



# DSO Scalability Guide

Planning for Smart Growth

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Scaling a dental support organization (DSO) or dental group is exciting. **It's also challenging.** From securing funding to integrating technology to hiring more staff, growing a dental organization takes vision, planning, and a lot of hard work.

**In this scalability guide, founder doctors, DSO leaders, and industry consultants offer their tips for expanding wisely.**

They also share the mistakes they've seen and their advice for successfully scaling a dental group.

# Define Your Foundation: Mission, Vision, and Culture

Before you can scale your dental group successfully, you need a clearly defined foundation. Your mission, vision, and culture aren't just buzzwords; they're the guiding principles that align your team, shape the patient experience, and inform every business decision.

A strong mission statement communicates your purpose and impact. Your vision provides your plan for long-term growth. And your culture defines the values and behaviors you want everyone to model daily so you can attract and retain the right people and create consistency across locations.

"Don't wait until you're 'big enough' to train your managers and build your culture. That should be step one, not step ten," said Emma Cifuentes, COO of Progressive Dental Management, a group with fifteen locations.

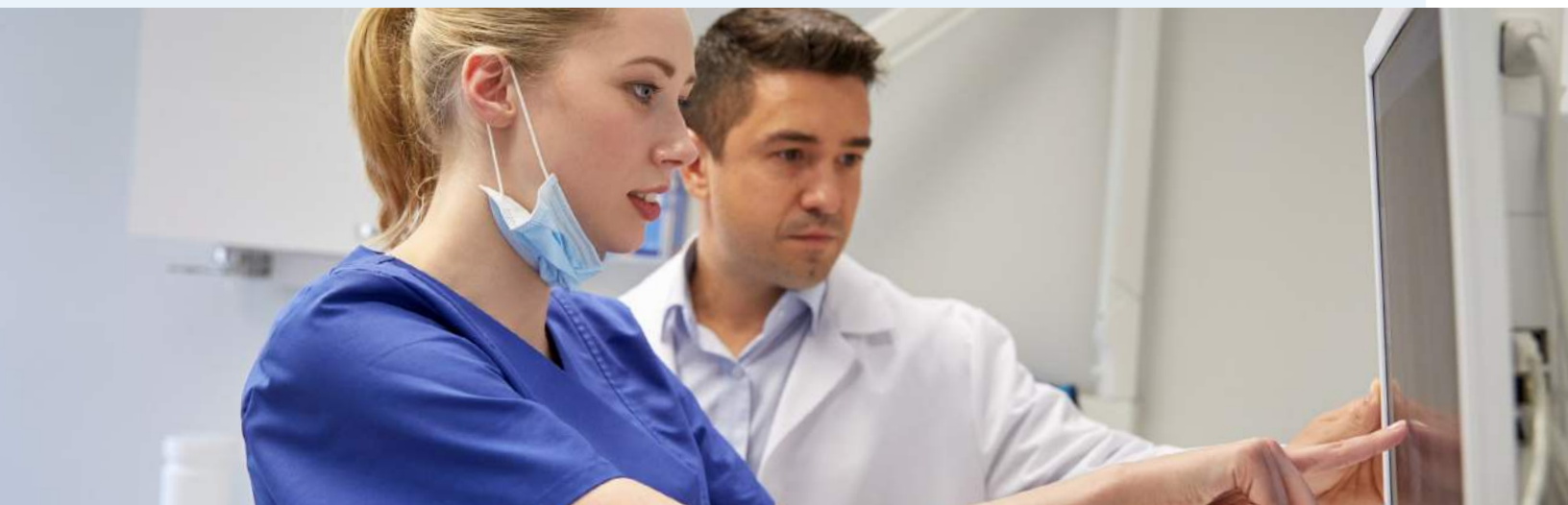


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**EMMA CIFUENTES**

COO  
Progressive Dental Management



# Securing Funding for DSOs

Unless your DSO or dental group is completely self-funded, you will likely need to secure outside funding. Whether you're seeking to build or acquire more practices, invest in new technology, or centralize functions, a well-prepared financing package is essential.

Many dentist owners and small group executives underestimate how detailed and strategic their funding request needs to be. A dental-specific CPA, consultant or mergers and acquisitions advisor can help you prepare the needed documentation. Follow the recommendations below for submitting your DSO financial request.

## How to Submit Your DSO Financial Request

- **Introduction:** Briefly summarize your company, growth stage, and how much funding you're requesting.
- **DSO legal structure outline:** Describe the legal entities involved and how services and revenue flow between the entities.
- **Management/ownership organization chart:** Include names, roles, and ownership percentages (if applicable).
- **Company background, vision and expansion plans:** Establish your history, your growth strategy, and why you're well positioned for success.
- **Accounts receivable reports:** Provide an A/R aging report by location, total A/R balance, and breakdown by insurance versus patient responsibility.
- **Payor mix report:** Include percent revenue from PPO, Medicaid, fee-for-service, and capitation plans to help investors assess reimbursement risk.
- **Complete debt schedule:** Outline any existing financial obligations, including terms, monthly payments, and remaining balances.
- **Three-year consolidated financial statements:** Include consolidated income statements, balance sheets, and cash flow statements.

- **Personal financial statements:** This is typically required from all major owners/ guarantors to demonstrate financial stability.
- **Financing request:** Clearly define how much financing you need, how the funds will be allocated, and the terms you are seeking.

In some cases, the lender may require a Quality of Earnings Report (QoE) that is performed by a third-party auditing firm, said Evan Barker, senior vice president of Healthcare Banking at Old National Bank.

**Approaching financing with preparation and clarity increases your credibility and chances of securing the capital you need to scale.**



# Implement Technology Designed for DSO Growth

DSO and dental group leaders are investing in technology that enables revenue growth and operational efficiency. Cloud-based technology, artificial intelligence, automation, and APIs all make it easier than ever to give your team the tools they need to succeed.

**Follow these tips to help guide your technology investment strategy:**

## **Modernize operations with cloud-based solutions.**

As your dental group expands, your technology needs to scale with you. A cloud-based practice management system like Denticon can reduce IT complexity, improve visibility across locations, and support remote collaboration, which are all critical for clinical mentoring, centralized operations, and leadership access.

"We switched to Denticon when we were at three locations because we knew that we wanted to grow," said Kelli Robles, director of operations at Park Place Dental Group. The group is opening its seventh location in 2025.

Chad Patel, DMD, co-founder and CEO of Excel Dental, leads a family-owned group with eight locations and plans to expand to ten practices in 2025. He noted that moving to a cloud-based system has made clinical monitoring much easier.

"I can open my laptop from anywhere and see the X-rays and chart notes and discuss the case with the doctor," said Patel. "That's something I couldn't do when we had servers because it would take forever to log in."



## Automate workflows to support scalability.

Dental groups are increasingly automating processes to improve efficiency, reduce manual errors, and free up staff time to focus on patients. Here are some of the areas where automation can help:

- **Online scheduling** with real-time availability
- **Digital pre-visit forms and health history updates** that write back into your practice management system
- **Automated** appointment reminders
- **Automated** text messaging to reduce open chair time
- **Insurance verification**
- **Automated** insurance claim submission and tracking
- **Automated** 835s and auto-posting insurance payments
- **Patient billing** with links to pay online
- **Automated** payment processing with card-on-file capability
- **Digital imaging** with AI analysis
- **AI-powered** virtual assistants programmed to answer website inquiries, social media messages, and even phone calls

Emma Cifuentes emphasized the importance of investing in technology to support both the patient and team experience. “As we’ve grown, we’ve learned that the right tech isn’t just a ‘nice to have,’” said Cifuentes. “It’s a non-negotiable if you want to scale the right way.”



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**EMMA CIFUENTES**

COO  
Progressive Dental Management



## Leverage KPIs and practice analytics as you scale.

Every business needs to be able to review data in real time to inform their decision-making. Dee Fischer, a dental consultant and CEO of Fischer's Professional Group, emphasized the importance of measuring key performance indicators (KPIs) including:

- ✓ Production per provider
- ✓ Collections percentage
- ✓ Case acceptance
- ✓ Hygiene recall
- ✓ New patients per month
- ✓ No shows and cancellation rates
- ✓ Insurance aging reports
- ✓ Schedule utilization

Tracking KPIs used to be a time-consuming process that required exporting data and consolidating it into spreadsheets. Modern practice management systems like Denticon make this much faster and easier by having dashboards that display the data.

"Denticon made it possible for us to easily track KPIs and enhance the team's performance," said Kelli Robles. "I can't even quantify how many hours it has saved us."



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**KELLI ROBLES**  
Director of Operations  
Park Place Dental Group

## Centralize dental support functions where it matters.

Centralizing functions reduces overhead and consolidates behind-the-scenes operations. Many dental groups find they need to centralize functions once they've reached four locations. Common areas of centralization include:

- Revenue cycle management (RCM)
- Provider credentialing
- Human resources and training
- Payroll and finance
- Procurement and inventory management
- Marketing and patient communications
- Phone calls and front office support

"We found after four practices, we needed to centralize RCM," said Chad Patel, DMD, of Excel Dental. "It's been a huge benefit. Our aging numbers went down dramatically, and cash flow came in much faster."



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**CHAD PATEL**  
Co-Founder and CEO  
Excel Dental

# Scaling a Dental Group Through De Novos

For dental entrepreneurs looking to expand with full control over design, operations, and culture, building new practices from the ground up—**known as de novos**—can be the perfect growth strategy.

“With a de novo, you can formulate your own business plan and have your own vision for technology, staffing, the culture, the layout; you can design your dream office,” said Samir Patel, co-founder and CFO of Excel Dental.



## Challenges with scaling through new construction

There are obstacles to scaling a dental group through this strategy, though, including factors outside of your control such as construction delays, permit delays, and unexpected costs. “The cost of things has doubled, and in some cases, tripled since COVID,” said Samir Patel.

**Another drawback can be hiring:** “Staffing is more challenging in the first six months when the practice may not be busy yet and you’re trying to keep people motivated,” explained Patel. “It gets easier once the practice is busy. We used to open offices, identify the pain points, and then hire. Now we’ve learned that you need to hire before you grow.”

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**CHAD PATEL**  
Co-Founder and CEO  
Excel Dental



# Growing a Dental Group Through Mergers & Acquisitions

**Consolidation is a growing trend in the dental industry. If your dental group plans to expand through a merger or acquisition, experts offer these tips:**

First, have the seller with you when you tell the team about the sale. Talk about why this is a positive change and share your mission, vision, and culture.

“Go in with a soft hand,” said Dee Fisher, who has worked with more than 1,000 practices as a DSO consultant. “You cannot go in like a bull in a china shop. The first day is all about empathy and compassion.”

Fischer recommends that you have a human resources professional spend the first day answering the questions the team will have, including questions about salary, benefits, and the reporting structure.

In many cases, the owner-doctor or executive team may not have shared that the practice was transitioning ownership. It can be a shock.



Go in with a soft hand. You cannot go in like a bull in a china shop. **The first day is all about empathy and compassion.**



**DEE FISCHER**  
CEO  
Fischer's Professional Group



## Change management sets the tone

Certain systems need to be updated quickly, such as payroll, banking, and third-party financing. Many groups also change the practice management system to mirror the one in place at their other locations to ensure standardization and transparency.

“We send in regional leaders and support staff to work side-by-side with the team during the transition,” said Emma Cifuentes. “Consistency, empathy, and communication—that’s how we make it work. The only thing we adjust first is their patient software and move everyone over to Denticon.”



# How to Optimize Staffing as Your DSO Grows

As your dental group grows, your staffing needs change. **One tipping point typically occurs when the group reaches four locations.**

“Operationally, when you’re at three to four practices, you can touch every practice every week,” said Dr. Chad Patel. “You can have a relationship with every single staff member. As you double, it’s hard to know everyone. We’re at about one hundred people now and we rely on our regional managers to help keep the culture.”

Excel Dental promoted an office manager to be a regional manager after four locations and added a second regional manager after they reached seven locations.

Consider the following best practices to guide your staffing strategy as you grow.





## Determine your needs.

While there is no specific matrix for when to add executive team members and staff as you scale a dental group, here are some general benchmarks:

Scaling Your DSO Staff by Number of Locations		
# of Locations	Common Leadership Additions	Common Operational Needs
1 to 3	Founder-led	Part-time billing and human resources
4 to 7	Operations or regional manager	Centralized RCM and marketing, analytics, and IT
8 to 12	CFO, HR Manager, and IT support	Compliance and trainers
13 to 20	COO or VP of Operations	Analytics and recruiting
21 or more	Full executive team	Support roles with deeper specialization

## Train and Retrain.

Every team has superstar performers, but that may not mean they'll excel if they're moved into a position with more responsibility. Investing in leadership training, continuing education, cross-training and onboarding will help retain top talent.

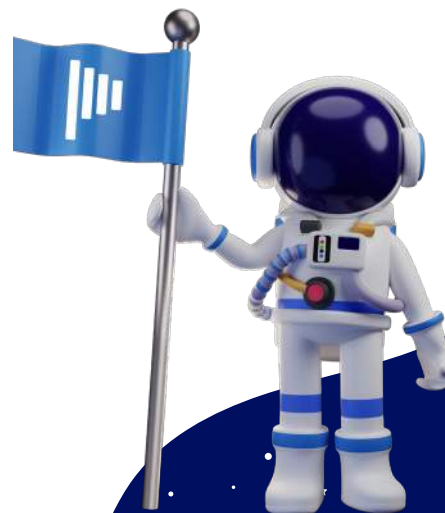
## Create a succession plan.

Whether you're promoting from within or hiring, it's important to identify and develop team members who can step into new roles. Establishing written standard operating procedures and updating them regularly will also help ease transitions.

# Mistakes to Avoid While Scaling a Dental Group

Growing pains are going to happen in any company. Here are some of the lessons learned by DSO leaders as they scaled up:

- ❌ **Growing too fast without infrastructure:** A lack of people, processes, or capital will lead to poor outcomes. “The biggest pitfall that I see is they go too fast,” said Dee Fischer of Fischer’s Professional Group.
- ❌ **Not having your legal entities set up correctly:** Securing your group’s Tax ID and Type 2 NPI before implementing a practice management system ensures smooth insurance credentialing, billing, and reporting across locations. It also prevents costly rework or data migration when expanding to multiple practices under a unified entity structure.
- ❌ **Not maximizing current capacity:** Before adding new practices, dental groups should confirm they have optimized their current operations.
- ❌ **Inadequate market research:** Thorough market research is essential to understand population demographics and the competitive landscape before opening or acquiring a practice.
- ❌ **Underestimating financial requirements:** Rising interest rates, cost of goods, and wage inflation have made it more expensive to expand.
- ❌ **Overlooking standard operating procedures (SOPs):** Not having documented processes can lead to communication breakdowns, frustrated employees, and inconsistent patient experience.



- ❌ **Poor partner vetting:** Ensuring potential doctor partners and investors are aligned with the DSO's management philosophy is crucial.
- ❌ **Losing sight of core values and culture:** People want to work where they feel valued, have clear expectations, and know how they are contributing to the success of the organization.



Don't be afraid of change and don't be afraid to reach out to your network. Keep in touch with people and ask them questions.



**CHAD PATEL**  
Co-Founder and CEO  
Excel Dental



# Position Your Dental Organization to Scale Effectively

Growing a dental group into a successful DSO requires putting the right people, systems, and technology in place.

With a scalable infrastructure supporting your growth, your group can expand confidently, without losing sight of what matters most: your people, your patients, and your purpose.



**Contact Planet DDS  
to find scalable  
solutions for your  
organization today.**

**BOOK A DEMO**



**cloud 9 | apteryx | denticon**

Dental software is broken. We aim to fix it. As a partner in growth for DSOs and dental groups, Planet DDS delivers a cloud-based platform designed to scale alongside growing organizations. Powered by DentalOS™, its open platform includes Denticon Practice Management, Cloud 9 Ortho Practice Management, and Apteryx Cloud Imaging. Trusted by leading DSOs and emerging dental groups nationwide, Planet DDS enables 13,000+ practices and 118,000 users to move beyond outdated legacy software with seamless integrations, optimized workflows, and scalable technology built for growth.