

Key Performance Indicators in Independent Private Dentistry

A Key Performance Indicator (KPI) allows you to benchmark your practice results by reference to national averages. The KPI's below are based upon my own observation over 20+ years of working with clients.

I recommend that all clients measure their KPI's on a 90-day basis, so that they can identify trends and take early action.

PRACTICE TURNOVER	£500,000	£1.2M	£2M+
% of practices in cluster	80%	15%	5%
KEY PERFORMANCE INDICATORS			
Lab fees as % of sales	10%	12.5%	14%
Material costs as % of sales	7%	7%	7%
Staff costs as % of sales (PAYE)	17.5%	17.5%	21%
Target net profit before tax	30%	27.5%	25%
Average daily production (Principal)	£1,500	£1,750	£2,500 - £5000
Average daily production (Associate)	£800	£1,000	£1,250 - £1,750
Operating cost per surgery day	£400	£450	£500
Required associate % to make any significant profit	35%	40%	45%
Average marketing spend as % of sales	2%	3%	5%

As digital dentistry becomes widespread, the distinction between lab and material costs become less defined, so look at the total of the two.