

He Wants to Come Home

Q My son wants to come home. He left for school 12 years ago, married his college sweetheart and started a career in pharmaceuticals. I'm sure he wants to farm, but I'm not certain he's committed enough. Up until last fall, he loved city life and his carefree weekends. My wife and I disagree on what to do next. She wants him home; I think she anticipates grandkids in the future. I don't mind him coming back, but I'm not sure if it's the right thing to do or how to plan for his return.

The information available through the Farm Journal Legacy Project has convinced me that I need to do something. Will it help me in this case, how much will a plan cost and what other expenses should I expect?

A Let's start with the main question: Should you and your wife welcome your son into the operation? Each of you are reacting to different motivators as you consider his return. You've already said your wife may be anticipating grandkids. For your son and his wife, maybe the pace of city life is draining. Or perhaps the current economy makes farming look attractive.

From your perspective, it may be nice to work with your son and watch him grow in the process. (See "Conversation Starters" under the Legacy Tools tab at the Legacy Project's Web site, www.FarmJournalLegacyProject.com.)

Family relations and business realities can create a tug-of-war in your mind as you work through the responsibilities each of you carry. I recommend you and your son look at the operation strictly from a business perspective. Do you have a business plan, job descriptions and other documents that signal this is a serious operation? There is a lot of pressure

involved when trying to give each participant a thinner slice of the pie. On the other hand, nothing is more exciting than creating a plan and then sharing a bigger pie. (See the "Business Plan Self-Assessment" online.)

Before you begin to explore the options available in making your son a part of the operation, clearly define what you want to achieve. Your son should do the same. (See the Goals Clarification Worksheet online.)

After you've identified your goals and understand your son's rationale, explore the options. Keep in mind that there is no single right way to handle this situation. This is where a good succession planning process earns its value. An adviser will explore potential solutions, conduct research, weigh the pros and cons, make recommendations and guide the implementation. (See the "Family Meeting" and "Selecting an Adviser" tools online.)

A fully implemented comprehensive succession plan should accomplish these goals:

- Improve operational integrity. This is just a fancy way to say the plan should ensure a seamless management transition so the operation can continue when ownership changes at some point in the future.

- Enhance the active family's financial security. The families dependent on the farm for financial support and their retirement nest egg should feel more comfortable meeting the financial obligations as they arise in the future.

- Help to prepare the next generation



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to assume a leadership role. The ability to manage a growing operation in the face of never-ending challenges and a fast-paced economy will be key to sustainability and lasting success.

As to your second question, what will it cost, don't confuse cost with value. The opportunity to leverage someone else's hard work, expertise and experience may be invaluable. A succession plan may be the difference between lasting success and failure. Bringing a family member home to work in the operation is a life-altering affair for the owner, the family and the operation. It can be a blessing and a curse; your job is to employ all possible resources to ensure a positive result and a solid new beginning.

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