When should a farming family begin thinking about succession planning?

It is never too early to start planning for succession in a family business, but it can be too late! Planning for the future of the business, in the event of the death or incapacity of the owner or senior partner, is essential.

What if we make a plan and then circumstances change?

Like all business plans, and an individual's Will, the Succession Plan should be reviewed when circumstances change. It is also wise to revisit the plan, periodically, to ensure that it is still relevant.

Who should be involved in writing the Succession Plan?

Anyone with an interest in the business should be involved in discussions before the plan is finalised.

How do I find out more?

Contact Andy if you have any questions. He will be very happy to discuss this service and your specific circumstances.

Who is Andy Guy?

Andy Guy began his farming career as a new entrant in 1996. His business quickly grew and he relocated to a larger tenancy in Nottinghamshire. In 2004 he became a LEAF (Linking Environment And Farming) Demonstration Farmer and, in 2005, won the Farmers Weekly "Farmer of the Year" Award.

In 2010, Andy launched his Sustainable Food and Farming Consultancy.

Andy believes that one of the biggest threats to the sustainable future of some farming businesses is the lack of a robust succession plan and so he designed this service to help address this problem.

www.andyguyconsulting.co.uk
andy@andyguyconsulting.co.uk
07738 121883

ANDY GUY CONSULTING

SUSTAINABLE FOOD AND FARMING

Succession Management and Mentoring

Supporting farming families to plan the successful succession of the business between generations

Why is a strategic Succession Plan essential?

For centuries, families passed their farms down to the eldest son, a system which has resulted in land and business ownership in this country being consolidated while it has fragmented in many other European countries.

During the twentieth century attitudes towards succession and gender equality have changed and families have more options to consider when deciding who should take on the business in the future.

Andy will help you identify your most appropriate successor(s) and create a plan for the smooth and sustainable transition of the business. He will work with you to assess the strengths and weaknesses of the business and the successor before finding ways to develop their skills and experience ensuring that they are fully prepared to take the farm forwards when the time comes. He will help you to set milestones and plan how you will withdraw from part or all of the business, giving you confidence that you will be able to do so with dignity and financial security.

Identifying the best people to take on the family business

The right person, or people, to take the family farm forward will, of course, be enthusiastic and ambitious for the business. They may have character traits which make them resilient, decisive or calm under pressure. Understanding the character of the successor will make it easier to ensure that their strengths are exploited and weaknesses are mitigated.

As an independent advisor, Andy can help the family make an honest assessment of the potential successors.

What if the successor does not have the right skills or education?

Every young farmer starts their career with limited experience and skills. These are developed over time, but the process can be managed strategically.

Andy can help the family identify the gaps in skills and experience and create a plan of action to rectify the situation.

Development of the successor is a central part of every Succession Plan that Andy works on.

What about the other family members?

Parents always want to make sure that all of their children are provided for in a fair way and this is completely understandable. Andy will help ensure that the business is passed on in a way that ensures it is viable and sustainable while accounting, fairly, for the successor's siblings.

What does the current incumbent need to think about?

The current senior manager in the business may need to make arrangements for their retirement. They may need a pension, a home to live in and provision for elderly care. None of these considerations are easy to put in place and are best dealt with early.

Even if the older generation does not expect to retire, they will need to plan for the gradual transfer of management control of the business.

Provisions for a dignified and timely transfer of the business should be built into the Succession Plan, from the outset.

How can Andy mentor the successor?

As a Mentor, Andy can provide guidance, support and encouragement to the successor, helping them grow personally and professionally. He can help set milestones and regularly review progress.

Andy will be available as a confidential sounding board, sharing his experience and knowledge with the successor.