

Families Working TOGETHER

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Rural life provides a unique opportunity for families to work together. For successful working relationships, it's necessary to understand the multiple roles family members are expected to play.



Third in a three-part series

Like many of us, “Jim” was raised on a family farm. He enjoyed rural life and appreciated the decision his parents made to raise their family on the farm. After attending college, Jim decided to return to the family farm.

During the week, Jim puts in the long, hard hours that are required to keep the operation profitable. He enjoys the opportunity to live near his family so they can maintain a close relationship, especially during times when farm work is slow. It's important to Jim that he also be given time to spend with his friends so he can maintain a relationship with his peers.

Jim is quickly learning that it is not easy to divide his time among so many interests.

Like Jim and his family, many farm-family members do not understand their individual roles and how to separate one role from another. Each family member has multiple roles within the business and the family, says Bernard Erven, professor of agricultural economics and Extension specialist at Ohio State University.

For instance, when there is work to be done on the farm, Jim is in his business role. However, when the work is over and Jim decides to spend time with his family, he assumes another role — the family role. He acquires yet another role during the time he spends with friends, on hobbies and in time alone — the personal role.

Each of these roles competes

for time, Erven says, and can cause confusion. Although some people know how to separate the roles, others merge them to the point that they are hardly distinguishable from one another, he says.

A league of its own

To understand why these multiple roles are often hard to distinguish, consider the characteristics that compose a family farm. These characteristics are unique to operations where families are working together on a day-to-day basis and are most likely true for many Angus families.

They may be considered positive or negative, depending upon your situation. It is important to understand the characteristics in order to

improve the family business environment.

- The family and business overlap. Because of this, many business decisions affect the family. On the other hand, family decisions also affect the business.
- Farm life brings great satisfaction to family members. Many people want to continue their attachment to the farm operation as long as possible. “Rural life brings benefits perceived as unavailable anywhere else,” Erven explains.
- The family's pride, values, history and willingness to sacrifice drive the business to success. “The family farm is much more than a business. It is often a family's identity in the community,” Erven says.
- The family culture emphasizes self-employment. This can affect career decisions by children raised on the farm.
- The family business often limits opportunities for career growth. Sometimes younger family members must wait to obtain a management position on the farm. Grandparents are often in the top management position for a long time.
- In addition, the opportunities provided by a farm may not fit the strengths of family members. Chronic health problems, weather, marital problems, economic difficulties or calamities also impede business progress, and family members may enter the business with vague job descriptions, compensation packages and placement in the farm's hierarchy.

Manager's position

These farm characteristics may seem negative and unchangeable, but when the top manager and the family cooperate, they can work toward a successful operation.

“The challenge,” Erven says, “is to take advantage of the significant strengths of [family businesses] while dealing with their inherent weaknesses.”

Erven has established guidelines for the top manager to

Evaluate your family relations

The following quiz, developed by Bernard Erven, professor of agricultural economics and Extension specialist at Ohio State University, is a simple test for your family to determine how they are doing with family-business relations.

Each family member should respond to the following questions anonymously. The family can designate one of its members to collect and to tabulate the completed forms. An alternative is for the family to select an outsider to do the collection and confidential tabulation.

Distribute the results to the family prior to a meeting in which the implications will be discussed. Such a discussion can generate a list of helpful changes to make. Some changes can be immediate; others may take several months or longer to accomplish.

Rate your family business on each of these 12 items using the following scale:

1 = always, 2 = usually, 3 = sometimes, 4 = rarely, 5 = never

- ____ 1. Our business has known and shared goals.
- ____ 2. We know each other's job responsibilities.
- ____ 3. We know how to do our jobs well.
- ____ 4. Each of us has responsibilities important to the success of the farm.
- ____ 5. We share responsibility for family happiness.
- ____ 6. We have a profitable business.
- ____ 7. Our families and businesses are in harmony.
- ____ 8. We have the leadership we need.
- ____ 9. We have open and continuous communication.
- ____ 10. We are proud to be part of this family and this business.
- ____ 11. Each person in the business feels nurtured and cared-for.
- ____ 12. We have fun.



Each family member has multiple roles within the business and family. These roles compete for time and cause confusion.

help the operation function smoothly. The top manager has separate responsibilities from all other employees.

"The top manager may or may not be the head of the family. Regardless, they are the ones with the ultimate responsibility and authority for the farm to accomplish its goals," he explains.

First, the manager should see that a mission statement and goals for the farm business are established. The manager should not develop the mission and goals independently but should facilitate their creation through a series of formal and informal discussions with family members.

"Engaging all family members in the process assures that they know and understand the goals and why they are important to the business's future," Erven says.

The manager should

designate a testing period for family members joining the business. This period provides an opportunity for the manager to see where new people will fit into the operation and for family members to decide whether they want to be involved in the operation or not.

The testing period should not include any commitments, such as buying into the operation. It should be established so family members can leave easily if the relationship doesn't work. Only after the testing period proves to be successful should a greater financial commitment to the operation be made.

The top manager should provide written job descriptions for each member of the family. The first step in doing so is to see that all understand their own job descriptions. Don't allow family members to join the business with a vague understanding of

their responsibilities. Make expectations clear to avoid unnecessary conflict.

Train people to do their jobs, especially children.

"Just because they have watched Mom and Dad doesn't mean they know what to do," Erven says. Determine whether or not you actually have trained your child or if you just assume they know how to do something.

Helping them do the job correctly will not only increase their safety, it also will prepare them to train others in that area.

Delegate responsibility and authority. "Give them responsibility for little things," Erven says, especially children who are helping with the operation. They must be given some responsibility in order to prove what they can and cannot do.

Another responsibility of the top manager is to develop pride

throughout the family in the farm business.

Attractive farmsteads, hats and shirts with the farm name and employees' names, and a steady flow of visitors can accomplish this. Celebrate the farm's success. Erven suggests farm picnics, pizza for everyone, a staff day at an amusement park, homemade ice cream or renting the local swimming pool after hours.

The top manager also should strive to catch people doing things right and say "thank you." It is easy to focus on the negative, especially when making improvements to the operation. Encourage employees, especially when they are doing things properly.

Other responsibilities of the top manager include operating a profitable business, developing harmony between the business

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and family, providing leadership and coaching, communicating clearly and often, nurturing each stakeholder in the business, and preparing people for their future responsibilities.

Overall, the most important suggestion Erven gives to top managers is to make sure everyone is having fun. Without this element in the operation, nothing else will matter.

Be a good team member

It's just as important for family members to take an active role in the farm operation as it is for the top manager to provide direction for employees. To family members within the business who are not the top manager, Erven advises:

- Seek responsibility, especially the kind nobody else wants. This provides an opportunity for you to fill an unmet need on the operation.

- Become competent in handling your responsibilities. "Be willing to learn. Admit to what you don't know or don't know how to do," Erven says.
- Read the signals. Family members tend to hint about the things they want you to know or to change instead of directly saying it. Be sensitive to these signals in order to prevent problems that may escalate.
- Be consistent in your mood, humor, temperament and cheerfulness. Your mood affects those with whom you work. It takes self-control to maintain balance in your mood while working.
- Admit your mistakes. By trying to avoid them, you only cause more problems down the road. Remember that someone will learn about your part in mistakes anyway. Have the courage to say you were wrong.
- Establish a home independent of your parents. This is one way in which an adult child can have more separation between the business role and family role. "Family-business relationships should be adultlike," Erven says. "People living with their parents often retain a parent-child relationship rather than work toward an adult-adult relationship."
- Build good relations with nonfamily employees. By learning from them, you can prepare for your next position in the business. Be aware that experienced nonfamily employees may feel threatened that younger family members will take their job.
- Use the opportunity to learn from co-workers and the top manager on other farm operations in the area. Never stop learning. Understand the

industry — where it is going and the implications for the operation.

A unique form of cooperation

The family farm definitely provides a unique opportunity for family members to work together. Such a close relationship is not always easy and takes hard work, dedication and cooperation.

In order to function properly, family members must be willing to cooperate with everyone involved. The top manager should maintain harmony and promote a team effort among employees. In addition, family members must be willing to respond to the authority of the top manager. By attempting to make gradual improvements overall, your family farm is sure to succeed.

