VIEW FROM THE CLOUD
for your TECHNOLOGY NEEDS

FINDING AN ROI IN THE CLOUD

BY LORNE LAVINE, DMD

Whether we like it or not, as dentists we are traditionally small business owners, as well. The business owner part of our lives is largely overshadowed by the clinician in each of us who was attracted to the dental profession for reasons other than wanting to start a business. The majority of our day is spent working with patients, interspersed with moments of checking in with our office managers to see if all is well. Some of us are much better than others at managing a business.

One aspect of practicing dentistry that can get us in trouble is purchasing dental equipment. Technology continually delivers a parade of fancy new machines and devices that promise to make life much better for our patients and us. Whether these promises come true or not is beside the point. What matters most is for doctors to determine if their investment in any given new technology will deliver a return on that investment (ROI).

Web-based dental software should not be immune from careful scrutiny. Using the Internet as a platform for accomplishing tasks delivers some advantages over traditional client-server software. As an example, the only reason we shop online is due to the convenience, simplicity, and flexibility as opposed to actually going shopping. Web-based dental software capitalizes on these same advantages. But does that make the software a smarter investment over client-server software?

• **MONTHLY SUBSCRIPTION FEE** — Web-based dental software doesn’t require an up-front user licensing fee, which can run as high as $8,000 or more. Instead, a doctor will pay a small monthly subscription. So the question here is, will you be able to realize a return in one month from the subscription fee, and can you do that every month? You should be able to easily see an ROI. If the software helps you manage your practice in the first place — from scheduling to billing to charting — obviously it will return much more in revenues by helping you operate the business than what you’ll pay in monthly subscription fees.

• **IT EXPENSES.** Web-based dental software will not eliminate the need for IT services. In fact, some web-based dental software companies recommend that you enlist the services of an IT pro to help you take your practice to the cloud. After that initial assistance, you won’t have much need to keep the software running. Specific to the dental software, you could see a decrease in IT expenses.

• **SERVER AND HARDWARE COSTS.** Web-based dental software doesn’t require a server. That fact alone could save you thousands of dollars. Moreover, client-server software will try to outdo itself with each subsequent upgrade, meaning the software will require additional RAM or a faster video card in order to operate. You may be forced to upgrade existing hardware, or even buy new hardware to use a new software upgrade. On the cloud side, web-based dental software requires only a computer with Internet access.

• **DATA BACKUP COSTS.** If you have a server in your practice, you must back up that data on a daily basis. I’m not talking about your office manager taking a disk home at the end of each day, which is somewhat archaic and a potential HIPAA nightmare. Instead, your data should be duplicated automatically and stored in a secure, offsite location. Getting to that point and maintaining an acceptable backup solution will cost money. On the other hand, a web-based solution provides an inherent backup solution. I could go into the details of just how much more secure your data is on the cloud than in your office, but this column doesn’t have the space. Suffice it to say that in order for the typical dentist to replicate the security and redundancy they’ll find on the cloud, they’d pay hundreds of thousands of dollars.

• **UPGRADE AND MAINTENANCE DOWNTIME.** I’d like to point out two overlooked tasks that put a damper on your ROI when it comes to dental software. Whenever a new upgrade is released, it usually means you must call an IT pro to come in and install the software. That costs money. And, more than likely, you’ll have to call the IT pro to come twice to fix all the integrations the new upgrade breaks. Secondly, some offices experience a great deal of downtime due to a finicky server. Having to tell patients that you can’t access their accounts because the server is down leaves a bad impression. In contrast, with web-based dental software, you never hassle with upgrades. You’re always using the latest and greatest every time you log in. And of course, you never worry about a finicky server.

From an ROI perspective alone, web-based dental software may not be a winner for every practice. For some practices, a monthly subscription fee may not make that much sense. But, when combined with all the other advantages that the web delivers, living on the cloud may be just what a distracted small business owner needs.

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