Pathway Planning: How to Get Traction

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"If you get all of your team members rowing in the same direction, you could dominate any industry, in any market, against any competition, at any time."

– Pat Lencioni, The Table Group, quoting a former client who founded a billion-dollar company

Contents

1. Introduction
2. The Big Picture
    a. Organizational Check-up
    b. Core Values
    c. Purpose
    d. 10-Year Target
    e. Three-Year Picture
3. Marketing Strategy
    a. Your Target Market
    b. Your Three Uniques
    c. Your Proven Process
4. People
    a. The Right People
    b. The Right Seats
5. Data
    a. One-Year Plan
    b. Your Dashboard
    c. Measurables
    d. Milestones
6. Potholes
    a. Naming the Potholes
    b. Getting to the Bottom of the Potholes
    c. Filling the Potholes
7. Meetings
    a. All-Staff Meetings
    b. Departmental Meetings
    c. Leadership Team Meetings
8. Next Steps
    a. Rolling Out the Pathway Planner to Your Team
    b. Action Plan
    c. Resources
9. The Pathway Planner (blank template)

Introduction

The Road Map to Sustained Success is a system that converts your strategic plan into a usable, actionable tool called the Pathway Planner. It allows you to incorporate your purpose, vision, mission, and values into your everyday planning and assign meaningful, measurable action steps to each team member.

This content is based on the experience of Shawn McVey and Jasen Trautwein. Shawn contributes knowledge and skills from his work in the trenches, his many trials and errors, and the lessons he learned from his mentors. Shawn also draws from the consulting work he's done with hundreds of practices, and he thanks them for the honor of trusting him to help them with their struggles. While working in his own practices, Jasen Trautwein saw the need for an operational system to accommodate the new veterinary entrepreneur, the one who balances family, work, and the responsibilities of ownership. We've also incorporated the work of Gino Wickman in a book called *Traction*.

The goals of this course are to give you the knowledge and tools you need to:

- Recreate the strategic plan as an actionable document
- Put your practice on a 90-day accountability cycle
- Run team meetings the right way
- Hire team members who are in alignment with the practice's vision and values
- Let go of the people who don't fit
- Overcome problems that derail your success

If you consistently use the basic, time-tested tools we recommend in this course, you will watch your frustrations disappear. You will feel more in control, happier, and less stressed. The wrong people will leave, and the right people will help you move forward. Your organization will have a focus that everyone understands and supports. And you will make more money!

The Big Picture

Organizational Check-up

Use this checklist to measure where you are as a company at least once a year. The goal is not to be perfect in the first year, but to show steady improvement over time. Rank each statement from 1 to 5, with 1 being weak and 5 being strong.

Score	Statement
	1. We have a clear vision in writing that has been properly communicated to the whole team.
	2. Our core values are clear and we are hiring, reviewing, rewarding, and firing around them.
	3. Our purpose is clear and our systems and processes reflect that.
	4. Our 10-year target is clear and has been communicated to everyone.

	5. Our target market is clearly defined and our sales and marketing efforts are focused on it.
	6. Our differentiators are clear and all of our sales and marketing efforts reflect that.
	7. We have a proven process for doing business with our clients. It has been named and visually illustrated and everyone is adhering to it.
	8. All of the people in our organization are the right people.
	9. Our accountability chart is clear and complete and constantly updated.
	10. Everyone is in the right seat.
	11. Our leadership team is open and honest and demonstrates a high level of trust.
	12. Everyone has three to seven Milestones per quarter, and they stay focused on those Milestones.
	13. Everyone is engaged in regular bi-monthly meetings.
	14. All meetings are on the same day at the same time and have the same printed agenda. They start and end on time.
	15. All teams clearly identify, discuss, and solve key issues for the greater good and long term.
	16. We have a system for receiving regular customer and employee feedback, and we know their level of satisfaction.
	17. Our systems and processes are documented and followed by all.
	18. A Dashboard for bi-monthly metrics and measurable goals is in place.
	19. Everyone in the organization has a number.
	20. We have a budget and are monitoring it regularly.

Add up your scores: _____

Core Values

Your core values—which are also called team values, or organizational values—define the way you treat each other and your clients. Values create alignment in your organization and are your guideposts for making decisions, especially ones that involve conflict. Here are some examples:

Adventurous
Client service
Compassion
Consistent
Continuous improvement
Courageous
Creative
Dependable
Educated
Efficient
Emotional intelligence
Environmentally sustainable
Excellence
Financial success
High-quality medicine
Honest
Innovative
Inspiring
Loving
Nurturing
Open communication
Open-minded
Optimistic
Passionate
Positive
Reliability
Respect
Service orientation
Teamwork

Core values represent the essence of who you are as an organization.

Purpose

A purpose statement is your practice's reason for existence, stated in a compelling way that other people can relate to. What makes a good purpose statement? It's clear, concise, and tells the world why you get up every morning. It makes people say, "Oh really? Tell me more!"

Examples from veterinary practices:

- To provide high-quality medicine and surgery in a compassionate, caring environment
- To provide outstanding wellness and healing services to pets
- To benefit the pets we care for and the pet owners we serve

You should also get a bit more detailed with your focus by stating your niche. Your purpose might sound something like, "to make animals healthy and happy." Your niche is more specific. Here are some examples:

- Cats
- Making pet health care accessible to all
- Cadillac of customer service
- Using the best technology available
- Worry-free surgery
- Veterinary-owned and operated

10-Year Target

Do you have a 10-year target, or vision, that you've clearly communicated to the whole team? This is what Jim Collins and Jerry Porras refer to in their book, *Built to Last*, as a BHAG: a Big Hairy Audacious Goal. No matter what you call it, it's a long-term goal that changes the way everyone on your team does business.

Your 10-year target has to be measurable and quantifiable. Some examples of Big Hairy Audacious Goals are:

- $15 million in revenue with 22% net income
- 15% of our target market is active clients
- 10,000 pets treated in a year

If you're thinking it could be a challenge to get the leadership team to agree on this goal, you might be right. It could take a few meetings to nail it down. But it's imperative that you reach agreement and that everyone is excited about the target.

To come up with your target, start by asking the leadership team what the size the organization should be in 10 years. You'll get a wide range of answers, which are great fuel for discussion. Maybe one person says, "$6 million," and another person says, "$20 million." Keep talking with your vision, purpose, and core values in mind until you agree on an audacious number.

Once you've set this target, you'll notice that no matter how big, hairy, and audacious it is, you and your team inexorably move toward that goal. Obstacles you could never overcome suddenly become manageable. You figure things out. You get it done.

Three-Year Picture

A three-year picture illustrates how big and fast the organization is going to grow on its way to the 10-year target. It also gives you the foundation you need to make your one-year plan, which we'll discuss later.

To create you three-year picture, meet with your leadership team and choose a future date that's about three years out. It should be a calendar or fiscal year-end. Have each team member throw out a number for what annual revenue should be on that future date. You may have vastly different ideas at first, but with discussion, you should land on one target. You'll also need to agree on what profit will be on that future date, which generally takes much less discussion than the revenue target.

Next, choose one or two measurables that are key indicators of your organization's size on your future date. Examples include:

- 15,000 active clients
- 7,500 pets treated this year
- 3,000 surgeries performed this year
- 6 locations
- A $275 average transaction charge

Lastly, each person should come up with a list of factors that will define the organization at that point in time. What will your practice look like once it has 15,000 active clients, for example? Consider things such as:

- Number and mix of staff
- Mix of services
- Number of doctors
- Size of facility
- Number of locations
- Number and types of equipment
- Types of marketing campaigns
- Percentage of total active clients that represents new clients

Combine all management team members' lists to come up with the picture of what the organization will look like in three years. Narrow it down as necessary to a list of 10 to 20 factors.

Marketing Strategy

Do you have a marketing strategy that defines your target market, shows how you are unique in the marketplace, and illustrates your process for doing business with clients? If not, you could be caught in the trap of trying to be too many things to too many people. In order to achieve your vision, you must develop a laser-sharp focus on what you do and who you do it for.

Marketing strategy consists of four elements:

1. Your target market
2. Your three uniques
3. Your proven process
4. Your guarantee

Your Target Market

First, let's talk about your target market. To develop a laser-sharp focus for your business, you must describe your ideal clients. Who are they? Where are they? What are they like? What's important to them? These are the demographics, geographics, and psychographics of your customers.

Demographics are things like age, gender, income, and profession. Geographics are things like the number of minutes a client must drive to get to the practice, the number of miles the client is from the practice, or clients who live in certain neighborhoods.

Psychographics describe your clients' characteristics, hobbies, and attitudes. For example, your ideal clients might be outdoor enthusiasts, or they might view pets as children. Perhaps your ideal clients value luxury above all else.

Brainstorm with your team to find out who these ideal clients are. Here are three examples of how a veterinary practice could describe its target market:

- Working women aged 20 to 50 who live within a five-mile radius of the practice and think of their pets as children
- Baby Boomers in the northwest quadrant of the city who desire professionalism above all else
- Generation X and Generation Y professionals with household incomes of $50,000 or more, who value fun and friendly service

Define the customers you want, not necessarily the ones you already have.

Your Three Uniques

Now let's talk about how your practice is unique in the marketplace. What differentiates you from your competitors? In the Pathway Planner, we call it your three unique. These three factors are what you do differently than anyone else. If you lined yourself up with all of your closest competitors, maybe a couple of them would have one unique in common with you. Maybe one competitor would even have two uniques in common with you. But no one should have three uniques in common with you, because then you're not unique.

To formulate what your unique are, first brainstorm with your team. Come up with a list of possible factors. Then call your top 10 ideal clients and ask them what makes you different than other veterinary practices. For an investment of less than two hours of time, you'll have built a bond with those clients and received invaluable feedback on how they see you as different from everyone else.

Here are some examples of uniques:

- We treat every pet as our own.
- Best science and medicine available for pets
- Treat only cats
- Celebrate clients' milestones
- Angel fund for clients in need
- Warm fuzzy service
- Team members receive 80 hours per year of training
- Highly professional service
- We make the extra call to show we care
- Luxury waiting area

Once you identify your three uniques, you may find that they limit your market. That's OK. You're trying to develop a laser-sharp focus, remember? You may even have to say good-bye to some clients—you know, the ones who complain about everything and constantly demand discounted services? If they're not a match with who you are, you can go ahead and let them go.

Your Proven Process

Your proven process for doing business with your clients should be named, visually illustrated, and shared with your team and your clients. From initial contact to follow-up, there are three to seven major steps—or touch points—that define your service-delivery process. For each major step, you'll also list two to five tasks that comprise that step.

For example, the bullet points under the major step, "initial contact," might look like this:

Initial contact (usually by phone)

- Greeting
- Analyzing needs
- Obtaining contact information

- Setting the appointment
- Closing

After you've finished defining your proven process, name it something like, "The ABC Animal Clinic Difference," or "The Smith Veterinary Hospital Way." Have a graphic designer create a one-page depiction of your process with your brand colors and logo. Once the page is complete, print it and laminate it. This becomes a showpiece for your practice, which you can use in staff training and to demonstrate to clients how you provide outstanding service.

Your Guarantee

The fourth and last piece of the marketing strategy that you need to complete for the Pathway Planner is your guarantee. This is a promise you make to clients—something they can count on when they do business with you.

The guarantee is also your opportunity to solve an industry-wide problem. For example, Federal Express created the guarantee, "When it absolutely, positively has to be there overnight," to address the problem of not having a reliable overnight shipper in the U.S.

With your team, brainstorm the biggest fears, blocks, and obstacles clients face when it comes to saying yes to veterinary care. Then come up with your guarantee—the thing that pushes all of you to really make the grade.

Here are some examples of guarantees:

- No waiting. Ever.
- Always a friendly face
- Evening appointments Monday through Friday
- Accurate estimates, to the penny

It may take a while to agree on your guarantee, because it's a promise the entire team must stand behind. It may turn out that you're not comfortable making a guarantee at all. But if you don't, there's always a question in the clients' minds about what they can count on you for.

You've done some hard work to nail down the fundamentals of your marketing strategy. Now you can move forward with confidence when creating branded materials that include your three uniques and your guarantee—materials that you send *only* to your target market.

People

Are all of your people great people? Are they all doing the jobs that suit them best? If your answer to either question is no, you're not alone. The single most problematic operational issue in veterinary practices is that we are too slow to make people changes!

In his book *Good to Great*, Jim Collins popularized the idea of putting the right people in the right seats. Quite simply, the right people are the ones who live your organization's core values.

They are a joy to be around and make your practice thrive. We'll give you a tool called the Driving Test that shows you who the right people are for your practice.

Core Values + Driving Test = Right People

A person is in the right seat if she has Passion and the right tasks and responsibilities. She has "Passion" when she is using her greatest skill and feeling energized by her work.

We'll give you a tool called the Accountability Chart that defines your structure, roles, and responsibilities in such a way that you can clearly identify all of your seats. There may be some temporary pain as you eliminate and reassign seats. But in the end, we think you'll agree that it's worth it.

Passion + Accountability Chart = Right Seats

Now let's take a closer look at how to incorporate the information into your practice on a day-to-day basis.

The Right People

First, let's talk about the right people. You may have struggled with seeming inconsistencies in your employees' work and their attitudes. Perhaps Dave does good work, but he constantly gossips about his teammates. Or Jan shows up to work with a good attitude but can't ever seem to get the tasks down—she keeps making the same mistakes over and over. You like her personally, but she is bogging down your operations.

The Driving Test takes the subjectivity out of the "what-to-do" decision for each employee. The Test has three components:

1. Does the employee adhere to your core values?
2. Does the employee meet three criteria for his or her specific job? and
3. Does the employee earn a passing grade on the test?

First, we'll examine the core values component of the Driving Test. This section of the driving test answers the question, "Is the employee the right person for your practice?" On a chart, list the names of your staff members down the left-hand column. List your core values across the top row, like this chart shows.

Driving Test

Name	Compassion first	Reliability	Continuous improvement	Integrity	Creativity
Joe					
Shawna					
Erica					
Paige					

Next, indicate whether each person lives each core value, according to following system:

+ He or she exhibits the value most of the time.
+/- He or she exhibits the value sometimes.
- He or she doesn't exhibit the value most of the time.

Here's an example of a completed Driving Test.

Completed Driving Test

Name	Compassion first	Reliability	Continuous improvement	Integrity	Creativity
Joe	+	+	+/-	+	+/-
Shawna	-	+	+/-	+	-
Erica	+	+/-	+	+	+
Paige	+	+	+	+	+

Gino Wickman, the author of *Traction*, recommends that you accept no more than two +/- for every five core values you list in your chart. He also recommends that you never accept a minus.

According to those criteria:

- Shawna has two minuses and must be subjected to the three-strike rule, which we'll talk about next.
- Paige is completely on board.
- Joe and Erica pass and are considered a fit for your organization even though they are not "perfect."

The three-strike rule, which also applies to the leadership team, works as follows:

- The employee doesn't pass the Driving Test. That's strike one.
- You discuss issues and expectations and set a 30-day deadline for changes.
- You don't see improvement. That's strike two.
- You have another discussion and set another 30-day deadline.
- You don't see improvement. That's strike three.
- Let the person go.
- You move on.

Most of the time, an employee will improve after the first discussion. Most of the rest of the time, the employee opts out and leaves the organization. It's unlikely that you'll get to strike three, but if you do, remember this: The 36 hours leading up to and including the firing are difficult and painful. After that, you and the person you fired are free! You continue on your quest to find the people who are the best fit. The remaining team members are free of that person's negative influence. The person you fired finds a new job and most likely is much, much happier.

The Right Seats

Now that you've figured out who the right people are—and what to do with the wrong ones—it's time to determine if everyone is in the right seat. A person is in the right seat if he or she is operating within his or her area of greatest skill and feels energized by the work. We'll call the combination of these two factors "Passion."

In addition to having Passion, the team member must be assigned the roles and responsibilities that fit. That's where the Accountability Chart comes in—what you might recognize as an organizational chart. It answers the question: What's the right structure to move the organization forward in the next six to twelve months?

Passion + Accountability Chart = Right Seats

Accountability Chart

According to Gino Wickman, the author of *Traction*, there are five main functions in any business: the visionary, the integrator, sales and marketing, operations, and finance and administration.

1. The Visionary: This person is responsible for big ideas, big relationships, solving big problems, and managing the culture. His or her Passion is creativity and freedom, and this person runs on emotions.

2. The Integrator: This person is responsible for leading, managing, holding everyone accountable, running the day-to-day operations, executing the business plan, and managing profit and loss. His or her Passion is running the business, and this person runs on logic.

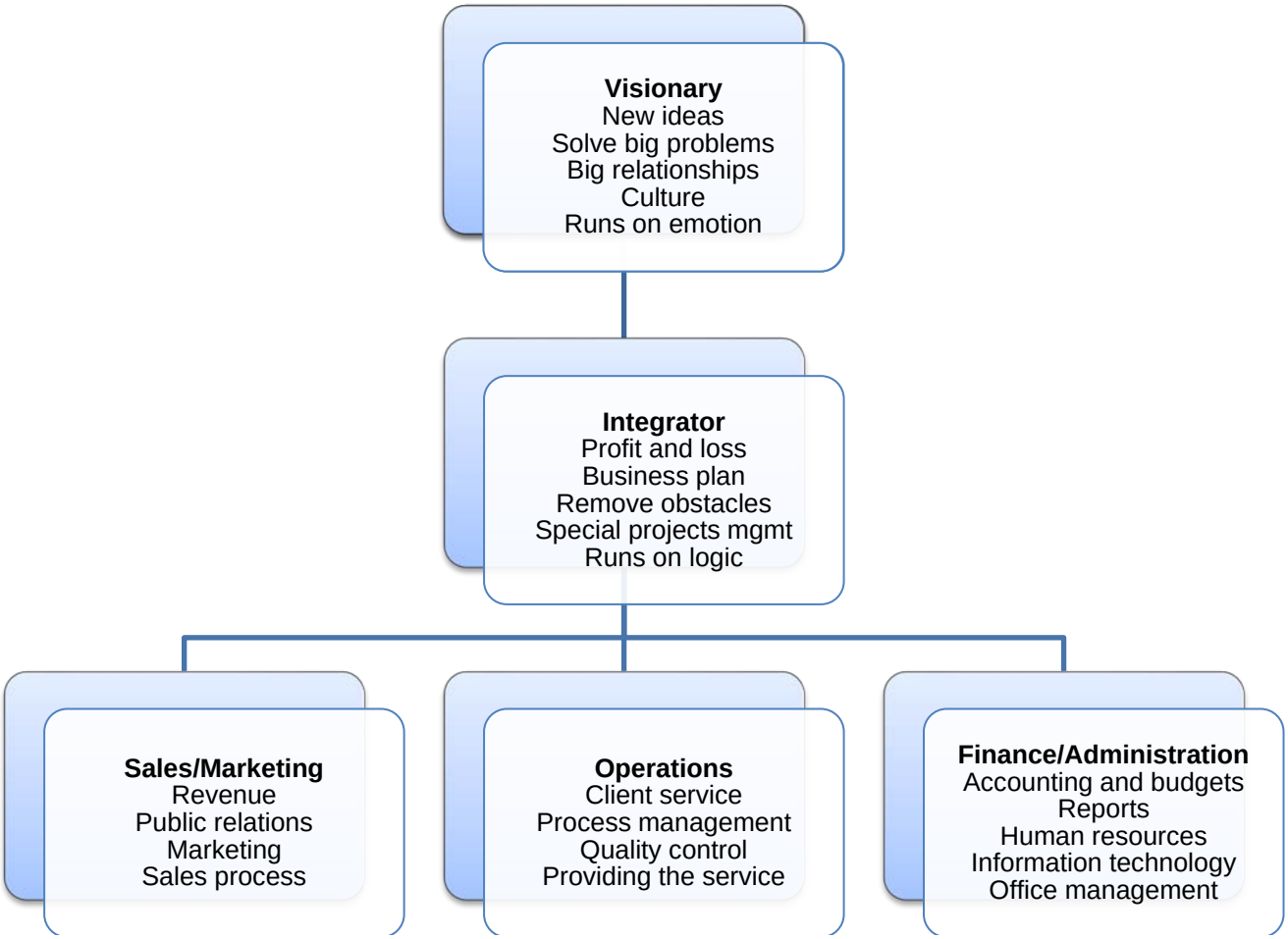
3. Sales and Marketing: The head of sales and marketing is responsible for getting people in the door to spend money.

4. Operations: This person is responsible for providing the service and managing client satisfaction.

5. Finance and Administration: This person is responsible for managing resources—money, people, and data—as they flow in and out of the system.

The Accountability Chart will no doubt make you think about your organizational structure in a new way, and it's possible that your functions don't exactly fit the ones we've listed here. Write your own Accountability Chart that contains all of the major functions of your business. Do not add any more than seven major functions beneath the Integrator. When you create your Chart, add one name underneath each function. Multiple people can't be responsible for the same function unless it's a supporting, or line, function, such as technician.

Here's an example that shows a high-level accountability chart with descriptions of main duties.



Here are some guiding principles for creating your Accountability Chart:

- As your organization grows, you may add more major functions (those reporting to the Integrator), but you should never have more than seven.
- List no more than five bullets to describe the major responsibilities for each major function.
- As the business becomes more complex, you may add more functions underneath each major function. For example, you could add a lab manager under Operations and an inventory manager under Finance and Administration.
- Expect to make a minor change to the Chart about every 90 days.

Comprehension, Desire, and Ability

Now that your Accountability Chart is finished and the seats are defined, it's time to put people in them. To do that, add a tool we call CDA (Comprehension, Desire, and Ability) to your Driving Test. If someone is in the right seat, it means he or she has these three qualities. If not, you need to either assign different roles and responsibilities or ask the person to leave.

Let's define CDA so that we're on the same page. Comprehension means that the person understands several things:

- His or her role in the organization
- The practice's team values
- Its organizational systems, and
- The expectations you have of the person in this role.

Desire means that the person wants the job. Ability means the person has the time, intellect, skill, knowledge, emotional intelligence, and physical ability to do the job. Adding CDA to the Driving Test looks like this:

Driving Test with CDA

Name	Compassion first	Reliability	Continuous improvement	Integrity	Creativity	C	D	A
Joe	+	+	+/-	+	+/-	N	Y	Y
Shawna	-	+	+/-	+	-	Y	N	Y
Erica	+	+/-	+	+	+	Y	Y	Y
Paige	+	+	+	+	+	Y	Y	Y

Y and N stand for yes and no. Does Joe comprehend his role? No, he doesn't. Does he have the desire and ability to do the job? Yes, he does. Shawna understands what's required of her and has the ability, but she doesn't want that particular job. Erica and Paige are in the right seats.

When you add CDA to the Driving Test, you must also set your pass/fail criteria. What is the absolute minimum "score" a person can earn on the Driving Test in order to pass, or be a part of your team? How many +/- will you tolerate? Will you tolerate a +/- for some core values but not others? Will you tolerate any minuses at all? We've added a sample passing score to our Driving Test example.

Driving Test with CDA and Passing Score

Name	Compassion first	Reliability	Continuous improvement	Integrity	Creativity	C	D	A
Joe	+	+	+/-	+	+/-	N	Y	Y
Shawna	-	+	+/-	+	-	Y	N	Y
Erica	+	+/-	+	+	+	Y	Y	Y
Paige	+	+	+	+	+	Y	Y	Y
Passing	+	+	+/-	+	+/-	Y	Y	Y

In this example, the owners will not tolerate a minus for any of the core values. They will tolerate a +/- for continuous improvement and creativity. Every single person must pass the CDA part of the test in order to stay in his or her existing seat.

According to these criteria:

- Shawna must be subjected to the three-strike rule because she did not pass the CDA portion of the Driving Test. She will probably leave.
- Joe must be subjected to the three-strike rule because he did not pass the CDA portion, either. He likely needs training, or a different seat.
- Paige is a star.
- Erica must be subjected to the three-strike rule, because she has a +/- on reliability, which is a required + in this organization. She will probably make some changes and quickly get on board.

As you can see, the initial vetting of the entire staff could result in some pain for you and your staff. It's worth it in the end, though: less griping, more productivity, higher profits, and less stress. Here are guiding principles for putting the right people in the right seats:

- Write the Accountability Chart first, then put people in the seats.
- Some people may not pass the CDA portion of the test for the positions they're in. Can you find them different seats?
- One person can fill two seats as long as there is Comprehension, Desire, and Ability. Remember that Ability includes having enough time to do the job.
- In the beginning, the owner fills many seats.
- As an owner, your continuous responsibility is to delegate and elevate. Find someone who has the CDA to do the work that is not your Passion, and continue evolving.

Data

In this module, we'll show you how to identify and track your key metrics and break your major goals down into manageable pieces.

One-Year Plan

Back in the vision section, you created a 10-year target and a three-year picture. Let's break down that three-year picture even further and create a one-year plan that includes a revenue target and organizational goals.

Set a two-hour meeting with your leadership team. Pick a future date, either the end of this calendar year or the end of this fiscal year. Completing the process for a partial year the first time around gives you a chance to practice, and you'll be able to make a new plan at the beginning of next year.

While looking at your three-year picture, choose the three to seven most important priorities that will keep you on track. These will be your goals for the one-year plan. They must have three qualities:

1. Goals must be attainable, meaning not every goal is a "stretch" goal. Set goals that the team can reach.

2. Goals must be specific. “Hire more staff,” is too generic. How about: “Hire four full-time licensed technicians”?
3. Goals must be measurable, meaning you must attach a number. Is it a customer service rating of 8 on a 10-point scale? Or how about a 10% reduction in staff turnover?

Before you chisel these goals in stone, complete your budget for the same period. What is your revenue target? Do you have the resources to make that happen? If not, revise your plan until the revenue and profit goals are within reason. Lastly, choose one or two measurables for the year (or partial year), as you did for your three-year picture.

Your Dashboard

Let’s talk about data. It takes the subjective quality out of your work and turns it into something that can be reliably measured. Data also allows you to monitor what’s happening with your vehicle as you navigate this Road Map to Sustained Success. Is your engine light on? How many miles per gallon are you getting? How far have you come?

Once you track and review your numbers regularly for a period of time, you will begin to see patterns. You’ll know where you’re on track and off track. You’ll see problems coming long before your engine stalls on the highway. Numbers are power!

So now it’s time to create a scorecard—we’ll call it a Dashboard—for your practice, one that has five to 15 high-level metrics that you review on a bi-monthly basis. Your Dashboard tells you at a glance how your business is doing. The numbers show exactly where you are now and what you can expect to see down the road.

The numbers on the Dashboard are not numbers taken directly from your profit and loss statement. Rather, the Dashboard numbers are usually activity-based leading indicators that help you predict what you’ll see on the income statement. Here are some ideas for your Dashboard:

- Weekly revenue
- Revenue from new clients
- Cash balance
- Number of new clients
- Number of transactions
- Number of lab tests
- Average transaction charge
- Number of new referring DVMs
- Number of active referring DVM contacts
- Payroll numbers (as a percentage of revenue, or in dollars, or number of hours worked, or overtime hours)
- Drug and supply expense
- Client service rating

Once you and your leadership team have created your list of five to 15 key organizational metrics, create a goal for each metric. The goals should tie directly to your one-year plan. For

example, your weekly revenue goal of $10,000 should equal your one-year goal of $520,000 ($10,000 per week x 52 weeks). If they don't match up, revise your Dashboard goals.

Decide who is responsible for reporting each number every two weeks—usually the person who heads up that major function. That's the "Who" that you see on the Dashboard.

Example Dashboard

			January			
Who	**Measurable**	**Goal**	**Wk 1**	**Wk 2**	**Wk 3**	**Wk 4**
Janice	Weekly revenue	$10,000	$7,250	$8,150	$9,200	$9,725
Mark	New clients	120	30	30	30	30
Stacy	Client complaints	9	1	3	4	1
Steph	Breakeven days	12	1	3	4	4
Jackie	Number of dentals	5	1	1	1	2

You can replace "Wk 1" with the actual date, or use the reporting dates that work best for you. Each week, everyone reports their numbers to one person, who completes the Dashboard and distributes it for review. The leadership team meets bi-monthly to discuss the numbers, predict the future based on the patterns, and take action as necessary.

You need to monitor only 13 weeks at a time in the spreadsheet, but be sure not to delete the old data! Hide the columns in your spreadsheet so that you have it for historical reference. We've included a blank template in the Resources section at the end of this course.

It's OK if you don't hit exactly on target with *what* you want to measure on the first try. Most teams average about 85% correctly identified metrics at the beginning of the process. But you should have it down pat three months down the road.

Measurables

Now we're going to talk about measurables. Everyone—not just the leadership team—must be assigned a number that he or she is responsible for—that's the measurable. The simplest way to think about a measurable is to boil each person's job down to one number.

For a receptionist who does nothing but answer the phones, that number might be "2," meaning two rings is good, three rings is bad. For an associate veterinarian, the number might be "2," meaning two diagnostics per exam. Or it might be "5," meaning five new clients every month. A technician's number might be "6," meaning six lab results per hour.

Each of these measurables should be traceable back to the bigger-picture numbers that the leadership team is responsible for. For example, if Nancy is responsible for the overall customer satisfaction rating, she should be able to trace the receptionist's number, "2," back to the responses on the client surveys.

There is a lot of good that comes from establishing measurables:

- Numbers cut through the subjective communication between manager and direct reports.
- Numbers create accountability. (Accountable people appreciate numbers. You will get some resistance from people who don't want to be accountable).
- Numbers create clarity and commitment.
- Numbers help you avoid complacency.
- Numbers produce results.
- Numbers create a sense of teamwork.
- Numbers help you solve problems quickly and objectively.

Here are some more examples of measurable to help you create your own:

Veterinarian
- 20 appointments a day
- 5 new-client appointments per day
- $5K in revenue per day
- 3 diagnostics per initial exam
- 2 procedures per day

Technician
- 20 clients in and out of rooms in a day
- 8.5% of labor costs

Administrator
- Receivables below .3% of gross revenue
- 5% budget increase in revenue this year
- 300 new clients this year
- 10% increase in sales

CSR
- 10 call-backs per day
- 2 phone rings before pick-up

Everyone has a number. Now let's give them Milestones to focus on for the quarter.

Milestones

You've completed most of your Pathway Planner, but there is one blank section left—the Milestones. One of the most important things you'll do to get traction with your vision is to break your one-year plan down into smaller pieces, which we call the Milestones. The Milestones narrow down your world to the next 90 days: What is most important for each person to work on for the next three months in order to make the one-year plan a reality?

It’s normal for a team to want to tackle everything all at once and compete for resources to get it done. In quarterly meetings, you’ll assign Milestones, and no doubt dust will rise. But when that dust settles, everyone will be driving on the same road in the same direction. Your team will appreciate the accountability, improved communication, and visible results. So let’s get started with your Milestones!

How to Create Milestones

Step 1
With your leadership team, choose a future date (namely the end of the next quarter). Then decide what the revenue and profit goals are for that quarter, along with your company measurables for that same quarter. Next, write down everything you’d like to get done in the next 90 days. There will probably be 10 to 20 tasks on this list, though yours could be longer. Discuss, prioritize, and delete as necessary. The company’s three to seven most important goals for the next 90 days will be the last ones standing. These are the company Milestones.

Step 2
Agree on the specific, measurable, attainable nature of the Milestones. “Start working on the new client survey,” is too vague. But, “Distribute first draft of new client survey to leadership team,” is specific, measurable, and attainable. Here are a few more examples of good Milestones:

- Hire three customer service representatives.
- Write job descriptions for each position.
- Create a meeting schedule for the rest of the year and distribute to all staff.
- Sell 200 ultrasound services.
- Make outreach calls to 50 referring veterinarians.
- Identify five potential locations for a new site.

Step 3
Each member of the leadership team takes on one or more organizational Milestones and creates his or her *own* list of three to seven individual Milestones for the quarter. The leadership team also works with their staff members to create a list of one to three Milestones for each team member.

Some Milestones from Step 1 that don’t get picked up by the leadership team may end up on other individuals’ Milestone lists. Also, you can carry forward any Milestones from Step 1 into the next quarter by putting them on the Potholes list. We’ll talk more about Potholes in a just a few minutes.

Step 4
Communicate these company Milestones to the entire staff in a quarterly, 45-minute, state-of-the-business meeting. Talk about your successes, progress, and new Milestones.

Milestone Manners

There are three things to keep in mind as you create your Milestone lists:

1. Once you've agreed on the quarterly Milestones, no one is allowed to change priorities or add more priorities. Stick to the process.
2. It will take two quarters of the leadership team doing this on their own to learn valuable lessons. Wait until the third quarter to roll out Milestones to the rest of the team.
3. Assign one to three Milestones to staff members who are not on the leadership team—no more than three!

Potholes

Now that you know where you're going, you also need to know what's going to prevent you from getting there. These are the Potholes on the Road Map to Sustained Success. It may seem odd to put this list of problems on your strategic plan, but after you use this proven business process for a time, you'll see how useful (and satisfying) it is to get them out in the open and deal with them as soon as they come up.

Naming the Potholes

Do you ruthlessly identify and solve your organization's problems? Normally, everyone is scared to name the Potholes, much less talk about them. It's common for teams to avoid conflict, because they don't believe that open communication is valued. In fact, they may think they'll be punished somehow, as if they were whistleblowers. The example has to be you, the leader of the organization. If you're open and honest and admit mistakes, so will your team.

If you do already talk about the Potholes, you may find yourself talking about them day after day, month after month, meeting after meeting, without making any progress. But once you put these proven management systems in place, you'll see that it's easy to identify and be honest about your Potholes.

To come up with your initial list of Potholes, take 15 minutes to brainstorm with your team. Ask them what obstacles they see, what concerns they have, what problems could come up as you try to achieve your vision and 10-year target.

It might sound something like:

> "The doctors will never do that because…"
> "The staff won't buy into…"
> "What about the fact that…"

Every time another one is named, simply say, "There's another Pothole," and add it to the list. This is not the time to judge or be defensive. Encourage everyone to say their piece, and get it down on paper. Here are some examples:

- Lack of civilized communication between doctors
- Not enough time to do administrative duties
- No direct communication between team members

- Associate doctors unwilling to adhere to changes in policy

There are three different types of Potholes:

- Beyond 90-day Potholes: These are company-wide issues that cannot be addressed this week or this quarter; these Potholes go on the Pathway Planner.
- Weekly Potholes: These are deep potholes that have to be addressed this week or this quarter, usually by the leadership team.
- Departmental Potholes: These Potholes involve departments or specific people and are handled by the department.

If you're having a hard time getting issues out in the open, make it mandatory to have a Potholes List at your next meeting: The rule is that each attendee must bring two Potholes to attend. This ensures that the Potholes are brought up and addressed as part of a systemic, company-wide process.

Getting to the Bottom of the Potholes

It's just as important to pay attention to the Potholes as it is to your targets. Potholes are normal, and every business has them. What defines your ability to succeed with this Road Map is how flexible you are in solving problems, meaning, "How well do you fill your Potholes?" There are three steps to solving any problem:

1. Identify
2. Discuss
3. Solve

Start by prioritizing your Potholes so that you always get to the top-three issues first. Then pick the first one and identify the real issue.

Identifying is like peeling away layers of paint and wallpaper in an old house that you want to refinish—you start by scraping the outermost layer of paint, which is the symptom. You sand and peel away layer after layer until you get to the real problem, the wall underneath. You might find that the wall is rotting—meaning you have a person in the wrong seat, or possibly a bad protocol. Your wall might even be being destroyed by termites—a wrong person or a faulty system.

For example, let's say your overall customer satisfaction rating dropped significantly three weeks ago and has stayed there ever since. You keep talking to get to the bottom of the Pothole, and you find out that all of the scores were fine except for "greeting." You keep discussing the issue, and it turns out that your new hire, Joann, is the culprit. Her greeting scores are terrible.

Come to find out, she hasn't had her first-level receptionist training yet. Why? Suzanna, the manager, was on vacation when Joann came on board. Suzanna normally does the training. No one knew that another person needed to fill in the gap for Suzanna. It's the SYSTEM that's at fault.

Now you can move on to step two: discuss. If you've truly identified the heart of the issue, the discussion step will take a short while compared to the identification step. The problem owner (or anyone else, for that matter) suggests a solution. Everyone else is allowed to suggest a solution or chime in about others' suggestions. Here is where you must remember to fight for the greater good, not for what's best for you or your department! Stay focused on the 10-year target and your mission, values, and purpose.

Filling the Potholes

Now you can move forward to step three: solve. This is where you find a solution or come to a conclusion that results in the problem going away forever. One of three results is possible:

1. You add something to a person's To-Do list. S/he does it, and the problem is gone.
2. Information is disseminated, and everyone agrees that they are aware of the information. Problem solved.
3. More research is needed, which gets added to a To-Do list. That person comes back to the next weekly meeting, and you make a decision. Done.

Here are a few examples of resolutions that result in the problem going away forever:

- Remove an employee from a position.
- Create a new position.
- Devise and implement a training protocol.
- Create a script for the CSRs so they know how to talk with clients about money.
- Make a checklist of medical issues that CSRs can talk with clients about, along with the issues that must be addressed by the technical team.
- Implement CallSource to monitor calls in real time.

When you are filling Potholes, keep these guidelines in mind:

1. One at a time. Prioritize the Potholes, then tackle the first one first.
2. Face your fear. Tough issues require tough people. Tough issues are the ones that most need to be solved.
3. You can't rule by consensus, otherwise known as, "You can't please all the people all the time." Someone must make the final decision. What you decide is less important than deciding; just DECIDE!
4. Put your principles before personalities. This means the vision comes first, always.
5. Live with it, end it, or change it. If you can't or won't stop doing it or fix it, definitely stop complaining about it.
6. Fix it now rather than later. Doesn't it make sense to choose short-term suffering over long-term suffering?
7. Suggest a solution. At worst, it starts the discussion. At best, yours is the winner that gets implemented.
8. Don't use secondhand information. Schedule a meeting when all parties involved can be present.

With your Potholes out in the open, you're ready to tackle the next major obstacle in veterinary practices—lack of open, regular communication. That's where meetings come in.

Meetings

We can just hear the groans and complaints, "Ugh, meetings!" If your meetings haven't been productive or helpful, you're not alone. Most veterinary practices have no staff meetings at all or once-per-month staff meetings. We believe both methods are totally ineffective for gaining traction with your vision, and we'll make recommendations for a new and better communication structure in this module.

Now that you have a clear vision, three-year picture, one-year goal, and 90-day Milestones, you need regular communication to make sure everyone is accountable. That regular communication happens in meetings—there's no way around it. We'll give you a template for success, but it's imperative that you buy into it from the beginning in order to make it work.

The leadership team will meet regularly, but so will the owners, departments, and all staff. We believe in a collaborative process. Moving the practice forward and implementing change requires buy-in from the whole team, and you create that buy-in by allowing everyone to participate and have a say.

You'll find that you have less staff turnover, a less stressful environment, happier and more productive staff, and more committed team members. Everyone feels like he or she is making the hospital a better place. In this way, you create a flexible, learning organization that achieves its goals.

All-Staff Meetings

Have an all-staff meeting once a quarter for 90 minutes. In those meetings, discuss only big-picture issues—nothing that pertains to specific departments. Review your purpose, vision, mission, and values. Revisit your organizational Milestones and the Dashboard. This is a "state-of-the-business" address.

Departmental Meetings

We recommend monthly 90-minute department meetings, which give each team a chance to focus on their needs as a department without outside influences. Departmental meetings provide structured communication time. The department lead creates and sends the agenda for the departmental meeting ahead of time, and also sends a summary after the meeting.

Agenda:

- Share best personal/business news. (5 minutes)
- Review the Dashboard. (5 minutes)
- Review Milestones. (5 minutes)

- Client/Employee headlines (5 minutes)
- To-Do list (5 minutes)
- IDS Potholes (60 minutes)
- Conclude (5 minutes)

If needed, you can schedule separate departmental skills-training meetings or add training to the regularly scheduled agenda.

Leadership Team Meetings

The leadership team meetings include team leads, managers, and owners and are led by the practice manager. The agenda includes a review of the Dashboard, a discussion of follow-up from previously assigned To-Dos, staff and client headlines, and IDS (Identify, Discuss, Solve) Potholes.

Biweekly

Leaders meet on biweekly basis to discuss departmental issues that affect more than one department. In the first five minutes of the meeting, you'll share your personal and business good news. Next, you'll spend five minutes reviewing the Dashboard. Report the top numbers and drop problems to the Potholes list. Spend the next five minutes reviewing Milestones. Report either, "On track," or "Off track." Drop problems to the Potholes list.

The next five minutes is dedicated to the To-Do list. These would have been written into your agenda for this meeting. Review seven-day action items from last week and report, "Done," or, "Not done." Keep not dones on the list. Shoot for 90% completion each week. Drop problems to the Potholes list.

Next, spend 60 minutes identifying, discussing, and solving Potholes. Include Potholes on the agenda. Write a complete list that includes today's Potholes on a flip chart or whiteboard. Prioritize them, and tackle the top three. Keep solving more of them if you have time.

Lastly, conclude the meeting. Review new To-Dos and agree on them. Decide if information needs to be communicated company-wide. Rate the meeting on a scale of 1 to 10.

Agenda:

- Share best personal/business news. (5 minutes)
- Review the Dashboard. (5 minutes)
- Review Milestones. (5 minutes)
- Client/Employee headlines (5 minutes)
- To-Do list (5 minutes)
- IDS Potholes (60 minutes)
- Conclude (5 minutes)

Quarterly

In the quarterly leadership team meetings, you're going to tap back into your purpose, or reason for being. Don't let any longer than three months go by between these meetings—we humans tend to lose our focus after that. Even if you don't think you have anything to talk about, you will. Don't skip the quarterly!

The agenda for these meetings looks somewhat different than the biweekly meetings, because you're going to spend time revisiting the past quarter and looking ahead to the next one.

Agenda:

- Introduction
    - Best personal news
    - Best business news
    - Expectations for the day
- Review the previous quarter's numbers.
    - Key numbers (revenue, profit, measurables)
    - Milestones (report done or not done)
- Review the Pathway Planner. (30 minutes – 2 hours)
    - Discuss concerns.
    - Update Potholes list.
- Establish next quarter's Milestones.
- Tackle key issues. (1 – 4 hours)
    - Remove Potholes that were addressed by new Milestones.
    - Prioritize Potholes.
    - Start with top three Potholes and IDS (Identify, Discuss, Solve).
    - Get through as many Potholes as possible in remaining time.
- Next steps
    - Confirm who is doing what.
    - Decide if there is information that needs to be communicated company-wide.
- Conclusion
    - Give feedback on the meeting.
    - Were your expectations met?
    - Rate meeting on a scale of 1 to 10.

Annually

Once a year, tack on an extra day to your quarterly leadership team meeting and create your one-year plan. This is your annual planning meeting, which is required to keep your vehicle running smoothly on this Road Map to Sustained Success. Note that this meeting should be conducted in an offsite location more than two hours away from the practice in order to facilitate team building and "outside-the-box" thinking.

The structure for this meeting should look familiar, but it includes additional content in order to make the meeting flow smoothly and ensure that everyone has a say about the Pathway Planning process. In the introduction phase, each person will state what he or she thinks are the

organization's greatest accomplishments in the past year, along with his or her greatest personal accomplishment for the year. This is also an opportune time to state your expectations for the two-day meeting.

Agenda: Day 1

- Introduction
    - Organization's three greatest accomplishments in past year
    - Greatest personal accomplishment for the year
    - Expectations for the two-day planning meeting
- Review the previous year.
    - Previous year's goals
    - Previous year's key numbers (revenue, profit, measurables)
    - Previous quarter's Milestones (done or not done)
- Team-building exercise (2 hours)
- SWOT analysis
    - Strengths, weaknesses, opportunities, threats
    - Update Potholes list.
- Challenge the 10-year target, values, and marketing strategy and make sure they're still valid.
- Create a new three-year picture (throw out the old one).
- Create a new one-year plan.
- Update the Pathway Planner.
- One-thing exercise
- Dinner together as a team

Agenda: Day 2

On day two, you'll carry over anything you didn't finish from the day one agenda. Next, establish the next quarter's Milestones. Spend the next one to four hours identifying, discussing, and solving at least your top three Potholes.

- Carry over unfinished business from Day 1.
- Establish next quarter's Milestones.
- Tackle key issues. (1 – 4 hours)
    - Remove Potholes that were addressed by new Milestones.
    - Prioritize Potholes.
    - Start with top three Potholes and IDS (Identify, Discuss, Solve).
    - Get through as many Potholes as possible in remaining time.
- Next steps
    - Confirm who is doing what.
    - Decide if there is information that needs to be communicated company-wide.
- One-thing commitment
- Conclusion
    - Give feedback on the meeting.

- Were your expectations met?
- Rate the meeting on a scale of 1 to 10.

Meeting Schedule

Because this communication structure is new to you and likely involves many more meetings than you're used to, we recommend creating a schedule. You'll need to decide when to have your leadership team meetings, owners' meetings, departmental meetings, and all-staff meetings. Here's an example schedule of regular team meetings:

Leadership team meetings:
- First Wednesday from 10:00 to 11:30
- Third Wednesday from 10:00 to 11:30
- The first Wednesday of March, June, and September are all-day, offsite quarterly meetings
- The first Wednesday and Thursday of December is a two-day, offsite annual meeting

Departmental meetings:
- First Wednesday of the month from 7:00 to 8:30 AM: doctors
- Second Wednesday of the month from 12:00 to 1:30: technicians
- Third Wednesday of the month from 12:00 to 1:30: client service representatives
- Fourth Wednesday of the month from 12:00 to 1:30: kennel

All-staff meetings:
- The Fourth Wednesday of March, June, September, and December from 12:00 to 1:30

Next Steps

Rolling Out the Pathway Planner to Your Team

You will meet with your leadership team for two or three days to establish the baseline for your Pathway Planner, including your values, purpose, 10-year target, three-year picture, marketing strategy, one-year plan, Dashboard, measurable, Milestones, Potholes, and meeting schedule.

Very soon after your initial Pathway Planner meeting, schedule an all-staff meeting to teach the whole team about the concepts in the Pathway Planner, why you're making this change, the basic vocabulary, your goals, and what's expected of them. You'll introduce the concepts all at once, but you will roll out the Pathway Planner in the pieces that seem manageable to you.

As the owner, this is your time to make a grand statement of, "We are heading in a new direction," or, "Mea culpa. I'm sorry I haven't done very well so far, but I'm changing that now." We call it the "New day, new way" meeting. Follow it up with an hour of communication skills training to emphasize that the roll-out will not be successful without clear, direct communication at all levels of the organization.

Action Plan

To implement the Road Map to Sustained Success, I will:

Do this today:

Do this in the coming week:

Do this in the coming month:

Resources

Good to Great: Why Some Companies Make the Leap… and Others Don't, Jim Collins, 2001, HarperBusiness. ISBN 978-0066620992

Traction: Get a Grip on Your Business, Gino Wickman, 2012, BenBella Books. ISBN 978-1936661831

Pathway Planner

Organization Name: _____

VISION

Core Values

1.
2.
3.
4.
5.
6.
7.
8.
(Add more if needed.)

Our Purpose

Our niche is:

10-Year Target

Three-Year Picture

Future Date:

Annual Revenue: $

Annual Profit: $

Measurables:

1.
2.

What does your practice look like?

-
-
-

-
-
-
-
-
-
-

(Add more here if needed.)

Marketing Strategy

Target Market:
(include demographics, geographics, and psychographics)

Three Uniques:

1.
2.
3.

Proven Process:

Our Guarantee:

ACTION

One-Year Plan

Future Date:

Revenue: $

Profit: $

Measurables:

1.
2.

Goals for the Year:

1.
2.
3.
4.
5.
6.
7.

Milestones

Future Date (end of quarter):

Revenue: $

Profit: $
Measurables for the Quarter:

1.
2.

Milestones for the Quarter:

Organizational Milestones	Who
1.	_____
2.	_____
3.	_____
4.	_____
5.	_____
6.	_____
7.	_____

Potholes

1.
2.
3.
4.
5.
6.
7.
8.
9.
10.

Adapted from *Traction* by Gino Wickman, eosworldwide.com