

Farm Family Business

Set Goals for the New Year

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4



If you're involved in a multi-generational farm, resolve to improve your transition in 2017. ((Progressive Farmer image by Getty Images/iStock)

As we start a new year, many of us establish both personal and business goals. Many of these objectives have measurable outcomes, such as losing weight, learning a new skill, achieving a certain level of revenue or profitability, or improving a farm or ranch property.

Succession goals, however, are more difficult to quantify. One reason is that family businesses are a complex interplay of management systems, ownership strategies and relationship dynamics. Another reason is that the finish line keeps moving: business growth brings new challenges, tax laws and asset changes call for tweaking an estate plan, and relationships get better or worse depending on how unforeseen situations are handled within the family and business. In addition, the process can simply feel overwhelming. Where do you even begin?

Facing such weighty work with ambiguity in the target, how should you establish goals for the family business transition? Consider focusing your efforts on the following three categories as you begin the new year.

CONVERSATION GOALS

The most common complaint made in families and family businesses is poor communication. Despite being close to one another as family, people feel there is often not enough discussion about current activities and plans. Relationships are taken for granted, and family members begin to operate on precedents and assumptions without taking the time to converse.

This year, consider a goal around regular family communication. Provide a consistent forum to check-in on how family members are feeling about the business. Ask questions about how people perceive the future, how they see their role evolving, and what opportunities or concerns they have about how the business is performing. A monthly or quarterly discussion will go a long way toward identifying transition difficulties and prospects.

RELATIONSHIP GOALS

In every family business, there are periods in which relationships are strained. Disagreements, resentment, harmful words, misunderstandings and decisions with unintended consequences all contribute, at times, to feeling at odds with those we love.

With whom in your family do you need to mend fences? Where is an apology or act of forgiveness needed? Consider setting a goal to improve a relationship. Regardless of how the situation became difficult, ask yourself what role you can play, this year, in making it better. Restored relationships both renew and reinforce the momentum around succession and estate planning.

LEGACY GOALS

After my grandfather passed away, we found a book tucked away in a safe that he had filled with life lessons, family history and significant memories, penned in beautiful handwriting for my brother and me. We are fortunate he took the time and energy to capture what would most likely be forgotten as we move further and further away from the land.

It's difficult to estimate the value to future generations of a well-articulated history and philosophy. Experiences and knowledge gleaned from decades of farming and ranching can inspire, guide and teach your children and grandchildren. Such wisdom is useful not only for business, but for life in general. This year, consider a goal around capturing the values, guiding principles and major events that have shaped your family business. You can write them, record them, or easily create a video describing the major influences on your family and business.

The beginning of each new year offers an opportunity to reflect on your progress and visualize your future. In addition to more tangible goal-setting, make sure to ponder your aspirations for better communication, improved relationships and a lucid account of your legacy. Your business will be better and your family be thankful.

EDITOR'S NOTE: Lance Woodbury is a Garden City, Kansas, author, consultant and professional mediator with more than 20 years' experience specializing in agriculture and closely-held businesses. Email questions for this column to Lance@agprogress.com. For more on this topic, see DTN's Minding Ag's Business blog. Find Woodbury's past columns online at [https://www.dtnpf.com/...](https://www.dtnpf.com/)

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