



Transition Planning: Value, Challenges and Moving Forward

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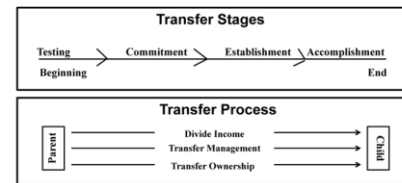
Transition planning is the process of creating and implementing an overall strategy to move the farm or ranch business from one generation to the next.

VALUE: Farm and ranch transition planning maintains rural businesses continuity and enhances national food security.

CHALLENGES: There is hesitation and lack of transition progress on many family farms and ranches on a local and national level. The greatest challenge in farm and ranch transition planning: **family communication**. I can say that on both a personal level and as an educator. Yes – you have to communicate with your family on a very challenging subject, this means both talking, listening and working together to develop a plan. Other challenges or reasons to put off transition planning often include: “it’s not my job”; “I’m too busy”; “I’ll live forever”; “no one can replace me”, “it’s no one’s business what happens to my assets when I die”

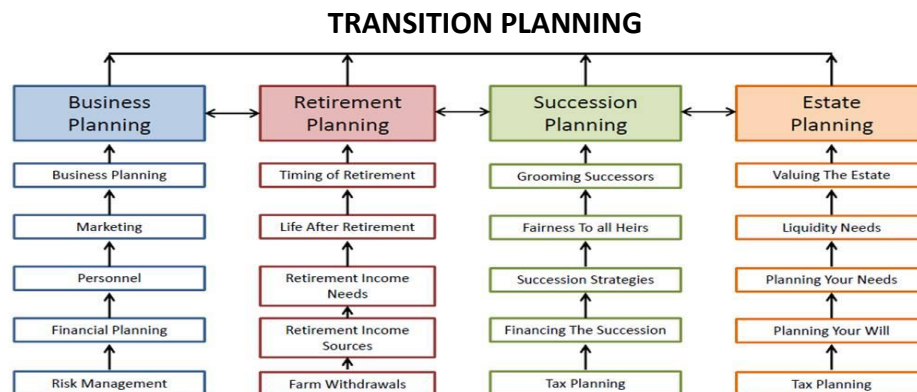
MOVING FORWARD: Transition planning does not occur overnight. There is a need for a gradual and carefully planned shift (management, financial responsibility and ownership) from one generation to the next generation (Transition Plan Road Map).

Transition Plan Road Map



As the senior generation starts to look at developing a transition plan, they need to think about: What do you want to happen to the business? Is there a future for the business? How do you develop the next generation of managers? How can each generation communicate needs, desires and aspirations? Are plans being made for retirement? Do you have plans for the unexpected? How do I treat my heirs fairly? What is the best way to transfer business and personal assets? The answers to these questions can be used to help guide the discussion and determine the direction of the business.

It’s often helpful to breakout this often overwhelming process of transition planning into 4 processes: Succession, Business, Estate and Retirement Planning. Taking small steps in each planning area over time (a few years) can ease the stress of developing a transition plan.



During the winter of 2016 CCE will be offering Farm Transition Planning workshops across Northern New York. The title of the program is “Managing for Today & Tomorrow” this is a national based curriculum focused on: *succession, business, estate, and retirement planning for Farm & Ranch Women*. The program is 15 hours of course time broken down into 5 sessions. More information on this program will become available throughout the fall. If you would like more information on this program please contact: Kimberley Morrill – kmm434@cornell.edu; Peggy Murray – mlm40@cornell.edu or Anita Deming – anitademing@cornell.edu