

Is practice ownership for you?

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For many veterinarians, the thought of being your own boss is quite appealing. This can be especially true depending on your current employment arrangement. Thoughts of making the rules and key decisions, practicing medicine your way, leading the charge, increasing your earning capability and so on, can be very attractive.

The grass can look mighty green on the other side of the associate – owner fence. But is it really? What does it mean to be a practice owner? *Are you owner material?*

We have worked with many practice owners from all types of practices: one doctor, multi-doctor, general companion animal practices, large animal, specialty, emergency, species specific, holistic and more. Many of the owners thoroughly enjoy owning and operating their practice. For others, while it is what they do, it may not necessarily be what they still *love* doing. A few others are simply surviving being the owner - they are counting the days to their exit (regardless of their age). *So what seems to make the difference between a successful owner and the alternative?*

What is success? For this article, we focused on practice owners that seemed to have a balanced and (mostly) enjoyable ownership experience.

Looking through our records, we found that successful owners tend to have strong capabilities and knowledge (natural or learned) in the following areas: (and they are in order of importance!)

- People management
- Medical management
- Business management

Yes, these are very broad terms. For those contemplating buying or starting a practice this is a good indicator of just how large the scope of responsibility they will have as a practice owner. If you are considering such a step, below are some of the challenge points and experiences that owners have shared with us.

People Management Skills

Believe it or not, this is the first and foremost element of successful ownership. The hospital team is your (and the practice's) most valuable resource. As the owner, it is important that you make the team a priority. You must meet the team's needs before the team will *willingly* meet the needs of your clients. This often requires several skill sets.

Motivator

Effective motivation includes accountability/discipline, fair treatment, satisfying employee needs (which are not always their wants), goal setting, positive reinforcement, incentives and rewards. The challenge in working with your team is that what may be effective for one individual may not be effective for another – especially when you add to the mix the differing expectations of different generations – X, Y, Baby Boomer and so on.

An unmotivated staff often results in lower productivity and efficiency. It can increase your staff turnover and absenteeism. This won't go unnoticed by your clients. They too will feel the impacts of the absence of a motivated team. It changes their experience in your practice. Studies have shown that the number one reason why clients leave a veterinary practice is due to a perceived attitude of indifference by the employees.

Mediator & Judge

The owner is the ultimate decider when it comes to conflict resolution within the practice. Being the mediator and judge requires the ability to clarify and understand differing perceptions as well as the ability to generate options for overcoming the conflict without ignoring individual needs and the needs of the practice.

Not every conflict needs to be resolved by the owner, but it is important that the owner maintain an understanding of what is happening within the team and between the team and the clients so he/she can skillfully intervene when necessary.

Talent Scout

To provide a positive pet health experience for your clients, you need a solid team. As the owner, you need to be an active participant in selecting the members of your team. Identifying appropriate talent is an investment in your practice. This is true at all levels – practice manager, kennel, assistants, technicians, and associates. What skills are most important for your practice and your team? Is it attitude? learning ability? experience? maturity? Owners must give thought to the team positions and then finding the talents to fill the positions plus the compensation package to recognize their value.

Mentor

This role of the owner requires an investment of your self and your time (which is often in short supply) and the attributes of commitment, patience, and sensitivity. Providing too much help limits an employee's independence and his/her ability to fully own a position. Conversely, providing too little help can result in a floundering and disillusioned employee who may never attain independence and will always require direct instruction. This can be especially difficult when the personalities involved are not necessarily compatible. As a future owner, learning about your personality type and learning style can help you learn how to reach out and connect with those who have different personality types and learning styles.

The responsibility of the owner to be a people manager is true whether the practice is a solo practice or a large multi-doctor, multi-discipline practice. Managing everyone or managing the managers still requires the owner to be the leader, the motivator, the guide and the nurturer - to help everyone progress toward the practice's mission and vision (you do have one right?)

Fortunately, many of these skills can be learned. It is never too late to start – and now is a great time to do so! There are many texts, CE courses (both veterinary and non-veterinary), Dale Carnegie, Fred Pryor and SkillPath workshops, practice management workshops and so on, that can help you learn and grow your people management skills.

Medical Management

It is the responsibility of the owner to establish & *enforce* the medical protocols at the doctor level. For many owners this can be an uncomfortable position to be in, if only because they are aware that differing treatment protocols will often lead to same favorable result.

Beyond the doctor level, this establishes the standard of care for your patients and the foundation upon which your entire team agrees to operate. Deviation from the standards and inconsistent protocols for your practice can be confusing to the staff. It also can place the practice at risk. Should there be an unfavorable (or misinterpreted) outcome, the owner and the practice are the ones held accountable. Because of this, the owner has the right and the obligation to determine what the standard protocols should be – as well as what is acceptable risk to take on when deviating from protocols.

The standard of medicine that you believe in sets the pace for your practice. Also, the owner is often the conduit and leader through which the support team increases its medical skill and expertise. Your entire team must understand it and believe in it. This is fundamental for their ability to educate your clients. Additionally, the practice team's skills, attitudes, and knowledge base are assumed to be a reflection of the owner. This can be especially true in smaller practices – after all, you hired them.

Business Skills

This is a catch-all term for many different business environments. We've placed it in the third order of importance position because, of the three, this area is the one that a practice owner can most easily hire support in or advisors when necessary. However, it is still essential for practice owners to at least have a working knowledge in these fields.

Human Relations

This is a constantly evolving field. Practice owners have shared that employee recordkeeping has become just as challenging as client record keeping. Employee benefit administration has become a major employment cost that needs to be managed closely, from health care and retirement benefits to employee discounts.

Legal Environment

Business ownership brings many facets to the legal rights & responsibilities: the rights of clients, privacy issues, standards of care, safety, and so on. Additionally, the legal rights of employees and the responsibilities of owners to the employees are not this big 'unknown' anymore. The internet has increased awareness in these areas exponentially so even if an owner doesn't know their obligations and responsibilities, their employees do.

Financial Environment

This is what most owners and future owners consider when they think of business skills: the fee setting, inventory control, cash control, the checks & balances, establishing (and using) a budget, etc. This should also include future planning for team development and practice improvements (in standards, services provided, equipment, etc.). We also should not forget owner exit planning and retirement. As the old adage says, *the best time to plan your exit is when you are planning your entrance.*

Marketing Environment

Closely related to the financials via the revenues is the marketing of your self and your practice. This is becoming especially true as competition increases. Expansion in the use of technology and social media as advertising medium has this field presenting new challenges daily for practice owners. Even if a practice owner does not wish to utilize these methods, they still have the challenge of managing their on line reputation as a result of client comments and reviews.

Preparing for ownership

There are increasing numbers of practice managers that can help ease the burden on owner. There are also many veterinary specific consultants covering a wide range of skills that can help bridge an owner or management chasm to keep you moving forward (visit www.VetPartners.org).

However, it will always be true that the 'buck' still stops with the owner. If the owner does not fill these shoes or direct the filling, then the shoes may get filled by default. The default may not take you, the practice, the team, the clients and the pets where anyone wanted to go.

Whether you are an owner already who is looking to improve and grow, or you are a future owner, these are the fundamental areas for self assessment. Improving your skills in these areas can help you reach your goals and be a dramatic boost in your ownership experience.

When an owner truly enjoys operating their practice, everyone benefits - your team, your clients and most importantly the pets you are serving.

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