

Focus On The Positives

Four factors to determine the benefits of a family farm operation.



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Let's face it, family businesses are difficult. Beyond the typical farming or ranching challenges of commodity marketing, input prices, weather, equipment and labor—enough to stress any business leader—you also face the hurdles of family dynamics. Communication difficulties, unspoken assumptions, differences in expectations, strong emotions, years of personal interaction and outright conflict among family members are ever-present. Family business owners often ask, “Are the challenges of navigating family dynamics worth the benefits of being in business together?”

To honestly answer that question requires thinking beyond binary, “yes” or “no” answers. It requires looking at your situation from a different angle, recognizing your progress, recalling the benefits of a family business and thinking about the future. Consider each of these four components in more depth.

> USE A DIFFERENT POINT OF VIEW

When people sort out the value of staying in business together, they are often deliberating in the heat of the battle. They are asking questions about continuation at the exact moment the answer is most likely negative.

In order to give a balanced answer to the question of whether you should continue in a family business, try asking the question at a different time. Delay the question until you are in a less negative place. Only then will you be in a frame of mind to consider all the relevant factors about the decision.

> RECOGNIZE HOW FAR YOU'VE COME

Entrepreneurs and business builders often see opportunities and become frustrated by the inability to reach their goals more quickly. They see possibilities to increase profits, acres or animal units, but feel stymied by how long it takes. Their measuring stick is the distance between where they are now and where they want to be.

Every now and then, it helps to change the measuring stick. Instead of calculating how short we are of the goal, we should measure where we are compared to where we were. What has the trajectory been over the last five, 10 or 20 years? Business growth, net worth

increases and the impact on employees have likely been significant. When you look at how far you've come instead of always looking at how much further you have to go, you end up with a stronger sense of gratitude and optimism.

> REMEMBER THE BENEFITS

Business success today is often discussed in common terms like gross revenue or net profit, or seen as a bank account balance or as the accumulation of material possessions. But, family business success often goes beyond financial considerations. The chance to be your own boss, to practice your vocation, to leave a legacy, to work with and inspire your children, and to live in a rural community are just a few of the benefits that farm and ranch owners mention to me. Those benefits may make some level of family drama tolerable.

> DEVELOP A FUTURE VISION

When people wonder about splitting up the family business, it is often because of their current or past difficulties in working together. Instead of focusing primarily on what got you to this point, however, it helps to creatively consider the future. Exploring the possibilities with assets, taking into account family members' talents and interests, and considering economic and consumer trends creates options for the future. There is no rule that says you have to keep doing the same things the same way, and a new way might provide new opportunities for family interaction.

Family businesses have a unique set of obstacles, and staying positive requires different ways of thinking about your current situation. In my experience, those who take the long view, recount their progress, define success differently and look to the future have a more positive outlook and a fulfilling family business experience.



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