



Enterprising Rural Families™

This newsletter is an instrument of the *Enterprising Rural Families: Making It Work* program of the University of Wyoming Cooperative Extension Service. For further information concerning the Enterprising Rural Families program or on-line course contact information@eRuralFamilies.org or go to <http://eRuralFamilies.org/>.

TIP OF THE MONTH:

MORE MARKET ANALYSIS

Your product and/or service:

- What specific products and services will my business offer?
- What is my customer profile? Characteristics you need to know are things like: gender, age, income bracket, occupation, location, family status, children, education, and ethnic origin.

Competitive Analysis

Compare your business to the competition—you must have some “edge” that brings people to your business. Compare with major competitors in several areas: products, price, quality, selection, customer service, product service, reliability, expertise, image and reputation, location, store layout, appearance, sales method, credit policy, availability, management, stability, and advertising.

Some hard questions:

- Who are your strongest competitors and where are they located?
- How do their products and services meet the needs of the consumer? What do they do well? How do you know this? How do their prices compare to yours?
- How will your products and services better meet the needs and wants of your customers? How are your products/services unique and different from those of the competition? What can you do better than your competitors – how do you know this?
- What are your key competitive advantages?

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A Lasting Legacy

What is a legacy? A legacy is the summation of a lifetime of achievement and the context in which that lifetime will be remembered. A legacy is not just money but a reputation, what was accomplished, and the difference a person makes in the world as they pass through, their mark on the universe. More importantly, a legacy is something that is passed along years after a person leaves the world as we know it.

A Lasting Legacy presents an alternative approach to end of life planning: a road map for the future embracing the meaning of a life. In historical terms, a legacy is something that is handed down from one generation to the next.

Why worry about a legacy? A study on people’s beliefs and attitudes about legacy was recently completed by the Allianz Life Insurance Company of North America, in conjunction with Dr. Ken Dychtwald, president of Age-Wave. The study found there are significant gaps in what baby boomers and their parents expect from and define as inheritance. Non-financial items that parents leave behind – like ethics, morals, faith and religious beliefs – are 10 times more important to both boomers and their parents than the financial aspects of inheritance. Legacy gaps exist because boomers and their parents are not engaging in in-depth conversations about legacy and inheritance in productive and meaningful ways – even though they say they are having such conversations.

Planning a legacy should include talking about all four components of a true legacy: values and life lessons, personal possessions of emotional value, fulfilling final wishes and instructions, and financial assets and real estate. If the discussions between generations do not cover all four components of a true legacy, the legacy transfer is not complete.

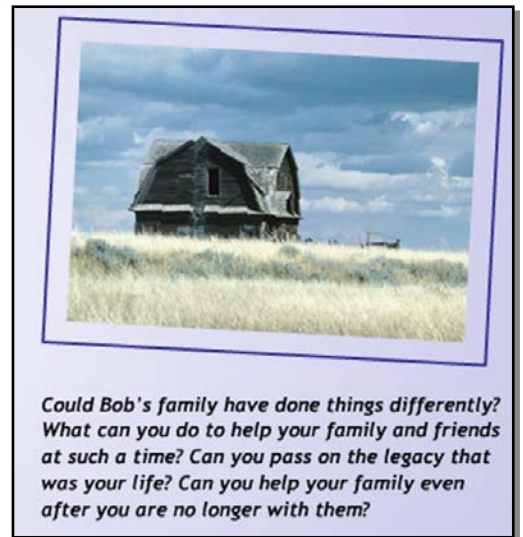
A Legacy Lost

It was a beautiful afternoon in late spring when Bob clutched his hands to his chest and collapsed in the field. He was dead within minutes. No warning. No chance of survival.

His wife and five children were left in utter disbelief. How was it possible that such a young man could be gone so quickly and without warning? There was no will or estate plan to assist with the transfer of real estate and other assets. There was no communication on how family members could fulfill his final wishes.

Bob and his family always had intentions to clarify his legacy plans. Now he is gone. His children will not have the opportunity to share his stories, faith, hopes and life experiences. There were no instructions for burial or memorial services. They don't know to whom he wanted to give his collections of toy cars and sliver spurs.

And life continued to go on around them. Chores had to be done, crops planted, calves branded, bills paid and family activities attended - all in the midst of their grief, anger and emotional struggles. How would they go on without their husband and father?



Could Bob's family have done things differently? What can you do to help your family and friends at such a time? Can you pass on the legacy that was your life? Can you help your family even after you are no longer with them?



The two-CD course *A Lasting Legacy* is designed to create an easy-to-use process to help families pass on a true legacy to succeeding generations following a hands-on approach. *A Lasting Legacy* captures all facets of an individual's life. Course 1 guides interested participants through 1) Methods and tools for improving intergenerational relationships; 2) Sharing Values and Life Lessons; and 3) Passing on Personal Possessions of Emotional Value. Course 2 addresses key legacy components: Preparing Instructions and Wishes to be Fulfilled and Distributing Financial Assets and Real Estate.

Clarifying plans and explaining intentions can make otherwise contentious decisions understandable and can help avoid lasting resentments. When legacy decisions are made and communicated to the family, research shows that family members are more likely to accept the outcomes. Family members also benefit from the special memories and stories shared in the process of establishing a legacy.



Figure 1. *The Lasting Legacy Model*



A Lasting Legacy course 1 covers the first two components of a legacy. Topics include: presentations on how to share values and life experiences, overcome challenges associated with bequeathing personal possession of emotional value, and nurture healthy intergenerational relationships that facilitate communication and ensure a smooth legacy transfer from one generation to the next.

Establishing a legacy requires open, honest relationships and communication between generations. Establishing and maintaining healthy relationships between family members is challenging at any stage in life. It is important that the generations work together to make relationships satisfying rather than strained. Sensitive issues, such as money, death and family relations are difficult issues not only to bring up but also to talk about in any depth. It is hard to approach these issues calmly when there are strong feelings about what is important. Most people avoid discussing these subjects because they believe it to be disrespectful and uncomfortable.

Leaving a legacy that everyone can love depends on generations being able to bridge the communication gap. All persons should be included from elders to grandchildren, especially adult children. Communication between generations is more vital than ever to ensure that the needs of elders and heirs are aligned. Talking about legacy can be an emotionally satisfying experience for both parents and children. Communication allows elders and their heirs the opportunity to share their most important beliefs, wishes and directives, and lessons learned throughout a lifetime.

Developing a legacy may also require resolving conflict. All individuals experience interpersonal conflict at some point in their lives. It is not a matter of if, but a matter of when. Put two or more people together for more than ten minutes and there is a risk of interpersonal conflict. Conflict is a natural part of life brought on by our different beliefs, experiences and values. If not managed carefully, however, conflict can harm relationships. *A Lasting Legacy* course 1 presents seven steps adults can use to resolve conflicts.

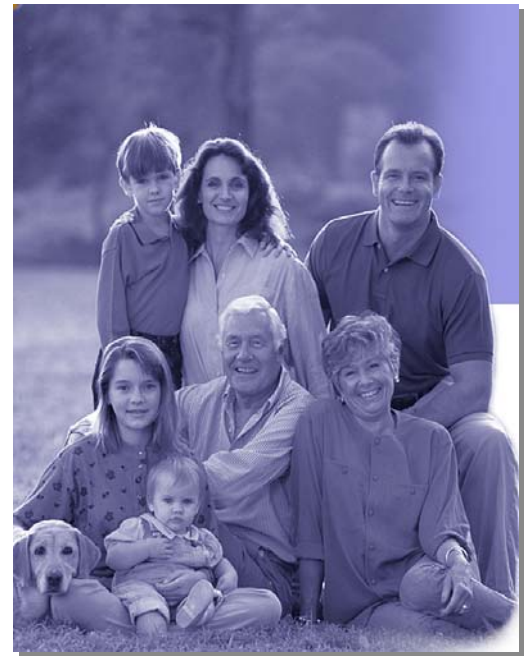


Course 1 also looks at forgiveness. Forgiveness is an act of the imagination. It dares to imagine a future based on the possibility that a given hurt will not be the final word on the matter. It challenges one to give up their destructive thoughts and to believe in the possibility of a better future. To forgive another simply means no longer allowing another person's actions or words to cause resentment, anger and pain. Forgiveness does not mean someone must reconcile with another who has treated them badly. Forgiveness is the experience of finding peace inside which can neither be compelled nor prevented by another. Forgiveness of another person may be a necessary part of establishing a truly lasting legacy.

Values and Life Lessons includes three main components:

- **Family traditions** are practices and beliefs that create positive feelings and are repeated at regular intervals. Often times these traditions are handed down from generation to generation. Some could be based on religious beliefs, while others on culture. Each family creates their own traditions and cultivates connections between each member of the family and generations to come.
- A **family history** offers a great value to its members, with wonderful stories about family contributions, travels, and challenges. It is important to plan what a person will include to create a meaningful family history collection.
- **Belief systems** are very important as it defines the limits of personal experience and is the set of precepts by which a person comes to live by. Beliefs often influence a person's thoughts, words, and actions.

These three components are explored in depth, including methods for documenting the components for the next generation as part of a legacy.



While most people are aware of the importance of planning for the transfer of titled property, most families do not plan for the transfer of non-titled property. Transferring non-titled property can often create conflict among family members. These items may have sentimental value based on the memories and feelings they evoke. Measuring sentimental or emotional value is difficult and complicates the transfer process. This portion of the course examines the concepts of fair versus equal. It also helps a person explore what is important in such transfers, ranging from maintaining relationships, to keeping privacy, to giving something back to a nurturing community. Finally, it examines various methods for completing the transfer, including formal transfers, sales, and donations.



Course 2 covers steps on how to plan for important end-of-life issues, a step-by-step process for communicating final instructions and last wishes, and how to ensure the transfer of financial assets and real estate that achieves desires and goals for continuation of a family business.

In Final Instructions and Wishes to be Fulfilled the first step is to decide what constitutes a “good” death. The second step is to identify and document wishes for the end of life: where to live, where to die, what level of medical care is desired, and who should care for dependents. The third step is to document final wishes – those things pertaining to burial and memorial. In today's world, Step four, which is to provide a list of secured places and passwords, is also important.

The fourth component of the legacy model, Financial Assets and Real Estate is the component which receives most attention when individuals consider end of life issues. It covers the topics of estate planning, financial planning, and titled property transfer. An estate plan is a plan for the disposition of property upon a person's death. A solid estate plan can help one enjoy financial security during retirement and provide for heirs. Estate plans impact personal finances, and have legal and tax ramifications. It is important to seek appropriate counsel from an attorney, tax preparer and other professionals knowledgeable about estate planning. In the process of developing an estate plan, one must establish some basic objectives. It is important to consult with family members and obtain professional advice on how to best achieve those objectives while honoring one's own wishes and meeting family needs.

Whether a person plans to or not, they will leave a legacy of one sort or another. By talking with family and friends about life and final wishes, one can help to ensure they are remembered in the best possible light. *A Lasting Legacy* courses were developed by members of the RightRisk Team, a group of risk-management educators from eight western universities, specializing in interactive risk-management education products for agricultural producers.



Upcoming presentations and more information about RightRisk courses are available at RightRisk.org. Requests for additional information may be emailed to Information@RightRisk.org.

(Other issues in successfully managing family businesses in today's environment are covered in greater detail in the **Enterprising Rural Families: Making It Work™** on-line course.)

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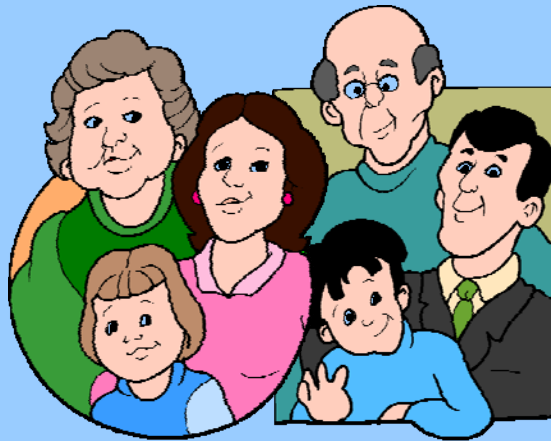
Material for this article excerpted from:

A Lasting Legacy: course 1. Sharp, Rodney L., J.P. Hewlett, and J. Tranel. University of Wyoming Department of Agricultural and Applied Economics publication. July 2007.

and

A Lasting Legacy: course 2. Tranel, J., J.P. Hewlett, and R.L. Sharp. University of Wyoming Department of Agricultural and Applied Economics publication. July 2007.

See also, *Key Elements of an Estate Plan: An Overview. Dalsted, N.L and R.L. Sharp, Colorado State University, October 2007 and other estate planning materials at the Western Risk Management Library – Financial Risk at: <http://agecon.uwyo.edu/riskmgt>*



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