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# Letting Go

These tips can help smooth the transition of control between generations.

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Perhaps the most difficult aspect of transitioning from one generation to the next in a family enterprise is the senior members' process of letting go of control over business decisions. After all, how does one simply stop using the experience gleaned from 30 or 40 seasons of farming and ranching? And why should the next generation have to repeat some of his or her mistakes?

Both generations often have the best intentions around succession, but practical aspects of the handoff strain family relationships and create confusion with staff.

Sometimes, the younger generation is impatient or isn't quite ready to take the reins. More often in my experience, the senior generation isn't ready, and younger family members become frustrated at not being trusted, feeling they have the responsibility to implement decisions without the authority to make them. They either give up and leave, or resign themselves to a muted participation in the business.

The senior generation's hesitancy to let go is often rooted in many concerns. They may believe the next generation doesn't have the skills and knowledge to lead, but are not sure how to discuss that lack of confidence. Sometimes senior members aren't sure how they will handle decisions with which they

“Some of us think holding on makes us strong; but sometimes it is letting go.”

—HERMANN HESSE

disagree, or how they will spend their time if not overseeing multiple activities. Other times, they believe giving up control means they need to exit daily operations, leading to uncertainty about how they will spend their time if not working—particularly if their identity is tied to their work ethic.

Consider the following ideas to facilitate the transition of control between generations:

- GET OUTSIDE PERSPECTIVE.** Family members may be too close to objectively assess the performance of one another. Ask people outside your business—other business owners you respect, your professional advisers or vendors—what they think of the younger generation's capabilities. It can increase your comfort level or suggest you need to develop alternative plans.
- ASK FOR ACCOUNTABILITY.** Just like a coach helps a player achieve better performance, give your professional advisers permission to nag you about the progress of the transition. This not only serves as a motivator to the senior generation but also as a signal to the younger generation that you're serious about the transition.
- DOCUMENT NECESSARY IMPROVEMENTS.** If you believe the next generation is capable but needs to improve in a few areas, create a development plan—a document—that outlines the improvements and a path to acquire the skills or get the necessary experience.
- DEVELOP OFF-FARM OPPORTUNITIES.** Having something outside the business that motivates and engages you, and plays to your strengths, can help the transition. Church work, political or industry leadership, charitable endeavors, outside financial investments and travel are a few of the activities I've seen senior generations use to draw their focus away from day-to-day activities on the farm or ranch.
- SEE A COUNSELOR.** Letting go of control is a major life change, particularly when you're used to being in the driver's seat through the decades. You need to talk about it and develop a positive frame of mind. A counselor or minister can often serve as a sounding board and offer words of encouragement you need to hear to sustain the transition.

Put simply, letting go is hard, even when it goes well. It's why many family businesses don't make the jump between generations. The quicker you acknowledge the level of difficulty involved and start communicating, the higher the likelihood of success. ●

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