

TRANSITION
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DESIGN YOUR SUCCESSION PLAN



Design Your Succession Plan: Starting Your Succession Plan

The family farm or ranch often is more than a business; oftentimes it also is a family legacy that has been cultivated, nurtured and maintained for generations. This makes each farm/ranch operation unique and, in turn, makes designing a farm succession plan just as unique and challenging for each family.

No two plans will look alike. The goal is to find a personalized plan that will reflect your family's goals and objectives.

Creating a plan will bring value not only to your operation but to your family beliefs and wishes. By completing a plan, you can provide financial security for you and future generations. You can provide opportunity for the next generation or a deserving individual to continue to expand your farm/ranch business.

Planning also will bring clarity, vision and focus to your family, the farm business and their goals. In addition, it will give you the opportunity to have crucial conversations with family members and learn how others in your family value the "legacy." Planning also provides a road map of where your business is and where it's going, which can help you avoid wrong turns in your path.

Succession planning is an umbrella term for the different type of plans that must be put together to make a farm/ranch generational turnover successful. They include business, retirement, transition and estate plans.

Each of these plans must be written to work together. They also must be looked at and updated often to make the overall succession plan successful. For example, you don't want transition and estate plans that work against each other, forcing the business to be divided in an unintended way upon a death or other tragic event.

The succession planning process has five steps: gather information; consider your options; make the decisions; design, develop and write the plan; and implement and monitor your written plan.

Many people will be involved in some way as you go through these steps. Some will make decisions with you; others may have an opinion you want to hear, but that opinion may or may not factor into the final decisions. You also will need professionals to help determine if your decisions are sound and to make them implementable. All the people involved are in some way part of your succession planning team. Other people won't be involved directly but will need to be informed of your decision.

“The single most important part of a succession plan is having one, and the most important step is getting started,” according to The Legacy Project, and that is what Design Your Succession Plan was developed to do. It will allow you to start thinking about these important ideas and decisions, and give you tools to start putting pen to paper to make them happen.

While people have many reasons why they don't have a succession plan, taking the time to go through the process can result in one the largest assets to your farm/ranch business in the future.

For more information on NDSU Extension's ***Design Your Succession Plan*** workshops along with other information go to www.ag.ndsu.edu/succession. Another valuable resource is the NDSU Extension's "Succession Planning E-tips." Anyone can sign up for this free, weekly delivery of short, readable emails offering tips for creating a succession plan. To subscribe go to <http://bit.ly/DYSPtips>. The DYSP workshop to be held in Mandan is scheduled for November 21, 28, and December 5. Call (701) 667-3340 to sign up. Registration is required.

Dates to remember:

Nov. 2 : 4-H Volunteer E-Forum, courthouse, 5:45 p.m.

Nov. 7: Stepping On-Falls Prevention series, Mandan, 1:30-3:30p.m.

Nov. 8: Coffee with Marissa (meet the new ag agent), couthouse, 10a.m.-noon

Nov. 13, 20, 27: Active Parenting of Teens, Mandan

Nov. 21,28, and Dec. 5: Design Your Succession Plan, Mandan 6:00-8:30p.m.