

Transition Planning – The Initial Meeting



How do you get your planning started?

Your farm family has taken the first step and are ready to start the discussion on transition planning. The retiring generation and the next generation have decided that the timing is right, and now the process needs to get started. But getting the process going can be a challenge. Structure in the form of a formal meeting or planning process can be beneficial. Getting the first meeting organized is often the most difficult step even when both parties agree it is time.

There will be some pre-meeting work required. Family members should be given an opportunity to provide input on agenda items. The agenda then should be sent out prior to the first meeting so that all family members can prepare for the meeting. It is also important to allocate a time for the meeting and stick to it. It's okay to have to leave the remaining agenda items until the next meeting. It is important to minimize distractions, so a location other than the family kitchen should be considered.

Every farm situation is unique and there will be different agenda items for each farm. The ultimate goal of a succession plan is to allow make a smooth transition from one generation to the next. Good communication is key in writing down a plan that works for your farm. Here are some things to consider when putting together an agenda for the initial planning meeting for your farm's transition:

- **Administration.** Who will chair the meeting? There should be someone identified to chair the first meeting. There should also be someone who will take notes and ensure they are circulated after the meeting. Having the notes captured can help the process move forward. They are also a reference for future meetings.
- **Purpose of the meeting.** People need to be clear about the meeting and the purpose of it. This is why circulating the agenda before the first meeting will get people thinking about the transition process.
- **Where are things at.** This should provide family members with an opportunity to talk about where things are at personally, on the farm, within the family, and in the transition planning process. This should be a general discussion about how things are going in each of these areas and what everyone's thoughts are on the above items. This allows family members time to talk about their own situations and it provides an opportunity to gain an understanding of the process, and to get perspectives from other members of the family. This is also a suitable time to have a general discussion on how things are going on the farm financially. A good understanding of the financial performance of your farm is extremely important when working through the transition planning process.

- **Ownership and management transition.** This is a suitable time to discuss how ownership and management transition may look for your farm. There are many different options that can be used to transfer ownership of the farm. These options should be discussed early and before making any final decisions. Management transition is also another important part of the transition plan and should be a topic of discussion. How do family members see the management transfer happening on their farm?
- **Estate planning.** This agenda item will allow a discussion on wills, power of attorney, tax and insurance. There are many estate planning options. A general discussion on how an estate plan may look for your farm will be important to have going forward.
- **Communication.** As we all know, communication is key in any situation. In the transition process it is also equally important to the success of transition on your farm. A discussion should be had on how information will be communicated within the family and how the farm will communicate to outside advisors. Open communication and distribution of information can minimize conflict and keep the transition planning process moving forward.
- **Concerns and Issues.** This agenda item allows a formal time to discuss any concerns or issues that have not come up in the meeting. There may be items of concern to family member that do not fit the other elements of the agenda.

Next steps, timeline and the next meeting

At the end of the meeting if there were any action items that came up it will be important to record these and make sure they are reported on for the next meeting. This would also be an opportunity to put timelines on any action items from the meeting. If everyone is clear on the timelines and they are documented, there is accountability to keep the process moving ahead. A meeting date should be set for the next meeting to keep the process moving along.

Following an agenda and sticking to it can lead to a successful first meeting and can be the first step in embarking down a successful transition path for your farm.

The [Transition Planning Guide](#) will help farmers manage transition and plan for a profitable future. The guide is a useful tool to record information, help assess the operation's readiness for transition, make a plan and implement the changes. There are several options presented, so the transition or exit approach best suited for a farm business can be followed to ensure its continued success.

Contact us

- For more information, contact a [Farm Management Specialist](#)
- Email us at mbfarmbusiness@gov.mb.ca
- Toll free at 1-844-769-6224