

# HOW STRONG IS YOUR PLAYBOOK?

Strategic and operational plans are not just “set and forget” items. Your business’ growth and success depend on them.

BY CHRIS CRUGER

One ultimate mistake funeral home and cemetery owners and management make when putting together a strategic plan is confusing it with other types of planning. A strategic plan is a tool that provides you and your business with the framework to accomplish the company’s mission with proficiency and impact. Sorry, folks, the grand blueprint in your mind doesn’t qualify. Your plan really must be measurable and in writing.

Typically, your strategic plan will encompass a timeframe of three to five years. It is not something you just set and forget. It should be your playbook for the business. You will constantly monitor and adjust it into a clear annual operating plan and budget. Regardless of what you call it, the point is that you need a written plan.

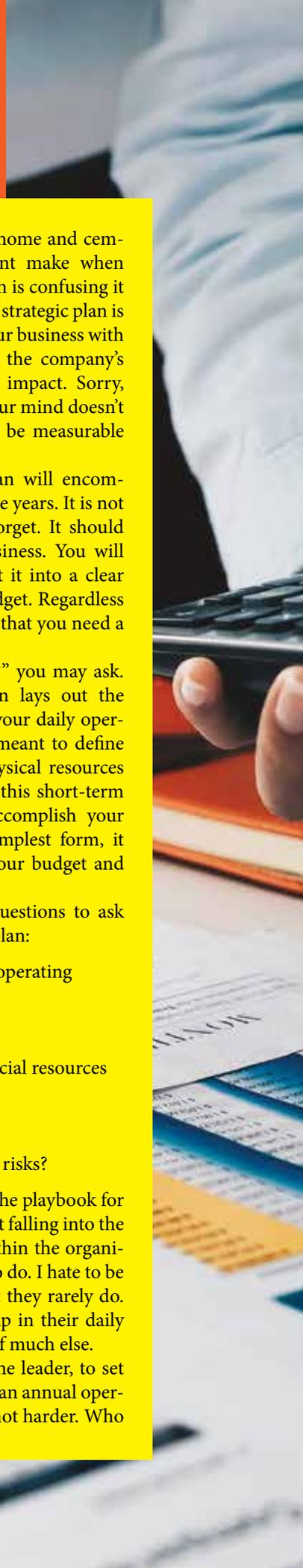
“What is an operating plan?” you may ask. In short, your operating plan lays out the who, what, when and how of your daily operations for the next year. It is meant to define how human, financial and physical resources will be utilized to accomplish this short-term objective, so that you can accomplish your longer-term strategy. In its simplest form, it should be distilled down to your budget and goals for the next 12 months.

Following are some basic questions to ask when crafting your operating plan:

- What can we learn from our operating and financial history?
- Who is responsible for what?
- How do we allocate our financial resources within the business?
- What risks do we face?
- How might we mitigate these risks?

Using the operating plan as the playbook for your business will guard against falling into the trap of thinking everybody within the organization knows what they need to do. I hate to be the one to break the news, but they rarely do. Most people are so wrapped up in their daily routine that they rarely think of much else.

It is incumbent on you, as the leader, to set that direction. The objective of an annual operating plan is to work smarter, not harder. Who



among us wouldn't welcome more time for ourselves and our family, and to enjoy the things we love?

An organizational plan, budget or whatever you want to call it is a simple yet critical step in achieving success. Here are some simple steps to follow in creating your plan:

- Include key stakeholders in the process.
- Check your ego at the door. Be objective.
- Perform a simple S.W.O.T. analysis of your business (strengths, weaknesses, opportunities, threats).
- Define your goals. Establish key performance indicators (KPI).
  - Financial (revenue, expenses, receivables, cash, debt, etc.)
  - Operational (volume, preneed, physical assets, etc.)
  - Organizational (employees, continuing education, community involvement)
  - Personal (time off, succession, employee development)
- Create a budget broken down by month.
  - Set achievable goals.
  - Be realistic.
  - Hold yourself accountable.
- Communication is a *must* throughout the organization.
- If you need help, ask!

It isn't important what you call the process, but it is critical that you do it. Countless statistics support the greater probability of success to a written plan with accountability. However, the statistic that matters most is your success. Set aside a little time now, so you have more time for yourself down the road.

### **NO DESIRE TO CREATE A PLAN?**

If you aren't interested doing the planning, then perhaps a succession plan is what you need. Simply put, succession planning is the strategy of pass-

ing on leadership roles – and often ownership of a company – to an employee or group of employees. While this sounds simple, why is it so difficult to do? Often, it's because there isn't the depth of leadership or skills within a small, often family-run funeral or cemetery business. Many of us also have problems letting go.

The pandemic has clearly changed our profession. In addition to all the new insights from The Foresight Companies' consumer study, we have seen that the pandemic has also impacted funeral business owners in that they are now planning to retire sooner than anticipated. Whether it's from "COVID fatigue" or the pending changes to our tax environment, many in our profession want out. What is more alarming is that of those owners looking to retire, more than 50% of them have little or no planning in place!

In a profession in which we preach preparedness and caring for others, we fail ourselves and those closest to us all too often. We've all been there in those horrible moments when somebody is lost unexpectedly, and the tragedy is devastating. It's much more pleasant to approach succession planning looking *toward* our golden years. It's critical to have your plan sorted out now, be it for your estate or your retirement.

When a succession plan is put together properly and ahead of time, there are a multitude of options. If it's done after the fact, in "postmortem," it can be a disaster.

And while we have been hearing about many high-profile acquisitions in our industry over the past several years, the market has become much more disciplined. Many who are looking to get out in the next several years are going to find limited or no takers. The days of the consolidators buying anybody with a heartbeat are gone.

I am not saying this as an alarmist. You need to know that, yes, there are options, but you must plan for them. The point I wish to get across is that you absolutely must have a written plan – a plan to operate and a plan for what happens next.

If you don't have these plans and don't know where to begin, ask for help or start the conversation. And if you don't want to plan for your own benefit, do it for the ones you love and for the benefit of your community and your employees. ☰

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*Chris Cruger is CEO of The Foresight Companies, a Phoenix-based business and management consulting firm specializing in mergers and acquisitions, valuations, accounting, financing, human resources and compliance services. He is seen as an innovator and thought leader in the funeral and cemetery industries. His great success is based on an exceptional ability to provide comprehensive solutions to intricate business challenges faced by leaders in our industry. Cruger can be reached at 800-426-0165 or [chriscruger@theforesightcompanies.com](mailto:chriscruger@theforesightcompanies.com). Check out additional insights at [theforesightcompanies.com/blog/category/articles](http://theforesightcompanies.com/blog/category/articles). Connect with The Foresight Companies on Twitter, LinkedIn and Facebook.*