

# How to develop a win-win-win-win business model

W. Mark Hilton, DVM, PAS, ABVP (Beef Cattle)  
Elanco Animal Health  
West Lafayette, IN 47906

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## Abstract

How many of you want to have a win-win-win-win veterinary business? This is a win for the animals in your care, your producers, your veterinary business and you personally.

How many of you are experts in every aspect of beef production – health, grazing management, nutrition consultation, etc.?

I am going to present what I think are 12 pillars of developing this attainable win-win-win-win veterinary business.

## Pillar #1 – Build a team

None of us are experts in every aspect of beef production. We do need to be an expert in something, and more on that later. When I taught the advanced beef production medicine block at Purdue, students from across North America would spend 3 weeks with my veterinary technician and me learning about beef production medicine. They practiced their skills on 8 herd consultation visits over those 3 weeks.

On the first day I gave some “pearls of wisdom” about consultation and our extension forage expert came and talked about pasture management. He then went with us on our first herd visit that afternoon. The students sign up for various divisions of the program (fertility, records, nutrition, health, marketing, genetics and environment) and the students are to ask questions about their topic. When the owner asked questions, I would say, “that’s an environment question” and ask the appropriate student if they could answer the question. Now, only 4 hours before the herd visit, I had stated that “If you are nearly 100% sure of the answer to a question, go ahead and answer it. If not, you are speculating and the client does not pay you to speculate.”

The student that selected environment answered a question that was posed. I asked him if he had an advanced degree in forages and if he was nearly 100% sure that his answer was correct. He had no advanced training and admitted that he was not 100% sure but was “fairly certain” of his answer. I knew he was wrong. I asked the forage expert to comment and he gave the correct answer. I was not trying to embarrass the student. I was trying to make a point. Surround yourself with experts that have a knowledge base that you do not possess. This way you can focus on your expertise and delegate responsibility to others on your team that are more knowledgeable than you in these areas.

At a minimum I think you need to have a nutritionist on your team and if you deal with grazing animals, a grazing/forage expert. You may also want an expert on genetics, marketing, handling facility design and/or production/financial records on your team.

## Pillar #2 – Learn about your client’s agricultural business

There was an article in *Bovine Veterinarian* several years ago that showcased dairy veterinarians that transitioned out of practice and built their own dairies. Each doctor that was interviewed said, “I now have an appreciation of all the ‘irons in the fire’ that my dairy producers have. I wish I knew then what I understand now about this very complex business. I was much too quick to give a laundry list of things my producers needed to be doing better. When a worker doesn’t show up and a tractor is broken, you must fix these immediate problems. Getting more bedding in the calf huts may not make it to the top of the list that day.”

The first time I am on a farm or ranch I say, “Tell me about the (fill in last name) agricultural business.” I do not say herd or farm. I always say “business” as an emphasis that I know they are leading a business. This is a great way to learn more about them and their business. People like talking about themselves and this strengthens the bond between you and the client. One of my goals is to “get inside their head” so I can discover how I can be helpful to them.

I always have a pen and notepad with me and immediately after I ask about their business I ask if it is okay if I take notes as they speak. Everyone always gives me permission to do this.

## Pillar #3 – Ask their goals

When I was a newly minted veterinarian, I spent a lot of time telling our clients what to do. That was mostly unsuccessful. After a few years of frustration with clients not following my advice, I knew I needed a different approach. I started asking my clients their goals and followed with “and how can you and I work together to achieve your goals?”

That change in my approach changed my professional life.

The veterinarian needs to actively seek out the goals of the producer because producers generally do not readily volunteer this information.<sup>1</sup> You are the leader. Take the lead!

## Pillar #4 – Ask questions, primarily open-ended questions

If we are asking questions, we are learning. If we are learning we have a much greater chance that we are helping and becoming an asset to our producers. We learn nothing when we tell them something.

If a producer says, “I think I’m going to be short on hay this year,” the easy answer is “Susan Smith down at Washington sells hay.” That gives a possible solution and generally ends the conversation. A better approach is to say, “Tell me about that, Dave.” Now you receive a much more in-depth answer to the question. The owner feels heard. As you receive additional

information (you already have your notepad out) you say, “Tell me more.” With this follow-up question you get the entire story and that is what you need to help Dave with this complex issue.

Another fact is that when we answer a question, the chances are great that the owner has either come up with that answer and rejected it or has not considered it. When I, as the veterinarian, have an answer, it is not a great answer. Contrarily, if the owner comes up with the answer, it is a *great* answer. Our job is to ask questions to be much more sure of a possible solution AND to allow the producer to take ownership of the answer. Many times, I conclude a conversation with something like, “Dave, I think you are onto something with your idea to sell the heifer calves this fall and use that hay for the bred females” when actually, I gently led him to that idea. I am not manipulating people. I am trying to use a bit of psychology to help them.

## Pillar # 5 – Position yourself as an asset to their business

If you accomplish this with 100% of your clients, please call me because I have not been able to achieve this. That is not an excuse not to try. If you follow the pillars that are outlined, you will have an excellent opportunity to become an asset to many of your producers. The more production medicine you do, the more opportunity you have to become an asset.

When a producer calls at 2 am for a C-section, he has a look of “I wish I did not need to call you” while frowning and clutching his checkbook with both hands. Herd owners who have joined our beef cow-calf production medicine program are “standing on the front porch with their herd report in one hand and their checkbook in the other smiling from ear to ear because we are there to help them have a healthier herd and a more profitable business”.

How can you help those clients that only call for emergencies and sick animal calls? If we are truly in a food animal veterinary shortage and I think we are in some areas, you should be making the rules. The basic principle of supply and demand shows that when the scales are tipped toward demand, the supplier is in more of a control situation.

What if you informed each client that only called with sick animal and emergency calls that you are happy to provide this service for the next 6 months, but after this time, they must join your production medicine program? This could be as simple as requiring that:

- Cows are pregnancy checked each year
- Bulls have a BSE performed prior to the breeding season
- Calves get castrated at < 3 months of age and all calves are vaccinated before weaning
- Facilities are adequate

Would this work to improve the health and profitability of the owner’s beef business? Would it decrease emergencies? Would it allow for a more enjoyable practice life? Or would most “promise” to do so and then never do anything (at which time you would decline to service them)?

## Pillar #6 – Develop your strengths

I think everyone should purchase the book, *Strengthsfinder 2.0* by Tom Rath and take the test to learn your strengths. You need to know where you excel so that you can utilize those strengths. If, for example, you are a “learner”, you are energized by the

steady journey from ignorance to competence. You might find that you learn by teaching. If that is the case, maybe you need to see if your top clients want to be in a quarterly “study group” where someone picks a subject and then everyone discusses what you have learned. Because you love new information, a consulting role should excite you.

## Pillar # 7 – Be THE expert at your business at \_\_\_\_\_

If you are in a practice with multiple doctors, the worst thing you can do is have “clones”. As soon as someone realizes they have a business clone, they think the other person is redundant. And they may be right! You want diversity. One of the luxuries of a multi-doctor practice is having varying levels of expertise across the team. Look at the expertise in your team and see what is lacking. Become an expert in that subject. In our practice I was the “implant protocol” expert. I developed a short questionnaire that the producers would fill out and I would send them an implant protocol that fit the cattle, nutrition and marketing goals.

If you are a single-doctor practice, you still need to be an expert in something. This should be dictated by your business. There is no reason to be an implant protocol expert if none of your clients feed their cattle to slaughter. You will also need outside experts to complement your expertise. In fact, every doctor should have outside experts because there is almost zero chance your practice will have expertise in every subject.

## Pillar # 8 – Stretch yourself

I spoke at a state VMA meeting many years ago on adding beef cow-calf consulting to your practice toolbox. After the first hour, it was clear to me that the message was falling on deaf ears for 90% of the audience. I was surprised. This was a “beef state” and I thought the message would really resonate. I walked up to a younger doctor who I could tell was very engaged, and said, “you seem very interested in the topic”. His response was, “I am and we really need to do this to keep the practice moving forward, but my boss only wants to preg check cows, semen check bulls and process calves. He has done this for many years and those services have built the business. But we are losing cowherds due to various reasons and our income is shrinking. He doesn’t seem to care because he is going to retire in the next 5 years. I have talked to him about helping our clients with winter rations and he says that is not veterinary medicine.”

I have often wondered if the young doctor stayed in that practice or left. Maybe he hung in there until his boss retired and added those services they needed to add. Maybe he “gave up” and developed a fixed mindset instead of a growth mindset where he became complacent with being “good” at the same things his boss was.<sup>2</sup>

If your practice has not added any new services, technologies, etc. in the past 5 years, maybe YOU need to look strategically at what your clients need. Hint: Survey your clients and ask them what they need.

## Pillar #9 – Four goals

As I evolved in my beef production medicine practice, I realized that most consultation visits focused on a few ideas. These became my four goals for every herd consultation. They are to help the owner:

### 1. Decrease the cost of production

Study after study shows that lowering costs will lead to increased profits. Of course, you can carry this to an extreme. You can't "starve" the profit into a cow, but you can also feed her so much that you "starve" the profit from the operation.

### 2. Increase and capture the added value of the animals sold

Pulling calves off the cows and selling them the same day is the opposite of increasing/capturing value. These are commodity calves and your clients should never sell commodity calves. Examples of adding/capturing value include selling preconditioned calves, feeding calves to slaughter, selling freezer beef, selling replacement females, etc.

### 3. Improve or maintain animal welfare

Nothing we suggest that improves herd productivity/profitability is done that decreases animal welfare. Nothing.

### 4. Decrease labor

Most of the producers I have worked with spend too much time working on their beef business. We need to help them develop a herd of low-maintenance cows that work for the owner and not the other way around. An example is calving in the winter because an owner has an extensive grain operation and "they can't calve during planting season". It is amazing how much more rewarding it is to calve in synch with nature, on pasture, than fighting nature and calving in the winter.

## Pillar # 10 – Herd records have to be at the core of a consultation program

You can become an asset to your client's beef business without utilizing herd records, but the herds that *really* have a quest to improve will keep asking for more. Records are that "more" in many cases. How can we measure progress in a business without records?

On my initial visit to a farm, I may not even ask about records. They may not be critical to the reason I am called. As I ask the client more questions about their business, I can generally tell if they have a quest for excellence. Are they currently an "A" or "B" business? Do they want to be an "A" business? These are the herds where I talk more about herd records and what this information can do for their business. One of my clients in practice in Iowa said to me after 3 years on The Total Beef Herd Health (TBHH) Program, "I simply could not raise cattle anymore without these records."

## Pillar # 11 – You are the leader of your business

The old saying "the customer is always right" is BS! The customer is NOT always right and the customer is not in charge of your business. You are! The customer should be at the center of your business (along with your employees) and this is different than them making the rules. That is your job.

We provided excellent customer service and most of our clients appreciated that and knew where they stood. We had drawn "a line in the sand" and most respected this line. When one of our most loyal and wonderful clients called at 6:30pm and apologized profusely for calling after hours for a bottle of medicine that sold for \$6.50, we took care of him. His son was on vacation and it was hard for this owner to get both their chores done in a timely manner.

Conversely when a client called at 4:30 pm on Saturday and demanded that my wife go down to the office to get him some vaccine for his pigs – I was out on an emergency call – he found the line that we had drawn. He never once said, "I am sorry, I forgot to call earlier today to get the medicine." His, "I need the vaccine and you live a mile from the clinic" attitude did not fly with our philosophy that we were in charge of our business, not the client.

I encounter far too many veterinarians who are unhappy in practice because they have let the clients dictate the rules. If a client was rude to one of our employees, that situation was quickly addressed and we stated that this would not happen again. Period. We always had our employees' backs. In fact, the goal of a business is to develop their employees. If you focus on this fact, practice will be on a fast track to a win-win-win-win.

I see practices where an office manager, technician or spouse who should not be in control has taken control of the business and everyone walks around on eggshells because the tyrant may "go off" at any time. I have no issue delegating responsibility to a staff member who is qualified and runs the practice with compassion for the employees and customers. That is not what I am discussing here. I am talking about an unqualified person who adds drama, tension and stress to the business.

## Pillar # 12 – Special treatment for producers on your program

Your "A" clients want and deserve more from you and your business. Some ideas are:

Write a more in-depth newsletter and publish it more frequently than your newsletter that goes to your entire client list (you do write newsletters and/or have educational articles on your website don't you?!). Our clinic sent 2 newsletters/year to our "regular" clients and 4/year to our TBHH Program members.

Have a meeting exclusively for the clients on your production medicine program. If they had a friend who they thought would benefit from the program, they were allowed to invite this guest to the meeting. If the guest joins, they are on the team. If not, they are not allowed to attend again.

We had our meeting from 10:00 am – 3:00 pm.

- 10:00-11:30 am: discussion by an expert in the subject matter that the team suggested (80% of the time this was an outside speaker).
- 11:30 am-12:30 pm: lunch
- 12:30-3:00 pm: "Roundtable discussion" where team members would discuss successes, failures and ideas that would benefit other team members.

One member said as he left every year, "Best meeting I have attended in the past year."

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Have a herd tour at one of the member's farm. These producers are progressive and they enjoy teaching others about things that have benefitted their beef business. Topics included:

- Management-intensive grazing
- Benefits of hay pads and limit-feeding hay
- An easy way to add water to pastures
- Selling freezer beef
- Feeding co-product feeds

Having a win-win-win-win business model should be the goal of every veterinary business. This mindset makes practice more enjoyable and profitable for you and your clients.

## References

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