



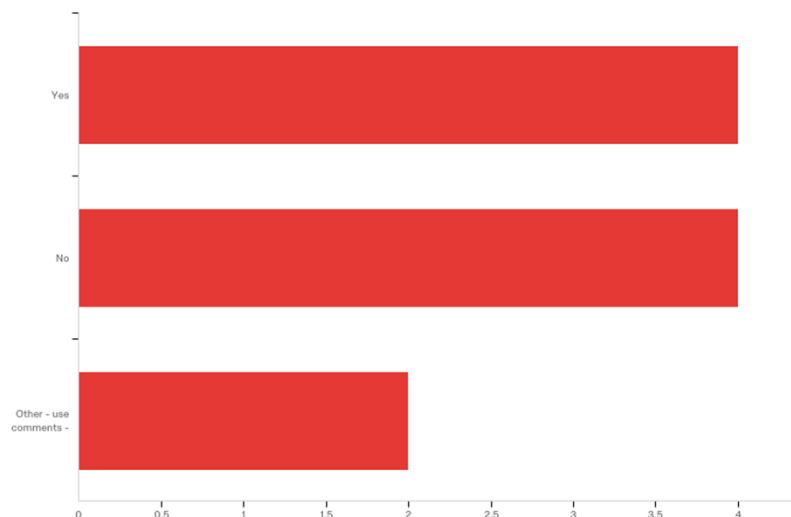
# Open Books Survey

Open Books Survey for Fall 2018 VSPA Conference

October 2018

CONFIDENTIAL

**Q1 - Open Books Management (OBM) is sharing data related to the financial health of the practice. Has your staff asked, or shown interest in, how the hospital is doing financially or asked about KPI's (key performance indicators etc.)?**



**Q1 – continued** Open Books Management (OBM) is sharing data related to the financial health of the practice. Has your staff asked, or shown interest in, how the hospital is doing financially or asked about KPI's (key performance indicators etc.)?

#	Answer	%	Count
1	Yes	40.00%	4
2	No	40.00%	4
3	Other - use comments	20.00%	2
	Total	100%	10



**Q1 - comments**

Other - use comments -

Other
finance committee
they have not asked directly but when we offer they are interested



**Q2 -** If yes above - what types of data are they looking for and why? For example: # of patients seen, survival rates by department, payroll cost %, cost of goods %, revenue or profit %'s by dept and practice, client satisfaction, employee engagement, etc. (some of these relate to employees personal success and feeling of reward vs. the financial health of the practice).

We share information on number of referrals each month by specialty, ER wait times by shift, top 5 referring practices.

We have a finance committee devoted to helping the employees understand the business finances. This is a volunteer committee and the only group of employees outside of the Finance Department exposed to the books. They were mostly concerned with how product client cost was calculated. They are assisting with budgeting.

Often these questions come from new DVM's who are working to improve their production and are interested in how they can affect the overall profitability of the practice.  
Sometimes a support staff member will ask about how well the practice is doing if they are looking for the practice to purchase a new piece of equipment, or hire more personnel.



**Q2 - continued from prior slide**

Our long term staff are interested, doctors, techs and CSR's, and they ask us how it's going. I don't know specifically what they want to know, but we share gross revenue, % up and down by quarter and expenses, particularly payroll costs. We have an annual meeting (just last week) to discuss these things and plans for the future.

all of the above and others that are of particular interest to that service or team member.

we have shown them general graphs that show gross vs expenses and highlighted staffing costs



**Q3 - If you are not utilizing any form of OBM, why?**

Just haven't had to time to put thought into what we would share and design the program.

I think that the interest is fleeting and specific to a particular end goal, not an ongoing and general interest in the business aspect of the hospital.

As we have grown, it seems harder to explain the details to the staff. They see large #s and think the clinic makes a lot, but have a harder time understanding the costs and margins.

Owners would not approve

**Q4 - What have been, or may be, the potential **DRAWBACKS** of OBM in your practice?**

None noted.

Employees not familiar with accounting may misinterpret profit and/or loss. In times of loss employees may be concerned for the health of the practice. In times of profit they may misunderstand the need to continue with a profit above target.

Staff making assumptions about what we should be doing and why. Example - we are doing well in gross and the staff may comment on why they don't make more money because they don't understand the various delegations of income.

Potentially the staff may not feel that this is not their concern. They may feel that this is what Management should be concerned with - not the employees.

If the employee feels that they should be making more money, or have more staff, but are told that this isn't possible due to the economics of the practice, they may feel that the business isn't doing what it could be more profitable.



#### Q4 - **DRAWBACKS** continued.....

Knowing the amount of income the practice generates.

large #s are overwhelming and/or information may be misunderstood.

When the financial news isn't really good, it causes worry and stress. People seem to assume the worst.

same as above. Don't have a mechanism for profit sharing that would allow them to see some reward from improving the numbers.



#### Q5 - What have been, or may be, the potential **UPSIDES** of OBM in your practice?

Employees will understand the cost of payroll and employee benefits expenses and have a better appreciation of an employee centric business.  
Employees will understand costs and be able to help reduce them where applicable.

Staff that is more invested in the practice.

When communicated to a receptive audience, I think that sharing the realities of running a business can be helpful to the employee to understand what can influence a management decision.

It can help to raise awareness of the priorities that a business needs to address before it can expand into other needs, and place some of the responsibility for profitability onto the employee.



#### Q5 - UPSIDES continued...

We think it's beneficial to the growth and health of the practice, and to a feeling among staff of belonging and long term investment in the business.

would be helpful if parameters were used to measure/improve efficiencies.

awareness of cost of doing business allows for understanding of reason for fees, how mgmt makes decisions re: raises, purchasing add'l equipment, adding a service, etc.

Allowing staff to see the amount of money that is spent on expenses, including staffing, since they all believe they are underpaid.



#### Q6 - What data and/or KPI's are you currently sharing and how/when?

number of referrals each month by specialty  
ER wait times for the month by shift  
top 5 referring practices for the month

Annually the practice shares the percent breakdown of expenses.

With the mid-managment team we share # exams per week, payroll percentages, wait times, workman's comp claims, IT issues, Impromed restarts, complaints, and demandforce ratings. This is used to identify key issues before they become a problem.

DVM's receive Production Reports every two weeks.

When a DVM is requesting more staff, a different schedule, more equipment, etc, we will share production / equipment costs / staffing costs with them, so they understand what needs to be considered in the decision.

Every DVM has access to their own profitability data.



**Q6 – continued.....**

none

we have been a bit vague about it, using graphs without numbers etc. Would definitely be interested in doing it more gracefully as it seems like it could be a good coaching tool

share tech cost/tech hours to explain staffing goals

It varies, DVMs see their #s, annual gross revenue, avg trans, #s seen, etc annually, team sees #s seen, review ratings, etc quarterly, % revenue on staff, supplies, etc PRN, mgmt sees these more often.

**End of Survey**

