

CFO CASE STUDY

Since 1984, Homecoming has been providing columbaria and other products for memorial projects across the United States. As one of the nation's leading columbarium providers, they have served more than 1,400 clients, including churches, public and private cemeteries, retirement communities, camps and retreats, college campuses and more.

When we met company leadership, they were facing a number of challenges at a time of transition. The previous president had disengaged from the company and the business amassed considerable debt through years of mismanagement. As a family business, another family member stepped in to assume leadership and partnered with our team to restructure the company's finances and operations.

Working with the family, Prism assessed the business operations and evaluated the team. We replaced the tax and accounting firm and oversaw the cleanup of the financials of the company. Recommendations were implemented to build a CRM and establish a sales tracking system. A debt paydown plan was established and new management was brought in to repair company culture and streamline operations. Prism worked with management to perform financial analysis to better understand the company's unit economics. Further advice was provided to establish a line of credit and to refinance existing high cost financing on a building.

The results were quickly evident and invigorating for both the client and Prism team members involved. Within one year, existing debt was paid off and the company's balance was transformed. The sales team expanded and using the new tracking system, was able to cut costs of sales while increasing total sales by 20% year over year. A meeting cadence for management and department heads was established thus improving the flow of information throughout the organization.

CHALLENGES

- Accumulated Debt
- Outdated accounting practices leading to lack of financial visibility
- No sales tracking or management
- Leadership disengaged
- Low employee morale
- Lack of accountability measures for both on-site staff and affiliated associates
- Inventory tracking issues

SOLUTIONS

- Replace accounting and tax advisory firm
- Add a CRM for sales tracking and customer management
- Performed financial analysis to help new management understand unit economics of business
- Pay down debt in an orderly fashion
- Refinance building and pay off high cost debt with low cost LOC
- Establish score cards and operating procedures to ensure employees understood what success and failure looked like
- Establish a meeting cadence and business operating system

RESULTS

- Core capital budget increased
- Return on assets improved
- Sales increased
- Debt was paid off 100% from cash flow from operations
- Management salaries increased
- Founder distributions stabilized
- Employee morale improved



The Financial Team That Empowers You

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