

**EFFECTIVENESS OF FAMILY BUSINESS TEAMWORK
OF USEFUL-FOOD CO., LTD (THAILAND)**



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**EFFECTIVENESS OF FAMILY BUSINESS TEAMWORK
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ABSTRACT

Teamwork plays an important role for success in every organisation, including family business. In this paper I apply the real-life family businesses case studies, like Useful Food Co., Ltd. The result of the study would benefit the company, and will enhance its long-term success. This research adopted the framework of “The Family Team Effectiveness Characteristic” by Pervin, as measurement tools. The framework consisted of 7 characteristics that productive family business should have commonly, which are: shared goals and objectives, using resources effectively, trust and conflict resolution, shared leadership, formal systems, effective communications and problem-solving and decision-making systems. This paper also tends to understand how to develop better performance in family teamwork, operating in a family business. An interview has been done with two participants of Useful-Food. The purpose of this study is to find out the existing characteristics and improvement areas of Useful-Food’s family teamwork, using the framework by Pervin.

KEYWORDS: family business, Useful-Food Co., Ltd. effectiveness of teamwork, intergeneration teamwork, junior generation, senior generation

25 pages

CONTENTS

	Page
ACKNOWLEDGEMENTS	ii
ABSTRACT	iii
LIST OF TABLES	v
CHAPTER I INTRODUCTION	1
1.1 The objective of the study	2
1.2 Scope	2
CHAPTER II LITERATURE REVIEWS	3
CHAPTER III DATA COLLECTION METHODOLOGY	10
CHAPTER IV FINDINGS	14
CHAPTER V DATA ANALYZING	18
CHAPTER VI RECOMMENDATIONS	21
CHAPTER VII CONCLUSION	22
REFERENCES	23
BIOGRAPHY	25

LIST OF TABLES

Table	Page
3.1 Interview Questions	12
3.2 The Framework	13
5.1 The Interview Result	18



CHAPTER I

INTRODUCTION

This paper focuses on intergeneration teamwork of family businesses, underlying how its unique characteristics can lead to success. Identifying the key factors can improve the quality of family team practices and performance. Strengthening the quality of family businesses also enhances the strength of society and the economy on a larger scale, as family businesses play a virtually important role in the system.

Family businesses are a system which is managed by one or more families. Each family member has ownership and commitment to strive the business forward. The structure of family businesses can range from a micro scale to a large scale, as widely seen existing around the world, especially in Asia. In Thailand, 70% of business is occupied by family businesses, and 50% of Thai business in the Thai stock market exchange is valued at 2.35 trillion Baht. (Navavongsathian, 2008). Hence, the integrity of family businesses yields strong foundations for society and the economy, as it is a basic structure of more complex institutions and organizations.

There are many factors that help the family businesses to reach its goal. Teamwork plays an important role in the success of every organization. However, family firms have their own unique characteristics. Family firms have multi-generations working together, and even if they are familiar with each other conflict within the team is inevitable. Thus, the management of inter-generation teamwork sets apart the family businesses and non-family businesses. To develop the integrity of family businesses is very important to help family firms reach their goal.

Hence, this paper examines a series of real-life family business case studies, based on in-depth interviews with the second or third generation leaders of Useful-Food Company. Useful Food Co., Ltd. is a Thai company, a leader in snack manufacturing which is ruled in form by a family business system, and was set up on 2nd July, 1984 when it launched its first product, the spiral potato snack brand

"POTAE". The company has also introduced many new products to the market, i.e. "PAPRIKA", a potato based snack, and "CORNAE", a crispy corn snack. Nowadays, the snack line still enjoys success. POTAE EXTRA, HOYAN and KOB KOB FRITES are the newest products introduced to the market, in 2010, by the Useful Food Co., Ltd., while the cereal nugget brand "DONAE BLOG" from the cereal line, was also launched in the same year. All products are very popular in the market. The key of this study is to find out the strength and weakness of Useful-Food's family teamwork, using the framework of "The Family Team Effectiveness Characteristic", by Pervin. The framework consists of the common characteristics of a productive family team. This paper also aims to gain a better understanding of how to improve the performance of family teamwork in family businesses.

1.1 The objectives of this study

- 1.1.1 To identify the existing characteristics of Useful Food's family team.
- 1.1.2 To identify and analyze improvement areas, by applying a framework
- 1.1.3 To develop a model of improvement areas, for Useful Food's family team.

1.2 Scope

This thematic paper will be conducted using a qualitative research methodology, by set face interviews with 2 family members who work in the family company, Useful Food Co., Ltd. The candidates must have work experience in the company of more than 2 years. Additionally, this research will focus only internal factor of the family. The research will not cover any external factor, such as organizational structure, Thai economy or and social changes.

CHAPTER II

LITERATURE REVIEW

Many startup businesses in Thailand are family businesses. The integrity of family businesses yields strong foundations for Thai society and the economy, because over 70% of businesses in Thailand are family businesses (Navavongsathian, 2008). Most of them are Small and Medium Enterprises, SMEs. Although Thailand's government has invested a lot of money to support SMEs startups, it does not have long-term plans for maintaining SMEs. Thus, many SMEs have failed to survive during an economic downturn.

This thematic paper will implement the following articles, in order to examine the framework of Pervin, to find out ways to improve the quality of family team practices and performance. The research uses Useful Food Co., Ltd. as a case study. Useful Food Co., Ltd. is considered as the leader of Thai snack companies, governed by a family businesses system. The company produces well-known products, such as the spiral potato snack brand "POTAE", "PAPRIKA", a potato based snack and "CORNAE", a crispy corn snack.

In Pervin's journal (2007), it suggested that a unique characteristic of a team is that the participants often cannot build good teamwork. That is because the benefits of the family members are in discord with the advantage of the family business. This obstacle of teamwork was also explained in the research of Miller et al. (2007). The research indicated that the conflict within family firms can occur due to failing to prioritise the benefits of the family businesses. Hence, productive intergeneration teamwork needs to balance between family needs and business needs. Pervin suggested that the effective management teams in family firms will know how to apply psychology to the various types of family members' personalities. Giving respect and dignity to each other can increase cooperation with the team.

There are 7 characteristics that can lead intergeneration teamwork to be successful: 1) Shared goals and objectives: similar perception over business direction, vision, and mission is very important. 2) Using resources effectively: family

enterprises must make decisive decisions about each participant's contribution to the business, and accurately assess and match their skills to the job. 3) Trust and conflict resolution: an effective intergeneration team will not let personal feelings from home get involved in the workplace. There should be no prejudiced or biased opinions or decisions. 4) Shared leadership: preparation of succession planning is important. Hence, senior generations must transfer all useful knowledge and skills in operating the business. 5) Formal systems: the family business should build a formal structure of the organisation, so that successors can easily follow through the process. 6) Effective communications: every generation should have an equal right to share opinions. Communication is a way to maintain harmony. 7) Problem-solving and decision-making systems: productive family teamwork usually involves discussing the problem solution together, in the form of business co-workers. A successful family team will accurately separate the parental relationships and co-worker relationships.

In order to confirm that all of the 7 characteristics can be used as effective family teamwork evaluating tools, the research used the 'Theory of Requisite Organization', by Jaques (1998), to support this document. The theory explained that there are 3 main elements which drive a management team to success. First is 'Organization Structure', second the 'Organization Process', and finally 'The people at work'.

First, Organization Structure consists of three subjects: 1) Role Accountability and Authority, 2) Vertical Layering, and 3) Cross-Functional Relationships. Role Accountability and authority is necessary to set a concrete system of team members' roles, functions and goals. A well-established system will help support long-term sustainability, and the growth of the company. Vertical Layering sets the pattern of roles which will help to improve innovation and creativity. Cross-Functional Relationships set the specific authorities and accountabilities of the relationships, across each section. This organizational structure is very important. It supports the topic of "Shared Goals and Objectives", as it encourages each participant in the family businesses to understand their roles, functions, and firm's vision. It also sets a formal system in a family firm, which will improve its productivity and efficiency.

Second, Organization Process consists of 1) Managerial Leadership Practices and 2) Felt Fair Compensation. The key role of successful managerial leadership practices is that the manager should get involved with all work managerial levels, such as: effectively decision making, training, work assignments and work evaluation. To build up a relationship with subordinates is necessary. The manager needs to set a context which encourages communication, such as setting meetings, face-to-face with subordinates, and treating them equally. The process should also set felt fair compensation. Work-loads and compensation should match as closely as possible. Any mismatch in compensation can damage the working atmosphere. The well-organized process creates “Shared leadership”, “Formal systems”, and “Effective Communications”.

Finally, People at work consist of 2 key elements: 1) Individual Capability, and 2) Talent Pool Development. People at work must be assigned to a job which matches their competency, so that they can work effectively. It is also crucial to set up mentors and training programs which help develop human resource. This third element is vital to any business, as both Pervin and Jaques emphasized this factor. Well-trained people increase the efficiency of “Using Resources”, create “Trust and Conflict Resolution”, and improve “Problem-solving and decision-making systems”.

Those 3 elements of the ‘Theory of Requisite Organization’, by Jaques (1998) indicated the characteristics productive teamwork should have. Each element is flexible, depending on the context of each case. Even RO claimed that it is a theory that can increase the productivity of a team. However, the limitation of RO is that RO is focused on people, and not the organisation structure, such as organisation policies or company structure.

Referring to the relationship between the two articles by Pervin and Jaques, they imply that the 7 characteristics can be used as effective tools to evaluate the productivity of intergeneration teamwork. In addition, there are more articles which describe that the 7 characteristics can be used as effective tools.

An article by Ward (2013), described a case study of ‘Heineken’, the third largest beer company in the world with a long history of almost 150 years. Jean-Francois van Boxmeer is the Chairman/CEO of Heineken, and a fifth generation of the Heineken family. In an interview, Mr. van Boxmeer gave his opinion, in response to

an interview question of, “What does it take to successfully integrate acquisitions?” he suggested there are 4 items: 1) Clear direction: this item supports the idea of “Shared goals”, “Effective communication” and “Formal system”, 2) Mix people up, 3) Get rid of the 10% who don’t buy in, and 4) Use people’s strengths. The last 3 items support the ideas of “Using Resources Effectively” and “Shared leadership”. Furthermore, another interview question was: “What about culture?” He elaborated 6 elements about key Heineken values: 1) Passion for quality, 2) Enjoyment, 3) Respect, 4) Integrity 5) Entrepreneurship, and 6) Demanding of results. The first four are items that family firms should have in common, which are all key culture values that can encourage an environment of sharing opinions, and discussions under neutral attitudes, which supports the idea of problem-solving and decision-making systems. Entrepreneurship and integrity provide for professional operations, which mean to leave the parent/child relationship at home supports the idea of “Problem-solving and decision-making systems”.

Also, an article by Boyatzis et al. (2012), also supports Pervin’s 7 characteristics as effective tools to evaluate the productivity of intergeneration teamwork. The article by Boyatzis illustrates the role of emotional and social intelligence in family businesses leaders, and how that can lead to shared visions and increases the success of a family business. Two-generations of family businesses members inspires others, by building resonant relationships with them. A resonant relationship is a relationship of mutual understanding and trust, and agreement between the two generations. His research addressed that the emotional is contagious, which can be spread to others around. The author suggested that creating such a resonant relationship is important, because it creates a “Positive Emotional Attractor (PEA)”, a state where the person is activated, which results in an individual being open-minded and willing to learn new things. As a result, they are willing to make changes. Hence, the PEA state encourages people to motivate themselves, and increases a positive atmosphere at the workplace. The leader in family firms can inspire others by building resonant relationships with them. Since emotions are contagious, the leader or senior generation should use their emotional intelligence and social intelligence, in order to shift the people’s mood into that of a PEA state.

To use positive emotion in communication is a smart way to allow both generations to work together smoothly. The material in the journal emphasizes that successful family teamwork should discard individual emotions outside of work. This article supports the idea of “Effective Communication”, “Trust and Conflict Resolution” and “Problem Solving and Decision Making System”. All of these 3 elements are required to have emotional and social intelligence in common.

Additionally, a research article by Miller et al. (2007), is about “The Role of Quality of Conflict in Intergenerational Transfers of Small and Medium-Sized Farm Family Businesses”. This research mainly focuses on both the benefits and the downside of conflict in family businesses, and the emotional intelligence connection to transition strategy. The authors addressed the importance of conflict to aid in problem solving, innovation, and organizational success. The research is based on 4 sources of conflict: Antecedent conflict is Life cycle conflict, Role conflict, Identity conflict and Justice (fairness) conflict. Categories of independent variables are: business characteristics, owner characteristics, household conditions, behavioral conflict and antecedent conditions. The research indicated that issues often become conflict topics. The first issue is the event in which they have to choose family first. The second is a conflict arises when a decision has been made in favor of what is the best for the family, versus the family business. This study supports the idea that family benefit is the main factor which influences a family firm’s goals and strategies. According to the result, it seems that implementing a process, or policy, to balance between the family needs and the business needs to be prevented, in order to keep family teamwork. Prioritizing needs of the business and the family, as well as increasing clarity of roles for family and business participants, are needed in order to prevent overlap. An article by Rivers (2011) also cites the idea that an unclear role is always a source of teamwork conflict. All result from this research support the idea that of a balance between family needs and business needs. The article clearly cites the idea of “Using resources effectively”, so to assign work clearly and to match with each skill, which is a part of the crucial characteristics of effective family teamwork. However, one limitation to this study is that some questions may relate to sensitive areas within the family, in that respondents may be reluctant to give exact information involving

family-internal sensitive areas, as those topics of question about unequal ownership of the business, by family members, may give biased results.

Finally, I would like to progress to the last journal, in order to confirm that the seven elements can be used over time. The research of Tio et al. (2005) suggested the characteristics to be the effective CEOs in family businesses are: 1) The Time Demand on the Chief Executive officer, 2) Time diagnosis, 3) Consolidating Discretionary Time, 4) The CEOs Own Commitment, 5) Make the Specialist Effective, and 6) The Right Human Relations. Drucker (1993) suggests 4 basic elements to have effective human relations: communication, teamwork, self-development and development of others. The author also suggests ways to make relatives and employees feel involved, and support leader decisions as productive teamwork, in order to gain extra support from CEO decisions. The author suggests the 'Northington's concept of Three C's', which is the necessary concept to encourage productive relationships in the family businesses, and which are: Communication, Cooperation, and Control. The journal stated that the best form of communication in family business is to make all information of the company available, and to all members. Communication can be in the form of reports, e-mails and annual meetings. Second is cooperation. The author addressed that this helps support the family in making big decisions. Productive communication will provide good cooperation. When a leader listens to each one regularly, the relatives and employees tend to be more willing to follow the leader's decisions. Controllers, the CEOs of family firms, have the right to do whatever they want. Hence, it is quite necessary to gain authority by proving integrity and trust. All of the material in the journal by Tio et al. (2005) supports the seven idea elements of Pervin.

All of the literature reviews above referred to the seven elements from Pervin. As a result, they can be an implement for evaluating the effectiveness of intergeneration teamwork in family firms, which may be useful for future research.

A further suggestion is to create the circumstances which encourage two generations to come to discuss with each other, in order to increase mutual understanding, and reduce conflict. For example, set up family meetings. Formally scheduled family meetings provide family members with information about the status

of the family, and the family business. Family members can re-connect with one another. Accordingly, family retreats are also suggested as an alternative.

The limitation of this thematic paper is that the paper only discusses internal measurements of intergeneration teamwork, which play a major role in the successful family business, yet there are other internal and external variables which should be included in the measurement tools, and those are not discussed in this thematic paper.

The measurement tools will be applied to the case of Useful Food Co. Ltd. The company is one of the big family businesses in Thailand. The firm is the leader of Thai snack manufacturers, and was set up more than 30 years, on 2nd July, 1984. The 7 measurement tools would be implemented to evaluate the effectiveness of intergeneration teamwork, in order to analyze and give suggestions for improving intergeneration teamwork, which will help boost the quality of products and services.



CHAPTER III

METHODOLOGY

The research will be conducted using in-depth interviewing, which is a qualitative research technique, because this method is suited to some particular groups, such as a family firm team. In-depth interviews would provide more detailed information about a person's thoughts and behavior, in order to get particular ideas of the criteria of the effectiveness of an intergeneration team in a family business, as well as to explore new issues in-depth. Hence, the interview will be set as a face-to-face personal interview, because some questions may not be comfortable to encourage talking openly in a group (Boyce et al., 2006).

The data will be gathered from the interviewees, who work in their family firm with intergeneration teamwork. They also need to meet all the following criteria. Firstly, have working experience in their family business for at least 2 years. Secondly, take part in decision-making in the family company

The data will be collected from a minimum of 2 persons from the same company, in order to strengthen the reliability of the data being gathered, and to give clues to the interviewee about the level of answer that is desired.

The limitations of the method are: 1) Biased answers would not occur with regard to sensitive topics, such as a question about conflict among family members. 2) Non-generalisable: When in-depth interviews are to be made in small samples. Hence, may be lacking of variety in the data.

Open-ended question are used to the get the answers from the interviewees, and avoid bias. An open-ended question is one in which an answer is not suggested. Open-ended questions typically begin with words such as 'Why?' and 'How?' An open-ended question is designed to encourage a full, meaningful answer using the subject's own knowledge, attitude or feelings. This kind of question requires an explanation instead of just a simple yes or no. An example of an open-ended question is "How do you feel?" because the question is designed to encourage a full,

meaningful answer, using the subject's own knowledge and/or feelings (Monroe et al., 2007).

Additionally, a probing interview technique will be implemented. This technique is about repeating the question, which will get more accurate information, because sometime interviewees will not provide a complete answer directly to the question, and right away. The interviewer often has to ask for missing information. Furthermore, if a respondent's answer is irrelevant or unclear then this is the most challenging part of interviewing (Sandberg, 2008).

The data will be collected by reflective note-taking. This is because it is a fast way of fully recording and storing the data of the answers via condensing techniques, such as using short words, symbols and so on. Furthermore, external memory tools will be implemented, in order to prevent the forgetting of some important points (Piolat et al., 2005).

The scope of open-ended questions will be referred to as the framework. The interview questions will be no more than 15 main questions and to organize the interview and probing technique are also included (Boyce et al., 2006). A list of open-ended questions is developed because they create effective interview questions which lead to bringing more efficient outcomes and reduce time-consumption when conducting interviews. The questions are provided, as follow table 3.1

Table 3.1 Interview questions

No	Interview questions
1	Please elaborate upon family business intergeneration teamwork, in your own point of view.
2	What have been the criteria to assign work by previous generations?
3	How have senior generations set the structure of roles, responsibilities and position for you?
4	What do you think about the work that you are responsible for?
5	Please elaborate upon the coaching methods in the family firm.
6	What do you think about the leadership level of your position?
7	What is your opinion towards communication among the intergeneration team, in your family business?
8	Please elaborate upon family business intergeneration teamwork, in your own point of view.
9	What have been the criteria to assign work by previous generations?
10	How have senior generations set the structure of roles, responsibilities and position for you?
11	What do you think about the work that you are responsible for?
12	Please elaborate upon the coaching methods in the family firm.
13	What do you think about the leadership level of your position?
14	What is your opinion towards communication among the intergeneration team, in your family business?

The findings corresponded with the Pervin (2007) research framework, and exhibited that “The Family Team Effectiveness Characteristic” is adopted as the framework for collecting and analyzing the data, which consists of the 7 characteristics that lead to intergeneration teamwork in family firms being successful, and would predict effective intergeneration teamwork.

Refer to the previous studies by Pervin “The Family Team Effectiveness Critiques” is adopted as the framework to collect and analyse data as table 3.2:

Table 3.2 The Framework

No	Framework Element
1	Shared Goals and Objectives
2	Using Resources Effectively
3	Trust and Conflict Resolution
4	Shared leadership
5	Formal systems
6	Effective Communications
7	Problem-solving and decision-making systems

The research will be conducted with in-depth interviewing. Useful Food Co., Ltd. (Thailand) is a family company, run by three generations (founder generation, second generation and third generation). The founder generation still plays an important role in running the business.

The research selected two eligible participants of the second and the third generation, who are Mr. Prasit Pusayapaibul and Mr. Pariya Pusayapaibul, in order to strengthen the results by collecting different points of view from different generations. The first candidate, Mr. Prasit is a recent Executive Vice President (EVP) of Useful Food Co., Ltd. (Thailand), who has worked for the company more than 30 years. Mr. Prasit is second generation, and also the father of Mr. Pariya, who is third generation, and recently took the position of Quality Control Manager (QCM) of Useful Food Co., Ltd. (Thailand). He has been working in the family company for more than 2 years.

CHAPTER IV

FINDINGS

The question of the research is: “What are areas for improvement for the Useful Food Co., Ltd. family team?”. The research aims to analyze and suggest areas of improvement for the Useful Food family team. The results are shown in following

Shared Goals and Objectives

Monthly or weekly meetings will provide an opportunity for family members to share their opinions. Goals of the teamwork seemed to involve the benefits and income of the company, which related directly with wealth of the family that everyone is a part of, as a stakeholder.

“We discuss all business agenda in the company meeting room, but outside the meeting room our conversations seem to be more open and casual. Every month we have to meet up at grandfather’s home (Pure P., CEO) as a part of our family culture. We often share the points of view about interesting social topics of the moment. For example, at this moment we absolutely talk about political issues. I think casual conversation over general topics is an opportunity to learn each family member’s personality, logic, emotion and intellect. Furthermore, both formal and informal meetings shape individual needs and objectives to be compatible with the goals of the company.” (QCM)

Using Resources Effectively

Differences of working entry conditions between the second and the third generation. The third generation indicated an educational background playing the main role of assignment to work criteria. Conversely, the second generation indicated that work and position were assigned depending on what was available and needed at the time.

“Our senior generation will assign work mainly based on each one’s educational background. In my case, my educational background is Mechanical Engineering. So the Quality Control Department seems to fit with my skills. In addition, positional succession was also used as the criteria. I would like to mention my uncle and his children as an example. My uncle worked in the Marketing department, but his child graduated from a Faculty of Veterinary Science, for which the skill does not seem to match with the department. Yet the offspring could take the job in the marketing department because it was the same work field as their parents. Senior generations selected position succession as their recruitment criteria because offspring of this kin are raised up within the family business environment. For instance, when I was a child, my father took me to his office almost every day. So, I feel familiar with the job my father did. This could shorten the job training process. Now, I quickly understand what I have to do in the department, because I have been associated with the department since I was a boy.”(QCM)

“At my age, a degree is totally non-related to responsibility. I think it depended on the necessity of the position, at that time.” (EVP)

Trust and Conflict Resolution

The third generation will gain trust depending upon their actions and the outcomes. Furthermore, individual emotion is shown as a source of conflict in family teamwork

“Actually, we avoid to openly discuss conflict. Internal conflicts occur when an individual issue plays into main conflict in the teamwork. I admit that individual emotion is an obvious source of conflict in our teamwork. Conversely, our teamwork rarely has conflict caused by issues from the workplace, which may be because the company has been set up for a long time, and will never experience similar cases of the problems. Hence, senior generations can suggest the solution based upon their experiences. Even the senior generation and I have known each other ever since I was born. However, then I had to build up credit. In my first period I started working in the QC department, the first project, my parents and relatives kept a close eye on the quality of my work. Yet later, in recent projects, and this is my fourth project, the senior generation are seemingly more relaxed, when inspecting my

work, as well as give me more authority to make decisions in further areas. I think credit cannot be built up within one day. It has to take time and depends upon your actions.” (QCM)

Shared leadership

The controlling generation has prepared as a plan to transfer authority to the next generation.

“I think the answer to this point is similar to the way I gained trust from the senior generation. It is my job to prove myself. I have to show the enthusiasm to learn new things and improve myself, to be a leader. Actually, I think my parents had a leadership succession plan since I was born. My parents and their generations have the same goals, which are focusing on the sustainability and growth of the business, to be business of the Pussayapaibul family, as long as it could be. Even their generations are gone. So my generation (third generation) is their hope. I can feel that they have never been reluctant to transfer leadership if they think that person has the ability to gradually absorb the management skills and other necessary knowledge. Yet everything is organized step-by-step.” (QCM)

Formal systems

Family team often uses informal and traditional ways of operation.

“On the job training style, we will learn to solve the problem when we face it, and then the senior generation will give the solutions, and suggestions from their personal experiences. For operational procedures, I follow the existing procedures of the company. In the company there are no obvious privileges. I have to submit sick leave documents, the same as non-family members of staff. I cannot just tell my father to do so. For extra benefit will be considered by grandfather.” (QCM)

“Almost 30 years ago, my father (Pariya’s grandfather) had no systems at all; no coaching, no evaluation or assessment. My generation adapted and built up the know-how on our own.” (EVP)

Effective Communications

The results of interviews imply that they tend to maintain harmony, by avoiding open and honest conversations.

Individual emotion is involved in the conversation.

Not everybody contributed their opinion in the discussion, especially quiet persons.

“In the meeting room, the family team conversation and ambience is quite relaxed and casual. There is no formal agenda, the same as a non-family firm. My grandfather is the person who makes the final conclusion of discussion. I think the strength points of this characteristic that the meeting has less pressure to offer opinion, yet one downside is time is consumed, because many times the members always talk about the irrelevant material, which does not relate to the workplace or meeting objectives. Furthermore, someone’s personality is talkative, while someone may be a quiet person. Hence, the meeting seems to be dominated by the talkative person.” (QCM)

“Informal communication is convenience, and the fastest way to brainstorm, updating the plans and situations of each department in the company.” (EVP)

Problem-solving and decision-making systems

The controlling generation mainly makes decisions based upon its experience. The third generation participates less in the decision-making

“Senior generations are playing the main role in making decisions, especially the decision over important issues, such as expanding into a Chinese plant. The junior generation can also suggest ideas, but if the ideas do not match with those of the senior generation’s perception or past experience, then it would be hard for the ideas to be approved.” (QCM)

“Just informally talk to the founder. Let him judge. No meeting is required. Sometimes, it still happens in the present.” (EVP)

CHAPTER V

DATA ANALYZING

The question of the research is: “What are areas for improvement for the Useful Food Co., Ltd. family team?”. The research aims to analyze and suggest areas of improvement for the Useful Food family team. The results are shown in following table:

Table 5.1 The interview result related to each variable

No	The Family Team Effectiveness Grid	Outcome
1	Shared Goals and Objectives	The results show that the family team shares ambition, as well as discusses value goals and objectives.
2	Using Resources Effectively	Mr. Pariya indicated 2 criteria of assigned position as being: 1) Educational background: these criteria absolutely match with each skill. 2) Their parents’ positions for succession: this criterion can be implemented, as the offspring of the family grow up in the business environment and do whatever tasks are required. Hence, the child will already be familiar with the work process. Additionally, the second generation indicated that assigning work positions depends on available and needed positions of the company, at the time. The difference in outcomes may be caused by

No	The Family Team Effectiveness Grid	Outcome
2	Using Resources Effectively (continue)	different work entry conditions and factors, between the second generation and the third generation.
3	Trust and Conflict Resolution	Junior generations have to prove themselves, in order to gain more trust. Additionally, conflict in teamwork often starts with emotional or interpersonal family issues. This is a hard problem to solve, since they avoid making honest conversations, in order to preserve harmony.
4	Shared leadership	The controlling generations have prepared a transfer authority plan, in necessary business skills, to the next generation.
5	Formal systems	There is not a lack of implementing formal systems, due in part because they have found success without it.
6	Effective Communications	Maintaining harmony is more important than making honest conversation. However, communication this way will lead to hostilities in the future. The different personalities lead to unequal opportunities to participate in discussion. The junior generations seems not to fully voice their opinion
7	Problem-solving and decision-making systems	The controlling generations mainly make decisions based upon their experiences. The third generation rarely participates in making decisions, may be because the Third generation still has less work experience. Furthermore, new ideas suggested by the third

No	The Family Team Effectiveness Grid	Outcome
7	Problem-solving and decision-making systems (continue)	generation are still not yet approved, and are questioned as to whether or not they would work. Conversely, old methods of the senior generation were already proven. Hence they tend to select older methods instead of new ones.



CHAPTER VI

RECOMMENDATION

Referring to the interview, we see that the characteristics of Useful Food's family team already meet some criteria, such as: Leadership Transferring, Goal and Objective Sharing, Succession Planning. However, there are many areas which need to be improved, as follow.

Firstly, the senior generations may have the operation patterns of their own, which brings them success, yet not every successor can follow or understand that whole process by merely transfer through informal process. A more formal structure will increase learning mechanisms of problem resolution and business management skills (Pervin, 2007).

Secondly, formal evaluation systems should be made to measure individual work quality and teamwork quality. For example, team and individual development can be evaluated by the achievement rates of past projects.

Thirdly, the senior generations should create an atmosphere where their successors can contribute their points of view without fear. Refer to the article of Pervin which indicated that the effectiveness of a family team will be increased when the children feel that their opinions are considered and heard.

Next, individual feelings and problems between each family member should be dealt by a third party, such as a senior member whom every family member respects. To reconcile, the middleman must be seen to be neutral and unprejudiced.

Finally, Individual emotions should not become involved in the meetings. The discussions are seldom met agreements, if the conversation is involved with personal emotion (Boyatzis et al., 2012).

CHAPTER VII

CONCLUSION

Referring to the above suggestions of framework, developed by Pervin, which were adopted as the framework, finds areas of improvement for Useful Food Co., Ltd. (Thailand). The outcome would help Useful Food to improve and develop the quality of family teamwork.

It is hard to make changes to the old traditional team system, which has been adopted through three generations. The senior generations tend to resist any changes, because they can run the company and achieve success in several aspects, without concerning family teamwork improvement. Hence, time consumption, effort and patience are all required.

When a management team is strong, this would affect directly upon the organization operations, which are linked to serving products and services to the customers (Wilson, 2010). Hence, the 7 criteria are helpful to the Useful Food company for increasing the organization's ability in several areas, such as the adaptability to cope with market environment changes and a variety of business strategies, in order to support and deal with difficulty or complex situations. However the limitations of the research are: 1) The research was only conducted with family members, and so the effects of the team upon employees is not shown in this research. 2) External factors such as Thai economics, social status, and so on, were not taken into account. 3) Sensitive topics may lead to biased results. 4) The framework is developed internationally, so the framework did not exactly fit with the culture of Thai family firm intergeneration teamwork.



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