



## HELPING FARM FAMILIES TRANSITION THEIR FARM BUSINESS TO THE NEXT GENERATION

**12**

public education presentations and workshops conducted around the state

**OVER 132**

participants in succession planning educational consultations

**OVER 405**

participants took part in educational sessions around the state

### PRIORITY

#### A R E A S

Michigan State University (MSU) Extension works to improve farm personal well-being and income, expand agriculture-related businesses and increase employment opportunities, leading to agriculture being one of the strongest industries within Michigan. Supporting agriculture and helping to improve financial stability and competitiveness has a significant economic impact on Michigan and local communities. Over 59% of Michigan's farm owners are 55 or older,\* making succession planning guidance and resources very important to our state's farm economy.

For more information, contact Corey Clark, MSU farm business management educator, at [clarkcr@msu.edu](mailto:clarkcr@msu.edu) or visit [www.canr.msu.edu/farm\\_management/experts](http://www.canr.msu.edu/farm_management/experts).

### IMPACTS



**7**

succession planning online resources were created including videos, online classes and bulletins.



**688**

individuals downloaded succession planning online resources.



**50**

family farms participated in private educational sessions.

*“ Succession planning has been completely overwhelming. I really appreciate your help to make our way through it. ”*

• Succession Planning participant



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Succession planning is a process of creating a path to transfer ownership of a farm business. MSU Extension assists by holding private educational sessions with farm families and nonfamily successors with six main goals in mind:

1. Retain **financial security** for the senior generation.
2. Obtain **family harmony** among all family members.
3. Provide a reasonable **opportunity for financial success** for the successive generation.
4. Provide **flexibility** for changing situations.
5. Develop a **relatively simple** and easy plan to administrate.
6. Minimize **income and estate taxes** for all family members.

Achieving all of these goals can be difficult because they can sometimes conflict with each other. The succession process can often take two or three years (or more) for families to think through and obtain a balance between the interests of senior generations, junior generations and nonfarming heirs.

The farm business management team met with farm families in personal educational consultations to help them begin to develop their farm succession plan. Team members also presented educational presentations and workshops on the basics of succession planning throughout the state. In addition, they developed succession planning resources such as articles, bulletins and videos, which are available through the MSU Extension website.

## REFERENCE

\* USDA NASS. (2022). Census of Agriculture. Michigan State and County Data, Volume 1.

## PROVIDING RESOURCES FOR NEW FARM MANAGERS

**DEMaND Series.** The Beginning Farmers DEMaND (Developing and Educating Managers and New Decision-makers) series is designed to help the next generation of farm operators learn about financial and business management strategies. Led by MSU Extension farm business management educators, the series includes videos, webinars and educational bulletins written in an introductory style for readers with limited experience. Current topics include decision-making, insurance, local government, loans and credit, marketing and record keeping.

**Farm Money Matters.** Farm Money Matters is a unique online course designed to train new producers in Michigan who have less than 10 years of experience. Offered to both English- and Spanish-speaking enrollees, the course provides education in foundational farm management topics, including risk management, business analysis, record-keeping methods and decision-making. In addition to the eight self-paced educational modules, the course includes cohort meetings over Zoom and one-on-one educator-participant interactions. Materials from this program are also used for MSU Extension's Farm Business Record Keeping for the Global Majority, an educational program for farmers of color.

**Working Collaboratively at Michigan State University.** Collaborations are a key ingredient in developing successful programming. MSU Extension farm business management educators work closely across teams. These collaborations are made up of researchers, professors and educators from the agriculture and agribusiness area; the community, food and environment area; and the MSU Product Center. Industry organizations, commodity groups and agricultural advisors are also included to add expertise and relevancy to new farm manager programming.