

Applying Bata Management Principles to Optimize Operational Efficiency: A Case Study of FlyBy Trans s.r.o's Market Expansion

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Zásady pro vypracování

Úvod

Definujte cíle práce a použité metody zpracování práce.

I. Teoretická část

- Na základě kritické literární rešerše charakterizujte zásady Baťova managementu.

II. Praktická část

- Charakterizujte podstatu a podnikatelské aktivity společnosti FlyBy Trans s.r.o.
- Analyzujte a zhodnotte vztah mezi uplatňováním principů Baťova managementu a finanční výkonností a konkurenčním postavením společnosti FlyBy Trans s.r.o.
- Na základě rozhovorů s vedením společnosti vypracujte projekt na zlepšení provozní efektivity, spokojenosti zákazníků a udržitelného růstu na novém trhu společnosti FlyBy Trans s.r.o. prostřednictvím aplikace Baťových zásad řízení.
- Podrobně projekt analyze nákladů, času a rizik.

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ABSTRAKT

Bakalářská práce se zabývá aplikací principů řízení Tomáše Batiho na zlepšení provozní efektivity, spokojenosti zákazníků a udržitelného rozvoje společnosti FlyBy Trans s.r.o. na novém trhu. Teoretická část zahrnuje nejen historii, klíčové charakteristiky a moderní aplikaci Batiho principů, ale také současné metody růstu společnosti, udržitelného rozvoje na novém trhu a zlepšování efektivity a konkurenceschopnosti. Praktická část zahrnuje analýzu současné situace společnosti FlyBy Trans s.r.o., její organizační struktury, portfolia služeb, procesů řízení a problémů, se kterými se společnost setkala při vstupu na pražský trh. Na základě SWOT analýzy, Porterova modelu pěti sil a rozhovorů s vedením společnosti byl vypracován projekt obsahující návrhy na decentralizaci řízení, zavedení bonusového programu pro řidiče, zvýšení úrovně automatizace a zlepšení kvality služeb.

Klíčová slova: Tomáš Baťa, principy řízení, FlyBy, provozní efektivita, decentralizace, automatizace, orientace na zákazníka, účast na zisku, udržitelný rozvoj, agregátor dopravy

ABSTRACT

The bachelor thesis explores the application of Tomas Bata's management principles to improve operational efficiency, customer satisfaction, and sustainable development of FlyBy Trans s.r.o. in a new market. The theoretical part covers not only the history, key characteristics, and modern application of Bata's principles, but also current methods for company growth, sustainable development in a new market, and improving efficiency and competitiveness. The practical part includes an analysis of the current situation at FlyBy Trans s.r.o., its organizational structure, service portfolio, management processes, and the problems the company encountered when entering the Prague market. Based on a SWOT analysis, Porter's five forces model, and interviews with management, a project was developed containing proposals for decentralizing management, introducing a bonus program for drivers, increasing the level of automation, and improving service quality.

Keywords: Tomas Bata, management principles, FlyBy, operational efficiency, decentralization, automation, customer orientation, profit sharing, sustainable development, transport aggregator

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INTRODUCTION

In a highly competitive environment, companies must continuously improve their efficiency and adaptability. This is particularly relevant for aggregators such as FlyBy Trans s.r.o., which operate in the intensely competitive taxi services market. In a context where decentralization, automation, and customer orientation are becoming key competitive advantages, Tomas Bata's management principles may be more relevant than ever.

This bachelor's thesis explores the application of Bata's management principles to improve operational efficiency, customer satisfaction, and the sustainable growth of FlyBy Trans s.r.o. in the Prague market.

The relevance of this thesis lies not only in the fact that FlyBy Trans s.r.o. faces limited financial resources, high competition, and management challenges, but also in the lack of research on the application of Bata's management principles in the work of taxi aggregators.

Although many modern decentralized companies unconsciously apply some of Tomas Bata's principles, deliberate use of his model remains rare. This thesis aims to fill this gap by answering the question: how, and to what extent, can Bata's management principles be implemented in FlyBy's operations?

Thus, the aim of this thesis is to provide specific recommendations for implementing Bata's principles in the operations of FlyBy. The proposed project is expected to increase operational efficiency, improve service quality, and strengthen the company's position in the highly competitive Prague market.

OBJECTIVES AND METHODS OF THESIS DEVELOPMENT

The purpose of this bachelor's thesis is to describe the essence and activities of FlyBy, as well as to analyze and evaluate how the application of Bata management principles affects its financial results and market position. Based on interviews with management, a project will be developed to improve operational efficiency, customer satisfaction, and sustainable growth in a new market through the implementation of Bata management principles. The project will also be subjected to a cost, time, and potential risk analysis.

Internal company materials and interviews with management were used for the analysis. The SWOT analysis and Porter's Five Forces model were applied as analytical tools.

I THEORETICAL PART

1 PRINCIPLES OF BATA MANAGEMENT

1.1 Historical context and development

Tomas Bata, a Czech entrepreneur, was born on March 3, 1876, in Zlín. Tomas took his first business steps at the age of six, starting to make miniature shoes. (Rybka, 2017).

From childhood, his father taught his children how to earn and manage money on their own, which gave them practical skills in budget management and capital accumulation. By the age of twelve, Tomas already knew how to earn money. (Bata, 1992).

Antonín Bata, the head of the family, sold shoes at fairs, involving his children. As a result, at the age of fourteen, Tomas decided to leave school and join his father as an apprentice. (Bata, 1992). A year later, at the age of fifteen, he decided to start his own business (Bata, 1992).

After arriving in Vienna, he opened a workshop on his own, but he chose an unsuccessful strategy and failed (Bata, 1992). “He did not know the city, the market or the language, and instead of selling goods gradually, he kept on producing until he found out that his goods were unsaleable” (Rybka, 2017).

Upon his return to Zlín, he resumed his sales activities (Bata, 1992). “But I did not like selling at fairs anymore. I saw too many disadvantages in it. So I listened very carefully when market men talked about delivering their goods to Prague” (Bata, 1992). After traveling to Prague, he returned with an impressive number of orders, having discovered a new market (Bata, 1992).

On August 24, 1894, seventeen-year-old Tomas Bata, together with his brother Antonín and sister Anna, founded a company with a start-up capital of 800 guildens. The company was registered in the name of Antonín Bata and operated under the same name. They introduced twelve-hour work shifts and weekly wage payments, which was extremely unusual for small businesses at the time. (Bata, 1992). Nevertheless, “the enterprise did not thrive as they set about establishing contacts within high society instead of concentrating on their business” (Rybka, 2017). “Our one-year independence thus ended with the loss of the entire invested capital of 800 guildens, besides that we also managed to squander about 8000 guildens of our creditor’s money” (Bata, 1992). “On top of all that, Antonin had appended his name as a guarantor on a 20,000-gulden promissory note” (Rybka, 2017). Bankruptcy was considered inevitable. However, Tomas got out of this situation by taking responsibility

and paying off all creditors. This experience made him realize that bankruptcy was a matter of honor and morality. It was then that some of the thoughts that later became the basis of his philosophy were developed. (Bata, 1992).

Tomas Bata's introduction to machines took place in 1895 during a trip to Frankfurt. In the same year, the first machine was bought, the first factory was built and 50 workers were hired. In the following years, the company expanded rapidly and was soon renamed T. & A. Bata. (Bata, 1992; Rybka, 2017). "At the end of the XIXth century and the beginning of the XXth century, the Bata Company was among the first shoe manufacturers in the world. In less than ten years after its establishment, by using skilled workers and modern equipment combined with innovation, the company produced around 2,200 pairs of shoes daily" (Toma and Marinescu, 2015).

In 1904, Tomas Bata made his first trip to America (Rybka, 2017). In contrast to Bata's approach, where workers performed a wide range of jobs, in America conveyor production with a clear division of labor prevailed (Bata, 1992). Influenced by the ideas of F. W. Taylor and G. Ford, he decided to mass-produce affordable shoes for all segments of the population (Košíková, 2010 cited by Toma and Marinescu, 2015). This was also when his idea of self-management appeared (Bata, 1992). In 1908, after Antonín's death, Tomas Bata became the head of the company, renamed A. & T. Bata (Rybka, 2017).

With the advent of the First World War came the realization that the products in which Bata specialized, namely light domestic footwear, were no longer needed (Bata, 1992). Thus, "after much effort, he managed to gain the order for 50,000 pairs of shoes..." from the army. (Rybka, 2017). In 1917, the company produced 10,000 pairs of shoes daily with the help of 5,000 employees, reaching record production volumes. Despite the high demand, Bata insisted on maintaining pre-war prices, which was incomprehensible to most entrepreneurs. In 1922, he cut the prices of all products in half, which led to a steady growth of the company and allowed it to expand production to 50 factories in Zlín and 20 in Otrokovice. (Bata, 1992).

In 1924, the profit and loss sharing system was introduced (Rybka, 2017). The project quickly proved its effectiveness: even those who were initially distrustful of the idea soon began to think about how to avoid redundancies, produce better and earn more (Bata, 1992).

In 1925, the workshop autonomy program was introduced as an extension of the profit and loss-sharing system (Bata, 1992; Rybka, 2017). It was believed that workshop autonomy

was not only more profitable but also more efficient, as no one knew the processes, difficulties, and pitfalls of the department as well as the people who worked in it (Bata, 1992).

In 1927, Tomas Bata “introduced assembly line manufacture of shoes: the most rationalized production line in the world”, for which he earned the nickname “European Ford” (Rybka, 2017). “A jump in annual shoe production resulted, rising from 9 million to more than 15 million, equivalent to a 75% rise; however, the workforce only increased by 35%” (Rybka, 2017). The conveyor belt made shoe production more efficient, and standardized, reduced costs, and increased workers’ wages and living standards (Kudzběl, 2006).

Despite being a young country, Czechoslovakia was one of the largest exporters of footwear, on par with Great Britain, the United States, and Germany (Toma and Marinescu, 2015). “...the Czechoslovakian shoe industry became first in the world in exporting leather shoes, keeping this position from 1928 up until the beginning of World War II” (Kudzběl, 2006). Bata played a key role in this success. It became a large, advanced company that controlled 77.8% of the domestic market, exported 71.7% of the footwear produced in the country, and was the leading footwear manufacturer in Europe. Moreover, Bata began to actively enter international markets. (Kudzběl, 2006). Thus, “...by the end of 1932, 666 new shopping centers had been opened in 37 countries” (Rybka, 2017).

In 1930, the company not only reached record production volumes, manufacturing 100,000 pairs of shoes, but also introduced a five-day, 45-hour working week (Rybka, 2017). Despite the shortened working week, both labor productivity and output increased (Kudzběl, 2006).

In 1931, “the Bata corporation was founded, and the public company of T. & A. Bata abolished” (Rybka, 2017).

On July 12, 1932, Tomas Bata died in a plane crash (Kudzběl, 2006). Despite this, his philosophy and management system continued to develop under the leadership of his half-brother Jan and subsequent generations, remaining one of the leading industrial management models of the 20th century.

1.2 Key characteristics

1.2.1 Workshop autonomy

Workshop autonomy, introduced in 1925, is one of the pillars of Bata's management system. Its most important theses were highlighted by Tomas Bata in the brochure "Wealth for All":

"In every department there is one leading personality responsible for the work, profits and losses of the department" (Bata, 1926 cited by Kudzbel, 2006).

Each factory was divided into separate workshops. "At the head of a building there was a caretaker – group supervisor – who was responsible for the failure-free operation of workshops and for making sure that the planned amount of shoes was produced on time and in appropriate quality" (Kudzbel, 2006). In addition, he was responsible for appointing the head workers, who independently managed workshops consisting of 120-180 people, controlling materials, finances, and the fulfillment of their workshop's production plan, while making sure not to exceed costs, as this reduced future profits. The career advancement of foremen depended on the quality of their work: successful management could lead to promotion, while failures could lead to demotion. In addition, each building had its own cost accountant and payroll clerk. (Kudzbel, 2006).

"Every department has its own account of profits and losses, accounted publicly every week" (Bata, 1926 cited by Kudzbel, 2006).

The company was divided into many departments, each with its own accounting department, foreman, and declaration. Since the foreman's job was to produce the planned number of shoes for his workshop, he prepared weekly departmental reports, keeping track of how well his subordinates were meeting the plan. The results of the reports were openly published in the workshop so that each worker could calculate his own share of the total profit, which was immediately transferred to his account. Thus, bookkeeping made it possible to follow the production process in each workshop in real-time. It gave an accurate picture of the firm's financial position and the state of the workshop's assets in the form of raw materials, semi-finished, and finished goods. This approach did not simply record past transactions but provided an up-to-date picture of production at any given time. (Kudzbel, 2006).

"The foreman and some of the employees share the profits of the workshop" (Bata, 1926 cited by Kudzbel, 2006).

Workers understood that their earnings depended only on the quality and quantity of the work they performed. “Through the active approach and the inputting of various improvements it was possible to achieve higher effort and profits” (Kudzběl, 2006). This model was used at all levels of the firm and was applicable not only to ordinary workers but also to the management of the company. First of all, electricity, water, repair, and other production costs were deducted from the workshop’s income; the rest was the revenue or loss. Even then Bata created a transparent system, nowadays called “Open Book Management”, which allowed each employee of the company to independently monitor the financial condition and development of workshops, departments, and the company as a whole, as he considered it the key to success. Thus, all workshops and departments worked as separate shoe manufacturing enterprises, and their relationships were defined by contracts that contained rights, obligations, budgets, and other equally important points. In the case of profit, 75% “...were shared among the foreman and his workshop employees according to the credits”, and 25% were shared between the head of the building caregiver and the management of the company, part of which went to the depreciation of the equipment and the building (Kudzběl, 2006). And so, it was with each workshop. A caregiver could also fail to manage the workshops, which resulted in losses exceeding the profits. In such a case, he had to be replaced by another employee, after stepping down from the position. This, however, rarely happened, as most caregivers were successful in their jobs. (Kudzběl, 2006).

“Every worker in the workshop is personally responsible for the quality of his own work” and “The whole department tries to perform work of the highest quality” (Bata, 1926 cited by Kudzběl, 2006).

“Bata was aware that the initiative of employees depended on the reward for their work and that is why he looked for ways to motivate them to higher intensity and quality of work” (Kudzběl, 2006). Thus, through the autonomy of the workshops, he tried to instill in his employees an economic mindset aimed at making a profit, thus making them entrepreneurs. Under this program, each department bought the materials it needed from another department and, at the end of production, sold the finished product to the next department at predetermined prices. If the product was of poor quality or was found to be defective, the buyer could demand a discount or refuse to accept the goods, which in turn was a loss that reduced the department’s overall profits. “In all of Bata’s concern there was a rule of not continuing low quality work, which made delivery departments produce items of the highest quality and the purchasing departments to explore thoroughly the quality of delivered

materials and semi-finished products” (Kudzběl, 2006). Moreover, Tomas Bata saw poorly performed work as a reflection of a person’s character — his vice — believing that such an employee would not be able to carry out his duties properly and conscientiously. In the future, the internal control system proved its effectiveness many times over, receiving high marks and positive feedback about the shoes produced by the company from customers all over the world. (Kudzběl, 2006).

1.2.2 Profit sharing by the employees

The program was introduced in 1924 to reduce production costs and the cost of finished products, as well as to increase workers’ wages. Bata sought not only to sell cheap shoes but also to fairly compensate people for their work. Then, “he organized a clear system of remuneration of employees whose wages depended on the effort and quality of work. Absolutely new was profit sharing by the employees according to the economic results of their workshops” (Kudzběl, 2006). The idea was that each worker could independently calculate their share of the profits, which in turn would motivate them to work harder and more efficiently. Equally important was the aspect that profits should be calculated in short intervals — once a week, which also encouraged workers to work more efficiently, as they could see the results of their labors immediately. (Kudzběl, 2006).

The first attempts to introduce the system were made in 1922. At that time, the program was extended to one department, gradually growing and expanding throughout the company. Under it, the leaders shared the profits while the company covered the losses, which, however, did not bring the desired results. Later, in 1924, in addition to profit sharing, loss sharing was introduced, making it the program we know today. Thus, the top management of the company, in the form of caregivers who managed entire buildings, also participated in the sharing of the losses incurred in their department. “To safeguard interests of the company, every such employee had to deposit, on his personal account in the firm’s bank, a fixed amount of money, which represented a reserve in case of a loss” (Kudzběl, 2006). This principle helped distinguish those capable of being managers from those who were not. A manager, realizing that he did not have enough skills to cope with this kind of work, would soon withdraw, asking to be transferred to a less demanding position, and his place would be taken by someone else. Thus, the leading positions were occupied by people with experience in economics and savings. (Kudzběl, 2006).

Before the introduction of the profit-sharing system, “there were big losses when using the previous reward system because workers were concentrating only on their own profits and did not care about other workers’ trouble-free completion of the already started work” (Kudzběl, 2006). In this way, by introducing this project, Bata aimed to awaken employees’ interest in achieving fast and flawless results at the department level, while saving as much material as possible (Kudzběl, 2006).

Bata divided the company into hundreds of departments, each of which functioned independently. The loss of one department had no effect on the profit of another. All the departments worked according to a weekly plan drawn up in advance by the factory planning department. Thus, they resembled separate businesses selling semi-finished goods to each other, but at predetermined interdepartmental prices. Variable costs that the department could influence (such as energy and wages) were deducted when calculating profits, while fixed costs outside its control (such as taxes) were excluded from the total profit calculation. Thus, savings above the plan increased the department’s profit, while additional expenses decreased it. (Kudzběl, 2006).

“By using this system, the management of the company was instantly informed about the state of production in every department and it enabled employees to immediately control the results of their workshop” (Kudzběl, 2006). It ensured a quick and rapid exchange of information, which allowed the company to respond quickly to any kind of change. About 30% of the workers participated in the profit and loss sharing program under six-month contracts that could be terminated at any time by either party. “Final accounting of profit sharing was always done at the end of the half-year term. Rewarded workers could draw half of the share immediately, while the second half remained deposited in their personal accounts in the company bank as security for a possible loss in the next term” (Kudzběl, 2006). The remaining 70% of employees received a fixed salary. The system was introduced not only inside the company but also outside it. For example, Bata induced raw material purchasing agents, the fire brigade, and construction workers to participate in it. A similar system was introduced in his chain of stores, where the store manager functioned as an independent entrepreneur, empowering him to decide which models would be sold in his store. For each pair of shoes sold, he received a fixed amount of money, and it depended solely on his skills and abilities how many shoes he would sell, and how much he would earn. Subsequently, promotion and other indirect costs were also deducted from this amount. If a store manager fails to meet sales targets, he shares the loss with the factory. Thus, the

system required him to perform his work to a high standard and to be attentive to customers. (Kudzběl, 2006).

The profit and loss sharing program yielded results in the form of ever-increasing productivity, reduced material consumption, and fewer defective products, as well as a regular increase in the profit share, which amounted to 20-30% of the employee's salary (Kudzběl, 2006).

1.2.3 Continuous education

Against all odds, the company was not built on money, information, or technology; the secret of its efficiency lay in the knowledge, skills, and actions of its employees at the core of its success. It is safe to say that the company was innovative and well ahead of its time, as its principles are still relevant today, underpinning the world's leading enterprises. (Kudzběl, 2006).

Bata played a special role in the education of his subordinates. He saw it not only as an investment in moral development but also as a factor contributing to the improvement of the standard of living of the population. As a result, the Bata School of Work was established to help workers improve their skills, along with Saturday courses for foremen and workshop administrators. The main objective of these courses was to teach the art of earning money. In addition, the focus of education was also on learning foreign languages. (Kudzběl, 2006).

The Bata School of Work, a key part of the company's educational system, was founded in 1925. The course of study lasted 3-4 years under the guidance of the best teachers and tutors. Accounting, foreign languages, trade fundamentals, functional economics, budget structuring, and cash management were supported by practical application in the factories, as Tomas Bata believed that work was the best way to learn. "The young men and women were not allowed to receive any financial support from home and all their expenses had to be paid for with their own earnings" (Kudzběl, 2006). These earnings came from their work in the factory, as students had to learn to manage their own money by paying for accommodation, food, study materials, clothing, and so on. Teachers, in turn, "...monitored the amount of money the students saved because it was an important criterion for the student's final grade" (Kudzběl, 2006). This aligned with one of the key principles of management and Bata's philosophy of saving and prudent financial management. The best students of the school, nicknamed "Tomasovci", were also taught the customs of high society and good manners in addition to the core curriculum, thereby preparing them for entry into

leadership positions in the advanced organizations of the time. Due to the harsh conditions and high pressure, more than half of the students never completed their studies, giving up halfway through. However, those who showed fortitude, overcoming all challenges with dignity, were rewarded in a big way: an education with an emphasis on practical training and a generous savings account. Eventually, graduates of the school found their place either in management positions at Bata or in other sectors of the economy. (Kudzběl, 2006).

1.2.4 Innovation and automation

The funds received from the sale of finished products were relentlessly invested in the modernization of the factory buildings and the company's territories. Despite the fact that most of the equipment used in production was manufactured by the company itself, as soon as a new machine was introduced to the world, Bata ordered it and installed it in the company's buildings. Nevertheless, this was not enough, as Tomas Bata was keen to maximize the benefits of the equipment he bought. That is why, upon arrival, it fell into the hands of technologists, who studied the full functionality of the machine and suggested all kinds of improvements. Having first-hand knowledge of the matter, Bata bought only the best quality machines for his company. His factories were equipped with technology that met the highest international standards. In addition, the machines were maintained to the highest standards. (Kudzběl, 2006).

1.2.5 Cost control and the low-price principle

One of Tomas Bata's principles was low-cost production. To avoid losses, the scheduling department drew up production plans for all workshops and departments responsible for the production of a particular part of the final product, specifying the amount of material needed to produce N pairs of shoes. Raw materials were delivered to the factories in stages, as needed, thus reducing storage costs. Workers responsible for production, materials, and goods handling had to be experienced and knowledgeable in the process assigned to them, performing it as efficiently as possible and using resources sparingly, since a significant portion of the company's revenue came from material savings. (Kudzběl, 2006).

An equally important factor in this process was standardization — both of manufactured products and production equipment. Bata believed that the more components of the production process were standardized, the easier and cheaper shoe manufacturing would become, making the product more accessible to the general public. Producing most of the equipment itself, the company ensured standardization and easy replacement of

machine parts. Unlike most companies that dealt with problems as they arose — often at high cost and delay — Bata's company focused on prevention. Thus, machines were checked after a certain amount of time or quantity of production, preventing breakdowns. This approach to production equipment allowed for significant cost savings. (Kudzběl, 2006).

“The profit from one pair of shoes was about 25% of the cost. The profit margin of competitive companies was mostly about 50%” because for Tomas Bata it was extremely important that the shoes produced by his company were sold at a lower price than the competitors (Kudzběl, 2006). The goal was to continually lower the cost of the product by getting closer to the customer, realizing that a satisfied customer would return to buy the next pair of shoes. Although the markup on the sale of goods was small, the company's revenue grew steadily by increasing production and sales. “If the factory managed to produce shoes with lower production expenses due to lower raw material prices or work rationalization, it was immediately manifested to the sales prices” (Kudzběl, 2006). “But in the case of increasing raw material prices, Bata never solved the situation at the expense of customers and the guaranteed price remained low” (Kudzběl, 2006). Instead, he looked for solutions in reserves or improvements to the production process. In addition, Bata was already using a marketing technique that we are familiar with today: all the prices of the products he sold ended with the number 9, thus giving customers the impression that the purchased product cost 10 crowns less. (Kudzběl, 2006).

Thanks to this policy, the prices of goods were steadily reduced, and in a few years, it was possible to reduce the average price of a pair of shoes from 220 to 34 crowns (Kudzběl, 2006).

1.2.6 Social responsibility and service to society

In Bata's perception, business was not only a means of earning money but also an instrument of social influence. Thus, he sought to improve the standard of living not only for his subordinates but also for the entire population of the country. Moreover, he believed that taking care of the employees, their families, and the city was the direct responsibility of the employer. It was decided that, in addition to work, favorable living conditions would be provided. “The social care for employees in his company was probably the best in Czechoslovakia” (Kudzběl, 2006). The company built houses for employees, dormitories for students, department stores, a library, a company club, a hospital, cinemas, hotels, sports centers, and schools. In addition, the workers received high wages and the purchasing power

in Zlín was above the national average, because Tomas Bata not only set low prices for his products but also encouraged other entrepreneurs to reduce the cost of their goods, thus creating healthy competition. City residents and employees could shop at Bata's department stores, where prices were lower than in conventional stores and the shelves were stocked with basic food and essentials. (Kudzběl, 2006). "Bata also followed the principle of free trade without duties and fees in Zlín", which attracted entrepreneurs from neighboring towns and villages (Kudzběl, 2006).

1.2.7 Leadership, self-management, and flexibility

Tomas Bata described himself as "...a team leader at the firm, a worker very disciplined in every respect", promoting the cult of discipline in Zlín and being a living example for people (Rybka, 2017). In his view, self-discipline and order were at the foundation of everything (Rybka, 2017). He declared that "only the best is good enough for us", hiring top professionals, investing in their growth and development, and equipping factories with advanced technology to compete at the highest level (Bata, [20th century] cited by Kudzběl, 2006).

Bata was a true workaholic. He could not sit idle, was constantly engaged in various activities, and had an original approach to solving problems and tasks of any complexity. (Rybka, 2017). Tomas "...was purposeful, demanding of himself and coworkers, and paid no heed to feelings and weakness of any kind" (Rybka, 2017). The impossible did not exist for him. He always achieved his goals by seeing things through to the end and teaching them to his subordinates. In addition, he believed that working within one's capabilities was a sure path to success, innovation, and discovery. Therefore, he hired people who were able to find non-standard and creative solutions, and who were as passionate about their work as he was. (Kudzběl, 2006).

Bata encouraged his colleagues to learn in every possible way, considering education and training to be a valuable investment. He saw them as a way to improve the competitiveness of employees and achieve significant results, urging them to apply their knowledge for the benefit of the company and the country. (Kudzběl, 2006). In addition, his phrase "The day has only 86 400 seconds" fundamentally changed the perception of time among thousands of subordinates, encouraging them to consciously manage this resource, spending it on making money, learning, and creating a life (Bata, [20th century] cited by Kudzběl, 2006). The phrase "You can't jump up on the tower... you have to climb up the

steps” provided strategic insight that in order to achieve a goal, one must take steps in its direction every day (Bata, [20th century] cited by Kudzbel, 2006).

On his way, Bata faced many crises, which not only did not break him but made him stronger, nurturing in him an important quality for an entrepreneur — great adaptability. Thus, during economic crises, he reduced the prices of goods, changed the range of products, and introduced new strategies. One vivid example is the First World War, which made the production of civilian products no longer viable. Then he began to cooperate with the army by supplying soldiers. At the end of the war, he quickly rebuilt the factories and reoriented production to goods for the civilian population, which allowed Bata to stay afloat even in the most unstable times.

In addition, he always kept up with technological advances: while the bicycle was still an inexpensive pleasure, his company was already using airplanes. He also lived by the principle of serving people by providing what they truly needed, as evidenced by his famous phrase: “Our customer, our master” (Bata, [20th century] cited by Zelený, 2010). This manifested itself, among other things, in the production of cheap tires for bicycles and cars, far from his original activity, but meeting the needs of society. (Kudzbel, 2006).

Tomas Bata was an innovator who was already applying many methods and techniques that are widely recognized today, such as benchmarking, job rotation, and brainstorming (Kudzbel, 2006).

1.2.8 Global thinking and expansion

Tomas Bata actively entered international markets by exporting goods and buying or opening subsidiaries in different countries. These companies, in turn, opened their own store chains and built factories, operating on the same principles of self-management and decentralization as the parent company in Zlín. Despite strong resistance from a number of countries in the form of customs duties, import quotas, currency restrictions, and obstacles from local entrepreneurs and labor unions, Bata was one step ahead. Today, Bata is represented in the UK, EU countries, the Balkans, and Switzerland, as well as in Africa, North America, and Asia. (Kudzbel, 2006).

1.3 Modern applications

Bata’s business philosophy remains relevant, as the management system he developed meets modern requirements for socially responsible business. In addition to striving to make a

profit, Tomas Bata also aimed to solve social and environmental problems, which shows that the key elements of CSR were present in his philosophy even before 1945. Thus, Bata's management system anticipated many aspects of modern strategies, including corporate social responsibility, thanks to its structured and principled approach. That is why many modern companies seek to apply the principles of this system in their business activities. (Končítíková et al., 2013).

According to Končítíková et al. (2013), the key characteristics of Tomas Bata's management were formalized as the main elements of the pre-1945 model: business orientation to serve customers and society; treating employees as partners; introducing the principle of self-management at the level of production units; participation of employees in the distribution of profits and losses; the ability of employees to influence their own level of income; clear planning of career development; continuous training and professional development; providing social and medical support; mandatory savings and financial literacy training; and maintaining a balance between work, personal, and social life.

Končítíková et al. (2013) conducted a pilot study involving three manufacturing companies. In addition to the introduction of self-managed workshops, a model based on the key principles of Bata's management system was tested in the organizations. It included such areas as employee satisfaction with working conditions, improving the efficiency of work processes, optimizing workspace based on employee needs, increasing employee interest in their own work and the company's results, increasing motivation for learning and self-development, increasing economic literacy, improving the physical well-being of employees, and increasing customer satisfaction with the level of service. During the six months of the study, all tracked indicators showed improvements: from 17% to 46%, respectively.

Thus, despite some weaknesses identified in the practical application of the model, its implementation had a positive impact both on the company's internal processes and on its employees. Moreover, the most important condition for success was the support and sincere interest of business owners. (Končítíková et al., 2013).

2 STRATEGIC DEVELOPMENT AND EXPANSION OF COMPANIES

2.1 Methods of growth and expansion

Businesses can grow in many different ways, so choosing the most successful strategy depends on the goals set by the company's management, the resources the firm has, and market conditions and opportunities. Nevertheless, four main models can be identified: organic growth, which consists of increasing sales, entering new markets, and expanding the product range; accelerated growth, which consists of an acquisition or merger with another company; selling the business to another company or investment fund; initial public offering (IPO) on the stock exchange to attract investment for further expansion. (Bessant and Tidd, 2015).

However, the growth of a company is influenced not only by the chosen strategy but also by internal and external factors. Thus, according to research, fast-growing companies have younger CEOs who do not neglect modern technologies and demonstrate an innovative approach to doing business (Grundström et al., 2012 cited by Bessant and Tidd, 2015). In addition, such firms are more likely to expand the line of products offered and the scope of services provided (Grundström et al., 2012 cited by Bessant and Tidd, 2015). “The high growers perceived themselves as better than their competitors at understanding customer needs, offering better products, being agile but also at keeping costs low”, which in turn significantly increased their competitiveness (Grundström et al., 2012 cited by Bessant and Tidd, 2015). They also favored growth over profitability, market share over profitability, and reinvestment over showing profit (Grundström et al., 2012 cited by Bessant and Tidd, 2015).

Among other things, cooperation with other market players — such as scientific organizations, suppliers, customers, and universities — is important for the successful growth of a company. These relationships build the firm's “social capital”, facilitate the introduction of new products and services, strengthen network effects, and accelerate the company's growth. (Bessant and Tidd, 2015).

To achieve sustainable growth, companies use so-called growth motors. There are three types of growth motors: customer, viral, and paid. The customer engine is based on user retention and return: if the inflow of new customers exceeds the outflow of old ones, the

business grows. This growth can be accelerated by focusing on current customers — through frequent offers, favorable deals, and limited-time promotions. The viral engine works by bringing in new users. Efficiency is determined by the speed of product distribution and the number of new customers brought by each existing customer. The paid motor is related to investments in marketing and advertising. The key metrics are lifetime value (LTV) and cost per acquisition (CPA). If LTV exceeds CPA, the company's growth will be sustainable. If LTV is lower than CPA, growth will slow down. (Ries, 2015).

Equally important in the field of business management is the concept of 20 Mile March. Its essence lies in the disciplined, stable, and controlled growth of the company, regardless of external conditions and circumstances. Companies following this principle develop gradually, setting their own pace of growth and strictly adhering to it, avoiding sudden jumps that can lead to losses and instability. Thus, the 20 Mile March is a practical and effective strategic mechanism that requires consistent adherence. It helps companies to mitigate risks, adapt to change, remain stable in the face of uncertainty, and achieve success in the long term. In addition, sustained and predictable growth, increases investor and employee confidence and reduces dependence on external factors such as market crises and competition. (Collins and Hansen, 2021).

In addition to the above, companies should not immediately invest large amounts of money in a new project. Instead, it is recommended to test ideas with small test runs to find out the needs of society and minimize risks. Only after receiving positive results of experiments should solutions be massively implemented and invested in the most promising areas, as large investments without preliminary testing can lead to serious failures and significant financial losses. Trial tests, in turn, should be cheap, carry minimal risks in case of failure, and have low distraction in order to control the process and adjust the strategy as needed. (Collins and Hansen, 2021).

As companies grow, they face a variety of challenges that, if insufficiently addressed, can stall business growth. That's why it's especially important to focus on financial control, management skills, and experience — as company growth requires skilled employees. A clear transition, growth, or exit strategy is equally important because without a well-thought-out plan, a company risks stalling. (Bessant and Tidd, 2015).

2.2 Sustainability in new markets

Sustainable companies follow the Triple Bottom Line approach, seeing business as part of a larger system in which ecology, economy, and society are of equal importance. This encourages firms to seek and maintain a balance between all three. Beyond the obvious desire to make money, such companies must understand their purpose, recognize their impact on others, and measure success not only through profit but also through the benefits they bring to society and the environment. A sustainable product or service brings not only commercial but also social and environmental benefits. Thus, sustainable business enters into a dialog with the world around it, seeking to find a balance between profitability, societal interests, and environmental impact. (Bocken et al., 2014; Boons and Lüdeke-Freund, 2013). One of the reasons why sustainability continues to be actively promoted as an important factor in maintaining competitiveness is strict regulation, shortages of key sources of energy and raw materials, global warming, and growing societal expectations that are increasingly coming to the fore in the environmental, political and economic spheres (Bessant and Tidd, 2015; Bocken et al., 2014). Thus, according to Eurostat (2025a; 2025b), the market for green goods and services in the Czech Republic in 2022 reached 26.15 billion euros, employing more than 150,000 people. This confirms that progressive companies do not perceive sustainability as a limitation but as a source of innovation for doing business in a way that takes into account the interests of society and nature (Bessant and Tidd, 2015; Bocken et al., 2014). “Sustainability-oriented innovation involves making intentional changes to an organization’s philosophy and values, as well as to its products, processes, or practices to serve the specific purpose of creating and realizing social and environmental value in addition to economic returns” (Adams et al., 2016). “In particular, we can think of three stages in the evolution of SLI...” (Bessant and Tidd, 2015). It starts with simple improvements and ends with the search for new opportunities, as sustainable innovation not only brings technical improvements but also changes the logic of operation and the approach to the system as a whole (Bessant and Tidd, 2015). Thus, sustainable innovation has three directions: from technical to human-centered, from isolated to integrated, and from internal solutions to systemic change (Adams et al., 2016).

Sustainability does not always imply innovation in the traditional sense. For example, sustainable solutions more often require substantial adaptation of existing products or business models than the creation of something fundamentally new. (Kolk et al., 2014). Thus, for such solutions to work effectively, it is important to think not only about specific

companies and technologies but also about the structure of the overall system and how value is created within it. While sustainable innovations may initially seem unprofitable and unnecessary, over time they become profitable by reducing volatility and changing the business model itself in response to new laws or changes in demand. (Bocken et al., 2014). In addition, "...sustainability benefits are often only achieved through combining several approaches", which "...potentially limits research, education, and training in this subject area, and hence limits practical experimentation and implementation in industry" (Bocken et al., 2014).

Bessant and Tidd (2015) identify four areas of sustainable innovation. The first is product or service innovation, which includes the development of "green" products, eco-friendly designs with recyclability, and services that allow the use of goods without having to purchase them. All of these help in reducing consumption and waste. The second category is process innovation: more efficient production methods, optimization of internal processes and supply chain, as well as logistics that are less harmful to the environment. The third category is positional innovation, aimed at rethinking the company's philosophy: its positioning as an environmentally friendly and responsible firm, especially in communication with customers. Finally, paradigm innovation, which means a significant change in the business management system — for example, the transition from the production of goods to the provision of services and the beginning of a new business model. In this way, each strand touches on different areas of the business: from the products and processes offered to market position and business model change, thus showing that sustainability can be introduced at different levels — both in the form of small improvements to localized processes and through radical transformation of the whole enterprise.

Sustainability also affects the entire supply chain: suppliers are responsible both for their own operations and for their impact on the sustainable company, which they influence through their actions. Moreover, this kind of business motivates customers to be conscious, encouraging them to think about the impact of consumption on society and the environment. Thus, sustainability is an approach in which environmental, social, and economic goals become part of the business model benefits. (Boons and Lüdeke-Freund, 2013).

Bocken et al. (2014) identify eight archetypes of sustainable business models grouped into three categories of innovation: technological, social, and organizational. The technological category includes approaches aimed at resource efficiency, waste reuse, and replacing non-renewable resources with renewable ones. The social category focuses on

functionality instead of ownership, responsibility to society, and encouraging responsible consumption. The organizational category covers scaling sustainable solutions and reorienting business towards societal and environmental goals. In this way, archetypes help to embed sustainability at all levels of the business, from internal processes to market-adapted strategy.

Bessant and Tidd (2015) distinguish three levels of the sustainable innovation model: operational optimization, organizational transformation, and systems building. The principle of operational optimization — “doing the same things better” — implies compliance and improving efficiency, which leads to waste reduction, resource savings, and gradual improvement of the business without changing its model. Organizational transformation is based on the idea of “doing good by doing new things” — the company strives to create new products, services, and business models, as well as to address environmental and social challenges when entering new markets. As a result, shared value is formed, which leads to changes in the company’s goals. The key idea of the systems building level — “doing good by doing new things with others” — is to create products, services, and business models in partnership with other organizations. This stage allows the business to influence not only the market but also the rules of the game in the economy, changing the system and creating a positive effect on society and the environment.

In this way, the three-level model of sustainable innovation echoes the archetypes of sustainable business models described earlier. Thus, operational optimization corresponds to the archetype of the most efficient use of resources, organizational transformation to the archetype of providing functionality instead of ownership and reorientation toward social and environmental goals, and system building corresponds to the archetype of scaling sustainable solutions.

Thus, sustainability is about adapting to different countries and markets, since there is no universally applicable strategy. A business model becomes sustainable only when it takes into account the living standards and needs of people, infrastructure, and environmental attitudes in a particular country. (Kolk et al., 2014).

2.3 Competitive analysis and adaptation

If a company wants to remain competitive even in conditions of instability, and not just survive, it needs to develop the ability to quickly adapt to changes by effectively reallocating resources and simultaneously mastering new qualifications. Systemic adaptation implies not

isolated adjustments, but a complete rethinking of the entire business model: from raw material supply and product manufacturing to delivery of finished goods and communication with customers. This approach allows companies not only to stay afloat but also to strengthen their position in conditions of uncertainty, where the usual techniques no longer work. Market leaders are those firms that not only strive for sustainability but are also able to respond quickly to change — because it is the speed of adaptation that becomes an advantage over less flexible opponents. (Adams et al., 2016). As noted earlier, it is important to be able to adapt to a particular market with its own challenges and characteristics, as there is no one-size-fits-all approach (Kolk et al., 2014).

When competing with each other, companies are increasingly using resilience as a key part of their market strategy, turning it into a competitive advantage. This helps to gain customer trust and strengthen the firm's reputation in the market. (Dupire and M'Zali, 2018). Some companies use resilience primarily as a risk management tool: they comply with regulations and protect their reputation in order not to lose out to the competition (Adams et al., 2016). As competition increases, so does the need to address non-financial risks — such as reputational losses, social conflicts, and environmental scandals — whose effects are felt most directly in a competitive environment. Sustainability thus becomes not only part of market strategy but also a tool for mitigating potential damage. (Dupire and M'Zali, 2018). Other companies, on the contrary, see sustainability as an opportunity for innovation and a way to differentiate themselves from competitors, thereby gaining market advantage in the long term (Adams et al., 2016). Moreover, focusing on their own strengths, rather than trying to do everything at once, further strengthens a firm's image in the marketplace and enhances its competitive position. Sustainability primarily focuses on customers and employees, who directly affect the company's revenue, especially in B2C industries, where any deviation from expectations can lead to a loss of trust and competitive advantage. At the same time, environmental issues and supplier relations tend to receive less attention. (Dupire and M'Zali, 2018). Thus, sustainability is increasingly becoming a response to expectations and challenges from customers, competitors, authorities, and society, turning from a voluntary initiative into a necessary element of strategy (Adams et al., 2016; Dupire and M'Zali, 2018). At the same time, leading companies see addressing environmental and social issues not only as a manifestation of responsibility but also as a strategic investment to strengthen their market position in the future. This foresight and forward-thinking help them not only to adapt but also to be competitive in a fast-changing environment. (Adams et al., 2016).

Companies follow the actions of competitors and trends in other markets, adopting proven practices, which allow them to reduce risks, save resources, and implement new solutions more quickly. By observing customers, companies gain insight into future trends and adapt to changes in the market, strengthening their competitive position. In addition to external benchmarking, companies are also using customer ideas — launching pilot projects and refining them based on feedback. Open innovation and collaborations with other companies, startups, and universities are playing an increasingly important role. When entering different markets, companies should involve not only technological adaptation but also sensitivity to local specifics. (Bessant and Tidd, 2015).

3 EFFICIENCY AND COMPETITIVENESS

3.1 Process improvement and efficiency

Innovation is not a sudden idea, but a structured and step-by-step process that involves finding opportunities, assembling resources, developing the idea, and turning it into a tangible product (Bessant and Tidd, 2015).

Market demands and internal company challenges prompt not only the development of new products and services but also the revision of processes. Shortcomings and dissatisfaction with performance signal the need for improvements — gradual or radical. (Bessant and Tidd, 2015). “...this approach provided the basic philosophy behind the ‘total quality management’ movement in the 1980s, the ‘business process re-engineering’ ideas of the 1990s and the current widespread application of concepts based on the idea of ‘lean thinking’. All of these are essentially about taking the waste out of existing processes” (Bessant and Tidd, 2015). Thus, the secret of Toyota’s success lies in the regular application of the Kaizen technique, based on the involvement in improvements not only of management but also of employees. After all, it is they, working with processes on a daily basis, who are better able to see weaknesses and understand where changes are needed — which is why their involvement in improvement is essential. For such approaches to work effectively, it is important not just to implement changes, but also to be able to track which solutions actually bring results. (Bessant and Tidd, 2015). This is what Eric Ries’ approach is based on, where innovation accounting is used at the heart of improvement, involving three stages. First, the Minimum Viable Product (MVP) is used to collect data and determine the current situation. Next, companies move from the baseline to the ideal by changing product, marketing, and other elements in an effort to improve one of the growth metrics. If the company shows progress toward the ideal — it continues with the current strategy. If not — it must pivot and restart the process, improving efficiency in a second step. Innovative accounting will not work if a company relies on vanity metrics like a total number of customers, registrations, and likes, which create the illusion of progress but do not explain what exactly influenced the result. Instead, companies should use actionable metrics that reflect real cause-and-effect relationships and support decision-making. (Ries, 2015).

3.2 Examples of application in companies

The following case studies illustrate how using MVPs, the right metrics, and pivot helps to change the strategy and set the company on a more effective growth path.

For example, IMVU is a virtual communication startup that allows users to communicate through 3D avatars embedded in existing messengers. The company assumed that users would invite their friends there, but MVP testing revealed that people did not want to interact with those they already knew, but preferred to find new acquaintances. Users also had difficulty with the interface. So, the analysis of metrics like engagement, feedback, and retention showed that the user behavior hypothesis was wrong. Then the company pivoted, focusing on the audience interested in 3D communication rather than in interaction with messengers, thus changing the product strategy. (Ries, 2015).

Grockit was originally conceived as an educational platform for group learning. At the start, the project showed high growth: numerous registrations and high user activity. However, the analysis of user behavior showed that most of them quickly left the platform. It became clear that the company made a mistake by focusing on social interaction, as users preferred to learn individually. As a result, the company made a pivot by completely changing its product strategy. This case emphasizes that it is not just growth that matters, but understanding whether a product solves a user problem. (Ries, 2015).

4 SUMMARY OF THE THEORETICAL PART

Thus, the theoretical part examined both historical and modern approaches to creating a sustainable and efficient business. The main attention was paid to Tomas Bata's management system, which is based on workshop autonomy, employee participation in management and profit sharing, social responsibility and service to society, as well as continuous education. Although this model was developed over a century ago, its principles are still reflected in modern management methods. Current models of corporate sustainability, including the Triple Bottom Line concept, archetypes of sustainable business models, and levels of innovation were also discussed. All these ideas will serve as the basis for further analysis of how Bata's principles can be adapted to the specifics of FlyBy.

II PRACTICAL PART

5 INTRODUCTION OF FLYBY

5.1 History and development

Although the company was acquired and started providing its services in 2024, its story began in 2016. At that time, the future owner of FlyBy Trans s.r.o. (hereinafter FlyBy) was working for Company X, which cooperated with taxi company Y, a firm with experience in creating mobile applications. Even then, he was already thinking about starting his own taxi service. The first step was cooperation with Company Y, which developed the FlyBy mobile application that same year and provided part of its fleet for an agreed fee.

From 2016 to 2024, the future owner of the company worked on the business concept and developed a strategy, built his own fleet by cooperating with other fleets and individual drivers, and accumulated resources. This approach allowed FlyBy to be launched in 2024 as a well-prepared aggregator with 40 connected cars.

The company initially entered the market in Liberec but almost immediately expanded its presence to Varnsdorf. Subsequently, after reaching out to future representatives in Prague, the owner offered them cooperation, which led to the creation of a division in the capital with a fleet of five cars. Thus, as of 2025, FlyBy has 160 connected cars, offering its services in Liberec, Varnsdorf, and Prague.

5.2 Organizational structure

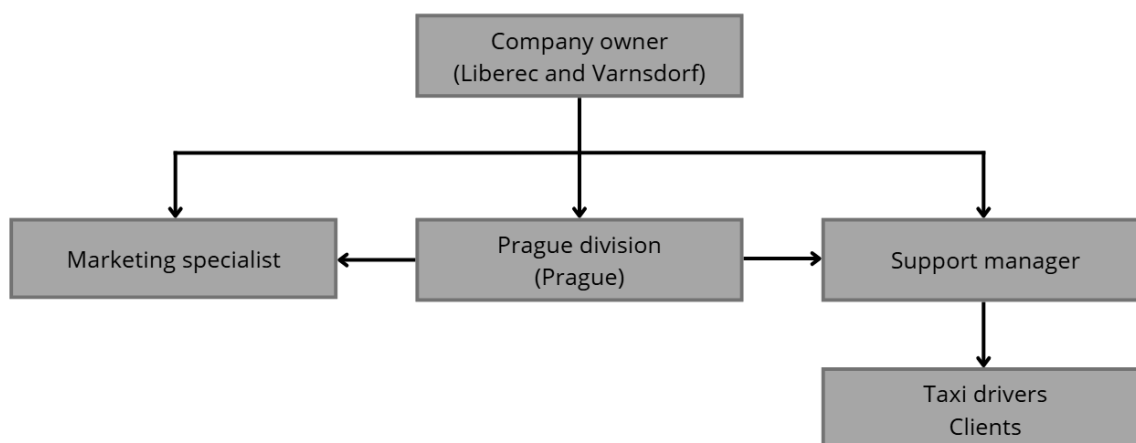


Figure 1 Organizational structure of FlyBy

(source: own elaboration)

The owner of the company focuses primarily on the divisions in Liberec and Varnsdorf while overseeing the operations of the entire organization. The representatives in Prague, in turn, are responsible for their own division, developing the company in the local market. It is important to note that the owner and representatives receive income from the divisions within their area of responsibility. The organizational structure also includes a support manager and a marketing specialist, both of whom report to the owner and the representatives in Prague.

5.3 Portfolio of services

Speaking of orders and trip options, customers can order a taxi through the mobile application or on the company's website. Not only intracity but also intercity trips are possible, with the option to include several stops within one route. Users can choose the type of car (standard, comfort, minivan), as well as additional options. Moreover, the cost of the trip is calculated at the stage of order creation, which eliminates surprises when paying.

Touching upon the topic of payment and benefits, customers can pay for a trip not only in cash or by card but also using bonuses. Users receive a cashback of 5% or 7% of the trip cost to their bonus account. It should be noted that the cashback is credited only for passenger transportation — no bonus accruals are provided for parcel delivery. In addition, the company offers promo codes, discounts, and special offers.

Finally, security and support play an important role. Customers can track the car's movement in real-time using online maps. Taking care of users, the company hires drivers with extensive experience and excellent local knowledge and provides round-the-clock customer support.

In addition to intracity passenger transportation, FlyBy offers its customers express parcel delivery, intercity taxi service, and car relocation. Express parcel delivery is a fast, high-quality, and timely service for delivering mail, correspondence, and small parcels within the city or between cities. Customers can track the courier's movement in real-time using geolocation and receive notifications about the order status at all stages of delivery. The service is available round-the-clock, covers multiple addresses, and is offered at a fixed and affordable entrance-to-entrance price. Payment is available in cash, by card, or via Apple Pay or Google Pay. In addition, a personal door-to-door handover service is available for an additional fee. Car relocation is a reliable, safe, and affordable way to transport the customer's car to the specified address. The service is available round-the-clock and is

intended for customers who are unable to drive themselves for any reason — including after consuming alcohol.

Thus, in Liberec, taxis of the Standard, Comfort, and Minivan classes are available with 7% cashback on the trip cost, along with a delivery service. In Prague, Standard taxis are available with 5% cashback, and Comfort taxis with 7%. In Varnsdorf, a Standard-class taxi with 5% cashback is available.

FlyBy provides services not only to private clients but also to corporate clients, offering business trips for companies. Each company has its own account with information about trips, expenses, and order details for a selected period, which ensures centralized management and transparency. In addition, FlyBy provides tools for data visualization and export, allowing firms to optimize costs, save time and money, and eliminate inefficient financial reporting. This simplifies internal processes and creates a comfortable environment for the team: when ordering a car via the application or by phone, employees are freed from submitting expense reports.

FlyBy offers favorable cooperation to fleet owners. A personal account is created for each fleet, allowing them to monitor income and drivers' performance in real-time to support business automation. The mobile application allows the selection of the most profitable and suitable orders from verified customers with ratings and reviews, creating a comfortable environment for drivers. Thanks to the stable growth of orders and the expansion of the service area, FlyBy helps fleet owners steadily increase their income and grow their business.

6 ANALYSIS OF THE CURRENT SITUATION

6.1 Internal management procedures

A special application is used for internal operations, accessible to both the owner and the representatives in Prague. Through it, the management can adjust trip prices, rates, and coefficients, hire drivers, approve cars, and handle other matters related to the company's stable operation.

Internal communication is carried out remotely via messengers and online calls. The owner, the Prague representatives, and the support manager exchange messages daily and hold calls every other day. Communication with the marketing specialist takes place as needed. The support manager is responsible for communication between management, drivers, and customers and provides both technical and customer support. The marketing specialist manages and promotes the company's social media accounts.

To apply for a job, a driver creates a personal account in the FlyBy Driver application and uploads their passport, visa (if required), category B driver's license, yellow taxi driver card, vehicle registration certificate, vehicle insurance, and evidence of the vehicle's registration as a taxi. The management verifies and approves the uploaded documents through the internal application, after which the driver is officially hired.

Trip earnings are distributed in a 75/25 ratio: 75% of the order amount goes to the driver, and 25% to FlyBy. However, drivers can increase their share to 90% by placing a FlyBy-branded sticker on their car. It is worth noting that division representatives, the support manager, and drivers receive weekly payments, while the marketing specialist is paid as needed. If a driver operates as a sole proprietor, FlyBy pays them directly. If the driver works through a fleet, payment is made to the fleet, which then transfers the funds to the driver.

The owner and the Prague representatives monitor drivers' performance by tracking their ratings (on a scale from 1 to 5), based on customer evaluations and feedback. Orders are processed by drivers through the FlyBy Driver application, which displays a list of orders placed by customers via the FlyBy client application. Drivers may decline a trip based on the passenger's rating and reviews from other drivers.

The management receives notifications about each trip with detailed order information via the internal application, which also enables real-time car tracking at every stage of the

route. In case of an issue, drivers can contact technical support via the mobile application to receive an immediate response from a manager or send an email, which will be answered within one day.

In addition, as part of the cooperation with Company Y, FlyBy pays a 5% monthly fee from its total turnover for the use of the mobile application and a portion of the provided fleet.

6.2 SWOT analysis

Table 1 SWOT analysis of FlyBy

Strengths	Weaknesses
• Autonomy of divisions • The rapid growth of the partner fleet • Higher earnings for drivers • Bonus system for users • Wide range of services • External investment	• Limited support for the Prague division • Low level of process automation • Insufficient brand recognition • Limited financial resources
Opportunities	Threats
• Engagament in the development of the Prague market • Implementation of telephone support • Entering new markets • Development of partnerships • Promotion on new social media • Bonuses for drivers • Process automation • Age filter for cars	• High competition in Prague • Dependence on the software developer • Decreased driver loyalty • Legislative changes

(source: own elaboration)

6.2.1 Strengths

Autonomy of divisions: An organizational structure with decentralized management allows each division to function as a separate enterprise with its own “director” in the form of a representative. This allows local representatives to focus on developing the company in their city without being involved in the operations of other divisions, which increases the efficiency and responsiveness of the entire organization. At the same time, the owner controls the activities of all divisions.

The rapid growth of the partner fleet: although the company began operations in 2024 with 40 connected cars, by 2025 the number had quadrupled to 160.

Higher earnings for drivers: Unlike competitors who offer drivers up to 85% of the order amount for placing a company sticker on their car, FlyBy offers more favorable terms — up to 90% — allowing drivers to earn more. In addition, as a Czech company, FlyBy is not subject to VAT, whereas foreign companies such as the American Uber and Estonian Bolt are subject to VAT, which must be paid by fleets (if the driver works through a fleet) or drivers themselves (if working directly as sole proprietors), thereby reducing driver income.

Bonus system for users: customers receive not only promo codes, discounts, and special offers, but also cashback of 5% or 7% of the trip cost to their bonus account, which can be used to pay for future rides. This system increases customer loyalty and retention.

Wide range of services: FlyBy provides round-the-clock express parcel delivery and car relocation services both within cities and between cities, as well as intercity taxis. Moreover, all these services are available in a single application, which allows the company to expand its target audience and increase the frequency of orders.

External investment: funds received from investors help the company grow and develop, invest in marketing and promotion, and expand its presence in new markets.

6.2.2 Weaknesses

Limited support for the Prague division: despite a decentralized management structure, the owner effectively controls the activities of the entire company. However, in practice, attention is focused on the divisions in Liberec and Varnsdorf, while the Prague division remains without sufficient support. As a result, local representatives are left to deal with the challenges of the Prague market on their own.

Low level of process automation: when hiring new drivers, the company manager and representatives in Prague manually review and approve the uploaded documents. In addition, they set prices, coefficients, and trip rates manually. This slows down operations, increases the workload on management, and reduces overall efficiency.

Insufficient brand recognition: the company promotes itself through Instagram and branded stickers on cars, without using other online and offline advertising formats. This limits brand recognition in the highly competitive Prague market.

Limited financial resources: a lack of funds hinders marketing, company growth, and the recruitment of new drivers, especially in the Prague market.

6.2.3 Opportunities

Engagement in the development of the Prague market: the active participation of the owner in the affairs of the Prague division would help strengthen the company's position in the capital and provide the necessary support to local representatives, increasing their confidence and efficiency.

Implementation of telephone support: a 24-hour hotline for both customers and drivers would allow urgent issues to be resolved quickly in real time and help reduce potential dissatisfaction.

Entering new markets: the company can expand its presence in other cities across the Czech Republic and abroad, including through franchising.

Development of partnerships: cooperation with other companies could help FlyBy expand its fleet, enhance its market presence, and increase brand awareness.

Promotion on new social media: in today's environment, channels such as Instagram and vehicle branding are no longer sufficient for effective marketing. FlyBy could expand its presence on TikTok and X (formerly Twitter) to increase reach and attract a younger audience.

Bonuses for drivers: the company could introduce a bonus system for drivers to increase their motivation and job satisfaction.

Process automation: the introduction of automatic document verification and dynamic pricing would improve the speed and efficiency of operations and reduce the workload on company management.

Age filter for cars: introducing age restrictions on connected cars could give the company an advantage in the highly competitive Prague market, improving service quality and brand perception.

6.2.4 Threats

High competition in Prague: the biggest threat to the company is the intense competition in the Prague market, where the niche has long been dominated by major players such as Uber, Bolt, and Liftago, which are well-known to the local audience.

Dependence on the software developer: FlyBy depends on Company Y, which developed mobile applications for customers, drivers, and internal management, and which may raise support and maintenance costs at any time.

Decreased driver loyalty: Insufficient driver support reduces job satisfaction, which may result in staff turnover and reputational risks for the company.

Legislative changes: the government may adopt new laws that affect taxi licensing and revenue distribution rules, which could raise business costs, require internal process adjustments, and lead to driver attrition.

6.3 Challenges of expansion to Prague

From interviews with the management, it becomes clear that FlyBy encountered several challenges when expanding into the Prague market, most of which boil down to a lack of financial resources. It was precisely this limited budget that triggered a chain of problems hindering the company's development in the capital.

The lack of funding limits the company's marketing and promotion, resulting in low brand awareness, weak customer loyalty, and difficulties in attracting new drivers. Moreover, the lack of personnel affects the size of the fleet and the number of orders fulfilled, as most drivers operate their own cars.

Another important factor is strong competition from major companies such as Bolt, Uber, and Liftago, which have been present in the market for a long time, are well-known to customers and invest heavily in marketing. In addition, the owner remains focused on the Liberec and Varnsdorf markets, paying insufficient attention to the company's development in Prague, leaving local representatives to operate almost independently.

Thus, the combination of limited financial resources, fierce competition, and a shortage of staff creates significant barriers to the company's growth in Prague.

6.4 Porter's Five Forces Model

6.4.1 Threat of New Entrants

Starting a taxi business in the Czech Republic does not require unique technologies or significant resources: a small fleet of cars is sufficient.

In Prague, there is intense competition from international companies such as Uber and Bolt, as well as the Czech firm Liftago, all of which have long maintained strong positions in the local market. All of these services have strong brand recognition, significant marketing budgets that are actively spent on advertising, and loyal customers who have been using the companies' services for years.

Regulations in the Czech Republic set out a number of requirements for operating a taxi service, including a yellow taxi driver card, evidence of the vehicle's registration as a taxi, vehicle insurance, a license to operate a taxi, a category B driver's license, a visa (if required), as well as a taximeter and compliance with technical requirements — unless a mobile application with fixed fares is used. Taxi companies with their own fleet of cars are responsible for obtaining the yellow card, registering the vehicle as a taxi, arranging insurance, and securing the license to operate. Aggregators such as FlyBy, Uber, Bolt, and Liftago are also required to obtain a license to operate, but they can work with both regular drivers and sole proprietors. When working with regular drivers, the aggregator is responsible for obtaining the yellow card, registering the vehicle, and arranging insurance. If the driver is registered as a sole proprietor, they are responsible for obtaining all the necessary documents themselves, while the aggregator only verifies and approves them. All of this makes market entry more difficult for new players.

To stay afloat in a highly competitive market such as Prague, companies need to invest heavily in promotion, offer drivers favorable and attractive cooperation terms, and develop technical and customer support. This requires significant resources that new market entrants may lack.

Nevertheless, FlyBy has an advantage over newcomers, as it entered the Prague market by leveraging its experience from Liberec and Varnsdorf. It already has a fleet of connected cars, mobile applications, and drivers who are motivated by high commission rates.

Although market entry is theoretically open to new players, in practice there are significant barriers in the form of intense competition, regulatory restrictions, and substantial marketing and promotion costs. Therefore, the threat of new entrants to the market is assessed as moderate.

6.4.2 Bargaining Power of Suppliers

Suppliers for aggregators such as FlyBy include regular drivers, sole proprietors, companies, and fleets that provide cars and transportation services.

In the highly competitive Prague market, drivers' bargaining power is increasing. The high risk of dissatisfied drivers switching to a competitor's platform is pushing companies to offer more attractive terms, such as a higher share of the fare, lucrative rides, flexible schedules, and internal support.

A high percentage of the order value and favorable working conditions in a highly competitive market are not just an advantage, but a necessity for retaining drivers and, consequently, fulfilling orders. FlyBy meets this challenge by offering its drivers up to 90% of the order value.

Thus, the high bargaining power of suppliers can be mitigated by offering drivers attractive cooperation terms, which allows it to be assessed as moderate.

6.4.3 Bargaining Power of Buyers

The buyers for aggregators such as FlyBy include both private and corporate customers who use the mobile application for everyday and business trips, respectively.

Switching between platforms requires nothing more than installing a new mobile application. In an effort to retain users, companies are compelled not only to lower prices, but also to improve the interface, offer bonuses, provide round-the-clock support, and maintain a high standard of service.

FlyBy also addresses this challenge by offering customers cashback, promo codes, discounts, special offers, a fixed fare at the time of booking, real-time driver tracking, and round-the-clock support. In addition, to working with corporate clients, the company provides reports, analytics, and centralized expense control.

Thus, despite various customer retention strategies, buyers' bargaining power remains high, allowing them to choose between services and expect a consistently high standard of service.

6.4.4 Threat of Substitutes

Substitutes for taxis in the market include public transport such as buses, trams, and the metro, as well as car rentals and car-sharing services.

Despite being more affordable, public transport is limited by schedules and routes and offers a lower level of comfort compared to taxis.

At the same time, rental and car-sharing services require self-driving, which is not suitable for customers without a driver's license, those in a hurry, with luggage and children, or traveling at night. In addition, the customer is fully responsible for the rented car.

Thus, despite the availability of alternatives, taxis remain a more flexible, convenient, and round-the-clock option, allowing the threat from substitutes to be assessed as low.

6.4.5 Industry Rivalry

Both international aggregators Uber and Bolt, as well as the Czech company Liftago — long familiar to local residents — operate in the capital's market. This results in an oversupply amid limited demand, which allows the taxi market in Prague to be characterized as highly competitive.

Companies compete for both passengers and drivers. Customers are attracted by lower prices, comfortable conditions, appealing promotions, large-scale advertising, and a user-friendly mobile application interface. Drivers, in turn, are offered higher earnings through increased commission rates, flexible working hours, and comprehensive support.

Due to the similarity in functionality and service offerings, both customers and drivers can switch between platforms without any significant loss. This intensifies competition among companies, forcing them to continuously adapt, enhance their services, and invest in marketing and promotion.

Therefore, based on the above factors, the level of competition within the industry can be assessed as high.

7 INTERVIEWS WITH THE MANAGEMENT

7.1 Purpose

A series of interviews were conducted with company management to obtain information on:

- The history of the company's establishment.
- The organizational structure and specifics of internal processes.
- The current state of the company.
- The challenges the company faces, especially when entering the Prague market.
- The degree of application of Bata's management principles and the potential for their further implementation.

7.2 Methodology

Interviews with company management were conducted remotely, both by telephone and in writing. They were semi-structured in nature: management was asked open-ended questions that allowed them to express themselves freely. Where necessary, follow-up questions were used to obtain more detailed information.

Examples of key questions asked during the interview:

- How did the company start and how did it develop?
- What is FlyBy's organizational structure?
- What challenges did you face when entering the Prague market?
- How are internal processes organized?
- How does communication work within the company?
- How does the internal application work?
- What strengths do you see in FlyBy?
- What threats and barriers do you face?

The collected data were analyzed using inductive thematic analysis, which consisted of six stages (Braun and Clarke, 2006):

1. Familiarization with the data

All interviews were listened to and transcribed. After reading the transcripts, recurring ideas were identified, such as high competition in the capital, autonomous management of divisions, low involvement of the owner in the development of the Prague market, lack of financial resources for the full development of the company in Prague, and favorable conditions for both drivers and customers.

2. Initial codes

After reviewing the texts, key ideas were identified and assigned short names reflecting their essence — codes.

3. Codes

The texts were reread, and key ideas were identified and coded. Ideas with the same meaning were given the same code, while new codes were created as new information appeared.

4. Code consolidation

All ideas were grouped by code, which made them easier to understand and, if necessary, to combine or rename.

5. Topics

Code groups were combined into topics reflecting key aspects of the company's management and operations.

6. Verification and revision of topics

Secondary topics such as the company's history, the operation of fleets and aggregators, as well as legal specifics, were excluded. Topics like “education within the company”, “salary payments”, and “interaction with the marketing specialist” were not identified as separate due to insufficient supporting information and were instead included within the final topics. As a result, the following five topics were identified:

- Organizational structure and autonomy

Stage two: divisions in Liberec, Varnsdorf, and Prague; management of Liberec and Varnsdorf by the owner; management of Prague by representatives; control by the owner; representatives' income from their region; dual reporting of the support manager; dual reporting of the marketing specialist; setting prices, rates, and coefficients; connecting drivers; weekly payments (except for the marketing specialist); remote communication

within the team; communication with drivers through the support manager; strategic and operational roles of the owner.

Stage three: city divisions; division of management (*management of Liberec and Varnsdorf by the owner + management of Prague by representatives*); owner control; financial autonomy; flexible reporting (*dual reporting of the support manager + dual reporting of the marketing specialist*); representative autonomy (*setting prices, rates, and coefficients + connecting drivers*); payments; internal communication (*remote communication within the team + communication with drivers through the support manager*); owner overload.

Stage four: city divisions; division of management; owner control; financial autonomy; flexible reporting; representative autonomy; payments; internal communication; owner overload.

Stage five: organizational structure and autonomy.

- Internal processes

Stage two: automatic configuration of prices, rates, and coefficients; manual configuration of prices, rates, and coefficients; document submission; manual document verification; connecting drivers; operational tasks; customer ratings; order acceptance; order tracking; driver rating tracking; application support; support responses (chat, email); remote communication within the team; communication with drivers through the support manager; weekly payments (except for the marketing specialist); 75/25 revenue split; increase in share when using the sticker; 5% fee to Company Y.

Stage three: automatic and manual parameter configuration (*automatic configuration of prices, rates, and coefficients + manual configuration of prices, rates, and coefficients*); connecting drivers (*document submission + manual document verification + connecting drivers*); operational tasks; order processing and tracking (*customer ratings + order acceptance + order tracking*); driver quality control; support and communication (*application support + support responses (chat, email) + remote communication within the team + communication with drivers through the support manager*); financial processes (*weekly payments (except for the marketing specialist) + 75/25 revenue split + increase in share when using the sticker + 5% fee to Company Y*).

Stage four: automatic and manual parameter configuration; connecting drivers; operational tasks; order processing and tracking; driver quality control; support and communication; financial processes.

Stage five: internal processes.

- Digital tools and automation

Stage two: configuration of prices, rates, and coefficients; document verification; driver connection; operational tasks; order tracking; fixed price; car tracking; application support; intracity taxi; intercity taxi; parcel delivery; car relocation; car classes; corporate client account; fleet account; document submission; customer ratings; order acceptance; process automation; manual parameter configuration.

Stage three: internal application (*configuration of prices, rates, and coefficients + document verification + driver connection + operational tasks + order tracking*); customer application (*fixed price + car tracking + application support + intracity taxi + intercity taxi + parcel delivery + car relocation + car classes + corporate client account + fleet account*); driver application (*document submission + customer ratings + order acceptance*); automation and manual configuration (*process automation + manual parameter configuration*).

Stage four: digital tools (*internal application + customer application + driver application*); automation.

Stage five: digital tools and automation.

- Customer orientation

Stage two: cashback; promo codes; discounts; special offers; fixed price; car tracking; application support; customer application; in-car fragrance; logo (golden ratio); intracity taxi; intercity taxi; parcel delivery; car relocation; car classes; corporate client account; fleet account.

Stage three: bonus system (*cashback + promo codes + discounts + special offers*); transparent terms (*fixed price + car tracking*); application and support (*application support + customer application*); neuromarketing (*in-car fragrance + logo (golden ratio)*); wide range of services (*intracity taxi + intercity taxi + parcel delivery + car relocation + car classes*); business and fleets (*corporate client account + fleet account*).

Stage four: bonus system; transparent terms; app; neuromarketing; wide range of services; business and fleets.

Stage five: customer orientation.

- Competition and market barriers

Stage two: competition with Uber; competition with Bolt; competition with Liftago; low brand awareness; promotion via Instagram; promotion via car stickers; dependence on Company Y (mobile application developer); limited financial resources; limited support from the owner in Prague.

Stage three: high competition (*competition with Uber + competition with Bolt + competition with Liftago*); weak marketing (*low brand awareness + promotion via Instagram + promotion via car stickers*); dependence on an external developer; lack of resources (*limited financial resources + limited support from the owner in Prague*).

Stage four: High competition; weak marketing; dependence on an external developer; lack of resources.

Stage five: Competition and market barriers.

Thus, the topics of “organizational structure and autonomy”, “internal processes”, “digital tools and automation”, and “customer orientation” are aligned with Tomas Bata’s management philosophy and serve as the foundation for analyzing the extent to which his ideas are applied at FlyBy. Although “competition and market barriers” is not explicitly highlighted among Tomas Bata’s management principles, it resonates with his approach to flexibility: the ability to adapt to changing conditions. Furthermore, this topic is important for understanding the challenges the company faces in the highly competitive Prague market.

7.3 View on current challenges and opportunities

According to representatives in Prague, the local division has potential for growth, but despite formal oversight, it lacks sufficient attention from the company owner, who remains focused on the Liberec and Varnsdorf markets. Representatives expressed a desire for greater involvement from the owner in the development of the Prague market. In addition, the division is facing a shortage of financial resources, which limits the company’s growth and makes it difficult to attract new drivers.

In order to improve service quality, FlyBy plans to launch a 24-hour telephone support service for drivers and passengers. This initiative aims to ensure prompt resolution of issues and to increase both employee and customer satisfaction. Moreover, according to the company's management, neither Uber, Bolt, nor Liftago provides a similar service, which makes it an advantage that sets FlyBy apart from its competitors.

7.4 Application of Bata principles

7.4.1 Workshop autonomy

The divisions in Liberec, Varnsdorf, and Prague operate as independent companies with their own representative acting as director. Local representatives independently manage prices and drivers, as well as resolve operational issues and local problems in their market. In addition, they receive income from the division assigned to them.

7.4.2 Flexibility

The ability to manually adjust trip prices without the owner's intervention allows representatives to quickly respond to market changes such as increased demand during peak hours, high driver workload reduced availability, and increased pressure from competitors.

7.4.3 Customer orientation

To increase customer loyalty, the company offers cashback of 5% or 7% of the trip cost, promo codes, promotions, and special offers, allows users to track the driver's location in real-time, guarantees a fixed trip price, and provides round-the-clock support. Moreover, the company's management has taken a course in neuromarketing and has developed a new logo based on the golden ratio, using specific colors and scents in the car interior that have a positive effect on passengers.

7.4.4 Automation

For internal management, the company uses a dedicated mobile application that allows managers to connect with drivers after verifying and approving the documents they have uploaded, set prices, and track and monitor order fulfillment.

7.4.5 Social responsibility

In addition to offering drivers a decent income, with the opportunity to earn up to 90% of the order value, they also benefit from flexible working hours and access to round-the-clock

technical support. Furthermore, FlyBy simplifies operations for corporate clients by offering centralized expense management, analytics, and reporting.

7.4.6 Weekly payments

The company pays salaries weekly to both department representatives and drivers. This transparent and regular approach motivates employees by allowing them to see a clear link between their efforts and their income.

7.5 Key findings

Thus, the company is already implementing several approaches from Tomas Bata's management philosophy, namely: workshop autonomy, flexibility, customer orientation, automation, social responsibility, and weekly payment. Despite limited financial resources and insufficient support from the owner, which hinder the company's development in the Prague market, local representatives see the potential for further growth. Nevertheless, the company's overall approach indicates that it is ready both to enhance the principles it is already applying and to adopt additional ones from Bata's management principles.

8 PROPOSAL AND DEVELOPMENT PROJECT

8.1 Application of Bata management principles

8.1.1 Workshop autonomy

Although the company already aligns with Bata's management principle of workshop autonomy, its implementation could be further improved. Unlike Tomas Bata, who delegated workshop management to caregivers and focused on the company's development, the owner of FlyBy continues to manage the divisions in Liberec and Varnsdorf directly.

The company's expansion into the Prague market requires increased attention, involvement, and support from management, which, according to local representatives, is lacking in the capital division. Meanwhile, the Liberec and Varnsdorf markets are performing steadily.

8.1.2 Profit sharing

While the company does not have a full-fledged profit-sharing system in place, weekly payments are already being made, which lays the foundation for the implementation of this model.

8.1.3 Continuous education

Even though continuous education has not yet been implemented, the company's managers have completed a course in neuromarketing, which demonstrates their interest in learning and implementing new approaches. Thus, the neuromarketing course could be the first step towards creating a systematic training process, as was the case with Tomas Bata, who applied a continuous education model.

8.1.4 Innovation and automation

The company already has three mobile applications — FlyBy for customers, FlyBy Driver for drivers, and an internal management application — which align with Tomas Bata's approach to process automation. However, the processes within the applications themselves could be automated even further.

In addition, management could implement Bata's principle of continuous equipment upgrades, thereby improving the overall quality of the company's services.

8.2 Project details

8.2.1 Objectives

The aim of the project is to improve FlyBy's operational efficiency and customer satisfaction, as well as to ensure its sustainable growth in the Prague market through the implementation of Tomas Bata's management principles.

8.2.2 Plan for implementation of Bata methods

Workshop autonomy:

It is proposed to appoint a separate representative to manage the divisions in Liberec and Varnsdorf. Such an initiative would relieve the owner of operational issues, allowing him to focus on the company's development and expansion, as well as on supporting the division in Prague.

Profit sharing:

A bonus program for drivers could be introduced, based on performance and quality of service. Weekly bonuses may be awarded for completing a certain number of orders, maintaining high average ratings, and receiving positive customer reviews. This system would encourage more efficient and higher-quality work from drivers, aligning with the profit-sharing model used by Tomas Bata.

Continuous education:

Management can regularly attend courses on marketing, communications, and customer service. In the future, as the team expands, internal training materials and a training program may be developed, or a mentoring system may be implemented. This approach will improve employee qualifications, streamline internal processes, and enhance customer service.

Innovation and automation:

It is proposed to implement systems for automatic verification of driver documents during registration, as well as dynamic pricing that takes into account demand, time of day, and location. These measures will reduce the burden on management and allow them to focus on operational tasks, thereby increasing overall efficiency.

In a highly competitive environment, especially in the Prague market, using more modern and comfortable cars than those of competitors can be an advantage. In the future, the company may consider introducing a restriction on cars no older than 15 years, with a possible reduction to 10 years, while competitors, according to management, allow cars up to 20 years old.

8.2.3 Cost

Workshop autonomy:

Representatives do not receive a fixed salary; their income depends on the revenue of the division. To motivate the new representative in Liberec and Varnsdorf, the company owner must ensure equal conditions for all divisions. Therefore, like the Prague representative, the representative in Liberec and Varnsdorf should receive income from their division.

The owner, in turn, could receive income not from managing the divisions, but from the company as a whole, following the Tomas Bata model. This can be implemented in the form of a percentage of the total net profit or a share from each division.

Since these are stable markets, no additional costs for premises, equipment, or software will be required.

Profit sharing:

Although paying bonuses will require additional costs, their amount will depend on the drivers' performance. As mentioned earlier, bonuses will only be awarded to those who meet the set requirements: a certain number of orders, a high rating, and positive reviews.

According to company management, a driver's weekly earnings are around CZK 7,500. Thus, the bonus can reach 5% of this amount — approximately CZK 375 per week. If 20-30% of the 160 drivers connected meet the requirements, the monthly cost of bonuses will be around CZK 48,000-72,000.

In addition, the program can be implemented in stages: first in one region, and, if successful, in others. This will allow the model to be tested without serious risks to the company's already limited budget.

Continuous education:

Although the implementation of a continuous education model will require investment, these costs can be spread out over time: first, courses, and then, if successful, the creation of internal training materials followed by the development of a training program or the introduction of a mentoring system.

Online courses in marketing, communications, and customer service for company owners and representatives in Prague can cost from CZK 5,000 to CZK 10,000. Considering that the development of internal training materials, training programs, or mentoring systems will be carried out by management, additional costs will be minimal — around CZK 5,000. As a result, the initial cost of implementing a continuous training system will be no more than CZK 15,000.

Since continuous education involves regular course participation, additional costs may arise in the future, depending on the frequency and scope of required knowledge.

Furthermore, a mentoring system will reduce costs by eliminating the need for external specialists, while its phased implementation will make it possible to control training costs and adapt them to the company's financial situation.

Innovation and automation:

As part of its cooperation with FlyBy, Company Y is responsible for maintaining and refining the mobile applications, for which it receives 5% of the company's total monthly turnover. Therefore, the implementation of automatic document verification and dynamic pricing systems will not require additional costs.

As mentioned earlier, the company may introduce age restrictions for connected cars in the future. This would not only help avoid additional expenses but also improve customer service and enhance brand perception.

Table 2 Estimated project costs

Proposal	Estimated cost (CZK)
Workshop autonomy	0
Profit sharing	CZK 48,000-72,000/month
Continuous education	Up to CZK 15,000 initially; additional expenses over time

Innovation and automation	0
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(source: own elaboration)

8.2.4 Time

Workshop autonomy:

The company can appoint a new representative within 1-2 months. This will not require extensive training or significant changes, as the owner is simply transferring his responsibilities. Most of the time will be spent selecting a suitable candidate and facilitating their onboarding. In addition, the adaptation period can be shortened if the delegation is done gradually.

Profit sharing:

A bonus program can be implemented within 1-2 months. Company management must determine the criteria for awarding bonuses, integrate them into the payment system, and inform drivers. With gradual implementation, the model can be refined during testing without delays.

Continuous education:

The courses will take 2-4 weeks to complete. Creating training materials with a follow-up training program or implementing a mentoring system may take 1-3 months, depending on the chosen format (e.g., manuals, video lessons, presentations, or training sessions) and the motivation level of employees.

Innovation and automation:

The implementation of automatic document verification and dynamic pricing systems may take 1-2 months, depending on the complexity and timeline set by the external developer.

The age restriction for connected cars could be introduced within a month. Before introducing the restriction, however, management must ensure that it will not negatively affect the recruitment of new drivers.

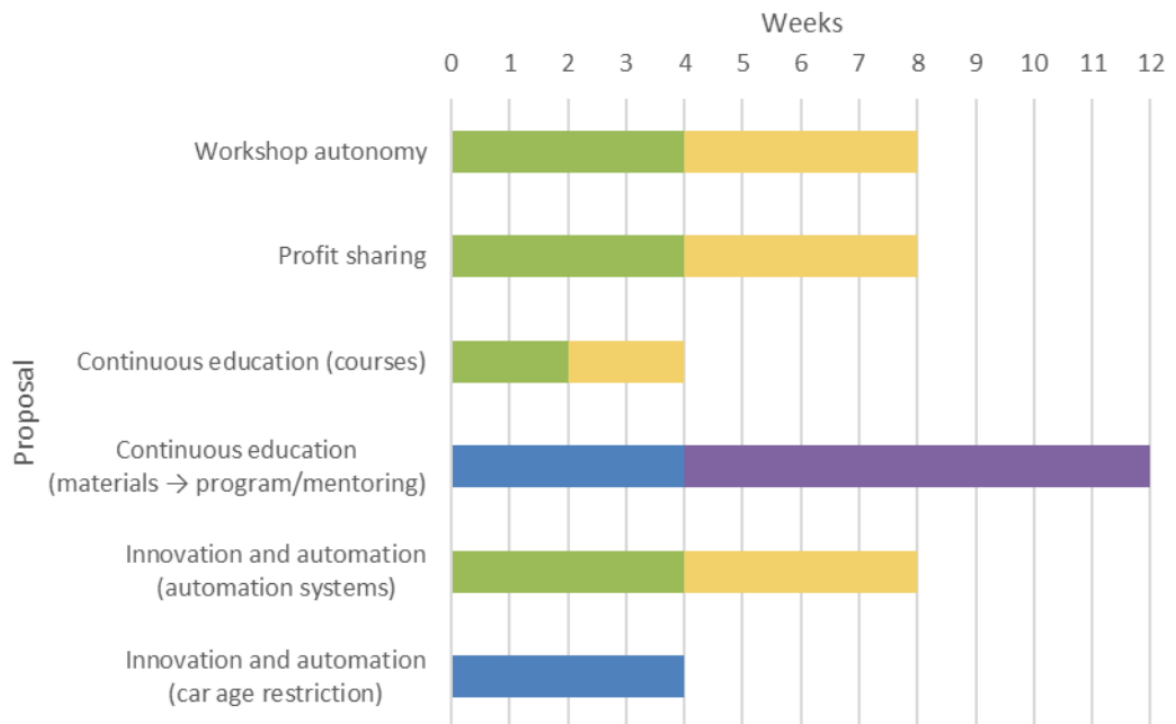


Figure 2 Project implementation timeline

(source: own elaboration)

8.3 Expected results and benefits

The project is expected to deliver the following results and benefits for the company:

- Reduced workload for the owner by increasing management efficiency through the delegation of responsibilities.
- Improved customer experience through a motivating bonus system for drivers, employee training initiatives, and the use of more modern cars.
- Optimization of internal processes through increased task automation.
- Alignment with Tomas Bata's philosophy, which focuses on autonomy, social responsibility, and customer orientation.

Thus, the project aims to strengthen FlyBy's position and competitiveness in the Prague market.

9 EVALUATION OF THE PROJECT

9.1 Potential risks

Table 3 Project risk assessment

Risk	Risk level	Description
Financial constraints	High	The company may face difficulties in implementing a bonus program for drivers and a continuous education system for employees.
Owner's resistance to delegation	High	The owner may not be interested in transferring some of his responsibilities to a new representative, partly due to changes in the payment system.
Driver recruitment challenges	High	Ineffective marketing due to a lack of financial resources and high competition may make it difficult to attract new drivers, especially in the Prague market.
Driver dissatisfaction with age limits	Medium	Introducing age restrictions on cars may not only reduce the number of new drivers, but also cause dissatisfaction among those already connected.
Reliance on external developer	Medium	Despite the stable performance of the mobile applications, FlyBy remains dependent on Company Y for their maintenance and updates.
Resistance to new ideas	Low	Employees and drivers may not be ready for the changes due to additional costs or increased job demands.

(source: own elaboration)

9.2 Opportunities for improvement

The proposed innovations, although aimed at improving the company's efficiency and sustainable development, can be further strengthened through performance analysis, pilot testing, driver education, and a well-established feedback system within the company.

It is important not only to implement new solutions but also to regularly assess their impact using KPIs such as customer satisfaction, average driver ratings, order cancellation rates, and others. This enables the company to respond quickly to changes and adjust its strategy in a timely manner.

Before widely implementing a bonus program for drivers, restrictions on car age, automatic document verification, and dynamic pricing, the company can test these measures in one market to minimize risks and financial losses.

In addition to employee education, the company can invest in driver development. Express courses on safety and customer interaction will help improve service quality and strengthen FlyBy's competitive advantage.

An internal feedback system will allow employees and drivers to suggest improvements, increasing their engagement and helping to identify and resolve operational issues more quickly.

CONCLUSION

This bachelor thesis examined the potential application of Tomas Bata's management principles at FlyBy Trans s.r.o. The analysis showed that many principles of this system are already in use. However, they can be further developed and supplemented with new ones, which will give the company an advantage in the Prague market.

Based on a SWOT analysis, Porter's Five Forces model, and interviews with company management, a development project was proposed. It includes proposals for further decentralization of management and process automation, the introduction of a bonus program for drivers, a continuous education system for employees, and age restrictions on connected cars. In addition, not only the expected benefits but also the potential risks and costs associated with the implementation of the project were considered.

The proposed measures not only align with Tomas Bata's philosophy, but also have the potential to increase efficiency, improve service quality, and strengthen FlyBy's position in the highly competitive Prague market.

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LIST OF ABBREVIATIONS

UK	United Kingdom
EU	European Union
IPO	Initial Public Offering
CEO	Chief Executive Officer
LTV	Lifetime Value
CPA	Cost Per Acquisition
SLI	Sustainability-led Innovation
B2C	Business to Consumer
MVP	Minimum Viable Product
3D	Three-Dimensional
VAT	Value Added Tax
KPI	Key Performance Indicator