

# **Farm/Rural Business Succession: Use of a Family Meeting**

## **A. Why use a family meeting**

- a. Allows for decisions to be communicated
  - i. Parents to children
  - ii. Assistance for decision making
    1. Who might have an interest in personal items
    2. Who might have space for personal items
  - iii. The communication is at one time to all interested parties
    1. To be fair, hearing and understanding what is said may vary between parties
    2. Goal is to be clear, therefore repetition may be called for
- b. Holidays make a measure of sense
  - i. Generally a family time
  - ii. Family may be together
- c. However, a separate time, dedicated to this important task may be a most profitable decision

## **B. Calling a family meeting**

- a. Generally a family meeting is called after decisions are made by Mom and Dad
- b. If the family is spread out geographically, several months lead time should be considered to allow for travel plans
- c. Who's invited?
  - i. Immediate family
    1. Mom and Dad
    2. Offspring
  - ii. How are the in-laws viewed?
    1. Are these members of the extended family to be present as support to their respective spouse?
    2. Or do these persons have opportunity to express opinions and suggestions?
  - iii. Extended family
    1. Uncles/Aunts
    2. Cousins?
- d. Call the meeting with a formal letter which includes a request of the following:
  - i. Acknowledge receipt of call
  - ii. Agree to the meeting in principle
  - iii. Plan to attend
  - iv. Best means of communication channel
- e. Outline, briefly, the purpose of the meeting
  - i. To convey estate and succession plans once these decisions have been made by Mom and Dad

## **C. Preparing for a family meeting**

- a. Engage a facilitator to moderate/conduct the meeting
- b. Set a date

- c. Develop an agenda
- d. Are there issues that need to be brought to the family's attention
  - i. If so, using a facilitator to ask these questions and synthesize the broad areas of agreement or disagreement to a neutral 3<sup>rd</sup> party can pay dividends
  - ii. Use of questionnaires to discuss common values, beliefs or family traditions
  - iii. Allow family members to express feelings to a 3<sup>rd</sup> party which may allow for resolution of issues perceived or real
- e. All parties should strive to be open minded to hear and listen to what is being communicated by all parties.

#### **D. Conducting a family meeting**

- a. The facilitator conducts the meeting
  - i. Professional mediator/facilitator
  - ii. Attorney/Banker
  - iii. Pastor/Family friend
- b. The agenda is followed with flexibility to provide space and understanding
- c. Location of the meeting
  - i. Mom's Kitchen? Maybe so, but that's mom's turf
  - ii. Dining Room? Okay as long as this location can be viewed as neutral
    - 1. A departed parent may be acknowledged as being "present" by setting an extra chair or lighting a candle to remind of that person's love and affection for the family
  - iii. Non family site if neutrality is needed
    - 1. Hotel meeting room
    - 2. Bank board room
    - 3. Church basement
- d. Meals are arranged for so that the "women folk" are not burdened with the distraction of meal preparation.
- e. Wrap up of the meeting reviews the goals of the meeting, discusses the agreed to decisions and provides opportunity for clarification

#### **E. Review of what was accomplished during a family meeting**

- a. Facilitator takes notes and provides them to the family members
- b. A "Scribe" is assigned (a job for an in-law perhaps) to take notes and make them available to family following the meeting
- c. During the wrap-up, any items that need to be discussed at a subsequent family meeting are listed for future reference
- d. Notes and decisions agreed upon are summarized and provided to meeting participants for their records or any required follow up.