

IMPROVING FARM FAMILY COMMUNICATION

We advise users of this workbook - particularly Mom and Dad - to seek input from family members in order to develop a shared vision for the future of the farm. At the end of the day, Mom and Dad must decide what to do with the farm assets. Many times these decisions cannot be reached without input from other family members. Indeed, as we say throughout this workbook, keeping a farm in the family requires agreement between generations, which cannot be achieved from one side of the generational equation.

Often where there is open discussion about the future of a family business - and more specifically, the value of its land asset - there will be differing opinions on how it should be used or otherwise treated. Rather than hope that everyone will be in agreement with what is proposed for the farm, you should accept that differing opinions will be part of this process. If you do, perhaps when decisions are ultimately reached and documents executed, everyone will know where those decisions came from and be more likely to support them.

If one can suppose that conflict leads to stronger agreement, communication is the fire that forges the end product. It may be helpful to think of communication as a loop, from sender to receiver and back again, encompassing six elements: sender, message, receiver, channels, feedback, and effect. The sender sends a message through a channel -- verbal, written, or non-verbal -- to a receiver, who will then respond through the same or another channel (or not respond, itself a response). When received, the sender can determine if the message was understood, or otherwise process the effect of the response. The loop requires diligence among participants to avoid its breakdown or otherwise misperceived communication throughout, which of course entrenches disagreement (the biggest of the Five D's when it comes to farm transfer).

Therefore, a few common sense ground rules should be adhered to by all parties so that the process does not break down. Here are a few items to keep in mind:

Keeping a farm in the family requires agreement between generations, which cannot be achieved from one side of the generational equation.

1. **Every message can be misinterpreted.** This is the situation where a sender has sent the message, but the receiver is unclear as to its meaning. If the receiver does not respond, the sender may either get the message that their position is understood, or that they are being ignored. At the get go, all parties should agree that non-response to their position is not an affirmation that their position is correct, or otherwise agreed to. Even a non-response can be interpreted wrongly, or a non-verbal response (if in person) such as a furrowed-brow will create its own message. All parties should adopt a stance of prompt feedback, even if it is to simply acknowledge receipt of the message and let the sending party know if they need time to consider or gather more information.

2. **Never utter the word “non-negotiable”.** Sometimes, this is the first thing someone will say to draw their “line in the sand.” It is a bullying technique that by its very nature destroys trust, and carries with it no information useful in developing mutual agreement. It sends the message that what anyone else has to say is valueless. Try to avoid using it at any point in a family discussion.

3. **Be honest about your motives.** Nothing can be more frustrating than flowery language or idealistic imagery in a discussion about land and money. One reason I encourage family members to explore their own personal values about conservation and farming is to help folks be honest with *themselves* about what they want to see happen to the farm. Until this happens, explaining why you want something will be very difficult if that explanation is needed to educate other family members about your own position.

4. **Pay attention to listening skills.** Good listening skills can be improved by 1) simply making the decision that you will listen, 2) refraining from interrupting or immediately reacting (verbally or with body-language) to what is said by the speaker, 3) providing some form of positive feedback that you understand what the speaker is saying, maybe even to the point that you understand why they have their position. All of this requires self-discipline.

5. **Communicate in an environment without**

distractions. People are busy, and it is difficult to set aside time away from everyday tasks and deadlines. However, distractions that interrupt the back and forth flow of communication leave important questions unresolved, and often these are hard to revisit if progress was indeed being made between the parties. Family meetings, meetings between business partners, meetings between landlord and tenant should all be held in an environment where foreseeable distraction is minimized (i.e., young children, a busy farm shop, etc.)

6. **Try to speak the same language.** This can be particularly challenging in farm planning situations, where not all parties to the discussion are farmers. Farm issues and terminology can get very technical, particularly when discussing yield conditions, input requirements and costs, equipment depreciations, commodity markets, etc. This can equally apply to non-farm participants that have their own professional expertise, perhaps in law or investing. As best as possible all parties should realize that each does not necessarily possess the same expertise and be prepared to explain the rationale that forms the basis for their opinions or positions.

With those tips in mind, it has been suggested by Larry Hoover, professor of Washington & Lee Law School and known as the “Father of Mediation” in Virginia, that there are three dimensions where disagreement can develop. First there is the **substantive**. This is the nuts and bolts, the detailed outcomes of decisions, such as ownership, management, organizational structure, timing, taxes, division of income and wealth (often the details relating to right to income from, authority to manage, and division of equity in that wealth). The second dimension is **relational**: people’s feelings, emotions and differing perceptions of themselves and family members, that often cloud rational decision-making on the substantive issues. The third dimension can be summarized as **process**. Often disagreement can flow from perceptions of fairness in the decision-making process, whether there is adequate gathering and sharing of information and alternate viewpoint, perhaps where certain relationships create a perception of inequity.

Mr. Hoover has written: “The dynamics of disagreement is often predictable. What can start as a disagreement in any of the three dimensions described above can quickly turn to antagonism.

Built into such disagreement are questions and suspicions about the other’s character, intentions and motives.” As suspicions are shared among the like-minded, and not those we are suspicious of, silence broadens the gap and the ultimate cost of resolution. As noted earlier in this workbook, in the complex discussion about the future ownership of land, it is ultimately counterproductive to outsmart your siblings by being less than forthcoming about your motives.

Often the relational may be damaged by decades of sibling rivalry. The substantive may equally prove elusive due to differing fortunes throughout the lives of children reaching adulthood and having families of their own. In this instance, perhaps it is the process through which family can find common ground. Indeed that is the focus of this section of the workbook, since rarely we can do little to alter the history that underscores the other two elements (i.e., relationships and wealth needs).

In closing, a workshop held in Albemarle County, Virginia a few years back offered an interesting visual demonstration about communication. Mr. Hoover was presenting on this subject before an audience of farm families. On a whiteboard, he drew a table with a stick figure on either side, noting that this is how we often view discussions over an issue, with two sides of negotiation. He then redrew the picture with the stick figures on the same side, looking at the problem on the table. To paraphrase Mr. Hoover:

Negotiation is the predominant conflict resolution process, but unfortunately the adversarial, win/lose model imported from the legal system is too often adopted. What’s needed is an interest-based, collaborative process, the important component of which is mutual empathetic listening to understand the interests, needs and priorities of others, while gaining clarity about our own. We must also search for creative additional value to bring to the table, which may depend on differing needs, valuations or time preferences, and use this information to feed a brainstorming of possible solutions and evaluating of options.

His point: the more effort invested in addressing the issue of farm transfer as a shared family interest, the less energy (and expense) will be expended on negotiating the outcome from identified positions.