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Abstract

The link between longevity and values has been pointed out by several authors, who have underlined values as an important factor for supporting a long-term vision, as well as a source of competitive advantage based on using values as specific company resources. Nevertheless, not many empirical works have dealt with this topic. The present paper aims to shed light on this stream of research by developing a cross-cultural analysis, contrasting samples from Spain, Italy, France and Finland.

Keywords: Longevity, family business, values.

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1. Introduction

The analysis of the significance of values in Family Firms, as a field of research, has undergone remarkable growth in the international academic arena during recent decades. But, as Matti Koiranen pointed out in an article published in 2002 in *Family Business Review*: “Family business values are widely discussed in previous writings, but often without sufficient empirical evidence” (Koiranen, 2002, p. 176). Accordingly, the present article – as with Koiranen’s - focuses on this relatively neglected topic in the study of family business by contributing to this debate with empirical research. Specifically, the objective of this research is to analyse the role of values in assuring the continuity and success of family-owned firms over time.

The work itself is organised as follows. The first section of the paper presents the framework of the research. The second section shows the methodology used in the empirical research. The third part of the paper presents the principal findings of the research, including a cross-cultural analysis. Finally, the last section exposes the main conclusions of the article and some suggestions for further research.

2. Research Questions

This paper tries to contribute to the body of knowledge that exists on the relationship between longevity and values in family businesses. In order to do so, the following research questions were formulated:

- What values have more influence in family business longevity?
- How are these values transmitted?
- Is longevity an asset for the family business?

3. The heterogeneity of the term 'value' and its importance in the family firm's strategy

3.1. Defining value

If we are going to discuss values, we must first define what a "value" is, or at least, what we understand by "value." According to Matti Koiranen, in everyday language, value "refers to desirable, importance, usefulness, or monetary worth," and values mean "moral principles, standards, ethical and behavioural norms" (Koiranen, 2002, p. 176). The term was also defined as a "relative worth, utility, or importance" or "something (as a principle or quality) intrinsically valuable or desirable," among other meanings. Its etymology refers to worth, high quality, and comes from the Vulgar Latin "valuta," the feminine form of "valutus," past participle of Latin valēre, which means to be of worth, be strong. According to this etymology, and as pointed out by Collette Dumas and Mark Blodgett, values are sources of strength, because they encourage people, giving them power to take action (Dumas and Blodgett, 1999, p. 210).

Other definitions of the term made by different scholars are:

- "A value is a conception, explicit or implicit, of the desirable which influences the selection from available modes, means and ends of action" (Kluckhohn, 1951, cited in Rokeach, 1973, and in Koiranen, 2002, p.176).

- "Values are the cornerstone of human achievement and commitment. Values inspire people to do things that are difficult, to make commitments that require discipline, to stick to plans for the long haul" (Aronoff and Ward, 2000, p.1).

- "Values are a driving independent variable shaping every dimension of family business management" (Ward, 2008, p. 2).

- "Values answer the question of what is important to us" and "core values are the deep-seated pervasive standards that influence almost every aspect of our lives: our moral judgments, our responses to others, our commitments to personal and organizational goals" (Dumas and Blodgett, 1999, p. 210).

There is not a universally accepted definition of the term "value." Neither is there an agreement on the definition of corporate values. For example, Gad (2001) describes it purely as "rules of life." Collins and Porras (1998, p. 222) define it as "the organisation's essential and enduring tenets, a small set of timeless guiding principles that require no external justification; they have intrinsic value and importance to those inside the organisation."

Because literature has long struggled with a definition of value, we decided not to focus on this debate here, but rather to use a broad definition of the term. In order to compare the result of this article with Koiranen's paper, we chose to unify the conceptual architecture of both articles and assume the definitions of values proposed by this author (Koiranen, 2002, p.177).

3.2. Values as Idiosyncratic Resources

The Resources-Based View (RBV) of the firm is a classic theory that has attracted a great deal of attention among scholars as a framework for explaining how a firm may gain a sustained competitive advantage. Following the pioneering work of Birger Wernerfelt, the theory argues that researchers must analyze the resource side at firm level, not just the product side at industry level. Some scholars, like Jay Barney, pointed out that a firm has the potential to create sustained competitive advantage from firm resources, and that these resources are valuable, rare, inimitable, non-substitutable, tangible or intangible. (Barney, 1991; Barney, Wright and Ketchen, 2001).

This framework, one of the most influential for understanding strategic management, has been very useful in explaining the competitive advantages of family firms, and in analyzing their advantages and disadvantages (Habbershon and Williams, 1999; also cited in Chrisman, Kellermanns, Chan and Liano, 2010; and a revised version in Habbershon, Williams and MacMillan, 2003). Habbershon and Williams highlighted that RBV "creates an opportunity for strategy researchers to further investigate the unique essence of the family structure of business organization as a distinct form of enterprise." In line with this broad frame of reference, some family business scholars pointed out that this essence, the hallmark of family-owned business and one of the key pillars of their strategy, is precisely the family values (i.e. Ward, 1987, 1999, 2008; Corbetta, 1999; Aronoff and Ward, 2000). They are precious, idiosyncratic resources that provide a sustainable competitive advantage that other firms are not able to duplicate, due to the fact that these values are the most difficult resource to imitate.

In this light, Aronoff and Ward (2000, p. 1) highlighted that "shared values enable family members to derive pleasure and meaning from sustaining cross-generational relationships and striving toward mutual goals. What happens when the values driving a powerful business culture, and the values underpinning a healthy family culture, overlap? When an owning family's values form the heart of a business's culture, some vital synergies can arise. In fact, an enduring commitment to values is the greatest strength a family can bring to business ownership." According to these authors, the power of values in the family business was related to several factors: laying the bedrock for corporate culture; providing a template for decision-making; inspiring top performance; supporting a patient, long-term view; reducing the cost of capital; challenging conventional thinking; adapting to change; improving strategic planning; executing strategy; forging strategic alliances; recruiting and retaining employees; and lending meaning to work (Aronoff and Ward, 2000, p. 5).

This idea of values being the greatest asset of a family business also appeared in a recent work by John Ward, who pointed out that: "Recent studies provide significant evidence that family firms have special competitive advantages, not just problematic familial challenges. Underpinning all these new-found recognitions, of course, is the realization that family businesses are values-driven. Distinct, powerful, nurtured values define their ways and means. Values pervade every aspect of a family business" (Ward, 2008, p. 2). In line with RBV, Aronoff underlined the importance of "family values" as the pillars of the family business's culture, and that these first-order elements, business's strong culture and unique values, enable the company to be differentiated from other enterprises, thus "it may well be the basis of irreplaceable competitive advantages" (Aronoff, 2004, p. 57).

Values are one of the key factors that constitute the "family effect," a term used by Dyer (2006) when referring to the impact of the family on firm performance. This author especially underlined values as a family factor contributing to high performance, in terms of facilitating lower agency costs due to deep trust and shared values among family members (Dyer, 2006, p. 252). Dyer also noticed that, in some cases, family values may encourage nepotism (Dyer, 2006, p. 267).

The role of values in families in business and family firms has been analyzed by many other scholars (Dyer, 1986; Ward, 1987, 1999; Corbetta, 1999; García-Álvarez and López-Sintas, 2001; Yan and Sorenson, 2006; Arregle, Hitt, Sirmon, and Very, 2007; Ling, Zhao, and Baron, 2007, Klein, 2008). If we focus on the influence of values on the longevity of family firms – the topic of this paper – we see that this relationship has been analysed in several works in a variety of ways. For example, Sharma and Nordqvist (2008) defended that "long-lived family firms are the result of a fit between family values and governance structure;" Aronoff and Ward (2000) suggested that values influence performance and support longevity, through configuring a vision which transcends quarterly profits; and Miller and Le Breton-Miller identified a value-driven staff as being an essential condition of the longevity of family businesses (Miller and Le Breton-Miller, 2005, p. 232).

Nevertheless, although the link between values and longevity is recognized as clear and strong, as far as we know only one article had tried to identify and name the values that are key factors in this relationship: the already cited work by Koiranen about old Finnish family firms. In line with this article, the present paper aims to identify the group of values that has most influence in longevity, and to complete this analysis with two other research questions, relating to the transmission of values, and to longevity as an asset.

4. Methodology

4.1. List of Values

To design the empirical research, the paper takes as a starting point the principal findings obtained in previous research by the IESE Business School Family Business Chair published in Tàpies (2009). This research, conducted between 2007 and 2008, focused on the longevity of Spanish family-owned firms, compared to the longevity of non-family companies. The main question in that work was: Are family firms more long-lived than non-family firms? The research developed over two phases: a preliminary study dealing with the current reality of Spanish companies, and a historical study examining family firms from a long-term perspective. The research was based on our own database of more than 3,000 firms (large family-owned firms and non-family-owned firms), to provide solid data for the topic (see Appendix 2). All the companies included in the database exceeded 50 million € turnover in 2005 (this being the criteria for inclusion of the company in the database). This database offered an overview of the geography, specialization and identity of large family firms in Spain. The results of the research shed light on several important aspects of family firms, such as the average age of Spanish family-owned firms and the list of the 100 oldest family firms in Spain. Moreover, its historical perspective helps us identify the key factors in the survival and competitiveness of family-owned firms included in the study – this being a clear inspiration for the present paper.

Supported by prior knowledge, in order to answer our research questions, we developed an analysis based on the inductive method (Guala, 2005). From the observation of the oldest family companies in Spain, included in the sample, a list of values was obtained. These values are: respect, quality, excellence, entrepreneurship, humility, hard work, reputation, stewardship, social responsibility, accountability, prudence, loyalty, honesty, profitability.

4.2. Sample

To contrast the values that emerged from the previous empirical research and their fundamental role in the longevity of the family firm, three samples were used:

- The first is a sample of Spanish members of families in business, selected from the oldest family firms in Spain that were presented in the aforementioned research, and a group of experts in family business.
- The second is the list of French and Italian members of the Henokiens association. The Henokiens is an association of family and bicentenary companies, created in 1981 by the Chairman of Marie Brizard. Today, there are 41 members: 15 Italian, 12 French, 3 German, 2 Dutch, 1 from Northern Ireland, 5 Japanese, 1 Belgian and 2 Swiss. The Association's aim is to grow its membership throughout the world based on a common philosophy: the value of the concept of the family company. According to its website, Henokiens Association membership criteria are: company longevity, a minimum age of 200 years; permanence, the family must be owner of the company or the majority of shares; one member of the founder family must still manage the company or be a member of the board; the company must be in good financial health; being modern is a final requirement.
- The third is the oldest Finnish family firms reflected in the results of Koiranen's article (2002).

By contrasting the results of the interviews with the Spanish group, the conclusions of Koiranen's article about the oldest Finnish family firms and published interviews of the Italian and French Henokiens members, the scope of the article was open to a cross-cultural analysis. This is also one of this paper's contributions – to present the influence of the national cultural environment on the values of a family in business. Making international comparisons is the only way to avoid cultural bias, and to propose models that will be widely applicable (Sharma and Rao, 2000, p. 313).

When the sample had been completed, a structured interview was designed. The first part of the interview had to include the list of values obtained in previous research. The second part had to confront the questions about value transmission. And the third part included the reflections on longevity as an asset. Appendix 1 presents the main points of the protocol interview.

The information on the other samples, Finnish firms and French and Italian Henokiens members, was obtained by the following means:

- The results of Koiranen's research are available in his published article.
- The opinions of French and Italian Henokiens associates are published on the Henokiens website (14 interviews).[1] These interviews follow a structured protocol (see Appendix 2) that fitted perfectly with the main goals of this research and the answers were compiled and analysed in order to condense and tabulate them for comparison with the Spanish sample.

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[1] Available at: http://www.henokiens.com/index_gb.php (accessed March-April 2010).

5. Principal Findings of the Empirical Research

The principal findings of the research are divided into three main sections, in accordance with the three research questions raised. Firstly, the results regarding the interviewees' opinion about how fundamentally the list of values has contributed to the company's longevity. Secondly, the results on how these values can be transmitted. And finally, we analysed the reflections on longevity as an asset. In each section, we begin with the responses of the Spanish target group, and then we compare these results with the other two groups: French and Italian Henokiens companies, and the findings of Koiranen's article. To clarify the presentation of results, each part is divided into subsections.

5.1. What Values Contributed Most to the Company's Longevity?

A. The ranking of values: The importance of Quality, Hard Work, and Honesty

Regarding the first point of the research, the interviews made with the Spanish group indicate that Respect, Entrepreneurial spirit and Stewardship are the most highly ranked values. These are followed by Loyalty and Honesty. In the middle but still highly ranked we find: Excellence, Hard Work and Prudence, with Quality and Profitability following closely behind. At the bottom of the list are Humility, Reputation and Social Responsibility, with Accountability scoring lowest of all. Bearing in mind the small number of values and the fact that these values were already selected from the observation of the oldest companies in Spain, a value at the bottom of the list does not mean that this value contributes nothing to longevity, simply that it does so to a lesser degree.

Some interviewees added comments and suggested other values that were not included in the list but were - in their opinion - necessary to the firm's longevity. We can highlight some examples:

- "The unity of the family in business is a value in itself and also commitment to the family firm. These are very helpful values."
- "Innovativeness, Capacity for sacrifice, and Generosity."
- "Austerity."
- "Flexibility, creativity, professionalism, and sacrifice."

Table 1 offers a comparison between the result of the Spanish sample and the information obtained in the Henokiens interviews and Koiranen's results (Koiranen, 2002, p.182):

Table 1

Contribution of Values to the Company's Longevity

Spanish Group	Italian Group	French Group	Koiranen's article
Respect	**Quality**	**Quality**	**Honesty**
Entrepreneurial spirit	**Honesty**	**Hard work**	Credibility
Stewardship	Transparency	Humility	Obeying the law
Loyalty	Ethics	Mutual respect	**Quality**
Honesty	Commitment	Listening	Industriousness and **Hard work**
Excellence	Integrity	Competence	Respectability
Hard Work	Corporate social responsibility	Trust	Service-mindedness
Prudence	Sobriety		Responsibility
Quality	Modesty		Flexibility
Profitability	Correctness		Stress tolerance
Humility	Passion for work		Needs and well-being
Reputation	Enthusiasm		Innovativeness
Social Responsibility	Love of work well done		Autonomy or independence
Accountability	Sacrifice		Visionary top management

When comparing results between the Spanish sample, the Henokiens (French and Italian members) sample, and the old Finnish family firms studied by Koiranen, we find some similarities. Quality is cited in all four samples; Honesty and Hard Work are values cited in three samples, and highly ranked in most cases. Recognizing that there can be differences between expressions and terms to define similar concepts, we can also underline coincidences between Credibility or Respectability (Finnish group) and Reputation (Spanish group); Innovativeness (Finnish group) and Entrepreneurial spirit (Spanish group). Comparing the Spanish and French groups, Humility and Social responsibility appear in both lists. In the light of these results, the influence of the values Quality, Hard Work and Honesty on longevity is quite clear.

B. The contribution of values to longevity

As well as confirming the importance of Quality, Hard Work, and Honesty as important values that affect longevity, the interviews with Italian and French Henokiens members also confirm that values are a key element in managing the company and in becoming a company with longevity. When Italian and French Henokiens members were asked about the reason for their company's longevity, most of them indicated values as an important issue. We can highlight one testimony:

- "Could you explain why your Company is so long-living? First of all, we have to consider the industrial decisions made that enabled us to become leaders in the steel industry before and in the renewable energy industry after. However, the real industrial secret are the values or fundamental principles that govern our development, together with corporate social responsibility, while technological innovation is the tool that we have always used to support all our entrepreneurial actions. Other principles are respected too: integrity, honesty, correctness and transparency, which enhance our reputation as a reliable, accountable and professional company for all our stakeholders. All these factors contribute to « 'making companies live longer'.»

C. A new classification of values according to their contribution to longevity

Previous literature offers various classifications of values (i.e. Klein, 2008; Parikh, Neubauer, and Lank, 1996; Rokeach, 1973).

According to the research presented in this paper, three different groups of values were defined, regarding their contribution to the company's longevity:

1. Values that contribute to family cohesion.
2. Values that contributes to a firm's sustainability.
3. Values that allow the transmission of core values.

Cohesion. In the first category, we can include respect, loyalty, honesty and reputation.

Sustainability. In the second group, we can include entrepreneurship, excellence, hard work, prudence, quality and profitability.

Transmission. And finally, the third category includes values such as social responsibility (as a way to live and put the family values into practice), accountability, transparency and especially, stewardship.

D. The link between longevity, values, and innovation

Longevity is not only about tradition; it is about a careful balance of tradition and renovation. The ability to be profitable is absolutely necessary for the company. The legacy must include issues that facilitate renovation of the company and even of the legacy itself. The high position of entrepreneurship in the list of values (the Spanish group's ranking) is evidence of this affirmation. What factors enable the company to improve innovation? According to the French and Italian Henokiens interviews, values constitute an advantage as regards innovation.

5.2. Transferring Values from Generation to Generation

A. Lived values

According to the interviews, values are transmitted from one generation to another of the families in business through:

1) Living together, occurring in the course of socialization, through education, with the interrelation of the family members, in meetings… The next-generation family members learn about values by living them and watching and listening to the older generation: "With example and conversation. With sight and ear" (one interviewee's answer). All the interviewees (except one, who answered, "in my experience, it is indispensable to formalize the value") responded that the key factor was living these values, although formalising them in a document could also be useful. "The priority is to hold up a coherent attitude."

2) With regard to what was considered the most appropriate document for writing down the values, all the respondents named the Family Protocol or Family Constitution. But other documents were also mentioned, such as: a specific document that draws together these values and must be accepted and signed by all the family members. One respondent offered an interesting different option: “If it exists, a Family Protocol is a very good option for writing down the values, but it is an agreement document, the whole family should sign it, so maybe the values will not be exactly reflected in the way the previous generations wanted. There are other documents, i.e. letters from grandparents to grandchildren, in which the above-mentioned values can be written (in their own handwriting) by the generation who have lived and transmitted them, and they will always be a model to bear in mind.”

Koiranen’s article does not address the issue of value transmission, but testimonies of Italian and French Henokiens associates point in the same direction as the Spanish sample, and emphasize the importance of family history and traditions in transmitting values from one generation to another. Although the interviews do not have a specific question about value transmission, the answers given by the French and Italian Henokiens members indicate that values are transmitted by example and by observation and imitation of those values in a practical setting.

B. Evolutionary Values

Some interviewees introduced the notion of evolutionary values. To answer the question: Are values transmitted from one generation to another?, two interviewees responded: “They are transmitted and evolve” and, “In my opinion, values can be transmitted between generations, but this transmission is not easy to do. I believe that in the transmission of values it is important that there is an effective integration and respect between the ‘paternalistic’ values and the values of the ‘new generation.’”

In the Henokiens interviews (French and Italian members), as with the Spanish group, some people talked about renovation. We can highlight one testimony: “There are indeed rules but care is taken to adapt them for each generation to the context of the period.”

C. Family values and their transmission to the family firm

Regarding the possible transmission of family values to the firm:

– “Family values” should be translated into “business values” through different means, especially through personal and professional attitudes. One respondent replied that this was unnecessary, but the others answered in the affirmative.

– This process involved two governance structures: Board of Directors and Family Council. The respondents emphasised the role of governance structures not only as guardians of economic issues, but as value-drivers and a link between family values and corporate values.

Koiranen’s article and the Italian and French Henokiens interviews do not offer a lot of information on this topic.

5.3. Longevity as an Asset

The last part of the interviews referred to the consideration of longevity, not only as a result of a long-term perspective of the family firm, but also as an asset for the company. The answers of the Spanish group reinforce these ideas and underline the importance of longevity in terms of:

- Transmission of an environment of confidence.
- Image for quality.
- Evidence of a family's commitment to the company and its social responsibility.
- Positive influence on the firm's external relations.
- Consolidation of the company's value.
- Increased pride in belonging to a family in business, the traditional supplier, and even the clients.

The testimonies of the Italian and French Henokiens members go in the same direction, highlighting the condition of longevity as an asset. The members specifically pointed out the positive effect of longevity in:

- Relationships with external agents and customers.
- Credibility.
- Trust.
- Reputation.
- Strengthening the image.
- An asset measured not only in terms of economic viability, but also in terms of relationship with the territory and with the stakeholders.

Two Henokiens members examined this question more closely, underlining the importance of communicating regularly and positively with the customers in order to reinforce the positive effect of longevity in customer relations; and explaining that while longevity is not a company's greatest asset, it does constitute a ”plus” in its external relations.

A. Longevity and the company brand

Longevity also affects the company's brand. All except one of the Spanish group answered with an affirmative. We can highlight two answers:

- "Experience and staying power are rewarded by the market, both suppliers and clients, especially in the current time."
- "Longevity positively affects the brand, because of experience, quality proven over a long period, the product's market durability; it also shows the clients' loyalty to the brand, and it is a great legacy for the brand."

B. Longevity and its influence on the family in business

The last questions of the interview (see Appendix 1) were whether longevity also influences the family in business. The positive answers point out that longevity affects the family in business in terms of:

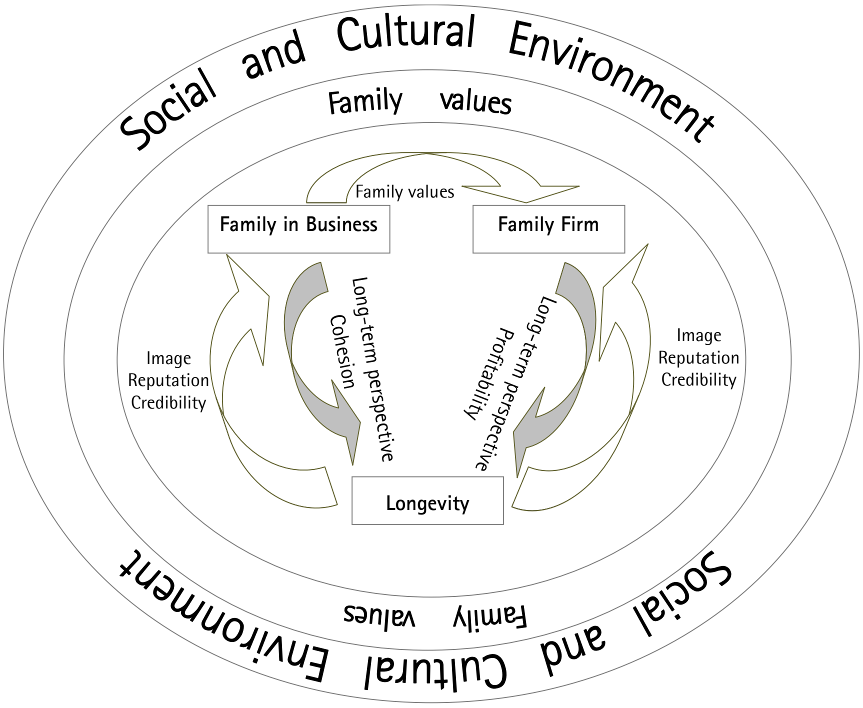
- "Strengthening the commitment and pride of belonging to the family enterprise."
- "Creating an emotional link beyond the merely economic tie, which helps in making an extraordinary longevity possible."
- "Generating confidence in a project and in the people who manage it. And showing that every generation is qualified to renew the managerial project by adding new items that facilitate and allow longevity."
- "Longevity positively affects the family in business, through pride in belonging, pride in the family's commitment to its workers and to the managerial project."

C. Mapping the long-run process

The findings of this result about longevity as an asset are presented in chart form in Figure 2. Society and the cultural environment (related to religion, national history…) heavily affect the family's core values. These family values influence the Family in Business and the Family Firm spheres. To promote longevity, values enable the Family in Business to improve the long-term perspective and the family's cohesion. To become an extraordinarily old company, values enable the family firm to develop a long-term perspective and maintain profitability. At the bottom of the sequence, as shown in the graph, Longevity appears not only as the end of a process, as an objective to achieve, but also as an asset which reinforces both the Family in Business and the Family Firm. The contributions made by longevity are related with strengthening the image, reputation and credibility of the family in business and the family firm. In the sphere of the family firm, longevity and its contribution to the accumulation of intangible assets have an economic impact on the company brand and the firm's social capital. Image, reputation and credibility, named by some interviewees as conditions for developing a long-term vision, are also positive results achieved through longevity.

Figure 1

Mapping the long-run process



4. Conclusions

The first finding of the empirical research is the list of values given by the oldest family firms in Spain. By contrasting this list with the three samples proposed – Spanish, French, Italian, and Finnish group – the principal finding that has emerged suggests that quality, honesty and hard work are values that contribute highly to a company's longevity. The paper proposes a new classification of values with respect to their influence on longevity. The classification is as follows: values that contribute to family cohesion, values that contribute to a firm's sustainability, values that allow the transmission of core values.

As evidenced from the research, the main resources for transmitting the values are education and socialization. There are no theoretical values: they must be lived. However, it is useful and convenient to write them down in a document: the Family Protocol or a specific document of values. These results suggest several implications to practitioners in terms of reinforcing the importance and usefulness of developing activities in which these values can be observed within a practical approach; for example: in meetings; in situations ranging from sharing holidays to being involved in family philanthropy; or in designing an internship in the company itself. Another implication would be the effectiveness of creating a specific, private, written document of the family firm's values.

Regarding the importance of transmitting values from the family to the company, the results show that this transmission must be made through adequate governance structures and processes: Family Council and Board of Directors. The empirical evidence that emerges from the narratives underlines the role of governance structure and top managers as value drivers. These findings are particularly consistent with some of the recommendations made by Miller and Le Breton-Miller to the managers of family firms. These authors pointed out that to maintain good performance, boards and top managers must assemble a unified value-driven staff (Miller and Le Breton-Miller, 2005, p. 232).

The paper shows that longevity is not only the consequence of a long-term vision; not only the end of a process. Longevity is also an asset that strengthens family firms' image, reputation and credibility. These are intangible, idiosyncratic resources that are viewed, under the RBV, as being susceptible to becoming decisive tools in defining the company's competitive advantage.

From the empirical evidence shown in the paper, and in concordance with the findings presented in the above paragraphs, the paper also suggests several points for the future research agenda. The first is to improve the cross-cultural analysis by comparing these findings with similar studies performed in different countries. In line with this cross-cultural analysis, another line of research would be the study of the influence of values in the internationalization of companies. Given the close relationship between values and the national cultural environment, can values interfere in internationalization by causing clashes between the family values and the traditional values of the target country?

The empirical study of the importance of values for longevity also raised another central issue: the evolution of values. Some companies named here are more than two centuries old. Is it possible for their values to remain unchanged over so many years? What changes in family values? Their meaning or the term used to name them? Do values evolve differently if they are written down instead of being transmitted orally? No doubt, this topic deserves more research.

And finally, as family business is not a homogeneous group, another interesting topic of research would be the influence of values in the different types of family firms, continuing the line of research developed by Sharma and Nordqvist (2008).

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Appendix 1

Protocol Interview (Structure)

A. Longevity and values

- Could you describe the company's main business activities?
- How old is the company?
- Looking at the list, which of these values contribute most to the company longevity?
- Please name other values that you consider relevant to the longevity of the family firm.

B. Transmission of values

- Do you think that values are transmitted from one generation to the next?
- In your opinion, how can these values be transmitted?
- What is preferable, a verbal or written transmission of values?
- If there is a written transmission of values, what is the most appropriate document for reflecting this issue?
- Can family values be transmitted to the firm? How?

C. Longevity as an asset

- Is longevity an asset (a value) for the company?
- How do you think longevity affects the firm's external relations?
- How do you think longevity affects the image of the company and its brand?
- In your opinion, how does longevity influence the family in business?

Appendix 2

Sample of the Previous Research

Building the original database

		Family Business	Non-Family Business	Total Numbers of Firms
1)	Initial database			3,196
2)	Identification of shareholders			
3)	Selection of companies which belong to the same business group: 248 family firms and 475 non-family firms were excluded	248	475	-723
4)	Identification of financial and insurance companies: 102 banks, 87 insurance companies and 30 advertising companies were excluded			-219
5)	Final sample: 2,254 firms	1,275	979	2,254

Appendix 3

Henokiens Protocol Interview[2]

- Presentation of the member. "Can you introduce yourself to our readers?"
- Presentation of the company. "Tell us something about the group and its activity."
- Selection of important facts about the company. "Which are the most important facts of the past few years?"
- Explanation of the reason for the company's longevity. "What reasons can you give for your company's longevity?"
- Reflection on the advantages of longevity. "Can we say that this longevity is an advantage for your customers and business partners?"
- Importance of values in terms of innovation. "Are the traditional values that guide your company an advantage as concerns research and innovation?"
- Methods for maintaining independence. "Which are the traps that your company must avoid to keep its independence?"
- "Has the family's desire to remain independent led to difficult choices and has it been the cause of difficulties in the business?"
- Information about the company's future projects. "Can you tell us something about your company's projects in the short and long term?" and "Can you illustrate your most important projects for the short and long term?"
- Question about the succession process. "Does your company's management pass from one member of your family to the other according to written rules?"
- Information about the next generation and their involvement in the company. "Are several generations of your family already working in the company?"
- And a final piece of advice. "What is your message for those who want to start a family business?"

[2] All the interviews follow this protocol. Although not all of them repeat exactly the same questions, the formulation of the questions barely changes from one interview to another. The source of the questions presented in the text is the interview with Antonio Monzino, available at: http://www.henokiens.com/index_mois_gb.php (accessed April 12 2010).