

# Understanding the Family in Farm Succession

International Farm Succession Conference

August 7, 2007

Ottawa, Ontario

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**Legal**

**Financial**

**Relationships**

# The Impact of Trust and Mistrust

## High Trust Environments

- Feelings of comfort and security
- A culture of fairness
- Optimism about the future
- Loyalty and commitment
- Vision of the common good
- Increased motivation
- More effective communication
- Higher productivity
- Ownership and accountability
- Spirit of cooperation and respect
- Higher quality relationships

## Low Trust Environments

- Feelings of anxiety and insecurity
- Misuse of power
- Uncertainty about the future
- Eroding loyalty and commitment
- Self-interest/personal agenda
- Decreased motivation
- Less sharing, listening, openness
- Lower productivity
- Self-protection and blaming
- Unhealthy competition
- Increased conflict

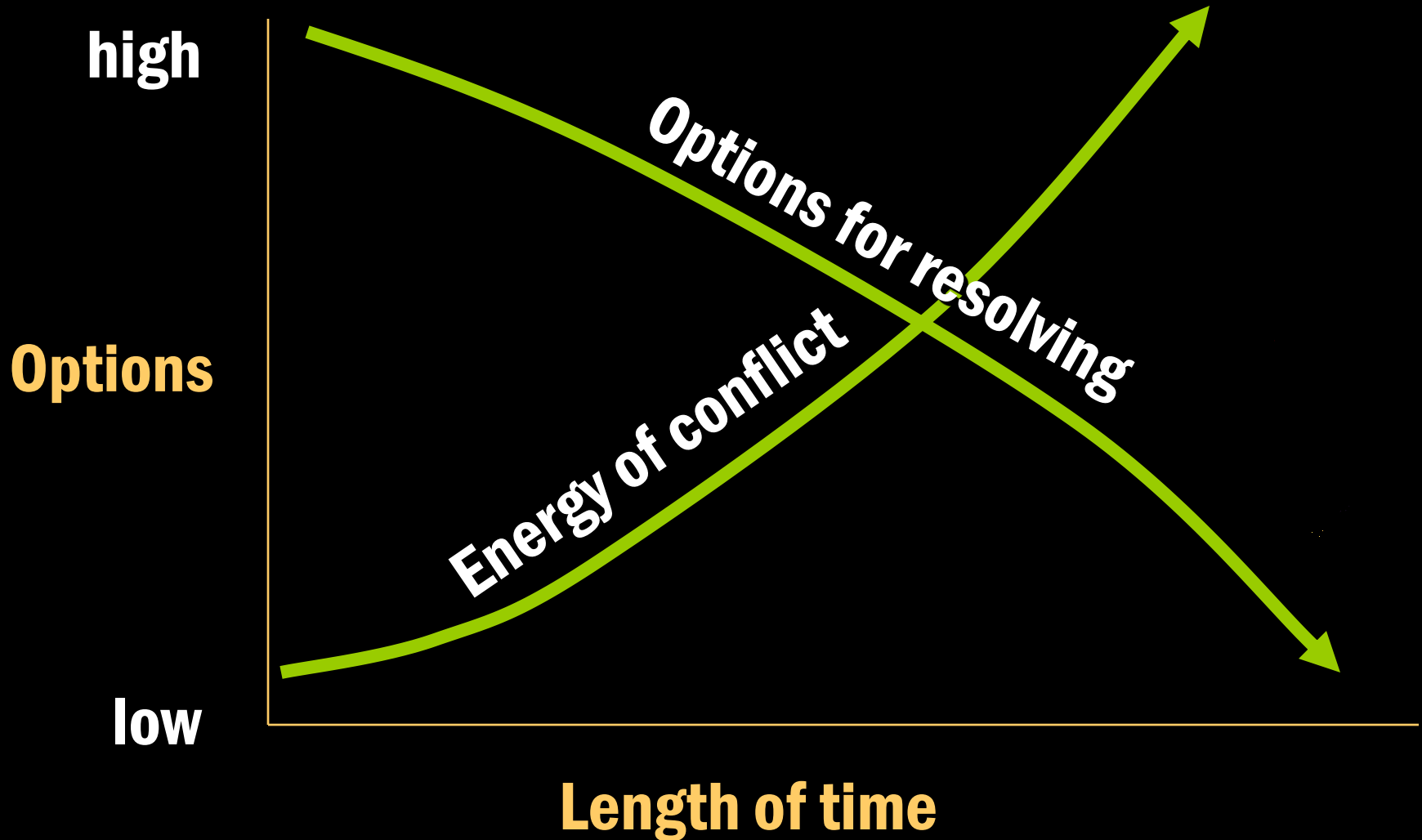
# Defining Success in Family Firms

**Family Health  
Optimization**

**Estate Wealth  
Maximization**

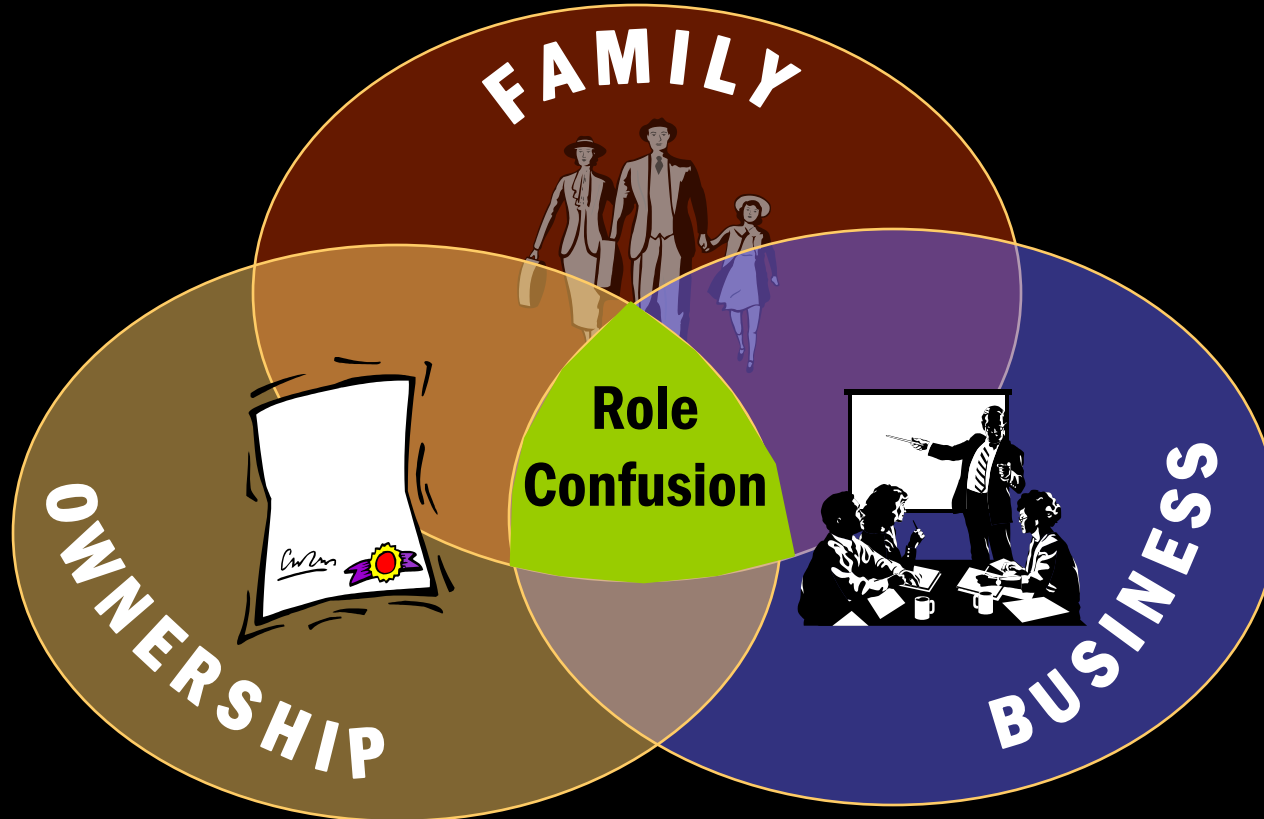
**Business Risk  
Minimization**

# Conflict Energy and Options

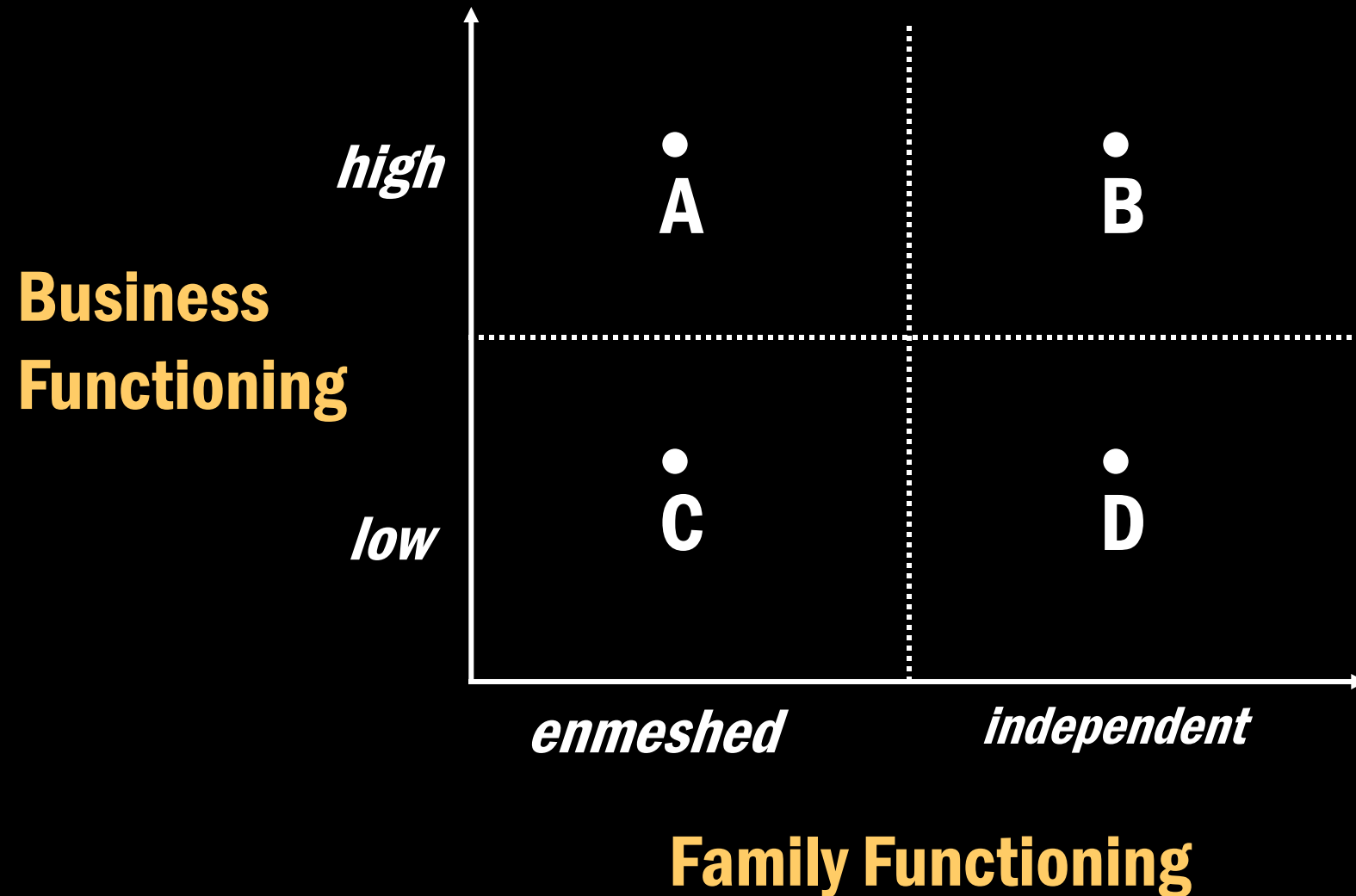


# The 3 Circles of Business Families

- Business families face enormous complexity
- Often results in role confusion or conflict



# Genuine Choices in Family and Business



# Why Founders Can't Let Go

## Top 8 Reasons

- 8. People die soon after retirement.**
- 7. I hate gardening, golf or tennis.**
- 6. I need someplace to go.**
- 5. The kids want to change the way the business is run.**
- 4. I have several capable kids and don't want to have to choose one to succeed me.**
- 3. The business is my major source of income — I need to protect it.**
- 2. Nobody can run the business as well as I can ... without me, the business is nothing.**
- 1. Somebody may run the business better than I do ... without the business, I'm nothing.**

# Obstacles to Family Business Unity: The Top 10

10. Poor Expression of Feelings & Wants
9. Differences are seen as Liability rather than an Asset
8. Indirect Communication
7. Entitlement
6. Scarcity
5. History
4. Other-Oriented regarding Change
3. Control
2. Lack of Forgiveness
1. Lack of Appreciation, Recognition and Love