



Family business perspectives and stress in two-generation farm and ranch families
by Claudia Mattheis

A thesis submitted in partial fulfillment of the requirements for the degree of Master of Science in
Home Economics

Montana State University

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Abstract:

Agriculture is an important economical resource to this nation and to many states such as Montana. During the past decade farmers and ranchers have faced numerous economic, environmental, and familial stressors. Many family farms and ranches have failed. One of the biggest reasons for their failure was the unsuccessful attempts at transferring the farm to the succeeding generation. This study examined the relationship between family/business perspectives and stress in two-generation farm and ranch families. Family/business perspectives were comprised of the variables of family cohesion, family expressiveness, and perception of how well the business was working. The later variable was comprised of the three sub-variables of how well the business arrangement was working, concern about the business, and perception of how much other family members pull their own weight in the family business.

It was hypothesized that family/business perspectives are negatively related to perceived stress levels for both the retiring and receiving generations. Correlation coefficients and step-wise regression analyses were utilized to test the hypothesis. The results generally indicated that family business perspectives affect stress in two-generation farm and ranch families. While few generational differences were found, there were an number of differences by family position. Interpretations of these differences are suggested.

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A thesis submitted in partial fulfillment
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APPROVAL

of a thesis submitted by

Claudia Jean Mattheis

This thesis has been read by each member of the thesis committee and has been found to be satisfactory regarding content, English usage, format, citations, bibliographic style, and consistency, and is ready for submission to the College of Graduate Studies.

April 22, 1993
Date

Ramona Mawzy-Bade
Chairperson, Graduate Committee

Approved for the Major Department

5/7/93
Date

[Signature]
Head, Major Department

Approved for the College of Graduate Studies

5/14/93
Date

[Signature]
Graduate Dean

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Date 4/22/93

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TABLE OF CONTENTS

	Page
LIST OF TABLES.....	vii
LIST OF FIGURES.....	ix
ABSTRACT.....	x
1. INTRODUCTION.....	1
Conceptual Framework.....	7
2. LITERATURE REVIEW.....	12
Stress.....	12
Cohesion.....	15
Expressiveness.....	17
Perception.....	18
Summary and Hypothesis.....	21
3. METHODS.....	25
Sampling Procedure.....	25
Operational Definitions.....	27
Cohesion and Expressiveness.....	27
Perception.....	28
Perceived Stress.....	29
Description of the Sample.....	31
4. RESULTS.....	33
Data Analysis.....	33
Generations.....	33
Hypothesis 1.....	33
Hypothesis 2.....	34
Hypothesis 3.....	35
Sub-hypothesis 1.....	36
Sub-hypothesis 2.....	37
Sub-hypothesis 3.....	38
Family Position.....	39
Hypothesis 1.....	39
Hypothesis 2.....	40
Hypothesis 3.....	42
Sub-hypothesis 1.....	42
Sub-hypothesis 2.....	43
Sub-hypothesis 3.....	44

TABLE OF CONTENTS--Continued

	Page
5. DISCUSSION.....	46
Cohesion and Expressiveness.....	46
Perception.....	47
Mothers.....	49
Fathers.....	50
Sons.....	51
Daughters-in-law.....	52
Gender.....	53
Implications.....	53
Limitations.....	55
REFERENCES CITED.....	56
APPENDIX.....	62

LIST OF TABLES

Table	Page
1. Description of the Sample.....	32
2. Correlation Results Between the Family/Business Perspective Variable of Cohesion and Perceived Stress by Generation.....	34
3. Correlation Results Between the Family/Business Perspective Variable of Expressiveness and Perceived Stress by Generation.....	35
4. Step-wise Regression Results Between Family/Business Perspective Variables and Perceived Stress for the Receiving Generation.....	35
5. Correlation Results Between the Family/Business Perspective Variable of How Well the Business Arrangement Works and Perceived Stress by Generation.....	36
6. Step-wise Regression Results Between Family/Business Perspective Variables and Perceived Stress for the Retiring Generation.....	37
7. Correlation Results Between the Family/Business Perspective Variable of Concerned About the Business and Perceived Stress by Generation.....	38
8. Correlation Results Between the Family/Business Perspective Variable of Pulling Weight and Perceived Stress by Generation.....	39
9. Correlation Results Between the Family/Business Perspective Variable of Cohesion and Perceived Stress by Family Position.....	40
10. Correlation Results Between the Family/Business Perspective Variable of Expressiveness and Perceived Stress by Family Position.....	41
11. Step-wise Regression Results Between Family/Business Perspective Variables and Perceived Stress for Fathers.....	41

LIST OF TABLES--Continued

Table	Page
12. Step-wise Regression Results Between Family/ Business Perspective Variables and Perceived Stress for Sons.....	42
13. Correlation Results Between the Family/Business Perspective Variable of How Well the Business Arrangement Works and Perceived Stress by Family Position.....	43
14. Step-wise Regression Results Between Family/ Business Perspective Variables and Perceived Stress for Mothers.....	43
15. Correlation Results Between the Family/Business Perspective Variable of Concerned About the Business and Perceived Stress by Family Position	44
16. Correlation Results Between the Family/Business Perspective Variable of Pulling Weight and Perceived Stress by Family Position.....	45
17. Step-wise Regression Results Between Family/ Business Perspective Variables and Perceived Stress for Daughters-in-law.....	45

LIST OF FIGURES

Figure	Page
1. Conceptual Model.....	11

ABSTRACT

Agriculture is an important economical resource to this nation and to many states such as Montana. During the past decade farmers and ranchers have faced numerous economic, environmental, and familial stressors. Many family farms and ranches have failed. One of the biggest reasons for their failure was the unsuccessful attempts at transferring the farm to the succeeding generation. This study examined the relationship between family/business perspectives and stress in two-generation farm and ranch families. Family/business perspectives were comprised of the variables of family cohesion, family expressiveness, and perception of how well the business was working. The later variable was comprised of the three sub-variables of how well the business arrangement was working, concern about the business, and perception of how much other family members pull their own weight in the family business. It was hypothesized that family/business perspectives are negatively related to perceived stress levels for both the retiring and receiving generations. Correlation coefficients and step-wise regression analyses were utilized to test the hypothesis. The results generally indicated that family business perspectives affect stress in two-generation farm and ranch families. While few generational differences were found, there were an number of differences by family position. Interpretations of these differences are suggested.

CHAPTER 1

INTRODUCTION

This study is about the impact that family/business perspectives have on the perceived stress levels of family members of two-generation farm families. This study pertains to two-generation farm/ranch families during a time of the life-cycle in which the retirement/transfer process is taking place. The retiring generation is considering, or in the process of retirement and/or transferring the farm business to the receiving generation. Concurrently, the receiving generation is considering, or in the process of, taking over their parents farm or ranch business. This transitional period is often problematic and stressful for these families as they attempt the goal of transferring the farm/ranch business.

Family/business perspectives, i.e., how family members define their overall family business situation, are hypothesized as affecting commitment of family members to goals of their family business (Weigel & Ballard-Reisch, 1991). In this study, family/business perspectives, used interchangeably with business/family perspectives, are comprised of the variables of cohesion, expressiveness, and perceptions of how well the business is working. This

study will look at how family/business perspectives are related to stress levels of the retiring and receiving generations.

Family owned businesses are an integral part of the United States economy. According to national estimates, approximately 90% of businesses in this country are family owned and operated, contributing to approximately 40% of the Gross National Product (Rosenblatt, 1985). Since most parents want to pass the business on to their children (Bratton & Berkowitz, 1976; Hedlund & Berkowitz, 1979) the process of transferring the enterprise from the retiring to the receiving generation is particularly significant.

One type of family-owned businesses that has recently been given greater attention is that of farming and ranching. United States farmers and ranchers make significant contributions to the portentous worldwide agriculture market. Agriculture is important to the economic well-being of this nation and to many rural states. In fact, it is the largest industry in states such as Montana. In Montana, agriculture contributed 2.1 billion dollars to the state's economy during 1990 (Montana Agricultural Statistics, 1991). Thus, the contribution of the farm and ranch sector is vital to our society. However, during the past decade many farmers and ranchers have had to struggle to maintain their family farms as they faced economic, environmental, and familial stressors.

Two-generation farm and ranch family businesses face various stressors inherent in the dynamics of combining family and business such as role confusion, power struggles, and boundary issues. How this combination of stressors influences the stress levels of the generations is beginning to be fleshed out (Keating & Little, 1991; Keating & Munro, 1989; Marotz-Baden, 1988; Marotz-Baden & Mattheis, 1992; Rosenblatt & Albert, 1990; Weigel & Weigel, 1987; Wilson, Marotz-Baden, & Holloway, 1991).

Transferring the business to the succeeding generation is an additional stressor experienced by many farm and ranch families (Jonovic & Messick, 1986; Marotz-Baden, Keating, & Munro, 1993). It is a process that is often difficult to accomplish. The success rate of such transfers is estimated at approximately 30% into the second generation (Beckhard & Dryer, 1983) and 13% into the third generation (Ward, 1987). It is suspected that these rates are somewhat higher for farm and ranch families. Because the mean age of farmers is over 51 (Kendall, 1988) the transfer issue is especially relevant to them as they will probably be contemplating retirement at some point during the next 15 years. The outcomes of intergenerational transfers are important because they may influence the next farming generation, the economy of the farm family, and the coherence or unity within the farm family (Boehlje, 1973, Russell, Griffin, Flinchbaugh, Martin, & Atilano, 1985,

Weigel, Weigel, & Blundall, 1987, cited in Keating & Munro, 1989).

Farmers and ranchers have very little experience with the process of transferring the farm from one generation to the next. They may be the recipient generation at some point and the transferring generation at another. In addition, the familial, financial and legal issues involved in transferring a business from one generation to the next are often complex and difficult for farm families to understand (Anderson & Rosenblatt, 1985). This is true for both retiring and receiving generations, partially because of their lack of experience and partially because of the potential relationship stressors between the generations (Magnuson-Martinson & Bauer, 1986). Considering the above circumstances, it is likely that the transfer process will be confusing and stressful for many farm families.

In order to develop programs which would help farmers successfully transfer their businesses to the succeeding generation it is imperative that certain aspects of the process be understood more completely. Although recent studies have focused on the transfer process, much more information about the struggles faced by both the receiving and retiring generations and their coping behaviors is needed. Understanding the nature of family/business perspectives that develop within two-generation farm and ranch families may provide valuable insight and needed

information concerning the transfer process. Such information would be useful for educational purposes such as potential intervention strategies for assisting farm and ranch families. This information would also contribute to a growing body of intergenerational farm/ranch transfer research.

The present study posits that one possible reason for stress is that family/business perspectives affect the stress levels of the generations. In turn, stress levels may impact subsequent commitment to goals of the business, including that of the retiring generation transferring the business to the receiving generation.

Families and businesses can both be conceptualized as systems. When two-generation farm families work together the following basic systems are present: (1) the retiring generation, defined in this research as parents age 50, or older, who own, and/or operate, a farm or ranch business, and are facing, or engaged in, the probable retirement/asset transfer process, involving transference of the business to one or more of their adult children; (2) the receiving generation defined as adult children, over 18 years of age, and his/her spouse, who are identified by the retiring generation as being most involved in the farm/ranch enterprise, and are facing, or currently involved in, the probable retirement/asset transfer

process; and (3) the intergenerational farm family business.

Inherent within these three systems are complex interaction processes which result in the formation of family/business perspectives. Such perspectives represent the overall views or perceptions that family members have of their family and business situations. Weigel and Ballard-Reisch (1991) suggest that such perspectives are negatively related to stress levels in intergenerational family businesses and may ultimately affect commitment to business goals.

In the present study the family/business perspective is defined as the overall positive or negative views that family members have about the current intergenerational family business situation (Weigel et al, 1991) and consists of perceptions of family cohesion, family expressiveness, and how well the family business is working. The purpose of this study is to look at the relationships between stress levels of two-generation farm and ranch families and the three components of the family/business perspective: (1) family cohesion, (2) family expressiveness, and (3) perceptions of how well the business is working.

Conceptual Framework

Social exchange theory is utilized in this thesis as the theoretical foundation to help explain the impact that family/business perspectives have on the interactional dynamics of two-generation farm/ranch families. Social exchange theory posits a process in which people make situational decisions based on the rewards, costs, and subsequent outcomes involved (Nye, 1979, Sabatelli, 1988, Thibaut & Kelly, 1959, cited in Ballard-Reisch & Weigel, 1991). Outcomes are viewed in the context of what can be realistically expected. As long as outcomes are consistently greater than expectations, individual family members are satisfied. When outcomes are less than what was expected, dissatisfaction occurs (Homans, 1974, Marstan & Hecht, 1988, Sabetelli, 1984, cited in Ballard-Reisch & Weigel, 1991). The social exchange perspective posits that people will remain in situations as long as the rewards are greater than the costs and the outcomes are better than the perceived alternatives (Nye, 1979, Sabetelli, 1988, Thibaut & Kelly, 1959, cited in Ballard-Reisch & Weigel, 1991).

Ballard-Reisch and Weigel (1991) developed a sequential, four stage, Interaction-Based Model of Social Exchange based on intergenerational farm/ranch family interactions. The four stages of the model are: 1) member resources, dependencies and alternatives; 2) social

exchange driven interaction; 3) outcomes of social exchange; and 4) system maintenance/change feedback loops.

Social exchange driven interactions are based on the underlying individual resources/capabilities members bring to the family business, dependencies that develop according to the degree to which members are committed to accomplishing the goal of maintaining the family farm, and possible alternatives which may exist outside that two-generation farming enterprise. Some possible resources/capabilities brought into the family business are creativity, communication skills, business acumen and previous experience. A key assumption in their model is that dependencies between members of the family develop according to the extent that the various members are committed to the goals of the business. Thus, as members become more committed to the business, they also become more dependent upon each other. (Weigel & Ballard-Reisch, 1991).

These social exchange driven interactions are also affected by alternatives available to family members. Alternatives may become important if members are not satisfied with their situations. Resources, dependencies, and alternatives form the basis from which outcomes of the social exchange driven interaction process emerge.

Two prominent outcomes, according to Weigel and Ballard-Reisch (1991), are the negotiation of roles and power currencies. Well defined roles tend to reduce

confusion and stress. "Power currencies are the sources of power or capacities members can use to increase their chances of exerting control in a specific situation" (Hocker & Wilmot, 1985, cited in Weigel & Ballard-Reisch, 1991, p. 12). Satisfaction with the social exchange process and the outcomes of roles and power currencies form the basis for the next outcome of the model.

The final outcome of the above interaction-based model is what Weigel & Ballard-Reisch (1991) call the business/family perspective. The family/business perspective evolves according to overall positive or negative views individual family members acquire concerning certain factors, such as stress and cohesion, present within the intergenerational farm/ranch family business. Such perspectives, based on current family/business situations, are influenced by the positive or negative valence attributed to the views and the importance of the situation. Family/business perspectives impact the family business system and may ultimately affect commitment to the goals of the business. This can lead to system maintenance or change. The more congruence there is "...between an individual's business/family perspective and his/her commitment to the family business, the more likely the individual will be to engage in communication aimed at maintaining the current situation" (Weigel & Ballard-Reisch, 1991, p. 17). If there are discrepancies between

family/business perspectives and goal commitment then individuals will attempt to change the system through goal reassessment, modification, abandonment, or withdrawal (Weigel & Ballard-Reisch, 1991).

Weigel and Ballard-Reisch (1991) first suggest that current stress levels are an important component of the family/business perspective. On the same page however, the authors state that "Stress levels are negatively related to the family/business perspective". One instance includes stress as being within the family/business perspective. The other suggests that stress is outside of the family/business perspectives.

The present study utilizes the second conceptualization and hypothesizes that the family/business perspective impacts upon the perceived stress levels of the intergenerational family members. This relationship is conceptualized in Figure 1. As this model suggests, stress may affect the congruence between family business perspectives and goal commitment, which could ultimately influence the family's success in accomplishing the goal of transferring the farm from the older to the younger generation. Ballard-Reisch and Weigel's (1991) Interaction-Based Model of Social Exchange was utilized in the present study because it is a helpful framework for understanding how two-generation farm family interactions can affect commitment to goals of the family business.

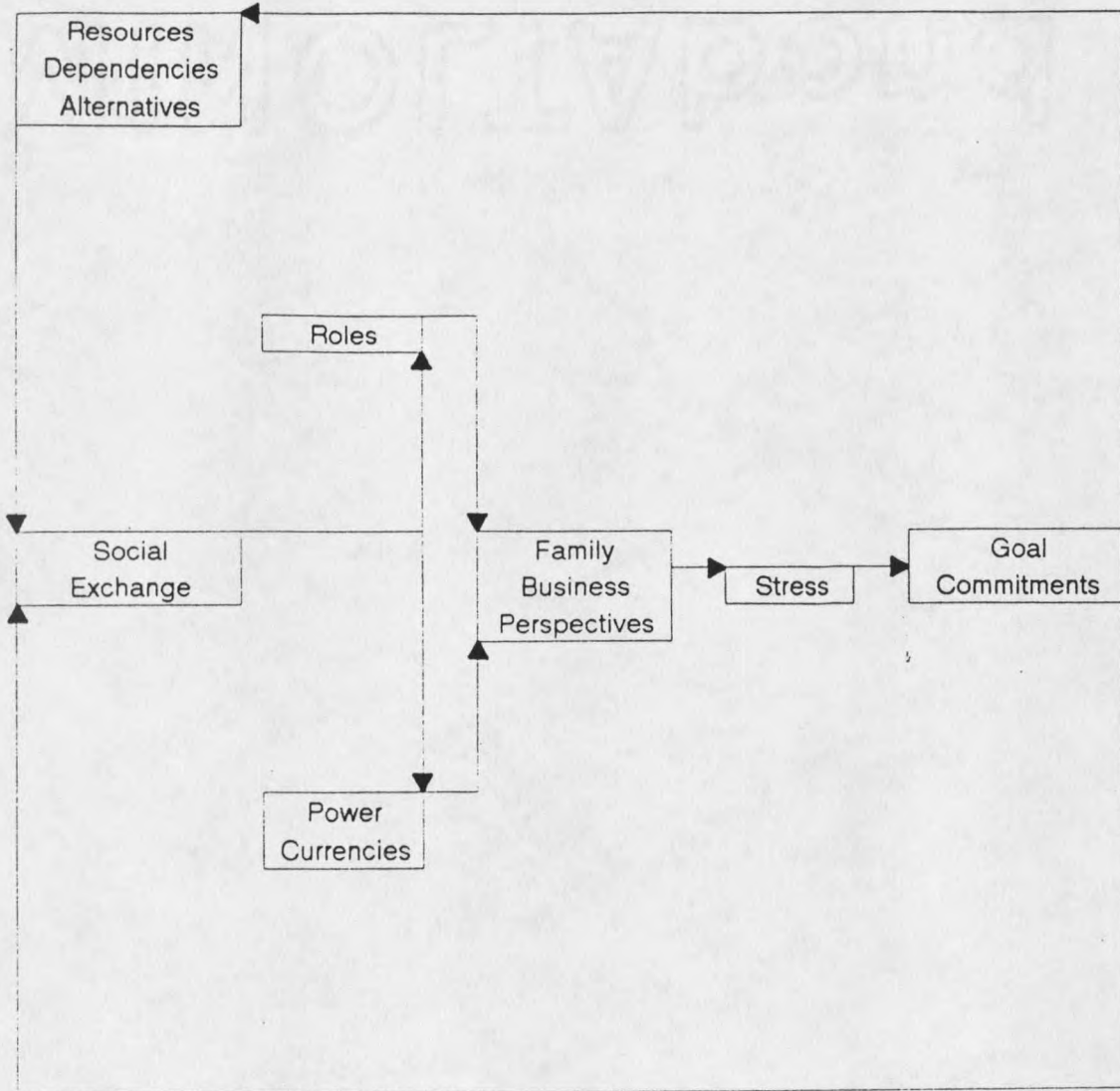


Figure 1. Conceptual Model

Adapted from Weigel, D. & Ballard-Reisch, D., 1991.

CHAPTER 2

LITERATURE REVIEW

This chapter provides a review of the relevant current literature. A broad overview of the factor of stress and those factors which constitute the family business perspective (i.e., cohesion, expression, and perception) within a family relations context is given. The overview of each factor is followed by a more detailed review of its relationship to stress within intergenerational farm/ranch families. The literature reviewed is summarized and followed by a presentation of the hypothesis.

Stress

Over the past 50 years, stress in families has increasingly become a topic of research. Rubin Hill (1949) categorized family stress in terms of "family disruptions", such as death, adoption and alcoholism, which lead to crisis. Others began to identify stressors which impacted individuals. Holmes and Rahe (1967) suggested that the most prominent stressors were in response to familial issues and affected not only the individual but also his/her family.

Most recently, stress has been viewed in a family

context. It is suggested that both the resources available to and utilized by families and the perception of the situation affect how the family system will respond to stressors. This, in turn, ultimately affects the stress levels experienced by the entire family (Boss, 1988; McCubbin & Patterson, 1981).

During the past decade, researchers have begun to address the issue of stress within the context of the two-generation farm/ranch family. These families have unique family dynamics in that the parents and the adult children both live and work in close proximity to one another (Rosenblatt, Nevaldine, & Titus, 1978; Urey & Henggeler, 1983; Weigel, Weigel, & Blundall, 1987). Some studies (Coughenour & Kowalski, 1977; Marotz-Baden & Cowan, 1987) have focused on dyadic relationships, i.e., fathers and sons, or mothers and daughters-in-law. Coughenour and Kowalski (1977) suggested that relationships between fathers and their adult sons may become confusing and problematic because of the difficulty in having to choose when to deal with each other as family members and when as co-workers. Although the mother-in-law is believed to be the most problematic relative, Marotz-Baden and Cowan (1987) found that close proximity between rural mothers and daughters-in-law did not increase the stress levels of either group of women.

Research indicates that the younger generation appears to be more stressed than the older generation (Weigel & Weigel, 1987). Other studies explored possible stressors and stress levels of the individual family members of both generations (Russell et al, 1985; Wiegall & Weigel, 1987; Wilson et al, 1991). All members experience various levels of stress. However, daughters-in-law are often reported as being the most stressed family member (Keating & Little, 1991; Marotz-Baden, 1988; Weigel & Weigel, 1987; Wilson et al, 1991). Recent research (Marotz-Baden & Mattheis, 1992) suggests that this may be due to the peripheral position of the daughters-in-law within the two-generation farm/ranch family.

Researchers are also focusing on coping strategies utilized by farm/ranch families. Weigel and Weigel (1987) identified stressors and coping strategies of two-generation farm families. Competition, defined as combining work and family roles, was the most frequently cited stressor for the family members in their study. They reported faith, defined as reappraising the meaning of the problem, as the most often used coping strategy. Marotz-Baden and Colvin (1986), in a comparative study of rural and urban couples, found that reframing, seeking spiritual support, and seeking social support were often used as coping strategies by both groups, but especially by the rural couples.

The process of transferring the ranch/farm to the next generation is a topic of recent interest. Intergenerational transfer was reported as stressful by all four family members (Keating & Munro, 1989; Marotz-Baden, 1988; Rosenblatt & Albert, 1990; Salamon & Markin, 1984; Swogger, 1991; Weigel & Weigel, 1987). Since two-generation farm families struggle with the stressors of combining family and business, and with the transfer process, it would be useful for professionals working with such families to understand the family dynamics of cohesion, expressiveness, and perception which make up the family/business perspective, and are hypothesized to be related to generational stress levels.

Cohesion

Cohesion, used interchangeably with cohesiveness in this research, is becoming a more widely used concept describing family relations. Cohesion has been defined as "...the emotional bonding that family members have towards one another" and a family process that "...had to do with the degree to which an individual was separated from or connected to his family system" (Olson & McCubbin, 1983, p.48). In Olson's Circumplex Model of Marital and Family Systems, four levels of family cohesion are examined: (1) disengaged, (2) separated, (3) connected, and (4) enmeshed. Disengaged family systems, where there is little family

attachment, and enmeshed family systems, where there is too much attachment, are both viewed as extreme levels of functioning and problematic for the family. Olson and McCubbin (1983) contend that the central or balanced levels of cohesion, labeled as separated and connected on the Circumplex model, are the most optimal for healthy family functioning.

Anderson (1986), testing Olson's Circumplex Model, found that couples who tend to function on the more balanced levels of cohesion also have more positive communication skills. La Coste, Ginter, and Whipple (1987), in a study of adolescents and their parents, found a high correlation between cohesiveness and perceived communication. The findings of both studies indicate that the level of cohesion within the system influences family functioning.

Little research exists on family cohesion in two-generation farm/ranch families. One study, which focused on the marital cohesion of both generations, reported a significant negative relationship between marital cohesion and stress for fathers, suggesting that higher levels of marital cohesion were related to lower stress levels (Wilson et al, 1991). This relationship was not significant for the mothers, sons, or daughters-in-law. Weigel and Weigel (1987) looked at factors assumed to create stress for family members. One such factor, "too

much family contact", was correlated with stress. Perhaps family contact taps some aspect of cohesion. Although data are sparse, it appears that cohesion is related to family functioning in two-generational farm/ranch families.

Expressiveness

Expressiveness is another factor related to family functioning. Research by Hedlund and Berkowitz (1979) found that families in which all members could openly express their feelings, opinions, and ideas had less stress. Out of the 13 families they studied in which the members could openly communicate/express their feelings, etc., only two couples experienced marital or intergenerational transfer stress. Six of the seven families in which the members did not openly express themselves experienced these stressors. Anderson and Rosenblatt's (1985) study on the intergenerational transfer of farm land also emphasized the importance of expressiveness in rural families. In regards to the transfer process, the most often mentioned advice offered by respondents was more discussion between family members and early planning (Anderson & Rosenblatt, 1985).

Russell, Flinchbaugh, Griffin, and Martin (1983) looked at factors which eased the transfer process. They found that open discussion among family members was the single strongest predictor of ease in the transfer process.

Such expression eased the transfer process for both generations.

Weigel and Weigel (1987) identified various coping strategies utilized by two-generation farm families. Talking with others, one of the factors identified in their study, addressed the importance that family members placed on talking about problems and stressors they encountered. Having a family meeting was reported as the most frequently used option of the four possibilities listed within the above factor. The other options were to talk to other families, talk to relatives, and seek help from professionals.

The above studies emphasize the importance that expression plays within two-generation farm family relations. Perception, or how family members view their situation, is another component of family dynamics that is beginning to be looked at in a rural context. It is addressed next.

Perception

Increasingly, researchers are concluding that individual perception, i.e., how family members define their own situations, plays an important part in family relations. In McCubbin and Patterson's (1981) double ABCX model of stress and crisis, "perception" of the situation is an important factor influencing how well individuals

adapt to stressful situations. Boss (1988), in her Contextual Model of Family Stress, suggests that in order to understand stress levels within families it is important to gain insight into how the family perceives the situation. "The meaning they give to the event is the key to their appraisals of the situation; this meaning influences not only the families' vulnerability but, also, how the families and family members will act and react to what is happening to them" (Boss, 1988, p. 19). Both models highlight the importance of the relationship between perception and stress.

Olson, Russell, and Sprenkle (1983) also emphasize the importance of perception by suggesting that "Couples and families will function most adequately if there is a high level of congruence between the perceived and ideal descriptions for all family members" (Olson et al, 1983, p. 74). A recent study by Malia, Norem, and Garrison (1991) supported the general notion that discrepancies between perceived real and ideal family functioning have an impact on family health, again emphasizing the importance of perception in family functioning.

The younger and the older generations view the transfer through different lenses (Keating, 1991; Marotz-Baden, 1986; Weigel & Ballard-Reisch, 1991). A situation may be perceived as stressful for one generation but not for the other. Russell, et al., (1983) studied two-

generation farm family members perceived ease of transferring the farm to the next generation. They suggested that, when the retiring generation perceives farming as burdensome or the farming lifestyle questionable, they also perceive the transfer decision as difficult. The authors state that the retiring generation "may be caught between wanting to preserve a family heritage and yet believing that heritage to be diminished in value under their stewardship" (Russell et al, 1983, p. 15). On the other hand, the authors suggest that the receiving generation's perception of the farming lifestyle as highly satisfactory is associated with their perceived difficulty of transfer because the receiving generation may be overly excited at having the transfer finalized so they can attain this lifestyle. The receiving generation may also be uncomfortable about not knowing to what extent they will be involved in the farm operation. Thus, perceptions of the situation affect how both generations respond to the transfer process and may influence the stress levels of the family members.

A study by Keating (1987) reported that the most important predictor of stress for both farm men and women was the personal resource of mastery of control over their situations. Perception appears to be a key component of such mastery. The author reported that "High stress farmers felt that their fate and consequently their

livelihood was out of control" (Keating, 1987, p. 246).

A recent study of forty eight rural adults from Colorado reported that for the most part there is a tendency "...for negative perceptions of the overall farm/ranch situation to be associated with farm/ranch family experience of specific family stressors or strains, and with elevated stress and depression levels" (Fetsch & Brooke-Jacobsen, 1992, p. 24). Studies such as this one and those discussed above are indicative of the impact that perception has on stress within a family context.

Summary and Hypothesis

In summary, the literature suggests that transferring the farm from one generation to the next is often a stressful process. Cohesion, expressiveness, and perception are all influential aspects of family functioning which affect the transfer process. Although little research exists on cohesion, there appears to be a curvilinear relationship between levels of cohesion and positive communication within families. Increased expressiveness within families appears helpful in the reduction of stress and, thus, can be a useful coping strategy. The perception that family members have of their situation influences how they respond to stressors and to one another. Such perceptions are also related to stress levels. Both the retiring and receiving generations view

the transfer process from different vantage points. Thus, their stress levels may be different for each generation.

Family/business perspectives, family members' overall perceptions of their family business situations, are purported to affect commitment to goals of the family business, possibly by creating stress. Intergenerational farm family business transfers are often reported as stressful and confusing. Understanding the relationship between family business perspectives and stress may provide clarity to some of the confusion. The two questions addressed in this study are "Do family/business perspectives affect stress?" and "Are the affects generational?"

This study hypothesizes that family/business perspectives impact the perceived stress levels of the retiring and receiving generations. Each of the three family/business perspective components, i.e., family cohesion, family expressiveness, and perception of how well the family business is working, are hypothesized to affect stress levels. It is assumed that the greater the family cohesion, expressiveness, and perception of how well the business is working, the more positive each of these components is perceived and the more positive the family/business perspective will be. The more positive the family/business perspective is for each generation, the lower the stress level for each generation. Below, the

overarching hypothesis is stated followed by more specific hypotheses related to each of the family/business perspective components.

The more positive the intergenerational family business perspective is for the retiring and receiving generations, the lower the stress levels are for each generation.

- A. The higher the perceived level of intergenerational family cohesion, the lower the perceived stress levels for each generation.
- B. The higher the perceived level of intergenerational expressiveness, the lower the perceived stress levels for each generation.
- C. The better the retiring and receiving generations perceive the family business to be working, the lower the perceived stress levels for each generation.
 - 1. The better the retiring and receiving generations perceive the business arrangement to work, the lower the stress levels for each generation.
 - 2. The less often the retiring and receiving generations are concerned about the family business, the lower the stress levels of each generation.

3. The more that the retiring and receiving generations believe the other generation is pulling its own weight in the family business, the lower the stress level for each.

CHAPTER 3

METHODS

The data for the present study are from the 1991 Montana data set of the W-167 Western Regional Agriculture Experiment Station research project. The Montana research was funded by Montana Agriculture Experiment Station Grant No. MONBOO266. The Montana project was designed with two objectives: to identify work/employment factors that may contribute to family stress and factors that mediate stress; and to investigate how work/employment decisions are made and relate to family functioning. The Montana project focuses on factors of the retirement/succession process which contribute to stress in families, how those families mediate stress, and how the process affects family functioning (Marotz-Baden, 1989). The present study, which analyzed data from the Montana project, focused on complete intergenerational families, i.e., those families in which fathers, mothers, sons, and daughters-in-law all responded.

Sampling Procedure

The questionnaires for the Montana project were pretested on six two-generation farming families in Idaho. The questionnaires were then revised based on the feedback

of the respondents. It was then piloted with two Montana families and then slightly revised. Separate questionnaires were designed for all four family members, i.e., mothers, fathers, sons, daughters-in-law (see Appendix A for copy of questionnaire for fathers).

Extension agents throughout the state of Montana identified families in which the father was 50 years of age or older. Letters explaining the project and asking for the names and addresses of the most involved child and his/her spouse were sent to 308 husbands and their wives. One husband was not married, five couples had no children over age 18, and in eight cases one of the parents was deceased. Thus, the sample size was reduced to a potential of 294 two-generation farm/ranch families. Questionnaires were sent separately to these husbands and wives. After utilizing the Dillman (1978) approach of sending three follow-up letters, 115 fathers and 113 mothers responded for a total of 228 members of the retiring generation (39%).

These fathers and mothers were asked to send the name and address of the adult child who was most involved in the operation. Parents identified 125 most involved sons, 95 daughters-in-law, seven most involved daughters, and four sons-in-law. Questionnaires were then sent separately to these adult children. Of those identified, 83 sons, 61 daughters-in-law, four daughters, and one son-in-law

responded with completed questionnaires. The final sample consisted of 144 responses for the receiving generation (64%).

There were 63 families in which the mother, father, and most involved adult child all responded with usable data. There were 43 complete families in which the mother, father, son and daughter-in-law responded. The data from these 43 complete families were utilized in the present study.

Operational Definitions

Cohesion and Expressiveness

The variables of cohesion and expressiveness were measured by Bloom's Family Functioning Scale (Bloom, 1985). This particular scale measures 15 dimensions of family functioning. The instrument results in ranges of scores indicative of disengaged (low functioning) to cohesive (high functioning) families. For the purposes of this study only the sub-scales measuring the dimensions of cohesion and expressiveness were utilized. The average Cronbach's alpha reliability coefficients of three studies done on the psychometric properties of Bloom's Family Functioning Scale were .84 for cohesion and .82 for expressiveness (Bloom, 1985). These alpha scores reflect the internal consistency of the instrument (the degree to which the instrument measures what it is intended to measure). The average

inter-item correlations for the sub-scales used in the present study were .52 for cohesion and .49 for expressiveness (Bloom, 1985). The present study reported reliability coefficients of .86 for cohesion and .76 for expressiveness.

Participants were asked to respond to 10 items pertaining to the family dimensions of cohesion and expressiveness. The four possible answers for each item ranged from "Very untrue for my family", a score of one, to "Very true for my family", a score of four. The items of the cohesion sub-scale were 1) family members really help and support one another, 2) there is a feeling of togetherness in our family, 3) our family doesn't do things together, 4) we really get along well with each other, and 5) family members seem to avoid contact with each other when at home. The items for the expressiveness sub-scale were 1) family members feel free to say what is on their minds, 2) our family does not discuss its problems, 3) family members discuss problems and usually feel good about the solutions, 4) in our family it is important for everyone to express his or her opinion, and 5) we don't tell each other about our personal problems.

Perception

This study was interested in three aspects of the perception variable of "how well the family business was working". Each respondent's perception of how well the

family business was working was measured by three items. In reference to the family business, respondents were asked to respond to the item "How well does the arrangement work?". Response choices were (1) "very well, (2) "all right most of the time", (3) "not very well", and (4) "it's a disaster". The second item measuring how well the business was perceived to be working was the statement "I believe my children/parents pull their own weight on the farm/ranch". The final item measuring how well the business was perceived to be working was the statement "I am often concerned about the farm/ranch business". On the second and third items participants were asked to respond on a five-point Likert type scale ranging from (1) "strongly agree" to (5) "strongly disagree".

Perceived stress

The dependent variable of perceived stress was measured by the Perceived Stress Scale devised by Cohen, Kamarak, and Mermelstein (1983). This 14 item scale was designed to measure the degree to which situations in one's life are perceived as stressful. This scale is most reliable for those situations which occurred during the previous month. Coefficient alpha reliability for the Perceived Stress Scale ranged from .84 to .86 (Cohen et al, 1983). The present study reports a coefficient alpha reliability of .85 for this scale.

The family/business perspective variables of cohesion, expressiveness, and perception of how well the business is working were examined to see if there was a relationship between them and perceived stress. Pearson Product Moment correlation coefficient analysis was selected to test the strength and the direction (positive or negative) of the relationships between the variables, first by family position (i.e., fathers, mothers, sons, daughters-in-law) and then by generation. Sum scores were calculated for both the retiring and receiving generations. Considering that the hypotheses for this study posited directional relationships, a one-tailed test of significance was selected. The probability level for statistical significance was set at $p \leq .05$, indicating a 95% probability that the results did not occur by chance, and the observed relationship is probably a real one (Gay, 1987). Multiple regression analysis was then used to determine what percentage of family/business perspective variables account for the total variance of perceived stress. Step-wise regression, in which variables can be added to the regression model one at a time, was then selected to see which of the variables were the best predictors of stress. Since the sample was small, multi-collinearity of the variables was of concern. Therefore, variance inflation factors, which determine the degree of multi-collinearity, were included in the step-wise

regression analysis. The results indicated that multicollinearity was not a problem. Descriptive statistics were run for the demographic variables of age, education, income, number of children, and number of years married.

Description of the Sample

The retiring generation consisted of 43 fathers and mothers, the receiving generation of 43 sons and daughters-in-law. The mean ages of the four family members were as follows: fathers, 63.3, mothers, 59.3, sons, 34.8, and daughters-in-law 32.3. The retiring generation had an average of four children and had been married for an average of 37 years. The receiving generation had been married for an average of 10 years and had an average of three children. The receiving generation was considerably more educated with 74.5% reporting some post high school education, compared to 44.8% for the retiring generation. The mean income for the retiring generation was \$38,000, and \$32,000 for the receiving generation.

Table 1. Description of the Sample.

	Father (n=43)	Mother (n=43)	Son (n=43)	Daughter- in-law (n=43)
Mean Age in Years	63.3	59.3	34.8	32.3
Number of Years Married	37			10
Mean Number of Children	3.6			2.5
Education	%	%	%	%
Some Grade School	2.3	0.0	0.0	0.0
Completed Grade School	7.0	9.5	0.0	0.0
Less than High School Graduate	9.3	4.8	0.0	0.0
High School Graduate	44.2	33.3	23.3	27.9
Some Trade School	7.0	2.4	7.0	0.0
Trade School	2.3	0.0	7.0	11.6
Some College	11.6	23.8	25.6	23.3
Two-Year Degree	0.0	7.1	7.0	4.7
Four-Year Degree	9.3	9.5	20.9	18.6
Graduate School	7.0	9.5	7.0	11.6
Post-Graduate	0.0	0.0	2.3	2.3
Income	%	%	%	%
Under \$15,000	26.2	21.1	33.3	31.7
\$15,000-\$29,999	38.1	42.1	45.2	43.9
\$30,000-\$44,999	16.7	15.8	2.4	4.9
\$45,000-\$59,999	9.5	10.5	14.3	14.6
\$60,000-\$74,999	4.8	2.6	4.8	4.9
\$75,000-\$89,999	2.4	2.6	0.0	0.0
\$90,000 or more	2.4	5.3	0.0	0.0
Mean		\$38,000		\$32,000

CHAPTER 4

RESULTS

The overarching hypothesis proposed that the more positive the intergenerational family/business perspective was for the retiring and receiving generations, the lower the stress levels would be for each generation. Correlation coefficient and step-wise regression analyses were used to test the hypothesis. Due to the small sample size, multiple regression results were not significant and, therefore, not reported. Only the statistically significant results of the step-wise regression analysis were reported. The results of the data analysis were presented first by generation and then by family position.

Data AnalysisGenerations

Hypothesis one. The perceived level of intergenerational family cohesion will be negatively related to the perceived stress levels for each generation. Statistically significant Pearson Product Moment correlation coefficients of $-.36$ for the retiring and $-.47$ for the receiving generations supported this hypothesis, as shown in Table 2.

Table 2. Correlation Results Between the Family/Business Perspective Variable of Cohesion and Perceived Stress by Generation.

Variables	Retiring Generation (n=43)		Receiving Generation (n=43)	
	r	p	r	p
Cohesion	-.3575	.032*	-.4652	.003**

*p<=.05
**p<=.01

However, cohesion was not the best predictor of perceived stress for the retiring or the receiving generations.

Hypothesis two. A negative relationship will exist between the perceived level of intergenerational family expressiveness and the perceived stress levels of both generations. This hypothesis was supported by statistically significant correlation coefficients for both the retiring ($r=-.44$) and the receiving ($r=-.49$) generations as shown in Table 3. Expressiveness was not the predictor for stress for the retiring generation.

Table 3. Correlation Results Between the Family/Business Perspective Variable of Expressiveness and Perceived Stress by Generation.

Variables	Retiring Generation (n=43)		Receiving Generation (n=43)	
	r	p	r	p
Expressiveness	-.4426	.006**	-.4865	.002**

*p<=.05

**p<=.01

However, expressiveness was the single strongest predictor variable of perceived stress for the receiving generation ($R^2 = .24$) accounting for 24% of the variance as shown in Table 4.

Table 4. Step-wise Regression Analysis Between Family/Business Perspective Variables and Perceived Stress for the Receiving Generation.

Variable	R^2	F	p
Expressiveness	.26500	12.97967	.0009*

* Statistically Significant at .01

Hypothesis three. A negative relationship will exist between perception of how well the business is working and

perceived stress levels for each generation. Perception of how the family business was working was comprised of three sub-hypotheses.

Sub-hypothesis one. A negative relationship will exist between perception of how well the business arrangement is working and perceived stress levels for both generations. Significant correlation coefficients were obtained for the retiring ($r=-.49$) and receiving ($r=.38$) generations (Table 5). How well the business arrangement works was the best predictor of stress for the retiring

Table 5. Correlation Results Between the Family/Business Perspective Variable of How Well the Business Arrangement Works and Perceived Stress by Generation.

Variables	Retiring Generation (n=43)		Receiving Generation (n=43)	
	r	p	r	p
Business Arrangement	-.4901	.003**	.3843	.017*

*p<=.05

**p<=.01

generation, accounting for 24% of the variance ($R^2 = .24$, Table 6).

Table 6. Step-wise Regression Results Between Family/Business Perspective Variables and Perceived Stress for the Retiring Generation.

Variable	R ²	F	p
Business Arrangement	.24172	9.88176	.0037

* Statistically Significant at .01

However, it was not significant in predicting stress for the receiving generation.

Sub-hypothesis two. The less often the retiring and receiving generations are concerned about the family business, the lower the stress levels for each generation. The correlation coefficient of .35 was statistically significant for the retiring generation. A significant correlation was not obtained for the receiving generation (Table 7). How often each generation was concerned about the business was not the best predictor of stress for either generation.

Table 7. Correlation Results Between the Family/Business Perspective Variable of Concerned About the Business and Perceived Stress by Generation.

Variables	Retiring Generation (n=43)		Receiving Generation (n=43)	
	r	p	r	p
Concerned	.3457	.036*	-.0289	.861

*p<=.05

**p<=.01

Sub-hypothesis three. The more the retiring and receiving generations believe the other generation is pulling its own weight in the family business, the lower the stress levels will be for each generation. The correlations between this variable and perceived stress were not significant for either generation, as shown in Table 8. Perception of how much the other generation is pulling its own weight was not a significant predictor of stress for the retiring or receiving generation.

Table 8. Correlation Results Between the Family Business Perspective Variable of Pulling Weight and Perceived Stress by Generation.

Variables	Retiring Generation (n=43)		Receiving Generation (n=43)	
	r	p	r	p
	Perceived Stress			
Pull Weight	-.2641	.114	-.2657	.102

*p<=.05

**p<=.01

The above analysis tested the hypotheses which assumed there would be generational differences. Although the correlations between the family/business perspective variables and stress were statistically significant, for at least one of the generations, family position (i.e., mothers, fathers, sons, daughters-in-law) and gender may be relevant as the literature review also indicated differences in stress by family members. Pearson Product Moment coefficient correlations and step-wise regression were used to ascertain correlations between these variables by family position.

Family Position

Hypothesis one. There is a negative relationship between cohesion and perceived stress. Significant

