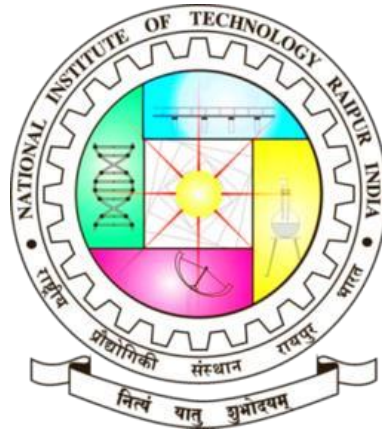


NATIONAL INSTITUTE OF TECHNOLOGY RAIPUR



Term Project

BASIC COURSE IN ENTREPRENEURSHIP

Submitted by-

AMAN SUKHDAVE

19119010

VITH Semester

Mechanical Engineering

Submitted to-

Mr. SAURABH GUPTA

Introduction

Netflix is a unconventional tech company at the Silicon Valley. It is the company that other companies want to be. It is the company that other companies seek to have their culture as them and productivity as them. It is very forward in saying that there is no job security still people want to join Netflix. This is because of its whole “company culture”. Its culture gives the freedom to do every employee as he/she pleases because Netflix is a company which focuses less on Error prevention and more on innovation. And innovation happens when different people come up with different ideas which are allowed to executed. Ofcourse not all of them would be successful but in order to get those few “good big ideas” you have to suffer consequences of some bad ideas. Netflix have a saying of “Freedom and Responsibility”. They give their employees the freedom which the want. The company is so large but they have restrained from making any policies which controls employee behaviour. But if you give such freedom to every employee a certain sense of responsibility comes automatically to them. Netflix is a high performance space. It gives you the advantage of taking your own decisions which is a popular thing in younger generations as employees believe that they are capable of taking their own decisions. Netflix culture is very unique and when you listen to it, it seems like some retarded odd person wrote it and it doesn't look good in theory. But in practical it does wonders

and Netflix has been a prime example of how to apply such bizzare techniques and still be productive.

Netflix is a company which has understood that current company cultures are that of “Industrial times” and it needs to change because we are no longer in need of those values of error prevention, replication, consistency and procedures to increase the efficiency and provide the product needed. But in today’s era this is not the case, we need innovation, ease to work and creativity nowadays in order to increase the value company and make it go forward.

Netflix has what is called “Rockstar Principal”. It goes something like you hire a person who is master in that field rather than someone average and pay that “master” 10-25 times more than your average person because he/she will put in that much effort. It is generally used for software engineers but Netflix uses this for every department and just hires “Rockstars”. This company goes on to find the ideas which no other company has and encourages its employees to do so by giving them free hand. That is what makes it different from other mediocre companies. Its Culture and values and its reinvention of a workplace environment where everybody is not equal because it can’t be in a corporate world but everybody is independent and able to work on their own without any restrictions from others.

History-

But Netflix has not always been such a highly productive and successful company. It started out as a company which posts you your movies or other series via post office then charge you for it. Then when internet started booming it started its streaming services then gained popularity. It also changed its headquarters from Silicon Valley to Los Angeles where it started as a media company which has other domains too. So it has morphed into the company which it is today from years of work and not just became successful overnight because of its streaming services.

There are some key features which can be noticed by looking into the culture of Netflix. They are-

1. Talent density-

Few but highly talented staff with diverse background and high skill set and highly accomplished. When you fire not so productive workers, the atmosphere for working changes and those remaining with high skill set remain. Entire office is filled with people who are madly in love with their work. If there is a group of people doing a work and one or two of them are slacking in their work then the whole team would do so. But if there is only those remaining with high productivity and even if they are less in number they would be more productive than those included.

2. Freedom of speech-

When an employee is able to speak freely it does wonders not only for the management of the company but also for the whole environment of the company. It creates an ambience where there wouldn't be backstabbing and talking behind the back. Also there would be a nice environment to work around and less room for politics. The work also gets done faster. Initially it would be hurtful and frustrating to hear the feedbacks but eventually it does good to us. Feedback not only of the employees given by boss but also of the boss given by the employees. Feedback should not be hurtful or targeted for anyone but it should be constructive for us. It should focus on what recipient must do differently.

3. Unlimited vacation-

It attracts and retains good talent and then it also keeps up the morale of the employees. It also shows that employees are trusted and they themselves have the freedom to behave responsibly. It also reduces the administrative cost of who is on leave and when.

4. Netflix's mantra-

Don't seek the boss' approval

But this doesn't mean that you shouldn't report to your boss. Reporting to the boss is very important. It is encouraged in Netflix to come forward and say

something which is unpopular or if you have a better idea. It is considered that you are not loyal to company if you have an idea and don't say it.

5. Frequent applications of Keeper's Test-

Keeper's Test is that a manager should frequently take the keeper test on its employees and the test goes something like this. If an employee was to apply for resignation would you accept the resignation or would you fight for him/her to stay at the company. If you accept the resignation and you might as well fire them now. Because they are no longer the highly talented individual whom you hired.

6. Live 360 Feedback session-

Only say about someone what you will say to their face. So there is a feedback portal where anyone can give feedback to anyone be it your colleague or boss. Also mean things should not be said is taken care of.

7. Leading with Control or Context-

Leading with control is when boss approves and directs initiatives, actions and orders for a project. Leading with context on the other hand is when boss provides the

whole lot of detail to the employees and then make a more planned and great decision without someone controlling their actions. When objective is to innovate Leading with Context is best for that, on the other hand when objective is error prevention then it is better to lead with Control.

8. New innovative thinking-

In today's world the objective is no longer just error prevention and replicability. It is to make the company and its employees learn the value of speed, agility and creativity. In industrial age minimizing variation was the objective whereas today it is complete opposite.

Ofcourse there can't be no rules. You have to ensure that by minimizing rules you are making your employees innovative, fast and flexible. Consider your company a improvisational band. Don't provide it with a score instead work on the process and hire the people who want be the part of this improvisational band and who will give it their full heart while playing. When it all comes together the music is beautiful.

Conclusion-

As company goes bigger it is very hard to keep “no rules” and having less policies. But it is not the case with Netflix. As Netflix has become bigger and bigger it has lessened its policies and rules which is very commendable but they are able to do it because of the excellent management and highly skilled, innovative people working in the company.