



Hiring an Associate?

It's a Buyer's Market but those Offers Must Make Sense

On August 8, 2018, there were 2,403 job postings for veterinarians on the Veterinary Career Network. Hiring an associate doctor is rarely easy, but currently the demand for associates far outweighs the supply. While experienced associates can command good salaries and benefits, we see new graduates negotiating generous compensation packages of their own. The shortage of veterinarians looking for new positions, the expansion of corporate veterinary practices and the availability of corporate level benefits serve to increase compensation packages offered to new hires. These packages often include higher starting salaries, signing bonuses, more paid time off, moving expenses, help with student loan repayment and come without requirements for on call or emergency coverage. This phenomenon is not occurring only in the major metropolitan areas; it is happening throughout the country.

Given these parameters, how can a small practice, or a large one for that matter, afford to offer richer compensation packages? Most practices can absorb a one-time hiring bonus. It may be more difficult to support the cost of paying doctors a high salary on an ongoing basis- unless the doctor is a strong contributor to the practice. How can the doctor contribute? Perhaps we are stating the obvious here: the doctor must become as productive as possible as quickly as possible.

A new associate is an investment in the future of your practice. All associates, but particularly new grads, require mentoring, either by the owner or medical director of the hospital, or another capable doctor with the experience and temperament needed to nurture and support other doctors. Properly mentoring new doctors results in more rapid development of confidence and productivity. (Not sure where to start? Check out AAHA's Mentoring Guidelines - [Click Here](#).)

Help new associates understand how their compensation is tied to their performance. Regardless of whether the hospital pays doctors on production, help your new associate develop efficiencies and provide an environment for success. This is such an important point. The entire practice benefits when its doctors are as productive as possible. Pets receive proper care, clients have shorter wait times to get in, the doctor earns more money and the hospital generates more revenue which can then be used to reinvest in equipment, education or employee benefits.

Whenever a doctor receives additional compensation, whether through an increase in pay or benefits, those increases need to be proportional to the role or roles the doctor plays in the practice. For example, if a doctor takes on the role of Medical Director, they should receive more compensation for playing a larger role in the practice. In this situation, a flat amount for management compensation is the best way to reward the doctor, rather than an increase in the percent of production they earn. Other ways doctors can contribute more to the hospital are by seeing more patients, performing more services, becoming certified in a new procedure that the hospital can offer to clients and patients, and taking a leadership role in the practice or in the community.

What about the doctors that are interested in being a hospital owner some day? When we talk with VBMA (Veterinary Business Management Association) chapters, every hand is raised in response to "who wants to own a veterinary practice at some point during your career?" These young doctors want to work for hospitals where there are opportunities to become a future partner or buyer. But be careful! Don't dangle the proverbial carrot if you have no intention of following through on this promise. You may find yourself on the short end of the stick when your associate buys a different practice.

Can you compete with an employment offer from the corporate practice down the street? Yes! Remember that there are both tangible and intangible benefits to every position. Corporate veterinary practices may provide more in tangible monetary benefits, but they offer little opportunity to affect change. We hear from doctors leaving corporate practices that they want to spend more time with clients and practice their own style of medicine. By working for you, these doctors can have an immediate impact on patient care decisions and practice operations. Your biggest bargaining chip may be assuring candidates that they will have a voice in the practice and that their ideas and opinions matter.