

How do you build 'goodwill' value in a Medical Specialist Practice?

Our Alliance Partners businesses are no different to their Medical Specialist clients; they understand their clients want specialised advice to achieve their value growth objectives and succession planning aspirations.

Our new **Medical Specialisation Advisory Business Model** includes **3 Packages** to support Medical Specialist clients either transition from 'personal' to 'practice' goodwill or further build existing 'practice' goodwill.

Medical Specialists Practices have a high degree of 'personal' goodwill based on the reputation/skills of the operating Specialist but these Practices may have little or no 'practice' goodwill. What is not clearly understood is how you can build Practice Goodwill whilst retaining the essential characteristics of 'personal' goodwill.

Making the transition to a Goodwill Practice offers substantial capital rewards when compared to a Practice with 'personal' goodwill. The goodwill cash payment that could be expected for each 'Founding' Specialist at point of corporatisation (**Package 2**) would most likely amount to 50% of the total business value at that time (payments range from **\$1M - \$5M** for SME Practices).

Package 1 - Alignment

This Package will ensure a smooth transition to the ideal Goodwill Practice which has at least 5 Specialists with aligned core values, ethics and professional patient care/ work standards focused on patient care excellence and who each have a common desire to build value in the Practice.

Package 2 - Corporatisation

This Package will build a sustainable Practice value through a corporate model. Corporate management practices include:-

- Documented operating systems and manuals
- Formal PD programs that encourage continual skills development and service specialisation
- Programs that reward above budget performance
- Innovative practice brand equity & marketing strategies
- Governance policies
- Professional management structures
- Administration outsourcing
- Strategic investments/formal alliances with referring GPs and other health professionals

- Valuation/funding models centred on minimising risks by creating 'barriers to entry'

Package 3 - Succession

This Package features a business succession planning process to realise value for an exiting Medical Specialist by finding a motivated 'Successor' Specialist investor/purchaser. 'Successor' Specialists need to clearly see how investing in the Goodwill Practice will **generate far greater earnings and wealth creation opportunities than starting their own Medical Specialist Practice**. Value discounts on entry, guaranteed minimum levels of income, profit sharing plans so they can self fund their investment are quantitative incentives. Lifestyle rewards, mentoring and overseas work placement opportunities are qualitative benefits that need to be 'marketed' by the Goodwill Practice to attract committed, aligned 'Successor' Specialists.



Value Improvement Benchmarking Advice

Providing planning advice to your Medical Specialists clients on how they can build a Goodwill Practice is **THE** advisory opportunity. Our Alliance Partners are part of an international network of Accountants and Financial Advisers specialising in providing Value Improvement Benchmarking Advice (viba) to Medical Specialists.



In Australia, we are limiting access to the **Medical Specialists Advisory Business model to 75 professional / financial services businesses**. If you would like to grow your advisory revenue and/or retain/attract new clients in this lucrative sector then Contact us on the details below.

To learn more you can contact us on:-

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