



CHAPTER 2

THE FAMILY DISCUSSION

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WHY IS COMMUNICATION SO IMPORTANT?

Succession planning is comprised of two parts: economic and social decision-making (Danes, 2009). Losing sight of social or family-level concerns surrounding the distribution of assets, transfer of a business and preservation of a legacy may create more problems than the succession planning process can solve. Communication is the cornerstone to any successful succession plan. The majority (about 60 percent) of failed transitions are due to poor communications (Voeller, Fairburn and Thompson, 2002). When communication is lacking, there is no way of knowing whether the plan is addressing or poised to accomplish what the family really wants or needs.

Other reasons to start a family conversation include:

- Discussing succession plans with family and heirs can relieve stress for everyone. Both generations may be wondering and worrying about what will happen to the family farm, and they likely share some of the same concerns. Talking about and discussing the issues may relieve some of the burden created by not sharing.
- Keeping the estate or succession plan a secret may lead to family conflict. After a death, a serious illness or injury is not the time family members want to be surprised. Explaining your plan to family members can reduce the potential for conflict and misunderstandings, especially if some family members feel that assets are divided unevenly or unfairly. Friendly and loving family members can change their demeanor when parents are no longer there and assets are being divided.
- Talking about your wishes for the farm and farm family can help you clarify your own wants and needs. If you wish your parents could work less and relax more, maybe you need to take over more of the farm operations and management. For example, if you never want to see the farm developed for nonfarm purposes, then maybe you need to learn more about a conservation easement.

- Having a plan as the current operator and owner is necessary. By involving family members in this difficult discussion of succession planning, the process can be less stressful and allow for a positive outcome. A transition period has a preplanning stage, a transition stage and a posttransition stage. During all three stages, the current owner should stay focused on how to best help the incoming owner(s) to be successful during the transition. A successful transition leads to a lasting legacy.

WHY IS IT SO DIFFICULT?

People often avoid situations that have the potential to be uncomfortable, make difficult decisions or result in change. What is often overlooked then is the indisputable fact that at some point in the future, the current owner and manager may no longer be able to run the farm operation. However, many current owner/managers decide to ignore the obvious. Thus, in many cases, the “succession” occurs without the “planning,” and the farm business has less of a chance for survival.

Let’s face it, sitting down and talking about succession planning is about trust, wanting more of it or not wanting to let it go. It is about admitting to oneself and to family members that there will be an end to the way we know things. It is about making difficult decisions that may or may not hurt someone else’s feelings. Those are weighty topics in and of themselves. Then add all the laws, regulations, tax issues and the ever-present “elephant in the room,” and it is understandable why families don’t find it to be a popular dinner conversation. Succession planning can be tedious, complicated and emotionally draining at times, but difficult decisions need to be made.

In fact, there is even a term for all the reasons why people don’t start the succession planning process: “the succession conspiracy.” Coined by Ivan Lansberg (1988), the “conspiracy” is a function of four elements:

- Owner (often the founder or direct descendant of the founder)
- Family
- Employees (family and nonfamily)
- Environment in which the succession planning is going to be conducted.

Table 2.1 illustrates elements of the “succession conspiracy” (Lansberg, 1988). Each of these elements “conspire” against the productive fulfillment of succession planning, oftentimes before it gets started. For the founder, even mentioning succession may be painful, because it may conjure uncomfortable feelings about the inevitable (our deaths) and serves as a signal that the timeline for running the farm is finite. By thinking of succession in these terms — fear and loss — the owner will be very reluctant to hand over the reins and may hold feelings toward the successor that are not constructive. This could adversely affect the owner’s personal legacy, as well as the legacy of the farm.

Table 2.1. Elements of the “Succession Conspiracy”

Founder	Family	Employees	Environment
<ul style="list-style-type: none"> • Fear of death. • Reluctance to let go of power and control. • Personal loss of identity. • Fear of losing work activity. • Feelings of jealousy and rivalry toward successor. 	<ul style="list-style-type: none"> • Founder’s spouse’s reluctance to let go of role in firm. • Customs against discussing family’s future beyond lifetime of parents. • Standards against favoring siblings. • Fear of parental death. 	<ul style="list-style-type: none"> • Reluctance to let go of personal relationship with founder. • Fears of differentiating among key managers. • Reluctance to establish formal controls. • Fear of change. 	<ul style="list-style-type: none"> • Founder’s colleagues and friends continue to work. • Dependence of clients on founder. • Cultural values that discourage succession planning.

The alternative to discussing and deciding what is best for the family could be someone outside of the family deciding what happens. Or worse, it could be having a poorly designed succession plan that ends up destroying a family, ending a business and ending a legacy. The legal and emotional costs that could result from not discussing or having a plan would likely outweigh any costs or discomfort incurred in investing in a well-designed succession plan.

HOW DO WE START THE CONVERSATION?

It is always better to have these conversations sooner rather than later. Keep in mind that the best conversations and dialogs involve open participatory communication.

Listed below are several conversation starters that can help you or another family member begin the planning process.

Before starting the conversation, the first step is to decide who will be or should be involved in the discussion. This is not as easy as it sounds. Ask yourself, “Who will be affected by this plan, both directly and indirectly?” And remember, being inclusive at the onset of the process will likely mitigate issues that would otherwise creep up if particular family members are left out of the conversation. In other words, while it might be easier to leave some people out of the process, it is better to include them now than to have them insert themselves later on, after feeling left out or excluded. Keep in mind that these individuals may not have even set foot on the farm in years! Though some individuals may only be a factor in one element of the succession plan (e.g., estate planning), they should be included or kept abreast during the entire process. In any case, making the entire process inclusive and transparent helps to create the necessary “buy-in” prior to implementation of the succession plan.

Once the potential participants are identified, then it is a matter of deciding the best way to approach each one and encourage them to open up. No matter how you start the discussion, once it is initiated, it should be easier to discuss the family’s situation, concerns and goals.

Possible ways to start the conversation include:

- Using this publication as a conversation piece. Share what you learn at the workshop or in this manual with other family members and encourage them to read the material.
- Bringing up something positive about succession planning you heard or read is a natural and unintimidating way to lead into the discussion.
- Using someone else’s story to get started. For example, a newborn in the family of a friend or relative may lead a family to realize that succession planning is not a subject to be overlooked.
- Sharing your preferences and plans in the event of your own serious illness or death, in the hopes that this will spur another family member to open up.
- Having a family meeting. The initiator must realize and be prepared for some family members’ willing participation, some members’ refusal and others seeking more information before they decide to participate. A family meeting could be as easy as a 20-minute conversation after everyone has come together for dinner. It doesn’t have to be formal with a planned agenda — it just has to get everyone in the same room for a conversation.

WHAT DO YOU WANT THE PLAN TO ACCOMPLISH?

Wants, Needs and Goals

As you will see, farm succession planning — if done well — follows distinct steps. Though they may be intertwined across different elements of the succession plan, these steps are often sequential, requiring the completion of one step prior to beginning another (Figure 2.1).

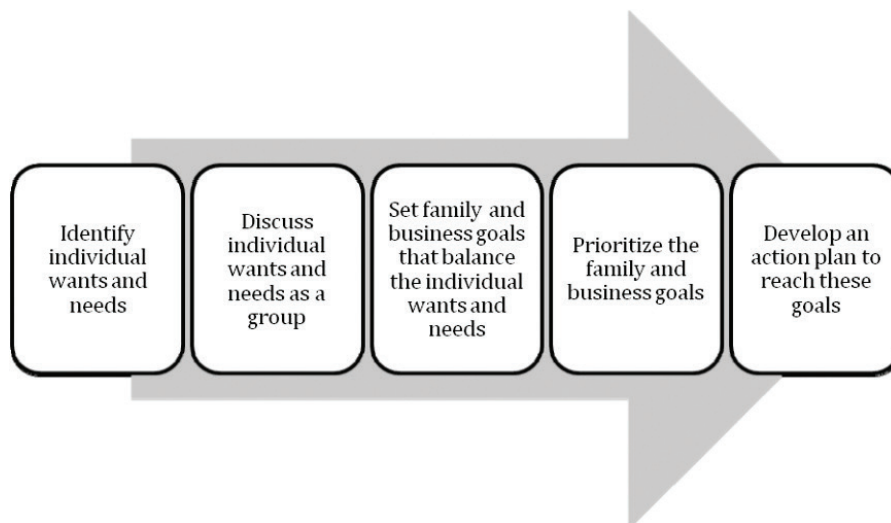


Figure 2.1. Steps in the Family Discussion for Goal Setting.

After initiating the dialog, all family members should identify their individual wants and needs for themselves, the farm operation and their family. It is important to keep in mind the difference between a “want” and a “need.” A “need” meets a basic requirement to live and survive. In the realm of succession planning, ensuring that all planning elements are legal and that income postretirement will provide a manageable quality of life for the older generation are common examples. A “want” can be thought of as something that the individual, family or business can “live without.” While needs typically supersede wants, a succession plan should strive towards meeting needs and balancing wants.

Once the individual assessment of wants and needs is completed, all those involved should get together and respectfully discuss everybody’s specific wants and needs as a group. Obviously, this should be done before any legal and financial decisions are made, because if the financial and legal arrangements do not meet the needs of the parties involved, there may be increased family discord, and the farm business may suffer. Sharing collectively as a group serves to strengthen the trust and relationship among family members, which will in turn strengthen the succession plan.

The discussion could be conducted over a series of family meetings where each person takes turns explaining what he or she hopes to accomplish with a succession plan. If it is difficult for some to openly talk about their wants and needs, then ask that they write their thoughts down and someone else can share them. No matter how you get together and how you discuss the wants and needs of all, it is important for everyone to be actively involved and for the information generated to be archived (e.g., meeting minutes or notes) for future reference.

SETTING GOALS

Once all parties involved have identified their individual wants and needs, it is important to come together as a group to set goals that will balance the needs and wants of all involved. For example, the successor(s) may want to take over the farm tomorrow, but the current owners may want to be involved indefinitely into the future. Somehow, these differing wants must be addressed and work towards an agreeable defined goal. The objective is to reach a decision (among the current owners and the successors) about goals for the business and the family.

Most goals can be divided into two categories: business and family. Business goals are those that relate solely to the business and its operations. In contrast, the family goals relate more to the wants and needs of the family’s desired legacy or the family members’ desired lifestyle. Defining the business and family goals of the succession plan will allow a family to convey to professionals, such as attorneys and financial planners, exactly what they want their plan to accomplish.

Business Goals

Business goals may be as simple as production goals, enterprise goals or business growth goals. Business goals could also include the financial objectives desired, such as a reliable and regular cash flow. This is perhaps the most important influence in deciding what must be done, as opposed to what is wanted. Being realistic is critical to attainable goals.

Cash flow needs to increase as the family grows. When two generations are farming together, the division of cash and assets will be a significant aspect in the relationship between the generations. Other possible business goals include minimizing taxes during and after transfer, and/or minimizing settlement costs, such as legal fees.

Example:

- **Individual needs**
 - *Older generation:* We need to have enough income to support us through retirement.
 - *Younger generations:* We need to have enough income from the farm to support our family's needs now and in the future.
- **Business goal**
 - Increase cash flow and profitability of farming operation.

Family Goals

Family goals could be to continue farming or preserve the farm with a conservation easement. Other family goals could relate to family relationships, such as the goal to maintain a close family relationship and remain good friends during the entire succession process. They could be as simple as the goal to have grandchildren not living on the farm to visit and grow up with the ability to experience "farm life."

Example:

- **Individual wants**
 - *Older generation:* I want my daughter to take over the farming operation.
 - *Younger generation:* I want to continue farming on the family farm.
- **Family goal**
 - Transition ownership of the farm to the daughter over a five-year period.

REACHING A DECISION

The ultimate goal — a successful farm business — is the culmination of individual, family and business goals being set and put into motion. As the family defines goals, it is important to keep in mind that some goals may receive priority over others. This is an important part of how the goals will be implemented, as it may be only feasible to achieve one goal before addressing the next goal. That said, some of the goals will be accomplished concurrently. Arriving at the point of goal and priority setting means that decisions should have been

made. Hofstrand (2007) outlines the four methods that family businesses can use to arrive at decisions regarding establishing and setting priorities:

- **Autocratic:** Use for routine decisions where others don't feel a need to be involved. The autocratic methodology involves a single decision maker (typically the principal operator), while all others are forced to abide by the decisions made. This method often takes very little time, an advantage when a quick decision needs to be made, but does not allow for input from other family members. This can be a source of resentment.
- **Consensus:** Use for decisions where facts can be used to outline pros and cons.

By definition, consensus involves reaching a general agreement among decision makers (here, farm family members) and does not imply that everyone is 100 percent "on board" with all of the decisions that have been made. However, for consensus to work, everyone must eventually support the final decision. Therefore, the hallmark of a long-lasting consensus is solidarity. In other words, although there may be disagreements involving some of the details, the group is willing to move forward together in unity of purpose.

- **Collaborative:** Use for making major business decisions that require the support of everyone involved to be successful.

Related to consensus building, the collaborative method brings all ideas to the table and relies on all family members to fully explore all options prior to deciding. While consensus building results in a decision being made with at least "buy-in" from all parties, collaborative decision making seeks to find a solution that is agreed upon by all parties, essentially without reservation. In the short term, the collaborative process is the most time consuming, as considerations are fleshed out during each meeting, but the decisions made through the process are most likely to stand the test of time.

- **Democratic:** Use for large group decision making or where consensus or collaborative decision making is inappropriate or fails.

At first glance, this may appear to be the best choice for all decisions. However, when making family business decisions, the "majority rules" aspect of the democratic method can be a source of resentment for the minority. An advantage of the democratic method is its application when there are a large number of family members involved in the decision and/or the issue is contentious and other methods have proven ineffective.

No matter the decision method used, moving forward involves putting together a feasible action plan and providing a means of dealing with any conflict.

HOW WILL WE ACCOMPLISH WHAT WE WANT?

THE ACTION PLAN

After goals and priorities have been defined and decisions made, it is important to develop the action plan for reaching the desired goals. Goals can be broken down further into objectives (smaller steps toward reaching the goal with a shorter time frame of completion) and individual action steps that lead toward achieving objectives and ultimately the goal (long-term).

The action plan to attain goals and objectives should include:

1. Setting goals, objectives and action steps.
2. Setting a target date for reaching goals (medium-/long-term) and objectives (short-/medium-term).
3. Setting deadlines for completing action steps (short-term).
4. Specifying who is responsible for each goal, objective and action step.
5. Identifying resources necessary to achieve goals.
6. Evaluating progress toward meeting goals.
7. Reinitiating the goal-setting process, as needed.

Example:

Using the two previous examples where the older and younger generation defined a family goal and a business goal, this example will walk through the action plan for reaching those goals.

Background on operation:

- Father/daughter dairy operation
- 150 acres
- 100 cows
- 10 acres of sweet corn
- Five tractors
- Four barns

Business Goal: Transition ownership of the farm to daughter over a five-year period.

Objective	Action Steps	Deadlines	Person(s) Responsible
Transfer of management of 10 acres of sweet corn to daughter	Develop a marketing plan	March 2025	Daughter
	Determine production practices (fertilizer, seed)	March 2025	Daughter

Family Goal: Provide desired quality of life for both generations.

Objective	Action Steps	Deadlines	Person(s) Responsible
Increase cash flow and profitability of farming operation for distribution as outlined in the transition plan	Meet with UT Extension area farm specialists to go over finances	November 2020	Father/ Daughter
	Investigate other farm enterprises to diversify operation	January 2021	Father/ Daughter

BALANCING THE CONCERNS OF MANY

The wants and needs of all parties involved will not always be the same. More than likely they will differ by generation and relationship to the owner and business. The 65-year-old retiring farmer will have different wants and needs from the 25-year-old beginning farmer. A nonfarming family member will have different wants and needs from the farming family member. These differing wants and needs are due to the different concerns, values and lifestyles of the involved parties. The following are some things to consider when discussing the wants and needs of everyone involved. It is important that everyone try to understand the other's point of view and understand that there may be certain issues that are not easy to bring up or to resolve.

THINGS TO CONSIDER: CURRENT OWNER/OLDER GENERATION

- **Not just a business.** The current owner/older generation will often have concerns about entrusting “their” business and the legacy “they” have built and managed to someone else. This is even more apparent in farm businesses where the farm is much more than just a business. The farm could be the home, income, retirement and family heritage of the older generation, making it difficult to let go.
- **Not ready to walk away.** The owner may want the farm to stay in the family and continue as an operating farm while staying physically or financially involved in the operations. However, it is important for the older generation to realize that at some point they have to let go of the reins and allow the next generation to take control.
- **Retirement.** Older-generation family members could have concerns about whether the business assets will be able to generate sufficient income to support them throughout their retirement. They need to ask themselves, “Do we want a large cash payment upfront or a steady income from the farm through a contractual agreement with the next generation?” The older generation will need to think through their financial needs and plan for covering costs such as insurance, health care and other day-to-day living expenses.

- **Where do we live?** Do you want to continue to live on the farm or move off-farm? Is there space available for the future generation to build a home? Living arrangements will need to be discussed, as the older generation may need or choose to continue their residence on the farm.
- **Fairness.** Some concerns of the older generation could include their desire that the succession plan should treat all of their children fairly and equitably. This issue is of particular prominence in families with children who are not directly involved with the family business. As the saying goes, “Equal is not always fair and fair is not always equal.”

THINGS TO CONSIDER: FUTURE OWNER/YOUNGER GENERATION

- **To farm or not farm?** The first question a young farmer should ask himself or herself before getting involved is, “Do I really want to farm?” Farmers are entrepreneurs and, as with all entrepreneurs, there can be many rewards but also many challenges. Make sure you want to farm and that you and your family will be willing to work through any challenges that may arise.
- **Economic viability.** Am I going to be able to make enough money to support my family? The economic viability of the farm operation is of utmost concern to the younger generation. And if the older generation wants to remain involved or still retain income from the business, the question changes to, “Would the family business be able to support both generations at the same time?” These are questions that need to be thought through and may involve working on the current and future business plan of the farming operation. It could be that significant changes are needed to ensure future economic viability, such as adding more acreage or buying more or newer equipment. Young farmers need to think not only in the short-term but also in the long-term, as family needs can change as the family grows and children get older.
- **Will I be a partner or a hired hand?** Future owners may have concerns about whether they would be treated as partners or as hired labor after the transition. What amount of managerial freedom would they have? Would they be able to implement new ideas or make significant changes to the operation? When will they begin to gain equity in the operation? Discussion of roles in future managerial and production decisions should be discussed to deal with the concerns.
- **How much do we owe?** Farming can be a debt-heavy occupation. Capital and operating costs can be high and a bit daunting for young farmers. There may be concerns about the stress of high debt loads necessary to maintain or expand the current operation, as well as the possibility of having to buy out senior and nonbusiness family members. If the older generation wants to slowly transition out of farming, they may consider selling or transferring assets over a period of time instead of upfront. This may help young farmers ease their way into ownership and manage the debt more efficiently. It is important for

the younger generation to be aware of the debt and to decide whether or not they want to or are capable of taking on the debt load.

- **Can I have the lifestyle I want?** How much time do we get away from the farm operation? How much time do we need to spend with our family? Young farmers may want a different lifestyle than the older generation, including time for family vacations, home improvements and other fun activities. Can they have this lifestyle without guilt and criticism from the older generation?

A WORD OF CAUTION

A warning to those farmers who have returned to the farm and are working day after day, putting their money, sweat, blood and tears into the operation under the naive assumption that “of course” the farm will be theirs. This is an assumption no one can afford to make. No matter how hard it is to start the conversation, find a way and get the assumption transformed into fact by having it formally stipulated, in writing, in the succession plan.

THINGS TO CONSIDER: OFF-FARM FAMILY MEMBERS

- **What about what I think?** Many nonfarm heirs may feel left out or excluded. Just because they are not there on the farm every day does not mean they do not care. They are a part of the family, and their thoughts and concerns should be listened to and addressed.
- **If you get the farm, will it stay a farm?** Off-farm family members may have concerns about protecting the farm from development or protecting the family legacy but have none about the day-to-day activities of the farming operation. If this is the case, then their concerns can be addressed by agreeing to support the farming family members as they strive to keep the land agricultural or preserving green space by using a tool such as a conservation easement. However, off-farm heirs may want assurance that agreeing to and supporting the decision to give the farm and farm assets to the farming heir means that the farming heir won't turn around and sell the assets. This is a double-edged sword though, because there may be a point where the farm will have to be sold due to economic situations. The farming heir can't be tied to farming forever just because the farm was given to him or her. These issues should be addressed and discussed.
- **I just want to sell.** It may be that the off-farm family member is more interested in the financial proceeds of selling the property, while the farming family members do not want to sell but actively farm the land. Whether driven by the potential for personal financial gain or simply a lack of concern about protecting the farm and family legacy, selling the farm will likely be a source of tension. This is one of the most common conflicts amongst siblings of farming parents. All too often there may be only one child who wants to continue farming, while the others have moved off the farm and into different occupations. This issue can be complicated and full of emotion and should be addressed

by both generations honestly and respectfully. Certainly, arrangements can be made, but they are not sustainable if they leave the farm business extremely vulnerable or the remaining farm family's situation economically infeasible.

- **If I don't get the farm assets, what do I get?** If nonfarming family members do not want the farm, then possibly there are other assets including investments or nonfarming property that could be given to them in an estate plan. For example, if the family decides to place a conservation easement on the property, the proceeds from the sale of the easement could go to the nonfarming sibling, and the land could go to the farming sibling. The land and operational equipment can be given to the farmer and the liquid assets to the nonfarmer.

EQUAL VS. FAIR

Some farming parents feel the property should be divided equally, while others are more concerned that the property or estate be divided fairly. Fair may mean equal or it may mean a division of property that reflects the time or money that each child has invested in the farming operation, knowing that some may have invested considerably more than others. The question that has to be asked is, "Do you want to transfer assets or a business?" If you are interested in just passing down assets, then divide equally and move on; however, if you are interested in passing down a business, then effort must be made to keep the assets together that will make the business successful and profitable.

WHEN THERE IS CONFLICT

A transparent understanding of each family member's needs, values, perceptions, goals, feelings and interests will provide a solid foundation from which to move forward.

Unfortunately, succession planning does not always go as smoothly as the family would prefer. This potential for conflict is often the reason why primary operators put off the inevitable. However, not wanting to "stir the pot" puts the farm and the family in a vulnerable position of even greater conflict when the primary operator dies unexpectedly. This conflict and lack of planning can have a significant effect on the legacy of the farm.

While conflict isn't necessarily bad — it can motivate useful debate and ensure a full examination of the issues — it can devolve into less than constructive behavior. At this point, a mediator may be necessary, or the family can attempt to use some of the conflict resolution techniques listed below. If the situation is becoming exceedingly difficult and tempers are flaring to the point of irrevocable damage to the family and its business, a professional should be sought immediately to mediate a solution.

If conflict does arise, Dudley Weeks (1994) has developed a framework that seeks to develop partnership from conflict through effective conflict resolution. He outlines eight steps to follow:

- 1. Create an effective atmosphere.** Just as communication provides the foundation upon which succession planning takes place, conflict resolution needs to take place in an atmosphere that cultivates resolution rather than poisoning the waters of discourse. Approaching the conflict by fostering positive interactions at a mutually appropriate time and place makes resolution more likely to occur.
- 2. Clarify perceptions.** Family members who are in conflict during the succession process often think they know what is motivating the other party. This perception is often wrong or misinformed and rooted in issues that are as much a part of the individual's own perceptions as they are of the other person. To avoid having perceptions ruining what should be a constructive process, both parties need to be honest about what the root causes of the conflict are and focus on a resolution that respects the entire family relationship and does not dwell on "winning."
- 3. Focus on individual and shared needs.** As mentioned earlier, beginning the communication process involves identifying individual wants and needs. As needs commonly trump wants, the parties involved need to focus on what their needs are and which needs are shared (an indicator is that these needs are family needs and should take priority). By focusing on shared/family needs, the parties can realistically consider the root cause of the conflict and steer resolution towards addressing these needs, in addition to those of a more individual nature.
- 4. Build shared positive power.** During conflict, family members usually attempt to wield power against one another to gain advantage over the other in an effort to "win." By focusing on shared needs, the parties can use "positive" power towards a constructive resolution.
- 5. Look to the future, then learn from the past.** Certainly, successful operation of the farm is as much a function of the land as the personalities who run the farm. Family farms are often rooted in history and tradition. The current status of the farm is of course a culmination of all the decisions that have been made prior to today. While families in conflict can learn from their history, the probability of resolution will be higher if the family focuses on the present and future and doesn't dwell on the past in an unconstructive way.
- 6. Generate options.** A constructive resolution process should focus on generating options rather than entrenchment of both parties through their demands. This requires that each person is willing to "think outside the box" and generate options that may not resemble his or her original position but will address the shared needs of the family.
- 7. Develop "doables" — stepping-stones to action.** Oftentimes, the ultimate solution (goal) is made up of several action steps. These steps or "doables" may be less contentious than the final solution but can move the family forward in a positive and constructive way. Breaking down the issues into component parts and identifying steps with a high probability of accomplishment requires participation of all members and meets shared family needs. The march toward resolution has begun.
- 8. Make mutual benefit agreements.** Honestly discussing shared needs and identifying "doables" should lead family members toward an agreement that will ultimately lead

to resolution of the conflict. (This can be thought of as a mutually beneficial goal that will be incorporated into the succession plan.) Once agreement is reached, it needs to be “solidified.” Review the agreement to be sure everyone understands it completely. Use whatever means is agreeable to ensure that the agreement remains in some kind of reviewable form (family meeting minutes, informal contract, checklist, etc.) and ultimately incorporated, as agreed upon, in the succession plan.

Having gone through the process in a positive and constructive way will likely lead to further application when the need arises. As with all elements of the succession plan, conflict resolution is a process that requires implementation, evaluation and adjustment as time goes on.

SEEKING PROFESSIONAL SERVICES

After the initial discussion has happened and you have set goals and priorities, then developed an action plan, it is time to put together your professional succession planning team. These experts will help you implement your succession plan and could include a realtor, financial planner, attorney, accountant, farm management specialist, forester or other professionals. You may have already identified and used professionals during the goal setting or planning process, but choosing the professionals who will constitute the team is an important decision for you. Chapter 6 will help you identify criteria on which to select an attorney. Tips are provided to prepare you for the first visit and the relationship between you and your attorney.

YOU CAN'T QUIT TALKING

Running a farm is one of those occupations where it is often said, “I love it because it is something different every day.” It may be the weather, disease, crop prices, input costs or technological change, but whatever the case, agriculture never stands still, and each season is different from the last. In the same way, your succession plan must be able to adjust to the times and accommodate unanticipated changes.

This means that a succession plan should be treated as a “living document” that is revisited by the farm family on a regular basis. Commitment is key! When there are changes in the family such as divorce, remarriage or death (in either the younger or older generation), this should trigger the discussion and reexamination of the succession plan, if it had been completed previously. By initiating an ongoing process for evaluation and updating, your succession plan will be flexible enough to handle most situations and robust enough that it will not change in its entirety every time an action step is abandoned or an objective is altered. This can be accomplished by:

- Always keeping the communication channels open.
- Faithfully conducting constructive family meetings.

- Performing all of the necessary recordkeeping in a timely and accurate manner.
- Maintaining contact with all members of the succession team, including paid professionals.
- Honestly evaluating progress towards achieving goals and completing the action plan.

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