

DEVELOPING YOUR STRATEGIC PLAN FOR



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recently presented a seminar to some 40 funeral home owners, and rather than providing answers to all of their questions, I decided to ask a few of my own. I asked the group, “How many know what a strategic plan is?” I followed up with, “How many performed an annual strategic plan for each of the past three years or more?” Then I asked, “Of those who have performed a strategic plan, did you write the plan down or just do it in your head?” Lastly, I queried, “Of those who have created a strategic plan on paper or in your head, did you communicate that plan to your staff?”

Why did I take the time to do this? Well, I had an article to write on the subject, and with these questions forming the structure of the piece, the attendees pretty much wrote it for me! If you’re reading this and were among the 40 attendees, let me know and I will share the royalties from this article with you.

A strategic plan is just what the sum of the words means: “Strategic” means a well-thought-out strategy to accomplish something and “plan” means a guide or design for the future. Therefore, a strategic plan is a well-considered strategy to accomplish your business success into the immediate and long-term future.

However, just as someone might understand the meaning of the word “cooking,” that doesn’t mean he or she would eat what is created.

DO YOU KNOW WHAT A STRATEGIC PLAN IS?

Of the 40 seminar attendees, almost all stated that they knew what a strategic plan was. What they didn’t understand was how much work it took to create one. There are many components to a strategic plan – it can deal with multiple dynamics of running the business, including financial, marketing and physical plant. To do it correctly, you need the proper data from past operations to see what changes are actually taking place in order to look for corollaries and reach conclusions.

The points of the strategic plan on which to focus are deter-

mined by the changes you see in your business or market. This is a lot of work, and it’s best if you focus on only one or two points to study in-depth. For example, if new competition enters your market, your strategic plan should deal with that. If case count is falling, then strive to focus your plan on that dynamic.

I recommend that you don’t focus on changing society. For example, one client told me he wanted to have a plan to sell more caskets. Really? If you come up with a plan to do this, the large casket companies will pay you a bazillion dollars for it! Remember, focus on what you can correct and accept that which you cannot change.

The most important matter in creating a strategic plan is to be objective. I have problems doing that for my business but not for any of its clients. To solve for my lack of objectivity, I let my staff do the analysis for my company’s strategic plan. They can then present it to me as if I were a client. This could be your solution if your business is large enough to have a solid administrator but too small to afford a management consultant.

HAVE YOU PERFORMED AN ANNUAL STRATEGIC PLAN FOR EACH OF THE PAST THREE YEARS OR MORE?

Only 10 attendees stated they had. Obviously, a large number do not spend their time on that at all. This fact didn’t surprise me. Most funeral home managers are funeral directors, and most funeral directors are caregivers and not geeks. Most are trusting folk, not calloused businesspeople. Ironically, three of the 10 who had created plans were combination operators, owning a funeral home and cemetery. In fact, all of the cemeterians were part of this group! Cemeterians generally have different personality styles from funeral directors.

Some of the larger owner-operators of funeral homes have home office staff that create these plans for their managers. They do this because as a funeral director, you are a caregiver first and often don’t have the time or the inclination to create a strategic plan.

Looking back on the small group of strategic plan creators, I



noticed another common trait: They were all under 40 or thereabout. Either their age caused them to look at funeral service as a business or they had the energy to try to do a more complete job of planning for their business future. They may have been raised to think differently.

OF THOSE WHO HAVE PERFORMED A STRATEGIC PLAN, DID YOU WRITE THE PLAN DOWN OR JUST DO IT IN YOUR HEAD?

Only one person had written the plan down. The other nine had it in their heads. This is an obvious problem. Putting your strategic plan on paper helps you judge its effectiveness as the year progresses. Writing a plan also keeps you accountable. You might not want to admit you made mistakes. We all make mistakes. The key is to learn from them. As a consultant, I have learned by observing the actions of business owners who were successful and those that lead to failure for business owners.

IF YOU HAVE CREATED A STRATEGIC PLAN ON PAPER OR IN YOUR HEAD, DID YOU COMMUNICATE IT TO YOUR STAFF?

Five of the 10 who created a strategic plan communicated it to their staffs. I think it's important to get these thoughts and visions to those working the business with you. A train conductor a hundred years ago would have found it important to tell the guy shoveling coal prior to climbing a mountain. Likewise, everyone in the funeral home needs to know your vision for the future. They are relying on you for their future financial security, and you need them to solidify yours.

One reason a funeral manager gave for not communicating

her strategic plan to her staff was that she perceived they didn't get it so thought it a waste of her time to share it with them. That is a human resources problem. You've got the wrong people on your bus. Make staff changes. Find people willing to change and share a vision.

Another owner who did share his vision shared it only with licensed staff. I believe you have many ambassadors to your business. Get the vision out to all of them. Bring in the part-timers and have meetings with them and share with them.

Success has many people claiming success, but failure is handled by the leader alone. Bring your staff together. Share the past with them. Share the trends and why you are reaching the conclusions you are. They will feel empowered.

As to the one seminar attendee who did everything, the firm's case count is up 16 percent over the past five years. Preneeds are written at a greater rate than the national average and average revenue per call is at the budgeted amount. Most importantly, this person has taken almost six weeks of vacation in each of the past three years! He credits his use of a strategic plan and communicating it to all of his staff as the reason for this profitability and these quality-of-life enhancements.

No one plans to fail; most just fail to plan. But a strategic plan leads to the greatest chance of success. ★

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