

Dear FBC Members,

All of us have been impacted by the effects of the COVID-19 virus. In this time when we are all concerned about our family, our businesses, and our community, it is important to come together and reflect on we have learned from the past and how it can help us today.

An important characteristic of successful family businesses is that they are strong and resilient. They gain their strength by taking a transgenerational approach to management. This allows them to transmit knowledge of factors that help success and failure across generations. Their resilience from their experience and history of working through adversity. Resilience enhances the capacity and toughness to recover from difficult times. However, to survive in difficult times, family businesses need leaders that show composure, calmness, and a clear purpose.

To help our family businesses and their leaders in these times of uncertainty we would like to highlight some ideas of what we have learned from family businesses in our country and around the world.

What works for leaders in times of crisis?

- **Anxiety is contagious.** Be aware that you can help contain and manage anxiety with your own behavior.
- **Lean into your strengths.** Family businesses have a tested resiliency and the ability to recover from challenges. Keep this in mind every day.
- **Look to the past for guidance.** What other challenges have you overcome? Tell those stories to remind others that together, we will work our way through this.
- **Show commitment to your people.** Your employees look to you for strength and guidance. You demonstrate prudence in your actions and language. Lead with calm.
- **Work together.** Focus on the health and well-being of your people and your communities. Monitor those around you.
- **Lead with intention.** Respond rather than react. Responding requires us to slow ourselves down and work with our family and leadership team toward common goals.
- **Continue to be financially responsible.** Most family businesses exhibit a conservative use of debt, making them uniquely positioned to ride out a crisis.
- **Focus on what is within your control and what is in front of you.** You live with three spheres: what you can control, what you can influence, and what is beyond your control and influence. You can only influence the first two realms, thus try not to stress so much about what you cannot control or influence.

- **Be purposeful.** Decide where to put your time and effort. You can choose to focus on the 24 hour news noise which adds to your anxiety. You can also choose to focus on your personal support system—sleep, regular meals, prayer, meditation, humor, and your plan for the day. Make the conscious choice to focus on the actions that will support the work you need to do.

Best Practices from Family Business around the World:

- Set up a “crisis room” with regular senior leadership team meetings (virtually or in person) for morning and evening check-ins. This helps you have one message to communicate to your employees.
- Manage your energy. Pay attention to how you are feeling and do what is most difficult when you have the most energy.
- Test IT infrastructure to make sure it can handle more people working from home in case you need to take this approach.
- Develop employee communication plans in case a location has an infection or a community has a lock down.
- Communicate your policy regarding health status and compensation to others in the organization. This includes what to do if you feel sick or have contact with people who are sick (including family), PTO, triggering events for furloughs, etc.
- Contact cleaning contractors in case you need to administer a disinfecting deep-clean.
- Develop plans and required actions at 1 month, 3 months, 6 months, and 1 year intervals.
- Contact your commercial bank/relationship manager and share your planned response to anticipated slowing of sales, production or service challenges, and supply chain disruptions.

Consider these best practices as we continue to navigate this difficult time. Remember that family businesses are strong and you can navigate this environment.

Please note that in an attempt to slow down the spread of the virus, and consistent with University of Louisville and other higher education institutions, we are cancelling or postponing face-to-face meetings and events until further notice. During this time the Family Business Center will remain open and we encourage you to stay in touch. **We are here to provide continued support for you, your businesses, and family.**

Keep calm and take care,

Isabel, Brittany, and Jocelyn