

## Why are Interpersonal Issues So Challenging in an Ag Legacy?

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**G**race left her parents house last night in tears. What had begun as a nice Sunday dinner ended in a shouting match between her father and her brother. It was supposed to be a celebration. They had just finished weaning and shipping their calves and it was always a big relief; a weight off their collective shoulders.

Unfortunately, Levi still felt resentment that his father didn't try his idea of using a video sale to market some of the calves. The family had discussed it several times over the past year. Levi wanted to diversify their marketing approach, while their father, Logan, wanted to continue using the local sale barn. Levi tried to convince Logan that using the video approach would reach a larger group of potential buyers and help them get a better price. Dad argued that sticking with what they had been doing was safer and easier. When Levi called his father out for being too chicken to try new things, the conversation got heated. Turning into more of a shouting match.

Grace had tried to share her thoughts in the past, but lately the discussions had gotten too out of hand. Not even her mother could get a word in these days. Levi left the house angry, saying he was done and would be gone in the morning. Grace feared that he would actually leave this time. She wished that they had a better method for handling conflict, one where everyone could be heard and acknowledged, rather than resorting to shouting and threats where everyone left feeling hurt and unappreciated.

What could Grace's family do to better address conflict in their family and in the business?



### Interpersonal Issues

Interpersonal refers to our relationships and interactions with other people. We can all think of challenges we've faced in our interactions with others, whether family members, coworkers, or friends. Allowing another person into your life means an additional set of opinions, goals, desires, and feelings that might differ from your own. In addition, while being different doesn't imply that they are wrong, different can be challenging to handle.

### Creating an Ag legacy

A legacy is the summation of a lifetime of achievement and the context in which that lifetime will be remembered. A legacy is not just money but also a reputation, what was accomplished, and the difference a person makes in the world as they pass through. Passing on that legacy means preserving that reputation into the future. It also means passing on the property and assets, as well as the day-to-day management of the operation.

This can be complicated by interpersonal issues that can arise during the transition process. While the founding generation has a vision they have been working towards for many years, the younger or incoming generation has thoughts, ideas, and goals as well. This can lead to disagreements, often complicating the transition process.

There is no one-size-fits-all road map to follow in a transition process. Personalities are different, individuals have different goals and objectives, and family situations vary. Working together to develop a plan for the transition can help everyone feel involved in the process and help alleviate contention.

## The Founding Generation

Depending on the individual, founders tend to adopt one of three attitudes regarding the family business and managing the transition to the next generation.

- **Proprietors** are focused on ownership of the business and see themselves as central to the business' future. They can be very controlling of any involvement of children in the business, as they do not trust others' abilities to make good decisions. As a result, their children often become passive or rebellious as a reaction to the over authoritarian approach of the proprietors.
- **Conductors** like the idea of the family business and encourage children to become involved. However, they remain firmly in control of the business. They are not usually interested in developing a detailed succession plan but try to foster a business culture and environment.
- **Technicians** create a business around their own technical skills and creative abilities. They generally dislike the management aspects of the business and often delegate those responsibilities to others. However, they view themselves as essential to the business, where no other person could possess the same skills as they do. As a result, they do not pass on their skills to others nor do they easily let go of their role in the business.

## The Incoming Generation

The next or incoming generation is typically made up of the children of the founding generation. However, they may be any person in the family business who is younger than the founder. The perspective and issues for incoming generation managers of family businesses vary depending on their relationship to the founder.

- **Sons:** Sons are the traditional inheritors of management or leadership roles in families and so, too, in family businesses. Fathers and sons may be able to work well side-by-side in a business, but just as likely, the father-son relationship and accompanying rivalry or friction, may spill over into the business.
- **Daughters:** More and more we are seeing daughters assume roles of responsibility and management in family businesses. Father-daughter relationships are often less fraught with friction or competition. This may prove to be a stronger foundation for successful management succession in families where this type of role is more readily accepted.
- **In-laws:** Marrying into a family business may provide opportunities to become involved in that business. However, the road to involvement can include many problems, including feeling like an outsider, feeling overwhelmed by the closeness of the relationship with the spouse's family, as well as being treated with suspicion, jealousy, or competitiveness on the part of other family members.
- **Multi-Family Businesses:** Family businesses may be comprised of more than one family. Although such arrangements may create more opportunities for individual family members and a larger set of skills/expertise, it can also be increasingly complicated due to the greater number of individual interests involved.
- **Non-Family Members:** Larger family businesses usually include non-family employees. Most often these individuals provide general labor and do not expect to become owners or hold positions of higher responsibility. When a non-family member is named as successor in the business, they must learn to successfully navigate the political and emotional land mines of various family relationships.

How can everyone come together to form a common vision with so many different perspectives possible? Good communication and active listening skills can help alleviate many of the challenges faced by families navigating the transition process as they work to create their own Ag legacy.



## Coming Together

Both the founders and the incoming generations need to learn about each other. Understanding where each is coming from and learning about the other's desires, goals, and perspectives can help both sides come together in a common vision for the future of the farm or ranch. Some questions that might help include:

- What are their personally types?
- What part(s) of the business are they most interested in?
- What applicable skills and experience do they have?
- Do they have interest in a managerial role?
- How well do they work with the founders/next generation? With other business entities?
- Are they committed to the continuation of the business?

Time is always a short commodity, so investing time learning about another person demonstrates commitment to the operation, the family, and the individual. This can go a long way in building faith and confidence between family members and within the business.

It may seem like these relationships should already exist between family members. While it may be true that relationships exist, when the family and the business are combined, things can become much more complicated. Taking time to make concerted efforts to maintain/build relationships with other family members despite the challenges, can go a long way towards helping curb problems in the future. For more on building family relationships, see the module titled “Why are Parent/Child Relationships Important to an Ag Legacy?” at [aglegacy.org](http://aglegacy.org) under Modules.

*Attack  
the  
problem  
not the  
person*

## **Conflict in Your Ag Legacy**

Conflict will arise, even if a family has good relationships. Planning for it, rather than avoiding it like an ostrich with its head in the sand, can help keep the discord from spiraling out of control. One primary way to reduce and resolve problems is for family members to focus on the underlying issues, rather than displaying aggression, passing judgment or avoiding contention. Some of the most common factors in family conflicts include:

- People attempt to minimize conflict by thinking or saying that nothing is wrong
- Facts related to an issue may cause someone to have hurt feelings
- Underlying emotional issues, such as fear, may be obscured by conflicts over money or power
- Conflicts can become personalized, causing individuals to blame one another for the problem, rather than discovering the root cause.

It seems obvious that following methods for clear communication could help alleviate many of these issues. However, improving communication can be difficult, especially if the norm has been poor or little to no communication in the past. The stress and time commitment of running a business can also contribute to people feeling frustrated, tired, ignored, and angry. When we add to this mix a period of transitioning management and/or ownership from one generation to another, it is easy to see why many businesses, especially those family owned and operated, don't make it to the end of the switch.

## **Effective Communication**

Thinking about improving communication can seem daunting, especially if there are already hurt feelings, a loss of trust, anger or resentment involved. Breaking it down into smaller chunks can help to make things feel more manageable. Set small goals that are achievable in a shorter period of time. This will provide not only a quick way to move towards an improvement in communications, but also help build confidence as the family moves forward.

Communication can be broken down into three parts:

- **Ask Questions:** Asking the right questions is at the heart of effective communications. By using the right questions for a particular situation, you can achieve many desired results. For example, you can gather more information, learn things you didn't know, build stronger relationships, manage people more effectively, and help others to discover their own answers.
- **Listen:** Listening is one of the most important communication skills you can have. How well you listen has a major impact on the quality of your relationships with others. It is easy to unintentionally dominate a conversation. When you are doing all the talking, you do not hear others' ideas and points of view. Others in the conversation may feel dismissed and misunderstood.
- **Provide Feedback:** Feedback makes communication meaningful. It is the end-result of a message and makes communication mutual. The way in which you provide feedback can either enhance understanding and reinforce relationships or destroy trust and create barriers.

Be aware that you give feedback both verbally and non-verbally. Body language as well as facial expressions make a strong statement about what you are thinking. The ability to understand and use body language is a powerful tool that can help you connect with others, express what you really mean, and build better relationships.

*We have two ears  
and one mouth  
so that we can listen  
twice as much  
as we speak.*

## **Resolving Conflict**

Conflict can arise within any relationship and usually occurs when one person perceives a block to achieving his or her goal.

Developing a process to address it openly, as a family, can help alleviate much of the tension. Here is a basic outline of steps to address conflict in a family business:

1. Identify the issue
2. Describe each person's motivation
3. Outline possible solutions
4. List pros and cons of each solution
5. Select an option
6. Evaluate how the solution is working

Family members are more likely to attempt to address the conflict, rather than simply ignore it, when they understand and are comfortable with the process for addressing it.



Conflict is typically viewed negatively and as something to be avoided. However, conflict can also be a positive. Differences in opinion, goals, perspectives or vision aren't necessarily bad. Here are some examples of how conflict can be a positive:

- Confrontation can lead to change
- Awareness of conflict can motivate people to action
- Conflict can surface problems that should be addressed
- Disagreements often cause people to think through a decision more carefully

A change in perspective about what conflict means can also go a long way towards better addressing conflict in both the family and the business.

Good communication skills are essential to a smooth transition. Make a concerted effort to improve skills for questioning, listening and providing feedback. Keep in mind that different individuals will have different perspectives on the business. Taking time to learn more about them and their perspectives can also help ease the management transition process. An agreed-upon process to manage and resolve conflict will help everyone feel more comfortable, allowing them to open-up about their feelings, concerns, and visions for the future. Taken together, this can help family businesses transition more smoothly, as well as more effectively plan for the future as they work together to build their Ag Legacy.

## Other Resources and References

This newsletter is based on a presentation titled *Interpersonal Issues* and part of a three-part series titled *Management Succession*. For more details see: <https://RightRisk.org> > Courses. Accessed November 2021.

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