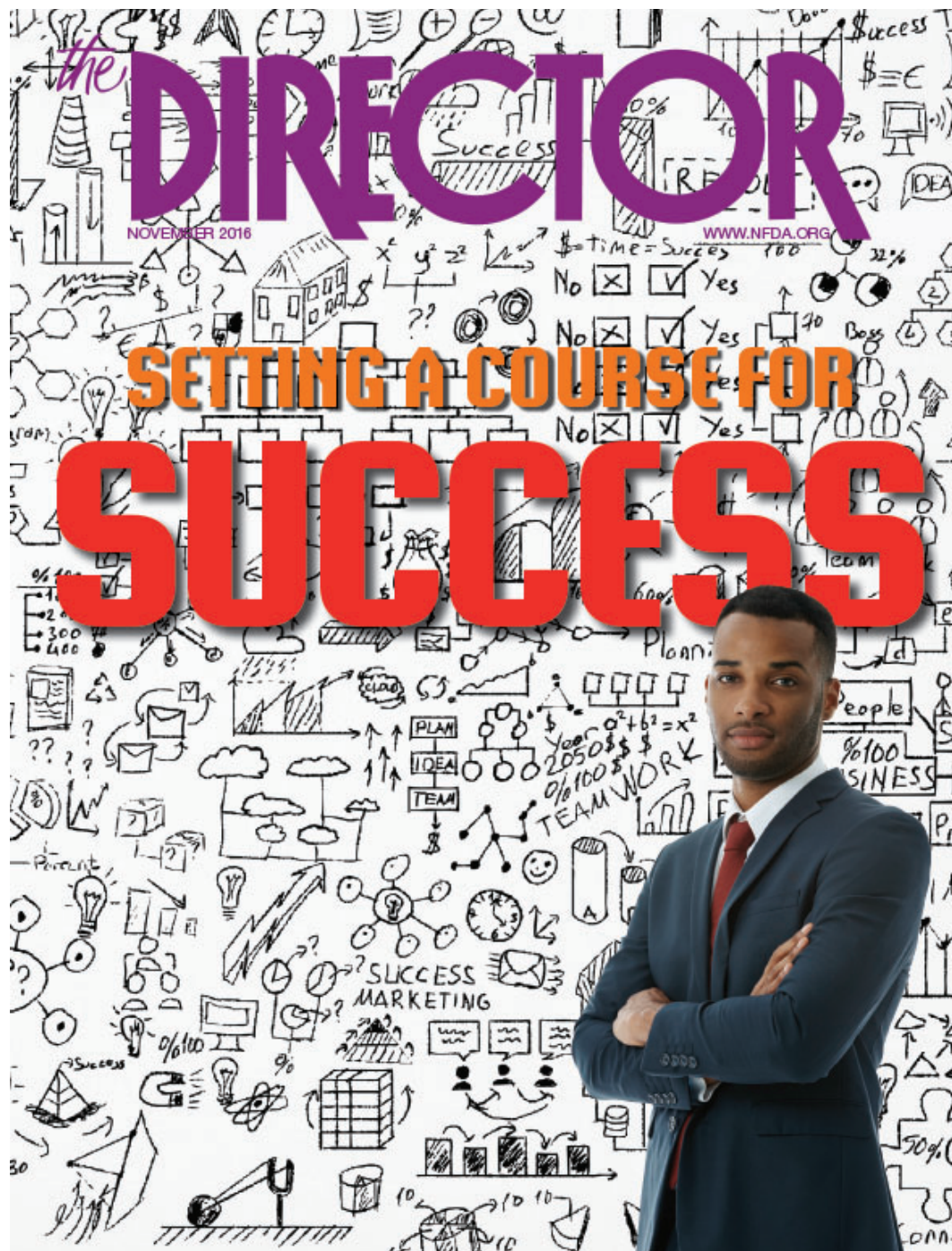


# Cooperative Funeral Fund Inc.

## Getting Out of the Weeds

as seen in:



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# GETTING OUT OF THE WEEDS

By being aware of your business numbers, you can handle day-to-day distractions and keep the clarity needed to move your business forward.

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## “IN THE WEEDS”

is a common expression in the service industry. It describes a stressful time in which you have myriad tasks of equal importance that all need to be accomplished immediately. Sometimes we get that feeling in our daily jobs, when we're putting out fires rather than focusing on tasks that provide for the long-term prosperity of our business. Usually this occurs because we are no longer focused on the long-term tasks. How does this situation unfold and how can we get back our clarity?

Remember your first day on the job? You may have been new to the particular company, new to the industry or both. Or perhaps you came in to take over the family business. The first several weeks are full of knowledge sharing. It's an exciting time and you are full of optimism. You learn about how things are run and have ideas about how you can do them efficiently either by following the process laid out or by implementing your own ideas for improvement. In some roles, there are employees to meet with and get to know, reporting structures to understand and policies and procedures to navigate.

Whether you're running a small business or are a manager in a large company, these first few days or weeks can be full of enthusiasm. You are likely excited about how you are going to manage the tasks at hand and add value. Sometimes there is anxiety with the newness of it all, but as familiarity builds, the feeling of ownership for the role kicks in. It's a new beginning, with hopes and expectations about what you will accomplish. At these times, many businesspeople find their new role crystal-clear and are excited about their ability to manage and run their business. Even if the role is complex and has many facets, understanding the business and the task at hand seems straightforward.

So why do so many of us lose that clarity and excitement?

As the weeks roll on and additional responsibilities and tasks crop up, it often takes time and energy away from the tasks you were laser-focused on in the beginning. This is natural. Companies are organic by nature in that most involve people. And any time you have a number of people as working parts of an organization, there is always going to be more to manage than what was outlined in the job description. The challenge is keeping the same focus you had when you first

started as you're inundated with the day-to-day demands of the business. Some managers are good at staying focused and are able to process information and input in spite of the flurry of activity and demands on their time that are seemingly in direct conflict with their focus or goals. Many others, however, allow these deterrents to weigh them down or even pull them off course. We've all had days in which we knew exactly what we wanted to accomplish, but at the end of the day on our way home, we realize the day got away from us and we accomplished very little, if any, of it.

Objectives and goals previously set take a backseat to the daily demands of the business. These daily demands cannot get ignored as they are usually very important and require attention and management. Sometimes these “disturbances” are a direct result of not being able to get to some of the big-picture items you thought could be fixed and provide a reminder of both the fact that you still need to get to it and at the same time the reason you don't have time to do so.

Even if the businesses are in the same industry and provide the same service, how companies are managed and run can vary wildly. The objectives and distractions will be different, but they will still exist in every business. What doesn't change is how busy we all become in managing and navigating the ups and downs. The challenge becomes how to take a breath, pull back and return to that focus and excitement you had when you first started in your role. Some managers and business owners get so bogged down in navigating the myriad issues that crop up that they don't feel comfortable taking a vacation for fear the whole “house of cards” will fall if they are not there to hold it together.

It's interesting how something once so clear can become so muddled. Recall your first few weeks on the job and the reason you got into this industry in the first place. Ask yourself whether any of your initial ideas and ambitions about improvement or impact have changed. In many cases, they have not. You may have a lot more information about the areas for improvement and the solution may be slightly different than what you had originally thought (now that you have a more intimate knowledge of the business). Fundamentally, all that has changed is that

the business of the day-to-day has put you “in the weeds.” So what has transpired? You are still just as capable of making the improvements as when you started, if not more so since you are now armed with experience and knowledge. So what's getting in the way? What happened to all of those great ideas generated during your first week on the job?

Getting bogged down is very common, especially for small and family-run businesses. It's human nature to take on more responsibility in an effort to provide value in any way you are able. Unfortunately, if the environment you came into was not run efficiently to begin with, you are forced to spend your time on emergencies by “putting out fires.” This only adds to the problem that everything is an emergency. To further the paralysis, once the human psyche falls into the “hero” mode of putting out fires, it creates a sense of accomplishment and self-worth that you “pulled it off again.” It can be a difficult process to get out of fire drill mode because as painful and stressful as it can be, the satisfaction of accomplishment compensates for the feeling that you could have avoided the fire in the first place if you only had the time.

Years ago, I worked for a company that catered very large weddings and parties for exclusive clientele. There were two owners of the business. One was the client-facing owner and the other the employee-facing owner. Their two management styles couldn't have been more different. The customer-facing owner met with customers and set all of the expectations as to what would be delivered. He knew the clients spent a lot of money on his services and that the high-end clientele was very particular. He was a great guy to work for, but come the day of the party, he was a basket case. Even though the employee-facing owner and our team had pulled off fantastic parties and celebrations time and time again, he didn't trust what had been put in place and the knowledge we had to execute it. There were emergencies and fires every hour on the hour that would lead to panic, a short temper and shouting. This is where the employee-facing manager earned his paycheck. He knew how to manage his business partner and was able to put him at ease while at the same time managing the team to accomplish the task at hand. It's fair to say that without him, the staff

would have walked out and the business may have gone under.

These two owners are an example of two different approaches to managing your business. You can continue to manage in fire drill mode or you can do what the employee-facing manager did. He took a step back and understood the inputs to success and managed them. He knew the hourly storms that would occur on the day of the event and navigated them with emotional calm. With all of the yelling going on, I didn't realize at the time how he gracefully avoided taking the bait and being drawn into the natural reflexive response of self-defense when under attack. As I look back now, I realize he was also the owner who managed the operations and the finances. He understood on an intimate level what made the company run. This allowed him to care about the things that mattered and classify the rest as metaphorical (and sometimes actual) "noise."

What I learned from this experience is that sometimes the knowledge of simply pulling it off (a great skill to have in any business) is not as important a skill as understanding the finances and operations of the company on a detailed level. A company exists to make money. This does not take anything away from the importance of what this industry does. I respect the people in this industry for the work they do. Helping people through their toughest times is a noble role. However, you have a mortgage to pay, a family to support, college to pay for, etc. A business, no matter how noble, has to make money to remain in business in order to provide that service to the community.

Here are some ways to get your mind

out of the "weeds" and into the numbers. As an exercise, put aside the particulars of the day-to-day and simply look at it from a numbers standpoint. If you have done that and still feel frustrated and bogged down, then look at the "ideal" business in your industry and put your particular numbers aside for the moment. Look at it as an entrepreneur starting a new business or a business student doing a case study. How would you draw it up if you had a clean slate? How would you manage the things you spend money on differently?

Let's say you look at it from this perspective and realize you run a pretty tight ship, but it's the mortgage or rent for the building that's creating the largest drain on your profits. If you take a step back and consider other options that may be more affordable, what would be the impact on your financials? The thought of moving your business can be a daunting one. You have a reputation in the community and are recognized as the place where people have always gone to say goodbye to loved ones, not to mention the unique functionality a new facility requires. It may not be an option for all, but it is the mental exercise that's important. You may have never considered moving the business before, but maybe there is a better location. Maybe your town has evolved and the new location might cost more but give you greater exposure and increase your revenue.

Another idea is to look at delivering a single service and understand the cost of each component as a percentage of total cost. You'll find out which items weigh the most on your profitability from a cost perspective. Is there a way to negotiate differently with your vendors? Can you substitute product without sacrificing quality?

After you've done this, look at your price list for these items. How much are you charging your customers for each item and what is the percentage against total revenue? You may not have as much flexibility on the amount you charge because you have to stay competitive with the market, but it may give you an idea of what you should try to "sell" more. And it may provide you, in case things go awry while providing the service to your customer, a way to correct it in the least costly manner while giving the client the impression that everything is going like clockwork. This is what the employee-facing owner at the catering company was doing. He understood the finances at such a detailed level that he knew what things were worth spending time on in order to make sure nothing went wrong. He also had knowledge of the things he knew he could easily resolve with low cost/revenue exposure.

Here's the bottom line: The way to get yourself out of the "weeds" is to exercise your brain in the process of knowing the numbers and breaking them down in multiple ways. You may already understand your numbers and intuitively have a feel for how to be profitable. But even the best business minds look back at their numbers to check their assumptions and see whether there's anything new in terms of products or services that has changed and could be a reason to adjust those assumptions.

Whether you're a business owner or a manager with financial responsibilities, there is no substitute for knowing your numbers. You must understand them in aggregate on your profit and loss sheet but also on a single-funeral level so you can learn to manage decisions on the fly. This will not only help with the direct costs of your business but with how you manage it. If you really get a clear focus on the numbers on a detailed level, you will find that the "weeds" that have been bogging you down seem to wither away and you will once again have the clarity you did during your first weeks. This time, however, you will be armed with information to execute on the ambitions and excitement. ★

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