

How to Build an Attractive Company Based on Company Culture and Core Values




University
of Applied
Management



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Dissertation




Perfection in Management and Leadership

Mgr. et. Mgr. Petr Pacher, PhD., MBA

2017

Abstract

This dissertation deals with the issue of building an attractive company with company culture based on freedom where employees are happy and satisfied. For this journey to be possible, it must be started by the company's leader.

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Affirmation

I, [REDACTED], hereby affirm that I have written this thesis myself, without anyone's help, and that I have only used the sources cited.

Brno, 22 December 2016

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Introduction

In this dissertation, I shall summarise my two-year journey to build an attractive company whose biggest strength is its company culture based on the shared core values of its people. To be able to ask the question *How can I create jobs that people will enjoy so that they will be excited to go to work every Monday morning?* I had to realise a few things myself first. Therefore, the first two parts of this dissertation deal with my personal brainwaves which allowed me to look at the world with a brand new mindset.

The company I manage is a source of inspiration for others. People visit us to find out how we do things. We have become more famous in the community of similar companies whose motivation is not based entirely on profit, as they care about people, corporate culture and free and responsible approach towards business. Having had the opportunity to talk to these people, I have realised two things.

One, a change in a company must first occur in its leader. I have not found a way to have a change caused by employees, while their boss thinks he knows best and has all the answers. It is what they say – *a team is only as good as its leader*.

Two, for a change to even be possible, one must not be afraid to make mistakes and to implement things. Being able to make mistakes is not taught in schools, which is why people are afraid of changes in things which, on the face of it, seem to be working just fine. It would be foolish to believe that we will achieve different results if we keep doing things the same way. Without action, even the best idea is worthless.

1. Anatomy of communication

I. Introduction

In this part of the thesis I shall focus on the transformation of my personality and communication techniques I have learned during my studies. I will focus on an analysis of individual emotions I often experienced in order to better understand myself. Since I learned to better understand myself I was able to move forward in terms of personal development.

In the next part I shall focus on communication techniques, especially affirmation and active listening, as they are a key prerequisite for understanding others. Along with my MBA studies I attended coaching courses where I used these communication techniques to coach my players on everyday basis.

II. Understanding emotions

I have been a very analytical person since I was young. Things must make sense for me; as making sense is the most important value for me. I always try to find out how things work and why they work the way they work. Everything has to be logical. I acknowledge the logic based on cause and consequence because things do not just happen. Because of this belief I was doing well with computers and technical gadgets but I could not apply it to people. To me, people were unpredictable. Everytime I thought I understood them they would surprise me somehow. Their behaviour lacked logic and I did not understand why.

I have a degree in computer science from the Brno [REDACTED], which was not a particularly hard endeavour for me. Maths, physics, logical thinking and understanding the principles of things have never been difficult for me. My word was full of logic and everything had to make sense to me before I would accept it. As I did not understand people and their behaviour would often make zero sense to me, I became reserved. And every disappointment (and by disappointment I mean behaviour which I would find illogical) would make it worse.

In 2002, while still at the university, I founded a company with my partner. Eventually I became its director. I was the first employee, before we hired the new sales associate and programmer. Sometime later it was a consultant, more programmers... and before I knew it we had ten employees. My managerial approach was that of trial and error, using common sense. I started to apply the same principles of logic in my work, to manage people and the company. I assumed that every person had to behave logically. I even thought my own behaviour was logical. It usually worked. However, in some situations I would fail to control my emotions which resulted in a lot of damage. I was mad and frustrated when things did not work the way I had planned. Sometimes I was sad when somebody betrayed me. I would often attack other

people who would criticise me because I took it as an attack. This may well be the source of my distrust that I have been experiencing my whole life. I did not trust other people because their behaviour was illogical. I did not understand their behaviour. Maybe due to the lack of familiarity with human emotions and needs and the false belief that people have to behave predictably at all times, or maybe due to the lack of communication skills, I was a distrustful person most of my life. I would simply get along with machines more than I would with people.

I did not think communication with people was particularly important. I was convinced I could talk just like everyone else. If I wanted something, I would say so. I failed to acknowledge my emotional state, as well as the emotional state of the other party, because I had no idea there was such thing. As a consequence of my clumsiness, I would often hurt or offend them, because I would confuse it for honesty which, I thought, was one of my strengths.

I learned to talk as a baby; I never thought one could improve their communication skills. Nor did I think that communication skills and the ability to understand were key qualities of a boss. I thought communication was the tool to relay information, nothing else; as in “tell me what happened and I will tell you what to do next”. My logical thinking combined with the lack of trust made me the “central brain of the company”. I would collect all information, evaluate it and give advice and orders based on this information and make sure everyone was doing what they were supposed to be doing. This strategy can work when a company has ten employees but once we exceeded fifty, I knew I could no longer control everything. I would often miss key information and make my decisions impulsively and in an exaggerate manner due to the lack of time.

III. Truth vs opinion

One of the first things I learned during my MBA studies was that people are in certain emotional state at all times and they react based on this state. And not just that – I should react according to it as well. Compared with my former way of thinking, this was something brand new. I realised that in order to become a better boss I had to learn more about my emotions; I had to understand them and learn to avoid instinctive and impulsive reactions. I had to become an unbiased observer of my emotions.

They say emotions are our teachers. Every emotion has its trigger. Instead of being carried away, I would attempt to process the information carried by the particular emotion. What is it supposed to teach me? Being able to actually name an emotion, I was now able to decide how to react. Absent this knowledge, my reaction would have been instinctive and automatic.

I realised that, in the past, I would often resort to negativism. I felt that if things were not going the way I wanted I would have to refuse and oppose them. I remember when I was in high school and a certain topic was discussed, I would feel the need to dispute and deny anything in every sentence and tell my classmates they were wrong, just to convince myself that mine was the only correct “world view”. I would fail to see the difference between truth and opinion. I thought there was only one truth – i.e. what I would see myself. Anyone who would disagree with me was automatically wrong. I fought a never-ending battle for my “truth”.

I would take this approach with me when I founded my company. If and when necessary, I could have enforced my truth in my company. I would try to persuade and convince everyone that my opinion was correct and I would explain to anyone who would disagree with me that they were wrong and that we would do it my way. I did not want to hear different opinions or negative feedback. I failed to hear any feedback because I would always take it personally. I felt the need to defend myself and justify all my actions. In retrospect, and knowing what I know now, I have to admit that it must have been very hard to get along with me. Now I am fully aware of the destructive nature of negativism, especially in the case of one’s superior.

I realise now that eventually any truth is rare and it can only be called truth if we are able to measure it objectively. Often, people may disagree about white colour (especially if it is a man and a woman). A man will see “white”; a woman will see the colours known as ivory or cream. How can we tell who is right? To be absolutely sure, we would have to use a spectrometer to measure wavelength. We would have to refer to some standardised scale which, as far as I know, does not exist. This example proves that people view the world subjectively, representing their respective opinions, not the truth.

Often, conflicts of opinion occur when one party is trying to persuade the other that they are right and they fail to acknowledge the fact that the same issue can be viewed from different perspectives, and they would still manage to live together. This results in great deal of conflicts which result in the loss of affection, disputes and fights. In my opinion, they are totally pointless. If people had better communication skills, there would be far fewer fights and disputes. Typical examples include trivial everyday disputes, such as when kids argue about the best ice cream flavour or when men argue in a pub about the best brand of liquor, or when spouses argue whether they should clean on a daily basis or once a week. Each party promotes its opinion (which it often treats as the only “worldwide truth”) without the willingness to listen, understand and accept the other party.

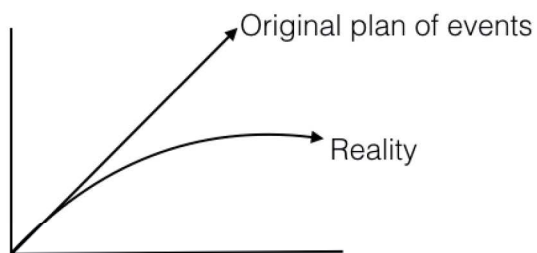
Once I have acknowledged negativism, I realised how often I had experienced it in the past. Admittedly, I have changed by approach, as now I will always try to hear the other party’s reasoning and understand it and confirm I had indeed been listening. If I have a different opinion, I will say so. I represent it as my point of view or experience, and nothing else. I will

not try to persuade the other party. In fact, I will try to understand the basis for their opinion, which allows me to discover new ways which I have not seen before. Thanks to this approach, I have far fewer conflicts with people around me and my life is more comfortable.

The issue of the difference between *opinion* and *truth* shall be addressed in the chapter Negotiation and argumentation – position vs. interest.

IV. Need for perfection

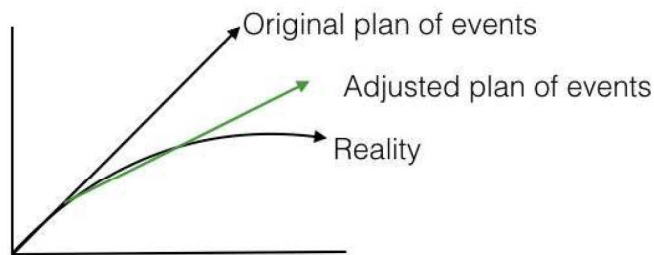
From time to time, I would experience anger which I kept bottled up inside, not showing anything. I was boiling inside but people around me did not notice anything. These emotions were associated with frustration whenever I was unable to achieve a result as planned. I had a high need for perfection; things had to be done at 100%; they had to be done properly on the first try and without mistakes. I would get angry about the reality, if it was different from my plan. I would deal with this situation by making even more effort for the sake of perfection. Inside I was frustrated; I was mad at the world around me and at the incompetent people who were not doing what they were expected to be doing, as well as at the obstacles that the world was putting in front of me, and also at myself for not being able to do things perfectly. This changed in one lesson, when I realised something:



I realised that once reality begins to differ from the original plan of events, one has two options. First (which is what I had always been doing), they may try even harder. My drive and focus on results would often cause the harming of my relationships with people around me. I would always automatically increase efforts without thinking twice about it, only to repair the curve of reality and restore the original plan of events.

However, there is another option; one which does not lead to frustration: it is called an adjusted plan of events. Due to changing circumstances the company will understand that it shall receive a different result. It does not equal to personal failure or the lack of ability to finish things. For example, when I planned that the new version of a product will include certain functionality and one-half of my team is sick one month before the deadline, it is evident that the reality is going to be different. Quite possibly the original plan will not be achieved under the existing circumstances (or it would at least be very expensive) and any

attempt to do it anyway will only result in frustration on my part and everyone else's. A new plan, other alternatives, fewer demands or a whole different solution may be considered.



If a plan changes, it is very important not to underestimate the importance of the adjustment of expectations of others. It is very important to start communicating once a plan has changed. If I fail to do so, I will deliver a result different from the promise and the other party's expectations. As a result, I will no longer be trustworthy and any further explanations and defense and excuses will only make me a victim of circumstances. My trustworthiness and reputation will suffer.

V. Personal development

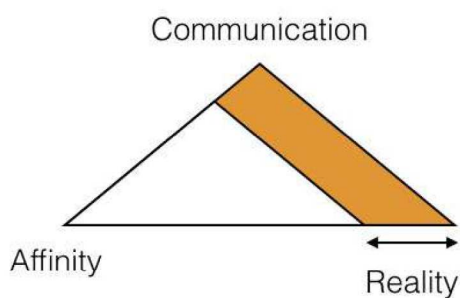
Looking back now, I feel like my former attitude had been caused by the lack of education and personal development. Now that I think about it, I had become very introverted and stopped caring about other people because I could not understand them and their behaviour. People were simply "*dangerous*" which is why I would focus on "*safer*" things like computers, programming, analyses, numbers, data etc. If one feels less confident in a certain area, e.g. due to insufficient education which can be transformed into experience, they do not have the area under control. Consequently, they will refuse to accept responsibility for it. His reaction is attacking or defensive, they refuse any feedback and they resort to accusations and excuses.

The realisation came in 2014 when I hired a coach. During the meetings with my coach I realised that the further growth of my company (which, at that time already had 50 employees) will be based on my new approach towards people. Until that time I had subconsciously been avoiding team leading and I would focus on products rather than on people. A great challenge for me was to become a leader who is followed because people trust him. I no longer wanted to be the no-nonsense boss who only controls, directs and gives orders. I decided to become a coach myself which is why, in 2014, I signed up for coaching courses. It sparked my interest in people around me and shifted my focus from myself to other people.

Coaching made me realise how little I had previously known about people, people skills and negotiation, communication techniques and other leadership skills. Therefore, in 2015, I enrolled in the MBA programme in the field named Perfection in management and leadership. This skill development training was ideally combined with active coaching, which significantly accelerated my development. It is hard to tell how effective this coaching or these studies would be separately. I do know, however, that both of them have given me more confidence, the ability to see things from different perspectives, as well as improved communication skills and knowledge. The common topic of these two skill development tools is the establishing of understanding, affirmation and active listening, which shall be discussed in detail below.

VI. Establishing understanding

In this part, I shall discuss the so-called ARC triangle which represents the level of understanding (the area of the triangle represents the scale of understanding). The three vertices represent three components: affinity, reality and communication. Thanks to careful observation one can discover a common topic, i.e. expand Reality which, when discussed, results in Communication and the ARC triangle becomes larger as understanding deepens.



The first prerequisite is learning to read and identify emotions. First of all, I learned to identify them on myself. I realised that my emotions have shifted from the former conservatism and negativism to interest and joy. I realised that coaching people makes me happy, and whenever I see my own contribution my level of emotions rises. Coaching “recharges” me, allowing me to appear positive, and as a person who can give energy to others. Many people say that, having met me, they are happier and have more energy. I never experienced that in the past.

My level of empathy has also increased, as I started to acknowledge other people much more and now I am able to walk in their shoes. In establishing understanding, I focus on people’s emotions and I have managed to become able to address emotions in other people’s faces. People’s faces are great for reading emotions like joy, happiness, worries, sadness, anger, frustration etc. All it takes is to say *Hey, sunshine, what happened to you?* or *You look worried, what happened?* and the person will open up and talk. They can see I am interested in them

and that I have come up with a common topic they will be willing to talk about. I think the reason they would actually start talking about it is that somebody has finally noticed them and showed interest in them. Everybody wants to be appreciated and respected and have somebody who cares about them. If someone notices and correctly identifies my emotion, they will gain my respect as an insightful person who is interested in me. There aren't that many people like that these days.

Emotions can be identified from one's facial expression but also from the answer to the simple question *How are you doing today?* Even if one answers *Fine*, it does not always mean they are indeed doing fine. The tone of their voice reveals a lot, i.e. that they are being sarcastic or that they are happy, honest, sad, bored etc. Their immediate reaction may only be a smoke screen. I can base my actions on the emotion determined by the tone of their voice. Another opportunity is to find a common topic. I show interest and ask in detail. Typically, the second question is answered honestly because the person loses their "social mask", allowing us to have a common topic to discuss. It is an icebreaker of sorts which I often use to start a conversation.

Another way to start a conversation and establish understanding is to address or even praise something about the person, or anything which I think may get them to talk. In the case of men, it can be a car, cell phone or watch; in the case of women, earrings, outfit or hairstyle. Even a simple remark such as *I see you have an iPhone, are you happy with it?* Or *Nice watch. Omega?* can get a person to talk. By doing so, I show my interest in the subject and the person will be willing to talk to me about it. If I praise something right away, I may learn that the person hates their iPhone because he got it at work and they would have never bought it for themselves. That being said, we have already started a conversation and we have a common topic to discuss.

This technique is essentially about "reading between the lines". Its purpose is to be curious and interested in things without having to mention them. It is a much higher level than focusing on things one says. I believe that there is more in this form of non-verbal communication than the mere communication of content. The purpose is to focus on the things between the lines: i.e. things one does not say, what they avoid, what their facial expression and emotional state is, as well as their attitude, tone of their voice and apparent energy. Those are the things that I, as a coach, watch for in my players. The addressing of these issues allows for greater understanding which often results in the "eureka effect" – especially when a player is avoiding talking about something. That's when I come up with the topic so that we can discuss it.

Honest and genuine interest in other people is a key element of empathy. In coaching training, I have learned to shift interest in the person being coached. Thanks to positive feedback and energy I feel everytime I help them it has become a part of my personality. Therefore, I have

no problem addressing emotions or common topics that can be discussed at length, allowing me to establish understanding.

I even taught this technique to one of my players. He is a boss himself and he has problems communicating with his subordinates. When he asks them how they are doing, they reply *Fine* and that's it. He does not know how to extend this conversation. I made him realise that people appreciate when someone shows interest in them; and they open up as a result. I gave him a few tips how to find common topics which may help prolong conversations. Next time we met, he bragged about being able to talk extensively with the same people, beyond the ordinary *How are you?* and *Fine*. He used the newly learned trick because he had noticed his employees seemed exhausted and addressed this observation by saying things like *Hey, you look like you are swamped with work* – which got the employee to talk. It is a good way to start if one wants to establish understanding.

VII. Affirmation and active listening

These two techniques represent key skills in coaching. In my opinion, they are in fact essential for any form of interpersonal communication. However, not everyone uses them, which results in odd conversations, such as those seen in the Czech motion picture *Účastníci zájezdu* where the husband says *When we get home I will have a proper Czech beer* and his wife replies *Yeah, I will wash the clothes at 40 degrees*.

Watching people around me, I see individuals who like to talk but do not care that much about other people. They are convinced that communication is about talking, and that talking will make them appear more interesting. For me, this form of conversation is boring and unilateral. Eventually I lose interest in participating in it.

I have decided to discuss affirmation and active listening in one chapter on purpose: because I think they are similar, the only difference being the level of interest in the other person. From my point of view, affirmation is the elementary level for the acceptance of the fact that the other party is trying to tell me something. Affirmation is like saying *I hear you*. It can manifest itself as simple nodding, saying *hmm* or *yeah, sure* throughout the conversation; or by any of these combined. Simple affirmation is not sufficient to establish understanding and relationship with the other person. If I want to tell a story and the listener says *hmmm* and proceeds to tell his story (an unrelated one) without actually reacting to mine, I find it rude. At that very moment I feel like the person has not been listening to my story and instead has been thinking about how to tell his. They have shown no interest, attention or acknowledgement. No understanding has been established. They make me think about the correlation between his story and mine, and what the point is. In my opinion, affirmation should carry at least any elementary reaction to what has been said, before the parties may move on to the next topic;

for example by saying *That's an interesting story, I did not know that. But since you have brought this up, this reminds me that...*

Active listening represents a higher level of establishing understanding in communication. For me, active listening means taking a certain piece of information I have just heard, rephrasing it and sending it back. For example, I will start my sentence by saying things like *If I understand it correctly...* or *I see, so...* or *So you are saying that...* The other party will either confirm I understood them correctly (and, therefore, increased understanding and consensus) or they will explain it more. Through active listening I am showing the other party my interest and the fact that I care about them, which makes me a respecting partner in the discussion. This is why I think that active listening is a key element of coaching, as the establishing of understanding is the foundation stone. Active listening establishes trust between the coach and the player. As a player, I feel the coach is here for me and that he is listening to what I have to say.

An even higher level of active listening is when I manage to create a metaphor out of what the player is saying or when I can proceed with a story that will push them forward. Not only do I confirm that I have been listening; I also contribute to an even tighter bond with the person because I understand what they have been saying and enable a brand new level of thinking. For example, I once coached a player who was describing to me his decision to shift the responsibility for particular products to the people in his company. I told him *It seems like your babies are ready to leave the nest.* He smiled and went along with this analogy by saying that they have just moved past their puberty, they have decent education and they no longer need their father to hold their hand wherever they go. This metaphor can be addressed further in a discussion where strong questions are asked. Examples may include questions like *What do you want to give them before they leave* or *How often do you want to be in contact with them.* Metaphors work well with players, because they are no longer discussing a problem – they are telling a new story. They are no longer limited by their own perspective and limiting opinions, as they are discussing a parallel story where it is easier to resolve the problem.

Asking strong questions is yet another key skill of any coach. It is the objective of any coach to ask the right question at the right moment in order to achieve the “eureka moment” in the player. What do I have to ask to help the player as much as possible? Based on my experience, if one actively listens it is much easier to ask the right strong question. Active listening means going deeper into the topic. If I listen actively and rephrase aloud what has been said I realise what they are trying to say and questions just keep coming up. My experience has taught me that in the absence of active listening the coaching session will turn into interrogation. I would ask a question and the player would answer it, whereupon I would move on to the next question without properly reacting to the previous one. As a result, the player felt like being interrogated. It was not natural, there was no evident interest in them,

and I was not listening. I was focused on asking the next question, instead on what the person was saying. Not to mention subtle hints or the things they were *not* saying.

VIII. Conclusion

During the course of this module I realised how important communication is for interpersonal relationships and how emotions affect people. In the past, I found people to be unpredictable because there was a key variable missing in my equation of the world – emotions. I have learned to read emotions; not just my own but also other people's. This allows me to better control myself whenever my emotions tend to be on the negative scale. Learning to understand other people's emotions has allowed me to establish understanding maintain and develop relationships more effectively.

I realised what it meant to be negative. Back then, I would not know the difference between an opinion and the truth and I had the need to correct people around me and to persuade them. As soon as I identified negativism I realised how frequent it used to be in my case. I must admit that it has made me re-evaluate my approach, as I will now try to listen to the other party's opinion and understand it and confirm I have been listening. If my opinion is different, I will say so, and I will present it as my point of view or experience and nothing else. I will not try to persuade the other party. In fact, I will try to understand the basis for their opinion, trying to find new ways which I haven't seen yet. This allows me to minimise conflicts and my life is more comfortable.

I found out why I was so distrustful and had such a low empathy level in the past. According to my theory, by not taking into consideration other people's emotions I would fail to understand them because their behaviour seemed unpredictable. I was very inexperienced in this area and I would judge people from the point of view of simple logic. Every disappointment would make me even more reserved and the gap between me and the people around me would widen. Other people could not get to know me better and I would decide, in advance, that I would not trust them. In my opinion, the lack of skills and knowledge in a certain field causes the lack of control and, therefore, the lack of willingness to assume responsibility. People will try to avoid the issue and they will tend to look for excuses and defences. They will become more reserved. Possible solutions include the improvement of education in the field, allowing people to find new solutions. A victim will become a solver and their willingness to assume responsibility will be greater. In the course of this module, I chose to improve my education. Now I am more confident and I have better control over emotions and relationships than before; with the added bonus of more empathy. This personality transformation is evident from personality tests which I took one year prior to this programme and once again last month.

Communication is a key tool in establishing and building relationships. Affinity, i.e. the willingness to build relationships, is higher if we have something in common with the other

person. The purpose of communication is to broaden the common paradigm which they results in better understanding. Thanks to active coaching I have managed to shift the focus from myself to the people around me. The entire technique is essentially about “reading between the lines” – i.e. about things people are not saying, what their facial expression is, their emotional state, approaches, tone of their voice or energy. These aspects can be actively addressed and conditions may be established under which the person will be more willing to establish a relationship.

I have learned to tone down my need for perfection. In the past, I would be frustrated whenever the reality would not conform to the original plan. Consequently, I would try even harder and I would make the people around me to try harder and I would give orders. Even though the original result was ultimately achieved, I would harm the relationships with other people. I finally realised that there were other ways of doing things, not necessarily via anger: if I create an adjusted plan based on new circumstances. I realised that a new plan is not a personal failure or the lack of ability to finish things. It is important, however, to communicate change to maintain trustworthiness when the original goal is not achieved.

I have managed to master the technique of affirmation and active listening which, in my opinion, represent a foundation stone of successful communication and understanding. In situations when one party fails to affirm what they are hearing they appear as if they were not listening. It is not about agreeing with the content; it is about confirming that I have indeed been listening. By doing so one can avoid conflicts and misunderstanding. For a coach like me, active listening is a key skill which allows my players to come to realisation. I can achieve this by rephrasing what they have said in a new context or framework. The cherry on the cake of this skill is the ability to come up with a metaphor for the information because it does not require only the ability to understand what has been said but also to quickly devise a parallel story. Active listening improves another coaching skill – the asking of strong questions. By rephrasing something that has been said I am able to “go deeper” to understand the player’s situation and to be able to ask more questions for the sake of the understanding.

2. Negotiation and argumentation

I. Introduction

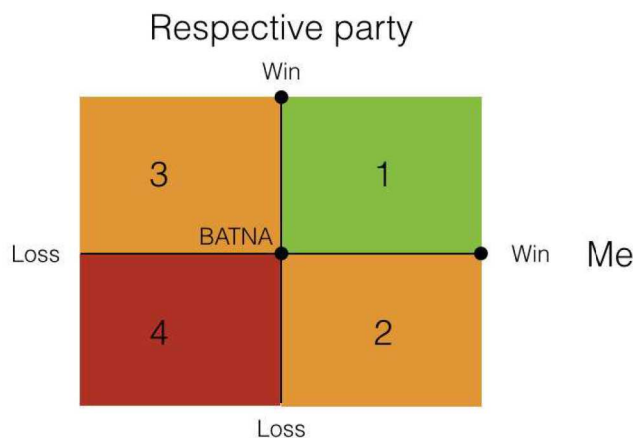
One should know their manoeuvring space in negotiation and decide what result they want to achieve. Is it going to be a win-win situation? Or do I want to subdue the other party and achieve the win-loss situation in exchange for negative side effects? Or am I willing to negotiate for the sake of an agreement, even if it should mean that I will eventually lose?

In this part of this thesis I shall focus on the results achievable through negotiation, their differences and value. I shall analyse individual forms of negotiation and their correlation with the results achieved. A specific example will be analysed to illustrate how knowledge can be transformed in skills, and what I have learned.

II. Victory or loss

First of all, let's look at the possible results. A key element of the decision-making process is to realise what the BATNA is in the process (*i.e. the best alternative to a negotiated agreement*). It is essentially a backup alternative in the event of the failure to reach an agreement, which still makes sense. In other words, I have to know how big a compromise will still be worth it. One will realise what their options are in the negotiation process and what their wiggle room is. Of course it is everyone's goal to achieve a result in negotiation which is far better than the BATNA. The wiggle room for the win-win scenario is therefore defined by two points: the point defining victory and the point defining BATNA. If the result is worse than BATNA, I consider it as loss for the respective party. BATNA can therefore be regarded as the option that separates victory from loss.

Combining the BATNAs of the respective parties, we get the following chart and its four quadrants:



The win-win scenario

The green quadrant number 1 represents an area where both parties win. It is the quadrant that I prefer because it represents potential future cooperation on a long-term basis; the parties fully trust each other and contribute to each other's prosperity. It is based on the assumption of affluence, i.e. both parties may win. For one party to win, the other does not necessarily have to lose. One party's success is not always the other party's failure. The outcomes include a firm relationship, prosperity, long-term cooperation and trust.

The win-loss and loss-win scenario

The orange quadrants number 2 and 3 represent areas where one party wins and the other loses. It is based on the assumption of deficiency and the principle that the only the strong can survive. Only one player can finish first. One who takes the biggest bite wins and they win if nothing is left for the remaining players. It is based on competitiveness and the defeat of others. One who has the sharpest elbows wins. This approach is understandable when viewed from the perspective of evolution – from animals to modern-day alpha males among humans. Darwin's evolutionary theory is based on this. However, this approach has numerous side effects for losers – such as damage to relationships or even hate.

The loss-loss situation

The red quadrant number 4 means that both parties have lost. Although it may seem like an impossible situation because it is neither party's goal to lose, I shall explain that it is very realistic.

No agreement

There is one scenario which is not included in the chart. We can describe it as "we agree that we do not agree". It may look like a loss-loss situation (because, indeed, nobody has won) but it is not so. Nobody has won, but nobody has lost either. It is important that the relationship does not suffer. It is just that an agreement has not been reached... but we may reach one in future. It is definitely better than the loss-loss situation. In fact, it is better than the win-loss or loss-win situation. It is in fact a neutral outcome of negotiation because both parties have realised that no BATNA was possible either. As no mutual benefit for the sake of win-win situation is possible, it is better not to reach an agreement.

III. Types of negotiation

The result achieved by negotiation will depend on the attitudes of both parties. There are three types: hard positional negotiation, soft positional negotiation and principled negotiation.

Hard positional negotiation is based on the fact that I want to win at the expense of the other party. In other words, they have to lose. This situation is represented by quadrant number 2. In

this type of negotiation, one is trying to have their way in a tough manner regardless of the other party's needs. The other party is an adversary. Unilateral solutions are sought via pressure. In this type of negotiation, our position is that we have to win at all costs. This type of behaviour is common when our party's position is superior to the other party's. They can be an employer and an employee, a supplier and a contractor or a parent and a child. One party usually has something (typically, money) that the other party wants. The party enjoying the superior position can use this authority and power to push the other party into a corner and close the deal in the win-loss situation. It can even resort to unfair practices, deception and lies. From the stronger party's perspective it may indeed seem like they have won (from a short-term perspective). However, in the long run, their mutual relationship and trustworthiness have suffered and eventually both parties are going to lose. The weaker party will not be motivated to do business with someone who is this tough in negotiations? Why should the weaker party remain involved in the relationship and loyal? What is the value of harmed reputation and the loss of trust with other entities, who learn about this type of conduct?

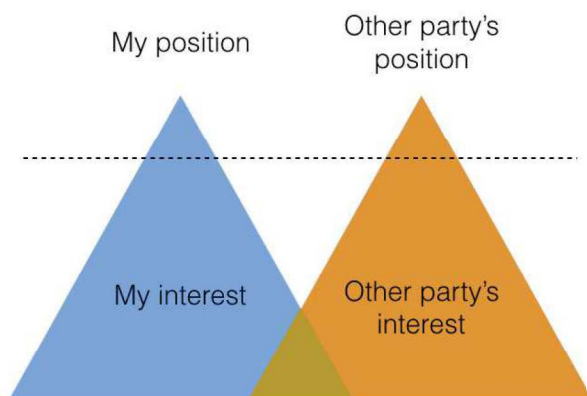
There is one more risk associated with hard positional negotiation. We can easily get from quadrant number 2 to quadrant number 4 (loss-loss) if the losing party decides to do everything to make sure I do not win either. It all comes down to revenge. They have nothing to lose; so instead of letting the other party win it is better to cause their loss. It is an example of hard negotiation on both sides as the respective parties are adversaries. In my opinion, this type of battles along the lines of "if I do not win, nobody wins" is far too common in our society. The behaviour of the losing party is understandable, because it is their last effort to claim justice. The cause of these pointless conflicts which result in the loss of both parties can be found in hard negotiation whose purpose is to have the other party lose. Therefore, it is only suitable when we know that we will not have to deal with the other party in the future or that the other party has no opportunity for payback. Personally, I would not recommend this strategy in negotiations, because "we all have only one reputation".

On the other hand, there is the **soft positional negotiation**. Its purpose is to achieve an agreement at all costs. An agreement must be the desired result so that a conflict is avoided. I give up some of my original demands and avoid pressure. I offer compromises and I accept some; in an attempt to avoid a conflict with the other party. Even though it may seem fair on the face of it (after all, it is my own decision to compromise) there is a major risk involved: I am losing my integrity and I fail to realise that agreements are in fact losses. We may have an agreement, but I have lost. My current position would be located in quadrant number 3. If this strategy is used often, I lose confidence and the ability to enforce my demands. Consequently, I may become hostage of those who are used to hard negotiations. It will negatively affect my confidence in future success and it will probably slow me down on my journey towards success. I believe that occasional use of this strategy is not that harmful.

The third type of negotiation is called **principled negotiation**. Let's try to understand each other and find a common journey. Let's reach an agreement which will benefit both parties and we all win. Let's find an outcome acceptable for both parties. That's quadrant number one. The basic requirement in this type of negotiation is the willingness to understand the other party. One must be willing to listen, reveal the other party's intentions and ask about their motivation, as well as listen to explanation and use their curiosity. Why? Let's assume that the two parties' respective standpoints are different. At first, it may seem like we will never agree; and if we do, one of the parties will lose. Thanks to this curious approach I will find out about the other party's demands and they will, in turn, learn about my interests. This brings opportunities and options which were initially hidden and we have a bigger opportunity to reach consensus, i.e. a win-win situation. If we find out that our respective demands are so different that they never overlap, we can agree that we disagree and our relationship will not be harmed with regard to future cooperation.

IV. Interest behind every position

The basis of principled negotiation is knowing the difference between **position** and **interest**. Position is something that is presented externally; interest is represented by my reasons why I want something this way. We can look at it as two icebergs with their tips above water. They represent our positions that we show to the world. They are our opinions, attitudes, statements, publicly declared needs and social masks.



There are always some hidden reasons why people maintain certain positions. However, people generally do not represent their interests and they do not find time to explain their position. They either refuse to explain how they had come to it, or they refuse to reveal their needs out of fear of becoming vulnerable, or they may think the other party simply must know. The objective of revealing the other party's interest is finding overlapping topics. They may be right below the surface or very deep down, and maybe there aren't any. Either way, by revealing interests in detail we may find new ideas and new ways which we would not normally consider. Either way, there are many opportunities to achieve the win-win outcome.

A conflict may occur if people have different opinions. i.e. they express disagreement with a particular issue, or if sources are limited (e.g. money or time). Each party will defend its position. If people refuse to understand the other party (i.e. they fail to reveal the other party's interests) it is a conflict waiting to happen.

One example – he wants to go see a movie; she wants to stay home. They have plenty of time, so they can see a movie and spend some time at home. Should they both defend their respective positions; they will probably fight and attack while defending their position. One would probably win and the other one would lose. However, if any of them tried to reveal the other person's interest, they would find out that they want to spend time together and that there are possible alternatives, such as watching a movie at home.

I really think that the building of long-term relationship, which in turn guarantees a happy life, is not possible without win-win situations in negotiations. But how?

First of all, we must all start with ourselves and accept the paradigm of affluence; i.e. the assumption that not one party, but everyone can win. We have to accept the fact that coexistence and cooperation guarantees sustainable development and battles in which the strongest survives, while their competition perishes, is not desirable in the long run.

I believe the acceptance of this paradigm may be hard for some people. I was a competitive person myself; I want to win and defeat people around me. I have to admit I used to be quite successful in this regard, be it in school, in business or at golf tournaments. There were tables, standings, rosters and competitions – there was always one first place and a great number of losers. I used to win a lot, but at the expense of valuable interpersonal relationships, or lack thereof. The competitive mindset does not favour the win-win situations. An egocentric mind tends to harm relationships with other people, it sparks envy or even deception and unfair conduct in an attempt to win at all costs.

Once we have accepted this paradigm, the next step is the ability to find balance between our own ego and empathy; as well as balance between the desire to win and respect towards the other party, or balance between results and people skills. I would call this mindset “maturity”. An immature individual will seek their own goals regardless of the people around them. If we accept the paradigm of affluence, we can “mature” and learn to achieve results where both parties win. The key is the ability to walk in the other party's shoes. Therefore, my offers to the other party are always prepared with the win-win situation in mind. I do not want to offend them by an offer which is a win-loss situation from the start. This offer could hurt the person's ego which will tell them I do not trust them. Negotiation may turn into a conflict the escalation of which will result in a loss-loss situation.

What if somebody gives me a loss-win offer? That is when the principled negotiation should apply, as well as the effort to reveal the other party's interest. We should not be opponents but partners looking for a solution. I have to be curious and I must listen to the other party. First of all I must understand them and then explain my position and my own interest. The other party should not feel threatened; otherwise they will stick to their position no matter what. I realised that the effective method is to reveal my interest (i.e. the win-win result) in advance. I will honestly say that my intention is to achieve this particular result which I think will benefit both parties. Plus, we will still be able to look into each other's eyes and smile.

V. Real-life example

Once I had to face a relatively complicated situation in my company. There was a change in the style of management. Instead of centralised direction I started to manage people. Management requires trust and freedom on one hand and responsibility and results on the other. As this change was being implemented, most managers took the opportunity. All of a sudden they could make decisions and they no longer had to ask me about everything. They started to grow and develop, nothing was stopping them.

One of the managers was not moving anywhere. He was very passive and comfy in what he had been doing at a slow pace. The opportunity to grow meant nothing. He loved to delegate his own tasks to people around him, while he had no drive himself. It would always take a considerable period of time for his results to manifest themselves. When I told him so, his answers would take five minutes but contain no valuable information. He would have made a great politician: saying a lot while saying nothing. Our meetings would become increasingly confrontational. I realised that I enjoyed meetings with him less and less. While I enjoyed supporting other managers in their professional growth, this gentleman was a waste of time.

I did not know how to deal with this situation. I discussed it frequently with my coach. This made me realise I did not want this gentleman on my team and that the likelihood of him changing was nearly zero. He was happy about the former style of management but the changes were not his cup of tea. The change in the style of management opened my eyes and I had to resolve this issue.

I considered the qualities I expected from the members of my management team. I came up with "motivated, independent, responsible and fair". It has to be a person who is career-driven and wants to achieve something and grow. My role would be to help him and remove obstacles and inspire him. But what if he can do all of the above, but does not? Is it maybe due to the lack of motivation to grow? Instead he always comes up with elaborate explanations of how perfect things are. He would be explaining his own way of doing things which is, unfortunately, different from the rest of the people's and mine. I decided that termination was only way to resolve this. Our games were so different and it was a pointless

agony. The environment had changed and the company was no longer the company he joined. Ultimately, he failed to adjust.

I wondered how I should do it because I had never fired anyone. To prepare for the negotiation, I had to resolve a couple of issues:

- My intention was to end this on good terms so that we would maintain a good relationship. I wanted to find a win-win solution. I wanted to reach a mutually acceptable agreement.
- As other team members were not aware of the situation, I have to explain it thoroughly. I assumed that the news about a team member's departure will be a surprise for other team members, which could, in turn, affect the team spirit. Absent a decent explanation as to WHY, a risk of the loss of trustworthiness was high.

As the gentleman had an unlimited employment contract, I had (pursuant to Section 52 of the Labour Act) only one option – termination due to redundancy which entails a two-month notice period and three salaries as severance pay. That was the boundary that I had to accept, but it would be a loss-loss situation for both us. It would take two more months of making our lives miserable. His attitude would have negative effects on the morale of other team members. Therefore, a more suitable course of action would be to offer him five salaries without having to work and terminate the employment relationship immediately. That was, in fact, my BATNA, which was worth CZK 200,000.

My intention was to terminate his employment via a mutual agreement; I did not want to fire him, as I was going for a win-win situation and I wanted him to have good memories of the company, and myself. I wanted to offer him home office for the remainder of the month so that he can reassign the work in progress; I would reimburse him for any paid leave and help him find a new job; I would give him a letter of recommendation plus one extra monthly salary. I went to the meeting with this offer in mind.

I decided that we would meet in my office and talk on my sofa. Even though it was an unpleasant topic, I had a positive mood, as this was an excellent opportunity for me to learn something, i.e. to communicate about unpleasant things in order to achieve a win-win situation. I felt an opportunity coming, as I had never experienced a similar interview. I was looking forward to learning new things.

I steered the debate towards a topic that we disagreed about. I let him talk. I asked him how he felt recently about our meetings and about his progress in his game and whether he found it fulfilling. He admitted that the journey I had chosen for our company is not for everybody. He would have done it differently. I assured him I understood his opinion that today's company is not the same as the company he joined. I also thanked him for his contribution to the company's success. Then I told him that my idea about the new direction of the company is

different from his. I presented my vision and explained my expectations regarding the future cooperation and further development of team members, which requires proactive approach and willingness to achieve challenging results on their part. I pointed out that we were each playing a different game, which is exhausting. We could try, but we would never make it work.

He admitted that it was not his idea of the company's future either. There were no negative emotions or blaming on either part – just a constructive debate and an attempt to find a solution. I did not blame him for anything. We agreed that we each had been playing a different game and that we could not make it work together. We reached an agreement and found a mutually acceptable solution. We agreed to meet several days later to discuss how we would announce it to the employees. We agreed that he would make the announcement at a management briefing.

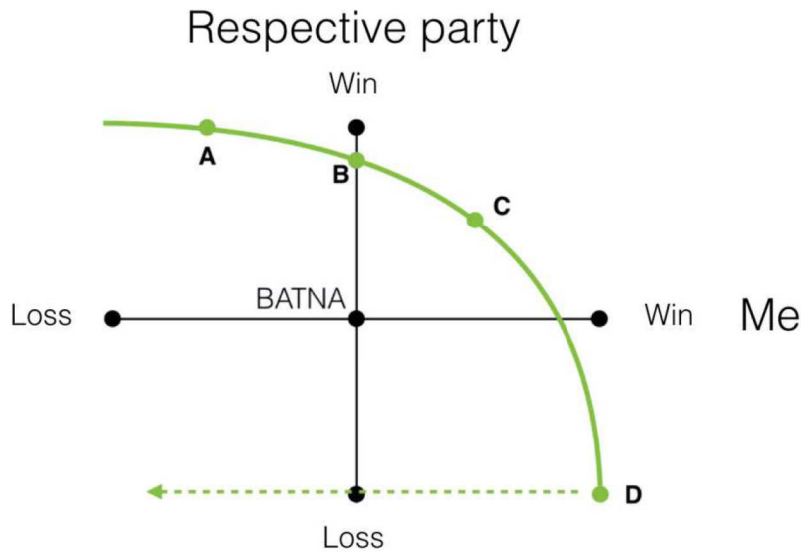
And he did. He calmly announced that we had agreed to terminate our cooperation because his idea of team management was different from mine and that the new style of management with coaching was not his cup of tea. He said he would stay until the end of the month to finish what he had started and to hand the agenda over to his successor. I was happy about the way things turned out and that no conflict resulted from the situation. The manager maintained his face. Plus, according to our agreement he would receive one month worth of severance pay. I thought it was successful negotiation.

If I wanted to go for hard positional negotiation, it would probably go as follows: I would have a written agreement on the termination of employment printed and prepared for him, with no severance pay. I would invite him when he would least expect it and I would tell him I no longer wished to cooperate with him and fabricated some vague phony explanation. I would take advantage of the fact that he came unprepared, and unaware of the law, and I would make him sign the agreement. Maybe I would even threaten him and balance on the edge of the law.

If I wanted to go for soft positional negotiation, it would probably go as follows: I would call him to my office where I would tell him that I would “need him to consider” the termination of your employment relationship. I would offer him three monthly salaries as severance pay. Should he refuse, I would offer five months. With no luck there, I would tell him he could keep his laptop and mobile phone. Still no luck, I would tell him I would pay for his two-week holiday so that he could have some rest before starting in his new job. And so on, until an agreement is reached.

Instead, my direct offer could have been regarded as a victory for him. It is represented by the letter C in the chart below. It was not the greatest victory for me that I could imagine, but it

was the acceptable victory. It was a compromise between my desire to enforce my interest and the respect towards the feelings of, and relationship with, the other party.



Point(D) refers to a situation where I would go for hard positional negotiation and made him terminate the employment relationship without any severance pay. That would constitute a win-loss situation which would eventually turn into a loss-loss scenario because my employees would no longer consider me trustworthy, and my reputation of an employer on the labour market would probably suffer as well.

Point(A) refers to termination with two-month notice period and three salaries worth of severance pay. Possible victory for him but certain loss for me.

Point(B) refers to an offer for five monthly salaries as severance pay. Victory for him, BATNA for me.

Now, what have I learned from this? Overall, I feel great about finding a win-win solution in such a complicated situation, which was my first of this kind. On the face of it, it was bad news for him; and it was a challenge for me to do it right so that we would maintain good relationship and memories. And I did it; it was a key experience for me. Asking appropriate questions and active listening helped me to reveal the other party's actual interest (I want to do things my way, your vision is not my style, I am happy with my pace of work). Then I explained my interest and we both admitted that we were each playing a different game and that our "icebergs" were not overlapping and the best solution for us would be to play separately. From there we proceeded to look for an agreement on how to terminate our relationship.

I think it was important to make an acceptable offer to the other party and to avoid pushing them into a corner where they would get stuck in their position; and not to offend their ego

with a selfish offer. It was important to show that I cared about their interest – i.e. act with the win-win perspective in mind.

There was one more realisation. The situation when I was dissatisfied with outcomes lasted more than six months. I would tolerate it this whole time; I would make compromises and procrastinate. I was afraid of having to make an important decision. Having to say goodbye to an employee was a challenge because I did not know how. And when I finally found the courage to do it, I did it perfectly. I realised that long-term compromises are exhausting and eventually one will start to avoid the person. Sooner or later a decision has to be made; these delays are pointless. My experience is that once it was over I thought “I wish I had done this sooner”. It is only a waste of time and energy. One must find courage and forget about their fear of the unknown.

VI. Conclusion

In this part I focused on various outcomes of negotiations based on the respective parties’ victories and losses. They are:

- Win-win
- Win-loss
- Loss-win
- Loss-loss
- No agreement

To be aware of the distinction among these outcomes and tell whether we have won or lost, we have to acknowledge our BATNA. BATNA is a point at which victory turns into loss and at which an agreement is still a viable solution. One must be aware of this point of no return prior to the commencement of the negotiation in question, as it will guarantee a more favourable position. As soon as the possible solution is less acceptable than my BATNA, it is better to decide that no agreement at all has been reached. It is better than either party’s loss. However, the “no agreement” outcome is not always possible.

In my personal life, I strive for the win-win solutions if and when possible. They allow the building of long-term relationships and equal partnerships based on cooperation. If both parties benefit from the result, it is a good foundation for long-term sustainability. If I wanted to go for the win-loss outcome, the other party may not be willing to cooperate and negotiate any more, if they have the freedom to decide. In other words, the win-loss outcome is only beneficial for a short period of time. The effort to strive for the win-win outcome is based on the assumption of affluence, i.e. that we can all win and that it is not just about the strongest party. This is one of the key findings I have made along the way.

I also realised how important it is to acknowledge the distinction between position and interest. While position is something we present externally, and it can be viewed as an

unexplained opinion, interest is hidden really deep and it expresses our reasons for communicating the opinion. Differing opinions can lead to a conflict. To reach an agreement, or possibly a win-win situation, we have to attempt, in an active manner, to understand the other party's interest, and their "why". Why this approach? The establishing of understanding, curiousness, active listening and empathy are key elements. Furthermore, it is effective to start by revealing the other party's interest and then explain mine because in this situation the other party does not fight back too much.

3. Headhunters

I. Introduction

Every company should value its people who represent it. I can even go as far as saying that people are a company's most valuable asset. And that people come first; they are even more important than customers, which is why a company must have a perfect recruitment policy when it is growing. Our company employs more than sixty people and five to ten are hired every year.

In this part of the thesis, I shall explain how we stopped looking for people and started attracting them and how we have come up with a new recruitment process which we like to call "*Recruitment as an experience*".

II. Motivation for change

One year ago, [REDACTED] was an unknown company to the general public and potential employees. I mean, who has heard about it? We enjoy good reputation among our customers in the field of social services thanks to our superb products, but other than that we were relatively unknown. I would often discuss this handicap with our managers when they wanted to find a new member of their team. We struggled finding the right people all we did was complain how hard it was being a small software company in [REDACTED]. We were a local David among multinational Goliaths hunting for programmers – of which they are none on the market.

Then we found a book by Tony Hsieh ([REDACTED]) called *Delivering Happiness* which includes, among other things, the idea that a company should open up and introduce its corporate culture to the world. We knew we had great people, excellent atmosphere and friendly environment in our company (for some people, it is their second family – [REDACTED]). We realised we had a lot to offer, without really being a giant corporation with budgets in billions, quite the contrary. Unlike giant corporations, we do not have the *corporate bullshit* (meaning, bureaucracy, pointless rules and zero ability to change it). We take pride in our corporate culture. I believe that everyone who has worked for us can confirm it. So we decided to do something about it and become more visible.

As the first step, we wanted to borrow an idea from [REDACTED] and publish a book on our corporate culture. We named it [REDACTED]. It is about stories, people and our corporate culture. But what is our corporate culture? To answer this question properly, I asked all employees. I divided them into groups of ten and I spent five hours with each group. During these workshops, every member of our team could say what they thought and participate in what we are and where we are going. Together, we would look for answers regarding our strengths.

We considered the scenario whether we would still do this job if we had a billion in our account, and what every new member of our team must have in terms of personal qualities to fit in. It was a lot of fun and we enjoyed it thoroughly. During these meetings many stories and experiences were shared; I asked all employees to write down their authentic story of what the company means to them. We collected these stories and published them as written in our first book on our company's corporate culture.

The defining of shared values and realising our strengths represented a start of our new journey towards the fame of [REDACTED]; a journey towards a free company and to becoming a source of inspiration for other companies. We were aware of our own value and we decided not to look for people; we would attract them instead. We knew that the core of our company was healthy but we did not present ourselves externally – because there was no need. During the global financial crisis of 2008 there were many unemployed programmers on the market: we had many candidates to choose from after posting a simple classified ad on a job portal. Seven years later the strategy no longer worked. It was clear that there was time for a change in the overall approach. The good thing was that we had decent foundations and we could move from the inside out and we had solid content.

III. Building a team

I wanted to build an action team which would come up with a new direction for the company. I assembled a working group of several managers who, at that time, needed new people in their teams. Also on the team was our colleague [REDACTED] who was still relatively new in her role of “talent expert” (HR manager). I sent the following motivational e-mail to selected people:

Hi everyone,

I would like you to become a member of a team whose goal will be to attract perfect new colleagues to our company.

What is this about? You may recall last year's workshop on the effectiveness of our brand. We discussed the impression we make on our prospective colleagues and the general public – somewhere between 2 and 3. Great self-reflection. It is not a great score; I would like to improve it significantly this year, at least to 8. The great news is that we have solid foundations. We have so far realised how good we are, what our corporate culture is, what makes us special, what we can offer... and that is a lot. We have a healthy core. I think our company can be a good employer for millennials because it will give them the opportunity to grow and improve and find the meaning of their work and achieve something. Furthermore, I believe we do not need to look for what is left on the labour market and pay a lot of money for it. I would like us to be aware of our price, and I would like us to start attracting the most productive talents who work somewhere else. And I need you for that.

So, what is going to happen? We will create, search, plan and implement together. You can contribute to our company's impression on the general public because our potential new colleagues are a subgroup within the general public. Nobody knows what the right way is, which makes it even more fun. Something is already working and we have at our disposal a great amount of information, thoughts, proven methods etc. where we can look for inspiration. We will try to answer the following questions: How are we going to attract new colleagues? How are we going to determine that a specific person would be a good addition to our team, to know for sure? How are we going to find the real stars who will push us forward? And how can we turn this process into an unforgettable experience? And what if we were one of a handful of companies which, after two-month trial period, will be able to offer the applicant CZK 20,000 for immediate termination? That is a challenge.

Let me know if you accept my offer to become a member of this team and if the timeframe is acceptable, as shown below.



They all accepted, so we could get to work. Over a period of several months the team met four times. Each meeting took half a day and was held outside the premises of the company, so that we could make use of our creativity and new ideas. Our goal was to come up with a redefined recruitment process in our company. The bar was high. We did not just want to improve the image of the company on the labour market. We wanted to make sure that every contact with [REDACTED] would become a positive and unforgettable experience, which is why we named our new journey **Recruitment as experience**.

At the very first workshop, I asked the question WIYY. What is our WIYY? What do we want to achieve? What does our victory look like?

We defined the following three pillars on which the new recruitment process was supposed to be based:

1. **We want to attract people like a magnet**, we do not want to be looking for them. We want to show we are different and that we have a lot to offer and that we are more than just an employer; we are a second family. We want to attract people who are consistent with our corporate culture, who share the same values and sense and who will help us improve.
2. As we are building a prestigious brand, we are aware of our values and there will be no compromises in this regard. **██████ is looking for stars, and stars only.** Getting into **██████** must be big enough a challenge which is not for everyone. It is better to not hire anyone, if we are not 100% sure about them, than to hire at least somebody. We acknowledge our value and every applicant has to try really hard to convince us that they would make a great addition to our team. We want to be able to select the right person, and we have to know for sure.
3. We want to make sure that **the recruitment process in ██████ is an experience.** From the first contact with our company via our website or classified ads to our communication, selection and the employment contract. As an employer, we want to be different and we want our company to be viewed positively. As for those who do not make it, we want to make a positive impression and “remain in their dreams”.



We divided the recruitment process into separate back-to-back parts. First of all, we must know who we want to attract and why. We must know the meaning of the position and the expectations applicable to it. Next question: where are we going to attract people and how? And then: how are we going to choose the best man or woman for the job out of the potential candidates?

And the omnipresent question is going to be *How to do it in an unconventional manner, how to turn it into a unique experience...? How to do it the ██████ way?*

We also considered the possibility that we will be too successful and attract more people than we are ready to hire. We decided that all potential candidates who pass the first round of the selection process will be kept in our records so that we can hire them in the future. **██████**

company is said to have three million applicants each year. I would be happy with one thousand applicants who are considered “culturefit” (they passed the selection process in terms of values and meaning and they have skills which [REDACTED] finds useful). And so we had a beautiful goal: one thousand applicants who want to be part of the [REDACTED] brand.

IV. Who we attract and why

I devised an introduction questionnaire which all team members were given as homework. The results were discussed during one of the workshops. The purpose of the questionnaire was to consider the strengths and weaknesses of each team and the potential candidate’s qualities, as well as the purpose of the position within the context of the company, its results and their measurability, as well as the skills and competences required from the person so that they can perform as required.

I divided the questionnaire in three parts with the following questions:

1. My team

- What are my team’s strengths (advantages)?
- What are my team’s weaknesses (opportunities)?
- Why should they join my team? What makes us special?

2. Who I am looking for

- What is the purpose of the position in the company?
- Will they manage people?
- What exactly will their job entail? What are their responsibilities and obligations?
- What will they be responsible and liable for? What will they guarantee?
- What authorities will they need to have?
- What will the output (product) of their job be? What will the source of their respect be?
- How productive will they need to be and how are we going to measure this productivity?
- What kind of challenges and barriers will they face? What is unpleasant and why is it going to be hard?
- What will the reward be for overcoming the challenge (they are not benefits)?

3. What I expect

- What do I find important in a candidate?
- What should they be like (qualities, attitude, values)?
- What do I do not want them to be like?
- What knowledge do I require from the applicant and why (i.e. their theoretical knowledge)?

- What skills do you require from the applicant and why (i.e. practical skills)?
- What demonstrable experience must they have and why?

This initial evaluation of each position is important, as it allows the manager to organise their thoughts, get a new perspective and properly define the position. It is a valuable source of realisation. It is also a key basis for the classified ad.

We would then go through the questionnaires at one of the workshops. Each person presented one point and the rest of us would offer their feedback. It was a very creative meeting when we all discovered something new. In my opinion, it is a big plus that we have introduced this topic and discussed issues which do not seem to have an easy answer, and they require some thinking. Often we would have opposing views of the expected results and the assignment of responsibilities.

I was surprised by a debate on the meaning and purpose of individual teams at [REDACTED]. It became clear that some colleagues did not really know what other teams were doing and why they were important. Therefore we have touched upon an important issue as a side effect of the recruitment workshop debate. I realised my mistake. If team leaders do not know the purpose of other people in the company, how can I expect it from ordinary employees?

Therefore I decided to focus, on the next management meeting, on the meaning of departments, their anticipated performance, responsibilities and effective operation. I needed to clarify each person's responsibilities and wanted everyone to know what they could expect from other people in the company. We realised how important the effectiveness of individual people and teams was for the sake of success and operation of the entire company. We realised that recruiting new people to boost the performance of the company was not the primary goal. The primary goal was to streamline everything in the existing structure. We realised one thing (a very obvious one, on the face of it) – that each team member must be able to support themselves in terms of finance and at the same time they must represent added value for the company. Their results must have value for the company's paying customer or for another team which will be able to deliver the desired results.

Having reviewed the questionnaire, one of the colleagues realised he did not in fact need any new members of his team. Having reviewed the anticipated results he found out that he is not required to increase performance. He was planning to hire a new member only because, several months ago, he had to fire a non-productive employee and was looking for replacement out of habit. By reconsidering the position, he realised that his current team is fully capable of the desired performance and no additions were necessary.

Another colleague was looking for a new team member because one of the current members was about to start her maternity leave. Following a debate on productivity and anticipated

performance, he too realised that no replacement was necessary. He realised that new software tools used to simplify routine tasks combined with personal development of current team members would ensure that the same amount of work could still be done with fewer people.

This questionnaire made me realise something. This questionnaire made me realise something. My goal is to make sure my employees live freely and have the opportunity to decide how things are done and how they can achieve their targets. This is the reason why I think it is important to discuss with them the importance of a certain profession within the context of the company and the process of customer acquisition; as well as its responsibility and expected results, how the results are measured and what competences are necessary. What I do not enjoy is telling people exactly what their job description is, and defining their responsibilities. I think it would be taking their freedom away and that I would therefore be assuming the responsibility for it and narrowing the employees' space for decisions and creativity. When one has strictly defined activities, they prefer doing exactly that, just to meet expectations. I do not want to hear things like "This is not in my job description, so I will not do it". I want my people to maintain their creativity, which requires proper expectations. This is why it is important to me to be in harmony with my employees in terms of their WHY, and let them achieve it the way they want it – in accordance with our values, vision and reputation, of course

V. Where do we attract and how

Having made clear who we were looking for we started creating the classifieds. We wanted the ads to reflect our values; we wanted them to show what our values are and that we think different, that we are creative and transparent. We wanted to prove we are not ordinary, average, boring or corporate-like. Our ads had to look different. Their purpose was to attract attention and stir some emotions. Asking questions is probably the best way of stirring emotions. They force them to think and reflect on their experience and the corresponding emotions. Even negative emotions attract attention. We tried to rephrase the questions so that they would be more effective in terms of attracting applicants. So, instead of a boring sentence "*Familiarity with MS SQL required*" we would write "*Can you handle large amounts of data and organise it via MS SQL?*"

One of the values of our company is *Be open to changes*. We want to attract people who do not shy away from challenges. We prefer pioneers to people who like their routines. A pioneer leaves once he or she has lost his or her challenges. People who like routines leave when there are too many changes. Since changes and growth are embedded in our DNA, people who prefer routines would suffer in our company. For the sake of both parties, we avoid hiring this type of people. This is why the text of the ad addressed challenges, by phrases like "*You will spend time discovering, researching, creating, thinking...*" or "*It is going to be tough, are you up for it?*". It should attract pioneers and discourage applicants who prefer their routines.

Another key point in creating a classified ad is to realise what we should do to attract motivated people. Do they want to contribute and be a part of something big (outflow orientation), or are they only interested in the perks (inflow orientation)? For an outflow-oriented person, it is necessary to tell them about the meaning of their job, their importance and contribution and the sources of respect of others. On the other hand, for an inflow-oriented person, they are interested in benefits, gains and the things the company will give them or what it is going to teach them and how it is going to improve their life. This person cares primarily about themselves; they want to take first before they can give something back (maybe). We are not interested in this type of people, which is why we avoid mentioning benefits in our classified ads. Instead, we point out the purpose and outcomes.

I created a guideline for the creation of catchy classified ads- Every team member was supposed to use it to write their own.

1. Start with WHAT (= purpose)

- *Why this position, what is its meaning, how will they win respect, what will their results be?*
- *Use questions and reframing*

2. Offer challenges (= barriers)

- *Explain obstacles, challenges and unavoidable issues*
- *Be honest in communication*

3. Show victory (= freedom)

- *What advantages will come out of overcoming the challenges*
- *Please note, these are not benefits*

We would then share the ads amongst ourselves and offer feedback regarding the impression of these ads. Were they transparent enough? Are we keeping something to ourselves? Do we have your attention? Is it juicy? Other team members' opinions really helped us improve the ads.

To make them even more attractive we used a real-life example of an employee in that particular job. Here is a sample of our ad:

INDEPENDENT USER SUPPORT CONSULTANT



Do you want to help our customers – providers of social services? Do you like computers? Are you willing to assume responsibility for the implementation of information systems and entuse users who do not work with computers on a regular basis? Are you excited to improve your knowledge and skills and exceed your own expectations?

If you said yes, we believe you will be a valuable member of our team and you will fit right in. Our products help two thousand customers, you could be helping with us.

What will make you feel good about yourself?

The result of your work is a satisfied customer who wants to use our information system. Thanks to patient listening and troubleshooting you will bring smile to their faces.

What can you expect?

At least once a week you will be dispatched to install our products and train users on our customers' premises anywhere in the Czech Republic or Slovakia. Or you will stay in our office in [REDACTED] and communicate with our customers via telephone. And if you are an early bird, you will appreciate the fact that we start at 7:00 a.m.

What should you absolutely have?

A valid category B driving license, PC and MS Windows skills, enthusiasm and willingness to grow.

What will you get in return?

You will become a member of a great team who will rely on you. You will feel useful and you will see the outcome of your efforts right away. And it will be far from stereotype.

We also prepared a recruitment video which shows a day in the life of our consultant. This video is pasted underneath the ad and it is also published on our Facebook page.

We also asked ourselves where we wanted to tell the world there is always room for talented people at [REDACTED]. This topic is far broader and it exceeds the issue of finding a good medium for our classified ads. This is about our brand and its position and presentation. To this end, our website is one of the key places.

I decided to create a brand new website which would no longer be focused on customers (as it had been from the beginning, because we had dedicated product-oriented websites for that purpose). Instead, it would be aimed at the people we wanted to attract. I wanted it to show who we are and why we are doing what we are doing. It was supposed to introduce our people, our values, beliefs and strengths. Essentially, I planned it as a recruitment website. Two months after the introduction of [REDACTED], in February 2016, we unveiled our new website at www.iresoft.cz.

The website contains the following sections:

- Introduction – *who we are, what we do, links to other pages*
- What we do – *meaning of our work*
- About us – *our history, our management, employees' stories*
- What we are like – *our values*
- What you can find here – *our strengths*
- Join us – *ads, suggest your own position*
- Contact – *how to contact us and driving directions*

What made the web so interesting? For starters, we used photos of real people working here, not stock photos.

By showing the photos, we are saying that the company is about its people.

We put authentic stories of our people on the website.

We write a blog to inspire the world.

The face of our expert in talent management works wonders.

We can send the book of our corporate culture to anyone interested in it.

Every manager has his or her brief intro, so that anyone can get to know them better.

We manifest our core values to illustrate what any new colleague should be like.

We present our strengths, as presented by our employees.

The place with all our classified ads can be found in the section “Join us” which is linked at all pages. The intro reads as follows: *“If you have seen the entire website and you like it and want to become a part of our story, definitely let us know. You can apply for a particular position or suggest your own. Just briefly introduce yourself and we will try to find one for you. Even though we are interested in your CV, what we definitely want to know is why we have attracted your attention and why you want to work here.”*



Those who have been attracted will find a board with classified ads for current vacancies. But since we do not want to lose talented people, we enable anyone to introduce themselves by suggesting a position for themselves.

Of course, Facebook is a key communication channel for us. All classified ads are posted there via their advertising. Three of my colleagues post news, photos, videos, reports from events or inspirational quotes or Friday jokes from our colleague three times a week. We see Facebook as a window into our company for everyone to see what it is like to be a part of our brand. See <https://www.facebook.com/NoBullshitInside>

What makes us different? What have we prepared as a secret surprise? Have we been creative in a certain area? In every aspect of what we are doing we try to do things differently. We want to break conventions of a serious company in order to go against the current and enjoy it. For example, one of our colleagues baked cookies “100 % [REDACTED] MADE” which we offer to every visitor with their coffee. People also enjoy personalised welcome cards or an amusing “drink menu” allowing people to order a drink just like in a restaurant.

We also have unconventional business cards. Do you know the feeling when you find a business card someone gave you six months ago but you can no longer remember that person, or what they looked like? It will not happen with our business cards.

Job applicants receive a video invitation to their interview.

On their first day, our new colleagues are greeted by a personalised sign at the front desk.

They also receive a gift – a voucher for our own e-shop (they can choose five T-shirts) and a voucher for their desk.

VI. How we choose the right (wo)man for the job

Having created channels for external communication, job applicants started to get back to us. Potential employees have numerous opportunities to learn more about our company thanks to our website, [REDACTED], blog, Facebook or a friendly visit with coffee and a cookie. Now, the question is: how do we know that the person would make a good colleague? We want him or her in our “family”, so we must know for sure.

We determined three key areas which are equally important to us – PURPOSE, CORE VALUES AND SKILLS. I am saying “equally important” for a good reason; we used to focus on skills and ignored the other aspects. Today, it would be safe to say that skills come third because they can easily be learned, especially if one lives according to the credo “Willing to grow”.

For me, the most important aspect is PURPOSE. Why does it make sense to you to join [REDACTED]? Are you looking for a job or do you want to be a part of our brand and proudly wear our T-shirt? Do you just want to be hired or are you looking for a new and fulfilling way of life? Do you take work as a part of your life where you can grow and improve; and do you want a job that helps other people? Or do you think that work and personal life are separate things? How will your presence help the company and its people? How can you improve our corporate culture? What are you willing to do to get the job?

This area focuses on human motivation. Work is an integral part of every person’s life, as we spend one-half of the productive part of the day at work, and it significantly affects our personal life. I find sense in building a company where people are excited to go to work on Mondays because they will see their friends. I want to build a company that people will enjoy and where they can use their potential. In addition, they will be proud of it. I want all people who have devoted their life to the company to enjoy life, not just live it.

Our corporate culture and vision are analysed in detail in chapter entitled Positive psychology in managing people – Brand, corporate culture and values and Intrinsic and extrinsic motivation.

A motivational letter attached to the job application always tells a lot. The applicant must answer the question why they want to become a member of the team and why they would make a valuable addition. Some people do not attach the letter at all; and some people tend to underestimate its wording. In fact a great motivational letter is a proof of engagement and motivation to join the company. It is a unique opportunity to attract our attention.

What I look for in a motivational letter:

- Did the applicant focus on their contribution to our corporate culture and the company as such? Or did they focus on the benefits for them?
- How creative is it? How different is it from the average letters I have seen so far? Does anything make it special? Does the person think differently?
- Does it make sense to them to be a part of our company, specifically? Or are they looking for just any job?
- What are their values, and are the values harmonised with our corporate values? Will they fit right in?

Pasted below is a motivational letter that truly caught our attention. It is not a surprise that we hired this person:

Motivational letter from [REDACTED]:

[REDACTED] (the guy who manages managers) told me to contact you about the Free Key Account vacancy in your company.

As a Key Account Manager, Sales Manager etc. I have, since 2008, worked in small and big companies. I can work independently or as a member of a large team. Since 2011 I specialise in the IT field. I have experience selling DMS, ERP/MRP or WMS systems, including the preparation of pre-sales analyses. I was in charge of teams of consultants and technicians in the process of implementation. I am particularly proud of the fact that my customers are willing to give me job references.

My biggest achievements include the sale of DMS on the MS SharePoint platform to [REDACTED], without the product as such actually existing. Yes, I sold a product whose development was still in the planning stage, without showing it to the customer.

Thanks to my current position and work for [REDACTED] (subsidiary of [REDACTED]) I have realised I no longer want to work for a guy [REDACTED] was two years ago. I have become a tool of directive management in a company what has no corporate culture, let alone team spirit.

I have been following █████ on Facebook for a long time. Yesterday I watched your podcast; and it was the right stimulus to call █████ and arrange a meeting with him. This morning, after a two-hour meeting, I was leaving your company, smiling ear to ear, which has not happened for a while. I want to be on your team. I am looking for a second family. I already have one, I have two amazing children who make me happy... but that is just one part of life. The second part, leaving sleeping aside, is work. I do not want to go to work just because I have to and because I need money everybody wants from me. I believe I can be a valuable employee thanks to my IT experience, friendliness and communication skills. I never come late to meetings and I keep my promises given to clients and colleagues, regardless of obstacles. I believe my ideas will not end up in a garbage can at █████ (they do now) and that I will have the opportunity to prove myself and grow. A customer always knows when a sales representative is happy. And they will feel the same. I want to do something meaningful for the future. I want to be a part of █████ and have my own story in █████ 2016, 2017...

Another key aspect that we focus in each applicant is his CORE VALUES. Why personal values? A team's company culture can easily be destroyed if you hire a person who causes the break-up of a functioning and tight team. People join companies motivated by the sense of the company, but they leave because of other people, be it a bad boss or a bad co-worker. New colleagues must be content with the company's corporate culture. I call it a *culturefit* – one must fit in the family and they must share the same core values. What are they?

1. Be reliable and play fair

Trust is a key element of the functioning team and our friendly atmosphere. We have to be able to rely on each other because then we can focus on moving forward and doing what we enjoy doing.

Reliability manifests itself through honesty and fair attitude. You do what you have promised. If circumstances change, you let the people know as soon as possible, to adjust their expectations. If you mess up, you say so honestly. We really appreciate that.



The opposite is unpredictability, unreliability, lying, beating around the bush, lack of trust and honesty.

2. Be committed

We want to create a free environment based on proactive and committed and responsible approach on everyone's part. As a result, we do not need to employ people in charge of supervising and controlling things being done.



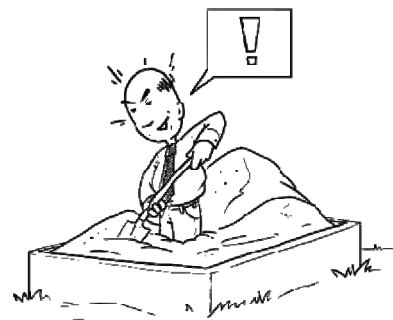
As long as everyone does their thing, we will have a pleasant working environment, and everybody will be excited to go to work every day.

Commitment manifests itself through the willingness to get involved without being told and to contribute for the sake of better working environment for you and your friends. It is also about being polite and considerate.

The opposite is ignorance, victim attitude, pointing at others, passivity, lack of interest and ignorance.

3. Build relationships

The friendly environment is the most important strength of our corporate culture. Many employees have very good friends or even the best friend working here. Cooperation, looking for win-win solutions and teamwork are the foundation stones of our team.

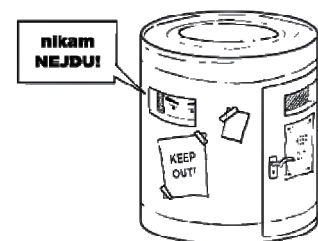


Team spirit manifests itself through the interest in other people, respect and the ability to praise. Everybody wants to feel like a valuable member of a friendly team. You can always do more than expected and you offer your help anytime you see your colleagues need it.

The opposite is individualism, focus on oneself, put-downs and badmouthing, intrigues and hidden animosity.

4. Be opened to changes

Innovations, changes and new ways are encoded in our DNA. Everytime we find a better way of doing things, we go for it. We do not enjoy doing things a certain way just because they have always been done this way.



Openness to changes manifests itself in situations when someone comes with a good idea and you help them implement it or come with a piece of advice that makes it even better. You demonstrate positive thinking and you always look for way to move forward. Problems are challenges that we can overcome if we cooperate.

The opposite is stagnation, refusal to make changes or try new things, looking for excuses why something cannot be done.

5. Be willing to grow

To be able to deliver experience to our customers, in the form of better service and awesome products, we have to start with ourselves. We know our education is not over with graduation. We are open to further personal development and improvement of our skills.

Interest in personal development is manifested via the realisation that you cannot know everything and you cannot always be the better person. You try to learn from your mistakes, you seek feedback and grow whenever you have the opportunity.



The opposite is stubbornness, arrogance and know-it-all attitude.

In my opinion, these five values represent an absolute minimum and nowadays I am not going to hire anyone who does not embody them. I maintain that it is better to not hire anyone than to hire a person who does not live in accordance with these values. Who would like to have a colleague who may demonstrate excellent performance but, on the other hand, they are an ignorant person who cannot be trusted because they only care about themselves, they think they know best and their only reply to any change is “that cannot be done”? How long would they last in a team and who would like working with them?

Whenever I have a meeting with an applicant, I often rely on my intuition. I spend an hour or two with them talking, so that I can get to know them as much as possible. I am interested in their past, their vision of the future and their current efforts to turn the vision into reality. I would try to learn about their attitudes, opinions and values. Will they feel good in our company and will they enjoy the job? Will they fit in? Will their approach contribute to a better corporate culture? Are we compatible enough as personalities to be able to spend two weeks in the same hotel room?

Third, definitely not less important, are represented by SKILLS. What makes us different from an ordinary gang of good friends is each person’s ability to generate profit. We are interested to know each applicant’s achievements and experience. They must represent an added value for the company and they must be able to work independently to deliver results representing value to the customer or another colleague who, in turn, can deliver their results. Skills are the key to being valuable. Personally, I no longer analyse this ability in every candidate because I no longer consider myself an expert in everything. This is the domain of a manager who checks the skills during the second meeting. After the first meeting the applicant gets “homework” to demonstrate their skills. The results are analysed by the manager at the second meeting.

We can say that being hired by [REDACTED] has become a major challenge. In addition to the motivational letter, homework, three rounds of interview with [REDACTED], the future superior and myself, applicants must fill out an introduction and personal questionnaire so that we can get to know them better; all of the above in accordance with the motto *“Do everything to get our attention and we will certainly do everything for you”*. This process ought to discourage everyone who is not genuinely determined to join our company. Ultimately, this is a good thing.

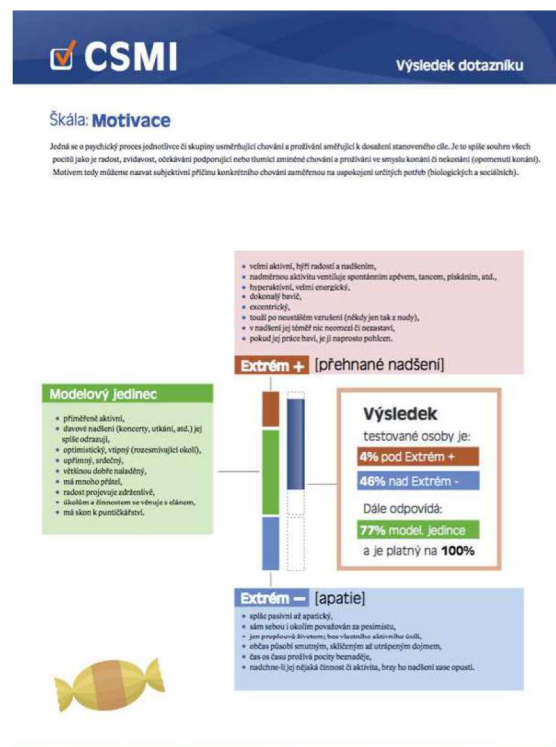
Introduction questionnaire

We have devised a questionnaire each applicant is given to fill out prior to the first face-to-face meeting. The information provided in the questionnaire is used to prepare the meeting:

- How did you find out about our company?
- When can you start?
- What gross salary do you want – do not be afraid to be specific.
- If you were to list five priorities in your life, in order of importance, what would they be?
- Which three qualities would you like to change about yourself and why?
- Is there anything in your life right now that you would like to change? If so, what and why?
- What do you think an ideal team should look like?
- What is the correlation between this job and your vision for the future (three to five years)?
- What comes to mind when we say “an ideal job” or “exactly your kind of job”?
- What are your strengths you are most proud about?

Personal questionnaire

After the first meeting we send the applicant a personality test (CSMI) which takes approximately 45 minutes. We are grateful that they can devote their time to do it, which is why we share the results immediately. Should they be interested, [REDACTED] can go over the results during the first meeting. It is therefore a valuable source of information for both parties, as the candidate is given a free professional personality test which allows them to get to know themselves more. The results show their personality within 14 different scales, these being sensitivity, dominance, empathy, communicativeness, creativity, loyalty, moral integrity, motivation, focus or results, self-confidence, sociability, stability, systematic approach and responsibility.



VII. Conclusion

Over the last year the team and I have done a lot of work when it comes to building the [REDACTED] brand. One year ago hardly anyone knew us and we had to look for employees. Today they contact us themselves. Over 1,500 people asked for their copy of [REDACTED] and we have several people each month who arrange an appointment to visit the company. Over the last three months, sixty people contacted us saying they want to be part of our brand. I am most happy about the fact that we attracted five new employees. They passed our challenging recruitment process, which means their values and skills are in accordance with ours.

What was their authentic experience with us? Their personal experience says the most about the result of our work, so I asked them for their feedback.

[REDACTED]: *My initial idea of cooperation turned into my decision to apply for a job. I had read the book, so I knew what I was getting myself into. My approach was probably different from everyone else's. I did not treat it as an interview but as a business meeting. During the meeting, [REDACTED], [REDACTED] and myself really clicked, which made me want to join the company even more. And the second meeting, when I presented my presentation skills and the subsequent debate felt like a meeting with colleagues. The small details, such as coffee, cookie*

and doodles on a glass of water and being wished a nice day were the cherries on a top. I have never experienced anything like it. Tomorrow is my first day and I feel like a kid on Christmas Eve night.

██████: *I learned about ██████ from Facebook. I am a member of several marketing and advertising related groups. I would an interesting classified ad posted by ██████. I liked the wording of the text and, I am not going to lie, ██████ caught my attention immediately, too.*

What was my first impression? Excellent. From the very first interview, I saw you as a very cool company whose core is made of its people, not restrictions and rules. I enjoyed the relaxed atmosphere during the interviews and the overall environment. I did not quite enjoy the video invitation; it was not necessarily bad, but I have not learned anything from it, it seemed a bit redundant.

The recruitment process itself was hard, in that it was time-consuming (psychological test, analysis of your websites, project preparation). That being said, I like these more challenging interviews, because they prove that the company is not going to hire just anyone. Surely there are tougher interviews, so this one was still pretty standard. If you want a good job, you have to fight for it and when you get it, you value it more.

I was pleased by the kindness and honesty from the very first moment. I felt “at home”, as if at an interview in a friend’s company who just wants to test what I actually know. On the other hand, some less trusting individuals may find this style surprising. Is this a game, or showing off? It is going to be really awesome as it seems now? This might be a relic of socialism we discussed. People in the Czech Republic are sceptical when it comes to new trends and they do not trust them. It would not be a problem in the States or Western Europe. Here people do not trust these methods. But maybe it is just me.

What do I think we have managed to achieve in this area of the last year?

- We have become aware of our shared values.
- We have found the strengths of our corporate culture.
- We have published a book on our corporate culture, named ██████, which contains authentic stories of our employees.
- We have realised who we are looking for and why.
- We devised unconventional ads that attract applicants.
- We created a recruitment video.
- We have created the company’s recruitment website.
- We have started active communication on Facebook.
- We started writing a company blog.

- We have devised a recruitment process that is a genuine challenge for applicants; this allows us to seek genuinely motivated people who share the purpose and same values and whose skills are beneficial for our company.

Plus there were numerous little ideas that improve the recruitment experience, such as the homemade cookies, drinks menu, special business cards, illustrations, gifts for applicants, video invitations or the welcome sign at the front desk.

According to our experience, brand building and attracting candidates, as an alternative to seeking them, may be longer and harder but we believe it will yield better results in the long run. I must say this way makes a lot more sense, because it is showing me who we are, how we think and what we have achieved.

Who know, maybe one day we will be able, inspired by [REDACTED], to offer applicants CZK 20,000 as compensation after the expiry of the trial period. Any maybe people will gladly refuse because they would lose the opportunity to remain a part of our brand. And that is one of the reasons why I like getting up every morning.

4. Positive psychology in managing people

I. Introduction

In this part of the thesis, I shall focus on a question that many corporate leaders are asking themselves if they do not treat people as “human resources” and who believe corporate culture is a key asset of their company and people make the company. The question is *How to create amazing corporate culture?* Or in other words: *How to make sure that people enjoy their work and are happy to get up every Monday morning?*

I have been asking myself this question for over a year. I would like to share my findings with you, which I have already tested. It is based on my experience, testing of various ideas, inspiration from a variety of books, research projects, conferences and articles – but mainly on my own work. And since experience brings results, I get feedback on how we are doing. During the last six months we have been using what we call “Mood-meter” and we have so far had two satisfaction and happiness questionnaires to receive the necessary feedback.

II. Brand, company culture and core values

Our company culture is the biggest strength of our company, and I am truly proud of it. It is created by people who share common values and sense. Our people share the following five values:

- Be reliable and play fair
- Be committed
- Build relationships
- Be opened to changes
- Be willing to grow

I analysed these values in the previous chapter on recruitment process.

It is important to see what kind of people actually make a company and vice versa. Every person has their own set of values, attitude, beliefs and behaviour. Our company is a group of people who share common values that resonate with us.

The impression made by people from a company (on customers, business partners, suppliers, applicants or the general public etc.) determines the company’s brand and the resulting reputation. This includes their conduct at work but also situations in their spare time, as well as the way the company terminates people or deals with unsuccessful applicants etc.

A company’s brand is not about a tailor-made marketing campaign prepared by an agency, nor is it about texts on the website or in brochures. The brand must originate from within,

otherwise it is just *bullshit*. Lately the term *employer branding* has become a buzzword but unfortunately it is now turning into the aforementioned *bullshit*. Companies want to appear more appealing and they try to come up with fancy labels, but these labels stop working once we have looked inside. We realise it is just a bubble that breaks and there is nothing left to believe. You will conclude that every company has its own marketing bubble and you lose trust in companies in general. How can one tell the difference between a company with actual content and a company in a bubble? My answer is, look inside and experience the life in the company and get to know the people who represent it. You will make your own opinion about its trustworthiness and veracity. You have to find out yourselves.

Corporate culture and brand are among the most important assets due to their importance in the long run. We cannot buy, copy or order them. They have to be built on a daily basis. A good team full of committed and creative people can do wonders. And you will enjoy it, too. Your life will take a new shape and meaning. But how?

If we want to create an environment where people feel comfortable and where they enjoy working, we have to start with their motivations, i.e. the motor that keeps them going.

III. Intrinsic and extrinsic motivation

To understand the process of implementation of a great corporate culture, we need to start with motivations. What would people do if they had a choice?

In my opinion, the best summary of the current scientific knowledge was offered by Dan Pink in his book *Drive* (Anag, 2011, ISBN 978-80-7263-671-6). According to him, there are two forms of motivation: intrinsic and extrinsic.

Extrinsic motivation is represented by rewards and punishments: if you do something you will be rewarded; if you do something undesirable, you will be punished. Extrinsic motivation only works with regard to simple and mechanical tasks which are subject to a simple set of rules and an easy target. At this point I am using the left hemisphere of the brain, i.e. the one responsible for logic rational thinking (the non-creative part). Reward will increase our focus and concentration. It is essential that we clearly see the goal and that we focus on it.

However, as long as our work requires even the most basic thinking (conceptual thinking, creativity – i.e. the right hemisphere) the motivation through rewards is no longer effective. Quite the contrary, it can be counterproductive. Money inhibits thinking and creativity. The goal in question is not clearly seen in front of us; we have to find it, we have to think and look around.

Our company is all about creative work (we are an IT company whose activities include sales and customer support), which is why extrinsic motivation is of little use. No task is simple and stereotypical enough to justify the lack of thinking. That's why intrinsic motivation is the only tool left.

According to Dan Pink, intrinsic motivation is a stimulant of improved performance and personal satisfaction. Everybody has their own intrinsic motivation, but not everyone can apply it in their work.

Intrinsic motivation has the following elements:

- **Autonomy** – independence, desire to control one's own life
- **Mastery** – desire to improve, on a continuous basis, in things I care about
- **Purpose** – the desire to do things that we do as a service of a greater goal which makes sense to us and “is bigger than us”

How can we apply it to working environment? Give people freedom and independence in decision making. Let them choose what they want to do, possibly things which are also their hobbies and strengths. Let them do what they enjoy and what they would be willing to do for free. Something that makes sense to them. Ideally, if the goal and mission of the company conforms to their meaning of life. If you are doing something that is bigger than you, and it is not just about making profit. And of course, do not forget that everybody wants to grow. No life organism is stuck – they either grow or die. Develop your people and help them grow. People want to improve and they want to be aware of their added value which must increase over time. Everybody wants to be appreciated and achieve self-fulfilment.

I shall add several other aspects to Pink's three, as I think they are of key importance for our intrinsic motivation:

- **Results** – Let us help people be successful and achieve good results. People need to see the impact of their work and they want to know they are useful. Everybody is happy about their success and good results.
- **Relationship** – If you are around other people who have the same values and goal as you, it is a tremendous accelerator. Anyone can have a bad day but the company of people and relationships with them can start us up. Human approach, friendship, unconditional help and trust are the key to healthy and supportive relationships.
- **Game** – Just like all mammals, we are born playful and creative. Education and raising have killed these qualities in us; most of us are convinced that life is too serious to be joyful. We have always been told that work comes first. Not true. It is natural for us to have fun, enjoy life and joy and to not take ourselves too seriously, smile and be positive. We shall take off the social mask and be ourselves. Every person can be happy in any job. Anything in life can be played as a game that is worth

playing, and it is worth it to play better. Only then can we enjoy work and look forward to it.

Based on this, I created a corporate culture vision we want at [REDACTED]. I am saying “we” because I asked people whether it sounded good to them. And 97% of them said they would love working for such a company.

[REDACTED]’s company culture vision:

“We are building an amazing company based on free and responsible company culture that respects people and cherishes friendship, trust and human approach, where you feel like a human and you do your job because you love and you find it meaningful; where you can do what you are best in and grow and develop in the process. You have the freedom to decide what to do to achieve your goals, when, where and with whom, so that you can be proud of your results. [REDACTED] is a fun and fulfilling part of your life. [REDACTED] is lifestyle.”

In relation to the vision, we had our logo revamped so that it would represent the vision (“[REDACTED] is lifestyle”).

Intrinsic motivation is like small fire within. It is the goal of the management to create an environment where everyone will have their own fire within. It must not be extinguished by the absence of freedom, stereotypes, ignorance and absence of human approach. People have to be able to ignite each other’s fire. How many of your employees have theirs? Just one - you? Or a handful of enthusiasts? Or selected teams?

IV. Satisfaction vs. engagement

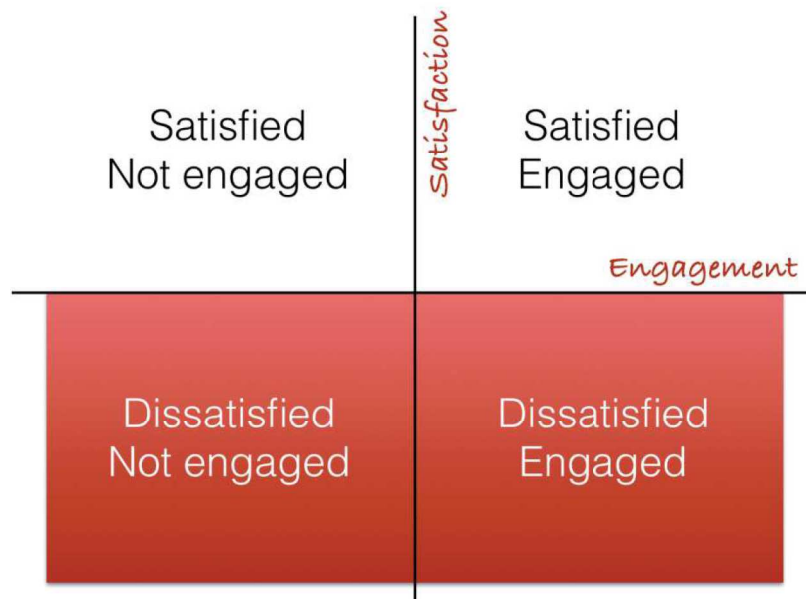
I have been wondering for a long time what makes people engaged and willing to share their ideas. Why do they get involved? Why do they do things they are not explicitly required to do. I realised that this proactivity is fuelled by their fire within. I realised that engagement and creativity are the result of a proper corporate culture. It cannot be goal. You cannot order people to be creative “Now, think of something” or “You will participate and smile while doing so”. Simply because it is a side effect or consequence.

We cannot focus on the question “*Why aren’t my people engaged?*” but “*What can I do for them to ignite their fire of intrinsic motivation?*” There is your change to stimulate their creativity, involvement and engagement. Prepare an environment where the fires can burn, and ignite them.

When I asked about the number of engaged people in other companies, the person asked usually replied “sometimes I feel like I am the only one”. Or they may have mentioned a

couple of colleagues but the rest were passive and they only go to work for the money. They watch their clock and leave as soon as possible. They work for the money and they live elsewhere. I met a couple of frustrated people who had been trying to change it but nobody would listen, so they gave up. They did not really care, but I felt they actually did.

Before we move on to engagement and enthusiasm, we have to consider a lower level – satisfaction. It is a basic prerequisite before we can even start talking about engagement. Let's focus on the difference between the two:



The fundamental question is whether people are happy or not. What are the reasons for dissatisfaction (red quadrants of the chart)? Probably the fact, that their basic needs have not been fulfilled, such as financial and job security, appropriate working conditions and tools. Of course it is also about people – the team and a caring and supportive boss. Maybe they find their job meaningless and stereotypical.

Dissatisfied people pose a great risk to the company. Like I have mentioned, corporate culture and brand are key elements of each company and everything is about people in the first place. Dissatisfied people can destroy their company's corporate culture and its brand. Let's have an example: do you recall being in a restaurant where the food was delicious but the waiter was the rudest person you have ever met? Maybe you have decided not to eat there ever again. This person harmed the restaurant's brand. Or we can look at it from the perspective of a team. Let's say you have an unpleasant and dissatisfied colleague on your team and he can easily ruin your day. So you start avoiding him, if possible. This colleague is harming the corporate culture of the company and your team's because you would be willing to quit just because of him, especially if he was your boss. The most common reason why people quit are horrible bosses and colleagues. I agree.

The question is how satisfied people will reach the next level, i.e. engagement. How to stir emotions and excitement? People who do not feel engaged may be missing connection with deeper meaning of their work or they do not have the opportunity to get into the “flow” (i.e. condition where the challenges they face correspond to their skills). You will recognise them by their demonstrated lack of willingness to contribute unless asked. They do not feel the need to be a part of a group; they do not feel involved and engaged enough to feel the need to spend more time with the people around them than absolutely necessary. They rarely smile and they will probably not share an idea they had in a dream.

I am not trying to suggest that the people are bad; because they aren’t. Maybe they do not expect more from life. Maybe their need for self-fulfilment is aimed at other areas, or their basic needs have not yet been fulfilled. Maybe they have some negative experience from previous jobs. Maybe they were “domesticated” by parents and schools to accept that employment is an obligation that one must fulfil in order to earn money before their retirement pension kicks in.

I have noticed that many people have jobs that are not enjoyable because the job is not their hobby. Writing in his book *Peníze nebo život* (Peoplecomm, 2013, ISBN 9788090489035), Tomáš Hajzler states that *eight out of ten people have jobs into which they have been pushed by the society and then by their résumés. They use their potential at 5 to 15 percent on average.* And I am asking myself whether I can do something to make them happier at work and in their private lives? Being an “employer” I am aware I significantly affect the lives of my colleagues and I can also see, on daily basis, what happens if one’s work becomes their hobby and when employment becomes passion (Hajzler refers to it as *finding one’s own perch*). This makes a lot of sense to me. I want to help people find their perch in my company.

We tried a certain experiment this year. We allowed our people to devote 20% of their worktime to projects they would truly enjoy and where they would learn something they could use later for the company’s good as long as it there was a potential customer target group. Ten to fifteen people signed up. I would like to mention a very strong story. ██████ decided to learn photography and shoot corporate videos for internal and external purposes. We bought him the necessary equipment, including a microphone, green screen and editing software. He took it as a hobby and eventually he was able to do it at work. You can imagine what happened. Enthusiasm and excellent results. No obstacle was a problem and you could often see him in flow. If you know him, you may be under the impression that he is on something (just like many people in the company do). We agreed that he would focus on these activities on 100%, not just 20%. It made sense to both of us. So he became a creative artist, even though no such vacancy was open at that time. I should add that ██████ has held several jobs in the company, from a consultant and sales associate to project manager. I assume the former jobs were fine and he was satisfied, but nothing beats a job that is also your hobby.

A similar story can be told about our Fortune, i.e. Chief Happiness Officer. Yes, we do have this position in our company. Earlier this year my friend introduced me to a very interesting woman named [REDACTED] who wanted to come from Prague to [REDACTED] just to get to know our company. I wrote to her that our only vacancies were in the field of programming but I would like to meet her anyway, and show her around. She replied: *“I will treat this trip as a reward for the fact that the thing I have been dreaming about already exists. Even if we are not going to cooperate, the experience will be rewarding”*. I liked her proactive and positive approach. So we met one Friday afternoon and had a nice two-hour conversation. I had a very good feeling about this, and then it hit me – I need a person with the passion to connect people and to take care of them... and the position of the Chief Happiness Officer was born, after it had been stuck in the back of my head. Was it a coincidence? She was even willing to move from Prague to [REDACTED]. What actually convinced me, though, was her “homework” to test her abilities. I asked her to propose a blood donation drive in our company where employees would donate blood as a group. How would she get them on board? How would she explain the pros of this project? How would she communicate it? I had the result on my desk in a few days and I knew that we had a new colleague. One who combined her hobby with work and found a job as a result.

The answer to how to initiate intrinsic motivation in people and support their commitment can be found in the provision of the most suitable environment; which brings us to the combination of motivators we like to refer to as Purpose-Autonomy-Mastery-Results-Relationship-Game.

What would we learn if we asked people the following questions?

- Purpose – Do the things you are doing make sense to you? Or the things the company is doing?
- Autonomy – Do you have a certain degree of freedom as to what you are doing, as well as how and where and with whom?
- Mastery – Do you have the opportunity to grow and improve? Can you put your strengths to good use?
- Results – Can you see the results of your work? Does it in any way affect the overall results of your team or the company?
- Relationship – Do you feel good around the people you work with? Are they your friends?
- Game – Are you enjoying yourself? Do you experience joy at work?

I used these questions in the *“Satisfaction and happiness questionnaire”*. The results for the company as a whole are provided in detail below. In my opinion, they prove that this is the right way. According to my estimates, 40 out of 65 people are “engaged” at this point (satisfied and dissatisfied) with the fire within.

Is it enough or not? It is much more than what other companies have, so we could be satisfied. But is it enough without this comparison? Can all employees be engaged? I don't know yet. This environment is very strong, the number represents more than one-half of all people and chances are the rest of them will learn by example. It is hard to work in an environment where your colleagues enjoy themselves and keep your passiveness. The environment almost always shapes people. If you are a part of a certain community, you will soon become one of them or you will exclude yourself because you will not be able to find the purpose. You will not feel comfortable there. Just consider five people around you that you spend most of your time with. You are the average of all of them. Therefore the likelihood that more employees of [REDACTED] will become engaged in the future is high.

Let's consider for a moment the condition "Dissatisfied but engaged". How does that happen?



This state of mind occurs if you had previously been satisfied and engaged or your mindset can be defined as "permanently dissatisfied". You are emotionally connected to the company, you breathe for it and conform to its sense (i.e. you appear engaged). However, you are not (entirely) satisfied. Why? Because something has been bothering you. The company has been doing something wrong and you think it should be done differently. Or you *know* it is wrong but the management is not listening. You feel like you should have your say but nothing is changing.

I have to say that we do have the aforementioned individuals in our company. They drive the change. Their dissatisfaction is our forward motion. They care about the company and they do not hesitate to provide feedback. They want to be satisfied. Your response, however, is an

entirely different game. Are you willing to listen, or do you ignore them? I recommend being curious about their dissatisfaction. You will almost certainly find out that they do have something to say. If you listen and enable the change they will say *“I have been saying this for a long time”*. They need to hear they are appreciated.

If you fail to listen to them over an extended period of time, their engagement will fade out. They will lose the desire to fight for the company. They will be frustrated; and the frustration will eventually turn into apathy and loss of enthusiasm. They will experience burnout; they will no longer like their job and ultimately they will leave. In my opinion, this is a major problem in corporations, we like to call it *corporate bullshit*. People know that certain things should be done differently, they want to change it but nobody is listening to them. When asked what they appreciate the most about working at [REDACTED], many employees replied “your voice is heard”. Many of them have previously worked in corporations.

I am not saying we are experts in this area and many of our people would disagree with me. I appreciate their honesty and want to make sure that the members of our management always listen to their people. Like I said, “reasonable” dissatisfaction drives changes. Leaders should be able, from time to time, to make people dissatisfied with the current state so that the company may move towards its vision. However, all people cannot be dissatisfied permanently; that is not the right way.

V. Satisfaction and happiness questionnaire

I wondered whether corporate culture is measurable in some way. We have a corporate culture vision and we are moving towards it. We have our Fortune who takes cares of people and all managers believe they want a satisfied and engaged team. Are we successful in achieving that? And how do we get feedback on the progress?

I devised a questionnaire which we distributed to our employees twice in a six-month period (April and October 2016).

The purpose of the first questionnaire (April) was to:

- ...introduce our vision of corporate culture to employees and find out whether they like it
- ...find out how people perceive our company culture with the focus on key areas that stimulate intrinsic motivation
- ...determine engagement by not making the questionnaire mandatory, to find out how many people will actually respond
- ...determine how honest people are by making the questionnaire anonymous, with the option to sign it
- ...hear people’s ideas on what to improve or do differently.

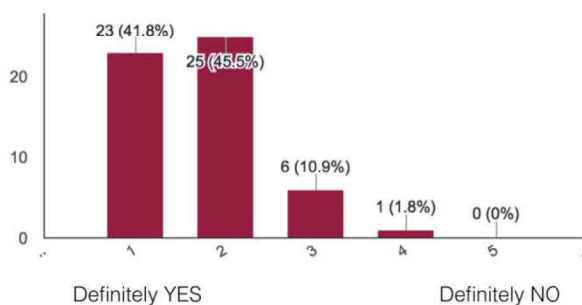
The purpose of the second questionnaire (six months later, i.e. October) was to:

- ...find out whether we are making progress towards our company culture vision
- ...find out whether our employees are seeing any improvement over the last six months in terms of what kind of an “employer” we are
- ...find out what has made them most happy or most mad during the last six months
- ...find out whether they would recommend our company to their good friend
- ...find out how people perceive our company culture with the focus on key areas that stimulate intrinsic motivation (and compare the findings with the first questionnaire)
- ...determine engagement by not making the questionnaire mandatory, to find out how many people will actually respond (and compare the findings with the first questionnaire)
- ...determine how honest people are by making the questionnaire anonymous, with the option to sign it (and compare the findings with the first questionnaire)
- ...hear people’s ideas on what to improve or do differently.

Each respondent would identify their affiliation with their respective team, so that we could analyse the results with regard to individual teams and each manager received personalised feedback. The results were also processed for the entire company and shared with all employees. So what did we find out?

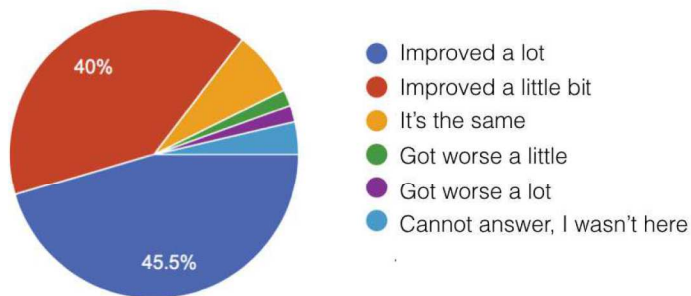
The first few questions addressed our progress during those six months.

Are we making progress towards our company culture vision?



*Definitely/partially YES answered **87 %** respondents*

Do you see any improvement over the last six months in terms of what kind of an “employer” we are?



Some improvement answered **89 %** respondents

The results show that nine out of ten people can see improvements. We are very happy to see this. Even more importantly, the text-based answers were honest. A questionnaire with answers the management wants to read would have been pointless, as it would not lead to the desirable changes.

In the second questionnaire, I asked a question according to the Net Promoter Score methodology devised by Frederick F. Reichheld and presented in article entitled *The One Number You Need to Grow* in Harvard Business Review. The key question is *What is the likelihood of you recommending our company to a good friend?* This idea is based on the assumption that one must be really satisfied before they recommend a product, service or (in this case) a company, because the reference bears their name.

Based on the answers ranging from 0 (Definitely not) to 10 (Definitely yes) the respondents can be divided into categories:

- *Promoters* – answers 9 and 10
- *Passive* – answers 7 and 8
- *Detractors* – answers 0 to 6



$$\% \text{ PROMOTERS} - \% \text{ DETRACTORS} = \text{NPS (NET PROMOTER SCORE)}$$

The NPS score is represented by the difference between the percentage of Promoters and the percentage of Detractors. Score below 0 suggests problems with loyalty (there are fewer

Promoters than there are Detractors). Score over 50 suggests an excellent result (i.e. there are several times as many Promoters as there are Detractors).

The results show that we have 71 % Promoters and less than 6% of Detractors. The overall NPS score is 65.5 which I think is excellent. It will be interesting to see the changing score in the future.

Now, let's look at the questions related to our corporate culture and the working environment.

Looking at the results with regard to the progress made since the last questionnaire, the biggest progress can be seen in the following areas:

- How much of your work do you like and find fulfilling and enjoyable? (from 56 % to 78 %)
- Do you feel freedom at work to decide WHAT you will be doing, HOW, WHEN, WHERE and WITH WHOM? (from 58 % to 74 %)
- Do you know what you are responsible for, what results are expected from you and what your evaluation is based on? (from 57 % to 78 %)

These results reflect our journey towards a free company we started in April. Freedom requires a certain degree of responsibility, which is why we focused on the setting of expected results with individual people. We can see that workplace freedom affects how their job is enjoyable and fulfilling.

Let's look at the results from the point of view of motivators as explained above:

Purpose

- 98% of people at [REDACTED] state that the company's direction and goals make sense to them

Autonomy

- 74% of people at [REDACTED] feel freedom when it comes to what they want to do, how, when, where and with whom
- 49% of people at [REDACTED] feel that their work requires new perspectives, new way of thinking and creativity

Mastery

- 98 % of people at [REDACTED] state that they have the opportunity to do what they are best at every day
- 95 % of people at [REDACTED] state that they have opportunities for personal growth and development

Results

- 78 % of people at [REDACTED] have clear expectations and know what results they are evaluated for
- 89 % of people at [REDACTED] can get involved and affect the things the company is doing, and how

Relationship

- 85 % of people at [REDACTED] state they have very good friends at work, or even one of the best friends
- 87 % of people at [REDACTED] perceive equal treatment and respect

Game

- 78 % of people at [REDACTED] state they like their work; they find it enjoyable and fulfilling

The last thing we can determine from the questionnaires is the people's engagement and honesty. It was voluntary and potentially anonymous. Both questionnaires showed a high degree of participation (87% in April, 90% in October). What I think is very positive is the improvement in terms of honesty, as there were 21 anonymous respondents in April but only five in October.

VI. Mood-meter

Our second tool used to measure the mood and satisfaction is what we call *Mood-meter*. What is it? I will start by explaining the context.

Our company develops an application called [REDACTED] (www.alveno.cz) used for attendance monitoring, where the records are subsequently used to calculate salaries. This application includes biometric readers where data is collected via fingerprints. These readers (even though they are optional and the necessary paperwork is much easier even without it) are highly popular among our customers because there is no way to cheat them; i.e. they calculate the actual time spent at workplace. Unlike a card or a chip, you cannot simply give your fingertip to a colleague to punch in for you. The aforementioned customers want to supervise and monitor their employees. Late arrival means having to stay longer. Some customers even want their employees to punch out and in when they go to have a cigarette outside or for lunch. In my opinion, they are under the wrong impression that detailed monitoring of worktime will increase productivity. But will it, really? I wonder what a person must feel like if they know they are monitored. Will they be satisfied if they know their boss does not believe them? Will they be engaged and willing to present new ideas, and will they feel like an equal partner?

When I thought about it, I realised one interesting thing. Having entered into an employment contract with an employee, you essentially buy their time, let's say 40 hours a week, divided evenly among five days (eight hours each), and you guarantee them money. This is the reason why companies purchase these systems, because they want to make sure they will get what they have paid for. They think that if an employee is fifteen minute late they will deliver worse results. This may make sense in manufacturing, because a machine is idle, but what about jobs that require creativity? In fact, what sense does it make to monitor people's time spent at work? Shouldn't it be more about their values like responsibility for results and reliability? If I know that I am replacing a colleague whose shift is ending, I should be motivated by my desire to be reliable and punctual with regard to the colleague, and less so by the potential punishment arising from the attendance monitoring and my boss. Shouldn't a company care more about the desired results than it should about the time taken?



It makes little sense to me to monitor the time spent at work. We give people freedom in exchange for results and responsibility. A proper corporate culture ensures that people are happier and more committed to their work. Therefore it makes a lot more sense to me to monitor their satisfaction and enjoyment. And so, instead of attendance monitor, we have devised the *Mood-meter*.

We prepared a different firmware that is integrated into the attendance monitoring reader. Instead of tracing arrivals and departures, it traces moods. We have a total of four revamped readers installed at entrances to the respective parts of our company. One can enter their mood at any of the readers. To enable proper evaluation, one must enter their mood upon and arrival and departure. However, one can enter their current mood at any time during the day.

It should be pointed out that this is entirely voluntary. I explained the principle to our employees, and why it makes sense to me to focus on their mood, and less so on the time spent in the building. I asked them to participate. It is also important to note that nobody is going to be penalised, punished or confronted for their honesty. Honesty is important. The goal is not to collect smileys but to get a different perspective on how people feel at work. This Mood-meter would not be effective in environments where the management and team members do not trust each another.

I chose a total of six different moods people can identify:

- Excitement
- Joy
- Interest
- Boredom
- Negativism
- Anger

Based on these moods, I came up with answers to the potential question *How are you today?* They are: *Good (Dobrý)*, *I like it (Bavímě to)* and *Awesome (Peckáá)* for good moods and *Not so good (Nic moc)*, *Bad day (Blbej den)* and *I am pissed (Jsem nasr...)* for bad moods.



Now, how to use the data collected. I came up with the following: everybody can see in our information system what the current mood in the company is in general. It is expressed as the average number of all most recent entries in the reader. Therefore, it reflects the possibility to enter their current mood at any time during the day. We also retrieve the mood in a particular team, i.e. the average of the entries of the team members. Everyone can see their entries for a specific month, allowing them to see how they enjoy their work. This data serves as feedback for each employee and their boss. Managers can access the data entered by their team members and they can use it during evaluation briefings (where they must be curious, but not confrontational).

What have we learned since the implementation of this device in June (i.e. from the five-month data)?

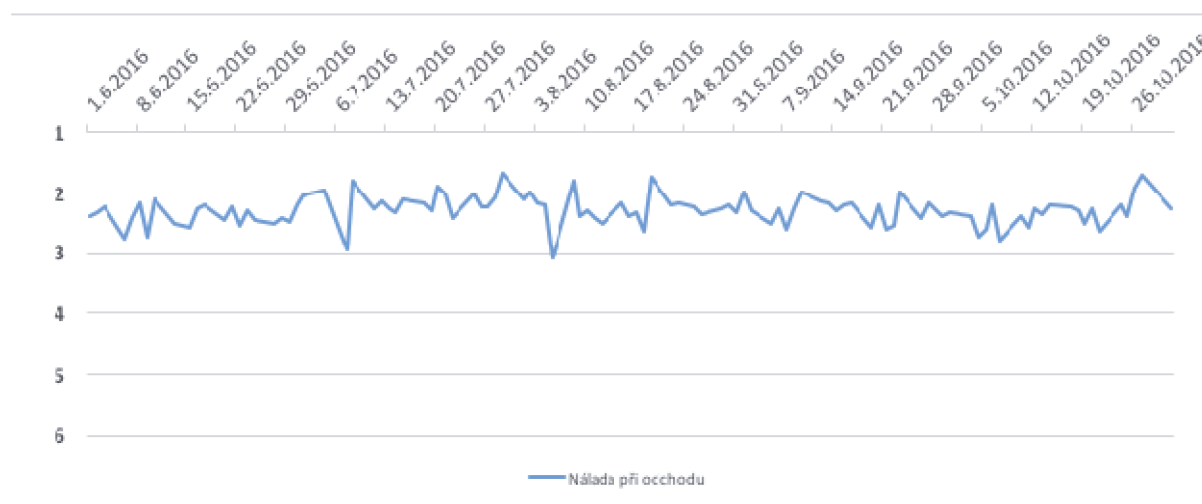
	Average mood upon arrival	Average mood upon departure
June	2.73	2.40
July	2.49	2.15

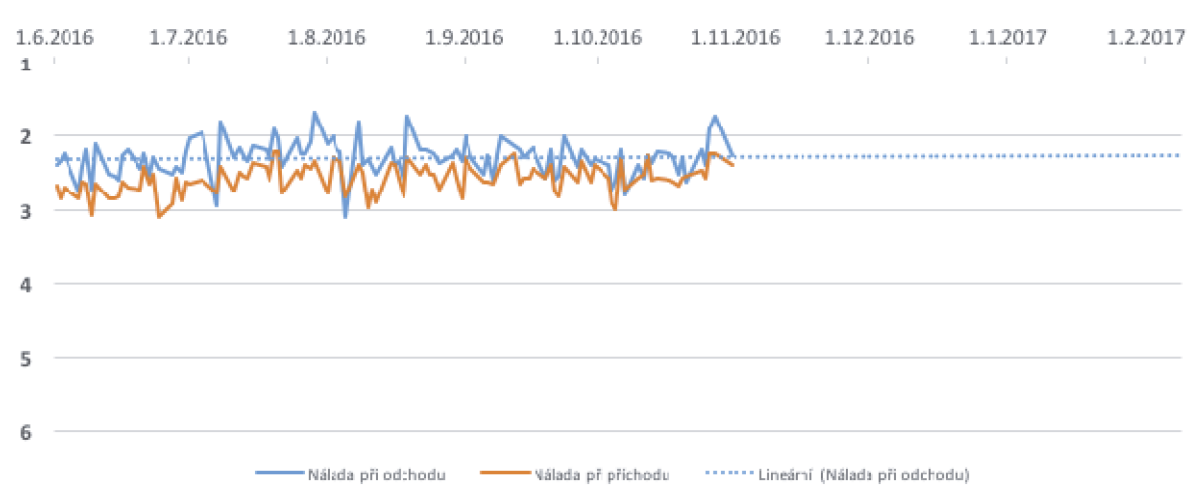
August	2.55	2.27
September	2.51	2.29
October	2.54	2.34

Note: The lower number, the better mood (1 = Awesome, 6 = I am pissed). The values calculated range between “I like it” (value 2.0) and “Good” (value 3.0).

The data shows that the people’s mood is better in the afternoon than it is when they arrive at work. In other words, regardless of their mood in the morning, thanks to the corporate culture and working environment their mood will have improved by the time they leave work. Corporate culture affects people’s mood. Of course, not all days are bright and sunny, and we cannot feel great every day. There must have been days when people arrived in a good mood and left upset. That’s life. But statistically, and as average, we can definitely see the positive effects of our corporate culture. Our vision (“XXXXXX is lifestyle”) makes even more sense because people feel better in their life.

How our mood develops and changes over time





The chart shows that the mood is slowly improving towards the value of 2 (*I like it*). How can we interpret it? If we were to ask employees, upon leaving after work, *How was your day?* They would most likely answer *I like it*. To me, this proves that the corporate culture affects their satisfaction.

It is also interesting to see how many people left work in a mood identified as *Awesome* during each month, and how many with one of the bad moods, i.e. *Bad day* or *I am pissed*.

	Number of <i>Awesome</i>	Number of <i>Bad day</i> and <i>I am pissed</i>	Ratio of (dis)satisfaction
June	162	29	1 : 5.6
July	169	14	1 : 12.1
August	153	15	1 : 10.2
September	106	7	1 : 15.1
October	99	13	1 : 7.6

We can see that there were many times as many people in the best mood possible than there were in the two of the worst moods. In September, the ratio of (dis)satisfaction was 1 : 15.1.

So how many people actually participate? We have 65 employees, of which approximately 20 are sales representatives and consultants who visit our customers. Therefore we can say that approximately one-half of those who can actually participate. The number is evidently decreasing which is most definitely caused by the increasing freedom which allows people to work remotely from home. In April, 49% stated in the satisfaction survey that they feel free in terms of “where” they can work. In October the percentage increased to 83%.

	Average number of unique people per day
June	35
July	27
August	25
September	23
October	23

VII. Conclusion

In this part of the thesis, I focused on the issue of creating work that people would be looking forward to on Monday mornings. I wanted to demonstrate that excellent reputation is not possible without corporate culture, shared values and purpose on the part of the people who work in our company. I discussed how to make sure employees are not just satisfied but also engaged and creative. I wanted to find out how to create an environment where people will feel good. I found out that the question is not *Why are my people not engaged?* But *What can I do for them to make their fire of intrinsic motivation burning?* I described factors which, in my opinion, affect intrinsic motivation – sense, autonomy, mastery, results, community and game.

I have confirmed, through mood and happiness measuring, that our level of corporate culture is high already. We could say that we experience the state of affluence, especially in the part of the chart after expansion. The high values are the product of long-term efforts, because corporate culture cannot be bought, copied or ordered.

Two questionnaires given to the employees during the year show that:

- Nine out of ten people see improvements.
- Seventy-one percent of respondents are *Promoters* who would recommend our company to a good friend.
- More than 75% of respondents stated that they like their job and they find it enjoyable and fulfilling.
- And 85% of respondents stated they have good friends or one of their best friends in the company.

Thanks to the Mood-meter, which we use on a daily basis to track our people's mood in the morning and after work, we learned the following:

- People leave work in a better mood than they arrive with, which is a proof of positive effects of our corporate culture.
- Long-term improvement of the mood in the company in general.

We now know for sure that our friendly team is our biggest strength, especially due to the adherence to the values identified as *Be reliable and play fair* or *Be committed* and *Build relationships*. We must not forget, however, that in order to protect our corporate culture we must pay attention to our recruitment process and make sure we do not accept anyone into our “family” who would jeopardise it.

5. Results and conclusion

The MBA programme Perfection in management and leadership and especially Petr Pacher have significantly affected the last two years of my life. I can see I have made tremendous progress as a person and leader and so did my company. I have to thank my coach [REDACTED] for his regular coaching sessions over the last three years, and my girlfriend [REDACTED] for her great support. I have also learned a lot from our employees who have been creating a supportive environment where I can focus on *playing my game of life*. I was able to achieve the results mentioned in this thesis thanks to them.

I have changed as a person over the last two or three years. My own ego used to be more important to me in the past, as were success and prestige. I would manage my company in a directive manner and I would only treat people as human resources. I did not feel the need to understand them; I assumed they were behaving logically and I did not understand their emotions. I was not used to showing emotions either, I was rather reserved. There were not that many people I would trust, which is I would mostly rely on myself. By failing to acknowledge other people's emotions I did not learn to understand them. As a consequence, people were unpredictable. I had little experience in this area and I would evaluate people from the perspective of logic. Every disappointment made me trust other people less and less.

During this programme, I realised how important relationships with other people are, as is the ability to understand them. In the past, I would fail to understand them because my equation of the world was missing a key variable called "emotions". I have learned to identify emotions; not just my own but other people's as well. Now I can control myself whenever the negative ones dominate. Learning to understand other people's emotions allows me to establish understanding and establish, maintain and develop relationships.

I can tell I have improved a lot in terms of communication skills. I used to prefer brief, fact-based communication free of empathy; now I can establish understanding and care about people and build relationships. In the past, I would try to avoid unpleasant situations but now I seek them because they represent an opportunity to learn something new. Communication has become a strength that has allowed me to grow. A few years ago, I could not imagine speaking at conference and being able to inspire others by sharing my story about our free corporate culture and strong brand.

I learned about the technique of affirmation and active listening as the foundation stones of effective communication and understanding. Active listening has become a natural skill for me. I use it by rephrasing what has been said within a new context or framework. In the process, I use strength, i.e. analytical approach, which allows me to get a wider perspective and understand the other party.

My approach has also changed when it comes to the ability to see the world from the point of view of other people. I needed to learn to know the difference between an opinion and the truth. In the past, I had the need to have the last word and be right, as a boss. I would fail to accept other people's opinions and I did not feel the need to *walk in their shoes*. Based on this programme, I have changed my attitude and now I will try to hear the other party's opinion and understand it. If my opinion is different, I will tell them so, but I will present it as my point of view or experience, and nothing else. I will not try to persuade the other party. In fact, I will try to understand the basis for their opinion, which allows me to see something I have not seen so far. It is greatly enriching. A man who thinks he knows or has seen everything has turned into a curious student. I stopped sharing my opinions in the form of unsolicited advice and I have learned to listen to people. I started to reveal the interest behind every position.

I have learned to find the balance between results and relationships; between my own ego and empathy; between the desire to win and respect towards the other party. In the past, I would want to achieve my goals with no regard to other people, because I wanted to be successful. I have learned to seek win-win solutions. In my opinion, this scenario allows me to build long-lasting relationships and equal cooperation-based partnerships. The efforts to achieve the win-win results are based on the assumption of affluence, i.e. that we can all win, not just the strongest party. It is one of the key findings on my part.

The first two modules represented a key shift in my mindset and in the way I treated people around me. I have become more curious and open. I started to trust them more. Of course they noticed. To mention one example: at this year's Christmas party we prepare envelopes for everybody where colleagues could put thank-you notes or feedback to anyone else. Mine contained the following messages:

- Thank you for your internal change which has brought me to the company.
- Thanks for your change. I can see your progress every day in terms of being a different person, not just the boss with a strong opinion.
- You are a great source of inspiration for me. Everything is possible, and you are a living proof. Thanks for everything. I know a change must go through one's head, but you have been the impulse. Thanks.
- Gotta hand it to you, you have made the company famous. Thumbs up.
- Thanks for your great support over the years and for being what you are now.
- Your/our company is amazing. I did not believe anything like that would be possible here. Thanks.

In the next two modules, I focused on the company and the practical use of knowledge in the process of building corporate culture based on values, as well as on attracting the real talent. These two modules were preceded by the realisation described above. I think this has allowed me to make the best out of these studies. I am most pleased by the fact that I am not writing

about my own achievements; they are the achievements of the entire company and the people who got involved and helped me. Thank to them, we all can grow, not just me.

We have achieved a lot over the last year in terms of brand building. A year ago nobody knew who we were and we had to actively look for employees. Now job applicants come to us. Thanks to workshops we held last year for all employees we learned about our shared values and the strengths of our corporate culture. We published two books (████████ 2015 and 2016) the first of which was distributed to more than 2000 people. The awareness about our brand increased.

In order to influence the general public and potential job applicants by our brand, we prepared a new website; we started our blog and increased our Facebook presence. We also created a recruitment video and unconventional classified ads. We devised a new recruitment process so that it would represent a real challenge for applicants, allowing us to hire truly motivated people who share our sense and values and whose skills will be useful for the company.

Every month several people want to taste our company and come visit. We also started visiting other inspiring companies and vice versa. Several dozen applicants a month want to become a part of our brand. I am most pleased by the fact that the new process is working and we actually hire great people.

According to our experience so far, the journey towards building our brand and attracting applicants is longer and more complicated, as compared with simple looking, but on the other hand it is expected to be more effective in the long run. The journey towards exceptional corporate culture makes a lot of sense to me.

In the last module, I considered how to create work that people will enjoy enough to be excited every Monday morning. I have to admit, this question was not on my list prior to my MBA studies. We have created a corporate culture vision what we want to build and that has been accepted by all employees. We have realised that ██████ is, in fact, lifestyle.

I focused on the correlation between working environment and the engagement and creativity of employees. I devised a combination of factors of sense, autonomy, mastery, results, community and game. These aspects support intrinsic motivation which, consequently, means that people actually enjoy work.

We have started to measure the mood, satisfaction and happiness of our employees. We have found out that the level of corporate culture is high as it is. I think I can even call it our strength and an issue that attracts and inspires people elsewhere.

We have given our employees two questionnaires this year which show that nine out of ten people are seeing improvement and that 71% of our people would recommend the company to their good friend, or that 75% of people state that they like their job and they find it enjoyable

and fulfilling. Furthermore 85% of respondents stated that they have very good friend, or even one of the best friends, in the company.

Thanks to our Mood-meter used to track, on a daily basis, our employees' mood in the morning and in the afternoon, we have learned that people's mood generally improves during the day and that the mood in the company has been improving in general.

I have to say that my MBA studies have contributed to my personal development and have given me a new perspective. I was a manager, now I am a leader. I used to control people, now I manage them. I used to be focused on profit, now I am focused on the corporate culture, making sure people feel happy in their working environment. This programme has positively affected my and the people around me and my company. I would like to thank Petr for inspiration and support!

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