

How To Reduce Stress in the Veterinary Hospital

- Darren Osborne, MA
- 2021 Has been a banner year financially, but it is fast becoming the most stressful year many veterinarians and staff have ever experienced. The rigors of social distancing with clients have taken a toll on veterinarians and staff. Veterinarians and staff pivoted to curbside medicine and met the needs of their clients before many other industries but along the way they forgot that they have needs too. In this lecture, Darren Osborne will go through changes in scheduling, pricing, communication and staffing protocols designed to reduce workplace stress.



Is this going
to be a raise
your fees
talk?

- ... yes
- One solution to reducing stress is to attract and retain skilled staff
 - Increasing wages for technicians may lure some back to veterinary medicine and convince the ones we have to stay longer
 - Living wage
 - Higher wages - on par with dentistry / human medicine
 - Who pays for higher wages?
 - Clients pay with higher fees



Is this going
to a “work
smarter not
harder”
lecture

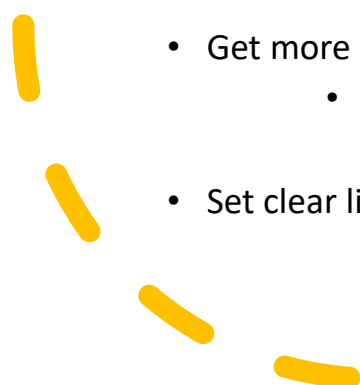
- NO
- Veterinarians and staff don't have time to set up apps and introduce new technology
- I recommend you use less technology
 - Stop answering your clients emails in the evening or on weekends





AGENDA

- This lecture will be about reducing stress by figuring out how to work less
 - Identifying stress
 - Causes of stress in veterinary medicine
 - Creating a better environment in our practice
- Work less
 - Smarter schedule
 - Limits
- Get more help
 - Pay more to lure techs back into veterinary medicine
- Set clear lines in the sand that provide metrics for better mental health



Explaining Stress

- I am not an expert in stress
- I am an expert on metrics in veterinary medicine
- Is Work Killing You? + Economic Research = Solutions for DVMs
 - *David Posen, MD*



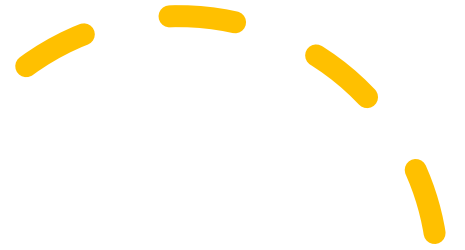
Why am I so stressed?

- Sprinting through a marathon
- We have to stop saying just buckle down and get through it
- Things are not going to change for a long time
- Lets agree that we are going to be crazy busy for another year





Why am I so
busy





Increase in Veterinary Revenue

- Increased puppies and kittens
 - 33% increase in clients
- Consumptive smoothing
 - 66% increase in revenue per transaction from existing clients

Consumption Smoothing

- Balance between earnings and expenses
 - Everyone has a conscious or sub-conscious line in the sand for regular spending and we will generally move back to that line
 - When your credit card bill is higher than expected
 - cut back on discretionary spending
 - When you are stopped from taking your family vacation, going to restaurants and bars, saving money by working from home
 - you spend more at the veterinarian



Shortage of Skilled Veterinary Staff

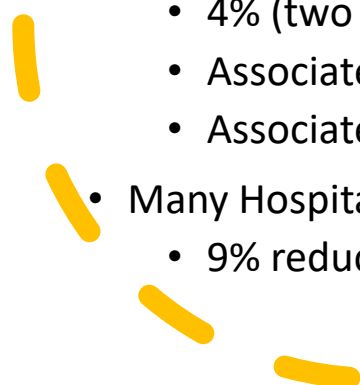
- Veterinarians are overbooked
 - Clients without a regular veterinarian can't find one
 - Frustrated
 - Regular clients are waiting weeks / months to see their veterinarian
 - This is very new to them
 - Used to coming in when ever they wanted
 - Staff are not trained to deal with it
- Nobody is doing anything about this





What is Driving Veterinary Shortage

- 20% Decrease in Productivity
 - COVID Social distancing, cleaning
 - Fewer appointments per day
- Migration out of practice ownership
 - After selling the owner checks out
- Reduced Associate Hours
 - 4% (two weeks) less work than last year
 - Associates requesting more time off for mental health
 - Associates earning more will work less
- Many Hospitals closed Saturdays
 - 9% reduction in capacity

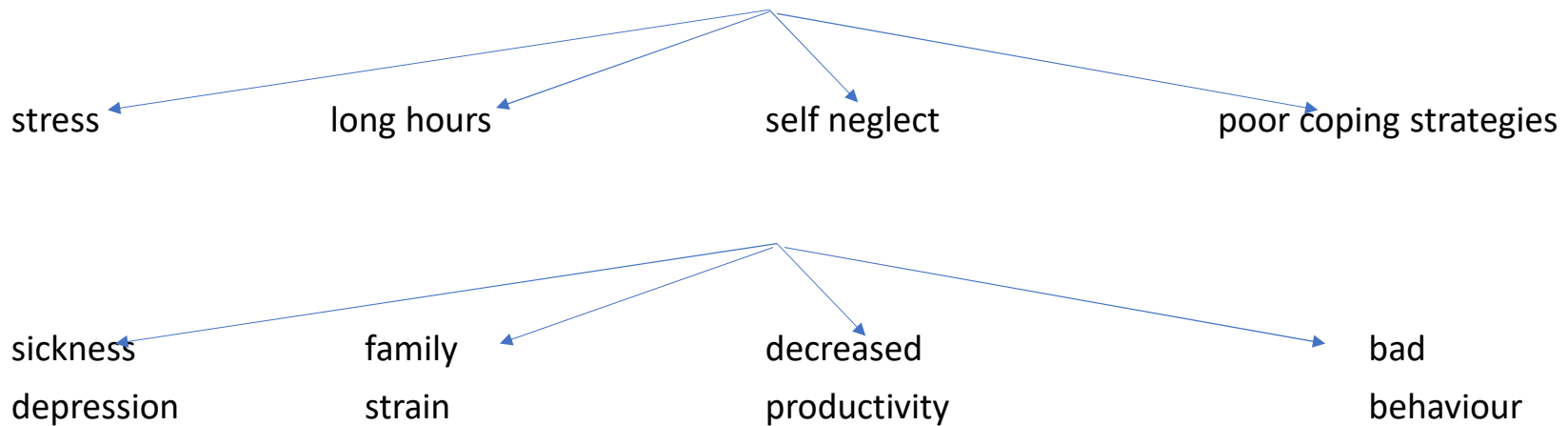


Stressors Facing Veterinary Medicine

- Clients
 - *We did this to ourselves*
- Veterinarians have been overservicing clients for ever
- We have trained them to expect everything all the time
- You are ruining your life so your clients can have a perfect life
- We need hire more staff
- Only take as many clients as you can handle – set limits

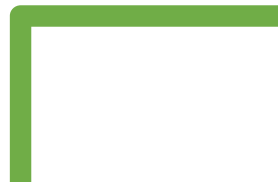
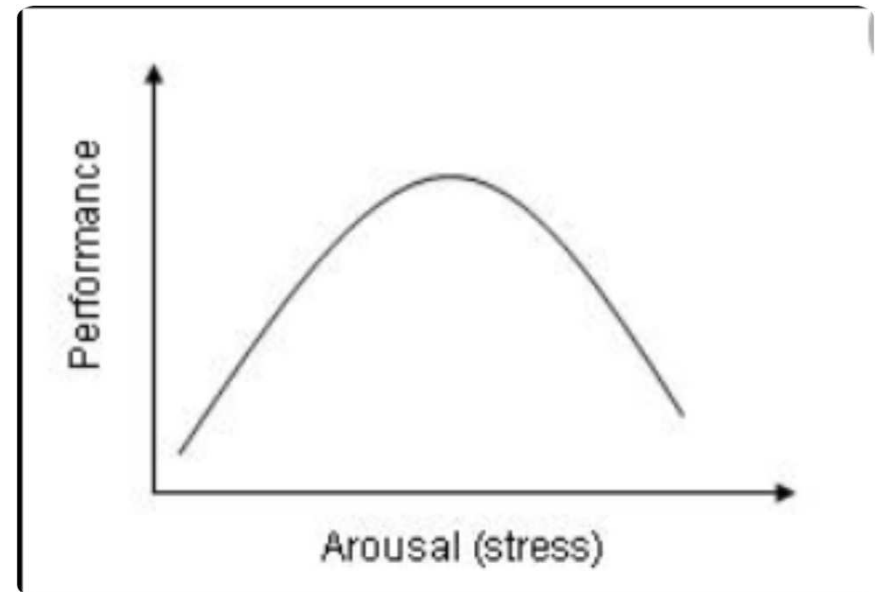
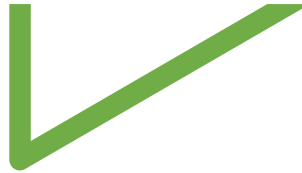
Posen – Cascade of Consequences

Too much work
Too fast pace
Too high expectations
Too much pressure
Too few resources



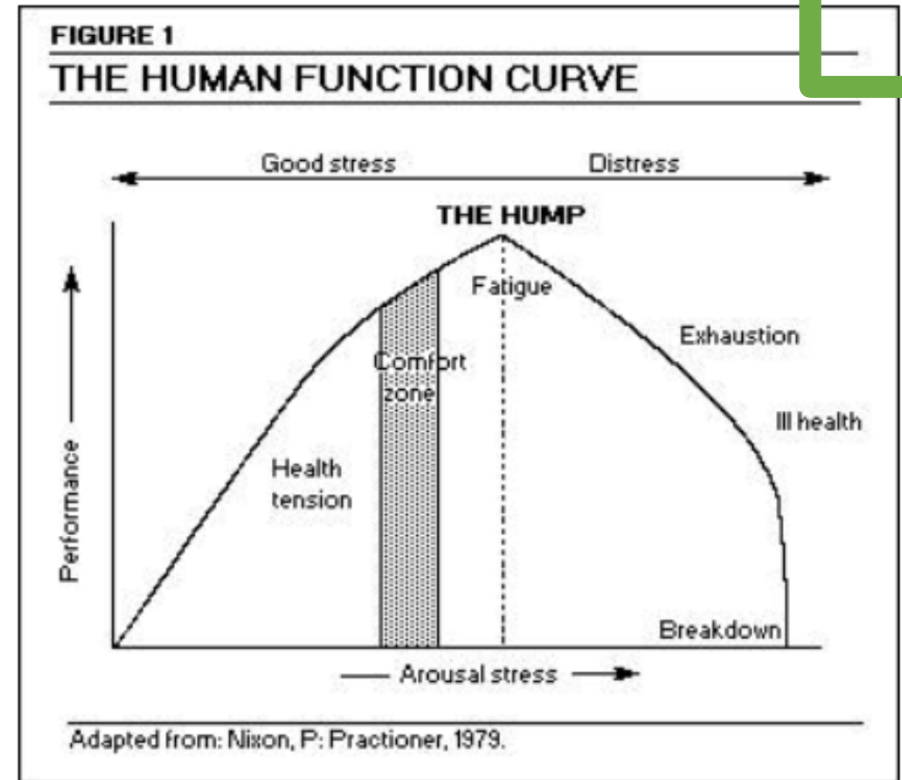
Yerkes-Dodson Law (circa 1908)

It's fun... and then all a sudden it's not

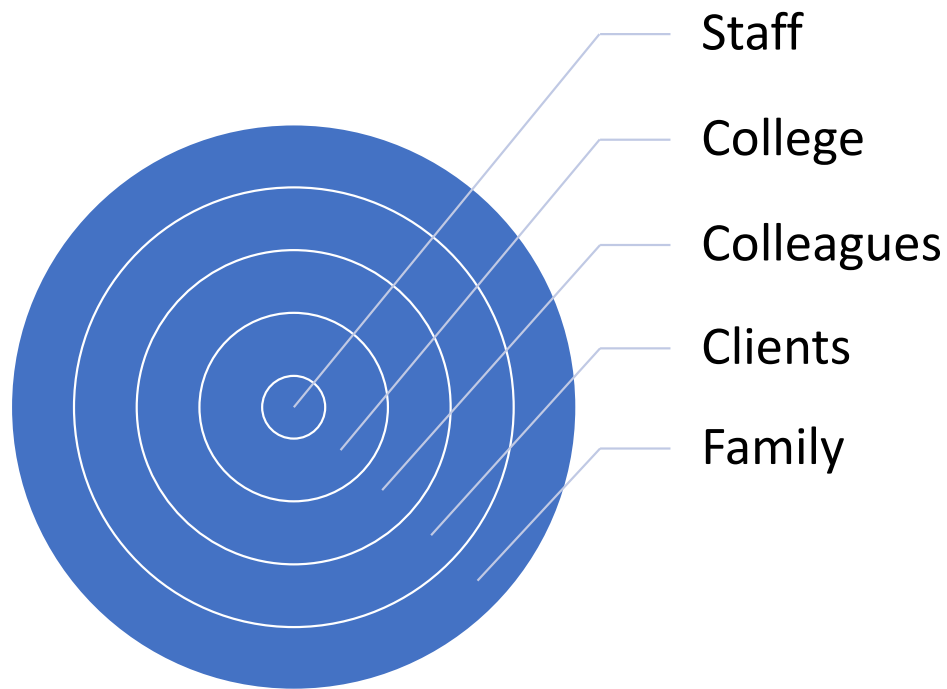


Nixon – Human Function Curve

Where are you on this curve?



Posen – Stress Ripple



This explains why a “Karen” client in the morning leads to you yelling at your kids at bedtime



The Perfect Day

- How Can You Create Your Perfect Day?
 - Have you ever had one of those days where everyone shows up early for their appointment, the staff are on point and you break a record - all the while it felt effortless? Why can't every day be the perfect day? In this interactive session, we are going to see what it takes to create the perfect day.

-



Perfect Client

- Start a profile sketch of your ideal client.
 - What is their name, their pets name, what do they look like, what type of pet do they own, what are their interests, what books do they read, do they read, can they read?



Example of perfect client

- Anne (with an “e”)
- 3 yr old brown Purebred “doodle” named Charlie
- Accountant with Telus
- Single
- Travels a lot (to triathlons) and boards Charlie at the VH
- Drives a black Audi SUV
- Always brings food in for the staff when she picks up food for Charlie
- First one to try wellness plan
- Loves “The Office” and reads real crime novels
- Spends \$4,500 per year at the VH

Perfect Schedule

- Assume you had a practice full of this type of clients,
 - How would you best organize your day? Using the same format you see in your practice management software, structure the perfect day.
 - If you have a separate surgery day, make up two days.
 - Remember this has to be sustainable so 32 appointments, 15 minutes apart may not fly for some vets.
 - Determine what staff are needed for this perfect day
 - Remember, you have to contact everyone on the schedule so you may need to allocate more resources to reminders.
 - Now check your math
 - See how much revenue is coming in and calculate your staff costs and your staff ratio. If the math works you have the blueprint for the perfect practice.

Example of Perfect Day

	DVM 1 – Exams or Surgery Day	Tech
9:00 am	X	T
9:20 am	X	T
9:40 am	X	T
10:00 am	X	T
10:20 am	X	T
10:40 am	X	T
11:00 am	X	T
11:20 am	X	T
11:40 am	X	T
Noon	X	T
1:00 pm	X	T

	DVM 1	Tech 1
9:00 am	Annual wellness	Ped
9:20 am	Annual wellness	Blood draw
9:40 am	Annual wellness	A Gland
10:00 am	<u>Records / call backs</u>	Booster recheck
10:20 am	E-SLOT	Prophy
10:40 am	New client	
11:00 am	Annual wellness	
11:20 am	Annual wellness	
11:40 am	Sickie	<u>Records / call backs</u>
Noon	<u>Records</u> / LUNCH	Lunch
1:00 – 2:20	Oral Sx	Ped
2:20 pm	Annual Wellness	X-ray Recheck
2:40 pm	Sx consult	Blood Draw
3:00 pm	<u>Records / call backs</u>	Blood Draw
3:20 pm	Annual Wellness	Tech app
3:40 pm	Sickie	Ped
4:00 pm	<u>Records / call backs</u>	<u>Records / call backs</u>

- DVM

- 12 appointments - \$200 each
 - \$2,400
- 1 Sx - \$2,150
- 1:20 mins records / call backs
- \$650 per hour

- Tech

- 9 appointments - \$50 each
- 1 COHAT -\$600
- \$150 per hour

Everlasting Schedule

9:00 am to noon

- 4 appointments per hour
- Anything that needs diagnostics or treatment gets shipped to the back

Noon to 1:00

- Lunch – offsite

1:00 till whenever

- Finish the chores you created in the morning


If no sickies, your day is over at noon

Everlasting Schedule

- Two techs per DVM morning
- One tech doing tech appointments all day
 - Afternoon discharges
- Not open evenings
- Not open Saturdays

Questions

- Does anyone have an example of an everlasting schedule



What It Means to Pay Employees a Living Wage

Darren Osborne, MA
OVMA Director of Economic Research

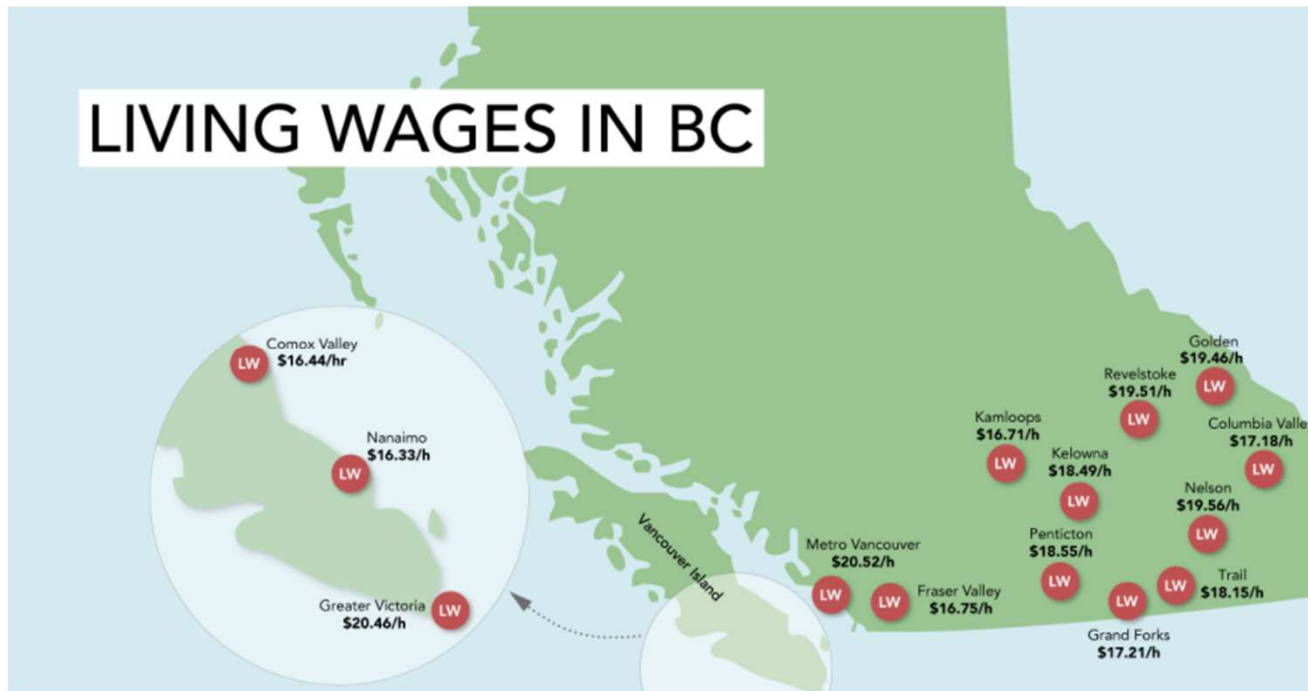
Living Wage

- Living Wage Definition
 - “ensures that a person working full-time, full-year, earns enough to participate in the normal life of their community”



Where to find the living wage for your area

- Livingwageforfamilies.ca



What does living wage include?

Typical Expenses

These figures show the individual expenses that went into the living wage estimate. Their values vary by family size, composition, and the current location.

	1 ADULT				2 ADULTS (1 WORKING)				2 ADULTS (BOTH WORKING)		
	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children
Food	\$3,075	\$4,541	\$6,826	\$9,053	\$5,637	\$7,025	\$9,063	\$11,035	\$5,637	\$7,025	\$9,063
Child Care	\$0	\$8,013	\$12,316	\$16,618	\$0	\$0	\$0	\$0	\$0	\$8,013	\$12,316
Medical	\$2,590	\$8,191	\$7,903	\$8,024	\$5,794	\$7,903	\$8,024	\$7,925	\$5,794	\$7,903	\$8,024
Housing	\$9,156	\$13,812	\$13,812	\$19,632	\$10,980	\$13,812	\$13,812	\$19,632	\$10,980	\$13,812	\$13,812
Transportation	\$4,289	\$8,362	\$10,608	\$11,557	\$8,362	\$10,608	\$11,557	\$12,115	\$8,362	\$10,608	\$11,557
Other	\$2,929	\$4,883	\$5,070	\$6,378	\$4,883	\$5,070	\$6,378	\$6,381	\$4,883	\$5,070	\$6,378
Required annual income after taxes	\$22,039	\$47,803	\$56,536	\$71,262	\$35,656	\$44,419	\$48,833	\$57,087	\$35,656	\$52,432	\$62,907
Annual taxes	\$4,198	\$9,503	\$11,337	\$14,360	\$6,971	\$8,792	\$9,719	\$11,384	\$6,971	\$10,475	\$12,115
Required annual income	\$26,238	\$57,306	\$67,872	\$85,622	\$42,627	\$53,211	\$58,553	\$68,471	\$42,627	\$62,907	\$75,022

Other



Apparel and services



Housekeeping
supplies



Personal care
products and services



Reading



Miscellaneous



What About Benefits?

- The cost of your benefit package can be added to the hourly wage when comparing to living wage
 - Example
 - Living Wage \$18.20

 - Your Wage \$15.00
 - Benefit Value \$1.75/hour
 - Your Real Wage \$16.75

- Increase required to achieve Living Wage \$1.45 per hour

Certified Living Wage Employer

Full time staff
are paid living
wage



**WHY ARE NIAGARA EMPLOYERS CHOOSING TO
PAY A LIVING WAGE?**

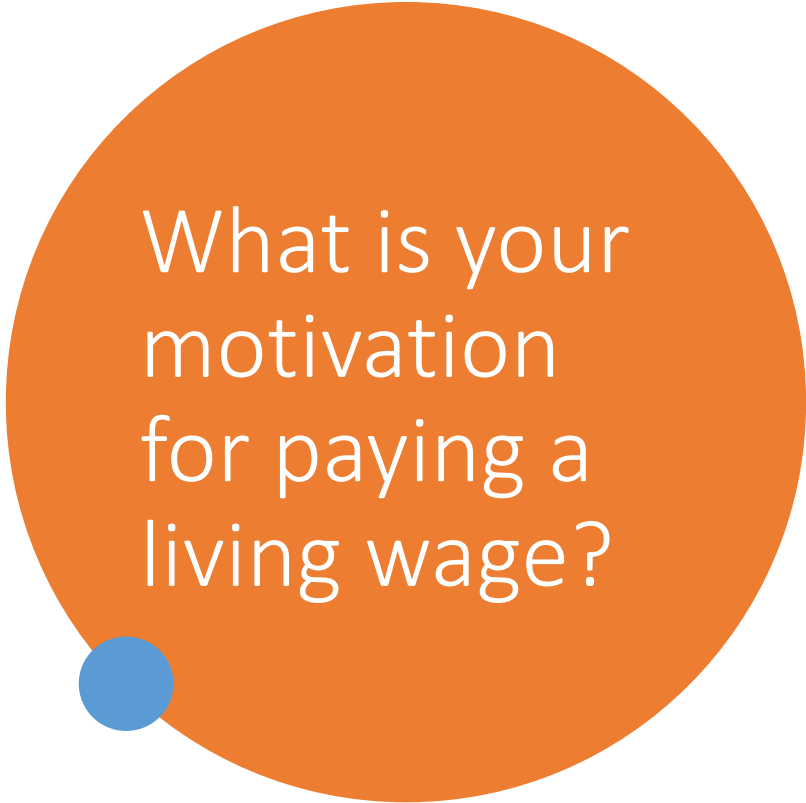
"EVER SINCE WE CAME TO THE REALIZATION THAT OUR LITTLE DOUGHNUT SHOP WAS BECOMING SOMETHING MUCH LARGER THAN WE COULD HAVE EVER ANTICIPATED, BECOMING A CERTIFIED LIVING WAGE EMPLOYER WAS AT THE FOREFRONT OF OUR MINDS. NO MATTER THE INDUSTRY, ALL WORKING PEOPLE DESERVE A LIVEABLE WAGE. THEY ARE THE REASON WHY WE ARE ABLE TO OPEN THE DOORS EVERY DAY AND WE WANT TO GIVE BACK TO THEM AS MUCH AS WE CAN. BEECHWOOD WOULDN'T BE WHAT IT IS TODAY WITHOUT OUR INCREDIBLE STAFF AND WE WANT OUR COMPENSATION TO REFLECT THAT." ~ TAYLOR BOOK, PRESIDENT, BEECHWOOD DOUGHNUTS




Boast About it On Your Website

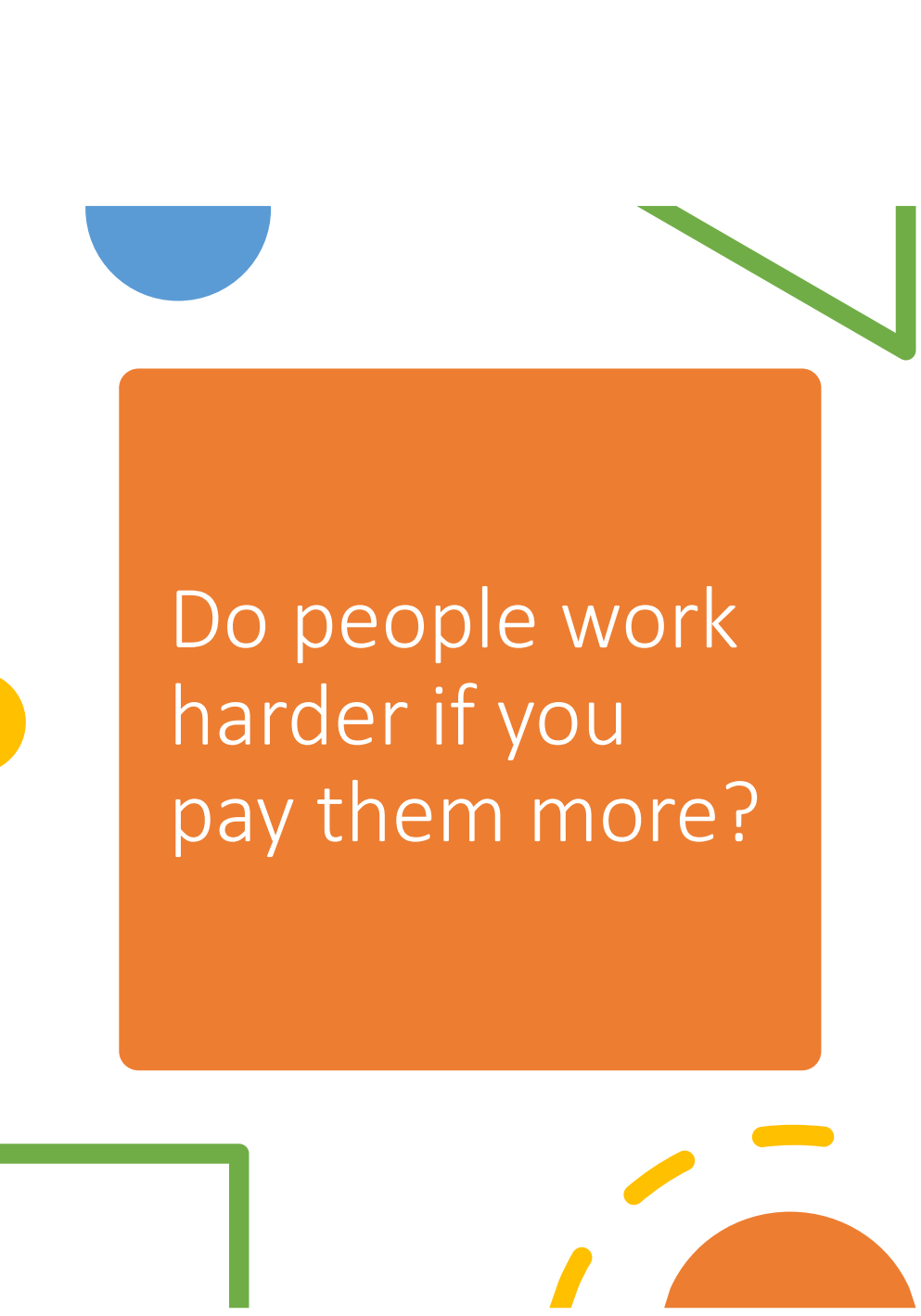
- LIVING WAGE: WHY IT'S IMPORTANT TO US

- Animal Emergency & Referral Center of Minnesota is committed to providing a minimum of a living wage for all of our team members. Living wage reflects what an individual needs to earn in order to have a decent standard of living, including shelter, utilities, nutrition, transportation, medical care, childcare, some recreation, and one class yearly to upgrade an education. The living wage differs from the minimum wage in that the latter is set by law and can still fail to meet the requirements listed above. The amount that must be earned per hour to achieve a living wage is variable from region to region. **Currently, AERC's lowest paid employee's hourly rate is 13% above the living wage hourly rate.**



What is your
motivation
for paying a
living wage?

- 
- Ability to attract and retain best staff
 - Motivate staff to work harder
 - Feel bad that veterinary medicine salary can't support a family
 - Want staff to be happier in their job






Do people work
harder if you
pay them more?

- No

- *Payoff: The Hidden Logic that Shapes Our Motivations (Dan Ariely)*

- Staff offered motivational rewards
 - Pizza
 - Compliment
 - Small Cash Bonus



Do people
work harder
if you pay
them more?



- No

- *Payoff: The Hidden Logic that Shapes Our Motivations (Dan Ariely)*

- Staff offered motivational rewards

- Pizza 6.7% increase in production
- Compliment 6.6% increase
- Small Cash Bonus 6.5% long term drop

- Compliment proved to be the most effective motivator

People Like Feeling Appreciated

London School of Economics

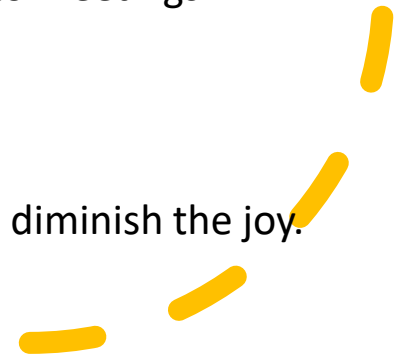
- “financial incentives may indeed reduce intrinsic motivation and diminish ethical or other reasons for complying with workplace social norms such as fairness.”

Adam Grant

- The motivational power of money and prestige at work fades more quickly than the sense of appreciation

Does More Money Help You Like Your Job?

- No
 - *Proceedings of the National Academy of Sciences*
 - After \$75,000 per year, more money does not make you happier
 - This gives us some wiggle room for technicians
 - Edward Deci Study (1970)
 - Two groups of students recruited to voluntarily write headlines
 - One group offered payment
 - Payment group productivity fell
 - Payment group stopped coming to meetings
 - Rewards can reduce motivation
 - Getting paid to do what you love may diminish the joy.



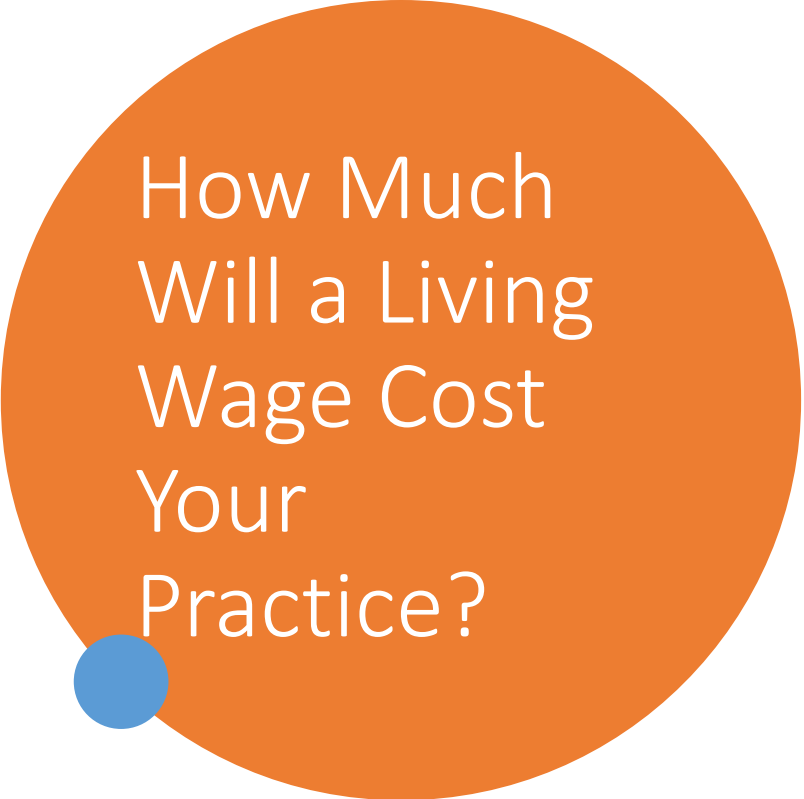
Why Bother With a Living Wage?

Shows you
care about
your staff


- Recognition to them and their family

Increases
your ability
to attract
and retain
staff

- Because you care about your staff



How Much
Will a Living
Wage Cost
Your
Practice?

- 
- Who gets a living wage?
 - Full time vs part time
 - New employees
 - How does this affect other staff wages?
 - Cascading effect



Who
Qualifies for
a Living
Wage?

Start with full time
staff

Set a goal to move
part time staff to living
wage over time...

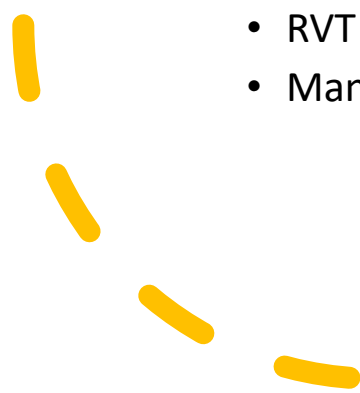


Cascading Effect of Moving to a Living Wage

- Cascading Wage Effect

- Living Wage Dufferin / Simcoe \$18.01

	Current Wage	Living Wage	Cascade Wage
• Reception	\$17.00	?????	\$19.50
• Non-Reg Tech	\$15.50	\$18.01	\$18.01
• RVT	\$20.00	?????	\$22.50
• Manager	\$25.00	?????	\$27.50





Cascading Wages



- Applying equal percentage is more costly than dollar increase

	Current Wage	\$2.50 Cascade	16% Cascade
• Reception	\$17.00	\$19.50	\$19.72
• Non-Reg Tech	\$15.50	\$18.01	\$18.01
• RVT	\$20.00	\$22.50	\$23.20
• Manager	\$25.00	\$27.50	\$29.00





Gradual Approach

- Two Doctor Hospital in an Major Urban Center
 - Living Wage \$22.08
 - Current Wages \$17.66 average
 - \$15.00 minimum
 - \$20.25 maximum
 - Move to living wage - 20% increase in wages (\$60,000)
 - Decided on 10% increase across the board (\$30,000)
- 
- 

Who Pays for Living Wages?

Practice Owner

- Lower income

Other suppliers

- Reduction in expenses


Consumer

- Higher Fees

Staff

- Work harder to attain higher production

Why should fees go up to support living wage?

- Why is living wage so high in your community?
 - Why is cost of living higher?
 - Do your fees accurately reflect the higher cost of living in your area.
 - If people expect to pay more in your area, charge more
- 
- Cost of living is higher in my community
 - It costs more to live here.

Fee Increase Required

- Professional Procedures represent 60% of Revenue
- Non-DVM Wages and Benefits
 - 20% of gross
- 1% increase in fees = 3% increase in wages
- 10% increase in wages requires 3.3% increase in fees



Productivity Increase Required IS ALREADY THERE



Where Do You Start?

01

Determine the living wage in your area

- livingwage.mit.edu

02

Get a list of

- Staff
- Hourly wages
- Hours worked
- Total wages

03

Calculate the cost of wage increases

04

Develop a plan to recoup the increase

- Increase fees

05

Make sure it works

- Set up a time in 3 months to review cost benefit

Matching Technician Salaries to Nurses

- BC Certified Technician Median Wage \$24
- BC Registered Nurse (Indeed) \$41
- Assumptions 1 Registered Tech per DVM
 - Average is 0.9
- \$17/hr difference \$29,750 annually
- How much would have have to raise fees to break even?
- 7.6%

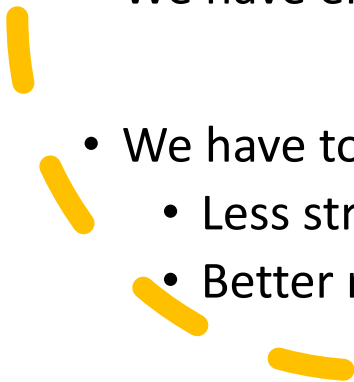


Questions



Metrics for Managing Mental Health

- Till now, we have always looked for ways to get more work
 - How do we get more revenue
 - How do we get more productive
 - Always more, more, more
- We have enough
- We have to start looking at our clinic through the lens of
 - Less stress
 - Better mental health



This Can't Be the New Normal

- Jeff's Story
- Jeff uses metrics to manage his hospital
 - Revenue per DVM
 - Revenue per invoice per DVM
 - Clients
 - Invoices
 - Surgeries
 - Appointments

Jeff's Practice Is Growing 25% Annually

- Looking to hire a veterinarian
- Looking to hire staff
- Jeff has been looking for a year

- Jeff's numbers have never been better

- Jeff and his staff are stressed and burning out

Jeff Can't Slow Down

- October
 - Jeff gave everyone in the hospital a mental health day – paid
- Jeff's numbers stopped growing for the first time all year
- Appointment Capacity went from 115% to 95%
 - “Do I have to get the front desk staff to ramp up their phone calls?”
- Jeff needs to stop managing for growth and start managing for better mental health

1 – Monthly Revenue



The OLD Way

Set target based on same month last year

- 5% higher than last time
- 10% higher
- 30% higher
- More is always better



The NEW Way

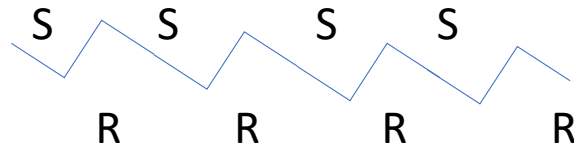
Determine how much revenue you need

- Pay all the bills
- Pay staff
- Pay yourself

This might be 25% less than what you are earning now

2 – Schedule

- The OLD Way
 - Sick days
 - Missed days
 - Late days
 - Holidays
- The NEW Way
 - Healthy Stress Cycle



2 – Healthy Stress Schedule

Make sure
people take
their holidays

Time off for
family
functions

20 minute
walk during
lunch

Lunch

3 - Active Clients



Old Way

- Active client trends show compliance
Declining active clients shows big problem ahead
- Declining clients is lead edge of falling revenues



New Way – keep a tally of the number of clients you have fired

- Firing clients
- Mistreat staff
 - Less expensive than losing a staff person

Collateral Stressors

- It's not just the victims who suffer
- Karen yells at your receptionist
 - Receptionist cries
 - Technicians comfort receptionist
 - Technicians get mad (or fearful that they will be the next victim)
 - Veterinarians hear about what happened and get upset

Balanced Client List



GO THROUGH YOUR CLIENT LIST AND
GET RID OF THE CLIENTS WHO ARE
ENERGY VAMPIRES



“WE SPEND 95% OF OUR TIME TRYING
TO CONVINCE 5% OF THE PEOPLE TO
DO THE RIGHT THING FOR THEIR PET”



GET RID OF THE 5%

Posen – How to Say “No” Acceptably

Express your wish or willingness to help but you have to decline

- I wish I could help you but I simply can't

Give an explanation without getting too personal

- I have a family function

Offer to do part of the job

Make a counter offer to do it later

- We can see next month

When is the real deadline

- Your dog turning around and around before she lays down can wait

Darren – Get someone else to say “no” for you so you are not always the bad guy

4 – New Clients

Old Way

How many new clients can we get

New Way

- Compliant New Clients
- “We all spend way too much time trying to convince @\$%^ clients what they need to do for their pet.”
- Raise your exam fee to \$100
 - Sets realistic expectations for shopper calling around trying to get services for his sick pet
 - Weeds out the people who won’t do anything anyway

5 – Monthly Unit Sales

Old Way

- Count of monthly sales
- Vaccines
- Exams
- Wellness plans
- Insurance policies

New Way – Nutrition Box / Fridge

- Provide endless healthy/nutritious snacks for staff
- Protein bars, fruit
- Keep a tally of how much you are buying

6 – Non DVM Staff Percentage

Old Way – 20% of gross

- Wages as a percentage of gross revenue
- Most profitable hospitals have lowest percentages
- Conspicuous model – fewer higher paid staff

New Way

- Increase wages as much as possible
- 3 to 1 ratio with fees
- Raise fees 10% you can raise your wages 30%
- New metric may be 23%
- Right now it is dropping

7 – DVM Calculated Commission

Same as before but different perspective

- DVM wages as percentage of gross revenue
- Similar to commission paid to associate

Why?

- Measures financial effectiveness of associate
- Tells you how wage competes with open market
- Paying 23% commission may make you competitive with Help Wanted Rates

8 – Source of New ~~Clients~~ Compliments

“How did you find out about us?”

- Referred by another client
- Walked or drove by – location
- Internet
 - Google
 - Facebook
- Other
- Yellow pages

New Way – Source of New Compliments

- Monthly Compliments
- Count the number of positive compliments
- Share positive reviews with all the staff
- Encourage internal compliments for staff
- “Heidi helped me with that scary cat”

9 – Appointment Fill Rate

The Old Way

- Filled Appointments / Available Appointments
 - 75% filled by noon previous day
 - More more more

The New Way – How many weeks out are we booked?

- Use “perfect day” to set limit on the number of appointments per day
 - This is the line in the sand
 - Don’t make the DVM the bad guy
 - “Will you squeeze Karen in today?”
 - Stop ruining your life to make clients lives easier

Managing Fill Rate

- When you are booked out several weeks
 - Host Clinics
 - Saturday morning Wellness Clinics
 - Drive through annual vaccines
 - Schedule 6 per hour – first come first served
 - Don't lower your fee
 - Work with your reps to provide a treat to make it fun
 - Saturday morning HW Clinics
 - 100 dogs seen in one Saturday morning



10 – Outbound Calls

The Old Way

- Set daily staff targets for phone calls
 - 40 calls per staff

The New Way – set limits not targets

- Call-backs at the end of the day
- If this number is too high
 - See fewer clients
 - More time between clients
 - Delegate ALL call-backs to technician
- In-bound messages from clients
 - Don't answer your phone or emails when the hospital is closed

Questions