

Gender discrimination, unequal pay and hostile work environments are driving resident funeral directors from the field – to the ultimate detriment of the profession.



QUASHING OPPORTUNITY

BY DAVID R. PENEPEP, PH.D.

No funeral directors will speak of the elephant lurking in the mortuary, nor will any continuing education presenters address it in public. Still, it's time to address the concern of most mortuary science graduates: Where are all of the resident funeral directors? The answer is fundamental, and you can look in the mirror to see if you play a part in the shortage. Over the past six years, I have seen many fine men and women enter the SUNY Canton Funeral Services Administration Program only to witness many of them complain about the poor treatment they receive when seeking professional employment.

The main issue involves female graduates who declare that funeral home owners are only looking for men. Sexism has deep roots in the funeral profession, even when funeral directors do employ women. This article addresses the attrition cliff dilemma in the funeral industry. If this problem persists, the industry could potentially face a catastrophic event with grave consequences for its future. Understanding the three factors that influence a funeral director's decision to leave the profession might be the start of industry reform.

An employment crisis is imminent and it threatens to dis-

rupt the practice of funeral directing in the next 12 years. This crisis will be brought on by ignoring employment trends and a decreasing workforce. Many funeral directors are exiting the profession at the same time, and deaths are projected to increase substantially in the next 15 years. Each year, a declining number of students enters U.S. mortuary science programs. In a gradual and consistent increase, approximately 75% of those who do enter are women, compared to the early 1970s, when about 8% of students in mortuary science programs were women, and in 2000, when the percentages were split evenly.

Researchers have argued that this employment shift in women entering male-dominated professions should have a positive influence in the upward stratification of women in the workforce. But in the funeral industry, while more women are entering mortuary science programs annually, evidence indicates that this overall increase of female funeral directors is not translating to an increase in long-term employment opportunities. Based on current trends, by 2025, a "chi factor effect in gender employment" will take place in mortuary science programs throughout the United States

EMPLOYMENT SHIFT



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(see Employment Shift chart above). Women will continue to enter mortuary science programs steadily until the point at which the statistical evidence will mirror previous trends, except for gender.

Researchers have noted that while feminization in occupations continues, gender inequality still persists in many forms. In taking a close look at the funeral industry, while women have made positive strides in the profession, evidence persists of sexual harassment, hostile work environments and gender discrimination in compensation for performing the same duties as those of their male counterparts. Reportedly, some male funeral directors and owners have made shocking and appalling pejorative comments that denigrate and belittle female professionals. With the current social movement against sexual misconduct in the workplace, it's only a matter of time before women begin to speak out against their local funeral directors who are beloved by the community but reviled by their employees for their unprofessional misconduct.

I once received a call from a distraught former student who informed me that she was working 40 to 50 hours per week for just \$300. The owner's argument was that he was providing her with an apartment as part of her compensation. He further explained that all funeral directors get paid salary in the industry, with no compensation for overtime. This argument is common and one of the reasons young professionals leave the profession for jobs that pay more money for fewer hours. This resident funeral director complained that she did not have enough money to buy food, let alone pay back her college loans or buy basic necessities. She contemplated leaving the profession, but I encouraged her to obtain her funeral director's license and assisted her in finding different employment.

Nowhere is it written that being a resident equals a form of enslavement. Still, there is a prevailing mentality among funeral home owners that residents are nothing more than cheap labor. The *Rowe v. Olthof* (2011) decision did not help the regressive mentality regarding residents. In this case, Rowe had argued that he was denied overtime because he was a salaried employee. Olthof argued that such compensation was an industry standard and that residents should be considered professionals because they meet the exemption qualifications for such employees. The court's decision not only perpetuated poor compensation for residents, it also disregarded many federal labor laws on overtime and professional exemption status.

Residents are the grunts who wash the cars, embalm the bodies and clean up the funeral director's messes. Some owners forbid residents from sitting in on arrangements, which should be part of the training process. In fact, some funeral home owners go as far as instructing their residents to lie on quarterly reports to governing state agencies.

One student reported to me that he was allowed to sit in on arrangements as long as he was extremely quiet and behind a curtain. Many SUNY Canton graduates do not work for mom-and-pop funeral homes after graduation for this very reason. Once, a young female resident funeral director called me in tears because of the verbal and psychological abuse she was receiving from her employers. Yet in spite of the hostile work environment, she would not report the funeral director to the governing agency or state labor board for fear of repercussion or being blacklisted within the profession.

This mentality of poor compensation for services rendered does not stop with residents. Reflecting on my own employment history in the profession, owners were very slow to compensate employees for their dedication and service with an annual cost-of-living adjustment. I recall a former funeral home owner for whom I worked complaining that he had to pay \$35,000 in business taxes to the federal government. If that owner had raised the salaries of the directors on staff by that amount that year, not only would the action have made his employees happy, it would have also reduced his federal tax liability substantially.

The current argument funeral home owners use for not raising salaries is the large number of cremations each year as opposed to traditional burials. Because of poor business practices, owners fail to charge consumers their fair share of what it costs to operate businesses. Owners who hold paychecks because there is not enough money in the checkbook to pay their bills only need look to their General Price List. If fixed and adjustable expenses annually equal \$248,000 and the funeral home does 130 calls (248,000/130), then the basic arrangement fee for every call should be \$1,910. If the removal fee is \$350 and service utility vehicle fee is \$250, then the basic arrangement fee for a direct cremation when consumers provide their own container should be \$2,510.

The problem in the industry and the reason funeral home owners complain about cash flow is that they give consumers a significant discount for fear that the higher prices will drive consumers to their competitors. About a year ago, I consulted with a firm that ran into this very cash flow problem. In

fact, it was so bad that the owners were holding their paychecks for six months at a time. I recalculated their GPL and established a proper fee for direct cremations. One year later, when I followed up, the client reported that there was no loss of calls because of the cremation charge increase. Consequently, the firm was meeting expenses, including salaries, when they came due.

It amazes me that the one service that bears the greatest liability – cremation – is what funeral directors want to give away for fear of losing calls. Funeral directing is all about quality services and the facilities the consumers frequent. If funeral directors are losing calls, price is a factor only because the consumer fails to find value in the services and facilities they are selecting. Some people find value in \$5 heads of organic lettuce because they are perceived to be better than regular ones. If the quality of services and facilities has diminished over past years, then of course consumers will find other options for funeral services.

Funeral home owners need to stop thinking of their calls as numbers. Rather, they should think about how the calls will meet their expenses and create yearly profit. Profit is good because it is the money that is needed not for personal self-interest or gains but rather what is necessary for maintaining a business through the lean years. Some funeral home owners are so stuck on numbers that they fail to understand how meeting monthly expenses should be their main business goal. Some go as far as to create a “cut-rate \$695” cremation service in conjunction with their traditional businesses.

I am currently researching low-cost cremation services in conjunction with a funeral home that offers traditional funeral services. Preliminary data have shown that creating such cut rates only bastardizes the traditional business, resulting in a further loss of revenue. I have interviewed employees who work in funeral homes that use both types of business models simultaneously and concluded that such cut-rate operations skimp on services and deplete both physical and human resources very quickly, leading to compromised services on the traditional side. Thus, cut-rate and traditional funeral home combinations are short-lived, and they set a bad precedent for quality funeral services in a community.

The death rate will increase steadily over the next 10 years, and a significant number of funeral directors will be leaving the profession for various reasons, including compensation. Funeral directors constantly ask me how much they should pay their residents. Most are shocked when I tell them “between \$16 and \$22 per hour.” Despite the *Rowe v. Olthof* decision, a resident should not be considered a salaried employee, and if he or she is, he or she should be compensated for any service over a 40-hour work week. As a former student told me, “Life is too short to work a 60-hour week at below minimum wage.”

Women and men must also be paid equally for doing the same job. Wage discrimination is not only an unfair labor practice, it is also illegal. Consequent fines can reach several thousand dollars, not to mention legal fees. Failing to pay an employee minimum wage could result in serious fines and penalties.

In the case of the resident making \$300 per week no matter how many hours she worked, I advised her to keep accurate

records over the next four months on the number of hours she put in. Even if the employer does not require clocking in and out, I have advised all funeral home employees to keep accurate records of their work hours. When lodging a claim with the Department of Labor or the state Wage and Hour Division, the employee needs proof of hours worked. In fact, unless there is contrary evidence, the Labor Board will consider only the evidence presented by the employer.

When I was a young man, I kept very accurate time records. About a year after I left a funeral home, I received a letter saying my previous employer was being investigated for labor fraud. I sent all of my time sheets to the labor board, and much to my surprise, six months later, I received a check for \$9,000 in back wages. Thus, my key message for employees is to document, document, document. I advise all of my students to install a time sheet app on their cellphone and clock in and out each time they work. This documentation can prove invaluable for employees who feel they have a claim with the labor board.

Annually, only about 990 men and women who have passed the National Board Exam enter the funeral profession in the United States. Approximately half of them remain for five years, and of that number, only about 390 funeral directors continue as career professionals.

The profession is being too hard on incoming funeral directors, which will take it to a crisis point. If the status quo does not begin to change, socialized funeral directing will become the standard, where the state will control the final disposition of human remains. The old paradigm, “When I was an apprentice, I was only given a small stipend,” does not cut it in this competitive market. The unethical and illegal business practices of funeral home owners and managers will eventually be exposed at the cost of steep fines and required payment of back wages. Such exposure of unfair labor practices will negatively affect a funeral home’s reputation and future business.

Education today is more expensive than it was 30 years ago, and residents need to be justly compensated for their services to be able to meet their expenses and raise a family. Failure to teach and mentor residents in all aspects of the profession will only create inferior funeral directors. To develop the skills necessary to engage in quality funeral services, residents must be invited by owners and managers to participate in all operations.

Finally, the wage and employment discrimination, sexual harassment and belittling of women in this profession must immediately come to an end. In the next 10 years, women are projected to comprise 92% of mortuary science students. The caring and nurturing characteristics typical of many women are a welcome addition to a profession that focuses on care and compassion both for the living and the dead. The future of funeral directing will be determined by the ways in which many current owners and managers change their regressive employment practices. ☰

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