BOOK REVIEW
THE ENTREPRENEURIAL MYTH: 10 KEY LEARNINGS

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Book Review


• Author: Michael E. Gerber

• The revised version of Gerber’s acclaimed The E-Myth (1977) refines the author’s theories on Entrepreneurialism and the evolution of a typical business start-up’s birth, growth, stagnation, and possibly, failure. The first third of the book explains the psychology of the entrepreneur: why people (veterinarians) start their own businesses (practices) and the problems that evolve as business activity ramps up without adequate systems or governance. The second third of the book highlights the “turn-key” revolution and franchise concept, starting with Ray Kroc’s now-classic model of McDonald’s. In the last third of the book, Gerber outlines practical solutions and gives advice that all small business owners should heed, if they are truly serious about developing a “world class organization”.

• Rating score: 4 stars out of 4 – a “must read” for EVERY practice owner, regardless of years of practice dictatorship, although the reviewer prefers the CD set for quite entertaining listening and ease of assimilating Gerber’s knowledge with personal experiences and mentally developing her own business action plan.
10 Key Leanings from Gerber

1. **Are You an Entrepreneur, Manager, or Technician?**

If you are attending this meeting, you are likely three in one. The book’s first chapters outline a phenomenon with which most practice owners will immediately resonate: the internal conflict resulting from three distinct aspects of their business personas. The inherent ongoing conflict between entrepreneurial traits, managerial traits and technical traits haunt most practice owners throughout their careers.

Consider the three key personalities in the world of veterinary practice ownership: the Entrepreneur, the Manager, and the Technician. Each is crucial to practice success beyond two or even a single generation.

A visionary, the Entrepreneur clearly imagines the near-future, perfect veterinary practice he will lead. Others see chaos in the wake of the Entrepreneur’s ideas and decisions, often confused by his decisive actions, not understanding the reasons behind them.

The Manager endeavors to make order out of the Entrepreneur’s chaotic decisions founded in change, change and more change. The Manager is a bureaucrat, creating rules, procedures and protocols to fence in the creative Entrepreneur’s ideas, so that work can get done in a predictable manner.

The Technician chafes against both the Manager and Entrepreneur. The Technician, as an expert in her field, knows how to get the job done perfectly, if only the Entrepreneur would focus on the here-and-now, and the Manager would get out of the way with all his silly rules and tedious paperwork.

As we traverse our veterinary careers, most of us cycle through all three of these styles continuously. Sometimes we wear all three hats at once, confusing and frustrating our partners, employees, and loved ones with the apparent conflicts of a three-way split personality.

2. **Entrepreneur**

Those of us who have decided to own and run our own veterinary practice embody all three personalities to one extent or another. Having refined our technical skills and diagnostic proficiencies as doctors of veterinary medicine, we decide our current employers are in the least control-freaks, and at the extreme, doddering old fools in the ways they lead their practices.
This quietly held (for the short-term) observation marks the apprentice’s graduation to artisan. Armed with finely-honed skills and the accolades of colleagues, family, and clients, the apprentice asks “Why am I working so hard for someone else’s profit? I could easily do what my employer does, and much better at that!”

At this moment, a spark ignites the fuse of the here-to-with latent entrepreneurial spirit. The veterinary doctor envisions the possibilities unfolding before her. By starting, developing, and owning her own practice, she can finally “do things her own way”. Since her employer doesn’t “get it” anyway, she might as well do it herself and show everyone how a great veterinary practice can become the utopia she has always envisioned.

Once awoken, the Entrepreneurial alter-ego will not rest. It whispers incessantly for change, change, change: adventure, risk, and reward.

In her very own veterinary practice, the Entrepreneur is destined for immediate success. Clients flock to her currency of knowledge, her passion and communication skills, and her obvious compassion exemplified through the personal time commitment to hands-on patient care.

3. Manager

Within short order (perhaps as little as nine months!), the young energetic veterinarian works long hours in a busy, successful practice. She can’t keep up with all the business necessities such as ordering supplies, interviewing and hiring employees, and paying bills. Up to now, her success has been in great part due to her careful attentiveness to details of all sorts. Now, she can no longer juggle all the tasks, keeping all the balls magically in the air.

She decides to order a manager who will take over the business responsibilities for which she has no formal training, anyways. Although she mentally tasks the new manager with a wide variety of responsibilities, supervision and accountability is non-existent.

The Manager’s job description requires rule implementation, uniform procedures and written protocols. In theory, the Manager assures all employee work is completed in a predictable and competent manner, and that clients promptly remunerate the practice for patient care thus provided. The Manager’s responsibilities span across a wide variety of necessary systems: computers, fees, inventory and supply controls, human resource coaching and development, client service, marketing, bookkeeping and cash flow, to name just a few!
How will you, as a manager, evolve beyond humdrum bureaucratic existence to embrace and advance creative, anticipatory coordination of the wonderful possibilities of veterinary practice envisioned by your entrepreneurial soul, without hampering the task-directed efforts of income-producing professionals?

4. Technician

Your Technician personality entails all the aspects of your formal veterinary training in medical school. In our world of veterinary medicine, the Technician is The Professional.

Veterinarians, nurse/technicians, laboratory techs, and grooms are essential, fussy workers, task-oriented with a penchant toward medical and technical care proficiency. If a horse needs diagnosis or care, the professional will direct the medications to be administered, the tests to be run, and complete the surgical procedure.

Professionals are individualists with intense ego-strength. Managers: Don’t get in the way of their art of practice with disciplined systems of management. Entrepreneurs: Don’t upset the status quo with your lunatic ideas of change.

Is it any wonder that many veterinarians won’t follow “the rules”, but expect everyone else in the practice to do so? And, are hypercritical if they don’t?

5. Doing It – Doing It – Doing It

To be a successful veterinary practice owner, you must recognize where you typically spend or (squander) your time: how do you allocate your time commitment between Entrepreneur, Manager, Technician, and (oh, yeah) Family.

Often, the entrepreneurial flair burns out rapidly, leaving the veterinarian to function as the ever-industrious Technician. Often the veterinarian works harder, not smarter. Following up on delegated tasks is tough without systems. A common symptom of management failure is the exasperated comment: “It would have been faster and better if I had just done it myself!”

Gerber describes the “tyranny of routine”, the dull, repetitive work that drags down your entrepreneurial spirit. Gerber refers to this tyranny of routine as doing-it, doing-it, doing-it and discusses how to rise above it to build a flourishing and exciting business.
6. Abdication vs. Delegation

A good manager creates systems, policies and protocols: rules, if you will, about how to keep the practice on the road to success (without a lot of detours and breakdowns!). Good managers are made, not born. You are responsible for the success of the manager you hire.

Too many owners experience the Entrepreneurial spark and singe out trying to keep up with burgeoning client and business demands. They decide that hiring a practice manager is the magic shot for the sick business symptoms. Now with a manager on payroll, the owner-veterinarian gleefully returns to the full glory of technician work for which s/he was trained (but also faces the drudgery of doing it, doing it, doing it.

Danger! Danger! Simply handing business decisions to the untested manager is a potential disaster in the making. Without oversight (appropriate practice governance), such “delegation” is only abdication of your ownership responsibilities.

For a hired-gun manager to succeed, you must be a strong leader who checks and rechecks the manager’s decisions. This can take more time “than just doing it yourself”, unless you design practice systems and protocols that thwart failure. Such systems take time and money to develop and implement, hence the success of franchises with their “turn-key” solutions in other industries.

7. The Turn-Key Revolution

Ray Kroc, McDonald’s founder, is the quintessential example of the franchise frontiersman. Author Gerber explains Kroc’s concepts adeptly, but a veterinary practice-owner may reject them out-of-hand as non-applicable (and even insulting) to the practice of veterinary medicine.

Dear reader, don’t get stuck on the distasteful analogy of fast food restaurant management to high tech medical practice. Make the leap of faith: Gerber’s application of Kroc’s brilliance to all small businesses truly has merit.

Veterinary medicine may never be able to dictate the exact care procedures for a difficult impaction colic. Nevertheless, your practice can certainly orchestrate the exact number of minutes and exact number of sponges to prep a belly for surgery. (Just like Kroc dictated the exact temperature and minutes for cooking the perfect French fry, so that any 17 year old could consistently cook a quality product).
8. World Class Service

The turn-key franchise model requires as many perfected systems and quality controls as possible for a single key purpose: to provide a consistent customer experience. With consistent delivery of predictably similar communications, patient care, and hospital operations, clients are content. Clients generally do not like surprises. Predictability eliminates surprises and breeds loyalty.

Stability and consistency lead to client satisfaction, repeat business, and referrals. Unexpected variations in staff courtesy, doctor promptness for appointments, and other practice activities will lead to client dissatisfaction and loss.

Your goal is to continuously develop, propagate and refine fail-safe systems throughout the veterinary practice. When all employees not only habituate their activities to match job descriptions, but become passionate about how important they and the practice are to the clients, the practice evolves to what Gerber denotes as a World Class Organization.

9. Practice Governance

For many practice owners, the most difficult conceptual exercise is to separate themselves mentally from their ownership interests as shareholders and think of themselves strictly as employees. Such mental separation requires an extensive self-evaluation process: what are your strengths, weaknesses, and individual growth preferences in relation to fundamental business operational tasks and requisite decision-making responsibilities?

To achieve enterprise success, Gerber strongly recommends use of a visual aid: the business organization chart. The organization chart helps owners think through the various tasks and decision-making responsibilities in a more comprehensive way, conducive to growing the practice over many years.

The organization chart serves as a present and future benchmark against which individual owner experiences and accomplishments are measured. As you define each position required to run the practice, a position contract is created, much like a job description. Typical job positions include Chief of Medical & Surgical Services, Director of Sales, Director of Marketing, Director of Plant and Equipment Maintenance, etc. Gerber discusses a dozen key job positions required for appropriate organizational governance.

Lastly, assign business functions based on strengths and weaknesses and personal preferences of partners. In the early days of a business, a single person might well wear all dozen titles. The goal is to create a framework at the forefront that allows
the practice to stay organized and well-governed, even through the chaos of rapid growth.

10. Your People Strategy

Do you recognize this common owner complaint? “Why can’t I get anyone to do what I want?!”

Gerber says that you must create an environment in which ‘doing it’ is more important than not doing it. ‘Doing it’ well must become a way of life. To do this, you must convince your people that the idea behind the work is more important than the work itself and you must insure that people understand the idea behind the work that they are asked to do.

In order to get your people to do what you want, you have to create an environment that will make it possible. The best businesses represent a game to be played in which the rules symbolize the idea that you, the owner have about the world. If your idea is a positive one, your business will reflect that optimism.

The degree to which people buy into your game depends on how well you communicate the game to them. Your People Strategy is how you communicate this idea. The “Game” is communicated through your beliefs, the performance standards that you set, through words, and by how you act.

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