

IN SEARCH OF POSITIVE ORGANIZATIONAL POTENTIAL: THE CASE OF FRAUENTHAL TORUŃ AUTOMOTIVE COMPANY

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Abstract

The aim of this paper is to analyze the key areas of Positive Organizational Potential in Frauenthal Automotive Toruń (FTO) Company (former Pol-Necks). Positive Organizational Potential is the construct combining the assumptions of Positive Organizational Scholarship and Resource Based View. Positive Organizational Potential is the combination of tangible and intangible resources creating Positive Organizational Culture and Positive Organizational Climate, fostering positive employee behaviors and thus contributing to organizational development. The study is an element of the research project on strategic management of the Positive Organizational Potential key areas in companies operating in Poland. The following key areas of Positive Organizational Potential are explored and analyzed: corporate governance, leadership, the competencies and attitudes of middle managers, talent management, internal communication, interpersonal relationships, trust, organizational citizenship behaviors and corporate social responsibility.

Keywords: Positive Organizational Potential, corporate governance, leadership, middle managers, talent management, internal communication, interpersonal relationships, trust, organizational citizenship behaviors, corporate social responsibility.

Paper type: Case study

1. Introduction

Positive Organizational Scholarship which emerged a decade ago (Cameron et al. 2003) has been gaining more and more attention of researchers and practitioners. Positive Organizational Potential is one of the subject matters under the study within the frame of the positive approach. Positive Organizational Potential means the combination of tangible and intangible “resources, their condition, level, configuration [which] is basic for creating positive culture and atmosphere of an organization” (Chodorek 2010b, p. 86). The concept of Positive Organizational

Potential refers to the construct of competitive potential used as the foundation to develop and sustain competitive advantage.

The study is an element of the research project on strategic management of the Positive Organizational Potential key areas in companies operating in Poland.* The umbrella research project combines both quantitative and qualitative approach. Therefore various research methods and techniques were used to elicit data for analysis. The toolbox comprised questionnaire surveys in companies operating in Poland, Delphi session and case studies. Case studies were to exemplify the manifestations of Positive Organizational Potential and to identify key events or incidents having a significant impact on the POP components and positive phenomena.

In 2012, the students of the Business Administration course in Nicolaus Copernicus University conducted the questionnaire survey among the employees of Frauenthal Automotive Toruń (FTO). Their findings showed the features of the positive approach to management in the company. Therefore, FTO was chosen as one of the organizations to be studied in details within the project. In order to collect the data for the case study the Chief Executive Officer and the HR Business Partner were interviewed. Moreover, the documentation of the company and official publications were reviewed.

Some manifestations of Positive Organisational Potential observed in Frauenthal Automotive Toruń have been used to illustrate the analyses of the POP key areas in the forthcoming research report (Stankiewicz 2013). Nevertheless, due to the fact that FTO is an interesting example of a company which has been implementing a positive approach to management we decided to explore its case thoroughly and publish it as a separate paper which presents best practices and discusses the challenges of positive management from the perspective of the studied company.

Frauenthal Automotive Toruń Company (former Pol-Necks) was established in 1993. In its early days the company was the producer of metal components. Since 2000 the company has focused on producing chassis components (u-bolts) for trucks. In 2007, the Swedish owner sold Pol-Necks to the Austrian corporation Frauenthal. In 2012, Pol-Necks rebranded itself as Frauenthal Automotive Toruń. The company is the supplier of the world leading truck producers including Volvo, Renault, Scania, Daimler and MAN. FTO manufactures 2.9 million u-bolts per

* The research project under the title „Strategic management of the key areas of Positive Organizational Potential – determinants, solutions and models recommended for companies operating in Poland” („Strategiczne zarządzanie kluczowymi obszarami Pozytywnego Potencjału Organizacji – uwarunkowania, sposoby i modele rekomendowane dla przedsiębiorstw funkcjonujących w Polsce”) was conducted by the research team at the Faculty of Economic Sciences and Management, Nicolaus Copernicus University. The author was a team member. The project was funded by the National Center of Science research grant number DEC-2011/01/B/HS4/00835”.

year which makes the company the leader of the European market (50% of the market share). FTO is a medium size enterprise. It has 160 employees.

The aim of this paper is to analyze the key areas of Positive Organizational Potential in Frauenthal Automotive Toruń company. The paper consists of five parts. First of all, the concept of Positive Organizational Potential is outlined. Secondly, corporate governance, leadership and the competencies and attitudes of middle managers in Frauenthal Automotive Toruń Company are studied. Thirdly, talent management and internal communication are analyzed. Then, social capital embodied in interpersonal relations and trust is explored. Finally, the markers of positivity expressed in organizational citizenship behaviors and corporate social responsibility are under the study.

2. Positive Organizational Potential

Positive Organizational Scholarship is a movement in the theory and practice of management which emerged a decade ago inspired by the development of positive psychology. “Positive Organizational Scholarship is a broad framework that seeks to explain behaviors in and of organizations. It focuses explicitly on positive states and processes that arise from, and result in, life-giving dynamics, optimal functioning, or enhanced capabilities or strengths. There are three core aspects of a POS perspective: (1) a concern with flourishing; (2) a focus on development of strengths; and (3) an emphasis on the generative, life-giving dynamics of organizing” (Dutton and Glynn 2008, p. 693). The founders of the POS concept explore “positive phenomena and feelings such as happiness, excellence and perfection, vitality, flourishing, trust, respect, empathy, etc. experienced by employees together with generative processes, i.e. processes building and strengthening creative potential of employees” (Glińska-Noweś 2011, p. 10). The shift of the emphasis from preventing organizational weaknesses, deficits and negative incidents to strengths, talents and positive issues is the main innovation of Positive Organizational Scholarship and its main feature distinguishing it from other management concepts (Glińska-Noweś 2011, pp. 11–12). Seeking the organizational positivity, the attention of the POS research is focused on the following areas: leadership, processes, organizational structure, organizational culture, management methods, motivation systems and effectiveness (Zymonik 2007, p. 10; cf. Kalinowska-Andrian 2006, p. 11; Lopes et al. 2009, pp. 282–284).

Resource Based View (RBV) focuses its attention on the impact organizational resources have on the outcomes of a company. Exploring these relations Stankiewicz (1999) and his associates identify the construct of a competitive potential. Godziszewski (1999, p. 77) defines it as “the set of tangible and intangible resources enabling a company to apply effective competitive tools in global markets”. Competitive potential consists of the resources covering the following functional areas: information, research and development, production

(operations), quality management, logistics, distribution, marketing, finances, organization and management, human resources and “invisible” resources (Godziszewski 1999, pp. 79–82). Competitive potential is considered to be the foundation of corporate competitiveness. Organizational resources are used to build up competitive advantage enabling companies to win their competitive market positions by price, quality, service and information for customers (cf. Stankiewicz 2002, p. 87). According to Barney (1991, p. 112), in order to build up and sustain their competitive advantage, companies need resources which are rare, valuable, difficult to be imitated and substituted. Contemporary, in turbulent business environments, traditional resources are no longer sufficient to become the foundation of sustainable competitive advantage. Therefore, more and more organizations seek the sources of their competitiveness in intangible assets.

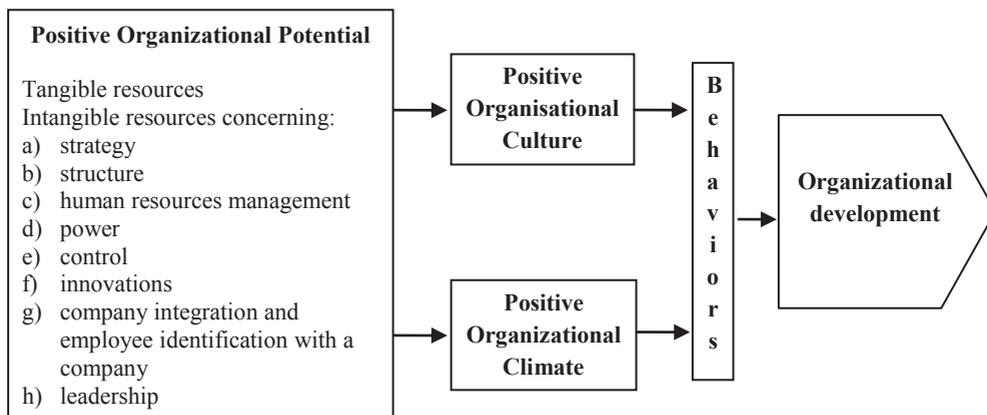
Combining the ideas of Positive Organizational Scholarship and Resource Based View Stankiewicz (2010a) and his associates develop the concept of Positive Organizational Potential (POP) which “refers to such characteristics and states of organizational resources that create positive organizational culture and positive organizational climate” (Peyrat-Guillard and Glińska-Noweś 2010, p. 51). In their first research project Stankiewicz (2010a) with his team analyze the impact of Positive Organizational Potential on organizational development. They outline the theoretical background of Positive Organizational Potential and discuss its structure comprising tangible assets and intangible resources related to strategy, structure, human resources management, power, control, innovations, company integration and employee identification with a company, and leadership which make up Positive Organizational Potential (cf. Glińska-Noweś 2010a, pp. 37–52; Chodorek and Glińska-Noweś 2011, pp. 88–94). They evaluate the status of Positive Organizational Potential in companies operating in Poland (Chodorek 2010a, p. 53–74; Chodorek 2010b, pp. 85–96). They distinguish Positive Organizational Culture (Glińska-Noweś 2010b, pp. 75–105) and Positive Organizational Climate (Kalińska 2010, p. 107–140) as direct outcomes of Positive Organizational Potential shaping Positive Employee Behaviors (Józefowicz 2010a, p. 141–158; Józefowicz 2010b, pp. 75–84). It should be highlighted that the organizational culture and organizational climate being intangible resources are extracted from the model of Positive Organizational Potential and they are considered to be “the bridge” between organizational resources and employee behaviors (Glińska-Noweś 2011, p. 13, cf. Figure 1).

Stankiewicz and his associates study relations among the aforementioned components and identify their impact on the development and business performance of companies (Haffer 2010, pp. 159–213). Finally, they identify environmental and intra-organizational determinants of Positive Organizational Potential (Stankiewicz 2010b, pp. 215–239), and discuss the role of stakeholders (Lorenczewski 2010, pp. 241–252) and leadership (Karaszewski 2010,

Figure 1.
Positive
Organizational
Potential as a factor
of organizational
development

Source:

Peyrat-Guillard, D.,
Glińska-Noweś, A.
(2010), "Positive
Organizational
Potential,
Organizational
Commitment and
Organizational
Citizenship
Behavior: A French/
Polish comparison",
*Journal of Positive
Management*, Vol. 1,
No. 1, p. 50.



pp. 253–277) in building and strengthening Positive Organizational Potential. As highlighted by Glińska-Noweś (2011, p. 12) “the concept of POP is based on the assumption that »positivity« is an inner characteristic of an organization and is created primarily with the set of organizational resources. At the same time, the positive nature of an organization will stay hidden if organizational resources are configured in inappropriate manner. Thus, organizational »positivity« is potential; it not disclosed automatically and should be stimulated through management of organizational resources”. Therefore, in their second project devoted to Positive Organizational Potential, Stankiewicz (2013) and his associates make an attempt to explore the key areas of POP, their manifestations and determinants. We identify and study the following key areas of Positive Organizational Potential: corporate governance, leadership, the competencies and attitudes of middle managers, talent management, internal communication, interpersonal relationships, trust, organizational citizenship behaviors and corporate social responsibility.

At the conceptual stage of the project, combining the outcomes of the literature survey and questionnaires conducted in companies operating in Poland, the research team described desired (perfect) states of the key areas of Positive Organizational Potential. They are presented in Table 1. Certainly, we are aware that no organization is perfect in all areas. It would be a utopian assumption. We are rather interested in pointing out some elements, events, decisions, behaviors which may be the representation of positivity in companies under the study.

In the following sections, the key areas of Positive Organizational Potential enumerated and described above will be explored in Frauenthal Automotive Toruń company. The attention will be given to identify and describe the manifestations of positivity observed in the company.

Area	Desired (perfect) state
Corporate governance	Corporate governance effectively stimulates (strengthens) the managerial engagement in achieving goals contributing to the interest of a company, its shareholders and other stakeholders.
Leadership	Ideal leadership is an art of stirring up the employee engagement and their willingness to undertake initiatives to achieve ambitious goals, expectations and aspirations. Such leadership is based on authority, knowledge, competencies, social sensitivity and the leader's vision.
Middle managers	Desirable middle managers are people of high personal, emotional and social competencies. They interpret and implement the decisions of top executives. They perform the function of ambassadors between top management and workers as well as between the teams in a company. They are 'glue' uniting a company
Interpersonal relationships	The desired state of interpersonal relationships means that the relations among employees are based on positive attitudes and emotions such as: friendliness, sympathy, respect, acceptance and trust relating to their engagement in building-up a common value system and achieving common aims.
Trust	Its desired state means strong and common belief of credibility and mutual friendliness among employees and the management team. In effect, attitudes, decisions and behaviors are accepted.
Talent management	The desired talent management encompasses the process of searching, identifying, attracting and recruiting people of above-average intellectual potential and skills as well as developing and applying their capabilities in order to contribute to the company's aspirations and needs.
The language of internal communication	The desired language of internal communication includes such a content and a form of an internal communication which is understandable and adjusted to receivers, unambiguous, complete, delivered on-time, and which transmits important organizational values. It is the precision of the thought and word 'sweetened' with a bit of friendliness.
Organizational citizenship behaviors	Their desired state means that employees show willingness to undertake activities extending their standard roles and responsibilities but contributing to the increase in the company's effectiveness. Moreover, employees cooperate spontaneously and help each other on a daily basis showing creativity in this field. They make suggestions for improving the company's operations. They feel the high level of integration with a company and responsibility for its fortune.
Corporate social responsibility	The ideal CSR means the responsibility towards all interest groups in the long-term perspective. A socially responsible company is honest about its obligations and commitments to the government, employees and cooperating partners. It is friendly to the natural environment. The key assumption of such a company operations is to generate profits in a socially responsible way rather than share profits.

Table 1.
Desired (perfect)
states of the key
areas of Positive
Organizational
Potential

3. Power: corporate governance, leadership and middle managers

Between 1993 and 2007 Frauenthal Automotive Toruń (operating under the name of Pol-Necks in those days) was managed as a family business by its Swedish owner. In 2007, the company was acquired by the Austrian corporation Frauenthal. As regards to corporate governance and management style, the change of the owner can be considered as a landmark in the history of the company. It resulted in the shift from a family business to a corporate model. Among the members of the organization there were some worries that the ownership change would reduce the autonomy of the company and increase the level of formalization and red tape. Nevertheless, according to the FTO top management such fears have not materialized. The headquarters of corporation controls internal processes within its subsidiaries by key performance indicators while the company has maintained its autonomy.

The strategy of Frauenthal Automotive Toruń enumerates explicitly the requirements for its leaders. The catalogue of expected competencies includes: (1) building trust and effective communication, (2) developing subordinates (i.e. talent management initiatives), (3) developing and implementing strategic initiatives, and (4) supporting team work and managing projects. The change of ownership (2007) and the change of the chief executive officer (2009) resulted in the changes in leadership style, the democratization of power, the empowerment and the increase in responsibilities of middle managers, first line managers and employees. There are three levels in the FTO managerial hierarchy: the CEO, functional middle managers and foremen. The CEO, middle managers and some staff officers are the members of the Senior Leadership Team. The CEO highlights the role of middle managers and foremen. In his opinion “the real life of the company is at the bottom of the organizational hierarchy”. According to the corporate policy, the management gives the priority to organizational learning and continuous improvement. Contemporary management concepts and methods are in place. Work in the company is organized in accordance with the principles of Kaizen.

The changes of ownership and top management mentioned above increased the participation of middle managers in decision making and management processes. The democratic leadership style replaced one-man management. The democratization of power required middle managers to accept more responsibility. As observed by the CEO, initially such expectations triggered the resistance of middle managers to change and take over more duties. In 2008, all functional managers were tasked to develop long terms plans for their areas of responsibilities (*de facto* functional strategies) coherent with the overall strategy of the company. In 2014, the following edition of functional strategies is planned to be issued. Generally, the CEO appreciates the results of the empowerment and

democratization processes. In his opinion managing human resources has been the most challenging issue for middle managers in their way of taking over the responsibility.

4. Glue of the organization: talent management and internal communication

As officially declared the company believes “that people are the most important resource of [the] company. The strategy of Frauenthal Group for the years 2010–2015, and therefore the strategy of [the] company, is defined by 9 Strategic Initiatives. As many as 4 of 9 Strategic Initiatives are focusing directly on [...] employees” (Pol-Necks 2011, p. 3). Strengthening the image of an attractive employer in the regional scale is one of the officially declared strategic goals of the company. Frauenthal Automotive Toruń makes efforts to manage the talents of its employees. Both the workers and managers of FTO can participate in the Frauenthal corporation formal talent management programs such as High Potential Program or Frauenthal Leadership Learning Program.

Moreover, FTO pays a lot of attention to informal “hunting” of prospective foremen. Candidates must be good specialists and self made leaders. They receive additional training and coaching. The company plans the succession of key personnel. The plan is supported by the plan of training and professional development. Due to the age structure of its middle management team (the half of middle managers is near to their retirement), the planning of succession is the issue of paramount importance for the company. Recognizing the role of middle and first line managers, the company supports their development. In 2012–2013, the special training program dedicated to this group of employees was organized. The curriculum of the training included the issues of management, finances, language skills and personality development. The project was co-sponsored by the European Union. The company expects that such training will enable it to be ready to replace of 80% key positions if necessary.

The company has a comprehensive training system enabling the development of its employee knowledge, skills and competencies. As stressed by the CEO, by learning good standards, acquiring useful skills and competencies, employees generate the added value for the company. Simultaneously, it is a kind of personal investment for each of employees who are better prepared to be promoted or to seek opportunities on the labor market. FTO supports its employees and co-sponsors their studies and courses. According the company strategy, employees rotate on their jobs. Such a policy stimulates their professional development. Nevertheless, some employees find it as a stressful procedure. The company has systems and procedures for fair and honest appraisal and evaluation of its employees. The formal assessment is conducted on the monthly and yearly basis.

Moreover, the effectiveness of training is evaluated once a year. The existing assessment system provides managers with up-to-date information on employees and their development. It enables to verify employee knowledge and skills. Although the form assessment may cause some stress its frequency is generally positively received by employees.

As assessed by the management team, the system of formal communication in FTO works effectively but the area of informal communication needs some improvement. The company employed the “open door policy”. If needed each employee is allowed to address directly to the CEO. Besides face-to-face communication, FTO employs IT to support communication processes. Nevertheless, the access to IT assisted communication is limited to the administration personnel.

Around three years ago, the company identified some problems with the smooth flow of information. In order to improve the situation, information boards were placed in the plant and the FTO magazine was established. All employees are welcome to contribute to the bimonthly “Wieści z pyłu i dymu”. The ambition of the editorial board is to stimulate the engagement of personnel in sharing their views and opinions. Therefore, employees are encouraged to submit their questions which are answered by the CEO, and departments and branches are presented in the magazine. Twice a year a corporate magazine is distributed in order to update all the members with the news from the headquarters and other plants of the corporation.

5. Social capital: interpersonal relations and trust

The management team declares that interpersonal relationships within the company are the issue of paramount importance. The company’s striving for positive interpersonal relationships is expressed in its Code of ethical conduct which “requires employees to observe good practices, respect dignity of co-workers, forming working relationships based on partnership, understanding, goodwill and support for friendly relationships” (Pol-Necks 2011, p. 6).

As the CEO claims, good interpersonal relationships are a vital factor for the attractiveness of employment in FTO. Positive interpersonal relationships create the “added value” to remuneration. The wages in FTO are around 10% higher than the average pay on the local labor market. Nevertheless, due to hard working conditions on the shop floor (i.e. in the forge) additional intangible motivators are highly welcome. Good interpersonal relationships shaping a positive organizational climate in the organization may be one of them. The company prides itself of personnel turnover near to the zero level. Only two employees quit the company in last three years (as of August 2013). According to the management team, positive interpersonal relationships contribute substantially to such a success. For many years, good relationships and atmosphere at work have

been listed as top factors in employee satisfaction surveys. During the external survey conducted in 2011, the high level of employee identification with FTO and their loyalty to the organization was observed in FTO (Pol-Necks 2011, p. 9). This fact confirms previous research findings that Positive Organizational Climate strengthens employee loyalty to a company and their willingness to remain its member (cf. Glińska-Noweś 2011, p. 29).

Employees are interested in and participate in the company's everyday life. They celebrate events important to the company together. The majority of them (ca. 60% according to CEO's estimation) including shop-floor workers participate in family picnics. There is a football team in the company and the CEO is one of the players. In accordance with their interests, employees take part in fishing competitions or sleigh parties. Generally, the representatives of all levels in the organizational hierarchy participate in the company's events. Nevertheless, closer friendship is reported among white collars.

Some positive manifestations of trust are may be observed in FTO. In the opinion of the management, employees communicate in an open and sincere way and they willingly share knowledge. For instance, volunteers share their knowledge, experience and lessons learned with their co-workers during additional trainings. These meetings conducted under the umbrella of the "Sharing Knowledge" project are open for all employees. Initially it was the EU sponsored initiative, but due to its very positive outcomes it is going to be continued by the company. Employees are committed to their jobs, even when a company faces difficulties (i.e. during the crisis period). These attitudes result in organizational citizenship behaviors. As noticed by the CEO, employees play fair even when they compete with each other. There is the climate of friendliness in the company, which is confirmed by the surveys of employee satisfaction. Managers claim that they trust their employees and willingly delegate their responsibilities and powers. As they highlight the delegation of responsibilities is one of the principles of leadership in FTO. Corporate strategy and objectives are communicated to all members of the company (i.e. during meetings or by corporate and plant magazines). Generally, managerial decisions are consulted with employees and explained to them. Therefore, employees do not resist managerial decisions.

The company makes efforts to build up good interpersonal relationships and to improve communication. Nevertheless, the difference between the administration and the shop floor staff is observed. The problem is noticed by the management. As highlighted by the CEO, good relationships and trust among shop-floor workers are reinforced by 5S principles implemented in the company. Following 5S, employees are to change their workplaces. Moreover, they are allowed and encouraged to organize their "private zone" (cupboard) which fosters their trust and positive attitudes.

6. Markers of positivity: organizational citizenship behaviors and CSR

Organizational citizenship behaviors and attitudes to corporate social responsibility observed in the company seem to be the manifestations of its Positive Organizational Potential. Employees help each other to cope with job-related problems and challenges. For instance, in 2010 when the number of workers increased substantially, managers and administration members took over additional duty hours overnight. Their task was to support shop-floor workers and assist them in solving problems. FTO employees tolerate minor, short-term inconveniences in their workplace. They do not complain about trivial details. They show willingness to make efforts for the sake of the company. During the crisis they agreed to the temporary reduction of their wages by 20% in order to maintain the level of employment. Employees avoid making job-related troubles for their co-workers. As observed by managers, employees are oriented to solving problems rather than generating them. The company has its system of small improvements. It combines the ideas of continuous improvement and organizational learning (lessons learned) to improve operations. Moreover, it is an additional instrument for fostering positive communication. The company appreciates and awards capturing observations and submitting proposals for improvement. If a proposal is positively verified and implemented, an innovator is awarded a financial bonus.

Frauenthal Automotive Toruń actively engages in CSR initiatives. The company joined the UN Global Compact program. As confirmed by the CEO, such decision was triggered by one of business customers. FTO declares following the UN Global Compact principles concerning human rights, work standards, environment protection and corruption prevention such as: “(1) support and observance of human rights adopted by the international community, (2) elimination of all cases of human rights breaching by the company, (3) respecting the freedom of associations, (4) elimination of all forms of forced labor, (5) abolishing child labor, (6) effective preventing of discriminating during employment, (7) preventive approach to environment, (8) starting initiatives to promote ecologically responsible attitudes, (9) use and dissemination of environmentally-friendly technologies, and (10) preventing corruption in all forms including extortion and bribery” (Pol-Necks 2010).

While the motivation to join the UN Global Compact was triggered by one of customers, the Code of ethical conduct was the initiative of the employees. It regulates purchasing and contracting procedures or investment processes. It disapproves any form of bribery. The Code of conduct has a direct impact on behaviors of employees. For instance, it establishes the maximum value of gifts which are allowed. Any gifts of higher value are collected and auctioned for charity. The FTO Code of conduct became the benchmark for the code of Frauenthal corporation.

Frauenthal Automotive Toruń pays a lot of attention to occupational health and safety in order to reduce the risk of accidents. The company implemented standards of Occupational Health and Safety Management System (OHSAS 18011:2007). In order to increase safety standards at the shop floor the company employed 5S principles. FTO declares “zero accidents” as its OH&S target and boasts of a very small number of accidents in comparison with national statistics. In recent years, only minor incidents have taken place in the company.

Frauenthal Automotive Toruń is a production company operating in heavy industry. Such a business activity has consequences for the natural environment. In order to reduce its negative impact on the environment, the company strives for pollution prevention, energy management and waste reduction. For instance, FTO faces the problem of noise emission exceeding norms. Therefore, company seeks the solutions to reduce the irksome and harmful effects of such a situation and it makes efforts to reduce the level of noise on the shop-floor. FTO declares decreasing its negative influence on natural environment. The company saves energy, tries to reduce and segregate waste. Wherever possible, ecological materials are used in the production process. For instance, benzene used to clean metal elements was replaced by biodegradable solvent. The company introduced the policy of document digitalization in order to reduce the consumption of printing paper. The number of printers decreased, the remaining ones were equipped with a two-side printing option. The company requires its suppliers to comply with natural environment protection laws. FTO supports pro-ecological behaviors of its employees such as car sharing or riding bicycles to get to work. Those who offer a lift to other employees are entitled to use the company internal parking area. In order to promote cycling as a means of transportation, the company arranged covered parking space for bicycles. In social areas, showers were installed. Tele- and videoconferences allow the company to decrease the number of business trips reducing the emission of greenhouse gases. Renovating its building in 2007, the company installed roof skylights. This modernization provides workplaces with daylight, reduces electricity consumption and creates a pleasant working environment. FTO learns lessons from incidents in the field of the natural environment protection. “In March and April 2011 the company was affected by fires, resulting in the complete destruction of hazardous waste warehouse. That disaster, however, was an important stimulus to invest in redevelopment of the warehouse, creating a new safer way for sorting waste. Executing activities to secure waste in a way minimizing a risk of a fire in the future, the company developed a procedure for packaging the paint waste, at the same time improving the Material Safety Data Sheets attached” (Pol-Necks 2011, p. 12).

FTO adheres to the Labor Law in force in Poland. The management team consults with the representation of employees (Work Council) on decisions

concerning the level and structure of employment or significant changes in work organization. As declared by the CEO, the scope of consultations exceeds the minimum required by law. All personnel have employment agreements, both of indefinite time and specified time. There are no junk employment agreements in the company. FTO offers additional bonuses for its employees such as: sponsoring education, supplementary health or life insurance, subscription to sport facilities and participation in events organized by the company. Every year, anonymous employee satisfaction assessment is conducted. The company requires its suppliers to comply with work standards (i.e. elimination of forced labor and child labor).

FTO actively cooperates with universities in the region. The company offers internship for students and participates in research and educational projects. In 2011, the company offered training to 50+ people in order to equip them with skills and qualification required on the job market. FTO engages in charity and sponsors culture.

7. Conclusion

All three areas of Positive Organizational Potential related power (corporate governance, leadership and middle managers) make the foundation for other components and they are the prerequisites for their development. Searching the signs of positivity in Frauenthal Automotive Toruń Company the growing participation of middle levels in management processes should be highlighted. It results from the changes in ownership and top management. Moreover, the positive leadership exemplified by the CEO seems to be a very strong stimulus for Positive Organizational Scholarship in FTO.

Frauenthal Automotive Toruń appreciates talents of its employees and makes efforts to develop them. Talent management solutions combine official programs established by the Frauenthal corporation headquarters and the company's own initiatives to train people and prepare them to be promoted to more challenging positions. Communication is the issue of special attention. Generally, formal communication seems to work effectively while some improvement is needed in the field of informal communication.

Frauenthal Automotive Toruń strives for positive interpersonal relationships which are recognized to be an important determinant of employee loyalty to the company. The positive examples of trust among employees are reported. Willingness to share knowledge, employee commitment to their jobs and delegating responsibilities by managers illustrate the potential of trust in the company.

Organizational citizenship behaviors of employees are the manifestation confirming the FTO Positive Organizational Potential. This kind of corporate patriotism may be observed in employee behaviors and attitudes towards the

company and workmates. Frauenthal Automotive Toruń follows the policy of being socially responsible to its stakeholders. The company joined the UN Global Compact program and declares complying with its principles. FTO employed its Code of conduct in order to make its operations and employee behaviors more transparent. The company makes efforts to reduce its negative effects on the natural environment and increase Occupational Health and Safety of employees. In 2011 and 2012, the Institute for Private Enterprise and Democracy (Instytut Badań nad Demokracją i Przedsiębiorstwem Prywatnym) and National Economic Chamber (Krajowa Izba Gospodarcza) awarded the Fair Play Certificate to the company.

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