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EBMS Business Immersion

This multi-day meeting provided a variety of take-home, put-it-to-use messages for improving business.

Story and photos by Kimberly S. Brown

This year marked the 10th anniversary of the Equine Business Management Strategies (EBMS) meeting in the United States. These meetings have always been focused on improving the financial health of a veterinarian's practice—whether he or she is a solo practitioner or part of a multi-vet, multi-species clinic. They also focus on three core tactics: "clarify," "simplify" and "implement."

Many of the speakers used individual or small group exercises to help create clarity in the main points of their presentations, which involved each person in the learning and sharing process. This also helped the attendees get to know one another better throughout the course of the five-day program (two partial days and three full days).

The audience was mostly veterinarians (solo practitioners and a mix of those with small, medium and large practices), with the addition of non-vet practice owners and practice managers.

In this article we will highlight ideas for you to implement and questions you should ask yourself. We'll call these ***HOMEWORK***.

To start the meeting, host Bob Magnus, DVM, MBA, founder of Wisconsin Equine and co-owner of EBMS, had the participants work together to make a list of the greatest opportunities in the veterinary industry and the greatest challenges that the equine veterinary industry is facing currently. Participants listed opportunities such as:

1. the interconnectivity of tech between all stakeholders, which was also called the "Internet" of things;
2. the opportunities to introduce horses to non-horse people and for future horse owners to be more ethnically diverse;
3. the increase in perceived value of horses, either dollar or emotional;
4. the opportunity to change the veterinary practice business model;
5. "You Are Not Alone Anymore," which means there is the opportunity for more peer-to-peer networking.

The participants noted that the greatest challenges currently facing the equine veterinary industry are:

1. fewer horses;
2. drug and medicine sales shifting to other channels, not just from vets;
3. economy—the general and world economies, and the equine economy, which hasn't bounced back yet in some places;
4. increased competition for vet services

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and goods (vets are going after a smaller "pie" of owners and are competing against lay persons/paraprofessionals who are offering services that used to be provided only by veterinarians);
5. generational challenges and how to manage associates and employees with different mindsets at work.

Magnus then had the participants narrow down the pros and cons to their individual practices. Here were some of the responses:

1. optimizing inventory management and training staff to make them aware of cost
2. prioritizing time management and work/life balance
3. marketing and growth in a competitive environment
4. maximizing profitability, especially with accounts receivables
5. establishing a collaborative team with good communication

Next, Magnus led the group in a discussion of the changes that might occur in the future of equine veterinary practice. Here were the top responses:

1. aging horse owner population
2. more females as practice owners
3. decrease in the racing industry and an increase in the role of horses as companion animals
4. technology becoming more affordable
5. lifestyle choices that drive vets to group practices so they can get time off

In the group discussion, many brought up the decision of women in veterinary practice to have children and families while practicing, or to switch to other jobs.

There also was some discussion about the corporatization of veterinary practices, which is being seen more frequently in small animal veterinary medicine than in equine practice. The group discussion seemed to dismiss that notion of a corporate takeover of equine medicine for many reasons. However, there was discussion about larger practices taking over or partnering with other practices, either in their current practice area or in other geographic locations.

Another focal point of each year's EBMS meeting is to pick a "business buddy" with whom you can work. This would be someone with whom you develop a connection but who does not practice in your competitive area. Magnus said that the business buddy is a good person with whom to discuss goals for your practice; he or she can hold you to timelines and goals. He recommended talking to your business buddy every two weeks, or at least once a month.

The next step was to discuss the greatest challenges in today's equine practice.

The top responses were:

1. providing 24-hour care;
2. finding qualified technicians;
3. accounts receivable;
4. quality and relationship versus price;
5. owners accepting the fact that veterinarians have to make money.

HOMEWORK: *Make a list of the greatest challenges facing your practice.*

Throughout the meeting, participants were encouraged to write down ideas and action items on their "hot sheets" in order to create a to-do list for when they returned to their practices. These were updated and discussed daily in the group so that participants could include items on which they could start taking action when they returned home, or that they could include in future goals and discussions with their business buddies.

HOMEWORK: *Create a "hot sheet" of ideas and action items you would like to implement in your practice and post them in your office. Review them at least weekly, and make changes as necessary.*

Good Communication Is Good Business

Many equine veterinarians feel that communication is a "soft" topic when discussing the business of veterinary medicine and improving their practices. However, on the 2012 AAEP owner survey, clear and compassionate communication was one of the top three things that owners valued. The others were availability (barn calls, 24/7 response) and thoroughness (a broad knowledge base and that you take time at the call).

Shana G. Carroll, BA, MBA, a clinical assistant professor of Management Communication and a senior advisor in the office of the dean at the Kellogg School of Management at Northwestern University, spoke on "Leaders as Communicators."

First, she challenged the participants to list their stakeholders. For an equine veterinary practice, that might include:

- horse owners;
- staff;
- vendors/partners;

Host Dr. Bob Magnus (right) participated in one of the group exercises.

- the community;
- potential clients;
- horsemanship organizations;
- other veterinarians.

Carroll said that knowing your audience is always the starting point of good communication.

HOMEWORK: *Make a list of the stakeholders for your practice.*

She then discussed with the group what they would like to do more with these stakeholders. Some of the responses were:

- follow up with clients;
- improve time management;
- manage change;
- give vet-approved information to clients who first look to the Internet for answers;
- build relationships with clients;
- create/open new channels of communication with clients;
- ensure all staff members have access to information that pertains to their jobs;
- make expectations clear;
- motivate staff.

HOMEWORK: Next to each of the stakeholders you listed, write in what you would like to do more with that group.

Engaged vs. Unengaged Staff

"You can be a great veterinarian, but if you don't have communication skills, the clients won't know that," said Carroll. She also said that having an engaged staff is key to having a great practice.

Gallup world-wide research defines employee engagement as follows:

- *Engaged* employees work with passion and feel a profound connection to their company. They drive innovation and move the organization forward.
- Employees who are *not engaged* are essentially "checked out." They're sleepwalking through their workday, putting time (but not energy or passion) into their work.
- *Actively disengaged* employees aren't just unhappy at work; they're busy acting out their unhappiness. Every day, these workers undermine what their engaged coworkers accomplish.

When asked how to tell whether an employee was *engaged*, Carroll listed these traits:

- always on time
- positive attitude
- always up for the challenge
- wants to learn
- has a growth mindset
- friendly and open face
- pro-actively communicates
- is solution-oriented

> "The single biggest problem in communication is the illusion that it has taken place."
> —George Bernard Shaw

A *disengaged* employee might have these behavior traits:

- leaves early
- always late
- only does what is minimally required of him or her
- complains
- doesn't greet people and doesn't try to build relationships

"Those disengaged employees are toxic to your business, especially if your business is small," stressed Carroll. "Do it in a nice way, but manage them out of your business."

Research has shown that worldwide, employees of thousands of surveyed companies are: 24% actively disengaged, 63% unengaged and 13% engaged. In the United States, those figures are: 18% actively disengaged, 54% unengaged and 29% engaged.

HOMEWORK: List each of your employees and staff members; then mark next to their names whether you consider them engaged or disengaged and why.

Why Is Communication So Complicated?

Carroll had the group think about a time when they had difficulty communicating with an individual or group, then asked them to consider what made that communication difficult. From the group discussion, these points were raised:

- There is a benefit to repetition; tell them what you are going to tell them, tell them, then tell them what you told them.
- There is "noise" in the communication system and we get distracted.
- People (staff) care about their status in your organization.
- People (staff) bring their feelings and emotions to work, making communication even more complicated.
- Misunderstanding: The participants noted that paraphrasing is a great communication skill. ("So what I'm hearing you say is that…")

Sometimes something else is going on in a person's life and the communication problem with your client or staff isn't because of the current situation, but because of that outside stimulus, said Carroll. "Having the emotional intelligence to be able to read that in someone's expression can be a learned skill," she said.

Some of the takeaways Carroll noted were that communication:

- is circular—it's not a one-way communication; the other people always have a response, even if they don't respond to you;
- is not repeatable or reversible;
- is dependent on interpretation;
- includes verbal and nonverbal cues;
- is influenced by:
  - The environment in which the communication takes place;
  - The context, beliefs and attitudes of the participants;
  - The method/channel of communication (the channel has meaning … email versus phone call versus live visit).

One of the audience participants noted that his table discussed why they liked the title of the presentation, "Leaders as Communicators." They agreed that as a leader (practice owner, manager, boss), there is a different style of communication than when one individual communicates to another.

As leaders, we *have* to listen. We have to drive out the background and emotion. Leaders don't have the luxury of sharing candid

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responses because they are communicating for the organization, not what they personally feel. That's a different role of communication.

HOMEWORK: Think of one situation where there was a miscommunication with a client or staff member and determine what methods would have helped alleviate the miscommunication.

Nonverbal Communication

Carroll noted in her presentation that research has looked at how much meaning a recipient finds in nonverbal communication. Here is what she showed the audience from those studies.

How much meaning is in:

- verbal—words 7%
- paralinguistic—vocal 38%
- body language—visual 55%

She noted that when you are on the phone (so that others can't see your face and body), the meaning changes to:

- verbal—words 16%
- vocal—paralinguistic 84% (tone of voice and volume)

"Remember people read tone; they don't just hear it," stressed Carroll. "Try reading your text or email out loud before you send it."

On the topic of facial expressions, Carroll said that there are some expressions people make no matter their cultural background. The four most common (and most easily recognized) expressions are anger, disgust, happiness and sadness. She said these are commonly recognized throughout the world, no matter the culture. She noted that there are 7,000 different facial expressions, with 10 that are very common across all cultures.

So if 55% of the meaning in a communication is in a person's expressions, there is a good chance that we get these communications wrong, noted Carroll. "That's why paraphrasing is so important," she said.

And in addition, she warned, "When you are in a position of leadership and power, your nonverbal cues are very important." In other words, your expression needs to be consistent with your words.

HOMEWORK: Ask a truthful colleague or family member to tell you when your nonverbal cues are inconsistent with your words for one week, to remind you about your nonverbal communication skills.

Amy Stockton, DVM (left), chatting with speaker Shana Carroll, BA, MBA

AIM for Successful Communication

Carroll used the acronym AIM to help participants think through a communications strategy:

A = Analyze the **audience**
I = Identify your **intent**
M = Make the most of the **message**

When thinking about your audience, ask yourself what you know about them, who they are, what their day-to-day experiences are, what they are like, what's important to them, what will influence them, what they know and expect, how they will respond, what they might resist and how might they resist.

For intent, Carroll said, "Every communication must have a clear and concrete intent (or communications objective). Your intent is what you want the audience to do, think, know or say as a result of the communication."

She added that you can start to assess this by writing the phrase: "As a result of this communication, the audience will (fill in the blank with the result you want)." Test the intent/objective by asking yourself if it's attainable and whether it helps you reach a goal or make progress.

For your message, Carroll suggested taking these steps to make your message memorable:

- Consider all the relative information.
- Determine what will resonate.
- Narrow it down to two or three core messages.
- Frame those appropriately with your big idea.
- Engage your audience with persuasive content.

HOMEWORK: Find a colleague or family member to help you role play an increase in a charge for a service from your practice to a client. Define what you know about the client, what the intent of the communications will be, and craft the message you want to convey. Get feedback from the person on how you did.

Take-Home Message

One of the reasons that an equine veterinary business immersion program works so well for vets is that you have people in the room who understand your industry; then you are challenged to step outside your comfort zone and learn from your peers, your colleagues and the presenters while contributing to the program yourself.

Good business and communication habits aren't learned overnight, from one article or at one conference, but getting tools to help start the process of changing from a good veterinary practice into a great practice can start with simple steps.

Visit EquiManagement.com for an extended version of this article and more information from this conference, brought to you by Vets First Choice.

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