

# Practice Equalizer: Paid By Commission

**Andrew P. Johnson, D.V.M.**  
*Seymour, Wisconsin 54165*

The question everyone always wants to know is how to get paid for what you do. As I have traveled around from practice to practice, I have seen a great deal of different ways to charge for your services. It is hard to say which is right and which is wrong but it is important to choose a method that best fits your style of practice.

The important question that must be asked by every veterinarian is how much of my time am I really getting paid for? When one actually takes the time to figure out his real chargeable hours per day, the results can be disappointing. Most veterinarians make around \$50 per hour for their program work. If the average veterinarian spends 60 hours of week working and works 50 weeks a year, the average income for their service time only should be \$150,000 per year plus drugs and supplies. Unfortunately, many veterinarians income for services fall far short of this. Take the time a figure your real hourly rate rather than the rate you actually charge. Are you disappointed?

A new concept that was introduced into our practice two years ago was a commission system. As veterinarians interests change within a practice, so must change the system as how to pay these people. When veterinarians get interested in production medicine and specialty areas such as mastitis control, their role within the practice changes as well. Often times I hear members of group practices complaining because someone is trying to develop new areas and aren't doing their fair share. Many times the specialty areas are more profitable and have a higher rate of return to a practice than does the every day routine. The unrest between members of a group practice is real and is causing great concerns among group practices all over the country.

The commission system has eliminated this concern in our practice. By paying each member of the practice a percentage of what they do and sell has eliminated this concern of who is doing the most or least and also has brought some equality to practices as to time off from the practice for vacations or continuing education. It seems like in every practice, there is one or two veterinarians that take all their vacation time allowed as well as all their continuing education time while another member takes very little vacation or continuing education. This problem has also caused controversy among members of group practices. The commission system has eliminated this concern as well. If a member of our practice is gone, he earns no money

while the one's that stay home and work earn extra for staying home and covering the practice.

The commission system has done a great deal of positive things for our practice. The most significant being the elimination of constant complaining of what someone is or is not doing. The second most important thing is that our practice has been able to reduce the number of people on staff because there is a lot less wasted time per day among the veterinarians. This was a constant problem in our group practice. The total wasted veterinary hours per day was getting out of hand.

Even though everyone was at the clinic at 7am, many were still there drinking coffee or stocking trucks yet at 8 or 8:30 while others were already out making calls. More hours were wasted at noon time when some took no time off for lunch, others a short time and others over 1 hour. After lunch you always stop back at the office and spend ½ to 1.5 hours doing things around the clinic. The clients were the ones that suffered the most because they were waiting for one of us to stop by and look at a sick animal. The commission system solved this problem and made us realize that we were wasting the time of one full time veterinarian per day.

Other positive things to come from this system is to reward those that want to work harder, allow those that want more time off to do so, to stress the need for new programs to be economically successful, allows more flexibility for people to do their own thing, less problem of finding someone to take a night on for you and it makes your practice more efficient. The clients are getting better service and this is a real plus to your total practice.

After several years it was amazing to see how the productivity change between the different owners. Ones that were toward the bottom got new life and zoomed toward the top. We are all pleased with this approach and realize that it is not for everyone. I feel that it solves many of the everyday problems that exist in a group practice. The good thing about this program is there has been little negative. The only negative is that our families sometimes suffer when we are busy and take less time to spend with them. I doubt if our practice would ever go back to the traditional way of paying everyone the same. It was obvious that every veterinarian has their own style and this system lets them do their own thing without worrying about what everyone else is saying. The commission system brings equality to the practice and lets you do your own thing.