is signed, most software companies will work with your schedule to help you implement and run their product smoothly by an agreed-upon date. During this period, it's important to continue communicating with your stakeholders (especially End Users) to make sure everyone gets the training they need to maximize the effectiveness of your purchase.

Action Items:
- Compare the products on your shortlist with your stakeholders and make your top choice.
- Notify your top choice you would like to move forward with the purchase and let the remaining companies know you are moving forward with another option.
- Review/Sign the contract and build the implementation timeline with the kickoff date.

You are well on your way towards purchasing software that will help your dental practice grow.

Use the worksheet at the end of this guide to assist you throughout the buying process.

Dental Practice Software
Buying Worksheet

STEP 1   **Define the Problem and Why It Needs Fixed**

- Write a problem statement to clearly define the issue your dental practice is facing.
- Write a solution statement to use as a guide to eliminate the problem.
- Write a "why" statement to tie the solution to business goals and increase buy-in.

STEP 2   **Determine Your Budget & Software Needs**

- Determine how much money you are willing to spend on a software tool.
- Create a list of things you will need from a new software tool.
- Rank your needs based on importance.

STEP 3   **Research Solutions and Make a Shortlist**

- Explore refined search questions, check review sites, and talk with trusted peers.
- Eliminate any options that are outside of your budget or won't meet your needs.
- Compare the remaining options and rank your shortlist.

STEP 4   **Get Stakeholder Buy-In**

- Create a list of stakeholders and define their role in the buying process.
- Share your Action Item responses from Steps 1-3 with your stakeholders.
- Create a list of stakeholders who need to participate in the demo process.

STEP 5   **Demo Your Software Shortlist**

- Schedule a demo for each product on your shortlist.
- Work through your list of questions/needs during each demo and ask for pricing.
- Schedule any follow up demos as necessary.

STEP 6   **Purchase Your Top Choice**

- Compare the products on your shortlist with your stakeholders and make your top choice.
- Notify your top choice you would like to move forward with the purchase and let the remaining companies know you are moving forward with another option.
- Review/Sign the contract and build the implementation timeline with kickoff date.