Service Corporation International

Electronic document capture and management yields new efficiencies for trust administration and contract entry processes

**Business overview**

Service Corporation International (SCI) is the largest provider of funeral, cremation, and burial services in North America. Founded in 1962, SCI operates a network of more than 1,400 funeral homes, crematoria, and cemeteries primarily in the U.S. and Canada, but the company also has a small presence in Chile, Germany, and Singapore. With corporate headquarters in Houston, Texas, SCI has more than 15,000 employees.

**Challenges**

A large portion of SCI’s business consists of “pre-need” contracts in which customers purchase funeral and cemetery goods and services in advance, to lock in current prices. Examples include people purchasing their own burial plots, or arranging for their own caskets or cremations. In many states, SCI is prevented by law from recognizing income on these sales until the goods and services are actually delivered. Instead, the monies from pre-need transactions are held in a trust. SCI’s trust department manages the deposits into trust accounts, as well as the disbursement of funds as cash flow back into the company upon completion of the funeral services.

**Manual and inefficient paper processes**

Every transaction into and out of the trust account produces a document trail that must be managed and tracked. The trust department receives documents from field locations such as funeral homes and cemeteries as each phase in the process is completed; examples include initial sales contracts and final merchandise delivery documents.

Previously, this documentation process was entirely manual and dependent on an exchange of paper documents. The trust department would receive documents from the field locations through courier, overnight mail, and numerous other manual means, and hard-copy documents would be stored in filing cabinets and then archived to offsite storage locations.

**Benefits**

- Reduced or eliminated costs of transporting paper documents, such as courier and overnight mail
- Increased efficiencies and time savings through electronic document capture and routing
- Improved quality of trust management process through business rule enforcement and workflow
- Improved productivity and cost savings by facilitating offshoring of contract entry and trust administration
Offshoring drives electronic solution

The inefficiencies and delays of these manual processes provided plenty of incentive to implement an electronic solution, but a company decision in spring of 2003 sealed the deal. To help reduce its processing costs, SCI moved to outsource the trust department to Outsource Partners International (OPI), a company that facilitates “offshoring” of operations to India.

“OPI policy dictates that no hard-copy documents can be taken offshore, so now it was imperative to find a solution that would enable us to image, store, and access electronic versions of the documents needed for trust administration and contract entry,” said Frank McCreery, director of production operations for the Information Technology department at SCI.

EMC Documentum solution

For SCI, the solution was obvious: the EMC Documentum® enterprise content management platform. SCI had already purchased the Documentum platform for another project, but the trust department’s outsourcing challenges presented a more pressing need—and an ideal application. Documentum’s seamless integration with EMC Captiva® InputAccel™ was another strong selling point. SCI chose the Gimmal Group, an IT consulting company specializing in enterprise content management and an EMC partner, for the implementation.

The Documentum platform provides a centralized repository for storing and managing all trust documents, which are scanned into the system via InputAccel. Through an easy-to-use web interface based on EMC Documentum Webtop, OPI personnel in India can log on to the system and access the documents they need to process transactions for the trust.

Leveraging workflow and decentralizing scanning

A key component of the solution was the integration with the Hanlon Management Information System (HMIS), an information system used by SCI specifically for funeral home and cemetery operations. In 2003, the company rolled HMIS out to each of its 1,400 field locations. By locating the scanning facility within HMIS, SCI enabled the field offices themselves to capture and store important transactional documents in the Documentum repository—eliminating the costly and time-consuming transport of paper to SCI’s headquarters.

In a typical scenario, a funeral home scans a newly completed pre-need contract into HMIS. The system then automatically indexes the document according to field location, contract number, and purchaser name, and then stores the document in the Documentum repository. Business rules in the Documentum system then check to ensure that all documents are in place to support the contract. If more information is required, the system automatically generates an e-mail back to the field office requesting that the supporting documents be scanned.
Once all of the documents supporting the contract are in place, the Documentum system triggers a workflow notifying the contract entry group that a new contract is in the work queue and ready for processing. This group, located in India, can then view every document associated with the new contract and check the transaction for accuracy, completeness, and proper authorization. At this point, trust personnel also have the ability to e-mail the field office if information is missing. “Documentum’s workflow plays a powerful role in the process because it helps us manage the quality of the transactions,” said McCreery. “Anytime an e-mail is sent back to the field location, whether automatically generated or sent by the contract entry group, Documentum places the transaction back into re-work status until the field location scans the needed information.”

According to McCreery, the Documentum system is directly accessed by more than 150 users, including headquarters staff and the contract entry group. In addition, almost 2,000 users from field locations access the system through HMIS to capture, store, and view documents. The field users range from funeral directors and sales counselors to managers and clerical staff.

“Not only has the EMC Documentum platform created new efficiencies in our internal processes, but it has enabled us to take advantage of all of the productivity benefits of offshoring some of our operations.”

Frank McCreery, Director of Production Operations, Information Technology

Versatility to support two business models
In some states, trust activity for pre-need funeral services is not permitted; therefore, SCI offers its customers the option of purchasing insurance policies to fund pre-need contracts. In these instances, field sales representatives have an additional interface from the insurance provider to retrieve new policy documents. Once a new insurance contract is ready, the field representative scans it into HMIS, and it is indexed into Documentum and matched up with the policy information sent in the interface from the insurance company. “The system gives us the versatility to handle both trust and insurance contracts and to accommodate pre-need customers wherever they live,” said McCreery.

Looking ahead toward future gains
With the success of the pre-need contract management system, the IT department at SCI has its eye on several new Documentum applications. First is a system in which HR personnel at field locations would be able to capture and manage employee documentation for new hires and employee changes. For every new employee, the Documentum system would trigger a workflow for the SCI payroll department, enabling it to process the new hire’s documentation through the necessary checks and approvals before entering the employee in the payroll system.

“This system would replace another inefficient and paper-based process,” said McCreery. “Currently, the field office has to fax new hire documentation in to our central payroll department, but Documentum would automate the entire process.”
Summary
At SCI, the EMC Documentum platform has streamlined the business-critical function of contract entry and trust administration resulting in cost and time savings through automation, greater efficiencies in both field offices and corporate headquarters, and a more accurate, higher quality process. And, by facilitating electronic document capture, the new system has enabled SCI to reap the productivity and cost savings of offshoring these critical processes.

About Documentum software from EMC
Documentum software from EMC Corporation includes enterprise content management solutions that enable organizations to unite teams, content, and associated business processes. With a single platform, EMC Documentum software enables people to collaboratively create, manage, deliver, and archive the content that drives business operations, from documents and discussions to e-mail, web pages, records, and rich media. With Documentum enterprise content management, organizations improve their competitive advantage by accelerating time to market, increasing customer satisfaction, and reducing operating costs. For more information, visit http://software.emc.com or call 800.607.9546 (outside the U.S.: +1.925.600.6754).

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