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Why Grow Relationships with the next Generation?

tatistics show a steady rise in the average age of American farmers over past decades. The average age of the U.S. ag operator is 58 years and has been steadily rising for the past 30 years. Even the second and third operators are increasing in age, and at a faster rate, Figure 1.

In viewing these statistics, the question often comes up "Who will take over as this generation continues to age?" But these numbers also reiterate the fact that our family farms or ranches include multiple generations. Maybe instead of focusing

on the transfer, we should be thinking about building these relationships now. Leading to a smoother transition later.

Intergenerational Challenges

| | 2012 | |
|--|----------------|-----------------|
| Average Age of Farm Operators, 2007 an | d 2012 | |
| Figure 1: Average age of U.S. | farm operators | s, 2007 to 2012 |

| | 2007 | 2012 | % |
|-----------------------|--------------------------|----------|-------------------------|
| Operator | (year | s) | change |
| Principal | 57.1 | 58.3 | 2.1* |
| Second | 51.4 | 53.4 | 3.9* |
| Third | 44.6 | 46.0 | 3.1* |
| All | 54.9 | 56.3 | 2.6* |
| Source: LISDA MASS 20 | 12 Census of Aariculture | *Statist | ically significant chan |

There are many challenges to managing the relationships between generations in any family.

Source: USDA NASS, 2012 Census of Agriculture. *Statistically significant change

But consider that the farm or ranch family is unique as a business entity. Often agricultural families are more involved and work more closely than other family business arrangements.



Overwhelmingly, the biggest source of stress is the transfer of the farm or ranch to the next generation. This may be due, in part, to the fact that transferring the farm or ranch to the next generation can often amplify other stress factors that family members may be experiencing.

Address the Stress

Each family member feels stress differently. While all family members often feel the strain of a tight money situation, mothers and fathers often feel they must assume a greater share of the load when considering who shares the risk (and the blame) in disputes over spending. The younger (incoming) generation frequently express that they feel stressed because they are not on their own and able to make their own decisions.

Still, one of the greatest sources of marital and intergenerational stress is the lack of a good working relationship, where the son or daughter-in-law doesn't feel involved in making decisions in the operation.

One of the most important ways to address these challenges is to establish a culture of open communication, one where everyone feels free to express themselves as appropriate. Holding family meetings and family business meetings can provide a way for thoughts to be shared and decisions to be made in a more open and inclusive manner. For more on holding family meetings and family business meetings, refer to the AG LEGACY module titled "How are you communicating with the next generation," available at **AGLEGACY.org**.

In addition to open communication, other important coping strategies include making decisions democratically rather than in an authoritative manner, planning ahead for stressors that accompany particular stages in the family cycle, reducing blame, and putting emphasis on spending quality time together as a family.

Moving Forward

Regardless of what sources of stress your family is facing, the best approach for addressing it is to identify any potential issues and be open about them. Allow family members to share frustrations openly by creating an environment where they feel comfortable and safe to do so.

Here are some strategies to help you get started:

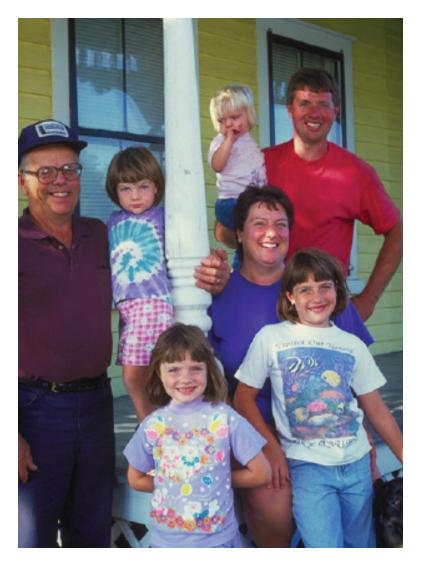
• Write down personal, family, and work goals for three months, six months and a lifetime.

• Take time to ponder what you want, and practice healthy stress management techniques

• Enhance your communication and negotiation skills. Use fewer 'You' statements and more 'I' statements

• Take time to reflect on examples when your family has been able to work through a problem.

• If the family is struggling with these skills, it



may help to get assistance from a mediator or other professional.

Many parents talk about goals and desires for the family farm, but are never able to come to any conclusions. Whenever the children bring up or suggest new ideas or opportunities, they may argue about it for hours on end with no consensus. This leaves everyone frustrated and results in things being done in exactly the same way they have always been done. For this reason, many children on family farms feel like their relationship with their parents not only fails to grow but begins to decline over the years.

This is a common experience for many family farm and ranch operations. But it is important to understand and remember that there is a better way. Creating an environment of open communication and involving everyone in that exchange can be a great start to helping make everyone feel a part of the operation. In addition, finding a method to involve the next generation in important business decisions can go a long way toward improving long-term relationships and preserving the family operation.

Following a strategy for growing better relationships in your family may even open up new opportunities, as well as build a stronger foundation to help the family and the business weather the storms of life ahead. How are you growing your relationships with the other generations on the farm or ranch?



An online module, including a recorded presentation covering growing relationships with the next generation, and other information on developing your management succession plan is available at our website. For more on upcoming modules, past newsletters, and for information about Ag Legacy see **AgLegacy.org**. Requests for additional information may be emailed to Information@AgLegacy.org.

Online Module

AGLEGACY.org hosts a set of online modules to allow individuals and families to explore legacy concepts further. Modules are available free of charge to all who are willing to register to participate (self-registration is available 24/7).

Modules, posted in Moodle courseware, offer the opportunity for individuals to engage anonymously around the topic of communication. Sections of this module provide participants the chance to interact with one another, explore the topic of communication with the next generation and what it means, discuss strategies



that work and those that have not, and test their knowledge about available resources. Each module includes several components to allow participants to engage the topic from several different perspectives.

Best Practices -

Best Practices begins with a short recorded presentation on the topic. Slides with narration is one format, but materials are also available in audio-only (MP3) format, as well as a version with the

GROWING RELATIONSHIPS Best Practices

Best Practices: offers the chance to learn when others teach. In this section you will be able to review a recorded version of the live webinar and view the slides presented, complete with the speaker's notes.

slides and accompanying narration as text, for those more comfortable reading the presentation offered. A short Q&A session offers participants the opportunity to hear others' questions and the presenter's response.

GROWING RELATIONSHIPS Ideas to Build On Ideas to Build On: offers the chance to learn by observing others. In this section you will have the opportunity to engage in a discussion forum. You will have the chance to share what has worked for you and to learn what strategies others have used and how they worked as you each react to the posted discussion questions.

Ideas to Build On -

Ideas to Build On offers discussion questions for families or individuals to respond to. These responses might include relating what has worked for you or stories you have heard of techniques that have

worked for others. In addition, you might also learn what strategies others have used and how they worked as you each react to the posted discussion questions.

Tips for Success -

The Tips for Success section offers a set of AGLEGACY newsletters for further reading, as well as a chance to teach others about resources you are aware of, approaches you have tried and that have

GROWING RELATIONSHIPS Tips for Success

Tips for Success: provides a chance for participants to teach others about strategies that have worked. In this section you can teach others about resources you are aware of, approaches you have tried and that have worked, or describe methods that families you are familiar with have used. In this way, you may uncover new ideas for yourself or help others refine an approach they might try.

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GROWING RELATIONSHIPS Practice

Practice: allows participants the chance to learn by practicing the concepts covered previously. Practice may include completing an assignment, submitting a document you've prepared for comment, or checking your knowledge level with a short quiz.

ACCESS:

To access the online module, point your browser to **AGLEGACY.org**. Click on the Modules tab (at the top) and select any module from the list with a Moodle icon.

Click a title to begin your registration process if you have never registered for an Ag Legacy module before. Then click the Create New Account button to enter your registration information. An email message will be sent to the address you enter that includes a link allowing you to finalize your registration once you complete the form. Now login and enjoy your AGLEGACY online module!

Practice -

Practice is a section that allows participants the chance to learn by practicing the concepts covered previously. Practice may include completing an assignment, submitting a document you've prepared for comment, or checking your knowledge level with a short quiz.

| Username | Forgotten your username or password? |
|-------------------|---|
| Password | Cookies must be enabled in your browser 🕜 |
| Remember username | DIOWSEI 🖉 |
| Log in | |

Persons seeking admission, employment, or access to programs of the University of Wyoming shall be considered without regard to race, color, religion, sex, national origin, disability, age, veteran status, sexual orientation, or political belief.

