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Business - Not Currently a Veterinary Science

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It will be too late on graduation day to suddenly discover that you are a businessman or businesswoman. The vast majority of veterinarians enter the business world as an associate in business. A few continue their education, accept employment with a governmental agency or are employed in industry. Although the new graduate will probably not be the business owner, he or she will certainly represent that business to the public. A few hearty souls will thrust out their shingle and do battle in the world of business.

It is unfortunate that few, if any, graduates obtaining a DVM or VMD realize that they are now in a business. By being in a business, one would expect to have some background in marketing, accounting, law, purchasing, management, and a vast array of other skills. The professional with a veterinary medical background has a sound foundation in the sciences, surgery, neurology, chemistry, but is woefully lacking in knowledge of business.

A number of institutions offer courses reputed to be “Practice Management.” Often, these courses are elective in nature. Grades are usually pass/no-pass or, in some cases, are offered as seminars. These courses are offered in the first two or three years of the professional program where they are soon neglected or forgotten in the rush of seeking employment, residencies, or preparing for various state licensings and accreditations.

It seems odd that this is the case since a veterinarian’s ability to feed a family, and provide funds for retirement, partially depend on the ability to succeed in business. All the professional skills can be worthless or nearly so if the practice does not succeed in business. Hopefully, the contents of this article will be followed in future issues with detailed discussions of various aspects of business.

The exposure to the world of business should be integrated into the professional studies curriculum and should be mandatory. To assume that the individual has a sense of intuition or will develop these skills and knowledge as he or she enters into the world of business is simply not the case. The recent graduate is bombarded with the transition from veterinary student to working practitioner. The added burden of acquiring business skills at this time is an unrealistic expectation. To assume that the current practice owners will help new graduates prepare to deal with business is a shocking illusion. There are many veterinarians who have been in practice for a decade and still don’t have a handle on such things as accounts receivable or marketing studies. They may employ CPA’s or attorneys who are out of touch with the provisions of the tax code. The successful practices have better business plans, with better utilization of time and talent. Unfortunately, some of those who have succeeded have left too much to chance. Business skills could reduce that element of chance and open other alternatives in managing a practice.

These are the reasons which make a mandatory course of instruction in “hard knocks” a necessity. It is better to confront the realities and potential pitfalls of the business world as a senior veterinary student instead of discovering them in the first two or three years of practice. There are cold, hard realities that too many young professionals have not confronted or been exposed to. This certainly doesn’t include everyone, but that it includes some is grounds enough to insist that the realities of the business world be taught.

This is a plea for a mandatory, tough course of business instruction during the final year of the veterinary medicine curriculum. This would not be merely a course in practice management. Practice management includes such things as how to hire employees, seek new employment, and deal with ethics. The importance of continuing education,
relationships in a community with other professionals, and marketing research would be included also.

However, the core of any mandatory course should be business; it’s applications to the practice of veterinary medicine. The course would have discussions of accounting procedures and accounts receivable, types of systems to use, and accounting techniques. The necessity of hiring a qualified, certified public accountant or tax planner, with an understanding of the particular needs of a veterinarian would also be addressed. Another topic covered would be the advantages of incorporation and how it applies in various states. A business course would include the ramifications of automation, use of computers and other sophisticated systems to better use one’s time. What about covenants not to compete — what effect would this have on a veterinarian’s ability to be in business? What types of services are necessary from an attorney? Once entering into business, there are sophisticated issues such as buy-sell agreements, stock redemption plans, retirement planning, liability, insurance, mortgages, leases, and many other areas which should be addressed. None of these should be dealt with in a crisis or emergency situation, but as part of an overall plan prior to using any of these techniques.

Business can be very rewarding. It is challenging, requiring a great deal of effort and planning. It takes a certain type of person who is willing to step out and be in business. These people remind me of individuals whose grade point average is not the greatest, but whose business skills and ability to deal with clients are superb. Unfortunately, in too many cases, even the successful ones developed their business skills and techniques haphazardly. All of them would admit that a mandatory course of instruction with exposure to business skills and technicalities would have saved them much pain in their lives. They would have known where to seek help and how to plan for the realities of the business world.

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