

Unlock Long-Term Business Success by Instilling These 5 Family Values

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A key to business success is the strength and prevalence of the company's core values across all arms of its operations. These principles help shape the company, drive performance and boost employee engagement and retention, ensuring its sustainability well into the future.

A smooth sailing ship will endure volatile times, especially during black swan events such as the recent Covid-19 pandemic, which challenged the very fabric of business landscapes across the globe.

Customer loyalty is possibly the most important factor in a company's growth and sustainability, but what creates this sort of dedication to a particular company or brand?

This is a crucial question to answer since data is clearly showing that many, if not most, businesses across the world, particularly in the U.S., struggle to survive within the first five years of founding. According to the U.S. Bureau of Labor Statistics, approximately 20% of businesses fail during the first two years, 45% fail in the first five years, and 65% during the first 10 years – a trend that has been fairly consistent since the 1990s.

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Despite statistics like these, some businesses are

longstanding. And interestingly, many of the oldest companies in the world are family businesses. Family businesses tend to be better survivors during challenging times, as shown by those who managed to survive the 2008 recession in the UK.

The Kowloon Motor Bus Company is also a fourth-generation family business. Currently under the umbrella of the Transport International Group, it is the largest and oldest transportation company in Hong Kong. Since my grandfather William Louey Sui-Tak founded the company in 1921, it has survived the Japanese occupation during World War 2, economic crises and more recently, the Covid-19 pandemic.

My own experience and passion for family businesses has helped me to identify the application of family values to a company's core values is the secret to success. Below are five values that make a healthy family dynamic, according to data provided by WebMD. I believe these key family values instilled into the core values of a company are highly important in ensuring the survival and sustainability of a business well into the future.

1. Empathy is good for business

Empathy is the ability to understand the feelings of others, and this is a key personality trait that is important to nurture family relationships as well as longstanding business relationships, especially those within the company itself. This skill can be improved through conscientious training and practice and should be implemented as a core value.

Being empathetic within a company's context means listening to the needs of staff and customers, which creates mutual trust that will help the business survive challenging times and thrive. According to the World Economic Forum, it is also a vital tool to ensure an organization's sustainability, as it has the power to create a better environment for work. Empathy has also been identified as a key competency element for the

future by the European Council.

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2. Honesty is the best policy

In any case, honesty and transparency are highly prized family values that can also be applied to your company's core values. While honesty is often touted as an important value in the business environment, economists can argue that dishonesty can also bring in profits, in some cases more often than honesty itself. However, a *Harvard Business Review* article argues that there is a rationale for honesty, even if it doesn't pay.

Business longevity can be linked to possessing a trustworthy reputation, and it shows in the example of the Exxon case study, where the oil giant persuaded the town of Valdez in Alaska to accept a tanker terminal by promising that a spill was highly unlikely and that it would be controlled within hours. When 240,000 barrels of oil were spilled, the cleanup promised didn't turn up. Till now, the costs of this broken promise are estimated to exceed \$2 billion, and due to Exxon's actions, the oil and gas industry is restricted in Alaska.

3. Respect can help us move in unison

It often goes without saying that respect is hugely important in business, particularly when it comes to internal collaborations in the workplace. Respect reduces the probability of a conflictual workplace and creates cohesion among staff members and managers. This creates a harmonious work environment that is more likely to encourage staff to remain in the company and help the business grow and prosper.

4. Loyalty ensures longevity

Staff loyalty ensures workforce retention, which stabilizes a company and increases its chances of future survival. More importantly, what truly drives a company is the loyalty of its customers, which brings in consistent revenue streams and profits, which is the very essence of business longevity. Ways to build customer loyalty include providing high-quality services, creating memorable experiences, introducing attractive loyalty programs and communicating effectively with customers.

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5. Perseverance ensures success

Perseverance predicts entrepreneurial success and longevity, according to research by MyCompanyWorks. While this trait is also an important family value, in business, it acts as a powerful mindset that can help you face market competition and economic uncertainty and solve problems by being resilient, adaptable, determined and focused.

Perseverance also helps businesses achieve long-term goals, and applying this trait as a core value will help a company build strategies that are suitably future-proofed and prepared for risks. This is one of my favorite traits, as I am a firm believer in learning from mistakes and finding ways to move forward despite setbacks.

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