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It was ten years ago, when I had made my first mistakes as a manager. I started thinking about the future challenges I could face in this role and how to solve or avoid any problems. I started wondering how I could effectively lead people in my future roles. One question that seemed the most challenging at that time was: 'what motivates people'? This has been relevant for me through my last ten-year journey as a manager in different organisations. I have worked in the police and other public companies, and then I made a switch to the private sector. People believe that public and private sectors are very different. However, I have served half of my professional career in the public sector and the other half in the private sector, only to realise that the challenges of managing people remain the same and so do the principles. In my current position as Managing Director at Thorgate, I have practiced the most efficient and detail-oriented way of people management.

Introduction

Quantity of information determines the quality of decision at Thorgate, so we love to equip our team with information and knowledge. Our main goal is to inspire each other and so we have created a system where flow of knowledge or information among us is smooth and guaranteed. It is important to keep everyone aligned with the organisation, team and personal goals.

The goal is to build a leadership pipeline to make the process of promotions within the company more like a logical evolution than leading it into crisis. Promoting a person from their current role creates a shock for the organisation if there are not enough substitutes. To manage that risk of no substitutes we need to have a system for people's professional evolution. Through that system, the company can get an overview of the risks inside and is able to mitigate them early on.

On one hand removing risks as early as possible is cost efficient and keeps away larger problems and on another hand promotion of people doesn't cause any crisis when people move inside or outside the organisation.

The System

There are 3 key activities

- In the beginning of the year we set goals and objectives;
- Progress will be reviewed during monthly one on one meetings;
- Annual People Development forum.

As someone joins the organisation, the first thing we do is having a personalised onboarding plan to follow through within the first 3 months. We start onboarding even before new hires come to the office. We prepare tools including physical and digital office space for the new member. Our goal is that the new member of our team feels valued from the very first moment. When we start personal onboarding, we set a clear plan for the first day, first week and the first few months to come. During the orientation period we help people set goals and milestones that are S.M.A.R.T. These goals can be revised every year to set new goals for a new year. One essential thing we do at Thorgate is that we assign a mentor to everyone who joins. This mentor guides the team members on how to put personal development at the fore-front.

Goals and milestones that we set include the following:

- Strategic organisation level goals with key result areas and KPIs for the person in focus;

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- Team goals, milestones and the budget required to achieve them;
- Personal goals and how they align with the key areas of team goals and organisation goals.

During monthly 1on1-s we cover personal growth and achieved milestones. The most important part is to discuss what people felt while executing their tasks and what they saw as an outcome. Also looking at their feedback and actively listening to what they think now about their career aspiration is what personal mentors do.

I value our 1on1-s because through those sessions the management gets so much valuable information about people's perspective, who they really are, what inspires them, how they see the future and most importantly how we as an organisation can help them succeed. The effort trickles down to the team as every team leader discusses the personal and professional aspirations of their team members and how Thorgate can help them with those aspirations.

Our system helps us to know our people, their strengths and their career aspirations. Therefore, when the management needs to grow the company, we have the right information at hand about who to put in charge and who are team member candidates. The constant development of each person in their role also helps us and themselves understand if they would like to choose to grow in a specialist role or a leadership role. The flat hierarchy within Thorgate facilitates growth and development of people as it fits them. This benefits the organisation by mitigating the risk of having one key person absent, making the culture at Thorgate more flexible towards extra vacations, sick leaves, military service leave, maternity/paternity leaves and anything that may be required without having to lose a vital team member.

Following the monthly people development process leads us to the annual peak event - People Development Forum (PDF). PDF is an annual event where we get a wider view from the people in the organisation represented by each team leader. We discuss our strengths and development areas, personal growth, communication within the company, our growth plans, and we also give and receive feedback.

The PDF session provides information about people's performance, progress and what challenges they face on the road and sometimes how they cope with different situations. This helps us understand our people and set forward-looking ideas to lead the company as a whole. The whole process gives me information about what people we have on board and which dreams we have in our organisation. As a top manager I do not interact on a daily or weekly basis with everyone in the organisation, but I still know them and their career aspirations by heart thanks to our people development system.

After the annual process of people development, we see it beneficial to discuss people's salary changes according to their annual progress and it helps us align similar roles with similar salary levels. It helps managers to provide open and honest feedback to their team and everyone can see how their actions affect their benefits.

Another important factor in people development is taking care of the key players. Thorgate is willing to engage more key players with the company and make them part of the family by providing them options schema where after a vesting period they become partners of the company.

We use specific management tools and meeting formats to do people development in a smart way, to track our growth, what we do and share this efficiently. As mentioned, we have monthly one-on-one meetings between the line manager and team members which are also explained later. We also use [Clanbeat](#) which is a personalised growth support tool. Other than

that we have regular stand-ups to increase employee engagement, team overviews and PPP (progress, plans and problems) meetings to track progress, year-on-year reviews to keep our goals in aligned.

Why people development is essential for our success

We believe that one requirement for an employee's personal development is the need for a safe playground or supportive environment provided by the leaders. Experience comes with learning on the course and providing people an environment where learning is truly valued, but it is not always the easiest to reach at first. However, this helps companies to start training their future leaders, allowing them to take small steps forward, all while making some mistakes in a safe environment where they get constructive feedback about the process, and the outcome. This is the method we are fond of adopting at Thorgate.

We like to carry out these methods in the leanest way possible. We might want to give a small exercise to our team members as an initial taste of the future once they get promoted. It is true that these methods might provide opposite outcomes at times, for instance one of the trainees shares his/her thoughts after the first or second assignment that they are not ready for the job or they do not want to grow in a specific role. From our perspective, this is very good to have come out in the initial stages of development and we are happy that the person is honest. When a person who has not been promoted yet and has not given any promises to his/her network, tells us that he/she cannot take on a new role or scale up their role, we do not have to turn the wheel back.

This small exercise has helped Thorgate to mitigate the risk of "*Peter principle*". According to this principle, '*In a hierarchy every employee tends to rise to his level of incompetence*'.

We invest (time, people, money) into persons development and get positive outcomes anyway. If we would understand after a promotion that the person is not capable enough to fill the position, this would be a bigger loss for us in terms of money, time or even people we might lose. In a company where our most valuable asset walks out every evening after a work day, we need to make sure that they will return the next morning! Today, people move freely, and the leader's job is to keep them engaged and provide them the environment they would like to see themselves in.

Thorgate rituals

Rituals are a powerful driver of culture. We have thoughtfully designed and nurtured our cultures to reinforce the Thorgate values in our everyday work life. Companies practice rituals of all kinds - celebration rituals, eating rituals, storytelling rituals. Why are they important? Rituals engage people around the things that matter most to an organisation, instilling a sense of shared purpose and experience. They spark behaviours that make the work and the company more successful. At Thorgate we have tried and tested many rituals to see what works best for people's development in specific. We kept in mind our values and unique purpose before we evaluated what were the things that can help us deliver on those. It was also important for us to think about what will make these rituals stick and why will people want to participate.

One-on-One meetings

An important event for every employee at Thorgate is a one-on-one meeting every month. We follow a fixed format, talking about the highs, lows, goals and feedback of the person in focus. This works for every role in the organisation. On average these can last anywhere between one to three hours depending on the content of discussion and the relationship between the team

member and his/her manager. One-on-one meetings help team managers understand each and every team member, guide them in line with the company ambitions, see where they can be facilitated by the company and create a two-way feedback stream. Some interesting parts of this meeting are for the person in focus to be able to set a goal for their manager, or to discuss personal goals. These meetings help us go over all our motivations and grievances in detail.

Work Free Work Days

Every month, we have one Work Free Work Day, where everyone can work on whatever they choose. They can read a book, take a class, or work on a personal project - anything they needed time for. I have often seen people learn new tools, read a book or work on their own personal apps or projects that they like. This equips them with more knowledge on their job and helps them get better at what they do. Even though that means we lose one working day a month, it is actually a big gain for us in terms of constant self-learning and development of our employees.

Knowledge Sharing

Every week, we have 30-minute knowledge sharing where we talk about everything from new trends in tech to mental health. We encourage one of us to be doing these knowledge sharing events, but we often invite external partners to deliver presentations on specialised topics. This is a very helpful activity for us. An example of how it benefits us is that if we were to send one or two employees to a particular conference or training, and they come back and deliver a knowledge sharing for the rest of the company, this in some ways helps us make training or the reach of knowledge to each employee extremely efficient. However, our knowledge sharing sessions are not restricted to presentations about recent training we have attended or a book we have read. We organise regular sessions on mental health, how to maintain work-life balance, something one of us learns about in their role, or even a presentation about the country you are from. Once a week, we get to learn about a completely new topic, and this has been very effective as a personal development ritual for us.

Team Training

We host regular team training events throughout the year; however, we have 4 compulsory training events that are bigger than others. We start the year with winter days where we deliver training and workshops about the company goals, foundations, culture and values. This is important for us to re-align with our vision at the beginning of every year. In the second quarter we organise a training or workshop around personal goal setting, helping team members set goals for their personal development in their role. The third quarter usually has a bigger training around topics like communication, time management, stress management, etc. We end our year with training on future trends in innovation to help us plan the upcoming year.

Hackathons

Doing the right thing is more important than doing things right. Twice a year, we host an internal hackathon for our people to work on their idea, or a side project in a team helping them create what they want and learn while they are at it! Hackathons have brought us a lot of good things like "Waybiller", an e-waybill software that we created during one of our recent hackathons. It is now a successful spin-off for Thorgate.

Personal Mentorship

Every new member at Thorgate is greeted by a personal mentor who is happy to guide along the way helping them grow to their best self. A personal mentor can usually be your own manager, unless someone specifically asks for another person. The role of the mentor is not

only to facilitate the general career growth of the team member but also mentor them in their personal growth such as acquiring certain life skills that can help them in their career and other ways.

Team Retros

The goal of the team retros is to sync everyone's week. Every Friday we have team retros where everyone tells their positives and negatives from the week. We celebrate the positives together and then brainstorm on how to solve any problems that are brought forward or avoid any problems similar to what a team member faced during the week.

PPP Meetings

Another weekly ritual we have is a PPP meeting. The format of the meeting is that we discuss progress, plans and problems. A normal PPP meeting is a short overview given by each team member to their manager about their accomplishments or progress at work, plans for the coming few weeks and any problems that need attention.

Team Overviews

We also have monthly team overviews for the rest of the company. These are sales overview, efficiency overview, and events overview. As the name suggests, the head of business development shows sales and marketing metrics and performances of individual team members, as well as their accomplishments from the previous month. As for the efficiency overview, this is done by the CTO/COO, with metrics related to the work put in by the engineers, smart working and project satisfaction. Events overview is led by the culture officer, and usually talks about the company e-NPS (Net Promote Scores), past events' feedback as well as the company events in the pipeline. Another activity among the Monthly Friday overviews is 'Grilling the CEO'. This is to maintain utmost transparency in the company, where everyone is invited to send questions anonymously (or not - if they choose) to the CEO directly, and he answers those questions in front of the company. Most questions are about future plans, how to fix our mistakes and the general company vision.

Quarterly/Year-on-year reviews

As transparency and reporting are key in our work culture, we also look at the bigger picture each year, or mid-year. This means that we set goals for the upcoming year/6 months and we organise a presentation with the whole company to discuss our progress on goals we set earlier, and what we want to do in the future. This really helps us stay aligned with the bigger vision while keeping each and every team member in the loop.

Feedback Loop at Thorgate

At Thorgate, we use the 3C's to make everything work: Communication, Communication and Communication! This is the biggest part of all our processes, concise yet clear communication. It helps us make our process lean and efficient. Communication is fundamental when it comes to managing people, and therefore, we understand that it is essential to set up a feedback loop. We have a few channels or processes set up for a two way feedback flow.

Client Feedback

We use the Customer Satisfaction Index (CSI), which is an attempt to measure how satisfied customers are with the performance of Thorgate on their projects. The more satisfied our clients are, the more likely they are to stay with us. We create and carry out a customer satisfaction survey which touches on many angles of a client's satisfaction ranging from their communication with the project manager to the quality of work delivered. Regular client

surveys help us trace or troubleshoot problems that the client might be facing. The CSI is feedback for the whole team on how they are doing as a service company.

Team Feedback

It is extremely important for us to get feedback from the team about what we are doing right or wrong, and to keep our employees happy. As discussed earlier, our employees happen to be our biggest asset like all service-providing companies. To gauge team happiness, we use e-NPS. It is a method for measuring how willing the employees are to recommend their workplace to friends and acquaintances. The major benefit with the e-NPS is that it is a quick and easy way to get an overview of how loyal and engaged a company's employees are. For us, it is an excellent over time measurement metric that gives us the possibility to see if different factors affect the employees over e.g. a year. The method is much appreciated among both managers and employees because of the short format, which makes it very time effective. We also include optional questions in the feedback form about anything we did well in the previous month, or anything that needs to be improved or corrected. These comments usually give us a direction or reasoning behind the scores. Luckily, Thorgate has managed to maintain an e-NPS which is higher than industry average.

Manager Feedback

Even though One-on-One meetings at Thorgate are an opportunity for the line manager and the team member to give feedback to each other, this is where the team member is in focus and they get relevant feedback about tasks they have completed, what can be improved or where they've performed really well. Mostly this feedback from the line manager to the team member gives them a motivation boost, a direction as well as, a warning when needed.

Intra-team feedback

It is also very important for us to have intra-team feedback discussed. To enhance collaboration among a team, they should be able to discuss among themselves what is okay and what is not. We have daily stand-up meetings which last an average of 5-15 minutes. The purpose of the stand-up is to talk about what we're working on that particular day, if we need help from our team members or if there's anything that needs attention.

What is Thorgate?

Thorgate is a group of IT and growth companies aiming to change the world with technology. Founded in 2011 and assembled in 2014, Thorgate is helping forward-thinkers through access to the ecosystem, digital products, and venture funding.

Today we have 3 offices in Tallinn, London and Oslo, 40+ employees of more than 10 nationalities and a thriving culture that makes us the best Python development company in the Nordics.

As mentioned, the company has created an entire ecosystem around technology where we assist other businesses in creating efficient digital products only to later invest the revenue created into other ambitious teams with great product ideas and the knowledge gained into young Python enthusiasts.

However, everything we do, we cannot do it without people. This ecosystem that we have created which is driven by technology, and is driving new technology, actually has people who are passionate about it at its core. As leaders in this environment, our job is to take care of our people.

Why is culture important for Thorgate?

Every company has a culture, whether they know it or not. Therefore, we chose to observe and steer ours. Thorgate culture is the perfect balance of young energy and strong stability!

Our culture is the underlying structure, the code of conduct that explains how we behave. Thorgate has been focused on engineering a productive culture within the company because we value our people, our partners and our investees. A positive work culture is what helps us attract top talent, retain and develop our people and deliver quality products. This is demonstrated by the fact that the voluntary people turnover at Thorgate is less than 5% a year, which is remarkable for the IT industry.

Thorgate Culture

Our slogan “We think people, not products” is what drives our cultures. The foundation of this culture is our company values. The values also derive an acronym which is the name of the company. We are, and always aim to be **Trustworthy, Hungry, Open-minded, Resourceful, Great, Ambitious, and a Team that makes an Effort.**

A main element of our culture is that people always come first. This is why we are a small company and aim to keep it this way as it helps us think big, act fast and take care of everyone. Our team is full of passionate people who aim to bring value to this world with what they do. We recognise that building great companies and building great culture is a team effort, so we are driving our culture together as the collective personality of our organisation!

Our Key Strengths

At Thorgate, we have a variety of qualities due to the diverse capabilities of our team. However, we focus on a few and let them be the integral force in our culture.

Firstly, **we are rich in knowledge.** When it comes to product development, we have most probably ‘been there, done that’! We have worked on an array of complex projects and experience is our strength. We are part of communities like the Technopol Science Park, Python Estonia, and Start-up communities. Moreover, we work on a diverse range of products making us abundant in knowledge and information that can make a start-up successful!

Then, we do not just talk about the **strength of diversity**, we act on it! We have a diverse team from around the world, from different age groups, different educational backgrounds and different life experiences. Together we are a mesh of creativity, fresh perspectives, and great ideas.

We are bold, brave, and execution oriented. We do not just come up with ideas, we are bold and brave enough to actually execute them. At Thorgate we have hackathons where we come up with smart product ideas, and some of them are sustainable businesses today such as [Waybiller](#) which provides an e-waybill software that allows companies to make digital transformation from paper waybills to e-waybills.

Lastly, **we have a great community.** Thorgate is a community of forward thinkers, that include the tech-driven teams we invest in, the smart and efficient companies we build the products for and the many Python enthusiasts that join us for regular Python Code Club sessions and annual [PyCon Estonia](#) conferences. This is a community that is building the future brick by brick, and we are the proud pioneers and the glue of this community!

Conclusion

In the end, what I believe makes a good manager or leader is the passion to manage people. A company leader who is passionate about their people i.e. the employees, the customers and the partners will tend to create a work environment where all three stakeholders are able to flourish and do their best work. To have a people-centric work environment it is very important to pay attention to detail, prioritise your goals and create activities or processes to execute an action plan.

For effective leadership that leads to efficient people development and management it is very important to set clear objectives. Too many initiatives is the same as having no initiatives: with a little luck and a lot of persistence one might actually get two things done in a year. Choose what seems like too few initiatives and when they are done.

My experience at Thorgate has definitely made something clearer that I was already aware of which is that there is always more feedback necessary than you might think. Keep communication at the centre of all your processes that aid you in managing your people in the best way. Communication means all kinds of feedback, constructive criticism, a motivation boost, as well as alignment with the company's vision and goals. One-on-one feedback sessions tend to be the most effective and efficient form of communication in every team. Without enforcing a strict feeling of hierarchy, it is easy to have every team member in focus regularly for a one-on-one meeting that would help managers enable them in their jobs.

Some may think about the costs to maintain the people development system. In my experience it has given us the freedom to speak up and with the person who can actually initiate the change and in the end of the day keeps management overhead at minimum level.

All our rituals, processes and elements of our work culture do put transparency in the centre. As a leader, in addition to enabling your people to do their job you need to create a sense of purpose for your people, providing reason and context for their work. Then there is our innate need to know what is going on around us, so let your people know what other parts of your business are doing, only then will they feel like a part of the business. Open communication without any hesitation towards certain roles such as CEO, creates passion and energy within team members.

All this obviously requires an investment in terms of time, planning and money. However, the results which come in the form of an extremely talented team, improved work efficiency and great feedback make it worth all of it.