



Family Constitution

At Farm Life, our goal is to establish respectable and clear ground rules for all family meetings. A common challenge for most families is how to communicate to each other in a way that values the ideas and opinions shared during these meetings.

The first step in preparing for these meetings is reflecting on what can become a constitution for the family. When everyone has the time to create their thoughts ahead of the meeting, better discussions and use of time can be had during family meetings. Guidelines that can be followed for developing a Family Constitution are:

1. Vision and Values
 - a. What are our hopes for the family and the business?
 - b. Will we have a role in the future of the business?
 - c. Do we all want to keep the business in the family?
2. Process
 - a. How will we make decisions as a family about the future of the business?
 - b. How will we overcome our differences?
 - c. Do we all agree on the Code of Conduct for the meetings? (see below)
3. Structure
 - a. How will we organize ourselves?
 - b. Do we have policies in place for the business and how it relates to family members on items such as remuneration, family jobs?
4. Participation
 - a. How do we select and train people to be governors of the business?
 - b. What are the rules for entering the workforce at the business?
 - c. How do we ensure ongoing participation and communication as the family expands?
5. Education
 - a. How is the next generation educated about ownership of the business and family governance?
 - b. Who will take part and when?
6. Governance and Continuity
 - a. Now that we have defined the set of standards our family and business will follow, we want to ensure that these standards continue.
 - b. Some families develop an advisory board or board of directors to ensure this set of standards continues for generations to come.

A Family Constitution will define clear direction and form an agenda of how the family can begin these courageous conversations. These conversations will help build a stronger family, stronger business and the planning process for the future. A proper constitution will serve as the cornerstone for developing a succession plan that protects both the legacy of the farm and the family's harmony.