



Preneed

By Bill Williams Jr.

Improving the Management of Preneed Trusts

An increasing number of death-care firms seek to acquire and consolidate funeral homes and cemeteries, which are often present in a variety of markets and even states.

This presents a challenge to the death-care industry: How can funeral directors and ceterians sustain productive and compliant operations among geographically dispersed teams while taking care of families during their time of need?

For death-care professionals involved in the acquisition of firms across several locations, it's critical to ensure proper trust management and leverage technology that leads to seamless operations and customer service. With more funeral homes and cemeteries managed by fewer companies, consolidators face several layers of challenges to maintain efficiency, compliance, security and

sustainability of their respective trusts and firms.

The increasing sophistication of today's digital tools can simplify, standardize and automate key business functions, including trust recordkeeping and administration and management of preneed sales programs, so funeral directors and ceterians can spend more time with families and be active in their communities. Here are three ways technology can benefit your organization's operations.

1. Increased efficiency of administrative and recordkeeping tasks for trusts and sales programs

Simply put, too much time in the

workplace is spent performing the same repetitive tasks. According to a survey by Smartsheet, more than 40% of employees spend one-fourth of the workweek on tasks such as data collection and data entry. In addition, nearly 60% of employees said they could save six or more hours a week if repetitive aspects of their jobs were automated.

An acquisition that leads to more rooftops can lessen efficiency further by creating additional bottlenecks and administrative work for staff. For example, the firm will sell more preneed contracts, all of which must be centralized and deposited into trust correctly. At the onset of an acquisition, staff and suppliers will

also play varying roles to ensure paperwork from new locations is organized and the company's trust is reconciled properly.

Today's digital tools speed up the process of data input, reconciliation and regular maintenance on preneed trusts and contracts for death-care firms. For example, specific applications often allow funeral homes to complete the write-up of a preneed contract in less than 10 minutes. This technology can enable funeral directors to spend more of their time on their most important work: providing the personal touch families and community members have come to trust over the years.

2. Mitigated compliance risk as operations scale

As a death-care firm acquires more locations, owners and operators are tasked with properly managing more people, processes, and trust and contract transactions. With more people and processes for conducting manual tasks, the risk of human error grows exponentially. For example, the difference between trusting at 84.7% and 85.1% will lead to a significant trust shortfall over time. Increased transactions over multiple locations further exacerbate these risks.

Recent advancements in death-care technology help ensure trust and

contract records are reconciled in accordance with your state's law. These tools can keep a funeral home prepared for regulatory audits and from gaining unwanted attention from state and federal regulators. Errors identified by an auditor in activity such as the monthly distribution of trust earnings can not only result in costly monetary fines but can also harm your firm's reputation across the industry and in your communities.

Also, keeping digital records is a more efficient way of processing and completing contracts while minimizing compliance risk for your preneed sales program. Missing a required deposit deadline or making a data input error in calculating funeral service fees can be a costly mistake for death-care professionals. The latest digital tools can be a powerful asset in avoiding inaccuracies.

3. Enhanced security through a secure and online consolidated platform

As preneed trust and contract transactions increase, firms must establish a process for safely exchanging or receiving sensitive information from consumers and ensuring that information remains secure among the firm's several locations.

When managing multiple rooftops,

firms should strongly consider moving their recordkeeping to an online platform, where owners and operators can store and see all trust and contract data securely, 24/7. A platform of this nature eliminates the need for staff in different locations to take unnecessary risk emailing documents and contracts with social security numbers, credit card data and more to one another over unsecure servers.

Additionally, staff can share a secure, encrypted link with consumers for them to review and sign contracts, versus attaching documents directly into an email. These capabilities provide higher convenience to families and mitigate avoidable security risks, especially as cybercrime activity grows nationwide.

Tech and digital tools are an available and potentially dynamic ally for death-care firms investing in their growth through acquisitions and consolidation. Allowing them to assist your funeral home or cemetery helps keep the firm compliant with state and federal regulations, but they can also be a forceful instrument in the preservation of accurate and secure records. And finally, implementation of digital tools enhances efficiency, enabling increased focus on serving families more productively in your communities. •

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