

I'M NERVOUS, BUT WE'RE READY TO START...

# PREPARING FOR THE FIRST FAMILY MEETING

**S**uccession planning will be most likely a series of meetings – perhaps over multiple years – with the first being critical. We all know by now that addressing things early and openly is the best course of action, but it is easier said than done! Scheduling in time to have the first family meeting to engage with everyone can be incredibly daunting, but so worth it, and we are here to help.

For every family that has had a wonderful and useful family meetings you can be sure there's another that has had a meeting that has set them back three years. So, how can you help to ensure your family meeting is a productive one? This factsheet has some tips and tricks for you.

## This stuff is scary.... how do we start?!

As the incoming generation, you may not be best positioned to start and lead the conversation. The succession journey is often more easily approached when initiated by the current owner of the business and assets, however if you feel like the time is right, we encourage you to chat to your family about benefits of holding a family meeting and starting the succession planning process.

### Framing succession as an opportunity

Succession does not need to conjure up feelings of unease and uncertainty. Re-framing succession as an opportunity rather than a risk, is extremely important in order to do so.

It's not about power, but empowerment. The process provides an opportunity to analyse the business and guide its future, as well as build family relationships and unity.

*"When your objective is to build a family legacy, succession planning is more than a process, it is the motivation for the hard work you do every day."*

- [Farm Succession MyMilk](#)

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### Engage a facilitator

A facilitator is an independent party who can be invaluable in guiding the family through the succession process, particularly during meetings. They can assist in ensuring everyone participates in the discussion and prevent one voice or negative opinions dominating the conversation. They are also crucial in guiding a family through emotional topics and hard questions that no one else may be comfortable initiating.

Facilitator's can bring their knowledge of frameworks and experience with other farming families to the table. This is crucial to help generate options for a family who is struggling to move forward. Facilitators also kept record of the meeting and all outcomes and decisions made, which is vital for future reference and planning.

Look for someone independent that has experience in succession planning, facilitation, communication, and mindset. Some families engage with someone already involved in the process (i.e. the family accountant). Just be sure that this person has the necessary skills and independence (perceived and actual)!



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## Who is invited?

The experts we engaged with as part of the [Succession Planning Toolkit](#) all agreed having all families members as part of the discussion is integral.

This includes stakeholders including off-farm siblings, daughter- and sons-in-law, and any other party directly affected by family decisions and interactions concerning wealth and intergenerational transfer.

**Why is it so important?** Firstly, if family members are not at the table, they may feel excluded and undervalued.

Secondly, there is a huge risk of this person hearing half of the story, an abridged and negative version from their returning partner/spouse. People are more likely to share upsetting news rather than sharing a detailed and unemotional recall of the meeting. This can all sow the seeds for disharmony and family conflict that could otherwise be avoided.

Finally, it is widely known that diversity in thought is incredibly important in teamwork, brainstorming and problem solving. By not having all members at the table a family runs the risk of losing different and valuable perspectives.

**Will you have other experts in the room, such as your respective accountant or lawyer?** Possibly not for the first meeting, but it is something to think about to ensure you understand the tax and legal obligations of options as you brainstorm them.

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## Set an agenda

An agenda provides structure to a meeting, ensures there are no surprises and that the meeting flows efficiently and effectively. It sets the tone of formality and helps the family work keep focused on the process and achieve outcomes.

Usually, the older generation start by putting their wishes forward, which often frames the foundation of the succession process. Then all other family members are given time and space to contribute and have their wishes heard and understood.

It is important this is distributed to all attendees well ahead of the meeting, so everyone knows what will be covered in the meeting and do any homework they need to do to prepare.



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## Complete preparation work

### 1. GOALS

Ask each participant to write down their personal goals down and what they would like to achieve over the next 5 and perhaps 10 years. Writing these down will ensure everyone comes to the meeting prepared and comfortable to share with the rest of the family.



### 2. UNDERSTAND YOUR COMMUNICATION STYLE

Each family member should complete this [communication style assessment](#) (Copyright: Elaine Froese) to understand their traits and how to communicate with other styles most effectively.

### 3. QUESTIONNAIRE

Consider answering this [questionnaire](#) (Copyright: Murray Nankivell). It contains a long list of questions to start extracting the information you need for the succession process, from both the current controllers of the farming business and the next generation points of view.

### 4. PODCAST

Listen in to [Season 2](#) of the Young Farmer Business Program's Propagate Podcast! The series focuses on all things succession planning and features conversations with real farming families from Mungindi, Dorrigo, Narrabri and Geurie alongside experienced succession planners Isobel Knight, Lyn Sykes and accountant Tom Larkin.

- [How to run a successful farm meeting \(RCS Australia\)](#)
- [Family Farm Toolkit \(Elaine Froese\)](#)
- [A Guide to Succession: Sustaining families and farms \(GRDC\)](#)
- [The Farm Family and Their Family Farm \(2016 edition\) \(Geoff Tually\)](#)
- [Farm Succession Questionnaire \(Murray Nankivell\)](#)



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## Choose a location

It is advised to hold the meeting in a neutral setting. It is best to get off farm and somewhere where you will not be interrupted.

And remember to have catering organised. It should not be left to a family member or two to be ducking out of the meeting to ensure everyone is fed and watered. All of you are valued at the table!



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## Set ground rules

It's also important to set agreed ground rules for the meeting – things like everyone will be given the opportunity to speak where all participants intend to be constructive not destructive, and that you will focus on the future, not dwell on the past.

Your facilitator may help with these. Example includes:

- Focus on the future, not the past
- Be constructive, not destructive
- Be positive, not negative
- Ask the difficult questions.



## Guest speaker

Asking an external speaker to come and present on a relevant and interesting topic may prompt some meaningful discussion and could make the meeting more positive and dynamic.

Potential speakers could include:

- Lawyer, accountant, investment manager, farm benchmarking specialist, other farming families who have completed succession, psychologist, futurist, demographics expert, succession expert, successful family business from another industry, corporate executive, government official.

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## Distribute minutes

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## Have clear next steps

Congratulations on completing your first family meeting! But remember succession journey is a series of meetings and this is just the beginning. It may take a number of them (over time) to develop your first draft of your family farm succession plan.

Having clear steps and timelines for what is next will keep the process moving along and everyone on board.

Once the major decisions have been agreed upon, it is not always necessary to have all family members present at subsequent meetings.