

Reflecting on and Assessing our Family Farm Team How do we strive for and maintain a high 'Yield'?

By Jim Soldan

As we close out the calendar year, it is healthy to reflect and ponder on how the last year went in terms of ourselves as a Family Farm Team. Through this examination, we determine that we will grow in harmony and unity; vital components that yield profit and long term generational family business success.

In my last article, I wrote about our family farm business 'yield.' I laid out guidelines to help you calculate (to see where you are at) your own family farm business 'yield'. Even if you have read it, it would be worth it to read it again at the end of this year. Read and discuss it with your entire family team. This would begin the laying of a 'Foundation' (something I talk a lot about with the families I work with) for your determination to increase your yield for next year.

You may question why I continue to repeat a lot of these principles. It is because, more times than not, families themselves talk about how important these are, yet in reality they are not acted upon. The words just stay as words, no action results from those profound proclamations of the importance of, for example, "We need to communicate more." So I write more to show you the way and work with those families that have come to realize that this is an area that desperately needs their attention, and that is servicing the engine of the family business, the team of people.

The following are 12 foundational and guiding principles and tasks to bring your family team toward maintaining a good 'yield'. Ask yourselves, "How do we rate when we (as a family farm business team) put ourselves up against these?"

1. Effective Communication – This is where the response is more than a yes or a no. And I say 'effective' because 99% of the time there is volumes of communication, but is not effective, such as hollering, swearing, stomping out, yes, even silence, pouting and so on. Additionally, we need to remember that over 90% of our communication comes from non-verbal effect (body language and tone of voice), another reason to absolutely avoid text messaging or email when it comes to relational issues. Last but not least, develop a heart that LISTENS.
2. Learn the fundamentals of business – The old saying speaks volumes, "Who's going to pay for the grease?" Many young farmers today have no idea what it took to bring the farm business to its present state and the astute thinking that took place, management and overall purchasing. Today we just pick up the phone and order whatever, not thinking, "Could we get by without it or is a good buy and can we bear the cost?" This is not a critique of young farmers, just a reality that needs to change, and is often developed by no time to learn or desire.
3. Learn YOUR business – Each farm has its own uniqueness even though we all milk cows. Some are better at doing some aspects of their farm over another farm. What I am trying to say is that we don't do something or buy something or manage in a certain way just because another farm down the road does it. Learn your own business well; senior generation teaching the

younger generation and the younger generation actively seeking out training, learning and seeking knowledge that fits their business.

4. Accountability and Consequence – If there is no accountability around what each says they will do, and no consequence for poor behaviour, the result is a family-built manure pile. Family businesses that allow each other to hold each other accountable and to be examined, with the addition of consequence, prosper. An unexamined life is not worth living, it has been said. A very strong statement! The beauty of a family farm business is that we can help and hold each other up to be better - better at working together, better at carrying out our responsibilities, better at receiving critique and so on - if accountability and consequence are built into your foundation.

5. Family and Business are Inseparable – In family business it's like two gears meshing together; both needed to perform separate functions and one without the other will make the unit stop. One of Canada's top family business men, Ron Mannix said, "You run the business as if it were a family, and you run the family like a business. If it is done well, it is always family first, business second. If you get the family right - the relationships, succession management, and ownership issues properly managed - the business can be properly managed."

6. Senior and Junior Generation members – To understand the incomprehensible need to see both generations as needing each other. Senior generation members should never be put out to pasture and the junior generation must not have its creativity crushed. Is there a true thankfulness for each other generation in the family business?

7. Meetings – A needed component of the 'mortar' that holds family business together and propels it for generations. The main component of the mortar that holds family teams together is effective communication. When one looks at good meetings, they are purposeful (members deem them to be important), regular (minimum of twice a month), planned (scheduled and noted on your calendar and phone), prepared for (your homework done), and including all members. A family member cannot be part of a family business if they desire to disassociate themselves from the meeting process.

8. Litigation - Outlaw even the thought of litigation, unless a criminal act has occurred. The idea around this most often surfaces around the issue of equal and fair. So, how to solve this? Do what is RIGHT, and fair and equal will rise to the top. And how do we know what is right? Look at the facts, records, history, and documents, etc. And fully understand that in the absence of documented records, much can be gained, seen and viewed by just looking at the situation and the reality of how it all stands.

9. Foundation – Each family farm team must build their own foundation. This is built by using everyone's hands, heart, brains, wisdom, passion, dreams with an attitude that it is better to be working together than apart. I have expanded on this in the past.

10. Conflict – Conflict is as common as cows having calves, and is healthy for a family business. It ought to show that members are thinking. Don't take it more than a difference of opinion, and something to be talked about, discussed, and come to an agreement on. If it is any more than that, then you have developed a culture of conflict and that is a killer for family business. Give your

family team members the freedom to speak what is on their heart and mind without the fear of a physical or emotional slap (rolling of eyes and swaying of the head as in disgust).

11. Weeds and Competition - Rouse out what may be impeding your yield. In our crops we take measures to see that weeds are not growing and in our herds we cull livestock that is not productive. Likewise, critically evaluate where resources in your family farm business are going and ought not to be going. Look at things like distractions and over-indulgence in extracurricular activities, time away from family and business, toys, excess holidays, not willing to learn or be taught, and failing to do your homework so decisions can be made without procrastination. Some of these things can be good in themselves, but are really an impediment to the yield in our family business.

12. Faith – Remember we are not the center of the universe and there is One to whom we will give an account for all we have done and said, as well as for what we ought to have done and said, but did not. He is our Lord and Savior, Jesus Christ. The last thing we want to do is grieve Him.

If you want to learn more about what I write, or why or how I can help you and your family farm team, please call me.

From our family business to yours, all the best to you and your family this Christmas; may you have an enjoyable time with family and friends. As well, let us reflect on the true meaning of Christmas and let the realization of it all come into our hearts and bring positive change in our lives as we live and work with our families - the ones we are called to love.

The *Family Furrow* **Family Business Tip**: Take a tape recorder or video camera and interview an older generation family member. Give them a copy.

*The Family Furrow: building **foundations** for family owned businesses, by working with the heart and engine of family business, the people - critical for strong families and truly successful family businesses.*

Jim Soldan, Principal and trainer with THE FAMILY FURROW / THE CANADIAN FAMILY BUSINESS INSTITUTE, helps families in business not merely survive, but grow and thrive with healthy relationships, which are the hallmarks of truly successful businesses. Our work centres on communication training, creating a framework for transition, conflict management and building the family business foundation, which results in an 'Operative and Maintenance Guide' for family farm governance, as members live and work together. We're all about how to work with family and still enjoy the year.

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