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BUSINESS IN PRACTICE- ELECTRIFICATION AND CHANGE MANAGEMENT IN THE AUTOMOTIVE INDUSTRY: SIMULATION ANALYSIS AND PERSONAL REFLECTION

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Abstract

This thesis analyzes PROXiMA's strategic transformation to electrification through a business simulation, focusing on the shift from internal combustion to electric vehicles. It explores sustainability, operational restructuring, strategy development, and customer-oriented marketing, while highlighting the importance of cross-functional decision-making. Despite challenges, PROXiMA achieved market leadership, showcasing the benefits of long-term planning. This work also provides insights into team dynamics and collaborative decision-making process, through personal reflection. It reflects on the importance of self-efficacy, constant communication, and teamwork in driving collaborative success.

Keywords: Business in Practice; Business Simulation; Automotive Industry; Transformational change; Sustainability and ESG; Cross-Functional Management; Electric vehicles; Reflective Practice; Team Dynamics; Feedback; Head of Marketing

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Firm Analysis

The transition to a carbon-neutral economy by 2050 demands an overhaul of our fossil fuel-driven growth model, profoundly impacting livelihoods and the future of the job market (Galgóczi 2020). Decarbonizing road transport is essential for achieving this transformation, as the sector accounts for over 15% of global emissions (Energy Agency 2024; World Economic Forum 2022). Hence, the automotive industry stands at a critical juncture, compelled by a convergence of global disruptions, changing consumer expectations, and pressing environmental demands to undergo transformative changes. In fact, electric vehicles (EVs) are seen as a crucial technology for decarbonizing the industry and sales keep rising, potentially reaching around 17 million in 2024 (Energy Agency 2024).

In the Business in Practice Field (BIP) field lab, I was appointed to the Board of Directors of PROXiMA, a fictional multinational automobile company. In the light of the rapidly evolving global landscape, it became imperative for PROXiMA to undergo a strategic transformation to remain competitive. Over six fiscal years, our Board was tasked with making pivotal decisions, transforming the company into an 100% electric car company (Q17), achieving a value added of 3.79k (appendix 1) and selling 3.2M cumulative EVs.

In this section, I analyze the decisions that drove such transformation, starting with strategy definition and implementation, and examining its impact on operations and marketing . In addition, I highlight the complexities and challenges of cross-functional decision making and the importance of maintaining alignment with the long-term strategy. Furthermore, the analysis underscore the central role of sustainability in this transformational shift, includes comparisons with real-world companies, and draws main conclusions and takeaways from the overall experience This dissertation is based on simulation data; hence it is essential to acknowledge the inherent limitations. The analysis is supported by academic literature, real-world evidence and empirical data.

Strategy Analysis

"*Strategic management* is the art and science of formulating, implementing and evaluating cross-functional decisions" enabling the company to create value and achieve its goals. In fact, strategic management aims to achieve sustained competitive advantage (David 2011). Throughout my analysis, I used the comprehensive model of the *strategic-management process* (appendix 2) (David 2011) as my reviewing methodology.

Strategy Formulation

"In today's fast-paced business world, the ability to adapt and pivot quickly is critical for success" (The Strategic Advisor Board Team, n.d.), and according to KPMG, the automotive industry is undergoing an unprecedented transformation ("Automotive: In the Midst of Global Transformation - KPMG Global" 2024).

Through PESTEL (appendix 3) and Porter's Five Forces analysis (appendix 4), we gained insights into the external forces shaping the automotive industry.

Stricter environmental regulations, international agreements, various carbon taxes, and subsidies are accelerating the adoption of EVs and reshaping the automotive value chain (World Economic Forum 2022; Pohl 2021). At the beginning of the simulation (Q4), we already faced new environmental regulations (Average CO2 allowance per unit sold: 95 g/mile; emissions premium= $60; emissions bonus= $20). Economically, China has become a dominant force in the EV market through advancements in battery autonomy, autonomous driving systems (AD), and energy-efficient designs (Energy Agency 2024). This shift is providing competitive advantages to Chinese manufacturers. In fact, EVs can capture as much as 45% of the market share in China, 25% in Europe and over 11% in the United States (Rísquez Ramos and Ruiz-Gálvez 2024). For instance, geopolitical instability, including trade wars, tariffs and new industrial policies, has created both challenges and opportunities for automotive manufacturers.

Social trends are also playing a crucial role, with consumers increasingly favoring sustainability. The shift from individual ownership to shared usage is a viable alternative for numerous consumers, and not just for environmental reasons (Pohl 2021; “Sustainability in Automotive Industry - PwC,” n.d.). Innovations in battery technology and software are becoming critical differentiating, as companies strive to meet consumer demand for innovative and sustainable transportation solutions (Gao et al. 2016; Cubiss 2021). Technology advancements and industry consolidation are further intensifying competition (Rísquez Ramos and Ruiz-Gálvez 2024). However, in the simulation PROXiMA only faces three competitors. The threat of substitutes remains moderate due to the convenience of cars compared to alternatives, while the bargaining power of buyers and suppliers is shifting due to changes in consumer preferences and supply chain dynamics.

According to a SWOT analysis (appendix 5), the company benefits from a diverse initial portfolio and market leadership, however it faces operational inefficiencies, misplaced factories and a need for business restructuring. Despite being the only provider of pick-up trucks and the already possession of hybrid cars and EVs, the company is vulnerable due to its reliance on ICE vehicles, which can be further impacted by regulatory charges and increasing tariffs. The growing demand for EVs and autonomous driving solutions presents a substantial opportunity.

We can highlight four significant trends in the automotive sector: electrification, diverse mobility, AD, and connectivity (Gao et al. 2016). “Automotive incumbents cannot predict the future of the industry with certainty. They can, however, make strategic moves now to shape the industry’s evolution” (Gao et al. 2016). Companies must be ““adept at adapting” or they will not survive” (David 2011). The Board understood the need for a transformational change. Consequently, we re-positioned the company and defined PROXiMA’s Vision, Mission and Core Values. Accordingly, our **vision** was shaping sustainable mobility. Our **mission** was to be a company that creates great sustainable mobility solutions to the highest degree of quality and

modern technology. We are committed to creating modern cars that our customers love to drive, since our customers feature happiness and unique driving experience is of the utmost importance. PROXiMA's **core values** were sustainability, innovation and quality. Therefore, we positioned PROXiMA as a **broad differentiation** company (appendix 6), similarly to the position of BMW and Mercedes-Benz in the real-world.

Strategy implementation

In order to implement our strategy, we decided to phase-out from ICE gradually (only completed in Q17) and use our ICE models as a cash-cow, in order to finance the investments needed for the restructuring of our business such as new factories, new models and several other R&D investments (appendix 7). Problems are the source of innovation (Satell 2017), thus, PROXiMA prioritize early investment in innovation. The company invested in sodium batteries (Q4) and in AI implementation, unlocking AD level III and IV, and driving market penetration through innovative solutions. In addition, we invested in Next-generation E-drive modules (Q10), enabling features of level III and IV and V2V communication (Q14). Throughout the 6 years, 7 different models were launched (appendix 8), targeting different customer preferences. We also relaunched models on six occasions when they remained competitive or when we needed to enhance flexibility in our production allocation. All the cars launched are considered featured-rich, mainly when compared with our competitors, except for the PMmicro (Q17) which is a low-cost EV. We launched the PMmicro to meet demand for a more affordable option, despite it deviating from our initial strategy, which proved beneficial in addressing our overcapacity and helped us dominate the lower-priced segment.

According to PROXiMA's values, the team chose to pursue in-house development and maintain control over all operations, which influenced several managerial decisions such as investing in in-house battery recycling facilities in quarter 24 ($200M), and in internal upskilling and reskilling in quarter 20 ($7M). The company also invested in sustainable practices, such as

water and waste reduction and solar panels, which will be better detailed in the operations analysis. Considering the changing consumer preferences and the industry's megatrends, PROXiMA decided to invest in an e-commerce platform in Q12 ($100M), introducing the direct-to-sales model, similarly to how Tesla approached the market. This decision allowed us to provide higher control over our customer experience and direct interaction with clients, increasing customers' loyalty. In addition, the company decided to offer a subscription-based model in Q16 ($50M), launching a service encapsulating the essence of MaaS, to further align with our sustainability goals and enhance customer experience.

Strategy evaluation:

During the first years PROXiMA's results weren't the best. On the one hand, we understood that our value added would drop in the first years due to the high initial investments required for the restructuring of our company. On the other hand, we made several mistakes that led to major operational inefficiencies, namely low factory utilization. Additionally, we had a poor marketing expenditure/revenues ratio in the beginning, due to our late realization that customers were more price-sensitive than campaign-driven. Once this mistake was corrected, we achieved great ratio. The high operational costs were further exacerbated by the need for constant adjustments to our factory staff due to highly fluctuating production allocations.

The company should have built a charging network to address customer range anxiety, boosting our market position and sustainability image while differentiating us from competitors. This would also give PROXiMA full control over the revenue model of such service.

However, when the company was able to adjust the different functional areas' decisions to our long-term strategy, leveraged on previous investments and achieved growth and market leadership. Indeed, at the end of the simulation, PROXiMA had sold more than 3 million EVs, an EBIT margin of 28,44%, almost 100% employee satisfaction and a value added of $3.79k.

Despite not achieving economies of scale, we were able to offset this by selling feature-rich vehicles that commanded premium prices. According to Michael Porter, “Strategic continuity, in fact, should make an organization’s continual improvements more effective” (Porter et al. 1996), and in my opinion this was the key to achieve significant progress in the final years of the simulation. Despite facing initial challenges, our commitment to the long-term strategy enabled us to rectify our mistakes and ultimately achieve a successful outcome.

Operations Analysis

Operations are the activities necessary to transform inputs into outputs (Slack and Lewis 2017). Operations management encompasses the areas responsible for planning, executing, and redesigning the value chain, focusing on quality, productivity, and cost (Wienclaw 2021).

The four operations’ characteristics (4 Vs) - **volume**, **variety**, **variation**, and **visibility** - significantly influence how operations should be managed. These characteristics stem from strategic decisions about product types, target markets, and market positioning, which collectively determine the specific operational needs (Slack and Lewis 2017). As stated before, PROXiMA targeted a broad market with a diverse portfolio, resulting in medium **volume** due to the global scale of vehicle manufacturing. However, because the company launched feature-rich models, its production volume was lower than that of cost leaders like Toyota. Hence, PROXiMA while offering a diverse portfolio aimed to be as cost efficient as possible. The company intended to cater different customer needs and preferences by launching vehicles across all available categories in the simulation. By offering a high **variety** of products, the company strived for innovation and differentiation, however this decision entails higher operational complexity and production costs. The company faced medium to high **variation** due to both product lifecycle and external factors, which entails the need for some level of flexibility in inventory management. On the one hand, throughout the product lifecycle the products faced different demand levels (Slack and Brandon-Jones 2019). On the other hand,

several external factors like new emissions standards (Q5), trade wars shocks (Q9) and economic recessions (Q24) also affected the overall demand in the automotive industry. Even though, visibility doesn't have much implication to the simulation decision making, we can assess that such strategy entails high **visibility**.

Operations performance can be evaluated based on quality, speed, dependability, flexibility, cost and sustainability. However, it is impossible to excel in all these areas simultaneously. Achieving excellence in one performance objective often requires trade-offs, where one objective is prioritized at the expense of another (Skinner 1969). PROXiMA prioritize quality, flexibility and sustainability, while being as cost efficient as possible. The company aimed for near 100% factory utilization to capitalize on economies of scale. while keeping DOI within the optimal benchmark: 30 to 60 days (Libby 2022), leading to greater margins. In addition, the goal was to find the correct production allocation according to tariffs and customer preferences.

Operations execution

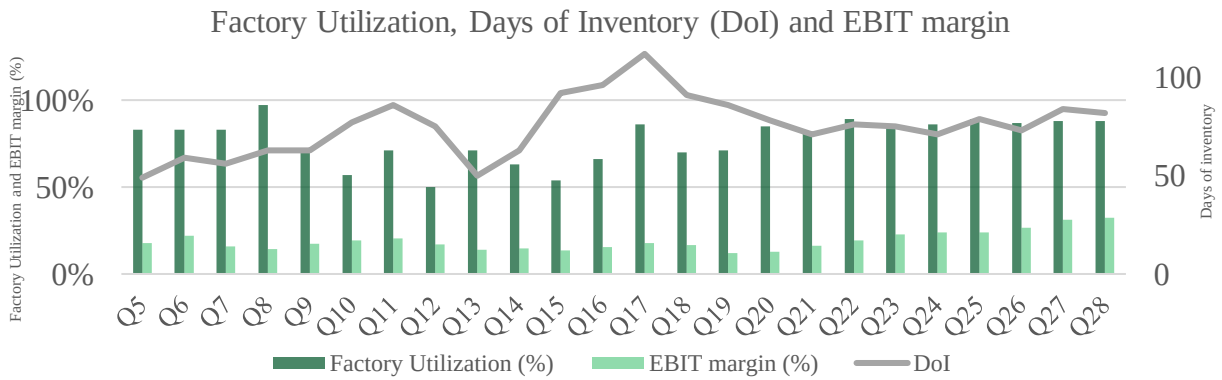

Figure 1: Combined trends of Factory utilization, DoI and EBIT margin (own illustration)

The demand placed on our given models were overlooked by the team in order to achieve economies of scale. The company failed to recognize that these feature-rich cars couldn't be produced in multiple lines, which led the constant high DoI. This arose from a failure to integrate corporate strategy into operational decision-making (Skinner 1969). Consequently, we invested in two new factories: one in the U.S. in Q8 and another in Europe in Q16. In fact, the board only fully realized the production constraints associated with the premium nature of

the cars at the end of year 4. As a result, the company was never able to achieve high factory utilization and optimal DOI (figure 1). In 21 of the 28 quarters, we had at least one model parked and in total presented 21 different products allocations. The poor operational performance also implied that marketing needed to constantly lower prices and increase marketing expenses to try to deplete as much inventory as possible. The constant reshuffling, the decrease in price and the increase in marketing expenditures hurt our margins, as shown in figure 1. By the time we realized the optimal product allocation, it was already too late. Therefore, we choose to maximize our margins to increase our value added, even if would increase our DoI, because we knew that the simulation would end in Q28. Hence, in the last year an increase in production and inventory management led to EBIT margins of over 30%. However, that product allocation wouldn't be sustainable in the long run, as we ended up with the PMbiz model parked and increasing DoI in several models. The launch of the PMmicro in Q17 not only fill a gap in the low-cost market, but also allowed PROXiMA to increase factory utilization, partially compensating for the mistake of opening two new factories.

Considering the transformation of operations from a sustainability point of view, simply replacing internal combustion engines with EVs won't fully address carbon emissions. To achieve environmental balance, it's crucial to improve material efficiency, minimize waste in production, and adopt regenerative practices for conserving resources (Singh 2021). In fact, the Greenhouse Gas (GHG) Protocol established a global standardize framework to assess and control emissions from operations, value chain and mitigation actions ("Greenhouse Gas Protocol | World Resources Institute," n.d.). One of its specificities is that it classifies emissions into 3 different scopes (appendix 9).

Scope 1 refers to direct emissions produced from resources controlled and owned by the company**.** In this matter, PROXiMA made all the investments available in the simulation: Water consumption reduction (Q9), Waste reduction (Q13) and ISO1 4001/EMAS certificates (Q17).

A total investment of $1100M, which qualified to green bonds, enabled the company to protect the environment, reduce production costs, adhere to regulations and enhance its brand image. These investments boosted demand and supported CSR initiatives. Considering **Scope 2**, our company invested in Energy Efficiency (Q13) and installed solar panels (Q15), reducing emissions, reducing energy costs and boosting demand. Regarding **scope 3**, we only invested in in-house battery recycling facilities (Q24), contributing to a reduction of indirect upstream and downstream emissions. By electrifying its fleet and making sustainable investments, PROXiMA contributes to several United Nations SDGs, particularly SDG 12 - Responsible Consumption and Production and SDG 13 - Climate Action (United Nations 2015).

Marketing Analysis

In Q4, PROXiMA already presented a diverse portfolio (appendix 8) to serve a broad range of customers. We used the STP process, to guide our marketing decisions. The company segmented the market by geographic location (Asia, Europe and North America) and psychographic factors: customers values and lifestyle. We targeted eco-conscious and technology enthusiasts' and customers who seek premium transportation options, leveraging on their inclination towards EVs and advanced driving technologies. Hence, PROXiMA offered different models according to the different customer preferences of each location. As such, we updated our portfolio to include only EVs, invested in new features and AD, and employed different marketing tactics to position ourselves as a more premium, innovative, and feature-rich company, aiming to be a leader in sustainable mobility solutions.

PROXiMA leveraged on market data – including customer preferences, competitor offerings, external factors, and each model's maturity level – to decide which models to launch or relaunch, which features to include, and the optimal timing to launch. In addition, the company intended to leverage the pricing power associated with product differentiation (Church and Ware 2000). Therefore, the company planned to capitalize on the unique features of its products

by setting an above-average price. Furthermore, it would make sense to set a higher price at the product's market launch and gradually lower it throughout the product lifecycle. This price skimming strategy aimed to highlight the superior qualities of our vehicles and capture value from early adopters (Chang et al. 2022). By doing so, the company would achieve higher margins to offset the lack of production economies of scale. As the product matures, the company decreases the price to target consumers with lower willingness to pay and to liquidate excess inventory. A similar approach for marketing expenses: invest more heavily during the introductory phase to build awareness of the models, then reduce spending as the product matures and gains greater recognition in the market.

Marketing Execution

Throughout the 6 years the marketing department was highly dependent on operational decisions. As stated above, the company faced several operational inefficiencies, facing constantly lower factory utilization and high DoI. Consequently, the marketing decision-making was significantly impacted and faced several constraints in executing the intended plan, as we needed to significantly decrease prices or increase promotion to sell off excess inventory. In order to analyze the decision-making process and crucial investments I will use the marketing mix framework - **4Ps**, as the right balance is key for success (Dominici 2024). Regarding **product**, the company gradually revolutionized the product portfolio (appendix 8), using the initial models as a cash-cow. PROXiMA ended up with eight different models, targeting and leading all the possible categories, except for the business model (appendix 10). In addition, the company invested in other revenue models such as subscription-model in Q16, generating more than $1M per year, on average. Even though hybrid vehicles would make sense from a gradual shift perspective, the poor performance of B135 H, even in Europe where hybrids were preferred the most, led the company to invest from the beginning in EVs and discontinue the B135 H in Q15. In Q16 we discontinue all the remaining ICE vehicles.

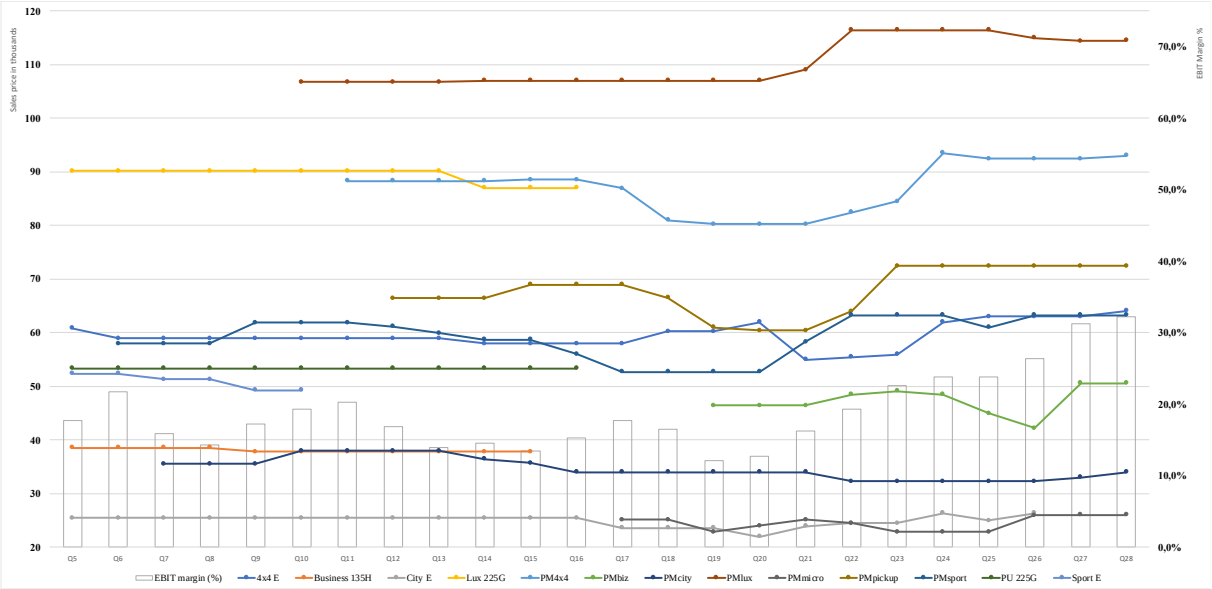

Figure 2 - Evolution of sales prices and EBIT margin (%) (own illustration)

Considering **Price**, due to constraints faced as described above, PROXiMA opted for a dynamic pricing strategy – rapidly adjusting pricings according to demand, supply and the prices of competitors (Biscontini 2023), as shown in figure 2. Dynamic pricing strategy has the potential to improve supply chain inefficiencies (Biller et al. 2005). As intended, when new models were launched PROXiMA charged above average prices, however, several times the company needed to significantly decrease the price to counteract the huge increase on DoI. For the specific case of the trucks (PU 225G and PMpickup) the company was able to charge a monopoly price, as it was the only company offering such product. On the other hand, the company decided for a competitive pricing strategy for the PMmicro, due to the specific demographic characteristics of the targeted segment. Lastly, in some quarters we adjusted the overall price for a given market, to earn higher margins with successful models like the PMpickup, or to do percentual adjustments according to changes in customers' willingness to pay.

In terms of **place**, the simulation restricted our presence to three geographic locations: Americas, Asia and Europe. In Q12, the company invested in an e-commerce platform to cater to recent customer preferences for direct-to-consumer models.

Our **promotion** strategy was really connected to decisions regarding price, as we needed to be really dynamic on both metrics. When we understood that customers were more sensitive to price than to promotional campaigns, we significantly decrease our expenses for each specific model, and opted for overall branding campaigns (Q14, Q17, Q23 and Q25) or social media partnerships (Q9). These decisions led the company to a great marketing spend/revenue ratio of 2.42%. We opted for higher marketing expenses in an introduction phase, and then decrease it to minimum values. However, in some extreme cases we had to lower the prices and maximize the marketing expenses to try to decrease our inventory levels. We should have more effectively utilized Point-of-Sale promotions and service, as well as campaigns online and in TV, rather than maintaining them at the minimum level at which customer perception was positive (appendix 11).

Cross-functional decision-making

A sustained competitive advantage is rooted in a complex system of activities rather than in individual processes or tactics; it arises from how a company's activities fit together to create a system that is difficult to imitate (Porter et al. 1996). In fact, the company's success hinged on effective cross-functional decision-making. By aligning decisions with its vision and strategy, all five departments worked together to achieve shared goals. As crucial information was purposely hidden from each other in the simulation, constant and effective communication was key to avoid functional silos and isolation. The strategic decision to phase out ICE vehicles and focus on EVs was pivotal, dictating operational adjustments and new investments in R&D. The positioning as a broad differentiation, focusing on selling premium models also affected the innovation department decisions, changed the optimal product allocation for the operations department and required specific pricing strategies from marketing.

As highlighted before, marketing and operations departments worked on a quarterly basis, mostly due to the operational inefficiencies analyzed above. A current exchange analysis

regarding DoI, factory utilization, performance of each model, competitors' offerings and market trends in each location was made between the two departments, in order to decide product allocation for each production line, price and marketing budget for each model and the sustainable investments to pursue. The described analysis was shared with the remaining departments for two main reasons. Firstly, to inform the innovation department on which models to launch (synchronizing new car developments with products lifecycles and open production lines), and with which specific features (was evident in case of both the PMmicro and PMbiz). Secondly, for HR to reallocate the best managers to the models where a performance improvement was crucial, and for making decision on factory staffing. Finally, finance was responsible for approving the execution of every investment and was the only department that could move the quarters, making aligned decision-making essential.

Conclusion and Main Takeaways

The transformation of PROXiMA into a fully electric vehicle company marks a significant milestone in the company's history, aligning it with global trends toward sustainability and decarbonization. PROXiMA leveraged on the synergy created by addressing sustainable practices and product electrification, alongside responding to megatrends such as connectivity, MaaS and autonomous driving. An extrapolation that can be made is the significant influence of external factors in driving change within industries, as evidenced in PROXiMA's business model, particularly through the impact of customer preferences and government policies. However, the transformation involved significant challenges. The company struggled to anticipate production constraints, especially for feature-rich cars, leadings to inefficiencies such as high DoI and lower factory utilization. It forced a dynamic marketing strategy and negatively impacted profitability, reflecting a reactive rather than proactive approach throughout most of the decisions. A more in-depth analysis of the relation between customer preferences and feature selection was missing and would have created a better balanced between cost and

consumer demand, through lower unit costs and consequently lower price or higher margins. Additionally, improving sales forecasting could have mitigated operational inefficiencies and enabled PROXiMA to achieve its intended strategy quicker. Moreover, the company should have invested in building-out a charging infrastructure. Another major lesson learned was the detrimental impact of resistance to change, as evidenced by the delay in discontinuing ICE vehicles, which led to cannibalization within the product portfolio and emissions penalties.

Cross-functional coordination was critical and the simulation emphasized the importance of aligning strategic goals with operational capabilities to avoid functional silos and ensure cohesive decision-making. PROXiMA ended up as the market leader, with the six best-seller models, achieving the simulation value added of 3.79K. Hence, PROXiMA's transformation into a market leader with a strong focus on sustainability and innovation can be considered a success, indicating that the initial years were marked by significant learning and adaptation, and demonstrating the company's operational resilience and strategic foresight.

The intended strategy was aligned with the Triple Bottom Line (Elkington 1997), and the team decided to miss out short-term profits to successfully transform the company in the three areas: Profit, People and Planet, as evidenced in appendix 12. In the future, PROXiMA must focus on achieving sustainable factory utilization levels, leveraging past investments while continuing to invest in shaping a sustainable future, particularly in scope 3 emissions.

The analysis is based on a simulation, thus, any extrapolation of these conclusions to real-world scenarios must account for the inherent limitations of such models. The firm's review focuses on decisions in three functional areas, but for a more comprehensive understanding of the transformation, other functions such as finance, innovation, and HR should also be considered. Moreover, the in-depth analysis of the selected areas was limited by space constraints.

Personal Reflection

The BIP was an intensive three-week program that provided valuable insights into decision-making processes and transformational shifts within the automotive industry. Additionally, it proved to be a significant experience for personal development, emphasizing the critical role of self-reflection, teamwork, and effective communication in achieving organizational success.

Self-reflection promotes personal growth as it enhances learning from past experiences (White 2012), being a key professional asset that improves decision-making, fosters emotional intelligence and encourages accountability (Donovan, Güss, and Naslund 2015).

In this section, I will analyze two critical incidents from a personal development perspective. I will begin by providing context for each incident, followed by a concise description of the events and my emotional responses. I will then reflect on these incidents, considering the lessons learned and how they will shape my future approach as a business leader.

The first incident reflects on how success in a sales roleplay reversed the team's negative outlook, quickly boosting morale and trust, transforming team dynamics and decision-making. The second incident highlighted the importance of constant feedback in resolving dysfunctional decision-making, reflecting on insights from an intensive afternoon where the team focused on transitioning from fragmented discussions to a more collaborative and cohesive approach.

Throughout the program, I maintained a journal to capture key thoughts and feelings, which now inform my analysis of these incidents. Our team consisted of seven members from four different nationalities, leading to notable cultural differences. As an “earth green” with a strong “cool blue” influence, I fit a team that was predominantly analytical (appendix 13), according to the *Insights Discovery*® personality test. Hence, cultural differences, diverse working methods and different personalities became evident early on, which led to small conflicts and required the coordination of all the team members (Noonan Hadley and Mortensen 2022).

Turning Tides: How a Roleplay Success Restored Confidence and Strengthened Collaboration

Before the incident

During the first week of the BIP program, we engaged with experts from various functional areas and attended workshops on leadership and sales techniques. In addition, we had the opportunity to try the decision-making process for a few quarters within the simulation, which allowed me to gain initial insights into my team members' work methods, communication styles, level of commitment, and their perspectives on the program. In fact, these activities helped us understand our team's cultural differences, establish team dynamics, and decide on decision-making processes, as shown by our initial team charter (appendix 14).

The members of each team had to be distributed between two scheduled roleplays, and as such I didn't participate in the first sales roleplay. In the opinion of the team members involved the roleplay went well, and the team felt confident regarding the results, which would only be discovered in the simulation in the first quarter of the second year (in the next morning).

However, our company's performance in the first year was negative, and we didn't rank in the top 10 teams in the BIP program. Hence, the poor results, combined with a stressful and anxious week, severely lowered team morale, including my own. We understood that the roleplay's outcome wouldn't be crucial to the overall simulation but was still relevant, and the initial optimism of the sales roleplay participants faded after the poor results, increasing team stress and lowering motivation across the board.

As Head of Marketing, I had to take a lot of decisions each quarter and managed constant communication, as market and competitors' insights were crucial for all positions. This pressure and the poor results affected my confidence and made me doubt my own capabilities and the team's chances of success. It reveals my initial lack of trust regarding the team, which was

based solely on first impressions and poor early results, thereby reducing the team's chances of success (Lencioni 2005).

Description

However, the initially negative perspectives proved to be unfounded, as the results of the first roleplay were, in fact, positive: we had secured the client. Our team was one of only three teams (out of thirteen) to achieve this outcome.

It is noteworthy that, upon first receiving the news, we were skeptical due to an error in the simulation that indicated we had won the client but also reported a $0 million gain. This discrepancy, combined with the previous poor results, led us to question our success.

Once we confirmed we had won the client, the shift in perspective was profound. The team's motivation rapidly increased, and enthusiasm for improving our simulation performance emerged—we were having a good day.

This surge in motivation revitalized my decision-making process. The boost in morale not only enhanced my confidence in both my own abilities and those of my colleagues but also fostered greater interest in their viewpoints. Decisions became more collaborative, and despite a continued decrease in value-added performance, we remained committed to our strategy and collectively determined our course of action.

I chose this specific moment as the first critical incident because it marked a turning point for both myself and the team. The tension leading up to the results had fostered a lack of trust, conflict avoidance, and caused me to withdraw from some group decisions (a plodding characteristic, as predicted by the *Insights Discovery*® personality test), as I tend to react when the results don’t appear straightaway, or I lack the effort or support from my colleagues.

Feelings

During the initial practice rounds, I felt that not everyone was as involved as I wanted or as I believed was necessary for the team's success. This made me anxious about the weeks ahead

and led me to doubt the team dynamics. However, this was mainly due to different levels of urgency among team members—some approached the practice rounds more casually, as they didn't impact the actual results. Even though I'm not a highly competitive person, I always strive to do my best and succeed.

Moreover, despite the team's involvement in preparing for the sales roleplay, not participating was concerning me, as I wouldn't have control over the results. My discomfort and lack of trust from the previous week's events further intensified these negative feelings, causing me to assume the roleplay's outcome would be negative, disregarding the positive perceptions of the team members who were actually present.

During the decision period regarding the first year of the simulation, I felt the pressure of being highly involved in the decision-making process. As such, I started wondering if were my decisions that were driving the poor results. Therefore, as motivation waned, I became less and less involved.

However, when the results were positive, the team and I in particular received a boost in motivation. I felt relief and happiness, which push me to take more initiative again and enhanced my commitment towards the team.

According to self-efficacy theory, belief in one's abilities directly influences effort, motivation, and persistence (Bandura 1977). Early on, I struggled with self-doubt and lacked trust in my team, which was worsened by poor simulation results. This led to lower morale, increased stress, and a diminished sense of competence. However, once we succeeded in the sales roleplay and secured the client, both my motivation and confidence improved significantly. I regained trust in my abilities and my teammates, which positively impacted our performance. This experience highlights how low self-efficacy initially led me to avoid fully engaging, but the positive outcome boosted my confidence, making me more motivated and actively involved in decision-making, fostering greater collaboration and enhancing team dynamics.

Lessons Learned and Action Plan

In the course of my professional life, several plans will fail, and I need to be prepared to reflect on what went wrong, trust in my capabilities, engage with my peers and work to find the best solution. I understood that rusting myself is one impactful decision and will be critical in my success in my career and work (Llopis 2011).

Cultural differences and varying personalities cause people to handle stress in diverse ways, which can lead to feelings of being overwhelmed or disengaged. Most conflicts arise from perceived differences in how team members operate, influenced by factors like personality, industry, race, or gender. Communication styles also vary, especially in teams with different native languages. Identifying these differences early on can help prevent destructive conflict before the team begins working together (Toegel and Barsoux 2016).

The experience underscores how trust is crucial for effective teamwork and how quick judgments can hinder collaboration and success (Lencioni 2005). Additionally, this reflection highlights the need for patience, open-mindedness when forming team opinions, and the need for collaborative decision making (Becerra 2021).

At the start, I experienced self-doubt, lack of trust, and anxiety over the simulation's early negative outcomes. My initial reaction reflected a narrow, self-focused perspective on team success. However, upon realizing our success, my emotions shifted. Confidence grew, and I became more open to others' viewpoints, fostering a more inclusive and constructive environment. This incident highlights a deeper understanding of how emotions—both positive and negative—directly influence team performance and decision-making (Lerner et al. 2015). This emotional response further eroded trust and motivation. The reflection highlights the importance of managing emotions and staying resilient. In the future I need to maintain a balanced outlook, not letting initial doubts overshadow real achievements.

Transforming Team Dynamics: How Feedback Fostered a Shift from Fragmented to Collaborative Decision-Making

Before the incident

We concluded the third year of the simulation with strong results, advancing to sixth place in the BIP score ranking. Then, we participated in a team clinic session with a member of the IndustryMasters team in order to analyze our overall situation regarding the simulation. This session proved valuable, as it allowed us to validate certain strategic decisions and future plans, while also identifying errors we had overlooked.

From a team dynamics perspective, the clinic was equally important. We had experienced minor conflicts and tense discussions regarding how to approach specific moments in the simulation or make decisions about certain models. The clinic facilitated more structured debates, helping us articulate arguments for or against particular strategies.

Following the clinic, we spent an additional hour discussing the key decisions and strategies for the upcoming years. Though the discussion was occasionally tense, everyone had the opportunity to voice their opinions—something that had not always been the case in previous meetings. The diversity of personalities in the group led to different communication styles, but there was a noticeable increase in mutual respect. In fact, we made a conscious effort to actively seek out each team member's perspective. Ultimately, we reached a consensus on an optimal product allocation strategy, and all members signed off on the decision.

Description

After a break, the team gathered for an afternoon session focused on discussing team dynamics and providing feedback on our decision-making process, encompassing areas such as communication, time management, and the involvement of each member. Our task for the meeting was to review and update our team charter based on the first weeks of the simulation. Before doing so, we decided to conduct a self-assessment across various parameters, as outlined

in appendix 15. This analysis revealed that while all team members were contributing and engaged, there were areas for improvement in communication, decision-making, and time management.

Several members expressed challenges in feeling heard. Some felt excluded because key decisions were often being made by smaller subgroups within the team, where I was included. The simulation's structure, which restricts access to critical information from different functional areas, caused certain members to feel less informed and led them to withdraw from discussions. Additionally, the fast-paced nature of the program meant that critical decisions frequently led to tense discussions. Certain team members, who were conflict avoidant, hesitated to contribute, fearing that they might waste valuable time or exacerbate tensions, as predicted by the five dysfunctions of a team theory (Lencioni 2005). Two team members expressed they were less participative because they struggled to express their views confidently in English, especially given the fast-paced and tense discussions that were taking place. They chose to refrain from participating, fearing that their contributions might slow the team down or disrupt the flow. However, the team collectively recognized that their input was essential, as diverse perspectives often lead to more effective solutions.

Ultimately, the team recognized the need for a more inclusive decision-making approach, as we were missing valuable insights from quieter members of the team. The goal was that all members spoke in roughly the same proportion (Duhigg 2016). Hence, we decided to categorize decisions into four types—convenience, collaboration, collective, and consensus—allowing for varying levels of team involvement depending on the importance of each decision, as shown in the reviewed team charter (appendix 16). This new structure aimed to enhance time management by ensuring that critical decisions received more attention and that everyone had a voice in those discussions.

We also agreed to prepare decisions for the first quarter of each simulation year in advance, which would give us more time to address the remaining quarters during the intensive three-hour decision sessions.

This session was valuable for the team, serving as a reality check and an opportunity for constructive feedback. It became clear that the team was deeply committed to both success and improving the well-being of each member. Everyone participated actively, creating a positive and healthy team dynamic. It reflected the transition of the team from the "storming" to "norming" stage (Tuckman 1965), as conflicts were openly discussed and decided on a clearer structure for collaboration during the next meetings.

Feelings

For the first time, I genuinely felt part of a cohesive team when we discussed the strategy for the final three years and collaboratively decided on the optimal product allocation in operations, signing the decision.

Building on that momentum, we had a highly productive feedback session, with each team member focused on understanding how everyone felt about our team dynamics and decision-making process. This fostered a strong sense of camaraderie and created the ideal environment for constructive feedback.

During the session, I experienced a sense of clarity as concerns about team dynamics were openly addressed. By the end of the day, I felt physically and emotionally exhausted, as it had been both demanding and emotionally charged: three hours of decision-making, an intense hour of strategic discussion, and an afternoon that required significant emotional intelligence. Despite this, I left the meeting feeling more confident in our team's success and reassured that the program would be a valuable experience, regardless of the final outcome.

Lessons Learned and Action Plan

I realized I need to listen more carefully and communicate more concisely. I often spoke at length, mistakenly believing this clarified my points, but in reality, it likely overshadowed important contributions from others. Although I am comfortable with tense discussions and view them as a way to enhance decision-making (Toegel and Barsoux 2016), I recognized that this approach may not be sustainable for everyone. I fully understood other member's concerns and admit that during heated discussions I tend to focus too heavily on my own perspective. Moving forward, I need to listen actively as it is a crucial driver of change and development (Rogers and Farson 1987), as well as maintain concise communication.

From this incident I understood the importance of the team charter during the BIP program, as a push for team reflection on core values, time management and decision-making strategies. Even in a strong, cohesive team, decision-making under pressure can disrupt dynamics and hinder real progress. It made me realize the importance of reducing the potential for dysfunction by establishing clear norms (Haas and Mortensen 2016).

At the same time, it made me reflect on the relationship between pressure and team dynamics. As pressure increased, we often disregarded the strategies we had put in place for managing time, which negatively impacted our cohesion and decision-making. It enhances the importance of constant feedback, as it ensures that each member or subgroup of the team feels heard valued for its contributions, developing "average social sensitivity" (Duhigg 2016).

Conclusion and Main Takeaways

The simulation's immersion and challenges fostered teamwork and shared purpose, resulting in innovative solutions to complex problems and a rewarding sense of camaraderie and challenge (Noonan Hadley and Mortensen 2022).

Another important factor is the impact of cultural differences and varying personalities on team dynamics and individual perceptions, as working with people from different backgrounds and

cultures can be very challenging. This was particularly evident during the Peer and Self-evaluation (appendix 17). Additionally, I recognized the need to improve how I give feedback by adopting a more balanced and objective approach. I tend to over-evaluate my peers positively to avoid conflict and maintain harmony, but constructive feedback is essential for personal growth and fostering a sense of belonging in a team. In fact, I underestimate both myself and the team in terms of contributions and expectations. Although the team was committed, I felt more could have been done, such as preparing decision-making in advance. On the other hand, the team evaluated me with lower ratings in interaction with teammates, knowledge sharing and staying on track, which reflected that tensions in decision-making were perceived as uncomfortable for others, while I viewed it as typical in high-pressure environments (Gallo 2018). Additionally, as we continually evaluated our decision-making and addressed concerns, I noticed improvement in team dynamics. This led me to overestimate both myself and the team when assessing progress, as I valued more our collaborative efforts to adapt and grow based on everyone's input than the actual performance of the team in those topics.

Even though we tried to establish a sense of psychological safety (Duhigg 2016) within the team through continuous feedback, we did not achieve the perfect outcome, highlighting the challenge of creating ideal team dynamics for everyone.

Concisely, the BIP program was a deeply transformative experience, that highlighted the importance of self-reflection, cultural sensitivity and collaboration in decision-making. It revealed the impact of self-efficacy and results on both individual and team performance.

The experience also emphasized how team’s success is often hindered by early judgements and internalized doubt, however through structured feedback process and constant reviews of the decision-making process a team can promote trust and collaboration.

These reflections underscore the importance of adaptability, open-mindedness, and clear communication in achieving long-term success in professional environments.

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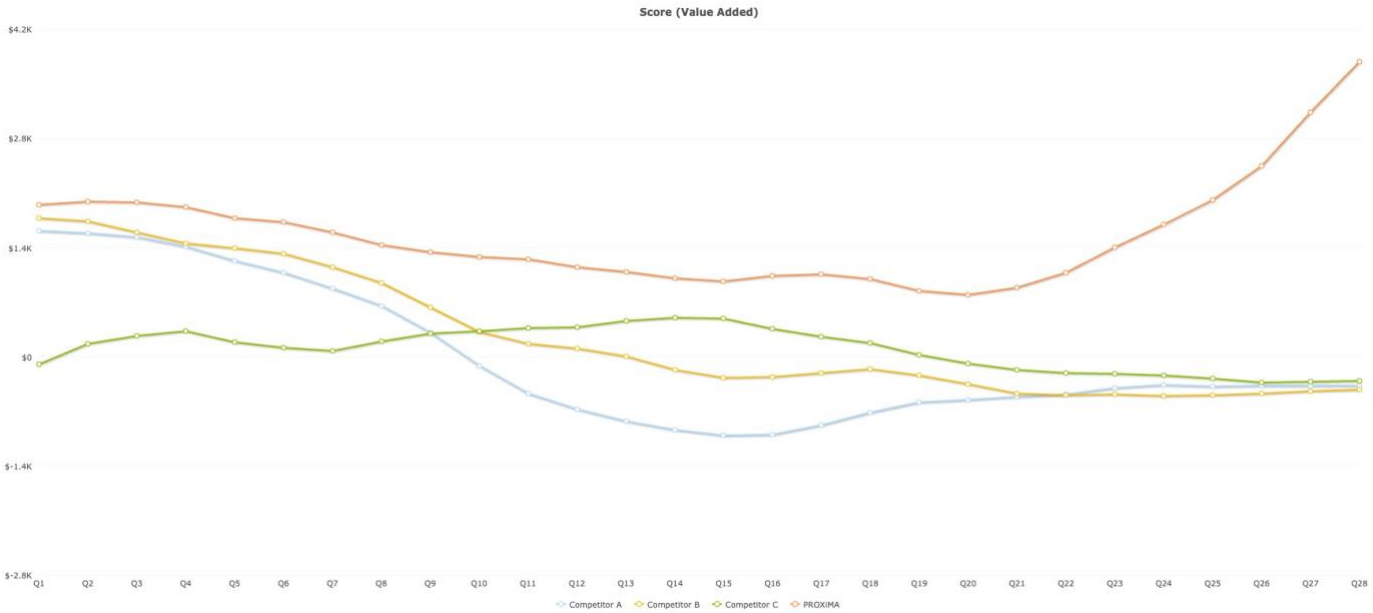
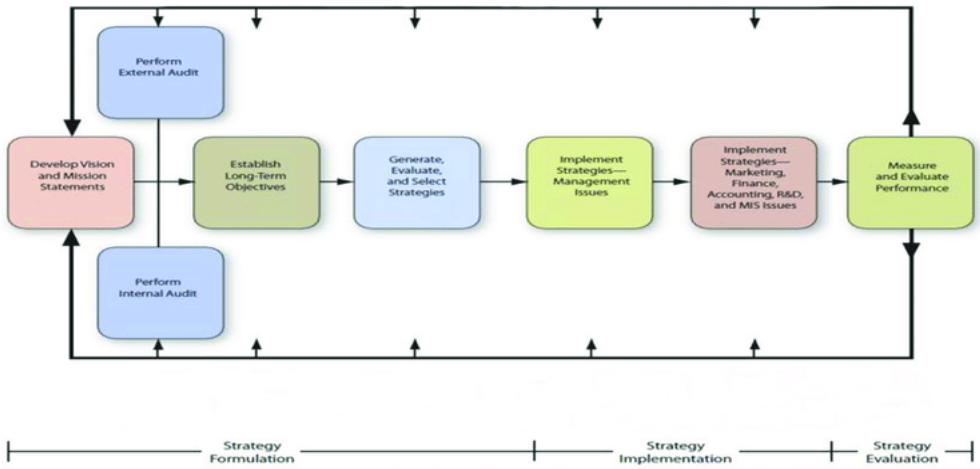
Appendices:



Appendix 1: Evolution of the Score (value added) in thousands (k) of PROXiMA and its competitors.

Source: Industry Master's simulation 2024.



Appendix 2: Strategic-management process framework.

Source: Fred R. David, "How Companies Define Their Mission," Long Range Planning 22, no. 3 (June 1988).

Political

- Increasing geopolitical instability, and s series of unprecedent crises (pandemic).
- Stricter environmental regulations, international agreements, industrial policies, carbon taxes, incentives and subsidies are accelerating the adoption of EVs.

Economic

- Global power is shifting within the automotive industry: Rise of China as an E-manufacturer, achieving breakthroughs in battery technology and AD systems.
- "In 2024, the market share of electric cars could reach up to 45% in China, 25% in Europe and over 11% in the United States." (Rísquez Ramos and Ruiz-Gálvez 2024).

Social

- Consumers increasingly favoring sustainability.
- The shift from individual ownership to shared usage is a viable alternative. For many consumers, cars are no longer viewed as a status symbol.
- Increased incentives will lead to higher adoption rates, mainly in dense cities.
- Growing awareness about working conditions and policies.

Technology

- Megatrends in the industry as drivers of change: electromobility, connectivity, autonomous driving and Mobility-as-a-service.
- Innovations in battery technology and software are becoming critical for differentiation.
- Technological companies are entering the market.

Environment

- The transition to a carbon-neutral economy by 2050 demands an overhaul of our fossil fuel-driven growth model.
- Road transport accounts for over 15% of global emissions, so decarbonizing this sector is crucial.
- Achieving environmental balance requires enhancing material efficiency, reducing production waste, and implementing regenerative practices to conserve resources.

Legal

- Tightening of emissions, in the three markets is expected.
- In Q4, Average CO2 allowance per unit sold: 95 g/mile; emissions premium of $60; emissions bonus of $20.

Appendix 3: PESTEL Analysis in Q4 (Industry Masters 2024) (own illustration).

Threat of New Entrants: Moderate

- **Is traditionally low because of the substantial initial capital requirements and barriers to entry (retaliation from competitors and difficulty to achieve economies of scale)**
- **However, in recent years an increase in OEMs and software' importance are leading tech companies to enter the market.**

Threat of Substitutes: Moderate to Low

- **Other alternatives are being considered such as public transportation, greener options (scooters and bikes) and shared mobility services.**
- **The convenience and flexibility of cars is still hard to imitate, and EVs are appearing as greener solutions.**

Competition Rivalry: Medium to Low

- **Technology advancements, emerging of new companies and industry restructuring are further intensifying competition.**
- **However, within the simulation PROXiMA only faces three compeitors**

Bargaining Power of Suppliers: Low

- **EVs require a lot more components, and just a few main ones, decreasing the bargaining power of suppliers**
- **However, battery suppliers are becoming more and more powerful due to its impact in the final price.**

Bargaining Power of Buyers: Moderate to High

- **Low switching costs, as the simulation offers low differentiation possibilities.**
- **The drastic changes in consumer preferences increase its power.**
- **However, the increased preference for direct-to-sales model decreases the power of buyers.**

Appendix 4: Porter's Five Forces Analysis in Q4 (Industry Masters 2024) (own illustration).

Strengths

- **Market leadership:** Market leader in all the three markets.
- **Diverse Product Portfolio:** broad range of products, mostly when comparing with competitors.
- The only company selling Pick-up trucks.
- **Employee Motivation:** high levels of motivation among operational staff.
- Debt Ratio of 47% and a credit rating of A+.

Weaknesses

- **Regulatory vulnerabilities:** Portfolio encompasses ICE vehicles, making the company vulnerable to CO2 emission fines.
- Despite being the market leader overall, the company lacks a dominant position in any individual car segment.
- **Operational Inefficiencies:** Inefficient operational allocation.
- The only EVs in the portfolio are the models with the highest product maturity.
- Over half of employees have a negative compa ratio.

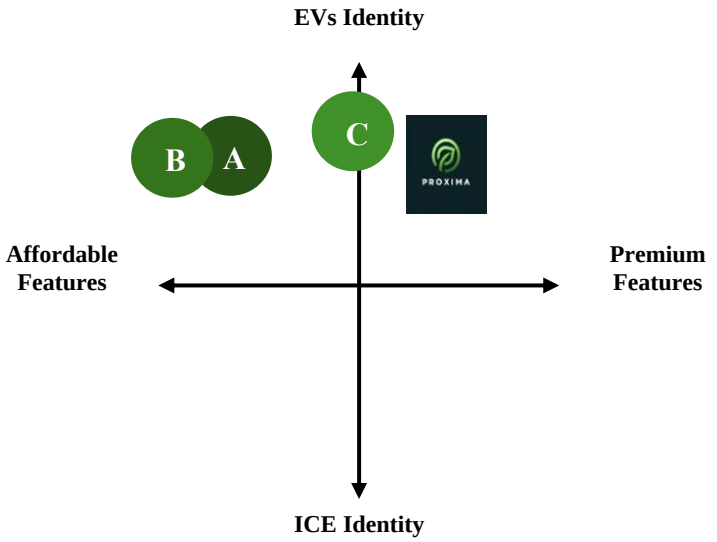
Opportunities

- **Growing demand for EVs** and sustainable options: changing consumer preferences.
- **Green financing:** green bonds available, a cheaper funding source.
- **Expansion of the Asian market:** there is significant potential in Asia, with a supply level at 85.1% and a market potential of $5.504 million.
- Lower average maturity of EV models presents an opportunity to relaunch the current models.
- **Evolving consumer demands, such as electromobility, AD, MaaS and connectivity.**

Threats

- **Regulatory Charges:** new governmental policies at a local and international level, affecting operations.
- **Trade wars:** rising tariffs could impact profitability.
- **Intensifying competition:** increasing competition with the growth of technology companies within the industry.
- **Geopolitical and Supply Chain Risks:** geopolitical instability and disruptions in the value chain due to factors like pandemics and wars.

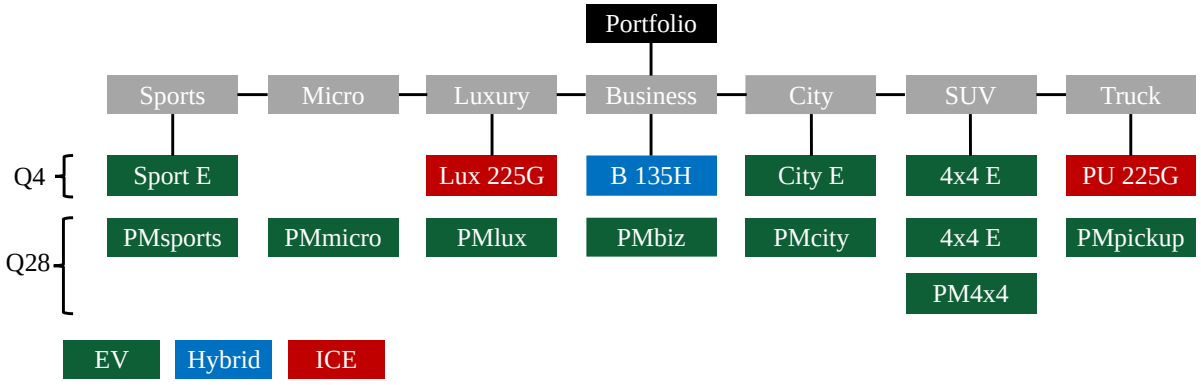
Appendix 5: SWOT Analysis of PROXiMA in Q4 (Industry Masters 2024) (own illustration).



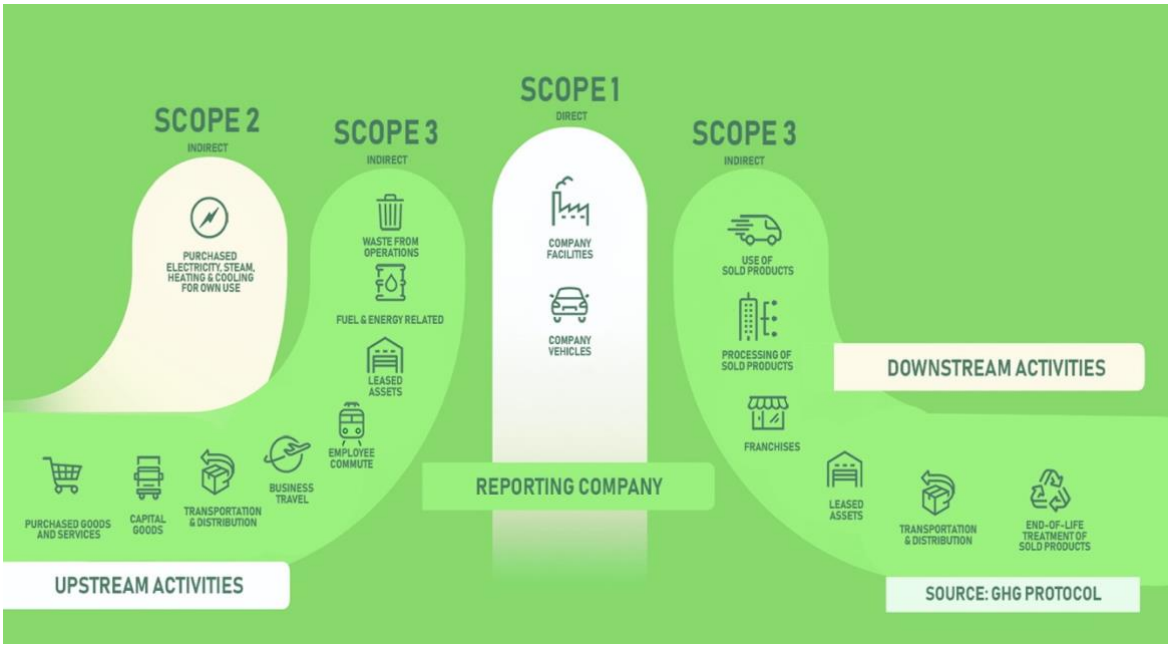
Appendix 6: Positioning of PROXiMA as a broad differentiation company (own illustration).

Competitive investments			
Functional Area	**Technology**	**Cost ($M)**	**Quarter**
Marketing	Social Media Partnerships	15	Q9
	Data-Driven Marketing Analytics	30	Q12
	Electric vehicle Branding Campaign	20 (x4)	Q14; Q17; Q23; Q25
	Augmented Reality Showroom Experience	50	Q16
Operations	Water Consumption reduction	200	Q9
	Energy Efficiency Investmnet	150	Q13
	Waste Reduction	400	Q13
	Install Solar Panels	250	Q15
	ISO14001/ EMAS Certificates	500	Q17
Innovation	Sodium-ion Batteries	250	Q4
	AI implementation	500	Q5
	Next Generation E-drive Modules	300	Q10
	V2V Communication	200	Q14
HR	Create Sustainability Policy	10	Q5
	Sustainability Policy Training	15	Q9
	Sustainability Awareness Training	15	Q11

Appendix 7: PROXiMA's competitive investments (Industry Masters 2024) (own illustration).



Appendix 8: PROXiMA's vehicle portfolio in Q4 vs Q28 (own illustration)



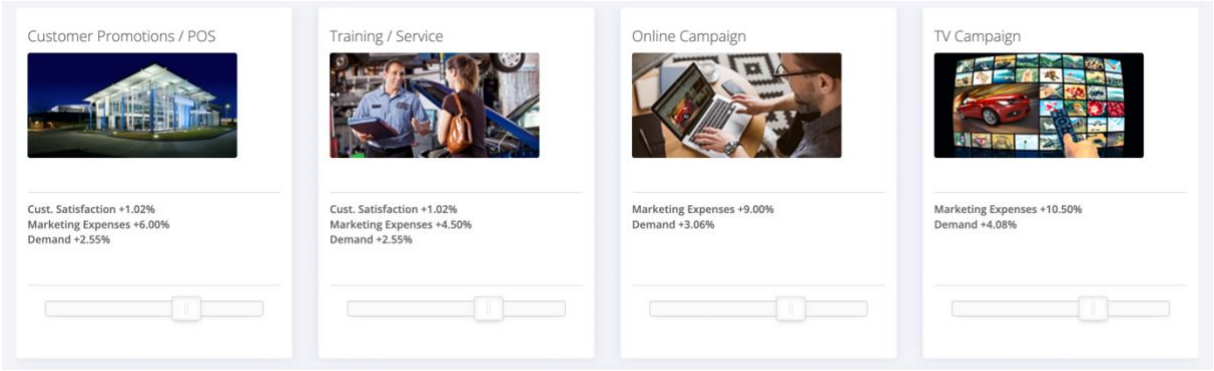
Appendix 9: Three scopes of GHG protocol applied to the simulation.

Source: Industry Masters' simulation 2024.

Rank	Product	Manufacturer	Sales	Price	Revenue	Segment Market Share
1	PMcity	PROXiMA	36,999	$48,967.10	$1,258M	7.0%
2	PMmicro	PROXiMA	43,742	$29,292.69	$1,139M	6.3%
3	PMlux	PROXiMA	9,929	$125,250.95	$1,137M	6.3%
4	PM4x4	PROXiMA	12,026	$131,379.67	$1,119M	6.2%
5	PMsport	PROXiMA	17,461	$69,551.31	$1,105M	6.1%
6	PMpickup	PROXiMA	14,956	$88,446.67	$1,084M	6.0%
7	Micro-E	Competitor B	42,090	$28,937.68	$826M	4.6%
8	Lux-E	Competitor A	10,680	$93,651.64	$818M	4.5%
9	4x4 E	PROXiMA	12,343	$78,539.13	$791M	4.4%
10	Biz-E	Competitor B	21,879	$38,832.67	$750M	4.2%
11	4x4 3 140E	Competitor C	11,734	$78,229.01	$749M	4.1%
12	City 1 100E	Competitor A	31,848	$26,757.53	$748M	4.1%
13	Luxury 1 140E	Competitor C	9,139	$99,175.95	$742M	4.1%
14	Sport-E	Competitor A	17,237	$52,743.44	$738M	4.1%
15	City 5 100E	Competitor A	25,835	$34,410.57	$711M	3.9%
16	PMbiz	PROXiMA	13,996	$50,635.20	$709M	3.9%
17	Sport 3 135E	Competitor B	16,904	$50,864.05	$697M	3.9%
18	Micro-E	Competitor A	32,964	$30,612.48	$687M	3.8%
19	City 6 100E	Competitor B	27,541	$35,691.63	$671M	3.7%
20	4x4-E	Competitor B	10,206	$67,617.69	$621M	3.4%
21	Biz-E	Competitor A	15,016	$50,015.99	$514M	2.8%
22	Micro-E	Competitor C	20,992	$30,612.48	$437M	2.4%

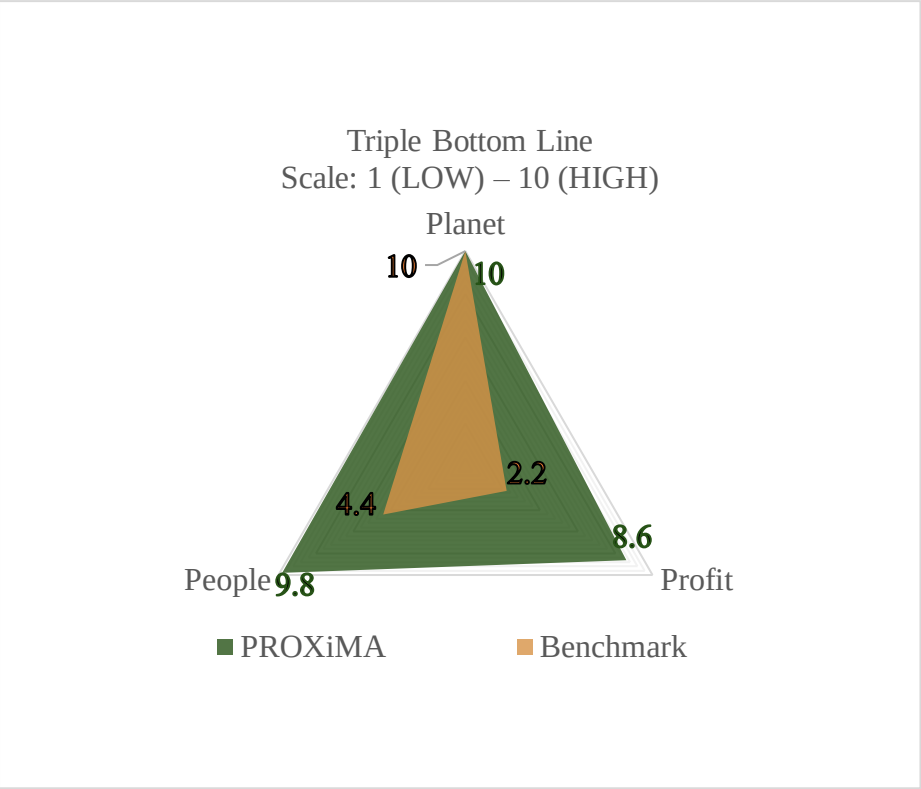
Appendix 10: Rank of the cars from the overall market (Industry Masters 2024).

Source: Industry Masters' simulation 2024.

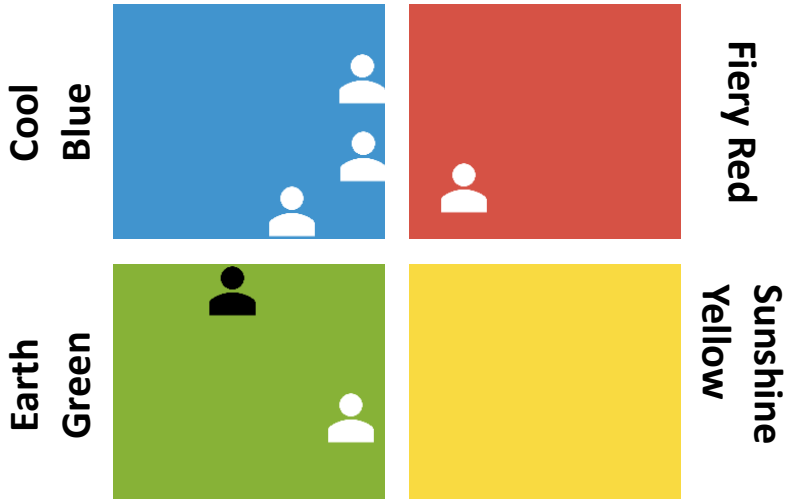


Appendix 11: Expenditures in Customer Promotions/POS, Training/Service, Online Campaigns and TV campaigns that we kept almost constant throughout the simulation (Industry Masters 2024).

Source: Industry Masters' simulation 2024.



Appendix 12: Comparison of PROXiMA against the benchmark of the simulation on the Triple Bottom Line parameters (own illustration).



Appendix 13: Relative position of PROXiMA members according to the Insights Discovery® personality *test – My position in black vs the remaining team members (own illustration based on Insights Discovery® personality test).*

Team Charter – Team 2

Culture & Values

Respect and Integrity – Respect each other and the different cultures, their related values, different personalities and communication styles

Active commitment – Interest and active mindset

Analytical – Constant feedback and questioning

Trust – Based on reliability and commitment to the company core values and a culture of small decencies

Agility – New challenges require new solutions

Ground Rules

- **Time management**
  - Attend meetings on time (5 minutes tolerance)
  - Always deliver 15 minutes before the deadlines
  - Take 5 minutes at the end of each meeting to give feedback about the whole meeting and suggestions to improve (Strengths and weaknesses)
  - Follow pre-defined structure and agenda of meetings to improve efficiency
- **Communication**
  - Respect the culture and values of our Team
  - Give individual and group feedback with respect
  - Ensure transparency for all
  - Communicate with respect and be aware of cultural differences in negative feedback bluntness
- **Action**
  - Reasoned decision making
  - Flexibility and agility to increase efficiency
  - Be aware of the resource intensive and risk averse mindset
  - Stimulate creative solutions
- **Feedback agreement**
  - Name the specific action, event or behaviour you'd like someone to change.
  - Address the impact of that behaviour.
  - Suggest what the person could do differently next time.
- **Conflict resolution steps and finding their source**
  - Improve communication
  - Take perspective – empathise
  - Eliminate unnecessary escalation
  - Uncover issues sooner rather than later
  - Hit the pause button.

Appendix 14: Initial PROXiMA team charter.

	Co-operations	Co-operations	HR director	Co-Finance	Diogo Messias	Innovation Director	Co-Finance	Average
Attendance	5	5	5	5	5	4	5	4,9
Performance/quality management	5	5	5	5	4	5	5	4,9
Time keeping and time management	5	3	3	4	4	3	3	3,6
Communication & Language	4	4	4	4	4	4	3	3,9
Attitudes and etiquette	5	5	5	5	5	5	5	5,0
Team Culture	5	5	5	5	5	5	5	5,0
Dealing with disagreement and conflict management	5	4	5	5	5	4	4	4,6
Commitment	5	5	5	5	5	5	5	5,0
Feedback and criticism	5	5	5	5	5	5	5	5,0
Decision making	5	3	4	4	4	3	3	3,7
Free riders	5	5	5	5	5	5	5	5,0
average	4,9	4,5	4,6	4,7	4,6	4,4	4,4	4,6

Appendix 15: Peer and Self-evaluation PROXiMA did relative to the second critical incident.

Team Charter – PROXiMA

Culture & Values

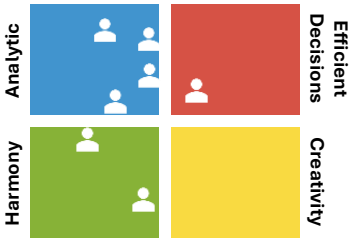
Respect and Integrity – Respect each other and the different cultures, their related values, different personalities and communication styles

Active commitment – Interest and active mindset

Analytical – Constant feedback and questioning

Trust – Based on reliability and commitment to the company core values and a culture of small decencies

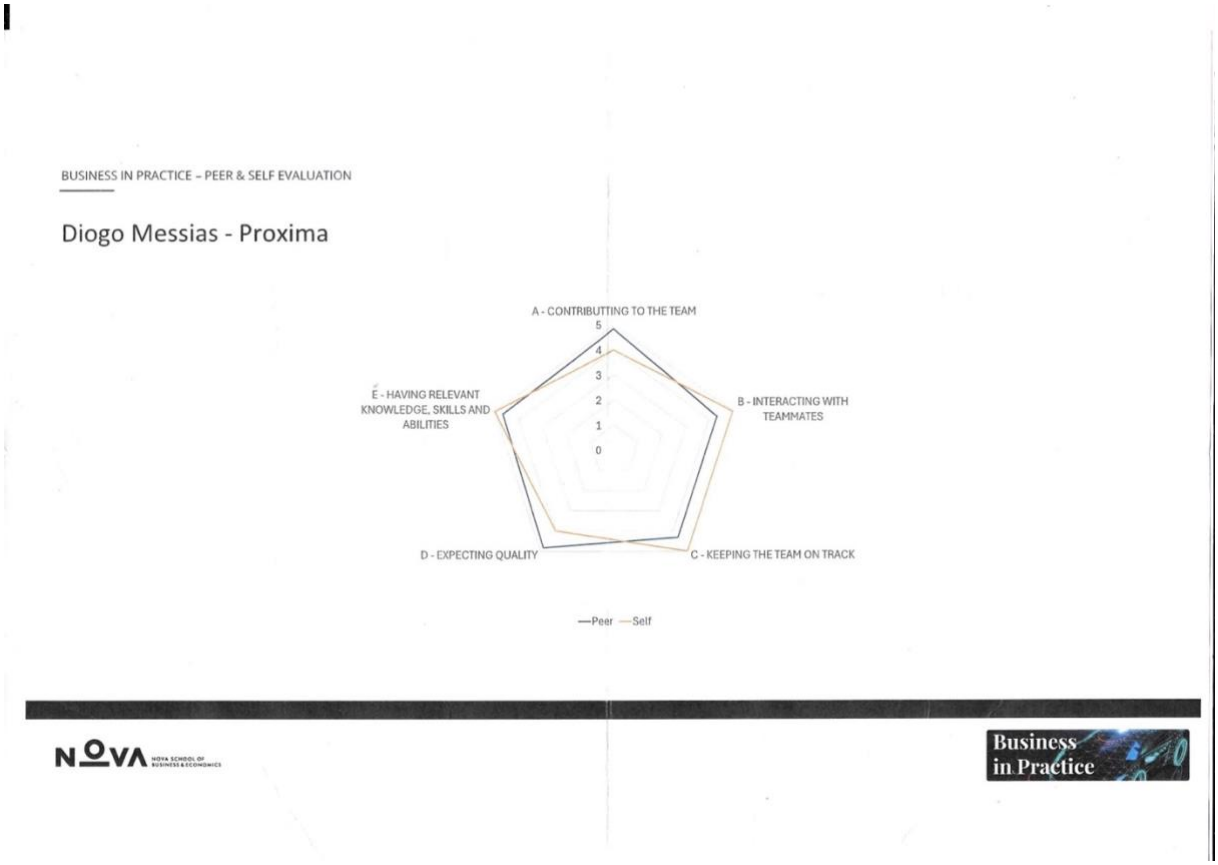
Agility – New challenges require new solutions



Ground Rules

- **Time management**
  - Attend meetings on time (5 minutes tolerance)
  - Always deliver 15 minutes before the deadlines
  - Take 10 minutes before each year decisions to reflect on team dynamics
  - Follow pre-defined structure and agenda of meetings to improve efficiency
- **Communication**
  - Respect the culture and values of our Team
  - Give individual and group feedback with respect
  - Ensure transparency for all
  - Communicate with respect and be aware of cultural differences in negative feedback
  - Raise hand when not feeling heard
- **Action**
  - Prepare decisions for the first quarter in advance
  - Reasoned decision making
  - Flexibility and agility to increase efficiency
  - Be aware of the resource intensive and risk averse mindset
  - Stimulate creative solutions
  - Divide decisions by four categories:
    1. CONVENIENCE - total delegation
    2. COLLAB – make decisions but open to veto's
    3. COLLECTIVE - put decisions up for a vote
    4. CONSENSUS – group discussion leading to concensus
- **Feedback agreement**
  - Name the specific action, event or behaviour you'd like someone to change.
  - Address the impact of that behaviour.
  - Suggest what the person could do differently next time.
- **Conflict resolution steps and finding their source**
  - Improve communication
  - Take perspective – empathise
  - Eliminate unnecessary escalation
  - Uncover issues sooner rather than later
  - Hit the pause button.

Appendix 16: Reviewed PROXiMA team charter.



Appendix 17: Business in Practice - Peer & Self-Evaluation.

Source: Business in Practice program 2024.