

Notable: Excerpts from the Best in Veterinary Practice Management Literature

August & September 2017



INVENTORY MANAGEMENT:

09/19/17 "How I Saved More than \$100,000 for my Hospital" by Stephanie Zeddies from *VETTED* offers eight tips for inventory management:

1. Hire a full-time inventory manager
2. Clean up your practice management software
3. Eliminate duplicate products
4. Build relationships with sales reps and vendors
5. Get involved with marketing
6. Squeeze your sales reps for business insight
7. Cut down on special orders
8. Enroll in loyalty programs and track everything

BUILDING CLIENT LOYALTY:

08/15/17 "Don't be Sheepish! Send a Thank-you!" by Kathryn Primm, DVM from *Veterinary Economics*. If you want to solidify relationships with your best clients—thank them. Dr. Primm "scored" four appointments with a \$20.00 investment simply by writing personalized thank you notes to her 20 favorite clients. Noting that people love to hear "thank you" and receive old-fashioned "snail mail," she hand-wrote thank you notes to her 20 best clients expressing her appreciation for their support and offering something positive about the client and the client's pet. She saw a 20% return on her investment, great results from any marketing strategy.

INVENTORY MANAGEMENT:

08/03/17 "From Veterinarian to Betterinarian: How I Improved my Production" by Jeremy Keen, DVM from *Veterinary Economics*. Dr. Keen, an associate veterinarian, offers some great tips for increasing revenue. He increased his production by:

1. Performing ear cytology on every patient with a suspected ear infection
2. Offering a fecal exam for every pet new to a household and then on an annual basis
3. Performing annual wellness laboratory work on middle-aged to geriatric pets
4. Performing blood work on all patients on chronic medications every 6 to 12 months as indicated
5. Recommending supplements such as omega-3 fatty acids and glucosamine-chondroitin that might improve the quality of life of his patients
6. Creating weight loss plans for obese patients
7. Calling clients with updates on patient status while pets are in the hospital to better communicate with clients and build client loyalty

PRACTICE AESTHETICS:

08/04/17 "Elevate your Curb Appeal in 3 (Easy) Steps" by Katie James from *Veterinary Hospital Design*. The author notes that clients are judging you based on the appearance of your business. She suggests you walk the exterior of your practice and survey the following:

- Is the paint faded or peeling?
- Is your sign dirty or damaged?
- Are your plants dead?
- Do you see debris or trash in the parking lot?
- Do the exterior light fixtures and parking lot lights work?

If any of these issues are of concern, take corrective measures so clients gain the best possible first impression of your business.

PRICING RADIOGRAPHS:

August 2017 "Pricing Radiographs: The Whole Picture" by Heather Prendergast, RVT, CVPM, SPHER, Synergie Consulting, Las Cruces, New Mexico, appearing in *Veterinary Team Brief*. The author explains: "When practice owners consider pricing radiology services or upgrading equipment, they should evaluate the complete picture: Team member training, education, and communication; Inspections and maintenance; Dosimeters; Cost of technology upgrades; [and] Appropriate client fees for the service." To determine an appropriate fee, Ms. Prendergast suggests one consider: Fixed costs per minute (e.g., administrative, facility, equipment, machine maintenance), which can be obtained from the practice profit and loss (P&L) statements; Direct costs associated with the machine multiplied by two (this step will likely be eliminated if a digital machine is used). If an analog machine is used, include film, chemicals and other needed supplies. Multiplying by two covers any ordering and holding costs associated with inventory management and team costs per minute, including training. Payroll, benefits, and taxes that apply to nonveterinary team members can be obtained from P&L statements; Veterinarian costs per minute. Payroll, benefits, and taxes that apply to veterinarians can be obtained from P&L statements; Costs to replace or upgrade machines; [and]; Desired profit.

LEADERSHIP:

09/25/17 "Are You Remarkable?" by Bob McClinnis from www.leadingchange.com.

He explains the qualities of a great leader:

- Remarkable leaders use their strengths to strengthen others
- Remarkable leaders ensure that everyone on their team has the information and resources to make the best decisions and to be able to add the highest value they can to the efforts of the team
- Remarkable leaders provide navigation aids rather than directions
- Remarkable leaders pour themselves, warts, wishes, worries on the table for all to see, and then they model behavior that shrinks warts, manifests wishes and turns worries into opportunities
- Remarkable leaders extend credit to the entire team, in the presence of the entire team, and when [a team member] nails a [task] the leader recognizes them with specific and immediate praise

PROBLEM TEAM MEMBERS:

09/21/17 "How to Help an Employee Who Rubs People the Wrong Way" by Rebecca Knight from the *Harvard Business Review*. If you have a valuable employee who just cannot seem to get along with others, this article provides strategies for correcting the offending behaviors.

“Principles to Remember: Do: Plan ahead by thinking about what you wish to convey and how you want to convey it; State factual observations of your employee’s actions. Then describe the impact of the behavior and why you believe it’s problematic; [and] Engage in joint problem solving. You’re more likely to see a shift in behavior if your employee feels as though he’s had an opportunity to help come up with a solution.

Don’t: Ignore rude or difficult behavior. As a manager, you have a responsibility to help your direct reports understand the impact they’re having; Beat around the bush. It’s important to be direct when talking about your employee’s development and growth; [or] Get agitated. Stay calm and centered during the conversation even if your employee gets defensive.”

ONLINE VETERINARY PHARMACIES:

09/15/17 “Online veterinary pharmacies: Friends, not foes” by Sarah J. Wooten, DVM from *VETTED*. The author references Denise Tumblin, CPA who believes on-line pharmacies help improve client compliance. A study from human medicine found better compliance from patients using on-line pharmacies to obtain their medications. Denise Tumblin conducted a survey for Vets First Choice and found that practices that moved low margin items such as preventatives and diets to their on-line pharmacies saw greater revenue growth and better client compliance. Also, worthy of note is that “moving diet sales to an online pharmacy saves costs and improved profit over stocking in house.” This is due to reduced labor and other costs associated with maintaining inventory and filling prescription requests. Finally, clients want the convenience ordering online provides.

PAYMENT OPTIONS:

September 2017 “Payment Alternatives to Help Cash-Strapped Clients” by Bill Kearley, DVM, MBA, Veterinary Practice Success, Boise, Idaho appearing in *Veterinary Team Brief*. Dr. Kearley reviews the pluses and minuses of various payment alternatives including health credit cards; payment plans; angel funds; wellness plans and pet insurance. He concludes: “If well managed, the incremental cost of these payment alternatives is minor. At least quarterly, the practice should evaluate whether the costs have positively impacted the practice with increased patient visits and profitability. At the very least, offering payment alternatives likely will have paid off with good will for the practice.”