

Managing team-work conflicts in a start-up in Vietnam: a consideration of human factors and cultural influences

Ngoc, Do Duong

Laurea University of Applied Sciences Laurea Leppavaara	
zaarea zeppavaara	
Managing team-work	conflicts in a start-up in Vietnam: a
consideration of human factors	
	Ngoc Do Duong
	Degree Programme in Business Management Bachelor's Thesis
	December, 2013

Laurea University of Applied Sciences Laurea Leppavaara Degree Programme in Business Management

Abstract

Do Duong, Ngoc

Managing team-work conflicts in a start-up in Vietnam: a consideration of human factors and cultural influences

Year 2013 Pages 105

The purpose of this thesis project was to investigate the various conflicts that occur in the start-up projects of the case organization in the Vietnamese market. The study classifies these conflicts, investigates their occurrence and initially establishes procedures for awareness toward conflict transformation.

The thesis report is divided into several sections. Firstly, analyses and classifications of the main conflicts, with insights into the psychological, cultural and social backgrounds, are introduced. Secondly, Vietnam's cultural dimensions and cluster analyses are explored in terms of the range of human and cultural influence upon conflict transformation. Finally, the outcomes of the thesis are presented with initial Conflict Transformation Procedures (CTP) for the case organization. The development goal is to design preparatory procedures to build up a healthy working environment for conflict resolution.

Research methodology is qualitative, using an inductive approach within the scope of intensive case study research. Investigation into the profound flow of information and emphasis on the cultural and sense-making contexts of the case organization are discussed. The process is flexible around the clarifying objectives of the research question. Analyses with inductive-oriented strategy are conducted between with in-case and cross-case techniques.

The findings identify the conflicts and human-related issues of the case organization. Integrated CTP as recommendation, the case organization needs a healthy working environment established with high team unity together with preparatory mutual equipment of knowledge and understanding for members regarding psychology intellectuality, social and cultural differences. The study introduces initial CTP as a first foundation; further research methodologies to realize and integrate it are not included in the thesis's scope.

Key words

procedures, Vietnam, team-working, startup, conflict transformation, team performance

Table of contents

1	Intro	duction	6
	1.1	Discussion on conflicts in start-up team-working in Vietnam	6
	1.2	Thesis purposes and objectives	8
	1.3	Research problem	9
	1.4	Research approach	10
	1.5	Theoretical approach	10
	1.6	Framework of thesis	11
	1.7	Limitations	13
2	Theo	oretical backgrounds	14
	2.1	Groups, teams and start-up founding teams	14
	2.2	Conflicts and conflict types	16
	2.3	Factors influencing conflict resolution	18
		2.3.1 Approaches of conflict resolution	18
		2.3.2 Cultures and Conflicts	20
		2.3.3 Factors affecting the course of conflicts	22
	2.4	Conflict escalating dynamics and Conflict Mode Instrument	24
		2.4.1 Glasl's conflict-model of escalating dynamics	24
		2.4.2 Thomas- Kilmann Conflict Mode Instrument	30
	2.5	Vietnam with key work ethics	33
		2.5.1 Analyzing Vietnamese work ethic with cross-cultural theories	33
		2.5.2 Cultural & socioeconomic factors affecting entrepreneurship growth	n in
		Vietnam	36
	2.6	Cluster insights	39
3	Rese	arch approach	40
	3.1	Research design	42
	3.2	Research approach & methods	43
	3.3	Secondary and primary research	43
	3.4	Analysis	44
4	Empi	irical study	45
	4.1	Case organization: Ruby team	45
		4.1.1 Ruby team profile	45
		4.1.2 Enneagram analysis of Ruby team members	47
	4.2	Project review	59
		4.2.1 Service concepts	60
		4.2.2 Taxonomy for service process designs	64
	4.3	Analysis of secondary and primary research	66
		4.3.1 Secondary research data interpretation	66

		4.3.2 In-depth interviews	71
		4.3.3 Thomas-Kilmann Conflict Mode Instrument report	80
5	Reco	mmendations: initial Conflict Transformation Procedures (CTP)	84
	5.1	Purpose of initial CTP	84
	5.2	Content of initial CTP	85
		5.2.1 Initial CTP's mission and vision	85
		5.2.2 Golden rules to use and apply CTP	86
		5.2.3 5-stages of CTP	86
		5.2.4 Need for capital and financing	90
		5.2.5 Risks of failure	92
	5.3	Limitations of initial CTP	92
6	Find	ings	92
	6.1	Linkage between objectives, theoretical backgrounds and findings	93
7	Sumi	mary	96
Refe	rences	·	97
Illust	ration	s	100
Figu	es		101
Tabl	es		102

1 Introduction

1.1 Discussion on conflicts in start-up team-working in Vietnam

The growth of start-ups and new entrepreneurship has increased rapidly over the last decade, especially in South East Asia, which is known as a region for start-ups and new technology (Russel 2013). During recent years along with the internationalization of its legal boundaries, Vietnam has witnessed an enormous number of start-ups, which are described by Blank "as an organization formed to search for a repeatable and scalable business model" (2010). Table 1 illustrates the general situation of Vietnamese start-ups during 2010 and 2013.

	2010	2011	2012	1 st half, 2013
Registered	83,737	77,548	69,874	39,000
Closed	43,000	53,000	54,000	29,000

Table 1: Number of Start-ups legally registered and closed, Vietnam, 2010-2013 (ITPC: Investment and Trade Promotion Center of Ho Chi Minh City, 2013)

According to Table 1, the number of start-ups has been decreasing since 2010, because of the economic recession. However, in 2013, the growth has been remarkably explosive as the recovery sign of the national and regional economies. That there have been approximately 39,000 registrations comparing to 69,874 (2012) during the first half of 2013, 70% of which are active enterprises, which once again proves the competitiveness of start-up environments in Vietnam.

The market for entrepreneurs in Vietnam has not only emerged with the increasing number of start-ups founded, but also enriched with various fields of investment. They have brought Vietnam to the international market and traded with different countries from all over the world. However, not all start-ups are successful right away, and some have to try several times to be successful, particularly with Vietnam as a start-up environment considered to be constantly changing and moving, "the most dynamic start-up environment in South East Asia" (Tech Entrepreneurship in Vietnam 2013).

Having had the opportunity to set up a start-up team and been through different stages of a start-up company on various projects, some of which have been successfully launched and entered the market of service sector, and which later in this thesis study, are taken as empirical cases, the author has experienced the start-up team as the starting point for this project-based thesis study.

This essential opportunity has allowed the author to gain insights into the difficulties start-up teams in Vietnam usually face. Within the team operation, decisions are made by all or leading members of the team. The difficulties resulting from internal team conflicts may result in the failure of the start-up or the misleading of the entrepreneurships. There can be no progress, decisions and steps to be processed without the efficient teamwork of the management of the start-up team. Considering from article-writers' views, by analyzing "32 Startup Failure Post-Mortems", Chubby Information Services (2011) has identified 20 reasons why start-ups fail. The third most significant reason, according to Chubby Team, is "Not the Right team". Team deficiencies have been given as reasons for start-up failure in different analyses regarding teamwork in start-ups; hence, the report from Chubby Team (2011) has given the factual figures into the issue.

The outcomes of choosing the wrong team will lead to the serious internal conflicts and without appropriate conflict management knowledge and understanding about psychological effects and backgrounds will cause the failure of the project or their getting-to-the-wrongdirection. The reasons and backgrounds for the occurrence of conflicts are not always identified, particularly considering conflicts within the management team with the work-related definition of "mental struggle resulting from incompatible or opposing needs, drives, wishes, or external or internal demands" (Merriam-Webster Dictionary).

Taken the not-right management team into consideration, where internal conflicts consisting of mental struggles occur and their reasons and backgrounds are not identified, it is firmly believed that not only the internal success but the accomplishment of the project goals and objectives is not guaranteed and severely shaken. Hence, the author carries out the thesis study as keys to accomplish the mission on looking for the internal improvement and approaches to identify conflicts and establish healthy working environment.

Ruby team, in which the author has experienced the team-working, is studied as the case team, not only to achieve the above objectives but for the further researches on the issue as well. The further description and details about Ruby team will be introduced in the later section of this thesis. Hence, in this thesis, the studied start-up is referred to two specific projects carried out by Ruby team.

With experiences from the factual cases, this thesis is investigating the conflict management with the influences of the human and cultural factors and working environment, the intention of the study is to have a closer look into the classified conflicts occurred within the start-up teams in general and within the author's team in details. With detailed analysis and the findings from the qualitative research method, the study aims to propose the development plan

offering methods to identify conflict problems for the case team to access and manage the team.

This thesis focuses not only on prioritizing the difficulties which startups in Vietnam have been facing and should be facing in the recent, ongoing and upcoming period of time considering human-related, cultural and internal factors, but on sketching methods to identify and resolve main conflicts hindering the internal success of the management team as well.

1.2 Thesis purposes and objectives

By studying the importance of management in team-work and conflict management in doing start-up in Vietnam based on the author experience in ready-to-wear fashion industry and the gift service industry in Vietnam, the main objectives of the thesis are as follows:

- To identify the outcomes of ill conflict management within a team in a start-up business, particularly in Vietnam.
- To classify different types of conflicts in management within the internal environment of a start-up business team in general and the author's team (Ruby team) in detail.
- To identify the role of cross-cultural effect on the work process and the perception of the team member.
- To propose the internal development plan offering approaches to identify conflicts for the case team and manage the team's working environment, based on the findings from interviews and analyses of interviews carried out during the research.

To achieve these purposes, the answers for the research question should be located, through clarifications for following discussion points, as the objectives of the thesis study. These discussions points will be clarified in the Findings section.

- 1. What are the conflicts and in what way and based on which grounds, conflicts should be classified?
- 2. What are factors coming from the working environment and from the internal bases including human-related factors affecting the resolution of those conflicts?
- 3. What are the psychological profiles of the Ruby's team members, based on Enneagram Personality Type?
- 4. How the comparison and analyses into project concepts foster the study toward its objectives?
- 5. Vietnam's cross-cultural dimensions and team members' psychological compatibility affect the conflict occurrence and escalation in what ways?
- 6. What behavioral patterns and data nurtured through the research?

7. As suggestion for development, how to use, apply and develop the suggested initial Conflict Transformation Procedures (CTP)?

1.3 Research problem

In the stage to define Research Problem, the researcher should find answers to the questions regarding the definition of the problem, overall aims and purporses of the studyand expected findings.

The research process provides a systematic, planned approach to the research project and en-

sures that all aspects of the research project are consistent with each other (Aaker, Kumar & Day 2007, 48). Based on the problem defined during this stage, the researcher has to respond with a research design, which will be introduced in the next section.

The above questions are likely considered as easy but abstract to gain answers for. However, these questions are particularly important in order to gain success at the end of the research. Therefore, failure to define clearly at this step may cause certain systematic failures at the forthcoming steps.

In this thesis, the author plans to work with two specific cases (projects) taken from the former experiences due to the potential production of detailed and holistic knowledge, which is based on the empirical materials rich in information flow and data collection. Therefore, to define the research problem, the author works with the ideas about what she wants to study and some preliminary research questions beforehand. The brainstorming session is built to answers the above questions and the outlines of ongoing problems are created. With these outlines, the more specific Research Question is formulated and at the same time used as the boundaries of the cases, which, according to Yin (2002), are defined as an empirical enquiry to investigate a contemporary phenomenon within its real-life context.

The Research Question of this thesis, after session of brainstorming and outlining, has been built as following.

How should any type of procedures be built to identify, classify and assess conflicts occurring at early stages and control the working environment to reduce unhealthy conflicts?

The research in this thesis does not target at produce any statistical generalizations, which are referred as experimental, quantitative and deductive research traditions in business researches (Eriksson & Kovalainen 2008, 116). The research emphasizes the importance of de-

tailed interpretation of materials and understanding of the cases. Therefore, the research question in this research remains open-ended to what is specifically interesting and relevant to the research purpose of study.

The purpose of the study is to explore different ways to minimize outcomes from unhealthy conflicts within the startup team, likely by establishing the initial procedures to identify conflicts occurring at its first occurrence and establish healthy working environment, through examining the case through the empirical data provided by the team members and interviews with them, used as the contextualized description of the case.

Hence, the continuous revisit to the research questions in order to redefine, at the same time with the collection of empirical data, should be carried out in order to interpret and describe the case more detailed and come up with the thorough analysis in the end.

1.4 Research approach

In this thesis, the author choose the approach of intensive case study research, since the study does not examine the rich number of cases to map common patterns, mechanisms and properties with multi-case studies, but investigates as much as possible on two specific cases, draws in the ethnographic research traditions and emphasizes on the cultural and sensemaking contexts of the cases (Eriksson &Kovalainen 2008, 116).

1.5 Theoretical approach

The research process is flexible towards refocusing of the case and shifts in research interests, due to the role of theoretical backgrounds in the study. The role of theories in the research process is not to relate concepts with empirical investigations. The role is to figure out the interests and relevance to the study purposes throughout the case examination. The research process is best described as a continuous interplay of theory and empirical data. Although the research question has been indicated in Section 1.4, it will still be developed and reconstructed after continuous concept gathering and research idea redefining, during the whole research process. However, the research objectives are fixed with the same problems needed to be analyzed.

To be more detailed, theoretical backgrounds in the thesis will be discussed in the orders by which research problem is approached. The following table (Table 2) will clarify these orders.

Theoretical Approach Order		Research Problem Approach Order
Introduction to	1. Groups, Team and Start-	Step 1: Investigating the characteristics
Team working	up Founding Teams	of Start-up Team
and Conflicts	2.Conflicts & Conflict	Step 2: Investigating what conflicts oc-
Types		curred and by what way conflicts should
	3. Factors Influencing	be categorized
	Conflict Resolution	Step 3: Investigating what may have
	a) Approaches of Conflict	caused unsolved conflicts
	Resolution	Step 3a: Investigating by which ap-
	b) Cultures and Conflicts	proaches these unsolved conflicts were
	c) Factors affecting	solved
	course of Conflicts	Step 3b: Investigating effects of cultural
	4. Escalating Dynamics and	backgrounds on conflict resolution in
Conflict Instrument		the team
		Step 3c: Investigating influences on
		courses of conflicts
		Step 4: Investigating whether conflicts
		are identified on early escalation and
		conflict instruments chosen by team
		members are affected by their own
		preferences.
Vietnam, key	1.Cultural & socioeconom-	Step 1: Investigating how cultural and
work ethics	ic factors affecting entre-	socio-economic factors affect working
and business	preneurship in Vietnam	styles and work ethics of team members
environment	2. Cluster Insights	Step 3: Investigating how different ser-
		vice concepts may affect the conflict
		occurrence and conflict handling styles
		of team members.

Table 2 Theoretical approach order

1.6 Framework of thesis

The following table illustrates the framework of this thesis, including both the outcoms and discussion topics mentioned in each section.

Initial Conflict Transformation Procedures				
SECTION OUTCOME DISCUSSION TOPICS				
Introduction	A. Introduction	Context	Introducing the discussion on thesis	

			topic
			Thesis purposes & Objectives
			Research Problem
			Research Approach
			Theoretical Approach
			Framework of thesis
	B. Groups, teams	Theoretical	Brief introduction to theories regarding
	and Start-up	discussions	team and team working in start-up team
	Founding	discussions	team and team working in start up team
	Teams		
	C. Conflicts and		Basic theoretical backgrounds of conflicts
	Conflict Types		and conflict typology
			,, -,
	D. Factors		Brief summary of factors influencing how
	Influencing		conflicts are resolved in teams, regarding
	Conflict		approaches, cultures and courses of con-
	Resolution		flicts
Theoretical	E. Conflict Esca-		Brief introduction to:
Backgrounds	lating Dynam-		Glasl's Conflict Model of Escalating
	ics and Con-		Dynamics
	flict Mode In-		Thomas-Kilmann Conflict Mode In-
	strument		strument
	F. Vietnam with		Analyzing Vietnamese work ethic with
	key work eth-		Cross-Cultural Theories
	ics		Cultural & Socioeconomic factors af-
			fecting entrepreneurship growth in Vi-
			etnam
	G. Cluster		Insights into clusters where the studied
	Insights		projects are carried out
	H. Research	Research Design	Discussion on choice of Research Design
	Design		
	I. Research	Research	Discussion on choice of Research ap-
Research	Approach and	Methodology	proach and methods
Approach	Methods		• How the study was carried out and da-
			ta processed
	J. Secondary &	Secondary	Existing Empirical Data
	Primary	&Primary	Outline of secondary and primary re-
	Research	Research	

				search process
	K. Analysis	K.	Analysis	Discussion on techniques used to ana-
			Methods	lyze
	L. Case	L.	Team profile	Ruby team Profile
	organization:		and psychologi-	Enneagram Analysis
	Ruby team		cal analysis	
Empirical	M. Project Review	M.	Project	Service Concepts
Studies			descriptions and	Taxonomy for Service Process Designs
Studies			comparisons	
	N. Analysis of	N.	Interpretation	Secondary Research Data Interpretation
	Secondary and		of Researches	In-depth Interviews
	Primary Re-			Thomas-Kilmann Conflict Mode Instru-
	search			ment Report
	O. Purpose of	0.	Outlines of	Brief summary of purposes of Initial CTP
	Initial CTP		purposes	
Recommenda-	P. Content of	- P.	Characteristics	Mission and vision of initial CTP
tion: Initial	Initial CTP		of Initial CTP	•Rules to use and apply
Conflict				•Five stages to use
Transfor-				Need for Capital and Financing
mation Pro-				●Risks of Failure
cedures				
	Q. Limitations of	Q.	Discussion on	Brief insights into limitations of Initial
	Initial CTP		limitations	СТР
	R. Linkage be-	R.	Discussion on	Summary of linkages
	tween objec-		linkages	
Findings	tives, theoret-			
	ical back-			
	grounds and			
	findings			
Summary	S. Summary	S.	Overview	Overview

Table 3 Thesis structure

1.7 Limitations

The thesis will focus mainly on the start-up situation in Vietnam, the team members with Vietnamese-based backgrounds and factual experiences from the case team (Ruby team) on the defined projects. Hence, only the grounds related to the members and the team in defined projects are studied. Certain examples and factual experiences and opinions collected as re-

search data are taken into consideration, due to its compatibility and relevance to the case team and their projects. Moreover, analyses about human factors are only carried out on team members' backgrounds, cultural differences, psychological backgrounds, factual experiences and other relating issues. Therefore, the first limitation of the thesis study is the onpurpose choice of samples, research participants and case studies (projects).

As the main goal of this thesis is to develop the initial Conflict Transformation Procedures by establishing healthy working environment, only essential sections are analyzed and studied: country review based on cross-cultural dimensions, project overview, team psychological profiling and interview analyses. More specifically, the development plan will focus mainly on researching the readiness of the members, the relevance of theoretical bases and qualitative interviews and the qualifications of data collection, designing the initial model of Conflict Transformation Procedures, calculating generally the financing of the plan, and measuring risks of failure. A broader and more detailed development plan that includes Implementation Plan, Project Financial Plan, and Conflict Management Plan are not within the scope of this study.

The research approach to be used in this project-based thesis is inductive approach, where there is no hypothesis designed before making the research interviews. The author designs the structure of the interviews based on the theoretical backgrounds, such as the factors and environmental influences, the classifications of conflicts. However, there is no hypothesis to be tested and the questions designed within the research are open-ended, and process-oriented. The choice of methodology approach is based on the factual evidence from the Team, where facts and evidences are collected and qualified through interviews. The limitation regarding the methodology approach is the characteristic of the research, as the exploratory design, where the outcomes of the research are to develop hypotheses, formulate the problems, isolate key variables and relationships for further examination, gain insights for developing an approach to the problem, and not to test and measure the hypotheses.

The integration of the thesis theoretical backgrounds into the Internal Development Plan is not to clearly define and resolve the conflicts of Ruby team but to design methods to identify conflicts, and guidance towards conflict transformation of the Team. Therefore, the roles of the study are to build bridges to the understanding of the conflicts, and not to offer solutions to the conflicts, which is the limitation of the study as well.

2 Theoretical backgrounds

2.1 Groups, teams and start-up founding teams

First of all, the precise definition of team, compared to working groups, should be clarified. Group of people working together does not become teams simply because they have been defined as team. A team, with a small number of people involved possessing essential skills, is committed to common goals, and sets of performance indicators, and sketch approaches to hold themselves mutually accountable in order to achieve these goals. Meanwhile, in working groups, with effective contribution in large organizations, mutual share of information, perspective and insights, people help each other to make individual performance standards reached (Katzenbach 2004, 5).

To the group dynamics extent, it is essential that group-building processed through four different phases, including forming, storming, and norming and performing. Forming gives spaces for befriending and conflict avoidance; storming raises unwillingness to fulfill tasks and goal doubting. Then, norming and performing phases emphasize the gradual transformation of low-performing working groups into best working groups and give opportunity for higher development into teams. Throughout this process, the essence of purpose-building and goal setting intensifies from phase to phase, in order to enables the groups to put almost all the available energy towards high performance, which, at the latter stage of group dynamics, will be the key factor differentiating teams from groups (Tuckman 1965,384-389).

In teams, the process of team members working and cooperating to make progress and reach the common sketched goals and objectives is team working. The best teams produce the best team-working efficiency, which differentiates remarkably with the efficiency in working groups. Successful teams shape their common purposes, with shared leadership roles and mutual accountability, in coherence with opportunities and targets usually by higher management, while working groups, with strong and clearly focus leaders, share purposes as broad as organizational missions. With clear company's performance indicators, management in team working consists of reasonable flexibility and challenges, with which teams are permitted spaces to develop commitment around their own spin on the agreed purpose, specific goals, timing and approaches. The best teams invest enormous amount of time and efforts to exploring and shaping a purpose, which rigorously adheres team members throughout the life of the team (Katzenbach 2004, 7).

Success of a project is essentially dependent on the project team-working's efficiency and the evolutionary transforming process from working groups to efficient teams, particularly at early stages of the new-transformed teams. Without this efficiency, the time boundaries, the conductive goal- achieving, the disciplines of teams and other performance indicators are not assured; meanwhile, financial, social, economic, organizational and managerial delays occur. The devastating outcomes affect the targeted goals and objectives of the project. Hence,

team-working inefficiency, indicated partly by the ineffective shaping of common purposes, leads directly to failure of both teams and projects.

The situation is much harder for founding team in start-up business, at which team members create common purpose entirely on their own, not taking any initial direction from outside the team or higher management level.

In a broad sense, business is a complex meaning word, depending on different cases and scopes, contains different senses and meanings. In this case, an organization that produces or distributes a good or service for profit, engaging in at least three major activities, including production/servicing, marketing and finance, is called a business (Burrow, Everard & Kleindl 2008, 4). Start-up business, of which definition is various depending on prospective as well, is namely a new business that has not previously existed, aimed at creating new solutions or suggestions to a new or existing question or problem for profit. In other words, Steve in his article defined start-up business as an organization formed to search for a repeatable and scalable business model (Blank 2010).

Team working in start-up business should be originally rooted from the founding team, where both founders, co-founders and coordinators work and cooperate together to shape their own common purposes and contribute to the transforming process of purposes into specific performance objectives and goals down to the lower management levels. In start-up founding team, first decisions on project mission, vision, S.M.A.R.T goals (Doran 1981, 35-36), and other initial directions are expected to be achieved. Moreover, within the founding team, the shared leadership roles, the mutual accountability and high performance are expected to be higher and leading throughout the organization, where business ethics are newly established. The closer insights into the theoretical backgrounds regarding internal and environmental factors influencing team working efficiency and conflict occurrence and transformation will be discussed more in Section 2.3.

2.2 Conflicts and conflict types

To define the word conflict, glances at psychological and sociological aspects of the word should be taken. Conflicts within an organization are rooted from divergent interests, preferences, values, status and power confronted with similar communicative and knowledge strength in the scope of the business operations. Conflicts, in summary, can be defined as the high-tension communication between diverging preferences (Coser & Rosenberg 1964) Conflicts can be classified by different categorical clusters, either by origins, rationality, objects involved or escalation degree. In this thesis study, the author demonstrates her marked preference to the categorical cluster by their origins and by the situations conflicts result

from. To illustrate the differences between two different classification styles, this thesis promote the introduction to these two category structures, from Dr. Hofstadler (2011) and Levi (2007).

Hofstadler (2011) has categorized the conflicts mainly based on the difference base of the participants, while Levi (2007) has mainly focus on the healthiness of the conflicts towards the organization or team.

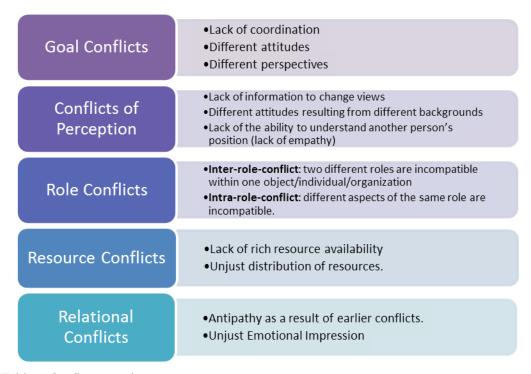


Table 4 Conflict type by origin

Table 4 classifies four different types of conflicts, regarding to their origins. These four types reflect the differences in goals, attitudes, empathetic ability, roles, resources and relational attitudes, with high tension leading to conflicts. Further description is available in the table. The main difference between the two styles is the way conflicts are seen to originate from. In detail, Table 5 introduces the other classification style for conflicts. According to this style, conflicts are divided into two main categories, containing healthy and unhealthy conflicts. Conflicts, both healthy and unhealthy, are claimed to be resulted from different sources, according to Levi (2007). Healthy conflicts, or legitimate ones, are caused by a variety of factors or sources, concerning differences in values, objectives, beliefs about motives and actions, expectations about the results of decisions of team members. These healthy conflicts may lead to high-tension discussions; however, from them come better team decisions. In the other hand, unhealthy conflicts, or hidden ones, are not operationally related but more organizationally, socially and personally related. Relating to personal aspects, these causes of conflicts include competition over resource scarcity, ambiguity over responsibilities, status

differences among members and competitive reward systems, also stated by Levi (2007, 113). In regard to social perspective, unhealthy conflicts can be caused by poorly skilled leaders, poor social relations among team members and poorly managed meetings.

Healthy conflicts (Legitimate conflicts)

- Focused on task issues
- · Legitimate differences of opinion about the task
- Differences in values and perspectives

Unhealthy conflicts (Hidden Conflicts)

- Competition over power, rewards and resources
- Conflict between individual and group goals
- · Poorly run team meetings
- · Personal grudges from the past
- Faulty communications

Table 5 Sources of conflicts (Levi 2007, 113)

2.3 Factors influencing conflict resolution

In this thesis, four main conflict resolution approaches will be introduced in the theoretical backgrounds, while conflict transformation is considered as main approach investigated for the case study and the studied team (Ruby).

Within this section, approaches of conflict resolution will be introduced, together with the crucial insights as to the relationship between cultural characteristics and conflicts, and the factors affecting the course of conflicts.

2.3.1 Approaches of conflict resolution

Ungerleider proposed four main approaches to conflict resolution offering different perspectives and interventions relevant to a wide variety of conflict situations: negotiation, third-party mediation, systematic conflict transformation and peace building (Halverson & Tirmizi 2008, 224)

Negotiation

Negotiation is the process by which two parties engaged in a meeting/ discussion to exchange offers and counter-offers with an effort to find mutually acceptable agreement. In negotiation process, one of the most important key points to understand how this process works is whether parties have a win-win or win-lose perspective. With win-win perspective, a solution satisfying both sides is expected, while mutual belief that there is no such agreement good for both sides since what is considered fair for one side is incompatible with that for the other side, in win-lose perspective (Levi 2007, 121).

Principles for intercultural negotiations that apply to communication in teams include

- Be flexible, get acquainted with the other culture, and use approaches that will create better condition for communication, avoid what may be irritating.
- Be careful with stereotypical judgments and unproven claims about characteristics
- Be aware of language barriers, check understanding frequently, go slow, and ask questions.
- Be careful about attributing meaning to nonverbal behavior; nonverbal communication is significant and may even contradict verbal input.
- Be aware that mistrust can breakdown communication and communication is essential (Halverson & Tirmizi 2008, 225)

Mediating

While negotiating is when two parties begin to try to resolve the conflict, mediating is when a third party intervenes to help. Acknowledging that the intervention does not have any authority to impose solutions but to act as facilitator, the mission of that facilitator is to interpret, buffer, and coordinate contradictory messages and negotiating styles to make concessions, allow reorientation from win-lose to win-win and maintain commitment for solutions from participants. A mediator, with competent negotiating skills, should comprehend relevant cultural behaviors, norms, and wisdom that can be beneficial in change the escalation of the conflicts (Halverson & Tirmizi 2008, 226).

Conflict Transformation

To understand conflict transformation completely precise, conflict does not always refer to a short term phenomenon that can be "resolved" permanently through mediation or other intervention processes. According to John Paul Lederach, conflict transformation does not simply suggest to control or quickly resolve conflict, but rather recognize, reconcile and work with its "dialectic" nature. It is stated in his theory that social conflict naturally created by participants who are involved in relationships, transforms the events, people, and relationships that

caused the initial conflict with its occurrence. With transformation, conflict consequences can be modified so that "self-images, relationships, and social structures improve as a result of conflicts instead of being harmed by them". Transformation also involves transforming the way conflict is expressed (Lederach 1995, 3-23).

Four main steps of transforming conflicts consist of acknowledgement, reconciliation, envision and strategize, and sustaining. Acknowledgement describes the stage where all team members involved in and affected by the conflict should be aware of the occurrence of the problem and commit for a solution to the conflict. The reasoning of the conflict should be defined and reconciled collectively, in order to reach for a common vision from which they realize together and design how they can do it. Finally decision-maker determines what the team members lack in order to maintain their ability to work mutually and eliminate the causes of the conflict (Halverson & Tirmizi 2008, 227).

In this thesis study, the conflict resolution approach to apply for empirical studies is conflict transformation.

Peace-building

Considered as another kind of transformation emphasizing the roles of transformation of personal relationship, peace-building also involves systematic transformation with the process of maintaining justice and equality in the social system of the organization as a whole.

Peace-building includes the elimination of ruthless oppression, the improvement in resource sharing, and the non-violent management of conflict. Each of this action fortifies the other, in a way that transformation of personal relationships stimulates the transformation of the social system and systematic changes reversely facilitates personal transformation. Key to both is the tight tie between truth, justice, and mercy, as well as that between empowerment and interdependence. Despite certain perspectives against each other, these concepts should be seen concrete for reconciliation or "peace" to take place, Lederach insists (Lederach 1995, 12-14).

2.3.2 Cultures and Conflicts

There are a variety of characteristics of cultures affecting the choice of conflict resolution approaches. Among them are four main variables including culture similarity, relative power, relationship age and differences in communication styles.

First of all, cultural similarity, defined as the similar perceptual and behavioral patterns of other individuals or groups, encourages participants in conflicts to adopt a more cooperative approach, with the more problem-solving strategies. Since the people involved tend to presume the shares in approach choice and the tolerance towards similar approaches, based on the experience in their common set of values or norms, the problem-solving approach is more likely. Conversely, people involved tend to hesitate toward open communication and legalistic strategy will be preferred when lack of perceived cultural similarities. Trust tends to deteriorate without the shared perspectives, as a result. In detail, when two individuals in a team work together but do not see the cultural similarities in each other, the perception that they do not share common set of values leads to the higher degree of behavioral uncertainty, which results in a greater reliance on legal and formal documents and the use of legal mechanisms to resolve conflicts.

Secondly, relative power, namely the level of one person's ability to influence another person's decisions, is the second characteristics of culture affecting the conflict resolution process. Relative power, determined by the rich acquirement of resources including capital and labor, should remain balanced between sides in order to maintain the integrative approach towards conflicts; for the power imbalances lead the more powerful side to engage in more-demanding and less just behavior in less forth-right and compromising communication. Together with the strong position, this more powerful side may lead the conflict resolution towards the fulfillment of their goals, with less problem-solving approach.

The third cultural aspect to discuss is relationship age. The longer and more influential the relationship is, the greater the opportunity for both parties to interact, build trust and gain mutual understanding is. Moreover, relationship enhances the chance to resolve conflicts in more open problem-solving approach, where the information exchange and the frequency of communication are grounds that long-term balances become more crucial in the negotiation. Meanwhile, the side is more likely to be concerned with the other side's interests and less like to force any particular resolution of a conflict, which, in some specific cases, may result in the forming of informal groups within the team and side-taking effects that can cause hidden conflicts between groups in the long run. With proficient interpersonal skills of the team members, the informal group formation can be lessened and manageable; then, the uncertainties regarding the other party's competence, reliability and other qualities tend to decrease, while trust tends to intensify over time.

The last and still controversial cultural factors affecting choice of conflict resolution is the differences in communication style. In terms of individualism-collectivism dimension, there has been a discussion on whether the differences in communication style can be explained with the differences between individualism and collectivism cultures. Collectivism is believed

to be associated with indirect communication, which is among the causes of avoiding style of handling conflict (See more in Section 2.4.2), while individualism is stated to be associated with direct communication, such as the competing style of handling conflict. To this extent, the country, either possessing individualism or collectivism, has the great influence on the tendency to choose towards assertiveness or cooperativeness when handling conflict. However, the reverse direction has not been proven yet, meaning the tendency of an individual choosing any conflict resolution strategy is not solely based on the level of individualism or collectivism.

There have been also arguments that differences in preferred conflict style between countries will be affected by the individual differences on measures of individualism-collectivism. The hypothesis has stated that there should have been the relationships between the scores on individualism-collectivism scales with conflict behaviors. There have been no sufficient findings proven the hypothesis; however, despite that individualism and collectivism are not the unitary dimensions of values, the cross-cultural differences in communication style has relative effects on the choice of conflict resolution and handling styles. (Silverthorne 2005, 202-210)

2.3.3 Factors affecting the course of conflicts

There are several factors influencing whether or not a conflict directs itself to be healthy or unhealthy. Deustch (1973) has stated as crude law of social relations in his research that the conflict situation in which contains descriptive elements of both directions, competitive and cooperative, can be moved to one or another direction in order to give chance for the succeeding consequences in the same direction. Either direction the conflict resolution moves, the following factors affect the course of the conflict itself and the choice of resolution approach.

Process

The process of approaching the conflicts, orientate them towards the resolution plays an important role in whether the resolution is more likely to take a constructive direction than a destructive one (Deustch 1973). The orientation in which raises discussion about the mutual interests, the enhancement of mutual power, and the insight into conflicts as mutual problems is more likely to lead the conflict towards the constructive course. On the other hand, the orientation emphasizing the antagonistic interests, maximizing power differences, and defining conflicts in win-lose direction tends to lead towards destructive approaches, stated by Deustch. The process of how the conflict is brought to discussion, based on the perceived

beliefs, sets of values, senses of common bonds and importance of future positive relationship is recorded as the important factor determining the choice of resolution.

Prior relationship

Prior relationship with past experiences of competitive or cooperative conflict resolution can have great importance on the resolution choice for present conflicts. The stronger and more relevant the existing conflict handling experience is more likely to affect the choice of present situation. Moreover, the relationship age also enhances the importance of the past experiences on the present conflict situation (Silverthorne 2005, 202-210). The variety of bonding types between individuals is also important to the extent that they match different significant needs in the more appropriate way (Deustch 1973). Successful prior cooperative relationships arises the likelihood of successful present cooperation, whole experiences of failure in cooperating or prior competition may result in the unsuccessful attempts to cooperate. Although the prior relationship does not solely affect the course of conflict, the effects coming from this former tie between parties are existing and greatly important.

The nature of the conflict

The Nature of the conflict is analyzed in several indicators, among them are the six main criteria, including conflict size, issue rigidity, centrality of the issues, the number and interdependence of the issues, consensus on the importance of different issues, and consciousness of the issues, by Deustch. These six main criteria can be categorized into ones originating from the conflicts themselves and ones seeding from the understanding of the parties involved about the conflicts. Whether the conflict tendency to grow in size, to turn into irreconcilable with high rigidity "not only determined by the psychological and environmental resources available but also by the nature of the issues", (Deustch 1973), to be considered as central and vital to a party or individual's well-being, or to be broken down into smaller separate issues affects the likelihood that the party choose the more destructive or cooperative approaches.

These status quos can be changed through the conflict resolution process; however, naturally, they belong to the conflicts and are considered as the nature of the conflicts. Therefore, efforts to change these status quos are considered as actions encouraging the choice of conflict resolution. Meanwhile, the criteria originating from the thorough understanding of the parties involved include the consensus on the importance of different issues and the consciousness of the issues. The consensus on the importance of different issues, indicating the agreement in valuing the issues, and the consciousness, stating the acknowledgement of both parties about

the existence and escalation of the issues, are crucial for the active productive confrontation of conflicts (Deustch 1973).

The characteristics of the parties in Conflict

The sets of values, social positions, and personal psychology of the conflicting parties play important role in determining whether the conflict will be resolved in which approaches and in which direction, either competitive or cooperative. Either leading directly to subjective favorable evaluation of one approach to the other, or accelerating the process that may lead to misunderstanding and negative outcomes and speed up the orientation toward competitive direction, the participant is influenced by the nature of the situation and the magnitude of the personality variables. "The more competitive or threatening the situation, the smaller is the difference in behavior among different personality types", indicated by Deustch (1973).

Estimations of success

During the conflict process, the differences in estimating the least productive and most beneficial outcomes of the conflict affect the choice of conflict resolution approach and styles in handling conflict. The estimation of extreme, fair or lacked superiority and the possibility of future interdependent relationship result in the regulation in the cooperative or competitive process (Deustch 1973).

Third Parties

Particularly with mediating approach (Halverson & Tirmizi 2008, 226), the intervention of third parties has remarkable effects on the course of conflicts, either constructive or destructive. Third party can either obtain power by indirect purposeful urges to encourage two sides' rivals off each other, or unify the parties against the outside intervention. With his intervention, third party may activate and make the cohesive bonds between the conflicting parties more reliant and interdependent (Deustch 1973).

2.4 Conflict escalating dynamics and Conflict Mode Instrument

2.4.1 Glasl's conflict-model of escalating dynamics

The closer look into the escalation model of Glasl supports the author and also the readers to acknowledge about the necessity of intervention and the escalation of conflicts, with which the further understanding of conflict transformation is expected (Glasl 1980).

Glasl's escalation model is useful tool not only for the conflict facilitator, offering appropriate possibilities to intervene, but also for get accustomed to the mechanisms of conflict escalation. This sensitization fosters greater awareness of members involved to the process, to prevent a conflict from escalating out of control. The model emphasizes the situational pressures and tension caused from whom involved in a conflict. Rather than seeking causes in the individuals, the model emphasizes the transitions of stages from win-win situations to lose-lose situations, where the later appropriate intervention is, the more severe the tendency to total confrontation and destruction at the price of self-destruction are. The following table (Table 6) describes in detailed the characteristics of each stage of escalation.

Main Stage	Degree of Escalation	Characteristics
Win-Win Situation	1. Entrenchment	 Points of view tend to become more and more entrenched and fixed standpoints are increasing. Both parties are well aware of increasing tension. Both parties still believe in the possibility to solve the problem by talking, the relationship is still okay. Repeated efforts to overcome the difficulties fail, blocking the natural flow of shifting concerns Boundaries defining who belongs to which sides become more visible Doubt about the willingness to solve the problems from the counterparts. The basic status of the involved persons as responsible human beings is recognized, and one tries to be fair in the interactions.
	2. Debate	 Thinking, feeling and willingness are polarized. Use of tactics and verbal violence "If you don't" Discussions tend to develop into verbal confrontations One side divert more and more at-

		tention to how they appear superi-
		or/inferior to the other side
		The parties resort to "quasi-rational"
		argumentation
		Strong propensity of mistrust in the
		relationships
		Repeated experiences of the coun-
		terpart lead to the formation of im-
		ages of typical behavior patterns.
		Images are not yet as stereotypical as
		the enemy images.
-	3. Action	Change in beliefs - "It doesn't make
		sense to talk any more so I am going
		to act".
		Strategy of creating "fait accompli"
		by just doing what I think has to be
		done
		Block the counterpart from reaching
		his goal, and to push through one's
		own interests
		Action and non-verbal communication
		dominate the course of events
		Fantasies about possible motives and
		hidden strategies can develop un-
		checked
	4. Image and	Attempt to preserve my own positive
	Coalitions	image
		Use of stereotypes against the other
		party
		Trial to maneuver the other party
Win-Lose		into a bad position
		Attempt to win the support of other
Situation		important persons
		The conflict activities are now fo-
		cused gaining the upper hand in the
		cased saming the apper hand in the
		power struggle, rather than achieving

		age of the opponent.
		 Disappointment at the personal behavior of the opponent. Negative key-experiences with each other. Enforcement of ideologies, values and principles The image of the counterpart centers on the moral inferiority attributed to the other.
	6. Intimidation strategies	 A game of threat and counter-threat starts. Attempt to undermine the credibility of the opponent. Feelings of being powerless lead to fear and possibly uncontrollable rage. Threat strategies only work as long as the parties believe that a threat may act deterring.
Lose-Lose Situation	7. Limited Destruction	 The opponent turns be without human qualities. For this reason limited destruction seems to be a suitable answer, since no side believes the other side to be humane Change in values. No winning can be gained, so the less severe loss is the target. Superiority is sought in order to ensure ability to block the counterpart in a longer-term perspective.
	Dispersal Total Destruction	 Attempt to paralyze and disintegrate the hostile system. The main objective is now to destroy the existence basis of the adversary. The drive to annihilate the enemy is
		so strong that even the self- preservation instinct is neglected

	•	Tendency to total confrontation.
	•	Destruction at the price of self-
		destruction.

Table 6 Detailed escalation process, Glasl's conflict-model of escalating dynamics (Hofstadler 2011)STAGE 1: Entrenchment

The first stage of conflict escalation develops when a divergence over some issue or frustration in a relationship proves resilient to resolution efforts. The problem remains, and leads to irritation.

The threshold to stage 2 is taken when one or both parties lose faith in the possibility of solving the problems through straight and fair verbal discussions.

STAGE 2: Debate

The parties look for more firm and stronger ways of pushing through their standpoints. Discussions now turn into debates, where inflexible standpoints collide. The growing mistrust creates a sense of insecurity and loss of control.

The threshold to stage 3 is related to the basic right of each party to be heard of mutual interest.

STAGE 3: Actions not words

The most important goal at this stage is to block the counterpart from reaching his goal, and to push through one's own interests.

There are few opportunities to get genuine feed-back on the stereotypical images and interpretations the parties claimed about each other's patterns of behaviors.

The threshold to stage 4 is when more aggressive attacks are on the counterpart's social reputation, general attitude, position and relationship to others.

STAGE 4: Images and Coalitions

At stage 4 the conflict is no longer about concrete standpoints, but about victory or defeat. Defending one's social reputation, position and relationship is a major concern. Both sides neglect to absolve new information in this stage.

The conflict processes are now focused on affecting the counterpart and gaining the upper hand in the power struggle, rather than achieving issue-related results.

The threshold to stage 5 is the occurrence of acts that lead to a public loss of face for one or both parties.

STAGE 5: Loss of Image

The "face" is hurt by public events, not by private gossip or individual opinions. All the constructive moves were only deceptions for their real intentions. There is no longer ambiguity, but everything appears clear.

Loss of face, and ensuing retaliatory acts often isolate the conflict parties from bystanders. The threshold to stage 6 is when the parties start to issue ultimate and strategic threats, the conflict enters stage 6.

STAGE 6: Intimidation strategies

Since no other way seems to be open, the conflict parties resort to threats of damaging actions, in order to force the counterpart in the desired direction. Strategic threats are actively used in order to force the counterpart to certain concessions.

One consequence of this dynamic is that the parties increasingly lose control over the course of events. By their own actions they create a pressure to act rapidly and radically. The threshold to stage 7 is the fear of the consequences that might ensue if the threats are carried out. Threat strategies only work as long as the parties believe that a threat may act deterring.

STAGE 7: Limited Destructions

The threats of stage 6 undermine the basic sense of security of the parties. The counterpart is now a pure enemy, and has no human qualities. The losses of the counterpart are counted as gains, even though they don't give any benefits whatsoever in terms of one's own interests and needs.

The parties see that it is no longer possible to win. It is a lose-lose situation. Survival and less damage than the counterpart suffers are the main goals.

The threshold to stage 8 is attacks that are directly aimed at the core of the counterpart, attacks that are intended to shatter the enemy or destroy his vital systems.

STAGE 8: Dispersal

At this stage the attacks intensify and aim at destroying the vital systems and the basis of power of the adversary. The only restraining factor is the concern for one's own survival. The threshold to stage 9 is reached when the self-preservation drive is given up. When this happens, there is no check at all on further destructiveness.

STAGE 9: Total destruction

In the last stage of conflict escalation, the drive to annihilate the enemy is so strong that even the self-preservation instinct is neglected. Not even one's own survival counts, the enemy shall be exterminated even at the price of destruction of one's own very existence as an organization, group, or individual. The only remaining concern in the race towards the other side is to make sure that the other side is equally destructed too.

2.4.2 Thomas- Kilmann Conflict Mode Instrument

Thomas-Kilmann Conflict Mode Instrument is among several well-known approaches of conflict resolution. The conflict resolution approaches available for teams vary, depending on the team members' willingness to be assertive and cooperative, due to their long-term orientation towards each other.

In this thesis, only Thomas-Kilmann Approach is taken into consideration as theoretical backgrounds for the research studies. Due to the assessment with purposeful design to minimize the social desirability response bias, which is the natural tendency for people from all classes to respond in a way that maintain the social reputation to themselves or to others, the cross-cultural consistency, reasoning the author's preference to this approach. Consequently, Thomas- Kilmann Instrument (TKI) results provide an accurate picture of how people actually behave in conflict situations (Kilmann Diagnostics 2008).

TKI investigates the characteristics of individual behavior towards conflict situations, where the concerns of two people appear to be incompatible. In those situations, the behaviors of these two people are described along two dimensions: assertiveness, the wish to fulfill their own needs and cooperativeness, the wish to fulfill the others needs (Kilmann Diagnostics 2008, 2). These two dimensions create a coordinate system in which the plane displays five conflict-handling modes, including competing, collaborating, avoiding, accommodating and compromising.

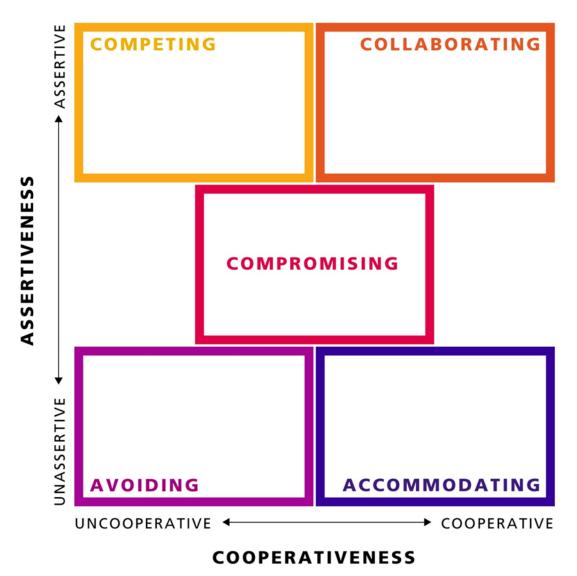
Competing is totally assertive and least uncooperative, a power-oriented mode. Competing mode reflects the highest motivation of standing up for one's own rights, defending a position he/she believes to be correct, or simply trying to win. Within this mode, an individual pursues his/her own concerns at the other person's expense, cares less than nothing about the others' concerns and values.

Accommodating is totally unassertive and highest cooperative, the relationship-oriented mode. Within this mode, an individual neglects his/her own concerns to satisfy the concerns of the other person, even if he/she has to sacrifice his/her own wish. Accommodating reflects the highest form of obeying the other's wish even in case of self-sacrifice.

Avoiding is totally unassertive and highest uncooperative, the mode of neglect. When avoiding, an individual does not either pursue his/her own concerns, or compete against the other concerns. He/she does not address the conflict, postpone the resolution for better occasion or withdraw from a threatening situation.

Collaborating is totally assertive and highest cooperative. In this mode, the individual does not either sacrifice his/her own needs, or pursue his/her own concerns at the other's expenses. With attempts to work with the other person to find common solution and continuous analytic efforts to identify the underlying concerns and an alternative that meets both sets of concerns, the individual in this mode manages to find the best of both insights.

Compromising is intermediate in both assertiveness and cooperativeness. When compromising, the individual manages to come up with mutually acceptable solution that partly satisfies both parties. Within compromising mode, the individual gives up more than in competing, but not as much as in accommodating. Meanwhile, he/she would rather address than avoid the conflict more directly into the core concerns but doesn't explore it as much as in collaborating mode. Compromising, in specific cases, means splitting the difference and searching for a quick in-between position.



Picture 1 Thomas- Kilmann Conflict Mode Instrument (Kilmann Diagnostics 2008, 2-3).

The Thomas-Kilmann Conflict Mode instrument consists of thirty pairs of statements. For each pair, the respondent must choose either the A or B options. There is no right or wrong answer for the instrument, since each answer leads to different scores on each mode. The instrument should be arranged within the scope of an organization or group of individuals, where sampling has the size of either parts or the whole of bounded population. The population does not have to share commonness in any social backgrounds, since the equality on social desirability should be maintained. As soon as the answers are collected, the data interpretation should be processed, when all respondents obtain clear understanding that all five modes are useful in some situations and each represents a set of useful social skills, depending on the situations' specific requirements and the usage of skills for each mode.

According to (Kilmann Diagnostics 2008, 4-11), in the TKI profile of each respondent, the raw scores represent the number of times each mode has been chosen in conflict handling. Hence,

the percentile scores are to show the percentage of people in the sample who scored the same as or lower than you on each mode.

The interpretation of the profiles allows each respondent to understand how appropriate his/her use of all five modes for each specific situation (with raw scores), and whether he/she relies on some conflict handling modes more or less than necessary. Furthermore, the interpretation provides lists of diagnostic questions to signify whether over-usage or underusage of each mode occurs. The use of percentile scores, as a result, answers these questions with percentage ranges and indicates how higher the score on each mode is, comparing to other respondents. Scores that fall in the top 25 percent are considered high, meaning the respondent tends to use this mode more than at least 75 percent of the sample. Similarly, scores that fall in the bottom 25 percent are considered low, meaning the respondent tends use this mode less than at least 75 percent of the sample. Scores that fall in the middle 50 percent are considered medium.

Once an individual finds out the over-usage or under-usage of each mode, he/she should examine the key attributes of a situation to determine if he/she indeed uses that mode too much or too little. Noting that the separated look at the percentiles and ignorance of other important aspects deciding whether high or low modes are actually necessary for the specific situation may cause the inappropriate sense of the percentile scores.

The appropriate usage of percentile is that initial focus attention should be paid for the percentile score and closer look into reasons causing the over/under-usage of the mode should be succeeding.

2.5 Vietnam with key work ethics

In this section, Vietnam, the country base of both the team members and the projects Ruby team have worked on, will be investigated in the sense of work ethic and cultural dimensions using the Cross-cultural theories and cultural & socioeconomic factors affecting entrepreneurship growth in Vietnam.

Furthermore, the cross-cultural analyses used in this thesis are based on the understanding of the author regarding the cross-cultural dimensions from Hofstede (Hofstede 1980, 211-216).

2.5.1 Analyzing Vietnamese work ethic with cross-cultural theories

In general, according to Hofstede, South East Asian countries are expected to earn high scores in power distance dimension, collectivism and long-term orientation, low in uncertainty avoidance dimension and masculinity / femininity (Hofstede 1980, 211-216). In particular,

Hofstede has developed the 5th dimension, resulted from his further development for Asia-based cultures. This 5th dimension, long-term/ short-term orientation is introduced to indicate the patience and insistence in reaching long-term goals or the expectation on fast return of contribution. The following figure (Figure 1) introduces further explanation and analysis of Vietnam through the lens of this model. (The Hofstede Centre, 2013)

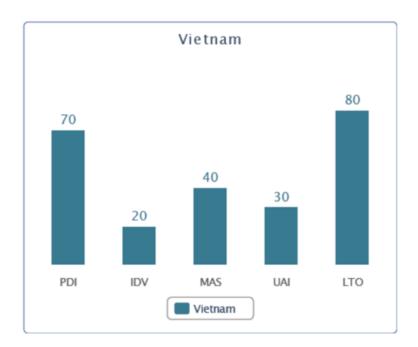


Figure 1 Vietnamese culture through the 5-dimension model (The Hofstede Centre, 2013) (PDI: Power Distance, IDV: Individualism, MAS: Masculinity/ Feminity, UAI: Uncertainty Avoidance, LTO: Long-term Orientation)

Power distance

This dimension records the level to which a culture model is willing to accept the inequality between individuals and their distribution of power and social recognition in any organization or institution. The country obtaining high scores in Power Distance is expected to have higher accepting attitudes among the less powerful members of the society and classes regarding the unequal power distribution.

Vietnam, scoring 70 in this dimension, means that there is large proportion of people in the country accepting the hierarchical arrangement in the society. In families of Vietnam, both parents and children accept the orders where bring up their children in an obedient manner. In working place, status symbols are widely accepted and employees receive orders and detailed instructions for their task completion. In the society, the people have tendency to cen-

tralization, worshiping the individuals or groups of people owning the standard initiatives. Challenges and doubts against the leadership roles are not welcomed and well-received.

Individualism

The key issue of this dimension is whether the people's self-identification is defined in terms of "I" or "We", with which the identity of an individual is built in a stable social network which he/ she belongs to or in his/her own self. Culture, in which people are expected to be looked after by their extended families and when reaching maturity and independence, family members are expected to express full loyalty to the families, is considered as collectivistic.

Vietnam, scoring 20, shows itself to be collectivistic. The work ethic within organization tends to focus on the relationships between members. Long-term commitment is expected at the member of the group or organization and considered as indicators of loyalty, of paramount importance in nearly all societal rules and regulations. In Vietnam society, each individual has the responsibility to take care of both societal and individual issues of members of their group. Also in this collectivistic society, differences and offence leads to loss of faces of both the individual and the group where he/she belongs. Management is the management of the whole teams/ groups.

Masculinity / Femininity

Masculinity states that crucial cultural values are career and financial success and the social positions and classes of the job. The main features indicating masculinity are competition, achievement and success, which form the definition of the best in fields. On the other hand, femininity is recorded by the values of caring between people and the preservation of the traditions and historical values. Feminine society maintains the factors from persons and mutual relationships, neglect the standing out of individual, and high living standards and sufficiency are considered signs of success. The key to differentiate between a feminine and a masculine society is whether what motivates people (masculine) or liking what you do (feminine) is considered as the most fundamental.

Vietnam, scoring 40, is hence a feminine society, where working is to live and managers use their intuition and look for the widely-approved solution. Equality and solidarity from inside the group is highly important. In Vietnam, conflicts are resolved by compromise and negotiation. Mutual individual ties are welcomed and recognized in Vietnam society. Relationships are key crucial elements in the work ethic. Effective managers or leaders are supposed to be supportive and decision making is achieved through involvement.

Uncertainty avoidance

Uncertainty Avoidance dimension deals with how a society of a culture takes the risk existence and the unclear future. Whether the future should be controlled and uncertainty is a potential trigger to be avoided or uncertainty is part of the future indicates the scoring of the society in this dimension. The extent to which the members feel threatened or un-worried about the risk-taking creates the intuition for avoidance or acceptance of uncertainty within the society.

Vietnam, scoring 30, obtains low uncertainty avoidance. In Vietnam society, time is understood as a framework which has certain flexibility, and is not a strict structure. The key point of life is to enjoy every day, not to contribute hard-working if not necessary. Punctuality and precision is expected to be acquired, and not considered as key positive important characteristics. Due to the acceptance of uncertainty and the relaxing attitude towards risk-taking actions, Vietnamese people have average tolerance towards innovative thinking, such as start-up business or creative ideas.

Long term orientation

This dimension shows whether a society is future-oriented or conventional historical short-term oriented. Individuals from long-term oriented country tend to engage in more patience and insistence in reaching and fulfill the goals. They have longer plans of savings for the more long-term investment of life.

Vietnam, scoring 80, orientates in long term goals. The high scoring in this dimension shows the high adaptability of Vietnam towards the modern context and changes. Vietnamese people possess high level of pragmatism, focusing on the results more than the process of doing things, with which achievement of goals are far more important than the separate success along the progress. Vietnamese people are believed to be persevering with goal fulfillment and subordinate roles are acceptable in cases when subordinating one own self can help maintaining the results of the process, for the long-term perspectives.

2.5.2 Cultural & socioeconomic factors affecting entrepreneurship growth in Vietnam

The transitional stage of Vietnam economy highlighted the importance of entrepreneurs in the national economic contribution. Entrepreneurship enriches the job market and the investment competitiveness of the economy (Vuong& Tran 2009, 56). Until March 2009, there had been approximately 349,000 SMEs. It has been (Vuong 2007) pointed out entrepreneurship as the significant driver of the economy growth.

Particularly, the Vietnamese economic reform after nationwide independence in 1986, namely DoiMoi (Vuong 2007), has given way to the transition towards market-oriented model, where entrepreneurship and private enterprise became officially recognized as an important economic contribution.

However, despite the development and openness of the economy since the transition, the entrepreneurship in Vietnam from 1986 till recent years is still influenced greatly by the socioeconomic factors from the prewar, war and postwar years. Firstly, the historical factor coming from the Chinese-originated Confucianism has the huge impacts on the characteristics of Vietnamese entrepreneurship in the period from 1986 till recently.

Confucianism, the teachings of Confucius during 500 BC in Chinese, strongly put accent on three important indicators of all social rules and regulations, including Mercy, Social order and Fulfillment of Responsibilities (Stanford School of Medicine, 2013). These indicators help guiding the actions and beliefs of different individuals and institutions within Great China and its colonies as well. The fact that Vietnam has been under the colonization of Chinese empires more than once during the former historical stages have affirmed the influences of Confucianism on Vietnam cultural dimensions and standards.

To be more detailed, this cultural reflection highlighted the mercy and favoritism towards poorer class, at the price of richer class in the society. Economic freedom, the key essence for continuous growth and development of an economy, among of which indicators is the guarantee for private ownership, is restricted by the income redistribution in the society led by this cultural set of values (Vuong& Tran 2009, 61).

Moreover, according to Confucianism, the least preferred choice of career is entrepreneurship, or in other words, the social structure namely "Si, nong, cong, thuong" (Four occupations) marking the lines between the four hierarchic social distinctions, states entrepreneurship, the lowest social class originating from the perspective that traders produce no real products but gain profits from others' creations. This structure nowadays has been mostly disappeared throughout the civilized classes of Vietnam, and remained only in rural areas. However, due to the mass dependence of agriculture of Vietnam economy, the majority of population is not in urban places (30% of population is urban) (The World Fact Book, 2013). Therefore, generally, the four occupation social structure still has relative cultural impacts on the majority of population in Vietnam, which creates a relative bias on business people and entrepreneurs. Private entrepreneurship, consequently, has not been a choice but the only option for those in the society that did not stand chance to follow academic, political or agricultural directions (the other three operation choices) (Vuong& Tran 2009, 62). Ergo, the

choice of younger generation to open businesses usually meets the unsupported argument from elder generation, who hold onto beliefs that entrepreneurship arouses bad reputation on social images of both the subjected individuals but also their families. Together with the high scoring in collectivism (section 3.2), the lack of support from families may lead to further intervention against the foundation of the businesses and consequently, the unnecessary pressure upon the founding members.

Secondly, the relationship-based mechanism underlying the economy affects the decision-making scope of the entrepreneurs, in terms of outsourcing and searches of external resources. Relationship in Vietnam entrepreneurship refers to different social facets between individuals, not limited within the work-related issues (Vuong& Tran 2009, 73). Prior relationships affect the decision-making process of the owners in different operational aspects of the enterprise, including supply chain, outsourcing, partnership and recruitment. Different from the relationship factor in Western economies, where work done is more important than the relationship, prior relationships can affect the initial attitudes and the decisions as well.

Thirdly, entrepreneurship in Vietnam is affected remarkably by the collectivism cultural dimension and the intuition-base business ethics. The collectivism effect is regarding the decision-making process of the founding members towards the differentiation avoidance in the market. Enterprises in the market tend to be reluctant to being too different and innovative from the competitors. Vietnam has the high scoring in collectivism, which explains the unwillingness to differences among the publicity. To be different and innovative is tolerable but not encouraging in Vietnam society (section 3.1). Therefore, the strong differentiation from the other competitors in the market may lead to notorious and negative public images and branding. However, the recent young entrepreneurship earns certain improvement towards this effect of collectivism, which will be further discussed later in this section.

In terms of intuition-base business ethics, most entrepreneurs in Vietnam after DoiMoi (1986) are from the lower class of the society. They do not have chances to acquire professional business knowledge and turn their business to a more knowledge-base model. Their operation and leadership within the business is mainly based on their own experiences and intuition. This style of operation may lead to conflicts between generation of employees and leadership knowledge within the organization. Business education has not been popular in Vietnam and Vietnam's education system until the early 1990s. This fact resulted that the younger generation inheriting more internationalized educational backgrounds from outside the country also "lacks the right determination and appropriate world outlook" due to the initial perspective framework formed during their basic education in Vietnam (Vuong& Tran 2009, 75).

2.6 Cluster insights

In this thesis, two empirical projects will be taken into consideration throughout the research. Therefore, in this section, insights into the two clusters, in which the projects worked, will be introduced in the form of Porter's diamond.

The first cluster to be discussed is Event Box Gift Service, the service through which delivers gift boxes containing necessary elements for a home-organized event for special occasions, particularly for couples and beloved personal relationships. The figure below discusses further the cluster.

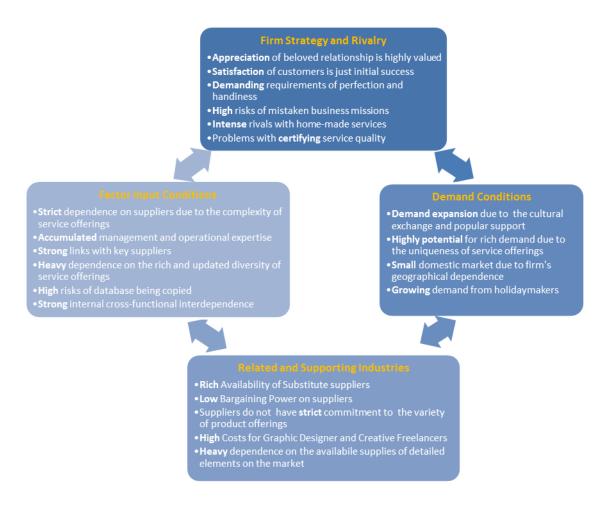


Figure 2 Event box gift service \cluster analysis

The other cluster is 2nd hand Clothing & Accessories Shop base, the service provider through which delivers clothing and accessory products for customers, who love unique and fashionable handmade ready-to-wear apparel and accessories from 2nd hand items. The figure below discusses further on the cluster.

Firm Strategy and Rivalry • Customer Relationship is Key success factor. • Customer Appreciation for post purchase is Key competitiveness. • Monopolistic Competition, price setting is independent • Customers are both **price sensitive** and, depending on customer segments. • Competition is harsh • Gaining the rich number of regular customers is highly crucial. **Demand Conditions Factor Input Conditions** •High demand due to high needs •Various choices of intermediate suppliers • Easy to extand the market due to online •Specilalized Management Expertise •Low Complexity in Management Style •Bound to domestic market due to •High depenence on Customer-related skills geographical dependence •Low dependence on infrastructure •Flexible to outsource **Related and Supporting Industries** •Variety of intermediate suppliers from wholesale markets •Low costs for raw materials •Bargaining powers depend on the size and uniqueness of products •The quality of products depend on the material availability of high-quality suppliers

Figure 3 2nd hand Clothing & accessories shop base cluster analysis

3 Research approach

The following figure (Table 7) summarizes key features of the research approach in this thesis, going through five different stages.



- Research Questions: How should any type of procedures be built to identify, conflicts at early stages and control the healthiness of working environment to reduce unhealthy conflicts?
- The purpose of the study
- · What kinds of findings are expected?



- •Exploratory Research Design
- Qualitative Research Methodology
- Objectives
- Uncertainty Limitations

Research Approach & Methods

Research Design

- •Intensive Case Study Research, (Eriksson & Kovalainen 2008, 118)
- Thick description of two specific cases
- •The research process is flexible towards refocusing of the case and shifts in research interests.

- Existing Empirical Data
- Minutes of meetings
- Letters
- Agendas
- Digital Materials
- •Feedback Letters from other projects



Secondary

Research

- In-Depth Interviews contains open-ended questions:
- •Operational Issues
- Work Efficiency
- Autonomy
- •Conflict Management in Team
- •Suggestion for Improvement

Analysis

- •Inductive-oriented strategy of case analysis
- •Using sentitizing concepts with abductive logic (Eriksson &Kovalainen 2008, 129)
- Starting with within-case analysis, following by cross-case analysis (Eriksson & Kovalainen 2008, 130)
- •Pattern-matching technique by Yin (2002, 116-137)

Table 7 Research methodology

3.1 Research design

The choice of Research Type is based mainly on the basis and nature of the research problem. The previous section introduced the research question, which was in need of detailed interpretation on the case and focusing on the perspectives, conceptions, experiences and sensemaking processes of the people involved in the study (Eriksson &Kovalainen 2008, 120).

Therefore, the compatible research type for this thesis study should be exploratory research; for the thesis does not target at exploring solutions to the ongoing conflicts of the case team but at the backgrounds reasoning the conflicts, based on which the study aims to build a type of procedures to identify conflicts during their first occurrence and healthy working environment building. And if possible, the study's objectives are also to explore factual suggestions to improve working environment to reduce unhealthy conflicts.

Exploratory research is characterized by a flexible and evolving approach in order to understand market phenomena that are inherently difficult to measure (Malhotra & Birks 2007, 69). The primary objective of exploratory research is to reach a better understanding of the research problem. It is also used in cases where the problem has to be defined more precisely, to identify a relevant course of action or to gain additional insights.

The featured characteristics of exploratory research are the flexibility, the versatility and the open findings allowing further researches into the topic. In coherence with these characteristics, the fact that exploratory design contains high uncertainty influences should be considered. Acknowledging this fact, the author refers certain limitations to the expected findings of the research in advance (Section 1.4)

After deciding the type of research study, the decision between quantitative research and qualitative research methodologies should be considered. Quantitative research methodology is suitable when there have been previous studies regarding the given topics. Moreover, quantitative research cannot be designed to understand the reality through interpretation of cultural and social meanings. They deal with explanations, testing of hypothesis and statistical analysis. On the other hand, qualitative research methodology is concerned with interpretation and understanding through collection of data and analysis aiming at a holistic understanding of the issues (Eriksson &Kovalainen 2008, 5).

This study uses qualitative methodology, with inductive approach. The topic is little known without clear explanations and detailed reasoning; more ethnographic observation and indepth interviews are scheduled. Open ended questions are designed within the interviews.

Reasoning from the observed cases is widened to certain claims about the issues and induction runs from particular empirical materials to more general claims and suggestions (Eriksson & Kovalainen 2008, 306).

3.2 Research approach & methods

There are several approaches within qualitative research methodology. Among them, case study approach is most suitable with the backgrounds, the purpose and availability of empirical data of the study. The case, in any case study research is the most central feature of the study, of which the research question is towards the understanding and interpretation of the case economically, socially and culturally (Eriksson & Kovalainen 2008, 115). And as stated in the introduction of the thesis, case study approach will be used to achieve the thesis purposes and objectives.

Thick and contextualized description (Eriksson & Kovalainen 2008, 120), the description whose purpose is to provide an interpretation that makes the meanings clear, of the cases and their contextual characteristics will be focused in this thesis. To be more exact, the study will examine the contextualized logics in the empirical data in order to formulate different backgrounds for the conflict occurrence, intensification, identification and transformation.

Two cases will be described and analyzed during this thesis study. Each case is about one of the projects the examined Team has worked on. The first case is the project within Event Box Gift Service Sector, where project team prepared to launch different service packages for customers to order as planned event kit set, in the form of gift box, for their beloved on special occasions. The second case is about the project within 2nd hand Clothing & Accessories Shop Base, where project team organized an online-based shop to sell different apparels and accessories refashioned from secondhand clothing. Further backgrounds and description of the cases will be mentioned in the following sections.

3.3 Secondary and primary research

As a case study researcher, the author has rights and access to various empirical data collected during the time working in the projects. Besides, the author has contacted the team members for access and permission to use the empirical data for study usage. There are several empirical data to be used as secondary research for the study. Other sources than in-depth interviews, primary research, are better for usage as evidences.

The existing empirical data including minutes of meetings, business letters, meeting agendas, digital assets (websites, social networks and public shared materials), and feedback letters

from other projects are considered as secondary research data for the study. Due to the poor quality of information and fitness to the research area, the secondary research will be conducted with quantitative methods. However, due to the low flexibility and low flow of information within these data, the primary research is also carried out in order to have the rich analysis of the case.

The primary research of the study will be conducted in the form of several in-depth interviews with team members and some key accounts and partners of the projects, together with different framed tests.

Indepth interview is a direct, unstructured personal interview in which a participant is probed by the interviewer to uncover underlying feelings, attitudes, beliefs and motivations. Normally this is carried out in a Face to Face interview situation, but with some modifications, during this study, interviews are conducted with online phone calls. The in-depth interviews are semi structured, with open-ended questions and following focuses:

- Operational Issues
- Work Efficiency
- Autonomy
- Conflict Management in Team
- Suggestion for Improvement

3.4 Analysis

The analysis of the study is with inductive-oriented strategy, which is based on the development of the case description, which would then form the basis for emerging research questions (Eriksson & Kovalainen 2008, 129). This strategy emphasizes on the patterns, underlying meanings and categories found from the empirical data collection, not from the theoretical framework, and the research question, during the research process with this strategy, is redefined and reformulated. Therefore, the analysis of the research will be based on the answers of the interviewees and the existing empirical data in order to formulate patterns and understand underlying meanings from their beliefs, motivation and understanding.

Although the analysis of the case is not based on the theoretical framework but on the findings from empirical data, the concepts used in the analysis are based on the sentizing logics. In this thesis, the concepts used will be discussed in section 2 and 3, where different theories are used as references to analyze the central organizing features of empirical data with abductive logic (Eriksson & Kovalainen 2008, 129).

Due to the choice of research approach to be intensive case study approach, with two cases to be investigated, the analysis of the research will be started with within-case analysis, in which the case will be analyzed separately in order to put the case in the surroundings of its backgrounds including time bounds, business fields, project description and other boundaries. After that, the cross-case analysis will entail comparisons between the cases, in order to take closer look into the similarities and differences between the findings and link the empirical patterns. In order to link the patterns between the cases, the pattern-matching analytic technique is used as the main technique to find the patterns from empirical data and compare them with the pre-developed prepositions on the basis of existing theory (Eriksson & Kovalainen 2008, 130).

4 Empirical study

4.1 Case organization: Ruby team

In this section, empirical studies about the start-up team Ruby will be discussed. The structure of the section includes the social and psychological background profile of the team members, the overview about the projects taken as empirical backgrounds for this thesis, the analysis of empirical data, consisting of secondary and primary data, the suggested initial conflict transformation procedures and the failure risks of the suggested procedures.

Throughout this chapter of thesis, there will be numbers of sub-summary, which will be important factors affecting the key suggestions for development, as the initial basis for the conflict transformation procedures. Therefore, in order to understand logics of the suggestions, sub-summaries should be taken into consideration.

4.1.1 Ruby team profile

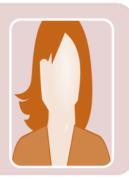
Ruby team is the team the thesis studies. The team originally consists of four members, at the age range of 20-23. The founder was Ms. Do, with the initial business ideas and the prior relationship base and working experience with the other three members. The co-founder was Mr. Nguyen, with the prior relationship with Ms. Do and no prior working experience and impression on the other two members. The two other members are Ms. Vuong and Mr. Ngo, who have only the prior personal relationship with Ms. Do in common.

The following figure (Figure 4) shows the basic information about academic and relational backgrounds of the four members.









Mr. Ngo

- •22 years old
- Major: Finance, Accounting
- Senior student
- •No experience in Entrepreneurship
- Personal and Workrelated Prior
 Relationship with Ms.
- •No prior relationship and trust base for Nguyen and Vuong
- •Former experience in Event Management and Financial Management

Mr. Nguyen

- •23 years old
- Major: IT, Business Management
- Senior student
- Fair experience in Freelance and Entrepreneurship
- Personal and Workrelated Prior
 Relationship with
 Ms. Do
- No prior relationship and trust base for Ngo and Vuong
- Former experience in Administration Management

Ms. Do

- •22 years old
- Major: Marketing, Innovative Thinking, Business
 Management
- Management
 Senior Student
- Fair experience in Freelance and Entrepreneurship
- •Idea generator
- Personal and Workrelated with all members
- Former experience in Marketing and Creative Management

Ms. Vuong

- 20 years old
- Major: Engineer Management, Customer Relationship
- Sophomore Student
- •No experience in
- Personal and Work related Prior Relationship with Ms. Do
- No prior relationship and trust base for Nguyen and Ngo.
- Former experience in Sales and Teaching.

Figure 1 Ruby team brief profile

As figure 4 shows, there is no basic relationship between the other three members and the only common tie between members is the prior relationship with Ms. Do. Or in other words, the decision on whether the team should be founded between these four members was mainly based on the trust for Ms. Do, her own characteristics, each person's own experiences in working with her and the trustworthiness of her recommendation.

On the other hand, the power distance between Ms. Do and the other three members had tendency to intensify more after the team has been founded, due to her prior relationship advantages, the low mutual trust between members, her fair experience in Entrepreneurship and Freelance, and her role in idea generation. It was believed among members that Do had more power to decide the direction and detailed goal-setting and objective-designing process of the projects, since she took the role of the only member understanding most about both project and the team. However, whether this logic of thinking occurred due to the lack of mutual relationship or due to the lack of preparation stages, at which members are trained to work together and build up mutual trust, or due to the logic of thinking regarding relationship base of Vietnam cultures will be tested in the next sections.

Hence, after the general look at the four members' brief relational and academic backgrounds, there has given chance to guide the research into new direction.

SUB-SUMMARY 1

The initial power distance between founder and co-founders was influenced by the lack of prior mutual relationship and initial trust base between members, the lack of preparation stages, at which members are provided with training and practices to build up mutual trust, and the work ethics regarding the importance of relationship base in Vietnam culture. The further analysis will be continued in section 4.4.4

4.1.2 Enneagram analysis of Ruby team members

Enneagram is the complex model of typology, used for different approaches. Among them is psychological approach, via which helps users in orientation, provide them with the most basic but important information about an individual by reducing them to symbols.

Enneagram is an ancient tool for personality classification, of which display is a close circle including nine equidistant points linked to each other by intersecting line, representing nine different types of Enneagram (Hofstadler 2011, 35).

Enneagram works with the perception and defense of each type that each individual has earned for his/her self from the first day of existence. Type refers to a set of behaviors ad values, with which positive and negative ways of dealing with life exist. Enneagram typology recorded that each individual has been brought out of their perfect balance receiving unconditional love, care and nutrition without any tension and worry of losing it from the day he/she was born. The process of type possession reflects how each individual makes sense of the worlds and how he/she takes action to the changes in order to gain the most of conditional positive expression and emotions occurred around (Hofstadler 2011, 35). The type is considered as the limitation of each individual, since he/she possesses the type during the long process of earning maturity and bound his/ her to the limits and strength of each type. During the time of type possessing and developing, under extremely difficult situation, namely stress points, at which the normal set of values and behavioral patterns do not work, strange reactions take place, resulting from the reference to completely different set of behaviors. Then, the maturity, in terms of Enneagram, means the realization of both disadvantages and advantages of each type and start working on to define the individual style of each life, by grabbing chance for further development to overcome the difficulties and expand the possibility for dealing with life (Hofstadler 2011, 32).

In order to study Enneagram and apply this typology technique psychologically, the usage and understanding of Enneagram circle should be ensured (Picture 2). Each type is attached to a stress-point under which the person tends to express the discomfort in the extremely negative ways belonging to the type the arrow directing to. On the other hand, chance for further development of a type reflects to the learning process of that type about the strongly positive ways of dealing with life from the type the arrow reversely directs to (Hofstadler 2011, 35-36).



Picture 2 Enneagram circle (The Enneagram in Business, 2013)

In order to confirm whether an individual owns this type but not the other types, a questionnaire of sixty questions including sixty statements about him/ her in significant cases should be taken and the results will be analyzed based on whether the participant evaluates the statement to be appropriate or inappropriate about his/ herself. In order to evaluate one's own type, the most effective way to figure out without sitting the test is to leave out all the types, which incompatibility with his/ her own self can be described clearly and completely. Any type in Enneagram typology is presented in the similar structures, which consists of five main terms, motto, basic anxiety, the trap, strength & weakness, and wings. There are nine types, reflected with nine points on the circle. The motto defines the main set of values, the order of hierarchal values and the answer to the question what a person cares most in his/ her life. Meanwhile, while focusing on these values, motto, of his/ her life, an individual tends to fall into **the trap**, to overestimate certain values, lose different possibilities due to this overestimation and cause various unnecessary troubles. Next, **Basic anxiety** is considered as the "fuel" (Hofstadler 2011, 35) driving the behavioral patterns an individual use to get rid of this anxiety. **Wings** are the **less dominant** set of behavioral patterns, which the individual inherits from the neighboring types in order to build the better public or social image of his/ her. These wings can "either enforce the patterns of the type or diminish certain aspects of this personality", Hofstadler stated (Hofstadler 2011, 34). Lastly, **strength and weakness** is the combination of different behavioral patterns, which can be used for an individual to reflect on him/herself and identify his/ her type.

With the above basic information to use Enneagram Typology Technique, the following figure provides the overview of the nine types and the main characteristics of each type (Kale & Shrivastava 2003, 308-328)

Гуре	Characteristics	Managerial orientation	Strengths	Weaknesses
One: Reformer, Perfectionist, Idealist	Wise realist, Reasonable, A principled teacher	By the book, Leads by example, High standards	Idealism, Reasonableness, Objectivity	Intolerance, Obsessiveness, Punitiveness
<i>Two</i> : Helper, Giver, Mentor	Disinterested altruist, Caring, Nurturing, Helper	Cheerleader, Appreciators, Management by encouraging others	Disinterestedness, Empathy, Generosity	Manipulation, Coercion, Feeling victimized
<i>Three</i> : Motivator, Performer, Producer	Authentic, Self-assured person, Outstanding paragon	Task oriented, Belief in meritocracy, High profile, Autocratic	Inner-directed, Adaptability, Ambitious	Opportunism, Duplicity, Vindictiveness
Four: Artist, Romantic, Innovator	Inspired creator, Self-aware, Intuitive, Self-revealing	Intuitive, Bold, uncompromising	Creativity, Self- awareness, Individualist	Self-inhibition, Self- torment, Self- destructiveness
<i>Five</i> : Thinker, Observer, Sage	Pioneering visionary, Perceptive, Knowledgeable	Philosophical, Well-informed, Detached	Understanding, Involvement, Expertise	Rejection, Distortion, Derangement
Six: Loyalist, Trooper, Partner	Self-affirming, Engaging, Committed loyalist	Reckless, Protective of inner circle, Ally	Self-affirmation, Engagement, Cooperation	Inferiority, Over-reaction, Masochism
Seven: Generalist, Visionary, Futurist	Ecstatic appreciator, Enthusiastic, Accomplished generalist	Management by juggling, Walking around and networking	Gratitude, Enthusiasm, Productiveness	Dissipation, Compulsiveness, Gluttony
Eight: Leader, Advocate, Boss	Magnanimous hero, Self- confident, Constructive	Autocratic, Blunt, Confrontational	Self-restraint, Self-confidence, Influential	Ruthlessness, Recklessness, Destructiveness
<i>Nine</i> : Peacemaker, Mediator, Diplomat	Self-possessed, Receptive, Supportive peacemaker	Participatory, Inclusive, Sharing-orientation	Autonomy, Non- aggressiveness, Supportive	Neglect, Dissociation, Self-abandonment

Figure 2 Nine Enneagram type, (Kale & Shrivastava 2003, 308-328)

Enneagram analysis of Ruby team

Following is the Enneagram profile analyzing the four members of Ruby team. The interpretation of the profile will be discussed later in the section.

Mr. Ngo

- Type 5: Observer
- Wing: Type 4-Individualism
- Tend to inherit under stress point: Type 7,
- Basic Anxiety: "If I do not keep distance, I will be vulnerable and overwhelmed by feelings"
- Chance of further development: Type 8-
- Strength
- ood analytical abilities
- · Calm, even in difficult situations
- Tolerant, polite, and organizedBeing different is important

- Easily anxious when confronted with feelings
- Afraid of strong human ties
- Appear to be cold and unemotional
- Harsh in critism, yet, rarely criticize

Mr. Nguyen

- •Type 4: Individualism
- Wing: Type 3- High Performer
- Tend to inherit under stress point: Type 2- Helper
- Basic Anxiety: "The fear of being underestimated, banality and normality'
- Chance of further development: Type 1, Perfectionist
- Strength
- Interesting to talk with
- Have a lot of charisma, charm and success.
- Rich intuition and sensitivity
- Problems have to be solved!
- Intensive feelings, both in positive and negative situations
- Creative
- Weakness
 - Easily bored and depressed
- High sophistication
- Detest simplicity
- When failing, tend to be jealous and envious
- Lack of logical thinking, intuition-based in work related issues
- Image, status and the image of success are important

Ms. Do

- •Type 4: Individualism
- •Wing: 5, Observer
- •Tend to inherit under stress point: Type 2- Helper
- Basic Anxiety: "The fear of being underestimated, banality and normality
- Chance of further development: Type 1,
- Strength
- Interesting to talk with
- Have a lot of charisma, charm and success.
- Rich intuition and sensitivity
- Problems have to be solved!
- Intensive feelings, both in positive and negative situations
- Creative
- Good analytical abilities
- Weakness
- High sophistication
- Detest simplicity
- When failing, tend to be jealous and envious
- Lack of logical thinking, intuition-based in work related issues
- Image, status and the image of success are important

Ms. Vuong

- •Type 9: Peace Keeper
- •Wing: No wing
- •Tend to inherit under stress point: Type 6- Loyal Companion
- Basic Anxiety: "I am anxious not to be separated from people, things and habits which I have
- Chance of further develoment: Type 3-High
- Calm. open-minded and peaceful
- Have a lot of empathy and diplomacy
- Persistent occasionally
- Weakness
- Lack of drive
- Avoid conflicts, even when conflicts are
- When problems occur, tend to hide and withdraw
- Tend to subordinate herself
- Indecisive

Figure 3 Enneagram analysis of Ruby team

Testing procedures

Each member of the team has been asked to take part in the questionnaire offered by SimilarMinds, a resource for personality and psychology test managed by Tim Flynn. All the tests at SimilarMinds are introduced after scientific measurement basis to ensure test validity and test questions to measure what they are intended to (SimilarMinds, N.D).

The questionnaire contains widely recognized structure of sixty questions. Each of the questions is a statement regarding the inner mind structuring of the participant. Depending on how appropriate or inappropriate the participant evaluates about the statement, the answers explain the process of type building of the participant.

The result reveals the list of matching percentage of the participant type and the Enneagram type. The type that accounts highest percentage is believed to be the dominant type of the participant, which drives most of the actions and choices in both his/ her daily life and his/ her answers to the test questions. The second dominant type, if presented itself next to the main type on the Enneagram circle, is believed to be his / her Wings. Other less dominant types are recorded as the process of learning and adapting the environment surrounding his/ her participant.

Interpretation of result

The following analysis is not based solely on the Enneagram knowledge or on the factual evidence. It is based on the combination of the theories, the factual experiences of the author and the objective understanding of the author toward the personalities of team members. The structure of the analysis will be as following:

- comparisons of centers and groups that each team member's main type belongs
- the side effects from Wings
- answering the question if the team members were compatible, in terms of Enneagram types

In Enneagram studies, there are different ways to group the nine types. The grouping can be based on the common assets and liabilities among the types or on the common fundamental way that their personality types defend against loss and disappointment. These groupings are essentials to study the compatibility of combinative pairs or groups, particularly in conflict resolution (Enneagram Institute, N.D).

The four team members own the personality types from exactly three different groups of Enneagram types, on either ground. The first ground is based on the common strength and liabilities between the nine types. This ground categorized the nine types into three centers with three different dominant emotions, the Thinking Center with Anxiety, the Instinctive Center with Anger and the Feeling Center with Shame (Enneagram Institute, N.D). The further analysis is based on all the information given by Figure 6.

Center comparison

Mr.Ngo, with dominant type 5, has the strong anxiety about what happens around him and whether he has sufficient capacity to cope with it. Therefore, the dominant feelings in his work ethics are fears, which in most cases can be mistaken with criticism by frequent withdrawals. Moreover, the normal reaction of him, in terms of problems, is that he becomes secretive and isolated and easily judges the co-workers about their unrealism, due to his constant worries that the team does not understand the reality on their own terms. His type belongs to the group of the Thinkers, owning the dominant feelings of Anxiety.

To the similar extent, Mr.Nguyen and Ms.Do, with dominant type 4, fear of losing their uniqueness and particular talents, their views in life and personal characteristics. They are in Feeling center .Therefore, while working, they have tendency to protect their own views and rarely accept the adaptation of their own opinions, due to their strong highlights on the preservation of their personality and creativity, as a way of dealing with their Shames from inner selves. They are ashamed that without the appearance and images built from their uniqueness, their off-show of knowledge and competences, and their talents, they might lose their self-confidence and extraordinary. Consequently, in most cases, they manage the Shame by requesting freedom and their own spaces for decision-making in the scope of work.

On the other hand, Ms. Vuong, with type 9, has strong reliance on Instinctive center. In tempered occasions, she has tendency to avoid the expression of her Anger and instinctual reactions by denying it as her natural reactions. Therefore, the dominant feeling in her work ethics is denial anger. She tries her best to stay calm, keep the harmony and is scared of show out her anger. As a consequence, in conflicts, she tries not to confront the situations, and stay subordinate in order to get rid of the existence of anger and instinctual energies. She also gets angry but tries not to face the feelings by focusing on idealizations of her relationships. The idealization is neither about the issues themselves nor about the solutions. The second ground to group the nine types is based on the common fundamental way that their type defends against loss and disappointment. With this ground, the nine types are grouped into Three Harmonic Groups, indicating how each type copes when not getting what he/ she wants. The groups contain Positive Outlook Group, Competency Group and Emotional Intensity Group (Enneagram Institute, N.D).

Group comparison

Mr.Ngo, with dominant type 5, stands the ability to put aside personal emotions towards the other members and be objective, effective and competent. He tries to solve the problems logically and only expect the similar actions from the other members. He has issues related to working within the structured system, due to the anxiety of being limited from doing what he likes to do. This attitude mostly evolves from the relationship with the family (Enneagram Institute, N.D). He finds it difficult to measure the level of freedom, level of commitment, and level of dependency between him and the system or the project progress. He tends to operate outside the rules and restrictions. Therefore, while working, he has difficulties in getting along well with the rest of the team, particularly in social relationships. He finds himself not willing to build up strong social relationships with the team members and only willing towards work-related issues, owing to his consideration these activities as untold regulations. He belongs to Competency Group.

Meanwhile, Mr. Nguyen and Ms. Do, with dominant type 4, tend to react emotionally to conflicts and have difficulties trusting people reasonably. They expect the emotional response of other team members to be as much as theirs and their concerns. They have strong impression and often express them strongly via work. Therefore, in conflicts, they have to control their feelings and affirm their states of mind. This affirmation will ease and shorten the process of conflict resolution, without which no agreement and solution can be reached between them and the rest. They have difficulty balancing the search for respect and support by others and the need for independence and self-determination. Therefore, they tend to listen to advices, but only to direct the feedbacks towards the more supportive stands. They belong to Emotional Intensity Group (Enneagram Institute, N.D).

On the other hand, Ms. Vuong, with type 9, has tendency to recede the disappointment into more positive levels, as much as the positive attitude remains. She, in most cases, looks at the bright side of issues occurred and tries to emphasize the uplifting aspects of life (Enneagram Institute, N.D). Therefore, in conflict resolution, she, in most cases, choose to avoid conflicts and have difficulty facing the underlying facts of the situation. In fact, she tends to delay the decision if possible, in order to find different choices, at which she does not have to accept the underlying facts directly. It is because her idealization of the surrounding environment threatens the existence of these facts. She also has trouble with balancing her needs and the needs of the team, both work-related and personally. She belongs to Positive Outlook Group.

Side effects of wings and level of development

Mr. Ngo: Type 5 Wing 4, Low

Mr. Ngo has the dominant type 5 and the 4-Wing. This develops the analytical working style but at the same time allows space for self-consciousness. Therefore, unlike the original type 5, he tends to intensify the feelings more in work, despite the small amount of emotion allowed. As a consequence, as soon as the inner tension level is up, owing to the conflicts with team members, his withdrawal from task completion is more likely.

However, he has fair balances between intuition and knowledge, sensitivity and investigation (Personality Cafe, 2010). He is able to concentrate on his work and ideas, but, to relative degree, he is emotionally vulnerable, which prevents him from achieving the tasks as wished. Beside work, he prefers to a place for himself where there is little to no social involvement. This leads to the distance and relational gap between him and the other members. In particular, the other two members, Ms. Do and Mr. Nguyen, may find him less cooperative, owing to their attitude-based commitment building and social relationship ties.

Towards conflicts, due to the effects of the 4-Wing, he is more tolerant towards emotions. However, the dominant leading from type 5 does not allow the more thorough understanding of inner emotions, which results in dramatization. The degree of dramatization depends on the state of his being in the way, which the unhealthier it is, the more likely he withdraws with severe misunderstanding and compulsiveness (Personality Café, 2010).

When problems occur, he tends to **analyze intellectually** based on his former experiences. However, he manages to solve the problem with appropriate sets of skills and tools only when he is **in good mood** and balanced state of mind.

In his own case, he is at **low level of further development**. Stating from his test result (Ngo, Online Test), there is only **30%** of his personality indicating his development toward the **8-type**'s power and leadership and **1-type**'s intuitive wisdom. He grabbed little chance of further development.

To sum up, his personality is the combination of the intellectual knowledge and experience achievements, led by his main type 5, and the building of inner tension, passionate emotional reliance and individualism by his 4-Wing, together with very low level of strong leadership and power roles learned from type 8, and greatly low intuitive wisdom and reasonability from type 1.

Mr. Nguyen: Type 4 Wing 3, Low

Mr. Nguyen has dominant type 4 with Wing 3. Therefore, his personality is the extreme combination of extroversion and introversion. In work-related issues, he finds it difficult to stay calm when emotions arise. Therefore, in conflict resolution, particularly when his emo-

tions become **overwhelmed**, he tends to choose **cooperative handling styles**. (Personality Café, 2013).

Moreover, depending on the personal state of mind and emotional balance, he can be more intensely **dramatizing emotions into pseudo-emotions** and less in touch with the real feelings or rationality. During his work, he easily permits the **involvement of his personal emotions**, which can easily be seen as **informal working attitude** by **Mr.Ngo**, who has type 5 and possesses analytical working style. The more intense this mistaken statement is, the more difficult to find appropriate communication method between the two.

Mr.Nguyen's dependence on emotional expression **tempers** the ability to avoid anger and keep the harmonic environment of **Ms. Vuong**, who has type 9 and favors the **neutral working environment** to avoid facing anger. Therefore, **Mr.Nguyen** has unhealthy effects on the rest of the teams' conflict resolution, when he does not have **good control and distribution** of his emotional energy.

The combination of type Four and Five leaves some degree of **internal conflict** within the individual. Hence, **Mr. Nguyen** has his own charisma by being popular, well-defended, and inherited from type 3, while at the same time; he is vulnerable to negative comments and easily gets tempered and understands his own wishes. Therefore, his behaviors within team working also show **the lack of concrete patterns**, leaving the confusion among the members and raising misunderstanding between members.

However, he has high ambition, owing to the Three-wing, which allows him to raise the commitment and interest among members. Moreover, since he has high demand for the appearance perfection, he is demanding enough for the improvement of imperfection. In his own case, he is at low level of further development. Stating from his test result (Nguyen, Online Test) there is only 38% of his personality indicating his development toward the 1-type's ambition towards perfection and 14% toward 6-type's feeling of brotherhood and belonging. He grabbed little chance of further development and should develop himself to find the peace of equanimity (Personality Café, 2013).

To sum up, Mr.Nguyen's personality is the ongoing efforts to balance between the introversive and extroversive parts. He has high tendency to dramatize feelings, indicated by his main type 4, and at the same time, high demands in the commitment among members, ambitious working styles and appearance perfection by his 3-Wing, together with low level of intuitive wisdom, reasonability and strict seek of perfection from type 1, and remarkably low feeling of brotherhood and companion of type 6.

Ms. Do: Type 4 Wing 5, Good

Ms. Do has main type 4 and wing 5. Hence, she has tendency to be emotionally heavy. She is more aware of inner emotional state and her intuition than Mr.Ngo, who has main type 5 and wing 4. She is observant of the environment and behavioral patterns; therefore, she has ability to describe in detail the problems of internal communication, conflict and others behavioral issues within the team, owing to her 5-Wing ability of observing and 4-Type sensitivity towards behavioral issues.

However, because of her **4-Wing**, she may **self-deny** certain degree of her emotions and behavioral patterns in order to protect the uniqueness of hers. Therefore, in work-related situations, she may have problems **accepting her own weaknesses** and choosing the **avoiding** conflict handling styles, if the problems themselves endanger **the existence of her unique state of being**.

Besides, she has the gift of being profoundly creative. She has excellent combination between intuition with insights, emotional sensitivity with intellectual comprehension. Yet, she should pay attention more to express her extreme enthusiasm only in necessary cases. (Personality Café, 2013)

She grabbed good chances of further development. Her great integration to type 8, from the 5-wing allows herself to earn solidity with better connections and sociability and from her main type 4's further integration, she earns more rationality in her creativeness and reasonable judgment toward type 1. Stating from her test result (Do, Online Test), there is 58% of her personality inherited from type 1 and 70% from type 8. Therefore, it can be stated that she has earned great development towards type 8 and good development towards type 1.

In order to enhance her own personality development, she should learn to change the aggressiveness of type 8 and intellectual comprehension of type 5 into the **deeply passionate observer** with decisiveness and eagerness to succeed. She should turn her strong sensitivity of emotions into **the understanding and empathy** towards others.

To summarize, Ms. Do's personality is the intersupport between the emotional sensitivity and intellectual comprehension parts. She has good understanding of others' emotional behaviors but she also owns heavy emotions, indicated by her main type 4, and at the same time, high creativity and intellectual analytical working style while working, influenced by her 5-Wing, together with very good level of solidity from type 8 integration and, good development of rationality from type 1.

Ms. Vuong: Type 9 No Wing, Average

Ms. Vuong has main type 9 and has no wing. This indicates the solely dominance of type 9 in her personality.

Therefore, she has tendency to **idealize** the world and the environment around her, particularly in the conflict resolution. She shows her primary concern to the **relation with herself** and the world around her. She denies the existence of conflicts and sees them as trivial misunderstanding between individuals. She denies her anger and avoid by idealization. She can appear to be **passive** in conflict resolution, since she tends **not to confront** the conflicts. (Personality Café, 2013)

Therefore, while working in team, she can be considered as **lacked of focuses**, and at the same time, showing her interest in solving the problems of the other team members, with **peace-making methods**. In unbalanced state of mind, **Ms.Vuong** can **detach** from herself and others, become **disinterested and bored**, and leave all tasks and work-related issues **unsolved and delayed** until she is balanced and out of stress.

She tries to maintain the peace in what she concentrates, in personal relations, between team members, and in work relations. Therefore, she regularly chooses the collaborating or avoiding conflict handling style, while she may not have analytical working style sufficiently in order to have thorough understanding of the problem.

In many cases, she chooses to **stay subordinate**. She does **not actively** show her commitment or contribution if they can raise disagreement between members. Together with the influence of power distance between members, she may be **passively silent** in team discussion.

In the sense of further development, she has average development level. Her good integration to type 3 turns herself from being self-assured, energetic and sometimes quite aggressive into more confident and centered. Stating from her test result (Do, Online Test) there is 58% of her personality inherited from type 3.

Though she is **neglectful** about details in her style, she has higher tendency to focus more on **understanding her inner self**. Although she may **not be toward high-powered**, as the nature of **type 3**, she is on the way of learning more about herself, becoming **more active** with the world. (Personality Café, 2013)

To summarize, Ms. Vuong's personality is the idealization of her world. She has good tolerance towards others 'behaviors but she denies her own angry expression, indicated by her main type 9, and together with good level of self-center learned from type 3 integration. Considering the combination of all the above analyses, the author measures the compatability of the team members briefly through the following figure (Figure 7). The members endure different working styles and average low emotional controllability. Meanwhile, they have low level of personality development and low chance to accept the differences between individuals. In fact, they share mutual allowance attitude towards power distance but no mutual willingness to accept it. At the same time, they have similarities in critical reasoning and with leading characteristics, they also have balanced compatability.

Criteria	Mr.Ngo	Mr.Nguyen	Ms.Do	Ms. Vuong	
	DIFFERENT WORKING STYLES				
	Analytical reason-	Intuitive reason-	Intellectual rea-	Staying subor-	
	ing	ing	soning	dinate	
Working Style	Competence-	Attitude-based	Observant	Avoiding or ne-	
	based	Emotional de-	Emotional Sensitiv-	glecting	
	Emotional ne-	pendence	ity	Emotional hid-	
	glecting			ing	
	AVE	RAGE LOW EMOTIC	NAL CONTROLLABILI	TY	
	Inner-tension	Emotional-based	Emotion self-denial	Emotion hiding	
	building	Over-	Extreme Energetic	to idealize	
Emotional	Dramatize when	dramatization	Average balance	Easily disinter-	
Controllability	imbalanced	Overusing Emo-	between emotional	ested and dis-	
	Denying	tional reliance	sensitivity and in-	tracted	
	emotional		tellectual compre-	Good emotional	
	reliance		hension	controllability	
Personality		LOW TEAM LEVEL	OF DEVELOPMENT		
Development	Low	Low	Good	Average	
Level					
Conflict	ı	OW CHANCE TO A	CCEPT DIFFERENCES		
Management	Unassertive and	Assertive and	Assertive and	Unassertive and	
Style	Cooperative	Cooperative	Uncooperative	uncooperative	
	ML	JTUAL ALLOWANCE	OF POWER DISTANC	E	
Attitude		NO MUTUAL WILLI	NGNESS TO ACCEPT		
toward Power	Inner disapproval,	Strong Approval	Total approval only	Staying subor-	
Division	due to the strong	if offered power	if assigned power	dinate, not	
	unsupportive atti-	Strong disap-	With high compe-	showing inter-	

	tude toward	proval if not	tences, can be ex-	est in power		
	framework and	offered high	tremely power dis-	Not showing		
	regulation	power	tant	disapproval if		
	External neutral			others take		
	attitude, denying			power		
	emotional					
	expression					
Critical		AVERAGE S	SIMILARITIES			
Reasoning	High	Average	High	Average		
	BALANCED COMPATIBILITY					
	Analytical and	Performance-	Observing Individ-	Peace-making		
Leading	critical observant	oriented Intui-	ualist with Intel-	Bridger		
Characteristic	with relative	tive Individualist	lectual Compre-			
Cital acteristic	emotional sensi-	with high emo-	hension & emo-			
	tivity	tional depend-	tional sensitivity			
		ence				

Figure 4 Conclusion on team compatibility

SUB-SUMMARY 2

The team shares balances in Personality Compatibility with four clear roles in the team, with analytical ability, intuition, intellectual comprehension and peace-making Bridger. However, there have been several hindrances coming from differences in conflict management styles, working styles and personality development levels. Therefore, they stood little chance to understand the balances, accept the power distance with willingness, control emotions reasonably and accept differences in working styles. Hence, they did not cooperate well with each other, particularly in managing conflicts completely. To sum up, they were not ready to work together, despite their expected personality compatibility.

4.2 Project review

The team Ruby had work duration of 7 months and run two main business projects. Both projects have similarities and differences to some degree. The following table lists out the most important points differentiating and clustering the two projects.

Firstly, **Age of Box (AOB)** is a project to launch a gift service offering packages, namely Event Box. It can be described as the service offering inspiring elements, necessary tools for customer to design special occasions for their significant others.

Secondly, I'm a Refashionista (IAR) is a project to open a clothing shop, where secondhand apparel and accessories are remade and up-cycled, through which redesigning and refashioning trends from world fashion is introduced.

Table 8 provides comparision between two projects. The purpose of the comparison is to have general view about the differences of project planning and implementation process, and deliver the general information of how the team has worked for the project outcomes.

Criteria	Age of Box	I'm a Refashionista			
Preparation duration	2 months (Jan-Mar 2013)	1 month (April 2013)			
Service Into Market Current Stage in NSD* Process Cycle	Delayed Development-Analysis	Launched Service Design and Testing			
Members involved Cluster	Full capacity, 4 members Event Box Gift Service	3 full-time members 2nd hand Clothing & Accessories Shop base			
Degree of Divergence Values Offered	 Customer care Spaces and occasions for sharing moments with beloved persons Pleasant advents High-quality inspiring elements (AOB Founding Team 2013, 11-12) 	Customer Customization Reasonable pricing Good quality and fashionable clothing Unique in styles Consulting and post purchase service care			
Degree of Complexity Customer Segmentation	High Young couples aged 18-50 (AOB Founding Team 2013, 11-12)	Young ladies aged 20-26			
*NSD: New Service Development (Fitzsimmons, M.J. 2013, 67-73)					

Table 7 Project general comparison

4.2.1 Service concepts

AOB and IAR projects will be taken into consideration through conceptual analyses and taxonomy. Analysis about the service concepts of the two projects will be taken. The Service concept consists of two categories of elements: structural and managerial elements. These ele-

ments are expected to be engineered to create a consistent and concrete service offering to achieve the strategic service vision (Fitzsimmons, M.J. 2013, 69).

Besides, the insights into the taxonomy for service process design will be introduced.

Age of Box service concept

AOB, with infrastructure based in Ho Chi Minh city, Vietnam, engages the rich supply of different bakeries and handmade decorations around the main infrastructure in order to create a gift package with inspiring well-designed and specialized elements. The customers are provided with the instructions to make good use of these elements for memorable self-design advents, together with the recommended activities.

The structural elements of AOB service concept supporting its strategy to target customers are:

- **Delivery Systems:** AOB approach is to interact with the customers to deliver the service most satisfying their needs. *The customer coproduction is necessary in all the process*. For instance, customers fill in service request with personal customizations, details about their preference to colors, tastes, flavors, etc. Moreover, the themes of the gift package are also chosen by customers, based on the catalog provided by AOB with high availability of customization.
- Facility Design: The facility, including the facility at main office and the design of the gift boxes, is intentional to encourage interactions between customers and service provider, between partners and AOB. At main office, refrigerators with cooling system to keep the cakes in good shapes for not more than 3 days. The targeted customers are expected to be demanding in the inspiring external appearance of the elements and the package. Spaces are for inventories and reception table is ready during working hours. Phone lines are opened to be in touch with customer 24/7. In the gift package, purposeful box structure is designed to guide the customer with steps to use the box. Instructions are included for each recommended activities. Language used in the instructions is well structured to inspire the young couples and break barriers.
- Location: Being located in a large metropolitan community with excellent delivery
 outsourcing services give AOB access to the nationwide market. The large local population, particularly the fragment of young generations, also provides the large source
 of potential customers who can contact AOB and order the service as soon as the service offering serves their needs.
- Capacity Planning: AOB has divided the total number of cakes delivered into 2 delivering days in a week, in order to lower the inventories for this kind of element and at

the same time, ensure the customer always has equal chances to request any type of cakes. Therefore, *the capacity is utilized to its maximum*. Moreover, AOB designs boxes on request of the customers; hence, the other elements are not customized designed until order is received.

The managerial elements of AOB service concept supporting its strategy to delivering the values and services offerings:

- Information: Unique features of AOB include the frequent updates of the activity data collection and the continuous search for new and trendy elements in order to enrich the package with fresh ideas. These features also allow AOB to maintain the unique positioning in the market to minimize bad influences of the copy-cats.
- Quality: AOB ensures the quality of the elements included in the package by choosing trustworthy suppliers and requesting healthy, hygienic qualifications from them. In addition, AOB provides customers with clear sources of these elements and encourage them to interact with feedbacks to improve the quality.
- Service Encounter: A dynamic and creative service culture fosters the friendly and energetic environment between customers, service providers and the suppliers. All employees are encouraged to be sociable and open to express their opinions and life styles. Therefore, the individualism is maintained in all themes of packages. All founding team members are encouraged to build up personal styles by playing admin roles on social network pages of AOB.
- Managing capacity and demand: Customer profile is sketched by means of a mail-in service requests through service request form online. Further contact from AOB reception employee will be scheduled to fill in any other necessary information on the form. Therefore, customer requests are sorted out in timing order and request details. Request will then be turned into orders of elements, so the element inventories will match the demands. Collection of elements will be arranged into box and delivered to customers by delivery outsourcing companies. Therefore, the risks of maldelivery or delivery in bad shapes are minimized.

I'm a Refashionista service concept

IAR, with infrastructure also based in Ho Chi Minh City and online-based marketing, Vietnam, should be described as the specialized retailer in secondhand fashion. IAR's inputs are secondhand apparel of all sizes from different whole-sale markets in Ho Chi Minh City. The inputs are always of small size and selective. IAR, with different skillful employees, remakes the inputs into fashionable items with limits in sizes and numbers. Customers of IAR can not only purchase fashionable items at reasonable prices but are provided with personal style

consultation as well. The post-purchases services are also available with further clothing up/down-sizing and fixing.

The structural elements of IAR service concept supporting its strategy to target customers are:

- **Delivery Systems:** IAR approach is not to sell clothing only but to sell the clothes reflecting the style most suitable for the person wearing them. Therefore, IAR does not try to deliver the clothing in the fastest way. The customers come to shop, choose the clothing they like to try on, receive the advice from shop stylist, request for modifications if necessary and are happy with the choices. Therefore, the approach of IAR's service delivery is to satisfy the customers' needs with what truly make them happy.
- Facility Design: In order to lower the costs of shop rent and other utilities, IAR simplifies the design of the shop to satisfy the basic and main needs of customers when arriving at the shop. Moreover, the facility should be creative to reflect the creativity in any piece of clothing remade by IAR. Facility design focuses mostly on online displays. The official Facebook page of IAR is the main channel as shop's main facility. Collection of logos, banners is designed to special online use. Customers are encouraged to use the online facilities with album catalogs, customer services, urgent replies and further interaction between customers and IAR, before coming to the shop to finalize the orders.
- Location: Being located in a large metropolitan community with excellent delivery outsourcing services give IAR access to the nationwide market. The large local population, particularly the fragment of young generations, also provides the large source of potential customers who can contact IAR and order the service as soon as the service offering serves their needs. The openness of Ho Chi Minh City towards new fashion trends is the advantage of IAR to operate in the location.
- Capacity Planning: IAR online catalog is available for orders throughout the week but shop base only opens every Friday with special themes. Therefore, the demands of clothing will be increased after every Friday due to the recommendations and the updates of clothing. The inventories are cleared out throughout the week. Not until the preparation for Friday sale is carried out, there will be no new arrival, which will maximize the capacity of the shop.

The managerial elements of IAR service concept supporting its strategy to delivering the values and services offerings:

 Information: IAR manages the customer relationships by frequent contacts and introducing new catalog and new arrivals. The customer data is updated after their first

- purchase. *Building loyal customer base is what IAR tries to keep*. Providing free post-purchase service also allows IAR to meet customers again for the feedbacks.
- Quality: Hygiene and Clothing quality are among key factors affecting the choice of purchase. Therefore, IAR maintains the best possible quality of the inputs and through different stages of fixing, washing, cleansing, and IAR promises for the ready-to-wear clothing available.
- Service Encounter: A service culture, with friendly-environment and pal-to-pal approach, allows IAR to deliver services to more and more people, from the network of the loyal customers to the network of new customers. All members of IAR should be able to advise customers with styles, be their friends and be truthful. Customers can always come to the shop for advices in special occasions. IAR does not aim at satisfying all the customers in the segment, but focus on keeping all customers our loyal customers.
- Managing capacity and demand: All the new arrivals are introduced on the official
 online channels, and the orders will be updated. Moreover, different discount policies
 are applied during the week in order to boost sale and finish the inventory before the
 next sale day.

4.2.2 Taxonomy for service process designs

The two projects, AOB and IAR, are different in types of service offered. AOB provides standardized service, while IAR offers customized one. Therefore, depending on different degree of customer contacts and different stages in service processing, the projects have different activity links. The following table (Table 9) illustrates the clear details regarding the activity links.

	Age of Box (S	tandardized Serv	vice)	I'm a Refashio	onista (Customizo	ed Service)
Degree of Customer	Processing	Processing of	Processing of	Processing	Processing of	Processing of
Contact	of Goods	Information	People	of Goods	Information	People
		or Images			or Images	
No customer contact	Receiving	Reception	Maintaining	Dry cleaning	Book-keeping	
	Inputs	desk, filling	good positions	Waxing	Data-entry	
	Collecting	service re-	with suppliers	stains	Price tagging	
	activity data	quest form	Keeping con-	Ironing	Price-setting	
	Designing	Arranging de-	tact with key	Matching	Album editing	
	new themes	livery calen-	accounts	items for	and upload	
	Postage and	dar and order	Discussion	clothing sets		
	Packaging	lists	with out-	Shooting		
		Contacting	sourced de-	catalog		

			suppliars and	cianore and			
			suppliers and	signers and			
			partners	marketers			
Indirect C	ustomer		Phone modifi-	Advising cus-		Receiving or-	Answering cus-
Contact			cation of or-	tomized or-		der messages	tomer questions
			ders	ders to cus-		from online	on online offi-
			Taking order	tomers		channel	cial channel
			of packages	through		Managing all	Advising cus-
			via phone	emails/phones		marketing	tomers with
			Receiving			campaigns on	product details
			feedbacks or			online official	and style con-
			questions from			channel	sultation
			customers via			Administer	
			phone			the online	
						channels	
	No	Maintaining			Designing	Documenting	Greeting cus-
	customer	electricity			outfit looks	orders and	tomers on arri-
	service	supply			inside the	shipping de-	val
	interaction	Maintaining			shop	tails with cus-	Introducing
		the cooling			Arrange and	tomers	items to new
		system			organize	Searching for	customers
					clothing	wanted items	
					wraps inside		
					the shop		
	Customer		Taking feed-	Processing	Taking items	Advising cus-	Maintain cus-
Direct	service		backs	feedbacks by	for custom-	tomers with	tomer relation-
Custome	interaction		Delivering	further direct	ers to try	style matching	ships
r	interaction		thankful gifts	talk with cus-	Helping cus-	them	Be their friends
Contact			to customers	tomers	tomers to	Consulting	when they need
Contact			to castomers	comers	try on	them suitable	fashion advices
					Packaging	ways of dress-	Getting loyal
					items for	ing	customers up-
							dated with new
					payment	Mixing items	
						to create new	arrivals
						look for cus-	Designing cloth-
						tomers	ing especially
						Selling cloth-	for their special
						ing fit to cus-	occasions
			ico process desi			tomers' needs	

Table 8 Taxonomy for service process designs

AOB project encourages multi-sided interactions to co-produce for satisfying outputs, therefore, team members are required to understand the full process. Moreover, AOB does not depend much on the direct customer contact so the supply chain management is more dependent on the task division within the team. AOB has burden of maximizing utilities and diversity of suppliers. The team tried to build AOB with standardized service offerings.

IAR, on the other hand, provides customized service offerings, with substantial dependence on customer contacts. Both indirect and direct customer contacts are important in service design. Quality of clothing, customer loyalty and low inventory cost is extremely essential for profitability. Team members are oriented more to different processes than the understanding of the whole supply chain.

4.3 Analysis of secondary and primary research

During the research process, the author has conducted both secondary and primary researches, in order to maintain the objectiveness and appropriateness of any findings. In this section, the interpretation based on the existing empirical data will be explained. To some degree of relevance between existing empirical data with the research questions, the interpretation will be limited.

Then, the detailed description of the in-depth interviews carried between team members and the author will be given. Furthermore, the application of Conflict Mode Instrument by Thomas-Kilmann (Kilmann Diagnostics 2008, 2-3) upon the team members' conflict handling style is introduced. In conclusion, the insights into both the interpretation of primary and secondary researches together with the Instrument application are combined with the aim of putting forward any suggestions for further development. These suggestions will be developed into the initial Conflict Transformation Procedures, which will be introduced in the next section.

4.3.1 Secondary research data interpretation

Secondary sources can be divided into two categories: internal sources and external sources (Zehetner 2011, 12-13). For internal resources, the author has collected the work diary data, feedback data and data of meetings. For external resources, the author has collected feedback data from partners and part-time members.

Availability of existing empirical data

Internal existing empirical data is limited. Due to the lack of systemized data storage, the availability of existing empirical materials is not rich and profound. The gathering of data was conducted from the data resources from the author and certain team members. However,

since there were no specific regulations in data keeping and updating, as well as no strict framework for meetings and work tracking, the scarcity of data is remarkable and relevance of existing empirical data is low. Furthermore, as the secondary data in most researches is considered to be poorly fit, lowly accurate and low-quality (Wrenn, Stevens & Loudon 2007, 73), in this research, it is lowly relevant to the research field. However, to some degree, certain interpretation can be made, via the following table. As the table clarifies, only the interpretation regarding the team working can be made and no individual's interpretation has been reached through the secondary data.

Secondary research process

After gaining access to the existing empirical data, the author has made use of quantitative methods to interpret the data into different measurable criteria.

Due to the limitations of the research to bind with the studied team (Ruby team) and the two projects, together with the qualitative methodology of the research, the secondary research is bound within all the issues related to the team and the projects. Therefore, the secondary research process will not include the search from any other resources without indirect or direct contacts with the team and projects.

The secondary research process will contain the following main stages (Zehetner 2011, 12-14):

- Identify what kind of data to look for at the existing empirical data:
 Depending on the availability of work-related data, feedback data and meeting minutes, the researcher classify the data available into groups of information, based on the answers to question "what data is relevant to the research area?"
- Develop lists of terms and criteria to interpret the data by groups of data.
 Depending on the nature of the data, the researcher identify differences and similarities and repetitive patterns in the data to make lists of criteria which are important and relevant to the research question
- Identify main criteria useful for the primary research and report with the scoring data for each chosen criteria
 In order to be chosen as useful for the primary research, to some degree, the criteria should be relevant to the working styles of team members, the working ethic of the team, and the (in)efficiency in working

After the process, the report table (Table 10) is introduced as the results of the secondary research. With this report table, the interpretation will be given in order to shed further

guides on the primary research, consult to some degree which areas will be useful, and be used as measurable evidence for any further interpretation of the primary research.

Data Area	Criteria	Scoring
Meeting	Number of discussion topics given in agenda	6-7
Minutes	Number of discussion topics given in agenda	2-3
Number of	achieved agreement	
meeting	Duration of meetings	3 hours
minutes col-	Percentage of task deadlines missed	60%
lected: 10	(after update from previous meetings)	
	Percentage of task deadlines reached	40%
	(after update from previous meetings)	
	Agenda's published days before meetings	1-2 day
	Whether agenda is agreed among members be-	Rarely
	fore meetings	
	Discussion Leader	Take turns
	Number of Pop-up Meetings per week/ Number	2/3
	of Meetings per week	
Work Diary Da-	Numbers of task deadlines members are clear	6-7
ta	of what to do (clear deadlines)	
Number of	Number of deadlines reached per week	3-4
Work-related	Number of deadlines given for 1 week	8-9
files: 60	(Given that each deadline needs 1-2 days to	
	achieve)	
	Number of task deadlines, among the clear	3-4
	deadlines, progressing in expected direction	
	and can be expected to reach deadline in time	
	Working hours	10am-12pm,
		13pm-18pm
	Percentage of work-related discussions during	3-4/10
	working hours/ discussions during working hours	
	Percentage of work progress after each working	10%
	day	
	Percentage of non-work related Internet ac-	30%
	cesses	
Feedback Data	Number of Feedbacks Given for each member	4-6
Based on 3	(given that each feedback reflects a work-	
Feedback	related issue to be handled)	

meetings	Number of Feedbacks reached mutual ac-	1-2
	ceptance	
	Feedback Giving Style	Critical Exam-
		ples are given
		to support the
		feedbacks
	Feedback Receiving Style	Defensive Ex-
		amples are giv-
		en to
	Discussion leader	No discussion
		leader
	Duration of Meeting	3-4 hours

Table 9 Secondary research report table

Interpretation of data

According to table 10, approximately 30% of the meetings are planned in advance and the members are ill prepared and rarely agreed with the agenda before the meetings. These planned meetings have the agreed agenda only 1 day before the meeting and no other modifications can be discussed. Moreover, duration of the meetings is often long and the number of scheduled tasks to solve is also large. Therefore, the ability to focus of the meeting attendees is influenced by the meeting duration and the tension of the meeting tends to arise with ill preparation.

The leadership role of the meeting is not fixed; therefore, the ability to lead the meetings of each member should be relatively equal and ensured. However, the efficiency of the meetings can be shown through numbers of discussion topic scheduled in agenda achieved agreement is low, only 30-35% of the topics, while the number of task deadlines reached is only up to 40% of the scheduled deadlines. Therefore, it can be deducted that the leadership role in the meeting is not well taken and the skills to lead meetings of the team members are also not well ensured.

The number of deadlines given for one week is high, around 8-9 deadlines, of which effects might cause the low percentage of work progress for each deadline after each working day. The working hours are about 7 hours every working day, but only 30% of the discussions at work are about work-related issues. Moreover, the percentage of non-work related Internet access is 30%, which explains only 70% access to Internet is for work. Meanwhile, only 50% of the clear deadlines progress in the expected direction and can be expected to reach deadline in time, reflecting the low efficiency in work of the team members. Summing up, the progress

of work after each working day can be influenced by many reasons, among which include the high work load for numbers of deadlines, the low focus on work during working hours and the high distraction from work among team members during working hours.

The number of deadlines members are clear of their responsibility is about 66.66% of the number of deadlines given for one week, considering the number of pop-up meetings per week is 2 out of 3 scheduled meetings. Questions occur about the causal effects between the ill-prepared meetings and less-clarified task deadlines given. These questions can be discussed further in the in-depth interviews, in order to find out the causal effects between quality of meetings and the inefficiency of team working regarding delays in scheduled tasks.

Last but not least, the feedback data gives further proof on the poor skills to lead meetings of the members, particularly in higher tension meeting, such as feedback meetings. Fewer mutual acceptances reached (1 or 2 out of 4 or 6 feedbacks), accounting for approximately 25% of the feedbacks aroused, while 30-35% of discussion topics aroused reached agreement in normal meetings. Moreover, there seems to be no detailed structure in styles of giving and receiving feedbacks agreed between members. Feedbacks are given and received with critical and defensive examples, reflecting the nature of self-defense and criticism in feedback sessions. Furthermore the length of the feedback meeting is long, while the number of feedbacks given is also lot, comparing to the small number of feedbacks reached mutual acceptances. As a summary, it can be deducted that the feedback meetings are not effective enough to solve the problems between members, considering the success rate of the feedback discussion and the lack of leadership roles of the meetings.

SUB-SUMMARY 4

The secondary research came up with the following interpretation of data:

- Ability to focus in meetings is influenced by the meeting duration and with higher escalation with ill preparation.
- High work load for deadlines, low focus on work and high distraction during working hours hinder the progress of work.
- Skills to lead meetings are missing and leadership role is not well taken in meetings, particularly in feedback discussion meetings with higher tension.
- Feedback meetings are not effective enough to solve the problems between members.

Question occurs about causal effects between meetings' ill preparation and unclarified task given.

4.3.2 In-depth interviews

Interview framework

The interviews are organized with open questions providing the interviewees with spaces for further explanation. In order to maintain the unfixed structure and the focuses on the profundity of information, the interviewers designed the framework of interview sessions, by which there is no strict structure of questions and the only fixed frame is the topics for each discussions. The interview framework includes five main topics of discussion:

- Operational Issues deal with all issues related to the operation of the team in two projects. Different argument points for the topic are the level of work interdependence, the nature of the tasks and the interdependence and division between members, the progress of facing and dealing with problem occurrence, the equality of work contribution and commitment, the power division among members, and the individual-collective role clarity of members. The purpose of this topic is to heat up the tension of the interviews, in order to remind the interviewees of the situations happened during the projects. Moreover, this section of the interview allows the interviewers to trigger the conflicts in operational styles, the working styles of the members, and how the specifications of the tasks influence the occurrence of problems in working styles.
- Work Efficiency deals with all factors may influence the work efficiency of the team, concerning whether the way interviewees (team members) evaluate the team compatibility match with the result from psychological and sociological analyses of team compatibility, the time contribution for work, the sufficient variety of skill, whether the team is in need of any other skill sets to work efficiently, whether the work load is divided equally and reasonably and whether the efficiency between input and output volume is reasonable. Argument points provided in this section include the team compatibility, work time division, skill variety, work load and input vs. volume efficiency.
- <u>Autonomy</u> deals with the scope of decision making rights and responsibility of each
 interviewee as a member of the team and as a representative of the team. Argument
 points of the section consist of individual/ collective task controls and individual/ collective role breadth.
- <u>Conflict Management</u> deals with the conflict occurrence within the team during the two projects, whether the conflicts are resolved with any systematized procedures, the outcomes and strains of conflicts. Through the information provided by the interviewees, further generalization about the most frequently occurred conflict types, the common patterns of behaviors existing in conflict resolutions and any patterns of resolving conflicts in any initial procedure. Argument points of this section contain

- the types of conflicts, the frequency and outcomes of conflicts, the strains influenced by conflicts, any behavioral patterns towards conflicts, the conflict resolution approaches, conflict identification stages and conflict assessment.
- <u>Suggestion for Improvement</u> collects any ideas for further development for the team, based on the interviewees' understanding and experience in working with the rest of the team. The suggestion should be about three main areas, including choices about team compatibility, conflict assessment procedures, and operational suggestions. This section is to gain the diversity of ideas brainstormed from whom have experienced both the difficulties and strength of working in Ruby team.

The above framework has been designed via the file, namely Interview Framework and sent to interviewees at least one day before their in-depth interviews. The interviewees are requested to write the drafts of their ideas into the file. With the file provided, the interviewers will develop further questions upon the understanding and the profundity of their ideas in order to gain the profound flows of information.

Interview process and difficulties

All of the interviews are designed from the interviewer living in Finland and interviewees living outside Finland. Therefore, most of the interviews were scheduled online via Internet voice calls, due to the geographic distances between Vietnam and Finland. The interviews were designed to be around 3 hours. A few of the interviews with partners relating to the process of the two projects were also scheduled in order to access to the objective views from external sources beside the team members. Some of the interviews could not be arranged via online video calls with any possible time slots from both the interviewers and interviewees due to the time zone differences between the two countries. Therefore, few of the interviews were designed in the way that after both sides exchanged the draft of ideas and the interview framework, the discussion via chat software was scheduled and further discussion on the ideas were through messages.

The process of the interview can be described through the following steps:

- Introduction: the interviewer starts introduce the general research question and the purpose of the interview to support the research of the thesis study. Moreover, the interviewer also introduces the topic of the thesis, the motivation for investigating the thesis topic. In this step, the interviewer also gives further instruction on the structures the interviewees should give and explain their answers.
- <u>Content of the Interviews:</u> After introducing the general structure of the interview, the interviewer starts with explaining each of the topic discussions. At each topic discussion, the interviewer begins with explaining the main expectations of information

type she is looking for to ensure the interviewee understand and be clarified about the topic. The interviewer, then, raises certain questions with open closures and encourages the interviewees to explain their ideas. Moreover, the interviewer will try to keep the objective role throughout the interview in order to get access to the honest and true behavioral patterns and views underlying. In any case of silence, the interviewer can change the topic and come back after the tension of the interview get better. Furthermore, the interviewer also encourages the interviewee to raise any questions or any discussion points which he/she finds it to be relevant and helpful for the discussion topic.

• <u>Closure of the Interviews:</u> After discussing further on the topics listed, the interviewer encourages any ideas for team performance improvement. As closure of the interview, the interviewer summarizes the ideas and argument points given by the interviewee. Any further questions regarding the answers and information provided by the interviewee can be explained.

During the research process, the interview stage encounters certain difficulties, hindering the process and delaying the interview schedules. The hardships caused mainly by the refusal to attend the interviews by team members and partners, and by the fully-reserved timetables of the interviewees. In order to cope with the former, the interviewer encouraged the potential interviewees with the purpose of the studies and the potential application of the research. For the latter, the interviewer managed to use other methods for interviews such as online chat instead of Internet calls, or schedule the suitable time and divide the interviews into separate sections with shorter duration, while maintaining the profundity and natural flows of information during the interviews.

Interview report

In this section, the answers from the interviewees are reported by different topic discussions throughout the interviews. The answers will be compared between interviewees and formed into grouped patterns.

Operational Issues

Discussing about operational issues, the interviewees were asked about the work interdependence and the nature of task division in the team performance. All of the interviewees confirmed about the low interdependence level of the tasks during the projects. The level of interdependent tasks among the total number of tasks needed to be accomplished is believed to fluctuate around 20 to 30%, affirmed by Ms. Vuong (Vuong, Private Communication). It was inevitable that most of these tasks should have been completed nearly at the

same time and the delays were mainly caused by the passive wait without preparation for independent tasks, Mr. Nguyen remarked (Nguyen, Private Communication).

Explaining more about the nature of these tasks, owing to the key influences of these tasks requiring high attention to the deadlines and time frames, their delays had huge impact on conflict escalation. The members, who had to wait for the others' task completion, believed they were held back by the others' and easily mistrusted that the other members did not share same level of contribution and commitment as they did. Examining more into the causes of those delays, Mr. Nguyen stated that there have been too many unnamed and trivial tasks, which cannot be divided and members were expected to be voluntarily aware of their duties towards the tasks. Meanwhile, Mr. Ngo (Ngo, Private Communication) and Ms. Vuong stated that due to their specialization in certain fields, they would only commit to those and not interfere in the tasks of others, which limited their awareness to any unassigned tasks, admitted by them. Therefore, there were two different argument points about whether all tasks should have been assigned to whom was specialized in the field or only specialized tasks should have been assigned and the trivial and unnamed tasks should have been aware of and volunteered. Moreover, the escalation of conflicts tends to intensify when some members, who believed they have tried harder for the projects due to their awareness of those trivial tasks and their sacrifice of personal schedules to accomplish work, went against the unjust division of tasks and shared commitment, Ms. Do reckoned (Do, Private Communication).

To close the discussion about this argument point, Mr.Nguyen concluded that issues about balances between task divisions and work interdependence level between members do not cause conflicts but facilitate miscommunication and mistrust, which, in longer terms and without appropriate solution, may cause serious conflicts in working style between members. Directing to the problem-solving process within the team, members are believed to be indirect and hesitant to make changes, Mr.Nguyen described. Once again, the domineering members, who tend to cover up most of unnamed tasks for the less active and situation-aware ones, are believed to be the ones who owned decision-making rights to problem-solving incident, even when they may not propose long-term and complete solution, particularly under time pressed occasions. Therefore, there have been differences in expectations of less domineering members and more domineering ones about whether the projects belong to the leading of domineering members as the informal leaders' group or to the whole founding team, Ms. Vuong and Mr. Nguyen shared.

Furthermore, when problems occurred, there was **no systemized process** to solve problems, particularly the work-related ones. The members tend to search for quick actions, without proper attention to reasonability and causal thinking, Mr.Ngo pitched. Meanwhile, the mem-

bers, owning different expectations both in leadership roles and in mutual commitment and project objectives, did not share agreement often and spend most of working hours to **argue for mutual solutions**. This was partly caused by the ill preparation, skips of important initial goal settings and project specifications, and disrespects of deadlines, Ms. Vuong related.

Overall, that the occurrence of problem has not been progressed appropriately brought about an over-usage of subtle compromises and a sharp shrinkage in motivations and a necessity of mentoring from external sources, Mr.Nguyen declared.

This argument point led the discussion towards the definition of commitment and high contribution of each member. To most domineering members, commitment should be defined integratively with level of responsibility, willingness to trigger the project implementation, the active contribution, high self-sacrifice and attentive attitude, Mr.Nguyen and Ms. Do expressed. Therefore, high contribution was defined as leaving out the personal issues and relations in order to proceed the project-related issues and self-motivate in founding team. Otherwise, to less domineering members, commitment should be defined with time contribution and work load, based mainly on the specialization, meaning the one contributes the highest time and shares the highest work load is assigned as high commitment, Mr.Ngo presented. This definition focuses on the time and effort contribution without consideration of the active awareness and attentive attitude of the objects. This difference is seen as one of the two main causes of the conflicts within the team, regarding internal expectations, Ms. Vuong deducted.

The other main cause was believed to be the **power division among members**, agreed by all the members. The differences in expectation in either leadership roles or power distances brought about the conflictual mindsets. Domineering members took place of decision makers with higher power, despite their unwillingness, while the less domineering ones believed there were no official leaders and the decision-makers turned out to be leaders and powerful in times, Mr.Ngo compared. Meanwhile, it is also believed that **there has been no inequality in power division since initial stages**, since the different expectations led to the nature of power distance, Ms. Vuong stated. Even more, the youngest member expected herself to be most subordinate due to her own characteristics, her latest join to the team and her lack of confidence in making decisions while other members were elder and more experienced in the field, and Ms.Vuong did addition.

The unequal power division also caused the less willingness to clarify roles, both individually and collectively. The individual and collective roles are cleared by all of the domineering members, while only individual roles are relatively cleared by less domineering ones. Less domineering ones tend to understand the expectation of the other members on their duties,

but not able to divide the expectation and common objectives into separate tasks and feel confused about how to trigger and implement into actions, Ms. Vuong specified. Moreover, the clarity of individual roles is considered to be sufficient for project implementation but not enough to track the project process and ensure its trajectory, Mr.Nguyen demonstrated.

Work Efficiency

Considering argument point about work efficiency, responses to whether the team was compatible were relatively controversial. Some of the members believed the team was compatible with characteristic diversity, and common young and energetic spirits. Contrastingly, the rest believed the team was not compatible at all with unreadiness, strong contrasting ego and characteristics, low experience level, and different expectations on the other members. When being asked about the overall balances in knowledge, social and expectation backgrounds, all members agreed that team did not share the same level of either understanding and trust, or knowledge and academic backgrounds, or expectation about member's responsibilities.

Additionally, the knowledge background was sufficient with several resources from different fields of economics, Mr.Ngo (Ngo, Private Communication) confirmed. However, the members do not share similar level of experiences, which partly led to misunderstanding and lack of full commitment.

Furthermore, all of the members also agreed that the working hours were long but only small proportion of them was for work-related issues, partly owing to the lack of full concentration on work. Besides, Mr.Ngo complained that some members of the team **did not show considerable respect to commitment and punctuality, not only in working hours but also in task deadlines**. With the similar perspectives, Mr.Nguyen questioned if it is acceptable for one member work on the other's duties instead of waiting for him/her to complete him/herself, regardless of the delay (Nguyen, Private Communication)

On the contrary, the Input versus Volume efficiency was not high as well. There has been no clear direction in which the project has been implemented and not all the members were sure on their duties. Therefore, it is lack of consensus, compliance and unity between members, Mr.Nguyen explained. Moreover, the domineering members have to work on the delayed duties of the less domineering ones, leading to the total delay of project progress, explaining partly the conflicts in working styles, between them, Mr.Ngo confirmed. This total delay resulted in both financial and time ill-located resource.

<u>Autonomy</u>

All members shared mutual views about the individual task control showing their decision-making rights on the order in which tasks were done. Besides, they admitted that the collective task control, on the contrary, was dependent on the agreement in meetings which could only be reached after several arguments between members, according to Mr.Nguyen and Ms.Vuong (Nguyen, Private Communication) & (Vuong, Private Communication).

Members verified their collective role breath in choosing partners and outsources, particularly in supplier contracting. However, according to Mr.Ngo (Ngo, Private Communication), the role breath was wide and reasonable but not logical, since their influences on the final decisions were not based on their own understanding, knowledge and academic backgrounds, but solely on the research report provided by the members in charge with high subjectivity and low experience base.

Simultaneously, the individual role breath was also good among members. Members have influences with their own perspectives on the decisions regarding their responsibilities and tasks. However, weakness existed where decisions were made based on their intuitions and without reasonable, knowledge or critical backgrounds, Mr.Nguyen summarized.

Conflict Management

Conflicts within the team are classified mostly in two types, according to the interviewees. They are work-related and non work-related conflicts. The former usually dealt with work benefits, contribution levels, different working styles and contrasting points of view, Mr.Nguyen listed. The latter, on the contrary, dealt with emotion handling, emotional control, characteristic differences, personality clash, Mr.Ngo placed. (Ngo, Private Communication) & (Nguyen, Private Communication)

The frequency of conflict occurrences is high, up to 2 or 3 times per week, mostly on similar conflicts with higher escalation, Ms. Do affirmed (Do, Private Communication). Most of them were not resolved carefully and completely, resulting in ignorance toward conflict occurrence among members. Discussing about how conflicts were confronted in team, Mr.Ngo described the process starting from problem definition, continuing with critical issue and outcome indication, and brainstorming for possible solutions and choosing handling solution. However, he also stated that the process did not continue with the ensuring that decision was conducted carefully and appropriately. Moreover, adjustments were not made in time in case of failure in implementation conflict resolving decision.

Moreover, the members do not own necessary techniques to brainstorm complete solutions for conflicts and they were not aware of conflict existence till later stage of its escalation. Therefore, most of conflicts were not well resolved owing to its severe effects on the members already, and the member's failure to resolve completely. Hence, when the conflicts got escalated, the members tended to avoid resolution and started to criticizing, not only about the related issues but about other aspects as well, Mr.Nguyen added.

Furthermore, conflicts between more domineering members were harder to resolve due to their solidly contradictory points of view and stronger power division than the rest of the team. On the other hand, conflicts between less domineering members arose tempered tension among the more domineering ones, due to their low emotional controllability, according to Mr. Nguyen.

Interpretation of information

The interviews grouped different behavioral patterns of the interviewers to classify into different human and cultural factors affecting conflict transformation in the team, including:

- Passiveness of the team members in implementing task division and searching for the necessary tasks to fulfill
- Work-related trusts were based only on prior personal relationships between members, or between members and referees, without consideration of work-related experience and competences.
- Miscommunication between members resulting from mistrusts, which are consequences of trust building with no base on work-related experience and competences
- Less domineering members have hesitancy to make changes, when asked to implement discussed solutions, particularly in conflict situations.
- Reasons for the hesitancy may result from the psychological influences (Enneagram types), from expectations about leadership roles (whether the team or domineering members own rights to adjust the projects), and from lack of mutual trusts.
- Power division, firstly influenced by the initial power distance (discussed in Subsummary 1) between founder and co-founders, is intensified by the differences in expectation of leadership roles (owing to the lack of prior trust base between members), different views on decision-making rights, dominance from members owning more intellectual-relative Enneagram types (Type 4,5) than image-relative Enneagram types (Type 9, 3), the high record level of power distance in 5-dimension model and the relationships as key crucial elements in the work ethic.
- Pseudo-belief without critical base that the team is not compatible because of any
 trust base and ongoing arguments leading to very few appropriate decisions. The
 team compatibility was ranked with the solely criteria about the tension of working

- environment, without consideration about the lack of preparation stages and necessary training stages.
- Different core values (mottos) of each members and lack of mutual acceptance for the differences
- Intuition takes place in decisions and reasoning mindsets too regularly.
- Most conflicts are identified in the win-lose stage in escalation model (Glasl's Conflict-Model of escalating dynamics), therefore; the psychological reaction takes place in conflict transformation.

Furthermore, to some degree, the weaknesses in working environment and the systems to deal with conflict situation were identified:

- No agreement on the completion of unnamed and trivial tasks in advance led to the application of personal working styles (Sub-Summary 2)
- For projects requiring multi-sided interactions (AOB), the team fails to cooperate with high demand of deadline respects and active task completion.
- For projects not requiring interactions but smooth process (IAR), the team can work
 well without originating conflicts, since the understanding of the whole supply chain
 is not required.
- Definition of full commitment and expectation should be agreed in advance. Performance indicators should be mutually agreed as well, in order to make clear whether the other members should activate interference in case of task delay, or awareness from members in charge is highly expected.
- Leadership role should be clarified between team as a unity performing to reach goals
 or team as supporting sources for leader to reach goals. Personal characteristics will
 be adjusted depending on this initial clarification.
- No systemized process of conflict transformation starting from the preparation stages
 ensuring all members equipped sufficient knowledge to resolve conflicts and maintain
 the conflict resolution completely.
- Lack of policies to motivate the members, to maintain punctuality and key missions in communication management
- Low unity and consensus between members
- Individual Role Breadth is wide, clear but not logic-based and intellectual-based, because of the unreadiness of intellectual backgrounds and ill-logical and uncritical reasoning habits of members.
- Lack of complete solution for non-work related conflicts led to higher escalation of work-related conflicts, and vice versa.
- Conflict resolution has process to confront conflicts but members do not own appropriate skills and techniques to lead meetings, focus on solution suggesting, and ensure the solution implementation.

SUB-SUMMARY 5

- Passiveness, lack of work-related trusts, miscommunication, hesitancy to make changes, differences in expectation, power division, pseudo-belief about team incompatibility, different core values (mottos), great dependence on intuition of members and late identification of conflicts are the most important cultural and human factors affecting conflict transformation in Ruby team
- Lack of agreement on different aspects of working environment and expectations in the projects, mutual agreement of key performance indicators such as commitment, punctuality, leadership roles, and motivation policies are considered as vital weakness of the conflict transformation system.

4.3.3 Thomas-Kilmann Conflict Mode Instrument report

Interview process

The four members were asked to answer the 30-question test, of which each question has two choices. Depending on the choice they made for each question, they received different scoring for each conflict handling style (Kilmann Diagnostics, 2008).

After receiving the raw scores, based on the certain aspects collected through in-depth interviews, the evaluation on whether over-usage or under-usage of each conflict handling style was considered.

With the evaluation, summaries of the team performance in conflict handling will be given.

Conflict Mode Instrument report

The following chart (Figure 8) indicates the raw scores of the members' test results. It can be recognized from their scores that Collaborating scores are always the highest one among the four scores. From these scores, the author has filtered the results into percentage scores, introduced through Figure 9.

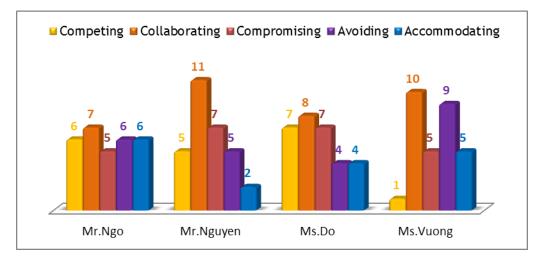


Figure 5 Thomas-Kilmann Instrument report (Questionnaire)

Together with the raw scores collected, the author has made comparison to the comparison board of Thomas-Kilmann Conflict Mode Instrument (TKI) to deduct the percentage score of each member (Figure 9).

Name	Competing	Collaborating	Compromising	Avoiding	Accommodating
Mr.Ngo	Middle	Middle	Middle	Middle	Extreme Middle
Mr.Nguyen	Middle	High	Middle	Middle	Extreme Low
Ms.Vuong	Low	High	Middle	High	Middle
Ms. Do	Extreme	Middle	Extreme	Extreme	Middle
	Middle		Middle	Low	

Figure 6 Team Member's TKI percentage score

According to Figure 9, in most cases of conflicts, the handling style usage of members is at medium level. Each of the members has the mostly used handling style differently. Mr.Nguyen has tendency to choose Collaborating style and rarely chose Accommodating, while Mr.Ngo more likely chose Accommodating style. Ms.Vuong rarely chose Competing style and mostly chose either Collaborating or Avoiding style. Ms.Do likely chose Competing style more often and less likely chose Avoiding style.

Considering information given by interviewees in in-depth interviews, the style preference of each member was not always suitable with the conflict situations he/ she had to face in projects, depending on his/ her Enneagram type. The following table (Table 11) discusses the relationship between the Enneagram influences and the choice of conflict handling styles of each member of Ruby team.

Name	Dominant Conflict Handling Style	Least dominant Conflict Han- dling Style	Conflict Situations to face in reality
Mr.Ngo	Accommodating	Other styles	 Does not want to sacrifice own structure but choose to self-sacrifice, because of the less-domineering position in team and easily anxious when confronted with feelings (Type 4 weaknesses) May have different views but do not want to show disagreements strongly Choose to neglect own ideas due to the other domineering members having strong confrontation. Not always wrong but did not choose to explain Lightly overused of accommodating, deferring too much to the concerns of others, particularly non work-related conflicts
Mr.Nguyen	Collaborating	Accommodating	 Believe sharing information and understandings can resolve conflicts Be domineering members so in some cases, personal views are strong Ask questions but not always reach answers, because not all members are willing to confront Willing to collaborate but cannot control emotions well (type 4 wing 3) Lightly overuse of collaborating, tend to discuss ideas in depth most of the times Lightly underuse of accommodating, rarely sacrifice with non work-related conflicts
Ms.Vuong	Collaborating/ Avoiding	Competing	 Rarely confront the conflicts if not forced

		-	-
			Believe in harmonic ways and tend to
			idealize the relationship conflicts, will-
			ing to collaborate but hide her anger
			(type 9)
			Tend to avoid solving if conflicts do not
			reach to highest warned importance
			 Rarely competing to protect her ideas,
			even with disagreement
			 Average overuse of avoiding, decisions
			on important issues are believed made
			by domineering ones
			Average underuse of competing, some-
			times have trouble taking a firm stand,
			even when she recognizes the necessity
Ms.Do	Competing	Avoiding	 Decisive with analytical ability and
			emotional understanding (type 4 Wing
			5)
			• Deal with implementing activities, issue
			importance with high power division.
			Rarely sacrifice own ideas, even when
			necessary
			May be unhealthy when her intellectual
			ability is not sensitive and the other
			less domineering members cannot af-
			ford turning down on her.
			 Average overuse of competing, others
			afraid to admit ignorance and uncer-
			tainties to her
			 Lightly underuse of avoiding, some-
			times find herself hurting other mem-
			bers' feelings or stirring up hostilities

Table 10 Conflict handling style and Enneagram type

SUB-SUMMARY 6

The tests taken by the team members to report about TKI provided following interpretation:

• The members have high tendency to handle conflict either in extreme uncooperativeness / unassertiveness or extreme cooperativeness/assertiveness, without moderation.

- Domineering members have dominants styles of competing and collaborating (highest assertiveness), while less domineering members have dominant styles of avoiding and accommodating (highest unassertiveness).
- The differences between dominant styles of members, together with the power division (explained in Section 4.4.2) cause remarkably strong dominance and polar in conflict handling.
- Over-usage/under-usage was not well-aware by members, owing to its similarities with their Enneagram types' weaknesses. It is even intensified by the types.
- Depending on the chance of further development of each member (analyzed in section 4.2.5), he/ she earns high or low chance to moderate the usage of each conflict handling style.

The level of development of each member, with his/ her Enneagram type, has important impacts on their ability to moderate usage of each conflict handling style.

5 Recommendations: initial Conflict Transformation Procedures (CTP)

Initial Conflict Transformation Procedures (CTP) is introduced with the initial content, description of purpose, and general need for capital and financing.

5.1 Purpose of initial CTP

Conflict Transformation Procedures (CTP) is designed with preparatory procedures to ensure conflict resolution to be improved in Ruby team.

Based on the interpretation from the secondary and primary researches, which have been summarized briefly in all the sub-summaries throughout the empirical studies, the necessity of a concrete and systemized CTP is clarified with the following functions:

- CTP is necessary as the framework to educate and equip all the members with necessary knowledge and understanding of cultural and psychological differences.
- CTP ensures the similar level of expectation, commitment and cross-type (Enneagram) understanding. Definition of commitment, attentive working attitude, leadership roles is ensured mutually agreed.
- Differences in psychological, social and academic backgrounds are overcome with the readiness to accept and work with mutual agreed style, standardized by CTP.
- Team will only be considered for foundation with members sharing compatibility in conflict handing styles and personality types.
- CTP is used as regulations in conflict handling, and with key performance indicator, applied as resource maintenance.

- Structures and frameworks for meetings are designed, with necessary training to ensure the equal intellectual level to lead meetings.
- Ill-prepared and low understanding of the other members and unequal power division in the founding team are two main causes of conflicts. CTP works as the regulator and preparatory stages to minimize these causes.
- Processes to identify and resolve conflict is designed and maintained in action with CTP.

5.2 Content of initial CTP

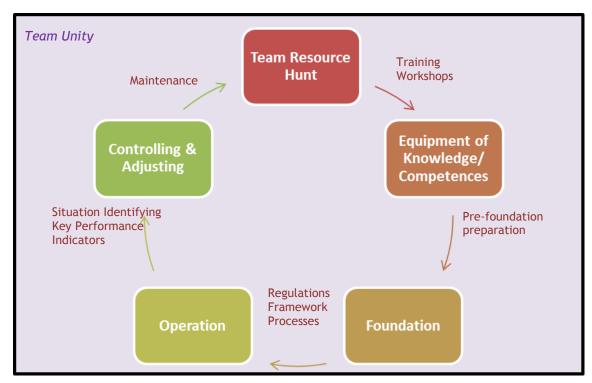


Figure 7 Conflict Transformation Procedure (CTP)

5.2.1 Initial CTP's mission and vision

Mission of Initial Conflict Transformation Procedures is not to establish regulations to transform conflicts happening in Ruby team into healthy and controllable ones. The mission is to create healthy environment for conflicts to occur at the minimum amount and escalation, and to equip team members with skill sets, competences, knowledge and tools for further resolution and adjustment of the procedures and maintain the healthy environment with high team unity.

Vision of Initial CTP is to gradually collect methodology and update regularly to transform conflicts, maintain healthy working environment and improve the efficiency of conflict resolution.

5.2.2 Golden rules to use and apply CTP

- 1. CTP must be ensured and limited in the team unity.
- **2.** CTP should not be activated when the founder has no detailed clarification of project idea. Project plan is expected to be available at the start of CTP
- **3.** The transitions onto next stages within CTP are remarked with the success of key activities (displayed by red-colored keywords next to the arrows towards next stages).
- **4.** CTP may be applied not only for team operation but for other human-resource activities as well.

5.2.3 5-stages of CTP

In this thesis, the initial CTP will firstly be applied into the team foundation, operation and control.

Stage 1: Resource hunt

List of criteria to look for at members, depending on project objectives and task specifications should be available. Potential individuals matching with these criteria should be asked to take Enneagram Test in order to collect their typologies.

If the founder of the business project has purposeful intentions to form groups with individuals sharing common prior relationship with the founder, he/ she should also ask these individuals to take the tests and submit with the profiles' critical points answering the criteria list. No exception is expected, in order to maintain the just background and initial trust base among members.

These individuals should be required to take the questionnaire from Thomas-Kilmann Conflict Mode Instrument to compare their conflict handling tendency. The compatibility in conflict handling style is measured as well.

The number of members should not be more than 3-4 members in order to form groups with balances in psychological compatibility and conflict handling style compatibility. Further researches on methodology to measure psychological and conflict handling style compatibility are not included in this initial CTP.

The search for potential individuals should be objective and open more than just the network base of the founder. The decision on members should be based mainly on the triad competence-psychology-conflict handling balances.

In case the founder faces difficulties to search for the potential members or the short lists of potential individuals are not large enough for decisions, the founder may need to ask for external help from trust-worthy recruitment parties or mentors. The process to search for individuals suitable for both projects and the teams should be seen as similar to searches for new employees/ partners or investors, regarding the wish for compatibility, full engagement and attentive attitude.

The transition from this stage to the next one starts when the initial project group is founded.

Stage 2: Equipment of knowledge/ competences

On the verge of moving to this stage, key activities to equip the members, whom now belong to the initial project group, should be scheduled. Training, workshops should be designed either by the founder him/herself or by the external sources. If the project is expected to have stronger role of founder and the decision making rights do not belong to the whole team, the founder is expected to design or ask for external support to co-lead the training/workshops. However, if the project is expected to share equal power division in decision-making and ask for equal attentive awareness from other co-founders, the founder is expected not to lead the training/workshops and attend them as the participants.

The knowledge and competences to equip for the members mostly include the following aspects:

- Understanding of cross-type differences in working styles, mottos, thinking habits, and expectation.
- Understanding of country cross-cultural dimension records and the influences of those dimensions on work ethics and conflict transformation
- Competences to lead meetings, to discuss in meetings, to give feedbacks and to receive feedbacks
- Skills to brainstorm conflict resolution options, identify conflicts and transform into healthy ones
- Prepare mutual acceptance of differences and empathy
- Equipment of different skill sets for problem-solving, critical thinking and decisionmaking
- Other necessary knowledge/understanding/ skill sets and competences

The decision on what to equip the members depends on the nature of the cluster in which the projects work on and the criteria to be expected at the members. Different challenges should be conducted to build up trust base through working and experiences under unexpected situation.

Definition and standardization of key performance indicators should be collected but not yet systemized. The indicators are designed depending on the psychological, social, academic backgrounds of the group members, project goals and the members' training records. The transition to the next stage is remarked when the group members have strong ties, understanding, empathy and cooperation for the common goals and mission. The key point deciding whether the members are ready for next stage is when the group comes through 4-stage of group dynamics with high performance and positive attitude, and gradually becomes team.

The training and workshops should be carried out in the way that records to rank the performance are available to track the efforts, improvement and efficiency of the training.

Stage 3: Foundation

The transition to this stage is completed after the pre-foundation preparatory activities are conducted successfully. Those activities should aim at the following intentions:

- Ensure all the members of the newly-formed team understand their roles in team
- Ensure all the members understand their daily responsibilities and long-term orientation
- Ensure all the members understand the step-by-step process to complete tasks
- Ensure all the members understand and be clarified about project goals, objectives, product descriptions/service offerings, supply chains, and all the necessary descriptive issues of the business project.
- Ensure all the members share the similar understanding of the above descriptive issues.
- Ensure all the members acknowledge the work-related and non-work related differences between their co-workers.

This stage's mission is to reach the readiness of the team members with both understanding and attitudes for the project launch and continual conflict transformation regulations. The transition to the next stage is when the team members are ready both with project-related issues and personal/relational/social issues. The team is then founded as project founding team to lead and manage the project and product/service launch.

Stage 4: Operation

During this stage, different regulations, structures and frameworks are imposed. They aim to establish the three-dimensional frame, Operation-Human & Culture Management-Strategic Planning around the project carry-out.

Operation dimension includes all regulations and structures necessary for the work progress to be as scheduled, the task completion to be efficiency and well-structured, the task division to be fair and matching with the competences, and the right decisions and actions to be made at the right time.

Human & Culture Management dimension includes all regulations and frameworks important for all conflicts to be resolved appropriately with right skill sets, for all conflicts to be transformed and not harmful, for working and social relationships between members are maintained, for working tension not to be tempered, for motivation to work is ensured with both environmental factors and task-related factors, and etc. This dimension ensures all issues regarding human and cultural aspects are resolved with regulations and framework.

Strategic Planning dimension works to design strategies for different aspects of the project implementation and planning. With this dimension, the project should run with planned direction and detail planning.

Further researches on methodologies to establish this three-dimensional frame are not included in this initial CTP, as well as the detailed criteria, structures, framework and regulations included in each dimension.

The transitional point to the next stage is the successful integration of the three-dimensional frame into the project. Conflicts and problems are not always unhealthy for the project, and this frame functions as the regulator for problem-solving procedures.

Stage 4: Controlling & adjusting

The transition onto this stage starts with the enlistment of key performance indicators. The indicators are used to measure the working efficiency of team members both with daily tasks and long-term orientation. This list of indicators should be approved mutually by all members and maintained in action by each of them. The lack of that maintenance stimulates unhealthy situational issues, affecting the efficiency of the three-dimensional frame.

During this stage, situational issues, healthy or unhealthy, will be considered as stimulators for the stage's activities. The three-dimensional frame formed in the previous stage may meet hindrances and needs for adjustments in this stage, with situational issues.

Situational issues are occasions, events, unsolved problems or external issues demanding changes in the frame. They should not be the existing problems or conflicts, which have not been resolved well and transformed into higher escalation level. Discussions and insights, as identifying activities, are necessary to clarify if the situational issues are inevitable to consider an adjustment to the frame.

In order to make any changes to the frame, analysis of situational issues is necessary to ensure the situational issues are not the badly-resolved conflicts/ problems. Different techniques and skill sets should be used to identify the origins of the issue. The decision-making process should be applied.

Whether the adjustment is necessary should be decided and if necessary, it should be carried out with detailed planning and approaches to protest should be conducted.

The purpose of the adjustment should be to maintain the implementation of the project, ensuring the goals and objectives to be reached, reacting toward new external conditions and protecting the friendly and effective working environment.

The re-circulation of this stage onto stage 1 is remarked with the decision to search for additional team human resource.

5.2.4 Need for capital and financing

All the financing is presented in VND (Vietnam Dong) currency since the business operating location is originally bounded in Vietnam. This financing calculation is initial and general; more detailed calculations are not included within the scope of this thesis for confidentiality reasons.

Need for capital	1 month (k VND)	3 first months (k VND)
Investments		
Machinery and equipment		
Computer& software	5,000	
Office furniture	6,000	
Paper and office tools	2,000	
Total Investment Capital	13,000	13,000

Working Capital		
1/ Workshop/Training Costs	4	12
	workshops/month	workshops/3 months
Group Registration Fees	20,000	60,000
Administration Cost	4,000	12,000
Trainee's Salary	3,000	9,000
Total Workshop/Training Costs	27,000	81,000
2/ Operating cost during 3 first month	ns	
Rent	5,000	15,000
Phone, electricity	1,000	3,000
Internet	1,200	3,600
Total Operating Cost	7,200	21,600
Needed cash	3,000	10,000
Total Working Capital	37,200	112,600
Corporate Income Tax Rate 10%	3,720	11,260
Needed Capital Total	53,920	136,860

Table 11 Initial financing and capital need

Since the business project has already been set up, there was no fee regarding the foundation of the business. The initial CTP will be applied firstly for 3 months to protest the experience and efficiency. The cost to evaluate the influences of CTP is not calculated within the scope of this initial financing.

The costs to run this initial CTP are mainly caused by the workshops and training, given that each workshop registration for the 4-member group costs 5,000k VND (approximately 173 euro). The target number of workshops to be arranged is 4 workshops per month. At each workshop, the administration cost includes administration activities, processing fees to record the member performance at the workshop, approximately 1,000k VND each (approx. 34.5 euro). While being trained in this period, the members of the group are considered as trainees, receiving trainee's salary level of 3,000k VND (approx. 103 euro) as financial aids before the actual project launch.

While running initial CTP, the fixed cost for operating activities is expended. Therefore, the total operating cost for each month is around 7,200k VND (approx. 250euro). Besides, for unexpected occasion and other expenses, the cash needed each month is around 3,000k VND (approx. 103 euro). In total, each month running CTP costs the team approximately 53, 920k VND (approx. 1,850 euro). Summing up, the 3-month CTP will cost approximately 136,860k VND (approx. 4,679 euro).

To finance this CTP, own financing from the founder will accounts for 80,000k VND (approx. 2,735 euro) and the rest will be financed by personal loans acquired from families with no interests.

5.2.5 Risks of failure

At each stage, the requirement to move to next stage is the success of key activities in that stage. Therefore, the highest risk of failure stands where key activities failed.

In order to proceed CTP, the fact that there should be sufficient sources to look for potential group members stands risks of failure to average degree.

The financing plan for 3-month initial CTP may not be sufficient in case CTP requires longer duration to protest with higher appropriateness. The risk of failure occurs also when financial issues hinder the progress.

Since the idea generation has been clarified thoroughly by the founder before CTP activation, the risk of failure stands if just objectiveness of founder is not ensured.

5.3 Limitations of initial CTP

Initial CTP has the scope limited with the following boundaries

- The initial CTP is based on the secondary and primary empirical data and interpretation of data within the scope of Ruby team and two projects (IAR and AOB). Therefore, the initial CTP has limitations to apply solely to Ruby team and other teams sharing high similarities.
- The procedures do not impose any detailed conflict transformation regulations as well
 as other kinds of frameworks or methodologies to establish them. It only introduces
 general procedures to build healthy environment for further researches in the field.
- CTP discussed in this thesis is initial and general, giving opportunities for further research in the bounded fields. Hence, the procedures introduced should not be applied in any cases without further modifications and researches.

6 Findings

This chapter will conclude the thesis with the findings for the research question in order to reach the given thesis objectives. The findings will be illustrated with answers to key discussion points of the following research question.

How should any type of procedures be built to identify conflicts at early stages and control the healthiness of working environment to reduce unhealthy conflicts?

6.1 Linkage between objectives, theoretical backgrounds and findings

In order to find answers for the research questions, the thesis has pointed out key discussion points. Thus, in this section, the answers to each discussion point are briefly illustrated.

How to define conflicts and its types?

Conflicts are rooted from divergent interests, values, status and power confronted with tension between parties (Coser & Rosenberg 1964). There are different ways to categorize conflicts, among which are origin-based categories with goal, perception, role, resource and relational divergence (Hofstadler 2011) and influence-based categories with healthy work-related and unhealthy hidden conflicts (Levi 2007). The former categorization emphasizes the origins of conflicts, while the latter focuses on their influences on the organization. The commonness between two categorizations lies on the considerable importance of causes and effects of conflicts on the healthiness and tension of the environment.

What affecting the conflict resolution process?

The process to resolve conflicts depends on choice of resolution approaches, cultures and natures of conflicts, the escalation degree and the preference for conflict handling style. Choice of resolution approaches vary among four main approaches with different perspectives and interventions (Halverson & Tirmizi 2008, 224), depending on whether the parties search for win-win or win-lose perspectives, and a third-party intervention is necessary for maintaining the commitment for solutions. Parties' cultures account for the tendency to communicate effectively about the choice, chances to adopt cooperative approaches and ability to gain mutual understanding. (Silverthorne 2005, 202-210). They both influence the conflict resolution to gain cooperative solutions for unhealthy conflicts, while there are still conflicts obtaining higher courses to be unhealthy. Either process of approaching, or prior relationship, or the nature of conflicts or characteristics of parties in conflict can influence. Besides, the escalation degree of conflict decides whether the intervention for solution is too late for any cooperative solutions, particularly when the win-lose stage is activated in the escalating dynamics (Glasl 1980). With consideration of all the above factors, the decision-maker still relatively depends on his / her own preference for conflict handling style to choose between assertive or cooperative process. (Kilmann Diagnostics 2008, 2-3)

What are psychological profiles of Ruby team members?

The four members share prior relationship with Ms.Do (founder) and no mutual experience with each other, before the projects, resulting in unequal team power division. Their personality Enneagram types are compatible with balances between analytical ability, intuition dependence, intellectual comprehension and peace-making bridging. However, the members do not share similar level of personality and intellectual development, together with side-effects from their wings, which hinders the appropriate choice of conflict resolution approaches and styles (Enneagram Institute, N.D). Their ability for critical thinking and just critical decision are affected by their weaknesses and low mutual acceptance. Their low emotional controllability allows intuition and emotions to take place in conflict situations.

How the comparison and analysis into service concepts foster the study towards its objectives?

There are differences and similarities between two projects. The similarities trigger the similar behavioral patterns of team members about the projects, while the differences allow the researcher to explain causes of behavioral patterns occurring. I'm a Refashionista (IAR) project explained the ability to work independently if tasks were clarified, while Age of Box (AOB) project discussed the failure to focus on different chains of supply when resources lacked.

IAR and AOB shared similarities that the team members could cope with different situations but lack attentive attitude, particularly in degree of customer contacts. The understanding of service concepts allows the data interpretation to take focuses on the team members' different core values, working styles and attitude regarding awareness and self-division of unnamed tasks. Therefore, the focuses foster the clearer insights towards thesis objectives.

Vietnam's cross-cultural dimensions and members' psychological compatibility affect conflict occurrence and escalation in what ways?

Vietnam's cross cultural dimensions with high power distance, collectivism and feminism influence conflicts within the team to occur with high tension between members without prior relationship and unjust criticism between members with prior ties, with high dependence on leader, whom is believed to own decision-making right and leadership role and with social relationships as key crucial elements (The Hofstede centre, 2013). These dimensions affect the escalation degree to raise tension as well, particularly with conflicts causing by them.

Similarly, the psychological backgrounds of team members arouse conflicts due to the lack of the initial psychological understanding, the mutual acceptance of differences in values, working styles and in conflict handling styles. Moreover, the psychological backgrounds partly contributed to the behavioral pattern emergence to be discussed in the next discussion point. These backgrounds affect the late identification of conflicts on escalation dynamics, and no complete solution can be reached.

What behavioral patterns and data nurtured through the research?

(Sub-summary 5) Passiveness, lack of work-related trusts, miscommunication, hesitancy to make changes, differences in expectation, power division, pseudo-belief about team incompatibility, different core values (mottos), great dependence on intuition of members and late identification of conflicts are the most important cultural and human factors affecting conflict transformation in Ruby team.

Lack of agreement on different aspects of working environment and expectations in the projects, mutual agreement of key performance indicators such as commitment, punctuality, leadership roles, and motivation policies are considered as vital weakness of the conflict transformation system.

As suggestion for development, how to use, apply and develop the suggested initial Conflict Transformation Procedures (CTP)?

Initial Conflict Transformation Procedures, as suggestion for development, is introduced as pathway to minimize unhealthy conflicts by building healthy environment with high team unity and mutual share of understanding and knowledge between members. This initial CTP should be used as the preparatory stage for Ruby team to equip the members with psychological, social and conflict resolution understanding and competences, establish regulations and frameworks, together with key performance indicators to maintain the healthiness and make necessary adjustments to ensure it. In order to use initial CTP, the founder has to ensure the financial ability to afford the 3-month plan to protest whether initial CTP is suitable for the projects. Then, the founder needs to develop certain methodologies to measure team compatibility, design necessary regulations or frameworks and modifications in order to make use of CTP.

In this thesis, initial CTP does not include any detail researched on methodologies on measurements, structures, frameworks, due to confidentiality and natures of exploratory-designed research. Therefore, further researches are appreciated as deepening the profundity and awareness of the research issues.

7 Summary

Resulting from several in-depth interviews with team members, framed questionnaire of Conflict Mode Instrument (Kilmann Diagnostics, 2008), personality tests (SimilarMinds, N.D), together with secondary researches and insights into theoretical backgrounds, the study gains, to some degree, initial explorations and achievements. Understanding of team member's psychological backgrounds, personality differences and expectations has been attained, together with the cross-cultural dimensions of Vietnam.

Moreover, the influences of service concepts and specifications are remarked, with the lack of systemized conflict resolution process. Behavioral patterns and grouped causes and effects have been identified and analyzed to draw attention to the importance of preparatory stages and maintenance procedures for conflict transformation in the team. The initial Conflict Transformation Procedures (CTP) has been designed to demonstrate that importance. Within the scope of this thesis study, the initial CTP should be considered as first foundation for healthy working environment establishment with high team unity and regulated three-dimension frame, Operation-Human & Culture Management-Strategic Planning. Further researches into the field to form regulations, frameworks and other measurement methodologies are expected to realize and integrate this CTP into action.

To sum up, the thesis study manages to prepare groundwork for further understanding into founding team and start-up projects in Vietnam, in which conflicts and initial difficulties are inevitable. As Mr. Nguyen (co-founder) confirmed, "the best way for a start-up to grow with minimum unhealthy conflicts is to be a learning organization, facilitating the learning of its members and continuously transforming itself".(Nguyen, Private Communication)

References

Published References

Aaker, D., Kumar, V. & Day, G., S. 2007. Marketing research. 1st edition. Hoboken, New Jersey: Wiley.

Burrow, J., Everard, K. & Kleindl, B.. 2008. Business principles and management. 12th edition. Mason, Ohio: Thomson Learning.

Coser, L. & Rosenberg, B.1964. Sociological theory: a book of readings. 1st edition. New York: Macmillan Co.

Deutsch, M. 1973. The resolution of conflict. 1st Edition. New Haven: Yale University Press.

Doran, G. 1981. There's a S.M.A.R.T way to write management goals and objectives. Management Review, 70 (11), 35-36.

Eriksson, P. & Kovalainen, A. 2008. Qualitative methods in business research.1st Edition. Los Angeles: Sage Publications.

Fitzsimmons, M. 2013. Service management. 8th Edition. London: McGraw-Hill Education-Europe.

Glasl, F. 1980. Konfliktmanagement. 1st edition. Bern: Haupt.

Harverson, C.& Tirmizi, S. 2008. Effective multicultural teams: theory and practice. Dordrecht: Springer.

Hofstadler, H. 2011. Psychology and sociology applied at sales and management [Course handout]. Held on November 2011. FH Steyr.

Hofstede, G. 1980. Culture's consequences. 1st Edition. Beverly Hills, California: Sage Publications.

Kale, H. & Shrivastava, S. 2003. The Enneagram system for enhancing workplace spirituality. Journal of Management Development, 22(4), 308-328.

Katzenbach, J. 2004. Harvard business review on teams that succeed. Boston, Massachusetts: Harvard Business School Publication.

Lederach, J. 1995. Preparing for peace: conflict transformation across cultures. 1st edition. Syracuse, New York: Syracuse University Press.

Levi, D. 2007. Group dynamics for teams. 2nd Edition. Los Angeles, California: Sage Publications.

Malhotra, K. & Birks, F. 2007. Marketing research. 1st Edition. Harlow: Prentice Hall.

Silverthorne, C. 2005. Organizational psychology in cross-cultural perspective. 1ST edition. New York: New York University Press.

Tuckman, B. 1965. Development sequence in small groups. Psychological Bulletin, 63(6), 384-389.

Vuong, Q. 2007. Van minh lam giau & nguon goc cua cai. Hanoi, Vietnam: National Politics Publisher.

Vuong, Q. & Tran, T. 2009. Vietnam entrepreneurial cultures. IUP Journal of Entrepreneurship Development, VI(3&4), 55-78.

Wrenn, B., Stevens, R. & Loudon, D. 2007. Marketing research. 1st Edition. London: Best Business Books.

Yin, R. 2002. Case study research. Thousand Oaks, California: Sage.116-137.

Zehetner, A. 2011. Business to business market research textbook [Course handouts]. Held on November 2011.

Electronic References

Blank, S. 2010. What's a startup? First principles. Steve Blank, 25th Jan. Accessed 25th October 2013.

http://steveblank.com/2010/01/25/whats-a-startup-first-principles/

Enneagram Institute. N.D. Introduction to the Enneagram. Accessed 4th December 2013. http://www.enneagraminstitute.com/intro.asp#

Enneagram Institute. N.D.The harmonic groups. Accessed 4th December 2013. http://www.enneagraminstitute.com/harmonics.asp#.UpigV7XFEsI

SimilarMinds. Free Enneagram personality test. N.D. Accessed 4th December 2013. http://similarminds.com/test.html

Investment & Trade Promotion Centre of Ho Chi Minh City (ITPC). 2013. 10 lí do số doanh nghiệp khởi nghiệp sẽ tiếp tục tăng tại Việt Nam. 17th September. Accesed 26th October 2013. http://www.itpc.gov.vn/exporters/news/tintrongnuoc/2013-01-02.663050/2013-09-04.525683/2013-09-17.559910

Kilmann Diagnostics. 2008. Thomas-Kilmann Conflict Mode Instrument profile and interpretive report. Accessed 10th December 2013.

http://www.kilmanndiagnostics.com/sites/default/files/TKI_Sample_Report.pdf

Conflict. N.D. Merriam-Webster.com. Accessed December 13, 2013. http://www.merriam-webster.com/dictionary/conflict

Personality Café. 2010. Type 5 forum- the investigator: Enneatype 5 and wings. 12th August. Accessed 4th December 2013.

http://personalitycafe.com/type-5-forum-investigator/39233-enneatype-5-wings.html

Personality Café. 2011. Type 9 forum- the peace maker. 15th August. Accessed 4th December 2013

http://personalitycafe.com/type-9-forum-peacemaker/65612-type-nine-peacemaker-timeless-description.html

Personality Café. 2013. Type 4 forum- the individualist: Enneatype 4 and wings. 12th August. Accessed 4th December 2013.

http://personalitycafe.com/type-4-forum-individualist/39234-enneatype-4-wings.html

Russel, J. 2013. Why Southeast Asia is the world's most exciting region for startups and tech in 2013. The Next Web, 3rd January. Accessed 25th October 2013. http://thenextweb.com/asia/2013/01/03/2013-in-southeast-asia/

Stanford School of Medicine. 2013. Cultural beliefs and practices: role of Confucianism. 8th December. Accessed 30th November 2013.

http://geriatrics.stanford.edu/ethnomed/chinese/fund/beliefs/

Tech Entrepreneurship in Vietnam. 2013. Việt Nam là môi trường khởi nghiệp năng động nhất Đông Nam Á. 2nd October. Accessed 27th October 2013.

http://www.action.vn/khoi-nghiep/thong-tin-ho-tro-khoi-nghiep/3546-tai-sao-co-the-noi-viet-nam-la-moi-truong-khoi-nghiep-nang-dong-nhat-dong-nam-a

The Chubby Team. 2011. Analyzing 32 startup failure post-mortems to Find the 20 top reasons that startups fail. Chubby Brain, 11th January. Accessed 27th October 2013.

http://www.chubbybrain.com/blog/top-reasons-startups-fail-analyzing-startup-failure-post-mortem/

The Enneagram in Business. 2013. Find your Enneagram style. 4th December. Accessed 1st December 2013.

http://theenneagraminbusiness.com/the-enneagram/find-your-enneagram-style/

The Hofstede Centre. 2013. National cultural dimensions: Vietnam. 5th November. Accessed 30th November 2013.

http://geert-hofstede.com/vietnam.html

The World Fact Book. 2013. Vietnam. 5th December. Accessed 30th November 2013. https://www.cia.gov/library/publications/the-world-factbook/geos/vm.html

Other references

Age of Box Founding Team. 2013. Age of Box business plan. Ho Chi Minh city, Vietnam

Do, N. Founder. Ruby team. Private Enneagram test. 23th November 2011. Ho Chi Minh City, Vietnam. Online test.

Do, N . Founder. Ruby team. Private indepth interview. 20th November 2011. Ho Chi Minh City, Vietnam. Private communication.

Ngo, T.A. Co-founder. Ruby team. Private Enneagram test. 23th November 2011. Ho Chi Minh City, Vietnam. Online test.

Ngo, T.A. Co-founder. Ruby team. Private indepth interview. 20th November 2011. Ho Chi Minh City, Vietnam. Private communication.

Nguyen, B.T. Co-founder. Ruby team. Private Enneagram test. 23th November 2011. Ho Chi Minh City, Vietnam. Online test.

Nguyen, B.T. Co-founder. Ruby team. Private indepth interview. 22th November 2011. Ho Chi Minh City, Vietnam. Private communication.

Vuong, N. Co-founder. Ruby team. Private Enneagram test. 23th November 2011. Ho Chi Minh City, Vietnam. Online test.

Vuong, N. Co-founder. Ruby team. Private indepth interview. 20th November 2011. Ho Chi Minh City, Vietnam. Private communication.

Illustrations

Picture 1 Thomas- Kilmann	Conflict Mode Instrument (Kilmann	Diagnostics 2008,	2-3) 3	2
Picture 2 Enneagram circle	(The Enneagram in Business, 2013)		4	8

Figures

Figure 4 Ruby team brief profile	46
Figure 5 Nine Enneagram type, (Kale & Shrivastava 2003, 308-328)	49
Figure 6 Enneagram analysis of Ruby team	50
Figure 7 Conclusion on team compatibility	59
Figure 8 Thomas-Kilmann Instrument report (Questionnaire)	81
Figure 9 Team Member's TKI percentage score	81
Figure 10 Conflict Transformation Procedure (CTP)	85

Tables

Table 1: Number of Start-ups legally registered and closed, Vietnam, 2010-2013	6
Table 2 Theoretical approach order	11
Table 3 Thesis structure	
Table 4 Conflict type by origin	17
Table 5 Sources of conflicts (Levi 2007, 113)	
Table 6 Detailed escalation process, Glasl's conflict-model of escalating dynamics	
2011)	
Table 8 Project general comparison	
Table 9 Taxonomy for service process designs	65
Table 10 Secondary research report table	69
Table 11 Conflict handling style and Enneagram type	
Table 12 Initial financing and capital need	