



FCC Knowledge Podcast

Season 3, Episode 8

ALIGN & ACTIVATE: LEANING IN AND LEADING THROUGH

PODCAST TRANSCRIPT

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N: From AgExpert, it's the FCC Knowledge Podcast, a show that features great conversations about the business of farming while guiding you down the pathway to transition.

AD: Just because there's not a conflict at the table doesn't mean that there's not hesitation or other concerns that are at the table.

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N: Hello, and welcome to our 8th Episode of Season 3 of the FCC Knowledge Podcast. We've talked a lot in previous podcasts about the different individuals on your team, the individual steps each person needs to take, and figuring out what transition looks like for each person, but how do we find a way for all of these individuals to come together to reach one coherent destination of a farm transition? That sign post at the end of the road will look different for every family. But the FCC Advisory Services team, including advisors Patti Durant, Andrea DeGroot and Terry Jones want to help families go on that journey together with no one getting lost or left behind. For today's episode, Patti, Andrea and Terry are going to role-play some of the common scenarios they see when families start or continue their conversations about the future of their farms. Unfortunately, due to unforeseen technical difficulties, Patti's audio is of a lower quality than usual. However, we hope that the content of this episode will still be enjoyable and informative. Thank you for your understanding and patience. Here's Andrea to kick us off.

AD: Alignment can feel like a really big word, but it's one of the most critical aspects when you're working through your transition plan. So, what does alignment mean? It means coming together to communicate where we are, who's on your team, and how are we going to actually move forward from here. Before we dive deeper into this kind of idea, I want to take a moment to think about the six different steps of alignment. The first one is talking through selecting your strong players. Who's going to be at that table working

with you? The second is creating a collaboration of the team to set up that further action. So, it's not just about identifying who those team players are. It's really getting clear on what they're going to do, what action steps they're going to work with you on throughout that transition plan. The third one is chart the course. And this is where we're going to talk about weekly, monthly and even quarterly meetings. It's not a one time. It's a continuum and you're going to continuously check in on that. Number four is preparing your team for those planned actions. They're going to know what comes next, so it takes out some of that uncertainty about where we are right now and where we're going next. The fifth part is playing out the possibilities. We don't live in a stagnant world. Our world changes. So, we're doing these transition plans over a period of time and sometimes they need to be adjusted back to the reality of whatever is going on, on the farm, or in the greater economy as a whole. So, playing out those possibilities is a really critical aspect of keeping your transition plan on point and keeping going throughout each action step. And the last, look, listen and adapt. Looking to what's going on in your farm and your family. Listen to the feedback of the key players. What is everyone saying about this process and do we need to adapt what that plan is? So, as we think forward through alignment, it really is about those next action steps in keeping everybody going in the same direction.

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PD: Whether you've had limited success with meetings or have never had a meeting before with your farm family, what are some good practices that we know to increase the success of being able to have meetings that are effective. Number one, who needs to attend this meeting and scheduling a time that everybody can be there. That can really be a way to be inclusive and it can be a way to get buy-in and productivity, but also asking them to make the meeting a priority. We want to make this high value. We want to move the things forward, so please make it a priority to be there and let's make sure that we all can. Outline the agenda for the day. What are we going to talk about? Is this an information meeting where we're going to hear some different ideas or is this a decision-making meeting. Those are two very different scenarios. Thinking about the purpose is really a way to equip the attendees to participate. You can assign specific tasks. Hey, you know, can you keep the time so we stay on schedule, and can you take notes, and can you be the chair for the meeting. Those roles are in place in many traditional meetings on a regular practice, because it actually allows things to get done, allows for accountability, and allows for respecting of everybody's time. When you think about setting the agenda, which is recommended, another good practice, get specific on topics. What are we actually coming together to discuss? It's really hard to all get on the same page if you're not clear what the topic is or what the purpose and the why of why you're trying to come together and have these discussions. Also, really think, does everybody have a consistent understanding of the topic? Is there a level understanding of the information? Has that been properly communicated? For topics that are particularly technical or particularly emotional or both, that might be the time to think, you know what, let's bring in a third party. Someone who has the technical expertise that can chaperone and guide the discussion or someone that can facilitate when you know the emotions can get in the way of the family relationships and the communication necessary. Some ideas to keep in

mind, because we want you to be successful at this, because we know it really contributes to alignment and activation in the end.

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N: Facilitating farm transitions is not just about talking the talk but walking the walk. FCC has heard from clients from coast to coast about wanting to see these transition discussions in action. So, Patti, Terry and Andrea are bravely throwing themselves into role-playing some of these vital conversations. Remember Andrea's six steps to alignment? Listen for examples of these steps and hear how these conversations go a long way in aligning Terry and Andrea's characters. We should also point out that Patti made it clear before they started that this exercise was not done to make light of what can be some very serious conversations but more to show that they are normal, frequent and can be used to show how a positive transition discussion can take place with everyone feeling heard. Let's jump into the first scenario.

PD: For this scenario, Terry and Andrea are going to be role-playing as a father and daughter, and I will be joining the conversation as a facilitator. They're discussing a new dairy barn, something they've agreed upon, an expansion with milking robotics with an option to expand to new quota and thinking about financial ability to handle it. What is this going to look like? And something seems to be holding it back and it seems to be stuck.

TJ: I guess I've just been concerned. You watch the news. Interest rates are going up. Inflation is a concern. Even though we've agreed on this project and I know Andrea has done a lot of work on it and it's the right thing to do in the long run, I'm just worried about the financial implications of what could happen if something doesn't work out. And it's starting to affect my sleep, and I just thought it would be good to reach out to you.

AD: That's fair. I'm really sorry to hear that. I can imagine it has impacts in different parts of life when you're not sleeping well. If you think about when you're playing this forward in your mind, what concerns you?

TJ: Nothing is certain. Of course, we'd love to have certainty. We've built this business up over the years. It's running smoothly. The change to robots has got me concerned because what if the cows don't adapt? What if they don't work? They're not reliable? It's the what if, what if, what if, and I'd hate to lose it all if it just doesn't work. And I don't know how other to say it. It's that simple. There's a lot on the line.

AD: Yeah. So, your comfort with this risk has perhaps shifted.

TJ I'm just second thoughts. I'm just starting to really re-examine where we're at. And I feel sorry for that. I do.

AD: And you know what, Dad? It's really important that you feel comfortable to express that, because my husband and I, we've been working through a lot of this process in terms of

meeting with the contractors, going over barn design, even working with the lenders in terms of the cash flow and what that would be. But at the end of day, we need you to be comfortable. Patti, we've been having some conversations back and forth to say, what can we do to help? Because that's the other part is why we're here is I kind of feel like I'm at a crossroads where I'm not sure how to help him feel more comfortable and I think we need some other people at the table because I just don't know what to do next.

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PD: That makes a lot of sense. I appreciate your desire to be respectful and I hear that in terms of your conversation with each other. Can you give me clarity on what it was that you agreed to in the first place?

AD: I think it was probably almost three years ago now when the barn, we were having some issues and we just keep repairing the same thing. It's not very functional and especially because we're at the max capacity. If we want to keep growing, if we want to be able to take advantage of these quota purchases, we need a bigger facility. And so, we sat down with Dad and we're going through what options can we look at? Do we even look at just adding on to our existing barn? The reality is our current barn is tired.

TJ: M'hmm.

AD: And so, we came up with an agreement that we really do need a new barn. Through COVID, it was hard to kind of keep this project going because we would be wanting to meet with people. Sometimes we couldn't. So, it's honestly taken us a couple of years to get to this point. But we have a barn design. We have a fixed price contract with one of the suppliers or the contractors that we had wanted. And the contacts that we have actually lined up with what was agreed upon, which was great. We've worked with the lender to get the cash flows. We've taken those cash flows back to the accountant. They've both looked at them. So, from the financial perspective, we're comfortable with the numbers, but that's where Dad's having second thoughts. And we've tried to go back and forth, but Dad obviously needs something more. And I don't know who else to turn to.

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PD: You used the word we quite a few times in your explanation.

AD: M'hmm.

PD: I think you're talking about you and your husband.

AD: M'hmm.

PD: Perhaps in an effort to lead, there might have been maybe some information gaps. I'm not sure if that's accurate. Terry, can you comment? What are you in the loop on in terms of this planning?

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TJ: Big picture, absolutely. I'm up to speed on the big picture. And I've given Andrea all the room and flexibility to do the legwork on this. This is her project. It's going to be her barn. It's their future. So, they have to sail the ship. This is their baby. And it's a great learning tool to go through this exercise. I just want to see them succeed. And it seems like every time you turn on the news there's something else going on that could affect this project. I'm not backing away. I just want to have that certainty. So, you mentioned fixed price contract. How is that any better than any other quote that you get that says, you know what, things changed? I'm not familiar with that stuff.

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AD: Sorry, I didn't realize that we hadn't had that conversation. Yeah, the fixed price contract means that there's not going to be the cost overruns. They're guaranteeing the price. They're guaranteeing the time. We know what the time would be. We haven't signed this contract yet because we haven't agreed. That's kind of the pressure point here is that we have a fixed price contract but we need to sign it in the next probably two weeks in order for us to really be able to move at this price. Because if we extend this out, then there may be potential increases to that price.

TJ: So, if steel prices go up, they're saying, they're covering it, not us.

AD: Yeah, exactly.

TJ: And there are no loopholes in this agreement that put us into any kind of jeopardy.

AD: From what I've read, I think it's straightforward. But I'm not a lawyer, so maybe we should take it to our lawyer to review it.

TJ: I like that idea. That's going to give me what I need of saying, I trust you, but I'd love to have this expert voice that says, yes, she's done her legwork, this makes sense, this is solid, you guys are going to get what you're paying for.

AD: Absolutely.

TJ: That's a great mitigation factor.

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PD: This open line of conversation I'm going to encourage you to continue because Andrea you very clearly said, we want to know what he needs for us to ... like what is he looking

for. And, Terry, only you can answer that. So, by exploring, okay, I'm not clear on this, help me understand, you guys are going down a great path. I think this is going to open some doors for you.

TJ: From a lender's point of view, with all the interest rate increases, what risk do we have there?

AD: That's a big part of this is we need to bring you back to the table, and we all need to sit down. Which, they're great. They'll be able to come back and sit down with us. That we can easily enough do.

TJ: Good. Can we do that right away? I think I trust them. I just want to hear their opinion. And if I ask them a straight out question, I know I'm going to get an honest answer.

AD: It's a big deal. These dairy barns aren't a minor deal anymore and it's a lot of money.

PD: I think it's really interesting that you came up with some clear tasks, and I really appreciate that willingness. You guys are still really clear on your end goal. So, once that was evidenced, the rest kind of can come easy.

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N: Coming out of the first role-play, Patti, Andrea and Terry had some great take-homes from the experience. Let's listen in on what they took from what their characters were contributing to the conversation.

PD: There is no perfect solution. You can poke holes in any idea, even when you really want it. So, if someone is seeking that perfection, to try to give some grace and say, you know what, there's no perfect answer, there's the best way for us. Making it your own can be a really big deal. Andrea, what's your take-home?

0:14:59.3

AD: I think it's a great reminder that these kinds of expansion programs or even transition plans occur over a long period of time. So, when things get started, we're dealing in one kind of economy, we're dealing with one set of issues. But reality marches on and sometimes those circumstances change, so it's important to come back and do a check-in and really take the time to discuss it if it's two years later or if it's a year later because the world moves fast and there's a lot of variables that we're dealing with in agriculture. And I think this would be a prime example where that is a critical aspect of keeping everybody informed in moving forward.

TJ: I think it's natural to have doubts or second thoughts in this process. And as Andrea said, it takes time. So, questioning what you've agreed to, questioning what you're doing, it's natural. But that doesn't mean give up. It doesn't mean throw in your cards. It means reconsider where you're at. Check in with the people you're working with, the people

that you trust, your professional advisors that are going to guide you through this process. If you don't get the reassurance from them, then you come back to say, okay, maybe we should be re-tweaking this project. But if they're saying, don't worry, this has been done and set up properly, then hopefully, yes, you'll be able to sleep at night and see this thing through to the end and make it a success.

AD: In this kind of scenario, there wasn't a huge amount of conflict, because there was alignment that they wanted this as a principle. There can be lots of times where there's not a lot of conflict, but that doesn't mean things are going to automatically move forward, because they're complicated. We live in a complicated world, and this is again big dollars, and so it's important to come back. Just because there's not a conflict at the table doesn't mean that there is not hesitation or other concerns that are at the table.

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N: After the break, Patti, Andrea and Terry will continue to role play more common farm transition conversation. Don't go anywhere.

TJ: It's so difficult to step back and allow the next generation to step up, but it's such a vital step. That's my message to everybody. Be courageous and don't be afraid to work together.

Ad: The FCC Knowledge Podcast is brought to you by AgExpert, farm management software designed for Canadian agriculture. Learn more at agexpert.ca.

N: Welcome back. Our advisors are putting on their best acting hats to demonstrate some crucial farm transition discussions that take place when clients and families are trying to find a common destination on their transition journey. In their first scenario, a father/daughter duo played by Terry and Andrea discussed how an uncertain economic climate was raising some parental concerns about expanding the family's dairy operation, while the daughter was realizing the missing information that was contributing to her dad's stress. Concerns like these are common when transitioning, but being open and honest with family members and your transition team can go a long way in smoothing out those bumps in the road. Let's get back to Patti, Andrea and Terry with a few more role play scenarios.

PD: For this scenario, we're going to be joining a senior generation and junior generation on a grain farm. The daughter has just finished up some university, is really eager and has been committed that she will be the successor for the farm.

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AD: Dad, I just got back from that transition seminar that I was just at. There were so many good speakers. Do you have a couple of minutes? I have some ideas I want to share.

TJ: Sure.

AD: Awesome. One of the speakers was talking about ownership structures. So, they were going into a lot of detail on how we can make room for me to come home and have some kind of ownership in the farm. So, they were talking about incorporation. What they were talking about explicitly was creating an estate freeze so that really locked in your equity. This is what we went through in business school when I was talking about all the different tax strategies and things. So, it's so exciting to see that this is how it can be put into play in real life. Can we keep talking about this?

TJ: Yeah, okay, just slow down.

AD: Okay, tax strategies, so lower taxes.

TJ: Yeah, so I'm happy.

AD: Okay.

TJ: Yeah, you're on the right path so far.

AD: Okay. One of the focuses of the group. So, there was a table of us and we were all younger farmers who were going home. We know that we're going to be taking over. It's going to be a slow takeover, so I'm not trying to say that ... well, I am saying that this is obviously the best way forward for us, but I do believe that this is going to be a long process. Okay?

TJ: M'hmm.

AD: Okay. It was an accountant that was the speaker and he was going through how the equity can really be protected in the farm from your perspective.

TJ: Okay, I'm with you.

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AD: And then the other part was really talking about how as the junior generation, we can get the growth in the business, and getting into the business sooner than later allows me some equity in the business and allows me to grow with you to move forward.

TJ: Okay, I'm not quite there. First you said, freeze, and now we're growing.

AD: Yeah. You can do it at the same time.

TJ: How can we do both?

AD: In this corporation, we're going to have the assets of the farm, so there's going to be some of the land and equipment, the inventory, all that kind of stuff. And then we're

going to pick a date to do an estate freeze. We still have access to all of this stuff, but it locks in the value, and that's your equity. Then from that day forward, you have like special shares. We're going to share some of the grow shares, which is like common shares, and then it's going to be so great because we could actually qualify how you're going to take money out, how I'm going to take money out.

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TJ: Does this change anything that we've talked about so far with regards to when you have control and when I get to walk away and how we get from where we are today to there? Are we just changing things on paper? Help me understand this. Who do I talk to in order to be able to make sure that we're just not going on somebody's idea where it's not been tested?

AD: Oh, it's totally been tested. Everybody at this table, this is how they've done it with their families.

TJ: But I don't know these people.

AD: They're really nice.

TJ: That doesn't make me sleep better. I'm in a position that I've worked all these years to build what we've got.

AD: Which is why we're going to do the estate freeze, to really protect that asset. Your equity is going to be locked in there.

TJ: Okay.

0:22:25.5

AD: So, I don't think I'm explaining this in a way that is comforting for you, so we need a CPA to do that.

TJ: Yes, I'm okay with that.

AD: Okay. So, I think the next thing is our bookkeeper is great but she's not a CPA. So, we're going to need to reach out and get a CPA in here to help assess how we would set this up.

TJ: But it doesn't change the way we're doing day-to-day affairs. I don't have to hire anybody new other than this one project. And I don't have to let Julie go. She gets to stay with us.

AD: Oh, yeah. She can still do the bookkeeping, yeah. And we may want to have an accountant that we talk through for different tax strategies more than just at the beginning

because when we put some of the assets, because we still have to figure out what assets you want to put into this corporation. But then we're still going to move forward where we're going to change it over a period of time. We can still decide how we're going to move with this. It actually allows us to have some more flexibility.

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TJ: Okay, so what do I have to do? I want to learn more. Do I talk to somebody that I know, or are you recommending somebody to come in and give us an independent, objective scenario that I can look at?

AD: Okay. So, what I was kind of thinking is that we would bring in the CPA from the event that I was just at. He is with a national accounting firm and he specializes in agriculture.

TJ: I was just going to say, does he know agriculture.

AD: Yeah, absolutely. This is the person that actually set up a couple of people at the table. They've worked with him with their families. It's still going to take some time, but I think it's going to be really good for us. I think this is the way forward.

TJ: Okay, I'm willing to listen.

AD: Okay.

TJ: I'm not committing to anything at this stage, but it doesn't hurt to listen.

AD: I'm not going to call him right now.

TJ: That's good. Thank you.

0:24:17.9

PD: So many things happened in that conversation. One thing that is a good practice when you have technical information, when you have newness, that comment about making sure everybody is up to speed and has the same information becomes really relevant. I encourage you to plant seeds and open doors, meaning, rather than saying, here's the idea and trying to set it through or to be really pushy about it or overly technical and dabbling where your expertise isn't. Think about how you can make the suggestions and open that conversation to be able to connect with those experts.

TJ: Representing the senior generation, my takeaway would be open-minded. Just because there's something new or different coming at you doesn't mean you have to shut it down right away. Recognizing that most of us have built lots of equity over the years, we have to protect it. Thinking and talking about something does not put it at risk. Not doing your research and acting does put it at risk. So, considering new ideas, there's nothing you can lose from doing that.

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PD: The language you used, you said, help me understand, so that's a curious question, as opposed to shutting something down. It was beautifully said. Andrea?

AD: From the junior generation perspective, it's recognizing especially when you come home from something and you have new information and laying it out in such a one-way kind of situation that I did hear where obviously this is the next step, that doesn't invite two-way conversation, because it seems like there's a judgment. And then the other idea that everyone else is doing this, that doesn't mean it's right for your family. And so, taking the time to really unpack and ask the questions, instead of saying, I found it, I got it, that's a concept. In terms of when we're talking about incorporation, it's a great technical detail, but what does it mean for your farm. And that's what Terry was doing in this situation. He was bringing it back to, how does this work for us in the day-to-day, because he didn't have the business degree that as the junior generation I had. So, this concept wasn't very comfortable for him. So, it was really important for us to remember how much information we're bringing to the table and what kind of comfort we already had with the topic before this conversation happened. And I would say the other thing is if you'll notice at the beginning, I came in pretty strong, pretty excited, and he didn't know what was coming. When you want to have a conversation, especially about a technical topic, that is not the ideal situation. He may be waiting for somebody. He may not have the time to have that conversation right now. So, it's important to remember when you want to have these conversations, set it up, make it intentional. I don't want to say take people out of context or out of gear because that's hard.

0:27:19.7

PD: Avoiding surprise is a pretty good practice. The next scenario that we're going to set up involves a greenhouse and vegetable operation. And the senior partner, the senior generation has said that they're stepping down in five years. That's been confirmed. And the junior generation is a little more eager.

TJ: Oh, Andrea, I'm glad I caught you. Can you go out to the greenhouse and check to make sure the sprinkler system is working? I just want to make sure that nothing goes wrong.

AD: Okay, but Joe's back there. He's our production manager. He's got it under control.

TJ: Yeah, but it's nice to have another set of eyes on things just to double check to make sure. We have too much on the line.

AD: Yeah, but this is why we have production managers. He's back there. He's got it. It's not okay for me to go back and second guess all of this.

TJ: He doesn't have to know you're there. It's just double-checking. You can't be too sure.

AD: Dad, you know what, how about you have a seat. I want to talk about this.

0:28:15.1

TJ: Now?

AD: Yes. Yes, now. We need to have a 10-minute conversation, because how we interact with our employees is really important. And since we've grown, we have created this management structure that from my perspective you don't look like you're following it very well. You are interjecting with all of the employees on a regular basis, but you're overstepping even what I'm trying to do. And this is extremely frustrating for me.

TJ: But we said five years.

AD: Yeah.

TJ: And it's still my farm. I should be allowed to do and conduct things in a level that makes me comfortable. We can't radically change things.

AD: We're not trying to. You still 100% own this. I know that we've set that five years. However, it was five years a year-and-a-half ago too. So, I feel like we need an actual date as opposed to five years. That's another conversation for maybe tomorrow.

0:29:15.5

TJ: M'hmm.

AD: But how we interact with our employees is how we're going to get to this. I want to be able to take over in that five-year period, but I need to have more influence now when I'm trying to set up the structures because when you want to step out, I need to be able to work with my management team to reach our objectives. You want that for this farm too, right?

TJ: Yeah. I'm sensing you're a little stressed. Is this new or are you just telling me now for the first time?

AD: No, this is probably the fourth or fifth time that we've had this conversation, but you're always running to the next thing that you don't listen to my feedback. This is not new, but I'm glad you're actually sitting down to have this conversation because it's driving me nuts. We're trying to move forward and I'm trying to do what you want me to do, but then you keep stepping over me and trying to manage the employees like I'm not even here.

TJ: So, can you tell me what I need to do differently? I can't change the world. I've been doing this too long.

AD: Fair. And you've built a really good business.

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TJ: Thank you.

AD: And I want to work with you to keep this going.

TJ: And I want it to be successful for you. I will say that.

AD: Absolutely, so we need to work together to figure out how we can interact with our employees and how you and I can be on the same page more often.

TJ: That makes sense.

AD: I think we need to have more time. Maybe it's once a day. Maybe it's have a coffee where we can sit down and discuss how we're going to deal with employees. Maybe you take some of the employees and I take some of the employees, so we're not always stepping over each other.

0:30:59.1

TJ: And you're ready for this?

AD: Absolutely. This is a part of how I'm going to build my knowledge and really the respect from the employees. I need that if I'm going to be ready to take over.

TJ: And you think they'll listen to you?

AD: I think they're going to be more receptive of listening to me.

TJ: Some of them are older than you. They've been with us longer.

AD: Yes, but you're a part of this equation too, Dad. If you respect me and respect what I'm saying to them, they're going to respect me more too.

TJ: It makes sense. Do we have to do it every day? Generally, you get up and you say, what's going on. I'm looking at all the emails that have come in. I don't want to tie myself down like that. Is there anything better we can do so that I'm helping you?

0:31:41.9

AD: How about let's start with once a week. Ideally, as it gets closer to me stepping into the bigger role, it's going to need to be more. Can we start with once a week?

TJ: Yeah, that's fair. I can live with that.

AD: Okay, so once a week we're going to sit down and we're going to talk about what we're going to do with the employees, and we're going to divide the team so that you have some and I have some.

TJ: I'm smiling. Do you know why I'm smiling?

AD: Yes.

TJ: Because you'll probably say Monday morning at 9:00, and I'll say, Friday at 4:00. Do you want to give me a little bit more guidance with regards to what we're going to talk about or when we're going to do it so I can put it in my calendar?

AD: Absolutely. And what about, we have in my office a whiteboard and there can be the ideas or the topics that we're going to discuss in that meeting.

0:32:34.4

TJ: It sounds like you're building an agenda.

AD: A little bit.

TJ: Yeah, okay.

AD: Well, at least we both know.

TJ: I'm willing to try.

AD: Okay. Once a week you and I, we're going to discuss this.

TJ: When are we doing it?

AD: We're going to start next Tuesday.

TJ: Tuesday, okay, I can do that.

0:32:50.8

PD: Great job you guys. The big thing that I think about the take-home that I would like you to remember, conflict will happen. Too frequently, we hear farm families that are trying to avoid it or trying to work around it or ashamed that they're experiencing it. It does happen, because we're people working together. And so, just owning that and knowing that, I want to offer that it will happen and you can manage this. You can work through it by talking about it. Andrea, how about you? What's your take-home?

AD: I think when we talk about transition and there's different time expectations especially for their horizon, it does sneak into your everyday. It's not something you can turn off or turn on. Some of the frustration that you saw from my character in that one was really, it wasn't necessarily about that one theme where he asked me to check the greenhouse. The bigger issue is that my needs weren't being met. My time of my role changing wasn't being met, and so that was kind of that tipping point. And so, I think the takeaway is to remember, this is why the transition plan and giving some people confidence about what that time horizon looks like is so incredibly important, because you deal with this and it impacts your day-to-day.

0:34:06.4

PD: What I just heard, and I think you said it beautifully, clarity of expectations. What an opportunity. How about you, Terry?

TJ: Change is difficult and no matter what form it comes in. But in doing transition planning, agreeing on who's going to take over and when is probably the easiest steps you're going to make. It really comes down to who's going to do what, when is it going to get done, and how are you going to work together until that takes place? The grooming of the next generation is so important if you want your business to be successful in the future, but it's so difficult to step back and allow that next generation to step up. But it's such a vital step and that would be my message today. That's my message to everybody. Be courageous and don't be afraid to work together. And it's not going to work perfectly, but checking in on a regular basis says the communication lines are going to be open and hopefully you'll get there together.

0:35:03.8

N: Did these conversations sound familiar? Like Patti said before the team dove into the role-play, these conversations are normal and frequently happen when families are trying to navigate that transition from the senior to junior generations. It would come as no surprise if you had a particular someone in mind as you were listening, maybe a parent, sibling or even yourself. In the last two scenarios, Terry who represented the senior generation was faced with many challenges of dealing with new information, new techniques and changes to the family operation that he felt were out of his control. Andrea, on the other hand, as the junior generation, was showing eagerness and excitement about taking the reins and creating her own opportunities for success. But that meant slowing down so Terry and her could travel the path together. Facing these new realities can be difficult. But when both parties felt free to ask questions and admit to feeling lost or misunderstood, it allowed each to help the other find direction and insights. Conflict may or may not be part of the back and forth between the generations, but conflict is a sign that families are working together. Don't try to go around it or avoid it because it is uncomfortable Patti said, but work through it by talking it out. Just because you're not seeing conflict in your own story does not mean family members don't have concerns that need to be addressed and worked through. Well, that about does it for today's episode. If you want to catch these conversations in real time, check out the

Pathway to Transition virtual event series listed in the show notes. You could also sign up for future events there. Until next time, dream, grow, thrive.

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