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Counsel for the Veterinary Profession

**Veterinarian and Paraprofessional Compensation
 Benchmarking to Gauge ‘How do I compare’?©**

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The veterinary profession does not have all the data it needs to assess its business performance and acumen, but it does have an abundance of benchmark information that is readily available to gauge the alignment of a practice’s compensation ranges, for associates and paraprofessionals compensation. The accessibility of publications, articles and books, provides both quick snapshots and in-depth reading material to be used as reference points, practical tips and ‘how-to-do-it’ procedures. To take advantage of such resources, it takes time and discipline to set aside time to read and digest the information. More importantly, veterinarians are missing a valuable opportunity to raise the bar for their practices, if they are unable to implement the pearls of wisdom gathered from these resources.

If you are one of the few practitioners that have researched these key benchmarks to gauge ‘How do I compare’, then give yourself a high-five because you are well ahead of the game. If you have not found the time to research, read and institutionalize, then make a commitment to get started in this quarter, when you should have financials for the prior calendar year. .

Below is a table with 2009 thru 2011 benchmarks that provides a snapshot on what current key indicators are available for small animal companion practices. While it is not meant to be all inclusive, it serves as a gentle reminder to take the practice’s compensation pulse to determine if you are on track for the next year or need to perform some diagnostics to prevent a fiscal derailment.

Please don’t hesitate to help us. We believe there are many more points of reference and research, and encourage you to prospect for other key indicator nuggets, so we can spread the wealth and pass it on to others in another table in the upcoming months!

Name of Key Indicator	2009-10 Key Indicator	Comments	Where Found
Number of New Clients per Month per doctor	18 (s/b closer to 25)	Track where they are coming from to do better target marketing. Engage your team in client service strategies to retain new clients	NCVEI Update www.ncvei.org – New Insights in Practice Growth- Karen Felsted, CPA, MS, DVM, CVPM. CEO presented at NAVC, 2011
Percent of Clients lost each year	35%	Previously it was 20%	Veterinary Economics (10/10) www.dvm360.com The Right Choice – Jeff Rothstein, DVM, MBA



Name of Key Indicator	2010-2011 Key Indicator	Comments	Where Found
Percentage of Gross Income for professional staff compensation	18-23%	Just wages – where your associates fall in the range depends on staff to doctor ratio and service/product mix	Contracts, Benefits, and Practice Management for the Veterinary Profession – James Wilson DVM,JD
Percentage of Gross Income for paraprofessional staff compensation	17-23%	Just wages	Contracts, Benefits, and Practice Management for the Veterinary Profession – James Wilson DVM,JD
Percentage of gross income for veterinary compensation including benefits, payroll taxes	25%		Contracts, Benefits, and Practice Management for the Veterinary Profession – James Wilson DVM,JD
Mean FT Starting Salary for Associates (excludes benefits)	\$52,478 (males) \$47,472 (females) \$69,565 (males)* \$66,778 (females)* \$67,359 **	*private practice **excludes graduates pursuing advanced education	JAVMA vol 237 10/1/10 and vol 238 10/15/10 – Vet Med Today – Facts & Figures (2010 AVMA survey of Vet. Med. Grads)
Average Amount of employee's healthcare cost paid by a Well-Managed Practice	72%		Veterinary Economics (6/10) – www.dvm360.com BizQuiz -Are you being Paid Fairly? (source-What's Fair Compensation – Denise Tumblin, CPA)
Associate Compensation Ranges (%) by Practice Type:	GP Ref P EP	Percentages include wages and retirement contributions paid on behalf of the doctor	Veterinary Economics (7/08) - www.dvm360.com See Associate veterinarian compensation ranges by practice type (source Wutchiett, Tumblin and Associates)
Companion Animal	16-21 25-30 25-28		
Equine Ambulatory Equine Haul-in	25-28 20-25 16-25		
Compensation Ranges for:	Median 75 th Percentile	Median and 75 th Percentile ranges as benchmark	Well-Managed Practice – www.wellmp.com – Staff Compensation: What's Fair and Viable? 2009 – Wutchiett, Tumblin and Associates
Hospital Administrator	\$24.00 \$28.75		
Practice Manager	\$20.20 \$24.00		
Receptionist	\$10.50-15 \$11.90-17.20		
Credentialed Technician	\$14-18 \$16-21.15		
Veterinary Assistant	\$10.40-14.10 \$11.90-16.25		



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Name of Key Indicator	2010-2011 Key Indicator	Comments	Where Found
On average, staff to doctor ratio	4.7 FTE	All staff	NCVEI Update -- Karen Felsted CPA, MS, DVM, CVPM. CEO presented at NAVC 2011
On average, Techs/VA to doctor ratio	2.4 FTE		NCVEI Update – Karen Felsted CPA, MS, DVM, CVPM. CEO presented at NAVC 2011
Average profit margin	9.9%		NCVEI Update –Karen Felsted CPA, MS, DVM, CVPM. CEO presented at NAVC 2011
Average split rate for production (services/pharmacy products & therapeutic diets)	22%/8%	22-26% /4-10% dependent on staff-to-Dr ratio, service/product mix and other factors	Veterinary Economics 5/2010- www.dvm360.com - Sour on Veterinary Associate Pay? John Lofflin
Debunking the myths of base salary and production percentages	Why Pro Sal can work for your practice	Each of the debunked myths gives practical tips to follow to include the links for dvm360.com (ProSal) and PayScale.com	Veterinary Economics (3/10) – Squashing ProSal myths - www.dvm360.com – Mark Opperman, CVPM
Total compensation worksheet		How you calculate your pay ranges affects your bottom line	Veterinary Economics (3/10) – Squashing ProSal myths - www.dvm360.com Compensation Worksheet
Crediting doctor’s production	Worksheets to use	What should be credited to the doctor and what should be credited to the practice	Veterinary Economics (3/10) –Squashing ProSal myths – www.dvm360.com crediting doctor production Veterinary Economics (7/05) www.dvm360.com – Giving Away a Fortune? Denise Tumblin, CPA



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Name of Key Indicator	2010-2011 Key Indicator	Comments	Where Found
What's Fair when it comes to Associate Compensation?		Owners/Associates are at opposite ends of the spectrum	Well-Managed Practice- www.wellmp.com – Five Myths about Associate Compensation 2008- Wutchiett, Tumblin and Associates
2010 Veterinary Economics State of the Industry Study – How you pay affects the job satisfaction of veterinary associates and other employees		Quantifies compensation methods, how satisfied are the owners, how happy are the associates/ staff	Veterinary Economics (8/10) www.dvm360.com - The veterinary compensation conundrum (2010 Veterinary Economics, State of the Industry Study)