

In search of the economic edge

A comprehensive financial study reveals plenty of challenges—and opportunities.

If knowledge is power, then veterinarians possess a mighty resource. At the Western Veterinary Conference, the National Commission on Veterinary Economic Issues (NCVEI) will conduct its second national forum on the results from a study by consulting company KPMG on current and future economic developments in the veterinary profession. The goal: to share information about the “megastudy,” gather perspectives on the findings, and offer practical applications. “NCVEI and You: Shaping the Future of the Veterinary Profession” will be presented on Wednesday, Feb. 14.

The American Veterinary Medical Association, the American Animal Hospital Association, and the Association of American Veterinary Medical Colleges established the not-for-profit NCVEI in January 2000 “to improve the economic base of the veterinary profession.” NCVEI sponsors include Bayer, Hill’s Pet Nutrition, Merial, Novartis, Pfizer, and Veterinary Pet Insurance.

“The economic issues that face the veterinary profession affect all of us—no matter where we are in our careers or in what area of practice,” says Dr. John W. Albers, executive director of AAHA. “The only way we’re going to successfully address the challenges ahead is if we’re individually and collectively well-informed on the issues.”

That process starts with forums like the one at the Western Veterinary Conference. Here’s a sampling of what the program will cover.

Priorities and plans

Earlier this year, the NCVEI formed five working groups to develop action plans addressing several key topics identified in the study. The working groups will give progress reports on these five issues:

- **Strategies to improve the skills, knowledge, aptitude, and attitudes of veterinarians.** Veterinarians need a solid education in a range of business matters—from personnel management to leadership development. Veterinary colleges play an important role by teaching such skills, and professional associations and major national meetings such as the Western Veterinary Conference contribute through continuing education.

The NCVEI working group assigned to this issue is identifying shortcomings that may be limiting the economic success of the veterinary profession and discussing potential remedies.

- **Assessment and development of pricing strategies.** Rather than relying on personal assumptions or a practice’s fee history to set prices, practitioners must learn how to set

fees that reflect the true cost of providing high-quality medical care. The study also revealed that clients are willing to pay more for services than most practitioners realize. The goal of this working group is to provide practitioners with tools and information to help them better understand the cost and value of their services.

- **Promoting greater efficiency in delivery systems.** Large practices that share resources and facilities with other hospitals become more efficient, which results in reduced costs of doing business. Veterinarians also must make greater use of the skills of their support staff and pay them appropriately. Among the goals of this working group are developing models for practice consolidation and suggesting strategies for efficient utilization of support staff.

- **Increasing understanding of clients’ wants and needs.** Meeting the needs and expectations of a changing society presents challenges, particularly in relation to the diversity of clients served by the profession. Veterinarians representing a broad spectrum of disciplines are working with this group to identify client needs and service areas where veterinarians can play a significant role.

- **Gender-related topics.** The gender landscape of veterinary medicine is changing. To ensure that women achieve success, this NCVEI working group is researching gender and its influence on the future of the profession.

The program continues with a guest speaker who has examined case studies from other health care professions encountering similar economic challenges. The speaker will focus on strategies that might apply to veterinary medicine. The forum will conclude with attendees sharing their questions and viewpoints.

“To raise the economic base of our profession, we first have to figure out these complex economic pieces of the puzzle, and then fit everything together,” says Dr. James E. Nave, NCVEI chairman and AVMA president. The good news, he says, is that veterinarians from the entire profession are directing NCVEI’s working groups as they develop specific plans to meet the challenges.

A call to action

Don’t miss out on this opportunity to brainstorm with your colleagues about the untapped economic potential in veterinary medicine. “The bottom line is that an informed profession is in a position to take action,” Dr. Albers says. Plan now to attend the NCVEI forum—and take part in the transformation. ☆

—by Renée Anderson