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Don't be scared of money

You're not "in it for the money" as a veterinary professional, but you can't ignore the fact that you need money to keep practices open and you working. This year, make a New Year's resolution (or two or three) to better manage your personal accounts, your career and your practice finances this year.



Nov 14, 2018

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DVM360 MAGAZINE



Money is a means to an end: YOUR ENDS. Start being proactive, and less reactive, about your bank account, salary and practice management. (zimmytws/Adobe Stock) New Year's is coming. Whether you like to make fitness or family or spiritual goals, it can also be a good time to establish financial goals—for your practice or for yourself. Why not give some thought now to what you'd like to accomplish financially in the year ahead?

Start your financial health at home

Keeping your personal finances in good order is critical to support the lifestyle you work so hard to achieve. This could mean building a better budget, finding new ways to manage debt, bolstering your financial knowledge or even making a job change.

Create a budget. This plans for your future and takes into account what's important to you, whether that's paying off debt or saving for a well-deserved vacation. The first step is knowing how much you spend and how you spend it. *(Editor's note: You can also check out this financial advisor's [sample spending analysis](#) as well as our [dvm360: Leadership Challenge "Curb Your Debt"](#) if school debt is a big part of your financial picture.)*

Help for AVMA members

Are you a member of the AVMA or the Student AVMA? You have free access to:

Personal finance

- > Personal financial planning tool at avma.org/MyBudget
- > Lead & Learn webinars at avma.org/Events/CE/Pages/default.aspx

Career development

- > Veterinary Career Center at avma.org/VCC
- > My Veterinary Life at <https://myvetlife.avma.org/>

Practice management

- > Team-building tools at avma.org/TeamCPR

For students

- > Student scholarships at avmf.org

Nurture your career. Think about where you are now and where you want to be professionally in five years, 10 years or even longer, and make a plan to get there. If you'd like to build up your skills, take on more responsibility, command a higher salary or improve your job satisfaction, you might be ready for a job change. That might mean seeking a promotion, an internal transition or, yes, a new job somewhere else.

Learn about managing money. Knowledge is power when it comes to finances. Look for financial CE online and when you attend conferences or workshops. No matter how much you know, there's always more to learn.

Get your practice finances in order

If you own a practice, put a solid budgeting process in place for the new year. This means planning, reviewing financial statements and economic conditions, and setting goals that reflect realistic expectations.

Consider market share. Are there a half-dozen practices competing for customers in your target market area? You need to understand the veterinary landscape in your community so you can estimate the amount of business you can reasonably expect to come through your door.

Factor in the national and local economy. A majority of economists are predicting the next recession to happen in the next 12 to 18 months. While economic corrections like recessions are a natural part of the business cycle and shouldn't be met with a doom-and-gloom mindset, as a veterinarian or practice owner you'll want to be prepared to weather the storm.

For example, if you're planning to apply for a line of credit to expand your practice or invest in equipment, do it now, as credit lines squeeze during recessions. Or if you're looking to relocate and practice medicine elsewhere, speed up your job search. It's harder to change jobs during economic downturns.

Set a regular schedule for reviewing key performance indicators (KPIs), and stick to it. As noted in our AVMA team's recent columns about [goal-setting](#) and [executing to reach your goals](#), regular check-ins help you keep your budget on track throughout the year. This is true whether you're tracking revenue, expenses, client visits, product sales or other metrics.

Look for new revenue opportunities. Our newest Pet Ownership and Demographics Survey shows continuing gaps between the healthcare pets receive and best-practice care guidelines. Many pet owners don't see a veterinarian for common healthcare needs like flea and tick prevention, or for help with pet behavior and socialization. These gaps represent opportunities for your practice.

Focus on your practice team

Everyone on the team contributes to success. Look at staffing and performance expectations to ensure you're making the most of your team members. Do you have adequate support staff? If your veterinarians routinely do work that doesn't require their medical training, you're not operating as efficiently as you could.

If you have an open position, resolve to fill it with the right candidate right away.

Look at your processes for onboarding, training, performance reviews and team-building. The AVMA has tools to strengthen your team and make the most of your staff resources.

Students: Start now

It's never too soon to start building your financial savvy. For veterinary students, the decisions you make today will affect your financial health for years to come.

Students need to budget, too. Create a budget every semester and decide ahead of time how much you'll spend on rent, food and entertainment. Contact your college bursar's office regularly to track how much tuition and other expenses you currently owe.

If you're borrowing money for your education, remember that your loans start accruing interest as soon as you receive the money. If you're a first- or second-year student, that means you'll be adding interest to your debt for two or three years before you make loan payments. If you find that you actually have more funds than you need to meet your budget, return the excess to the bursar.

Continue to apply for as many scholarships and grants as you can. Limiting borrowing is always better than repaying more debt.

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