

Succession Planning

Can You Hear It?



If you listen really hard you can hear it. Not the rush of a swollen winter creek or an airplane passing overhead, but the screaming void of leadership across America. We just elected a President,

not based on his experience and wisdom, rather for his ability to eloquently articulate hope. Not for his accomplishments or good judgment, but for his pretentious speech of change. Imagine the most powerful nation in the world, long ago founded on independence, now resting on hope.

We want [desperately need] leaders we can believe in. From the nation's capital to the corner market, we appreciate people who can serve our needs. Private industry cannot afford the apathy of poor leadership. But where do we find good leaders and how do we help them prepare for the roles and responsibilities they will play? From owner through department heads, from supervisors to janitors, we need strong managers and accountable associates because leadership matters!

Family agribusiness owners are held to a high standard of accountability and responsibility. You are looked upon as leaders in the home, making decisions that ensure the family's financial security. As the patriarch/matriarch you are viewed as the bell weather for the family's communal health. As an owner in the business community you are beholden to the needs of others – customers, employees, vendors, etc.

In these multiple roles, a disproportionate share of your time and attention must be spent grooming the leaders of tomorrow. Our country, community and industry depend on it. An effective leadership selection and development process is essential. Just as a great manager is important to business success, a new owner is essential to the continued growth of the operation. As the current owner, you should have a defined process for selecting, and then developing, a capable successor or manager.

A simple approach to manager/owner selection may include the following six steps.

Step 1: Evaluate the Needs of Your Business

Clearly identify the needs of your business. The skill set necessary for management in business today is highly volatile, in fact downright fickle. Things that were absolutely essential ten years ago may be less important now, such as mechanical ability as opposed to computer literacy.

Step 2: Identify the Potential Candidates

Identify all potential management/successor candidates,

including family members, loyal employees, and eligible parties from outside your current family and business circles.

Step 3: Measure the Current Skill Level of Each Candidate

Management/leadership aptitude is an important factor in the selection process. Each candidate must be evaluated with both objective and subjective measures of management/leadership competence.

STEP 4: IMPLEMENT A DEVELOPMENT PLAN FOR YOUR MANAGEMENT CANDIDATES

Design a personal development plan based on the demands of the business and the developmental needs of each candidate. Work closely with each management candidate to ensure competency and measure progress.

Step 5: Communicate with Family Members and Loyal Employees

Support from your family and loyal employees is critical to the transition of power and the continued success of your business. Communication is the key to enlisting the necessary support.

Step 6: Follow-up

Without consistent follow-up, a plan is not likely to succeed. People learn and develop business acumen at different rates. Your follow-through will help ensure business success.

Manager/leadership development is a key component to business success and to a comprehensive succession plan. As you size up the commitment of your manager candidates, think about your own priorities and skills as well.

- Are you fully committed to the business needs of your farming operation?
- Are you demonstrating the superior leadership and service which you would look for in another manager or owner?
- Are you leading by example?

The right leader will help assure the future success of the organization and the harmony of the family and business. By knowing that you have taken the steps to ensure an optimal outcome, you will increase your own level of personal satisfaction.

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