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Business Principles in Veterinary Practice

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The veterinarian, in his anxiety to fulfill his medical responsibilities, frequently overlooks the significance of the practical phases of his professional life. The primary purpose of this paper is to present a limited discussion of the practical and economic problems which every veterinarian constantly encounters in his daily routine, and for which a solution must be found. The business aspects of veterinary practice are as equally important as the technical aspects. However, the medical literature is scanty on this subject. That which is available is scattered in various periodicals and books.

The somewhat snobbish blindness of the profession to the business aspects of their own occupation is regrettable. Whether he likes it or not, every professional man is engaged in a business of selling his professional skill and satisfying, if not increasing the number of, his clients. If a business knowledge is so valuable to the veterinarian, why is it not regularly taught in the veterinary schools? There are several answers. The first reason is undoubtedly scientific and professional snobbishness which blindly ignores the existence of business in medicine. More important, however, is the fact that the scientific aspects of medicine more than absorb the traditional four years required for the degree of veterinary medicine. Nothing else can be so important to the student as his strictly scientific and professional training. Finally, the veterinarian's education is by no means limited to his undergraduate studies. He has certainly not encompassed all knowledge or even all medical knowledge when he receives his diploma, but he has at least learned not only to recognize new problems, but also the technic of approaching them for himself.

Very important to the veterinary practitioner and to his profession, are ethics. Ethics may be defined as basic principles of right action. They have remained relatively standardized and unchanged over a long period of time. The veterinarian owes his client honesty, reliability and unselfish attention. The client should at all times be his primary concern, and at all times he should accept the responsibilities of professional service as paramount over all personal consideration and personal obligations. Sympathy and understanding between the veterinarian and his client are important in the successful diagnosis and treatment of disease. In his relations with his colleagues, the veterinarian should obey the ordinary rules of courtesy and honor. He should respect the rights and opinions of others and never discredit them in the hearing of clients. The fact that advertising is considered unethical has no doubt raised the standards of medical practice since under these circumstances the veterinarian is likely to succeed more by reason of his qualifications than his business ability.

Membership in national, state and local veterinary associations is practically essential for every licensed veterinarian. This enables him to keep up on current literature and thus render a more efficient type of service. Also, association meetings provide an opportunity for discussion of cases, interchange of ideas, and a pleasant contact that stimulates fine professional and personal friendships.
The establishment of an efficient system of record keeping is very essential for the veterinarian. This is only good sound business judgment and is more necessary than ever in computing the annual income tax. The records need not be complicated, but should be accurate, complete and up-to-the-minute. A simple daily record should be kept in order to correlate the day's activities. This should include the number of clients seen, the amount of money collected or charged and the amount of money disbursed. Opposite each client's name should appear a brief explanation of the contact whether it be medicine dispensed or an animal treated. One can form his own system of abbreviations for daily procedures so that little space will be taken up for the explanation of the case. This can be transferred at a later or more convenient time to a monthly sheet either by the veterinarian or his office assistant. This gives the over-all picture of business done each month. The charge accounts are transferred to a rapid index ledger. I find this the most convenient form of ledger. When the client comes in to pay his bill, it is a simple matter to immediately turn to his name. Statements should be sent out the first of each month and when a statement is sent, a mark in red ink should be made on the client's ledger sheet. This will enable one to tell how many statements have been sent the client.

When the invoices come in for drugs and sundries, this is a good time to figure the cost, and then add a fair markup. This amount should be marked on the bottles so that the price of the item can be told at once. Also, this insures one price to all clients on the original sale of medicine and likewise on repeat orders.

At all times, the veterinarian should be neat and clean in his dress. It should be easy for the layman to distinguish him from a farmer or hatcheryman. Wear coveralls—they are easy to keep clean, can be changed readily if they are soiled and look neat. Also, try to keep away from highly odoriferous medicines. Most laymen object to the odor of medicine. Unless you are in a big hurry, when eating at a restaurant, change clothing.

Put on a shirt and tie; neat, well pressed, clean clothing is not expensive. A medicine and barn yard odor are objectionable to many people and being charged with this, you also will become objectionable. When on a farm, wear over-shoes, boots or rubbers, which maybe thoroughly cleansed with a disinfectant when your job is finished. Although this washing takes more time, it is well worth the trouble.

In addition, carry your own towels and pail. The housewife does not especially care to send out one of her nice towels for your convenience after cleaning a cow. Of course, nothing is said, but it stands to reason she does not appreciate it. I use laundered feed or flour sacks which are inexpensive and easy to keep clean. Two or three dozen will easily last a week. Such towels may also be used to wrap up sterile syringes. A white enamel pail may be bought for approximately $1.25. This is more professional appearing than the kitchen slop bucket which may otherwise be brought out to you.

The veterinarian's car should be kept neat and clean, as this is an easy way in which to build confidence in his own professional cleanliness. Keep the bags dusted and neatly arranged in the trunk. Keep the medicine bottles and all the necessary paraphanalia well arranged and clean in the bag. Don't let the bags gather straw, empty bottles or manure.

Some readers may wonder just when one finds time for such acts. If the desire is great enough, the time can always be found. It is too easy to alibi and plod along in the same old rut. Take time! ! ! It will be well worth the labor.

When not on calls, the veterinarian should stay in his office as much as possible. When a client enters the office, rise and greet him if you are unoccupied at the time. Be courteous and appear as though you are glad to see him even though your mood doesn't suit at the time. Put yourself in his position; he may be in a good mood. How would you like it if you drove into a garage for service and the manager greeted you with a grumble? Speak in terms a farmer can understand. If he is seeking advice,
sit down and talk it over. If he wishes medicine, dispense it. As he leaves, bid him goodbye and make it obvious that you wish him to return.

When dispensing medicine, never dispense tablets in the original labelled container. Instead, use utility cartons. They are cheap and appear more professional. When you visit an M.D., does he dispense tablets to you in an old penicillin box? Be sure to tear the label off the products that are packaged. This eliminates the possibility of the farmer knowing exactly what he is receiving and then going to the drug store or the Farm Bureau the next time to duplicate the medicine at less cost.

Equip yourself with the proper instruments and use them. You can’t farm with a hoe; neither can you practice with a syringe. Own enough syringes so that it is possible to go all day without having to sterilize them between calls. Leave this work for evening or the next day when you have more time. A stomach tube is a good practice builder. It is easy to pass a stomach tube and it is something that the farmer cannot do. Keep your knives sharp. Don’t go out on a castrating job with a dull knife. One can always buy some Bard-Parker blades and have them handy. Carry a white enamel tray when vaccinating for blackleg, making an intravenous injection or doing similar work. It is, of course, a necessity for instruments when operating.

None of these suggestions are difficult; once the routine is established, it will be continued automatically. The easy way is to go along in a slipshod manner. But it is not the right way by any means.

The problem of establishing and collecting fees, while sources of continual annoyance and frequent irritation to the medical practitioner, are nevertheless issues which he cannot avoid. Like the lawyer and the teacher, he offers services rather than a specific commodity. Probably the best way to arrive at a fair fee, is to find out what colleagues in the surrounding communities are charging and charge accordingly. As a general rule, it is poor practice for the veterinarian to undercharge. The man who undervalues himself loses caste in the eyes of the public. Often the large size of a man’s fee increases his prestige and broadens his practice. This is, of course, no brief for exorbitant fees. Fees vary considerably with the section of the country. However, the job of removing the placenta from a cow does not vary with the section. It would seem to me that some sort of standard-suggested fee schedule could be set up which would assist in standardizing the fees in the various sections. This would also be of great assistance to the young graduate just starting in practice. This has been done for physicians and I see no reason why it could not be done for veterinarians.

The office is an important part of medical practice. It should be near or on the main street where it is convenient for clients. If it is not convenient, they will find going to a drug store more convenient, and thus you will lose dispensing business. Whether the office be at home or downtown, it must be immaculate, orderly and cheerful. A feeling of confidence is engendered in the client when the furnishings are pleasant, tasteful and show evidence of unremitting care in the practice of sanitation and hygiene. In general, the same scrupulous care that is used in the home should be applied to housekeeping in the office. Mopping the floor is generally more efficacious than sweeping, since usually the doctor’s office is crowded with articles and the broom proves unwieldy and a dust disturber. The furniture should be dusted. The curtains in the waiting room should add a colorful and cheerful note. If they are soiled and bedraggled, they serve no useful function whatever.

Office Personnel

The method of selecting a new member of the office force, whether assistant or secretary, can be somewhat systematized. The aim is to choose the most competent person with the least possible confusion. It is well to avoid friends’ recommendations as this might lead to injured feelings. It is best to advertise, giving your box number. This requests a written reply and gives one an opportunity to select the office assistant with-Iowa State College Veterinarian
out injuring anyone's feelings. Working hours should be well defined and adhered to as closely as possible. The selection of an intelligent and tactful secretary and receptionist may represent to the doctor the difference between peace of mind and continual worry and concern over the conduct of office affairs. Much of the doctor's time is of necessity spent outside his office; he should feel assured that matters which come up in his absence will be handled with tact, intelligence and dispatch. Intelligence is probably the first attribute to seek; given that, skills and techniques may be acquired; without it, no learning will be of great value. Educational background, tact, suavity, a charming and pleasant manner will all prove of importance in welcoming clients, in gaining their confidence, in making bearable any waiting that would ordinarily prove irksome, and in effecting satisfactory financial arrangements. It is advisable to select someone, who in addition to the above attributes, possesses particular qualities which supplement those of the veterinarian; one who by her address will fill in the gaps in his type of ability and perhaps the defects of his manner. If he forgets appointments and hates to write letters, his secretary must have a good memory, be faithful at reminders and have a facile pen. If he is poor at figures and considers himself awkward at collecting fees and securing payments, his secretary should be able to keep books and handle financial arrangements. Though such a paragon is usually difficult to obtain, it is possible to find a person in whom will be united a sufficient number of the desirable qualities.

Under modern conditions, the telephone is actually the veterinarian's front door, and the handling of the telephone is, therefore, one of the most delicate and important duties which the secretary must perform—one which constitutes an important test of her tact. When the receiver is picked up, it is customary to state the name or telephone number of the doctor; for example, “Dr. Smith's office. Who is calling, please?” Callers know immediately whether or not they have received the correct number. It is very important to determine who is calling and the nature of his business before stating definitely the doctor's whereabouts.

The secretary should keep the office tidy, keep the doctor's desk in proper order, sterilize the instruments, greet the arriving clients, take appointments, answer the phone, collect bills and keep the day book in order. She should use discretion. Indiscreet conversation concerning the veterinarian's affairs, professional or otherwise, is unethical and disloyal. Disparaging remarks about the former employers redound only to the discredit of the speaker. In relationships with the clients, moreover, the secretary must constantly exhibit tact and understanding, whether in taking case histories, soothing imaginary grievances or settling financial misunderstandings. She must not bring her personal life into the office, nor have long telephone conversations with her friends during office hours.

**Instruments**

Constant and scrupulous care of instruments is as important as their initial selection. The prime enemies of instruments are moisture, rough handling, neglect and corrosive chemicals. After use they should be washed, dried and wiped with a cloth which has been oiled with a thin oil. Syringes may be safely placed directly into hot water to hasten sterilization. They should be boiled at least 10 minutes. If they are suspected of being contaminated with spore-bearing bacilli, 20 minutes boiling time is required. The syringes may then be wrapped in a towel and carried in the car in this manner.

**Income Tax**

The government expects an exact report on income, rather than an estimate. Submission of a professional income in round numbers might very easily arouse a suspicion of inaccuracy, resulting in the veterinarian's being annoyed by investigators and the consequent loss of much time. An elaborate bookkeeping system is by no means necessary or legally compulsory. However, it is expedient to keep at least a simple set of
accounts showing receipts and disbursements in connection with professional activities. As far as possible, business affairs should be conducted by the use of checks. If bills are paid in cash, one should get a receipt. The cost of the furniture and equipment of the office is returned to the veterinarian by allowance for depreciation over a period of years. In most cases, 10 percent each year for a period of 10 years constitutes a normal amount of depreciation. It is advisable to keep a record of the dates of purchase of various articles, as well as of their cost, so that the deductions made on any set of items is never larger than their actual purchase price. The Department of Internal Revenue would rarely demand a full statement of the years of acquisition of all purchases if the total amount involved were small. Some of the allowable tax deductions are:

**Office Expenditures**
- Telephone
- Salaries of personnel
- Electricity
- Instruments and books
- Drugs and sundries
- Professional journals
- Heating
- Incidentals

**Professional obligations**
- Dues in professional societies
- Traveling expenses, viz. transportation and lodging to conventions

**Depreciation**
- Furniture and equipment
- Automobile
- Books

**Automobile Expenses**
- Garage
- Tires
- Gasoline and oil
- Repairs
- Insurance
- Chauffeur

**Laboratory Expenses**
**Losses**
- Fire, theft, etc.

**Insurance Premiums**
- Fire and Theft
- Auto Liability
- Malpractice

**Legal Expenses**
- Defense of suits for malpractice

Some of the non-deductible items are:
- Purchase price of automobile
- Purchase price of relatively permanent items of equipment
- Dues of social clubs
- Postgraduate study expenses

The foregoing points I have discussed at length in order to illustrate how involved a correct practice of veterinary medicine is—the business as well as the technical side of practice. I would like to see someone, possibly the Association, sponsor, or cause to be sponsored, a book on the business principles of veterinary practice. This should include many more subjects than I have mentioned here and would certainly be a welcome guide to the young graduate. It might well be adapted as a text book included in the regular college veterinary course. Many graduates in the field could also benefit by its contents.

After all, the manner in which we conduct our business along with the technical knowledge and skills, will determine whether we die in the poorhouse or retire comfortably in later years. To me, there are only two reasons for success—the happiness we receive from its achievement and security in later years.

**Bones?**

Whether or not a dog should be given bones is a hotly debatable question. Against bones are the facts that they provide very little digestible nourishment, that they can choke a dog, that they wear the teeth down, and that they can clog, irritate and perhaps puncture the intestines. In favor of bones are the facts that they provide chewing exercise, that they save wear and tear on shoes and sticks, and above all, that dogs seem to enjoy them tremendously. Today, the best advice seems to be that if you want to run the risks of feeding bones to your dog, do so—but ration him to not more than one a week, don’t offer it too close to feeding time, and give only large beef bones (never small splinterly bones, such as chicken or other poultry bones).