In 1932, when Hedley and Claire Riffe established Riffe’s Funeral Service, Inc., few in Narrows, VA, had cars or telephones – their customers would simply walk to the funeral home when they needed help. To make sure they were accessible whenever anyone in the area needed a funeral provider, Hedley used to leave a lamp burning through the night so visitors could find the front porch of the funeral home.

Much has changed since those early days. Hedley passed away in 1959, and his son, Jim, took over management of the business. Under a new generation of leadership, the funeral home enjoyed several significant upgrades. The original two-story house and porch is virtually unrecognizable today after the construction of a freestanding chapel in 1966 followed by a 1977 expansion that doubled the size of the main building. “Our facility is the largest funeral home in Giles County,” observed James Riffe, Hedley’s grandson and current manager of the family-owned firm. “We are better able to accommodate large services because of our space.”

In 1999, the staff converted their casket selection room into two visitation spaces, opting to use the Advisor tool offered by Matthews Aurora Funeral Solutions to help families digitally pick out caskets and urns. “We were the first funeral home in western Virginia to install a virtual selection room,” James recalled. “I wish I had a dollar for every time I had a family sitting across from me who felt immediate relief when I told them we didn’t have to walk down to a selection room to look at caskets.” The staff also offers a rental casket option to better meet the needs of families who choose cremation, despite the fact that their cremation rates still trail the national average.

“This community has supported our funeral home for 84 years. Families have choices, and I’m eternally grateful they choose to let us take care of their loved ones.”

In 1932, when Hedley and Claire Riffe established Riffe’s Funeral Service, Inc., few in Narrows, VA, had cars or telephones – their customers would simply walk to the funeral home when they needed help. To make sure they were accessible whenever anyone in the area needed a funeral provider, Hedley used to leave a lamp burning through the night so visitors could find the front porch of the funeral home.

Much has changed since those early days. Hedley passed away in 1959, and his son, Jim, took over management of the business. Under a new generation of leadership, the funeral home enjoyed several significant upgrades. The original two-story house and porch is virtually unrecognizable today after the construction of a freestanding chapel in 1966 followed by a 1977 expansion that doubled the size of the main building. “Our facility is the largest funeral home in Giles County,” observed James Riffe, Hedley’s grandson and current manager of the family-owned firm. “We are better able to accommodate large services because of our space.”

In 1999, the staff converted their casket selection room into two visitation spaces, opting to use the Advisor tool offered by Matthews Aurora Funeral Solutions to help families digitally pick out caskets and urns. “We were the first funeral home in western Virginia to install a virtual selection room,” James recalled. “I wish I had a dollar for every time I had a family sitting across from me who felt immediate relief when I told them we didn’t have to walk down to a selection room to look at caskets.” The staff also offers a rental casket option to better meet the needs of families who choose cremation, despite the fact that their cremation rates still trail the national average.

“This community has supported our funeral home for 84 years. Families have choices, and I’m eternally grateful they choose to let us take care of their loved ones.”

In 1932, when Hedley and Claire Riffe established Riffe’s Funeral Service, Inc., few in Narrows, VA, had cars or telephones – their customers would simply walk to the funeral home when they needed help. To make sure they were accessible whenever anyone in the area needed a funeral provider, Hedley used to leave a lamp burning through the night so visitors could find the front porch of the funeral home.

Much has changed since those early days. Hedley passed away in 1959, and his son, Jim, took over management of the business. Under a new generation of leadership, the funeral home enjoyed several significant upgrades. The original two-story house and porch is virtually unrecognizable today after the construction of a freestanding chapel in 1966 followed by a 1977 expansion that doubled the size of the main building. “Our facility is the largest funeral home in Giles County,” observed James Riffe, Hedley’s grandson and current manager of the family-owned firm. “We are better able to accommodate large services because of our space.”

In 1999, the staff converted their casket selection room into two visitation spaces, opting to use the Advisor tool offered by Matthews Aurora Funeral Solutions to help families digitally pick out caskets and urns. “We were the first funeral home in western Virginia to install a virtual selection room,” James recalled. “I wish I had a dollar for every time I had a family sitting across from me who felt immediate relief when I told them we didn’t have to walk down to a selection room to look at caskets.” The staff also offers a rental casket option to better meet the needs of families who choose cremation, despite the fact that their cremation rates still trail the national average.

“This community has supported our funeral home for 84 years. Families have choices, and I’m eternally grateful they choose to let us take care of their loved ones.”

In 1932, when Hedley and Claire Riffe established Riffe’s Funeral Service, Inc., few in Narrows, VA, had cars or telephones – their customers would simply walk to the funeral home when they needed help. To make sure they were accessible whenever anyone in the area needed a funeral provider, Hedley used to leave a lamp burning through the night so visitors could find the front porch of the funeral home.

Much has changed since those early days. Hedley passed away in 1959, and his son, Jim, took over management of the business. Under a new generation of leadership, the funeral home enjoyed several significant upgrades. The original two-story house and porch is virtually unrecognizable today after the construction of a freestanding chapel in 1966 followed by a 1977 expansion that doubled the size of the main building. “Our facility is the largest funeral home in Giles County,” observed James Riffe, Hedley’s grandson and current manager of the family-owned firm. “We are better able to accommodate large services because of our space.”

In 1999, the staff converted their casket selection room into two visitation spaces, opting to use the Advisor tool offered by Matthews Aurora Funeral Solutions to help families digitally pick out caskets and urns. “We were the first funeral home in western Virginia to install a virtual selection room,” James recalled. “I wish I had a dollar for every time I had a family sitting across from me who felt immediate relief when I told them we didn’t have to walk down to a selection room to look at caskets.” The staff also offers a rental casket option to better meet the needs of families who choose cremation, despite the fact that their cremation rates still trail the national average.
“We know at some point there will be an uptick in cremation. That’s why we work hard today to sell families on the value of the funeral home, on our staff and on our services. If we can continue to do that, we will keep our head above water as the rate of cremation increases,” James noted. “Ninety percent of it is education – letting families know they can do a service beforehand.”

“We always want to give our families a good experience – we try to make it as easy for them as possible at the worst time in their lives,” he continued, noting that his two full-time staff members and three part-time employees are exceptionally effective at meeting the needs of their client families. “One person does not make a funeral home. It takes a team, and I feel I’ve got the best.”

Each member of the staff is invested in their small community – especially James. Despite being the only licensed funeral director at the funeral home, he still finds time to volunteer as a Sunday school teacher, deacon and treasurer at his church. He serves on the board of directors for the New River Community College, runs a successful freelance video and audio production business and recently retired from his 12-year run as the stadium announcer for the high school football team.

Because he lives and works in the same community he grew up in, James often provides services to families and friends he has known his whole life. “I’ve gotten used to burying and cremating my classmates’ parents,” he explained. “But, at times, it can be emotionally, physically and mentally taxing to handle the death of someone who you knew personally, especially when it’s a young person.” One such service wasn’t just challenging for James – it was devastating to their whole community.
On April 16, 2007, Narrows native Jarrett Lane was sitting in his Monday morning engineering class when a fellow college senior entered the room carrying two handguns and several rounds of ammunition. Nine minutes later, the first responders at the scene found evidence of one the deadliest shooting rampages in American history. Thirty-three students, faculty and staff died at Virginia Tech that day, including Jarrett Lane.

“He was weeks away from graduating with honors, and he had already been accepted into a master’s program,” James recalled. “He was going to go places.”

Jarrett graduated at the top of his high school class and was both well known and well liked in the community of 1,900 people. He played trombone in the high school band, competed on the school’s football, basketball, tennis and track teams and volunteered with his church’s youth program. The news of his death spread quickly through the close-knit community, as many of the town’s residents remembered watching Jarrett grow up.

“It is so tough when you know the family personally,” James explained. “You can’t help but grieve alongside them.” James was one of many in the profession who helped coordinate services for the Virginia Tech victims, and he recalls the week following the shooting as one of the most difficult in his career. “We were caring for a family who had just unexpectedly lost their son. We were caring for a community that was grieving together. And we were balancing all of that while dealing with the national media.”

Nearly 1,800 people lined up at the high school to pay their respects during Jarrett’s visitation, and another 600 people crowded into the auditorium for the funeral the following day. Out of respect for grieving friends and family, James asked members of the media to sequester themselves in the school’s gymnasium where they were able to watch the funeral on a projection screen. He also helped the family craft an official statement and shielded them from the barrage of press inquiries regarding Jarrett’s services.

“We had to worry about keeping the mourners safe and keeping the media at a respectful perimeter,” James recalled. “It was the largest funeral we’ve ever conducted, and it took all of our staff and several other funeral home owners in the area just to make it work.” For James, providing grief support to Jarrett’s family while seamlessly coordinating service logistics was just one of the many ways they’ve always cared for families at their funeral home.

“We always want to give our families a good experience – we try to make it as easy for them as possible at the worst time in their lives.”
Despite having grown up in the business, James didn’t initially pursue a career in the funeral profession. Instead, he spent 15 years in broadcasting, working behind the scenes in production, marketing and creative services. His nontraditional path to funeral service has served him well in developing a more creative approach to his business. He regularly invests in new technology and upgrades to their funeral home website. Now a Certified Preplanning Consultant, James is also an advocate for the importance of an active pre-need program to meet the needs of modern consumers.

“I try to be forward thinking, and I like to think ahead. Pre-need is an extremely important part of that,” he explained. “Homesteaders offers products to fit our needs.”

In addition to the flexibility in products and services, James appreciates the simplicity of working with Homesteaders. “The claims process is simple. That’s really what sold us on Homesteaders back in 2003,” he recalled, noting that with other pre-need providers it could take weeks to receive claim payments. “With Homesteaders, the money is deposited instantly. When we heard how quick and easy it is to submit claims, we immediately signed up.”

James also appreciates Homesteaders’ marketing support and customer service as well as digital tools like the myHomesteaders dashboard. “I love being able to log in quickly and track an account to see how it’s doing. Homesteaders makes it easy to check on our pre-need progress,” he observed. “I use the dashboard almost as much as I use Microsoft Word.”

After more than a decade of working together, James highly values his relationship with Homesteaders. “There are some companies we work with that are more than just vendors,” he affirmed. “Homesteaders is one of them. We don’t have a vendor/client relationship with them – we have a business partnership.”
Important updates

Homesteaders Assurance Trust®
Now Available in Nebraska
Homesteaders is pleased to announce the expansion of the Homesteaders Assurance Trust® to our funeral home customers in Nebraska. The Homesteaders Assurance Trust®, powered by ClearPoint Federal Bank & Trust, provides the flexibility of trust funding while offering the benefits of doing business with Homesteaders, including the PartnerPoints® and Casket Alliance rewards programs. This new option also includes a multi-payment plan for consumers who wish to make payments over time as well as revocable and irrevocable options. For more information about the Homesteaders Assurance Trust® products, contact your Homesteaders account executive.

Homesteaders Production Reporting Update
As part of Homesteaders’ ongoing efforts to improve our reporting resources for funeral home customers and agents, we have implemented enhanced pre-need production reporting effective January 2017. With the completion of our first production cycle in the new year, reports that previously provided only prearrangement amount (PAA) production values transitioned to reporting based on face production. In addition, policy change transactions now result in retroactive production changes in reporting. These enhancements provide our customers with more dynamic reports through the myHomesteaders dashboard and allow us to ensure data standardization across reporting tools. If you have any questions, please contact your Homesteaders account executive.

Crediting Rates Updated
January 1, 2017
In order to protect the long-term security of the policy owners we serve, Homesteaders management periodically reviews crediting rates. When necessary, we adjust these rates up or down. Homesteaders recently approved an adjustment to policy crediting rates effective January 1, 2017. The latest product features and crediting rate information can be found on the myHomesteaders dashboard. After logging in, click on the blue “Need Help” tab on the right, then click on the “Policies & Procedures” link and scroll down until you locate the details for the products you sell. Please contact your Homesteaders account executive for more information.

PartnerPoints® Redemption in 2017
Funeral home customers who earned PartnerPoints® in 2016 may redeem them beginning February 1 through November 30, 2017, for cash or marketing support. Remember, when you use your PartnerPoints® toward approved marketing support programs, you earn an additional $0.25 for every dollar spent. For example: If you use $2,000 in PartnerPoints® toward a Homesteaders-approved direct mail campaign, you’ll earn an additional $500 toward the printing and mailing cost of the campaign. To redeem your PartnerPoints® or to check your online statement at any time, login to the myHomesteaders dashboard. For information about the benefits of Homesteaders’ exclusive PartnerPoints® program, contact your account executive.

Steve Whitaker Returns as Continuing Education Instructor
We are pleased to confirm that Steve Whitaker will be teaching our continuing education courses through the end of 2017. For many years, Steve has gotten to know our funeral home customers and agents in his role as Educational Services Director. We are grateful he has agreed to return for one more year, even as he transitions into partial retirement. Visit our website to view this year’s continuing education schedule.
At Homesteaders, we believe that our positive corporate culture is the source of the high level of customer service and expertise we offer our funeral home customers. Ask anyone who works for Homesteaders and they’ll tell you the days go fast – proof positive that time flies when you’re having fun and loving what you do.

In 2016, Homesteaders introduced its all-new Homesteaders Heroes awards, a peer-nominated program recognizing and rewarding outstanding employees from all areas of the organization. Our goal was to recognize the “Best of the Best” – while continuing to focus on developing and maintaining a culture that celebrates high achievement.

The winners were recognized at an all-company meeting last month after being carefully selected by a panel of Homesteaders executives. In its inaugural year, Homesteaders recognized individuals in four areas: The Rising Star Award, The Innovation Award, The Outstanding Teamwork Award and The Enduring Impact Award.

**Danielle Burmeister, Rising Star Award:**
This award recognizes an employee who demonstrates eagerness to learn, commitment to Homesteaders and engagement with the company and peers early in his or her career. Danielle has been with the company less than two years and has already demonstrated exceptional enthusiasm, talent and passion.

**Travis Nelsen, Innovation Award:**
This award recognizes employees for the successful implementation of a new or updated process, product, service or program that results in a measurable improvement in the company’s performance, processes or brand strength. Travis conceived of and developed the myHomesteaders Policy Management app, offering funeral home customers and agents a way to manage their pre-need programs on their smartphones or tablets.

**Jason Richards, Outstanding Teamwork Award:**
This award recognizes a member of a project team who has demonstrated enthusiasm, cooperation, problem-solving skills, commitment to success and a consistently positive attitude. Jason demonstrated leadership on an extremely difficult corporate initiative, working with internal groups, regulatory officials and Homesteaders’ funeral home customers to meet tight deadlines and complex regulations.

**Karen King, Enduring Impact Award:**
This award recognizes significant, long-term contributions or body of accomplishments to Homesteaders that make a lasting impact on the company’s success. Karen celebrated her 44th anniversary in 2016, having spent her entire career working at Homesteaders. She is professional, capable and positive and never forgets a coworker’s birthday.

**Cheryl Phillips, Enduring Impact of Human Spirit Award:**
This special award was presented posthumously to Cheryl’s husband, Greg. Cheryl passed away earlier this year after working on Homesteaders’ customer service team for more than 20 years. Throughout that time, she demonstrated endurance of spirit, a strong will and a positive attitude while battling a critical illness.

All of the 2016 Homesteaders Heroes represent the very best of Homesteaders. We congratulate each of this year’s winners and nominees and thank them for their ongoing commitment to our company goals.
Upcoming events

Homesteaders values participation in industry events, which is why our staff attends conventions throughout the year. In the coming months, Homesteaders experts will be participating in the following events:

**ICCFA Wide World of Sales Conference**
January 11-13, 2017 | Hyatt Regency Phoenix
Phoenix, AZ

Homesteaders is a proud sponsor of this year’s ICCFA Wide World of Sales Conference, January 11-13. Join 450 other pre-need professionals for an agenda full of best practices and helpful tools from leading sales experts, specifically adapted for funeral professionals. This year, the Wide World of Sales is going back to the basics of sales: technology, cremation and people. To register, click here.

**Free Webinar: Digital Security and You**
January 12, 2017 | 1-2 p.m. (CST)
NFDA Member Webinar

Join James Spellos as he teaches you how to better understand your digital risks and separate truth from hype regarding your level of security. Learn how to prevent your digital presence from being compromised using several simple tools such as: understanding the risks of digital security issues, critical terms you need to understand about digital security and how to best keep your digital presence from being compromised. To register, click here.

Continuing education

Homesteaders hosts several continuing education programs throughout the year that qualify for state insurance, funeral director and ethics credit hours. In 2017, Steve Whitaker will be returning once again to teach the year’s programs. In the coming months, he will be hosting the following classes:

**Oklahoma City, OK**
- Insurance Ethics Considerations (Feb. 21 from 8 a.m. to 2:15 p.m.)
- Insurance 101 (Feb. 22 from 8 a.m. to 2:15 p.m.)

**Tulsa, OK**
- Insurance Ethics Considerations (Feb. 23 from 8 a.m. to 2:15 p.m.)
- Insurance 101 (Feb. 24 from 8 a.m. to 2:15 p.m.)

The fee for each course is $75 and includes the registration/filing fees, lunch and refreshments throughout the day. Visit our website to learn more.
What we’ve been reading

Reflections from a Hospice Chaplain
In this short reflection, hospice chaplain Kerry Egan offers an in-depth glimpse inside the day-to-day work of his organization. Egan’s advice on helping families realize and accept mortality is both insightful and beneficial for funeral professionals who seek to guide these same families through end-of-life planning. He also emphasizes the importance of a customized and personal approach, noting, “Think about how different every single person who’s living is. Well, people are just as different in the dying process.”

Words Matter: “Basic” Cremation vs. “Direct” Cremation
Perception is everything when it comes to marketing your funeral home business, especially when you consider the steep learning curve for client families who are using your firm for the first time. When it comes to presenting services like cremation, choosing the correct wording could mean the difference of thousands of dollars of revenue. This article from the Funeral Business Advisor explains how shifting from “Direct Cremation” to “Basic Cremation” could improve not only your revenue, but also your family satisfaction.

Death Care Goes Digital
The digital age has reached the funeral profession, and more and more tech companies are responding with creative solutions for engaging end-of-life technology. New apps are emerging to make it easier for consumers to collect their final wishes. “We want to help people get clarity on [their values], and then make it really easy to communicate those preferences to your loved ones,” said Suelin Chen, founder of Cake – a smartphone app that offers step-by-step support for end-of-life planning. Check out this short article to read about more end-of-life planning apps.

How Long Does Grief Last?
Handling grief during the holidays is certainly difficult, but milestones like the start of a new year can also feel like an emotional burden. In this short article, grief expert Helen Harris shares insights into long-term grief and how you can help others who are hurting. “There is no one right answer,” she explains. “It is important that people trust their own intuitive knowledge of themselves and that each person give the other grace to do what helps.” Click here to read more.

Want more great content?
Connect with us on social media or subscribe to our blog for additional industry information, tools and tips.
Are Your Funded Pre-need Files Vulnerable to Competition?

A few months ago, I was sorting through a pile of funeral surveys, and I came across a family (let’s call them the Smiths) that indicated, “I have prefunded my services.”

I checked the drawer and, sure enough, they had an irrevocable CD that was established years ago, long before insurance or cost guarantees were offered at our firm. It would be helpful to our staff, I noted, if I reached out to the Smiths to fill out a bio sheet and obituary outline, along with a general overview of the couple’s wishes. So I picked up the phone to thank them for taking time to complete the survey.

“Your time is valuable, and we can only grow from the opinion of families like yours” is my standard opening line each time I contact a survey respondent. What I learned in that call – a call that we already “knew” was ours – was a valuable lesson that the Democratic National Committee recently learned (and, no, this is not a political post).

You cannot take anything for granted.

When I called this family, I discovered they were interested in information on costs because they wanted to know if we could match the Cremation Society’s price. That’s right, folks. The Smiths may have left us without any warning years after trusting our firm enough to give us a funded “plan.” They would have chosen an impersonal and indifferent service provider instead, and – the worst part – we would have never known why.

Funeral home owners who do not have an active pre-need program that proactively promotes their firm will always be vulnerable to scenarios like this. A file in the drawer with nothing but a bank CD is not a plan – it is a false sense of security for both family and funeral home.

When the Smiths “prearranged” their funerals years ago, the value of funeral service was never discussed. Likely, someone from the family called in to state they wanted a funeral trust, and whoever answered on the other line set the appointment. The Smiths arrived and signed the prepared paperwork. Fifteen minutes later, and probably sandwiched between two death calls, a “pre-need file” was in the drawer – a “won” family that would provide the firm two future calls, in about eight years.
Are Your Funded Pre-need Files Vulnerable to Competition? (continued)

Fast forward five years, and now the Smiths are the toughest type of customer – the dreaded price shopper. Sadly, this case exposes a harsh truth: We can never stop working to win over customers.

When you don’t have a passionate pre-need representative actively telling your story and promoting the value of funeral service as their sole mission with families, you don’t have a first line of defense against this type of loss. If you’re not inviting your community to engage in a conversation about funerals with tools like direct mail, regularly scheduled speaking engagements, active networking with influencers and other end-of-life professionals or family service follow up and aftercare, you – and your business – will continue to be vulnerable. And, I assure you this: Your competition is already out doing those things or will be very soon.

Imagine you are losing families like the Smiths consistently (and without warning), when all you need to do to retain their business is have a conversation about their true wishes and educate them on your services. Without an active program, how can you recover when you lose already “won” customers?

A skilled pre-need person can reach out to these families and educate them on the value of a well-planned memorial. Often, these pre-need counselors will find a huge majority of price shoppers are actually value shoppers – more savvy than stingy.

You’re going to lose some customers, just like we may lose the Smiths even after our best efforts. But without an active pre-need program and a foundation of communication and relationship building, you are relying on fate alone to take care of the future of your business. This is not a wise approach.

One final thought: The funeral home the Smiths used to fund their CD is the only funeral home in their community. The Cremation Society the family had heard about is more than an hour away. The funeral home’s at-need call volume is less than 200 calls per year, but they are on track to produce more than $1 million this year in pre-need volume.

Why is this funeral home – one with little or no local competition – so committed to an active pre-need program? Because they take nothing for granted.

“Without an active pre-need program and a foundation of communication and relationship building, you are relying on fate alone to take care of the future of your business.”
In order to advance in my career, I’ve had to seek opportunities to get better at what I do. My philosophy is that it’s up to me to find ways to improve my skills and gain new knowledge that will help me achieve my goals.

I’ve found that this mindset is also effective for pre-need professionals: The ones who are driven to get better and learn new techniques are the ones who see results. That’s why it’s so important to participate in valuable opportunities to develop the skills you have and learn from others who share your passion for the profession. Here are a few key considerations that will help you make the most out of your chances to grow.

Seek relevant opportunities to learn.
When evaluating a training or continuing education event, your first consideration should be the needs of the people you work for. They are the ones who count on you to perform at a high level, so developing your skills to match their needs is an excellent starting point.

A second point to consider is the reputation of the organization that is sponsoring the training. For example, I’ve always been a huge supporter of the national and state conventions and the insights you can gain from those events. Through my involvement in association events and training offered by Homesteaders, I’ve learned just how much planning is involved to ensure the session topics are relevant for everyone who participates.

Become immersed in funeral service.
If you’re a new pre-need professional, it is critical to develop a strong understanding of the funeral planning process. This process is different for every firm, and those who are just starting in the profession may not realize just how much it can vary. You need to know every detail of the process at your firm so you’re prepared to answer families’ questions in a sensitive way.

Before attending a formal training class, it’s important for new pre-need professionals to take advantage of opportunities for observation. When you’ve had a chance to see the process for yourself first, the training can help you put all of the pieces together.

Get back to basics.
For experienced pre-need professionals, I’ve found that improving your skillset often means returning to the basics. If you’ve been in the profession for a long time, it’s common to default to doing the same things in the same way every time. You never have the chance to enhance your process if you don’t have exposure to what is possible.
I encourage pre-need professionals to attend training events with people of many different levels of experience so they can gain fresh perspectives and ideas. You’ll receive motivation by sharing best practices for overcoming your biggest challenges. It’s also a good reminder that, no matter how long you’ve done this, you have to constantly change your goals to improve your performance.

**Implement what you’ve learned.**
After you attend a training class, identify the skills or ideas you’ve learned that you want to begin using right away. The adage, “If you don’t use it, you lose it,” certainly applies to these opportunities – it is critical to make an action plan for how you want to implement what you’ve gained from training.

Then share what you’ve learned – and your next steps – with the entire funeral home staff. In addition to helping you be accountable for improvement, this will ensure understanding of what you want to accomplish and how it is beneficial for everyone at the funeral home. Communicate the specific ways they can help you, and show appreciation for their efforts to help you serve families.

Taking advantage of opportunities to develop your skills – no matter how long you have been in the profession – is critical for anyone who wants to be successful. By making the most of your chances to learn (whether through formal training or connecting with peers), you’ll continue to achieve results.

This article was originally published on the Homesteaders blog. [Click here](#) or on the links throughout the article for more great blog content.

"The ones who are driven to get better and learn new techniques are the ones who see results.”
As we begin a new year, we have a well-timed opportunity to look back and consider the things we have been doing well, the things we need to do better and the things we should continue to do to enhance our operational efficiency.

Throughout my 20 years of owning funeral homes, one of the key metrics I regularly reviewed was our business’s accounts receivable (AR) – essentially a drawer full of unpaid invoices. In funeral service, these drawers often represent families who are finding it difficult to come up with the funds necessary to fulfill their financial obligation to you and your staff.

These outstanding balances can be very difficult to collect, especially once the positive afterglow of a service fades.

There was a day and time when you could count on a family’s word and have very high confidence that the bill was going to be paid in full and on time. Unfortunately, in many communities, those days seem to be long gone.

Because death is often unexpected, loved ones are sometimes unprepared to cover the costs of funeral services. Without a funded prearrangement in place, families can feel pressured to make hundreds of split-second decisions without time to consider what they truly want, need and can afford.

When planning a funeral, arrangement costs can add up quickly, and families are often surprised at how much they end up spending. Many consumers have fewer cash reserves on hand now than previous generations, which can make discussing financial options in the arrangement conference difficult, but nonetheless very important.

Additionally, family structures and relationships are more complex today than ever before. High divorce rates and other shifting family dynamics mean there may be more people making arrangement decisions, and deciding who will be responsible for payment can become complicated at best – and contentious at worst.

Given these challenges, adopting an effective AR management policy is a necessary component of your operational strategy. Fortunately, there are a number of resources available to help funeral home owners establish policies that mitigate receivable problems. Veterans in the funeral profession generally agree on the following best practices for effective AR management:

- Communicate payment options early and clearly.
- Offer as many payment options as possible, including credit card payments.
- Discuss a family’s financial situation openly, and scale the service and merchandise to meet their needs and means. Getting paid less for fewer goods and services is better than not getting paid at all.
- Do not leave the arrangement conference without having the account secured through some form of payment. Remember that the service you provide is important and valuable. You deserve to be paid promptly and in full.
- Create a culture of accountability where everyone on your staff is responsible for setting up payment for the services they arrange.
- When appropriate, mention pre-need as a funding option. Taking every opportunity to educate families on your pre-need program – even in at-need arrangement conferences – does families the great service of making them more educated consumers for their future funeral purchases.
Executive insights (continued)

It is the prerogative of each owner to determine what their strategy will be when it comes to making exceptions to their policies and when to take a calculated risk on payment. However, keep in mind that, when an account is not secured, there is a chance it will end up in that drawer of good intentions and broken promises.

Consider the impact when one of your client families fails to pay the bill on a $5,000 service. Not only is your bottom line $5,000 lower than it should be, but it is unlikely you will be receiving business from that family in the future.

Families with unpaid bills are not likely to want to use your business again if they know they still owe you money. They’re not going to tell their friends and family to use your services because they are embarrassed about their non-payment. So, you get a triple whammy: you don’t get paid for the work you’ve done, you lose future business from the family and they tell their friends and family you were too expensive or gave poor service.

Coupled with an effective AR management policy, a robust pre-need program can help mitigate the impact of receivables on your business. Pre-need is one of the best tools for managing accounts receivable issues and has a lot of tangible benefits for families. A fully funded funeral:

• Allows a family to pay over time.
• Eliminates emotional stress over arrangement decisions.
• Locks in the buying habits of a generation that is more likely to understand and appreciate the value of service.
• Mitigates fights between immediate and extended family members over what a loved one would have wanted.
• Eliminates disagreements over who will pay for the funeral and when the funds will be available.
• Connects families to your funeral home at a time when stable and growing market share is one of the most critical success factors for any funeral business.
• Provides a better arrangement experience and allows the family to focus on their grieving process sooner.

A funeral is a time for family and friends to come together to support each other after the loss of a loved one, a time to acknowledge the loss, honor the departed and celebrate their life. A prefunded funeral makes it easier for families to focus on what matters in the days and weeks following the death of a loved one, and it enables you to focus on serving their needs rather than collecting their money.