More medicine, less management

If practicing medicine and managing your business alone are stunting your practice's growth, it may be time to bring someone else on board.

By Julie Gurnon

lash back to your days as a new graduate. Back then, owning and managing a practice may have been distant thoughts in your mind. That all changed when you started a practice of your own. Now you're confronted daily with the reality of managing a practice, and some parts may seem overwhelming or uncomfortable. The success and growth of your business—and your livelihood—depends on addressing all aspects of practice management, including production, finances, marketing, and sometimes personnel. Fortunately, you can address your practice management needs successfully, whether they're large or small.

Solo management

If you're a solo equine practitioner trying to practice medicine and handle management issues by yourself, set aside 10% to 20% of your time each week—preferably during your regular schedule—for management tasks, says Christine Merle, DVM, MBA, CVPM. "If you don't schedule the time, it won't happen," says Dr. Merle, an advisor with Brakke Consulting and

the 2007-2008 president of the Association of Veterinary Practice Management Consultants and Advisors (www.avpmca.org). "Many equine veterinarians work 60+ hours per week because they handle management issues on evenings or weekends."

If scheduling five to 10 hours during a 50-hour week sounds impossible, it probably is. "Providing medical services and handling the management side of a practice are usually too much for one veterinarian to handle," Dr. Merle says. "And practice growth can't occur until veterinarians begin to delegate some of those time-consuming management tasks to someone else (see *Top 10 revenue-boosting ideas for managers or assistants*, page 2).

Before you hire

If you've decided that it's time to enlist some help by hiring someone or asking a current staff member to assist you with management issues, Dr. Merle recommends taking two preliminary steps:

1. Choose an appropriate title for the position. The title "practice manager" is

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Top 10 revenue-boosting ideas for managers or assistants

- 10. Reduce expenses by implementing controls for inventory and office supplies.
- 9. Resolve client complaints or problems to ensure continued business and promote word-ofmouth referrals.
- **8.** Set up, update, or expand your website.
- 7. Research details and prices for new medical equipment.
- 6. Plan client education events.
- 5. Work with doctors to implement new services or a wellness program.
- 4. Check for and locate missed charges at the time of billing.
- 3. Send reminder cards and make follow-up calls.
- 2. Call and collect on past-due accounts.
- 1. Give you more time to practice medicine.



often used as a one-size-fits-all title, but Dr. Merle says the position actually falls somewhere between an office manager and a hospital administrator, with an office manager having the least decision-making responsibilities and an administrator having the most. However, you can tweak these titles to fit your needs. For example, the highest decision-making responsibilities among nonveterinary managers at Fairfield Equine Associates, in Newtown, Conn., are shared by two people: Nancy Degree, MBA, manager of human resources and finances, and Sandy Leslie, BS, manager of operations. The purpose of this step: Make sure you don't assign more responsibility than you're willing to give.

2. Write a detailed job description. The job description should clearly define the person's responsibilities and what decisions he or she can make. Degree says developing a comprehensive job description is critical. "It shouldn't be rushed," she says. "A well-crafted job description allows the manager to perform the job successfully because it eliminates any ambiguity that could undermine his or her authority."

When you write the job description, start by reviewing the five main areas of practice management: operations, finances, human resources, information technology, and marketing. For example, Degree's responsibilities include preparing monthly and quarterly financial reports, calculating commission, working with the president in establishing and reviewing fees, creating sales plans, and managing building and automobile insurance claims. She also handles personnel issues such as compensation, performance reviews, workmen's compensation, and OSHA regulations. As the manager of operations, Leslie manages daily operations of the practice, which includes ensuring the smooth operation of reception, treatment, imaging, surgery, and managing the expectations of the client. She also directs the practice's ambulatory technicians.

In Dr. Merle's experience, the two biggest areas veterinarians want someone else to handle are accounts receivable and personnel. Of course, the needs of every veterinarian are unique—and that's exactly the point. "You need to determine the role this individual will play in your practice," Dr. Merle says. Remember, job descriptions can always be updated and expanded as your needs change and grow.

Once you've completed these two steps, you can start looking for a candidate who has the personality traits and experience to fit the bill, says Dr. Merle. For example, if you need someone to help primarily with the financial aspects of the practice, you would

look for someone with excellent organizational, mathematical, and analytical skills.

Character is key

Now that you're ready to bring someone on board, what kind of person should you look for? Degree and Leslie say that managers should be intelligent, open to new situations, goal-oriented, determined, ethical, organized, self-disciplined, approachable, and caring. However, they say the two areas that make a practitioner-manager relationship most successful are communication and trust.

A symbiotic relationship

Communication is clear, professional, respectful, and friendly and requires good listening skills. Degree and Leslie meet with managing partner Mark Baus, DVM, weekly, and if necessary, they touch base with him either face-to-face or via email. Both say they feel comfortable discussing any management issues that may arise with him, and vice versa.

Degree and Leslie also place a high value on the trust Dr. Baus places in them. Translation: Dr. Baus does not micromanage. Dictionary.com defines a micromanager as a person who tries "to manage or control with excessive attention to minor details." Degree says the doctor who doesn't trust his manager defeats the purpose of hiring someone in the first place. The practice manager is there to give the veterinarian more time to increase production and revenue. "If you give practice managers the keys to the car but don't let them drive, you're setting them up to fail," Degree says.

Faith

Learning to let go of what you're used to can be a tough process. Dr. Merle says it's common for veterinarians to end up micromanaging because they're afraid a job won't get done right. "Think of it this way," she says. "Some people say that the correct order to pick horses' hooves is left front, left rear, right rear, and finally right front. But the hooves will still be clean if it's done left front, right front, left rear, and right rear. Remember, how someone reaches the end isn't as important as achieving the final result." If the thought of giving up some control is difficult, Degree says just remember that the operative word is some, not all. "Dr. Baus is the ultimate decision maker at Fairfield," she says.

Dr. Merle says veterinarians should never delegate medical protocols to nonveterinary managers or give someone complete financial control (to safeguard against embezzlement). She describes the



"If you give practice managers the keys to the car but don't let them drive, you're setting them up to fail."

—Nancy Degree, MBA

veterinarian's role as more leadership and less management. "Veterinarians should set the vision for the practice and inspire their team members to achieve set goals," she says. "They also must be able to make decisions—and stick with them—even when they decide to turn over some of their work to someone else."

No situation is perfect. As an equine practice owner, you know the highs and lows that come with the territory: being your own boss, treating the animals you love, interacting with interesting people, working long hours, feeling guilty about fee increases, and so on. But if performing both medical services and practice management tasks is becoming too much to handle, you can make a confident decision to hire a qualified person, learn to delegate, and let go. As Dr. Merle says, "Anything that maximizes your ability to be a more efficient veterinarian is a good thing."

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$Q_{\&A}$

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Ask Partners In Practice

Your questions answered by top equine industry experts

How can I remain connected with my clients—and keep them loyal?

Amaximizing loyalty requires broad and personal communication. Think of it as a combination of branding and bonding. Promoting your brand, or practice, includes sending newsletters, building a website, creating a logo, and taking action to define your identity and reveal your value and capabilities. Establishing a clear sense of your unique identity helps clients feel connected to your practice. We want to belong to something we're proud of, and we tend to be loyal to brands we understand and know well.

The bonding component requires focus and discipline but can be satisfying for all involved. This is the personal, grass-roots connection you demonstrate to one client at a time. Loyalty goes both ways, and clients want to know you're as committed to their horse as they are. Declare who you are and then follow through with great *service*. It takes solid branding and genuine interest in the client and his or her horse to promote a healthy practice.

Speaking as your client, here's my ideal example of good service:

I call to schedule an appointment for preventive health. (Because I received your mailing reminder.) The receptionist is friendly and says, "Molly's due for her physical exam, vaccinations, and deworming, and I see Skyward Melody is also due soon. Would you like us to take care of both of them at the same time?" Looking at my account, the receptionist sees I might be low on an over-the-counter product I use and asks if I'd like the doctor to bring more. (The staff knows me, knows my horses, and knows our needs.)

The doctor arrives, already familiar with my horses' histories, ready with questions and generally in the loop. (He looked over my records before the appointment.)

I receive follow-up calls from the doctor. (My horses' health is always a priority to him).

This example demonstrates broad and personal communication. Strengthening client loyalty from a two-pronged perspective

of branding and bonding is effective in positioning you to have enduring relationships with your clients.

Tracey O'Driscoll-Packer

Practice Management Consultant San Luis Obispo, Calif.

How should I price emergency work?

Alin general, you are going to charge all your normal fees (e.g., trip charge, exam, diagnostics, treatment, etc.) plus an additional fee that compensates you for the extra effort it takes to see patients outside of normal working hours.

While you can do this in several different ways, the easiest is to simply have an "emergency/after hours call fee" that is added to the invoice. This is easier for the client to understand than to have individual exams or procedures cost more during the day than on nights or weekends. Or, you can have a graduated schedule—seeing a colic at 10 p.m. doesn't cost as much as 2 a.m.

The next question is what should you charge for this emergency fee? It helps to canvas your colleagues in the vicinity and see what the going rate is. Another option is to log on to the National Commission on Veterinary Economic Issues website (www.ncvei.org) and look at the pricing module in the equine section.

While you don't have to set your fee at exactly the same level as everyone else, you can make an assessment of how your fee might affect your practice if you know your competitors' rates. If your fee is much lower, you may be the one who is called out of bed every night because you are "cheap." If you're too expensive, you may never get called because clients think you don't offer an expected service at a fair price. You can have the most expensive fee in the community, as long as the fee is not too much higher than competitors' pricing and the quality of services is equivalent to the price.

Karen Felsted, CPA, MS, DVM, CVPM Gatto McFerson, CPAs Santa Monica, Calif.



Incorporating rescue services

Expanding can increase client goodwill and revenue.

orses don't just need you when they get sick-they need you when they get ■ stuck, too. Nathan Slovis, DVM, DACVIM, director of Hagyard Equine Medical Institute's Equine Emergency Response Team in Lexington, Ky., encourages equine practitioners to consider expanding their practice to include equine emergency rescue services. With owners taking their horses off property more often for horse shows and trail riding, Dr. Slovis says there's an increased risk of overturned trailers or situations where a horse could fall into a ravine or collapse from heat exhaustion. Dr. Slovis lays out how incorporating equine emergency rescue into your practice can not only help you keep up with a growing trend, but also make a positive impact on client relations and give a boost to your revenue stream.

You are your patient's keeper

Your patient should always be in good hands—regardless of the situation. Dr. Slovis says untrained emergency workers and clients often mishandle horses during rescue operations. "They'll put a rope around the horse's neck or leg and just start pulling," Dr. Slovis says. "That can cause disarticulation or bruising of the neck, disruption of airflow to the trachea, a crushed trachea, or torn ligaments."

To make sure your patients receive the best care, you and your staff members can become certified in equine rescue techniques. If you respond to a rescue predicament with the proper training, it will decrease the amount of trauma your patient has to endure. Your clients will appreciate your expertise and label you as the go-to person in any situation. And of course, more services offered means more revenue.

You benefit, too

Goodwill isn't the only thing that can increase if you add rescue to your list of services. Dr. Slovis says Hagyard Equine Medical Institute rescue services generate approximately \$25,000 per year from the two to three cases they handle

each month. Profit will vary based on your overhead and the type of equipment you carry, but Dr. Slovis says Hagyard has never seen a quarter where rescue services didn't turn a profit.

Get started

Here's what you'll need to form a functioning equine rescue unit:

- **Training.** Before you can start saving horses, you and your rescue staff members must have training for large animal rescues. Several groups around the country offer courses during the year. Courses last a half-day to three days, and course fees range from \$100 to \$350.
- Equipment. A vertical lift device, gurney, rescue glide, and webbing are some of the pieces you'll need to get horses out of difficult predicaments. Dr. Slovis says initial investment for basic equine rescue equipment is about \$5,000 to \$6,000. A full list of both basic and supplemental equipment can be found at www.hagyard.com/rescue/equipment.php.
- **Team up.** Local fire departments typically respond to equine rescue emergencies. Dr. Slovis suggests meeting with your local fire department chief and letting him or her know that you want to work as a team on equine rescue. If they know you have the proper rescue training, they'll be more willing to cooperate and let you use their equipment if you need it.

If a rescue operation sounds like too much for your practice to handle on its own, Dr. Slovis encourages partnering with another practitioner to ease the burden. Forming bonds with colleagues can have positive effects and shows you only want the best for your patients and clients.

Whether or not you decide to add emergency rescue to your repertoire, Dr. Slovis says investing in your knowledge of equine rescue will give you a distinct advantage over the competition. "At least take one of the training courses," Dr. Slovis says. "I learned things in three days that I hadn't learned in my entire veterinary career. The knowledge you'll gain will set you apart from your colleagues in the area."

PROFIT CENTERS

Strategies for adding or expanding your menu of services.

STRATEGIES THAT REALLY WORK FOR FROM THE FIELD AMBULATORY EQUINE PRACTITIONERS



Serve your clients smart

Don't put all your eggs in one basket-**Lone Rangers** require a balance of science, money, and art to compete with large practices.

By Steven Murphy, DVM

For success as a solo ambulatory equine veterinarian (a.k.a. Lone Ranger or Rangerette), don't confuse busy-ness with good business. Competing with multidoctor equine practices requires more attention to serving clients and less to developing volume. Serve your clients SMART—with science, money, and art. Balancing these three elements will allow you to offer high-quality, efficient care.

1. Science

Identify your weakest skills and pursue improvement or refer cases to one of your posse. Failure to find a foal by ballottement or the inability to perform a dental exam requires skill that you may learn with practice and repetition, but the appropriate time to learn is with a mentor, during a course, or on your own horses.

If you're not providing high-quality dental, reproductive, or lameness care, attend a class or find a mentor to ask for help. To find mentors and referral practitioners, join the AAEP (www.aaep.org) and the Equine Clinicians Network e-mail listserv." Once you are tagged with a poor reputation, it will take years to repair. If you can't do something well, refer. If you do something well, do it more often.

2. Money

The lifeblood of any business is income. Limited cash flow paralyzes your ability to practice. If you allow clients to use your money—or worse, if you undercharge and then fail to collect-your ability to practice quality medicine will be limited for all of your clients because you let some of your clients get away with robbing you.

Accept credit cards. As credit card payments increase, your accounts receivable that require collection decrease. If you don't accept credit cards, drive to your bank right now and set up credit card processing. Don't worry that you're going to pay too many fees. If you pay 30% to a collection agency on money that you are likely to never see, why be foolish enough to worry about a fee of less than 3%?

Collect at the time of service. Collecting payment at the time of service is always your goal but is an absolute on any dispensed medication. If you bill at the end of the month and the client pays just before 30 days past due, you've given free use of the product for up to 60 days. Try that at a grocery store!

Inventory your vehicle. Don't try to carry everything everywhere all of the time, and limit in-house diagnostic tests. Use diagnostic laboratories with drop-off or overnight mail service, and develop radiographs at a local laboratory, veterinary distributor, or small animal practice unless your volume justifies an in-house processor.

3. Art of equine practice

Clients want to know that you care, not care that you know. They understand that if you are unable to diagnose or treat their horse, you'll find someone with a solution or refer. Board certifications will be of no use if your clients think you are uncaring.

Always follow up. Make follow-up phone calls on all cases at a set time (e.g., at 24 to 48 hours and again five to seven days later). This will train clients to pay attention to their horses and will minimize surprise disasters.

Educate clients. Determine the level of your clients' horsemanship and tailor your handouts and brochures to suit. Affix a business card or return address label with your phone number and e-mail address on everything that you hand out.

Know your limits. You can't know everything, you can't do everything, and you can't always be the hero. But you can still compete by creating alliances with other Lone Rangers who have different interests and learning to mentor each other. ■

*http://netvet.wustl.edu/vetmed/list.htm

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REAL SOLUTIONS

Implement these winning ideas from other equine practitioners.

The best lesson I've learned

Take this management advice straight from the horse's mouth.

Too many to count

I don't think I have a single best lesson learned about equine practice management. There are so many! Here are a few:

- Keep thorough records.
- · Call clients back right away.
- Be truthful.
- Always do the right thing.
- Require payment at the time of service.
- Keep current with medicine and technology by taking continuing education courses and implementing the knowledge.
- Eliminate clients (or patients) who cause you strife.
- Utilize technicians (my most recent lesson learned.)

Ruth V. Sobeck, DVM
Palos Verdes, Calif.

Look before you leap

The best lesson I've learned was from deciding to start my own practice without having any business training or knowledge. Not a good idea!

Elizabeth F. Schilling, DVM

All Equine Veterinary Services

Riverside, Calif.

Find a local loan broker

The best lesson I've learned was getting a local loan broker that could understand my needs. He got me good loans for much more than my bank was willing to loan me,

Dr. Herbert is our winner! She will receive \$100 for submitting this practice tip.

and coincidently the loans ended up being from the same bank with interest rates that were much less than what I could negotiate. He found an independent car broker who saved me \$2,000 on a very new but used car for a new employee, and then the broker saw what my insurance payments were and found a much better deal.

It is often helpful to take advice from veterinary practice management companies, but they don't always know your local market, and they can only tell you to shop around. I didn't have time to do the running around, but my local broker did. ■

Elizabeth Herbert, DVM
Adelaide Plains Equine Clinic
Gawler, South Africa



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