

Family Farm – Future Readiness Questionnaire

How well prepared are you and your family for securing your farm and future?

To get the best from this questionnaire, please complete it individually BEFORE discussing your answers with other family members. Then, sit around the dining table and discuss: Start with the answers on which you have MOST AGREEMENT (important to ask the outliers “Why do you see this differently?”); then go to the questions where there is MOST DISAGREEMENT – same question, “Why do you see this differently?”.

The ensuing discussion will give you some really good places to start the process of succession.

Questions	Yes	No
1. Do you have effective and regular family meetings to talk about family and farm issues where everyone feels involved and listened to?		
2. Have the Current Generation (owner) thought through what they need financially to secure their future and the implications around this?		
3. Has there been an open and frank conversation with all members of the family around the future of the farm and the expectations family members have?		
4. Is the next generation ready and prepared, including up to speed on skills and experience, to take over the farm?		
5. Has there been a frank conversation around what to do if no one in the next generation wants to take over the farm?		
6. Has the family discussed what they want to do with the family home?		
7. Has there been a conversation around how the ownership of the farm is to be paid for when transferred to the next generation?		
8. Does the current generation have a detailed and exciting transition plan for the next 5-10 years after they leave the farm full time?		
9. Is there a clear and agreed role for the current generation in the farm if they want such a role in future years?		
10. Are the expectations (salary, behaviour, position) clear for family members who want to work on and lead the farm?		
11. Is it clear how shares and directorships are to be transferred and to whom?		
12. Is there a clear structure for a board, either Formal or Advisory?		
13. If it is decided to sell the farm – is there a clear and agreed plan on valuation, timing and what happens to the family home?		
14. Are the current family agreements and decisions seen as fair by everyone?		
15. Is there a high level of transparency regarding the family agreements throughout the family?		
16. Is there a written and agreed family document that outlines not only succession but the relationship between family members and the farm for at least the next 30 years?		
SCORE		

If your score in the “Yes” column is less than 14, then your family may need to do a number of important things before being ready to talk, or start thinking about succession.

For further information or advice on any of the above issues, please call Bob Selden on 027 565 1110 or Phil Pryor on 027 411 8820. Alternatively email Bob on Bob@familybusinesscentral.co.nz or Phil on Philip@familybusinesscentral.co.nz