

Topic 1: Goals

Goal setting is a powerful process for thinking about your ideal future and for motivating yourself to turn your vision of this future into reality.

The process of setting goals helps you choose where you want to go in life. Physically documenting these goals will make them more concrete to you. By knowing precisely what you want to achieve, you know where you have to concentrate your efforts.

It's helpful to think of goals in the context of personal, family and the farm business. Goals can have different timelines for achievement — current (one year), short term (five years) and longer term (10 years). There can be overlap in the goals.

Goal setting is a two-part process.

- For effective goal setting, you need to do more than just decide what you want to do. You also have to work at accomplishing whatever goal you have set for yourself, the family or the business.
- For many people, it's the second part of goal setting that's problematic. They know what they want to do but have trouble creating a plan to get there. Goals without action plans are just words.

There are no right or wrong goals. Goals should be reviewed for convergence (where goals are aligned) and divergence (where goals are not aligned). Divergent goals should be discussed to see how the different thinking can be addressed.

All stakeholders (usually family but possibly non-family, who have a vested interest in the farm) should complete the goal setting exercise.

The most effective goals consider the SMART principles. They are:

S — Specific: Explicitly list the what, why and how

M — Measurable: Include measurable progress so you can see when change occurs

A — Attainable: You won't commit to goals that are too far out of reach

R — Realistic: Does not mean easy, but doable

T — Timely: Set a timeline for the goal to give you a target to work towards.

Why is this relevant?

Having a clear understanding of your own and other family members' goals is critical to the success of the family farm. If different family member goals are in conflict, problems may arise within the family and the business they are managing together. Families need to discuss their individual goals and then determine how these goals can fit within the business goals.

How will this help transition planning?

1. Setting goals requires time to think through personal, farms and families business scenarios. Putting goals in writing helps make them real.
2. Discussing goals can be a positive experience.
3. Establishing goals can be a great way to measure success. Farms and families are extremely busy. Balancing the relationships within them can be challenging. Individuality can be lost in the mix. The ability to reflect on stated goals helps everyone celebrate these goals as accomplishments.

Instructions

Goals can be separated into three specific areas. They include:

- personal (goals for myself)
- family (goals for my family)
- business (goals for my farm)

Identify a timeline for your goals by separating into short-term (one year), intermediate term (five years) and long-term (10 years).

1. Have each individual family member involved in management fill out a separate goal-setting worksheet.
2. List the things he or she most wants to achieve.
3. After completing the exercise go back through your goals and consider the SMART goal setting principles above.
4. Indicate whether each of your goals meets these criteria and if not, make adjustments or additions where applicable.
5. Collect each individual's answers and include a discussion at the next transition planning meeting.
6. Compare and contrast each individual's answers, looking for areas of agreement and disagreement.
7. Consider using an external facilitator if you are concerned about some potential for conflict during this discussion.
8. Store the documents for future reference.



EXAMPLE: Here is an example of what the finished goal setting exercise might look like:

Name: *Faye Sample*

Date: *Feb 14, 2013*

Personal:

Short Term (one year)

*SMART

Talk to Rob to talk about our retirement plan twice a month.

YES

Intermediate Term (five years)

*SMART

Do more camping.

NO

(re-written) Go camping two more times per year starting this year.

YES

Long Term (10 years)

*SMART

Spend more time with grandkids (hopefully)!

NO

(re-written) Establish routine activities to do with the grandkids, like crafts, bicycling, or something like that. Do this two-three times per month.

YES

***Review your goals to see if they meet the SMART guidelines.**

Make changes if necessary.

Name: *Faye Sample*

Date: *Feb 14, 2013*

Family:

Short Term (one year)

*SMART

Get Carol graduated and off Sample Farm's payroll!

NO

Get Carol graduated and off Sample Farm's payroll by Spring 2014.

YES

Intermediate Term (five years)

*SMART

Go on one family vacation a year.

YES

Long Term (10 years)

*SMART

Stay close with our children and grandchildren.

NO

(re-written) Stay close with our children by communicating with them at least.

once per week via telephone or internet video chatting.

YES

***Review your goals to see if they meet the SMART guidelines.**

Make changes if necessary.

Farm Business:

Short Term (one year)	*SMART
<i>Find GOOD full-time help.</i>	<i>NO</i>
<i>(re-written) Find GOOD full-time help by the end of 2013.</i>	<i>YES</i>

Intermediate Term (five years)	*SMART
<i>Start implementing the transition plan.</i>	<i>NO</i>
<i>Start implementing the transition plan by following our action items list and</i>	
<i>Maintaining open lines of communication with our advisors and John and Rebecca.</i>	<i>YES</i>

Long Term (10 years)	*SMART
<i>Upgrade equipment.</i>	<i>NO</i>
<i>Upgrade equipment that requires upgrading, and take care not to push our cash</i>	
<i>flow to the limit.</i>	<i>YES</i>

***Review your goals to see if they meet the SMART guidelines.**

Make changes if necessary.

How does this apply?

The exercise and resulting family discussion will help members gain a better understanding of each other and their respective priorities for life in general and the business. You will refer back to this exercise in creating your farm's vision.



PLANNING POINTERS:

- There are no right or wrong answers to this exercise.
- Family members actively involved in the business should complete the exercise.
- Family members who might be actively involved in the business at some point in the future should complete the exercise.
- Family members who are not currently actively involved, or who are not planning on being actively involved in the business, can optionally be included in the exercise.
- Remember, the examples you see in the guide are based on the case study found at start of the guide pages d-j and in the appendix on pages 207-209.



WHAT TO WATCH FOR:

- As you compare and contrast each family member's answers note:
 - Are there major differences that could lead to conflict or act as a stumbling block in completing your transition plan?
 - Were you able to identify any underlying reasons for existing conflict in your operation?
- Consider using an external facilitator if you are concerned about some potential for conflict during the discussion.

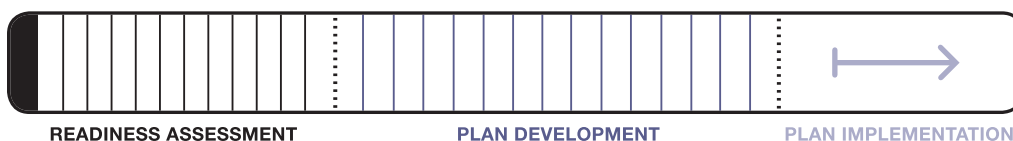


EXERCISE: Go to the forms appendix pages 207-209 (at the back of this guide) for the Goals exercise.

Next steps

Congratulations on completing this topic. You are now a step closer to having a transition plan for your farm. Please proceed to the next topic area on your Transition Plan, but don't forget to add any assigned tasks that were generated by working through this topic.

Planning progress



Goals

Name: _____

Date: _____

Personal:

Short Term (one year)

*SMART

Intermediate Term (five years)

*SMART

Long Term (ten years)

*SMART

***Review your goals to see if they meet the SMART guidelines.**

Make changes if necessary.

Name: _____ Date: _____

Personal:

Short Term (one year) *SMART

Intermediate Term (five years) *SMART

Long Term (ten years) *SMART

***Review your goals to see if they meet the SMART guidelines.
Make changes if necessary.**

Name: _____ Date: _____

Personal:

Short Term (one year) *SMART

Intermediate Term (five years) *SMART

Long Term (ten years) *SMART

***Review your goals to see if they meet the SMART guidelines.**

Make changes if necessary.