

Farms and Families: Keeping Business Concerns Separate From Family Concerns

by Dr. Linda J. Cox

Farms and farm families are intertwined, which can cause tension for the business and the family. For example, a spouse and the kids may be expected to work on the farm without receiving a paycheck, which may interfere with their personal plans. A farm may face an uncertain future if the kids do not want to take it over. A spouse may have to seek outside employment in order to maintain the farm, and the spouse may not want to contribute all that is needed to support the farm. A family member may have a job on the farm and feel that she or he does not have to follow the workplace rules that other employees are expected to follow. Many business situations like these can cause a family relationship to suffer. Before a farm and a family become toxic for each other, attention must be given to address the concerns of the family and the farm.

Experts generally advise family run enterprises to separate business operations from the family operations. Business operations should use the business' production, marketing and financial goals as a guide. Running a small business can easily take over the owner/manager's daily life and therefore, have a large impact on their family. Family members may expect that family interests will come before business interests. Conflicting goals between the business and the family can create a host of issues that need to be addressed.

In order to address these types of concerns, business and family goals must be clarified immediately. Each set of goals should be written down with measurable targets, timelines and acceptable limits of variations and analyzed in a manner that involves everyone who is expected to contribute to achieving them. For example, if the business' production or marketing plan involves a spouse and/or kids working at any time, then they should be involved in developing this plan. If a spouse or kids expect to take a vacation that is paid for from the business' profits, then those involved in setting business' goals should be consulted about this family expectation.

The goals of the family generally revolve around how family members will spend their primary resources of time and money. Business goals generally involve time and money also. In general, no one really has enough time and money for everything so choices have to be made. Family members and business owners/managers can determine what activities are highest priorities so attention can be focused on the most important goals. By working to develop family and business plans that are coordinated, family farms can avoid some conflict before it occurs.

More resources are found at:

Cox, Linda J. 1999. Meeting as a Family. College of Tropical Agriculture and Human Resources Children and Family Fact Sheet No. 1, Honolulu, Hawaii, 2 pp.

<http://www.ctahr.hawaii.edu/oc/freepubs/pdf/CF-1.pdf>

Cox, Linda J. 1999. Planning as a Family. College of Tropical Agriculture and Human Resources Children and Family Fact Sheet No. 2, Honolulu, Hawaii, 2 pp.

<http://www.ctahr.hawaii.edu/oc/freepubs/pdf/CF-2.pdf>

The [Family Business Center of Hawai'i](#) is a partnership between Hawaii's family business community and the University of Hawai'i Shidler College of Business. The mission of the Family Business Center is "equipping, educating, and celebrating families in business." The Center provides opportunities for families to address many of the challenges they face by providing educational seminars and a forum for the exchange of information between families so that they can survive and thrive through the 21st century.