

## **TITLE: Associate Doctors – Increasing Your Value to the Business**

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### **How Do You Spell Success**

No one wants to fail. No one wants to see you fail. Yet every year, veterinarians and veterinary practices fail – they fail to grow, fail to change, and fail to experience success. Just what is your definition of “success”? Perhaps it is money, achievement, or maybe it is job satisfaction? To focus this discussion, “success” will be defined as enjoying what you do; experiencing personal growth and job satisfaction, and helping others experience growth and satisfaction. In other words, success is about your Circle of Care – patients, clients, team, and business. To be a successful associate, success extends beyond being all about you to include “the Circle” – excellent medical care for the patients, exceptional client service, team development, and business success.

Nan Boss DVM owner of Best Friends Veterinary Center in Grafton, Wisconsin, recognizes the importance for associate veterinarians to understand their responsibility “for generating income for the practice. They must be able to produce enough to support both themselves and their support team”. To accomplish this, associates will need to assume some accountability in 5 key areas necessary for business success: Marketing, Finance, Strategic plans, Human Resources, and Operations.

### **Marketing Can Be a Tool for Associates**

Twitter, Facebook, website, branding...the temptation to market yourself and the business are in your face every day. How can you engage your clients and make them want to come to your veterinary practice? How far can you go to differentiate yourself and your practice from the one down the road?

Get involved in introducing yourself to the clients and community. Consider how the following are addressed:

- What is the desired outcome? Attracting new clients, getting current clients familiar and comfortable with you, or promoting a special interest you have?
- Change a behavior? A recent Bayer study<sup>1</sup> shed light on an issue regarding the behavior of cat owners that needs to be changed (namely, the lack of bringing cats to the veterinarian). How can you be involved in changing the behavior of a particular client sector?
- Marketing is about relationships. Increasing client visits is great, but how will you build relationships with current and potential clients?
- Branding - To some, it is a logo or a symbol. To others, it is an emotional connection. For your success, branding is about the emotional experiences your clients have when they do business with you.
- Build trust – clients want you to be straight with them and work with you in discussing the best wellness and treatment options for their pets.

Marketing is about communication and it goes beyond the ad placed in the local paper to include what is marketed in the exam room. “It is about giving clients your time, attention, and respect”, says Richard Goebel, DVM of Simmons & Associates, and Special Assistant to the Dean at Purdue University School of Veterinary Medicine. He goes on to add “the same goes for how you relate to your practice staff. They, in turn, treat clients the way you treat them.”

### **Associate Metrics**

A common paragraph in most associate contracts will deal with the subject of your duties as an associate veterinarian, as well as the compensation and benefits you will receive. You may be in for a surprise when you are told that your “numbers” are not looking good, or that you are not achieving the “numbers” expected by the owner. The following are tips on what numbers are important to watch.

Patient Care

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- Reminder Compliance - Low % may be due to poor communication with clients, or clients feeling a low level of trust in you as the new veterinarian. Take some time to investigate compliance for those clients you have seen and make the effort to build trust and improve communication.
- Diagnostic Production (Income) – Services should be 65% of gross, Inventory at 20% and Preventive Wellness at 15%

#### Client Services

- Client Satisfaction Scores – Query clients about their experience in the practice and with you as you provided medical services to the family pet. Any result less than 80% is a red flag to take action
- Net Promoter Scores – Ask clients, “on a scale of 1-10, how likely are they to recommend your services to others”. 9 or 10 is a promoter, 7-8 are passive, 6 or less are detractors. Do you have more promoters or detractors?
- Your Top Clients – knowing who your promoters are is very important to identifying what is valued by your clientele, what makes your clients tick, what they like, what they talk about, and what they want from you.
- New Clients / Month – Successful practices exert a concentrated effort on both attracting new clients, and retaining clients. A good metric is 20-25 new clients/month/FTE.
- Client Bonding Rate – typical rate is 85% (unless you are in a college or military town). (Calculate # of New Clients who Return for Another Visit / # of New Clients = % Bonding Rate)

#### Business Success

- Hours / Transaction – Payroll hours per transaction range from 1.3 – 2.3 payroll hrs. / transaction. Higher numbers (such as 2.5 or 3.5) may be a sign of too many people on the schedule, or taking too long to complete the work up and treatment of a case.
- Transactions / Full-time DVM – Per AAHA’s 8th Edition of Financial and Productivity Pulse Points<sup>2</sup>, the number is around 4,458 overall transactions/DVM/year. More precise, 2,828 professional service transactions/DVM/yr.
- Appointment Fill Rate – What is the overall fill rate for the practice, and what is your fill rate? Pay attention to the number of clients requesting you and what medical services you are providing. (Calculate # of Appointment Slots Filled / # of Appointment Slots Available = % Filled. Strive for 85-93%)

#### Personal Growth and Success

- Production Based Compensation – Calculate the Practice Revenue / Full-Time Equivalent DVM. AAHA Pulsepoints reports \$497,690 Income/FTE DVM. Taking it to specifics of professional services, AAHA reports between \$305K - 418K Professional service income per FTE DVM. What does your boss expect you to reach.
- Outcome Oriented Compensation – Producing outcomes rather than producing services. Follow Quality (not quantity) metrics to ensure that you are delivering quality care (i.e. percentage of senior pets getting senior bloodwork).
- Average Charge per Transaction for professional services (according to AAHA) - \$165/transaction for new veterinarians. However, another metric to track is your ratio of progress exams to sick exams. The best ratio is 1:1.

“Remember that associate veterinarians may not be used to thinking about their work in the term of metrics” says Karen E. Felsted, CPA, MS, DVM, CVPM, CVA, owner of PantheraT Veterinary Management Consulting. “Spend time educating them about these benchmarks, what they mean, how they are calculated, and why they are important to not only practice success but their own personal success as well. Show them the tie-in to better pet care.”

### **Strategic Plan and the Associate**

Perhaps the most common strategic planning method known is the SWOT Analysis. SWOT is an acronym standing for Strength, Weakness, Opportunity, and Threat. Understanding the concept, and applying it to situations, can help garner success when suggesting changes in the practice.

The SWOT analysis will be invaluable to you when you look at ways you can make a difference at the practice. Do you think the practice can benefit by using Fear Free techniques in the exam room – SWOT your idea and talk to management. Think like the owner of the business as you consider changes that can improve patient care, client service, team performance, and business success.

### **Work Involves More Than Cats and Dogs - Human Resources**

We have all worked with a difficult team member at one time or another. There was the drama queen, the whiner; the cynic ... the list goes on. The key is to identify to what degree is drama permitted and when is it addressed.

Assess your response to drama at work – have you been demonstrating consistent, courageous, and deliberate leadership to restore team productivity when there are difficult personalities derailing the team? Or, are you the cause of drama?

### **Associates can Improve Operations**

Part of being successful at performing the operations (everything from communicating with others, to SOPs, to medical services) requires that you have been trained to perform the duties essential to your job. Not only will you be the “trainee”, you will also need to be the “trainer” to others on your team.

Can you be the trainer for a new hire, for improving the performance of a team member, how to use newly installed piece of equipment, or how to implement a new service? Any of these scenarios are an opportunity for you to train someone on the team to ensure consistent patient care, great client service and business profitability.

### **Evaluate Your Performance**

Associate veterinarians play an important role in the Circle of Care. In addition to your medical performance, there are a number of other areas you should be paying attention to, ignoring them not only jeopardizes your personal career growth and job satisfaction, and it also affects the practice team, clients, patients, and business.

Mark Russak DVM AAHA's Past President, has worked extensively with associates over the past 3 years, and finds it necessary for associates to monitor “tangible factors to help them succeed” in their role as both a veterinarian, and also as a champion for the success of the business. Associates should make a decision to start working with the practice owner and managers in growing and improving their role in the Circle of Care – The Circle that involves exceptional patient care and client service, and business success.

### **Reference**

<sup>1</sup> von Simson C, Volk J, Felsted KE. (2011). *Bayer Veterinary Care Usage Study: The Decline of Veterinary Visits and How to Reverse the Trend*. Presented at: AVMA Annual Convention, July 2011: St. Louise, MO.

<sup>2</sup> American Animal Hospital Association. *Financial & Productivity Pulsepoints*, 8<sup>th</sup> Edition. Lakewood, CO: AAHA Press.