



How can you avoid these scenarios? By cultivating the following two non-financial principles that will enhance the ties among generations, siblings and cousins for the future.

**SHARED VALUES.** A successful estate plan fosters shared values, and those values form the foundation of a successful business partnership. Such values reflect our most deeply held beliefs about the world and our interaction in it, serving as guideposts along the path of family business growth. When values don't match, conflict more easily emerges.

Values show up in all kinds of day-to-day business decisions. For example, the value of stewardship is demonstrated in decisions about land and facility improvements. Financial values emerge in discussions about crop or livestock marketing, or equipment purchases.

How you value the people that work for you is evident in your supervisory relationship, your human resource policies, compensation and benefits.

Values are also demonstrated in the events and stories that have shaped the family and business. Homesteading, survival in the 1930s or 1980s, off-farm jobs, weather or market events, family tragedy or success—your family's values are apparent in all of these events, which is why it's important to tell, and retell, those stories.

**SHARED VISION.** A successful estate plan embodies a shared vision among family members or business partners. For example, many family business partners believe that keeping their capital together provides a better life for all of them. Other families I know share a vision of making a contribution to society by producing food. Another family believes that working together encourages strong family relationships, while another believes their family business is the best place to foster an entrepreneurial spirit.

In all of these examples, the family shares a common view of where they are headed. They are in agreement, at a high level, of what they want to accomplish. Sure, at times there are disagreements on the details and tactics of getting there. But the shared vision keeps them motivated to work through disagreements and train the next generation.

As a family in business, take time to articulate the values that have shaped your organization. Discuss your vision for the future with your heirs or business partners, and encourage them to participate by sharing theirs. It costs very little to have these discussions—mostly time. But the ties between family members can be strengthened immensely with the investment, and your estate planning process will likewise be enhanced. ●

## Ties That Bind

Shared values and vision can fortify the bond between heirs and forge a stronger business future.



LANCE WOODBURY

Estate planning, on the surface, has two primary goals: transferring wealth and minimizing taxes. Both are important to agricultural families, as the high cost of land and equipment can be a barrier to entering a farming or ranching business. Additionally, a large estate tax liability can erode the equity built over generations, if assets must be sold to pay tax.

At a deeper level, however, estate planning serves another meaningful purpose. It can enhance the ties that bind heirs together. In my conversations with business owners, I often hear them express a desire to create something beyond financial significance with their planning efforts. They recognize that passing assets such as land, equipment and cash to the next generation is important, yet insufficient, to create or nurture strong bonds between family members.

We've all heard of siblings who inherited land but then fought incessantly and eventually sold it. Or we know of family members who, in only a couple of years, exhaust the wealth accumulated over decades. Or we see heirs who can't make the adjustment from being siblings to being partners in business with one another, and their once-positive relationship deteriorates.

Write Lance Woodbury at Family Business Matters, 2204 Lakeshore Dr., Suite 415, Birmingham, AL 35209, or email [lance@agprogress.com](mailto:lance@agprogress.com)