Design Your Succession Plan – McHenry County

The Situation

The successful passing of a farm or agribusiness from one generation to the next is something the majority of farm and ranch families would like to achieve, but historically very few are successful. Statistically, only 30% of family farms survive succession to the second generation, 12% to the third generation, and only 3% to the 4th generation. The average age of McHenry County producers being 56.6 years, just under the state average of 57. Effective succession planning is difficult. The family farm is a business and in some cases a very large and diverse business, but the family farm also has emotional issues and attachments.

Extension Response

In response to the needs of North Dakota’s rural communities, the NDSU Extension Service created the “Design Your Succession Plan” (DYSP) program. The program provides a framework to start the conversation, gather needed documents and information, help families decide how their life’s work will be handled, and give them the tools for a successful succession.

The DYSP program met for three evenings, with each session lasting three hours. The DYSP consists of five modules including: Starting your succession plan; Determining what you want; The next generation and your legacy; Family meetings and conversations; and Choosing and working with professionals. These sessions facilitated families opening lines of communication and start discussing the succession process.

Impacts

Eleven McHenry and Bottineau county residents representing five farm and ranch operations participated. Of these, ten (96%) indicate they have the ability to gather the information needed to initiate a meeting with a professional, compared to six (56%) before the program.

100% of participants found the DYSP program useful and will be working on it in the next six months.

Feedback

“Gets one started thinking about the whole process, not just the ownership transfer.”

“Very good information and guidance to start a succession plan.”

“Websites are helpful. Binder is great and looking forward to working through it.”

“I believe the workbook is going to be a very reliable tool!”

Before DYSP “I never had asked myself: what are you going to do after you retire?”

Public Value Statement

In the next 15 years, billions of dollars of agribusiness and farming assets will be transferred from one generation to the next in North Dakota. The DYSP program provides the information and framework to help families prepare for a successful and satisfying transition.

Primary Contact

Rachel Wald
Extension Agent – Agriculture and Natural Resources
314 Main St S #1
Towner, ND 58788
(701) 537-5405
r.wald@ndsu.edu

Image/Info Graphic

Collaborators

Callie Johnson, McHenry County Extension Agent
Sara Clemens, Bottineau County Extension Agent