



# Make Your IT Expenses Predictable

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**MISTAKE #6**

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# Make Your IT Expenses Predictable

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The dental industry continues to face stagnant growth. The 2017 Dental Economics–Levin Group Annual Practice Survey cites reasons for this, including the expansion of DSOs, declining insurance provider reimbursements, and the increasing number of dentists coming out of dental schools—all while adult patients are making fewer dental visits.<sup>1</sup>

The most basic strategy for improving profitability is to increase revenues and decrease costs. With an expanding supply of dentists and shrinking demand for dental visits, attempting to boost profitability solely through increasing revenues can be daunting if you're not also controlling costs.



## Know your numbers

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How well do you know your practice's finances and production metrics? If you don't know them well, you're not alone. In their 2016 study, the Levin Group found that more than 25% of dentists admitted to being only somewhat or not at all familiar with their practice finances and production metrics. And less than half said they were extremely familiar with their practice's productivity figures.<sup>2</sup>



But even if you know your practice's finances and productivity figures well, planning and budgeting for expenses is difficult, if you are—like many dental practices today—constantly dealing with unknown and unplanned IT expenses. It's easy to find yourself faced with large cash outlays for IT equipment that wasn't part of your planned budget.

When that happens, other budgets may need to be cut to make up the difference.

## The other costs of unplanned IT expenses

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When an unexpected IT expense occurs, it not only impacts your profitability; it can also have far-reaching impact on other critical practice goals. When you're faced with an unexpected, unbudgeted IT expense, you may be forced to pull budget from other areas, postponing other investments you had planned to make, such as:

- ▼ Investments in new dental technology
- ▼ Staff hiring
- ▼ Training on new techniques or technologies
- ▼ Office expansion or refurbishment
- ▼ Marketing investments

By forcing you to spend funds from other intended areas, unplanned IT expenses can seriously restrict your ability to make strategic investments where you need them most.

# IT budgeting for success

One of the top recommendations for small business budgeting is to plan for large purchases carefully and early.<sup>3</sup> By planning, scheduling, and budgeting critical IT expenses in advance, you can help avoid placing financial stress on your practice. To start, you'll need a solid set of strategic IT goals built on a strong understanding of how your needs are likely to change over time. You'll also need an understanding of where technology is headed, so that you can plan to take advantage of technology upgrades and innovations.

## Make your IT expenses predictable and easy to forecast

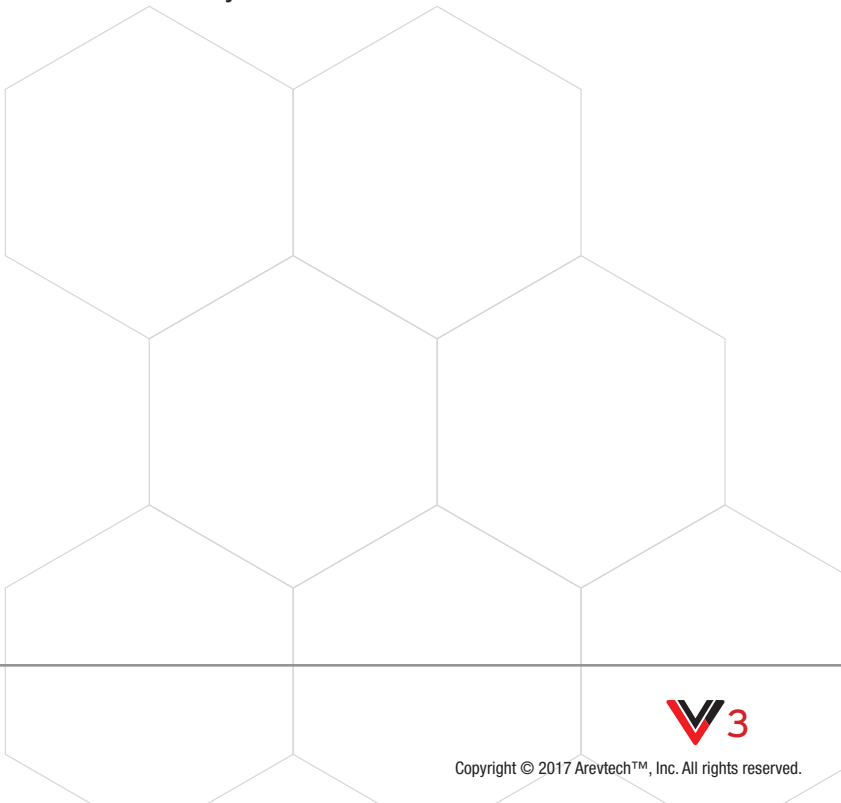


Your investment in IT infrastructure should allow for technology and equipment upgrades in a manner that can be predicted and forecasted—reducing unplanned, unbudgeted equipment expenses. That's where Arevtech can help.

Our Virtual CIO approach provides you with expert guidance when formulating your strategic IT goals, planning your IT budget, and facilitating technology changes. Our equipment-leasing and Hardware for Life programs offer scalability and flexibility, so you can upgrade equipment and technology to meet your changing needs—all on a known monthly budget that greatly reduces unplanned cash outlays.

**IT costs matter**  
“For every percent overhead is reduced, the dentist increases his or her salary by \$10,000.”<sup>4</sup>

Roger P. Levin, DDS



## Peace of mind—and more

In addition to making it easier to budget your IT expenses, we offer 24/7 network monitoring. That means we're always on the job, keeping your critical systems and network up and running, securing your vital data, and addressing IT issues before they become real problems. This also means peace of mind for you.

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## Contact Us Today

Contact us today to learn more about how Arevtech's team of experts provides friendly, knowledgeable IT service to help you build and grow a streamlined, productive practice (with a predictable IT budget) -- and stay focused on providing top-quality patient care.

**714.256.1500** Talk to one of our Dental Practice IT experts,  
or visit us at **[www.arevtech.com/Dental](http://www.arevtech.com/Dental)**

### NOTES:

[1] Dental Economics, September 2017. "A plateaued profession: Findings from the 2017 Dental Economics-Levin Group Annual Practice Survey." <http://www.dentaleconomics.com/articles/print/volume-107/issue-9/macroeconomics/a-plateaued-profession-findings-from-the-2017-dental-economics-levin-group-annual-practice-survey.html> Accessed 11/21/17

[2] Dental Economics, September 2016. "10th Anniversary of the Dental Economics-Levin Group Annual Practice Research Report." <http://www.dentaleconomics.com/articles/print/volume-106/issue-9/practice/the-10th-anniversary-of-the-dental-economics-levin-group-annual-practice-research-report.html> Accessed 11/21/17

[3] Business News Daily, September 2017. "7 Smart Budgeting Tips for Small Business Owners." <https://www.businessnewsdaily.com/8323-small-business-budget.html> Accessed 11/21/17

[4] Dental Economics, August 2015. "How does your overhead compare to national averages?" <http://www.dentaleconomics.com/articles/print/volume-105/issue-8/macroeconomics/how-does-your-overhead-compare-to-national-averages.html> Accessed 11/28/17

