



YOUR KINDLE NOTES FOR:

## No Rules Rules: Netflix and the Culture of Reinvention

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### 160 Highlights

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Highlight (Yellow) | Location 111

It was not obvious at the time, even to me, but we had one thing that Blockbuster did not: a culture that valued people over process, emphasized innovation over efficiency, and had very few controls. Our culture, which focused on achieving top performance with talent density and leading employees with context not control, has allowed us to continually grow and change as the world, and our members' needs, have likewise morphed around us.

Highlight (Yellow) | Location 207

If you give employees more freedom instead of developing processes to prevent them from exercising their own judgment, they will make better decisions and it's easier to hold them accountable.

Highlight (Yellow) | Location 209

But to develop a foundation that enables this level of freedom you need to first increase two other elements: +  
Build up talent density.

Highlight (Yellow) | Location 213

If you build an organization made up of high performers, you can eliminate most controls. The denser the talent, the greater the freedom you can offer.

Highlight (Yellow) | Location 214

Increase candor.

Highlight (Yellow) | Location 218

With these two elements in place you can now ... – Reduce controls.

Highlight (Yellow) | Location 221

“Lead with context, not control,”

Highlight (Yellow) | Location 223

Removing controls creates a culture of “Freedom and Responsibility”

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Highlight (Yellow) | Location 247

“One Reason for Netflix’s Success—It Treats Employees Like Grownups.”

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Highlight (Yellow) | Location 248

Netflix assumes that you have amazing judgment, .... And judgment is the solution for almost every ambiguous problem. Not process.

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Highlight (Yellow) | Location 363

**TALENT DENSITY: TALENTED PEOPLE MAKE ONE ANOTHER MORE EFFECTIVE**

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Highlight (Yellow) | Location 367

We learned that a company with really dense talent is a company everyone wants to work for. High performers especially thrive in environments where the overall talent density is high.

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Highlight (Yellow) | Location 371

Most important, working with really talented colleagues was exciting, inspiring, and a lot of fun

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Highlight (Yellow) | Location 378

It’s about the joy of being surrounded by people who are both talented and collaborative.

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Highlight (Yellow) | Location 418

A fast and innovative workplace is made up of what we call “stunning colleagues”—highly talented people, of diverse backgrounds and perspectives, who are exceptionally creative, accomplish significant amounts of important work, and collaborate effectively.

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Highlight (Yellow) | Location 422

Your number one goal as a leader is to develop a work environment consisting exclusively of stunning colleagues.

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Highlight (Yellow) | Location 423

Stunning colleagues accomplish significant amounts of important work and are exceptionally creative and passionate.

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Highlight (Yellow) | Location 424

Jerks, slackers, sweet people with nonstellar performance, or pessimists left on the team will bring down the performance of everyone.

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Highlight (Yellow) | Location 454

say exactly what they really thought, but with positive intent

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Highlight (Yellow) | Location 472

“Only say about someone what you will say to their face.”

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Highlight (Yellow) | Location 473

“What did that person say when you spoke to him about this directly?”

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Highlight (Yellow) | Location 551

WE HATE CANDOR (BUT STILL WANT IT)

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Highlight (Yellow) | Location 551

Few people enjoy receiving criticism. Receiving bad news about your work triggers feelings of self-doubt, frustration, and vulnerability. Your brain responds to negative feedback with the same fight-or-flight reactions of a physical threat, releasing hormones into the bloodstream, quickening reaction time, and heightening emotions.

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Highlight (Yellow) | Location 561

At the same time, there’s a wealth of research showing that receiving positive feedback stimulates your brain to release oxytocin, the same feel-good hormone that makes a mother happy when she nurses her baby.

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Highlight (Yellow) | Location 581

A feedback loop is one of the most effective tools for improving performance. We learn faster and accomplish more when we make giving and receiving feedback a continuous part of how we collaborate. Feedback helps us to avoid misunderstandings, creates a climate of co-accountability, and reduces the need for hierarchy and rules.

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Highlight (Yellow) | Location 586

When considering whether to give feedback, people often feel torn between two competing issues: they don’t want to hurt the recipient’s feelings, yet they want to help that person succeed.

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Highlight (Yellow) | Location 592

focusing first on something much more difficult: getting employees to give candid feedback to the boss.

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Highlight (Yellow) | Location 593

it's when employees begin providing truthful feedback to their leaders that the big benefits of candor really take off.

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Highlight (Yellow) | Location 597

The higher you get in an organization, the less feedback you receive, and the more likely you are to “come to work naked” or make another error that’s obvious to everyone but you.

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Highlight (Yellow) | Location 692

A climate of candor doesn't mean anything goes.

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Highlight (Yellow) | Location 693

I thought the rules of feedback were something like, “say what’s on your mind, to hell with the cost.” But Netflix managers invest significant time teaching their employees the right and wrong way to give feedback.

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Highlight (Yellow) | Location 699

Giving Feedback 1. AIM TO ASSIST: Feedback must be given with positive intent. Giving feedback in order to get frustration off your chest, intentionally hurting the other person, or furthering your political agenda is not tolerated. Clearly explain how a specific behavior change will help the individual or the company, not how it will help you.

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Highlight (Yellow) | Location 705

**ACTIONABLE:** Your feedback must focus on what the recipient can do differently.

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Highlight (Yellow) | Location 709

Receiving Feedback 3. APPRECIATE: Natural human inclination is to provide a defense or excuse when receiving criticism; we all reflexively seek to protect our egos and reputation. When you receive feedback, you need to fight this natural reaction and instead ask yourself, “How can I show appreciation for this feedback by listening carefully, considering the message with an open mind, and becoming neither defensive nor angry?”

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Highlight (Yellow) | Location 714

**ACCEPT OR DISCARD:** You will receive lots of feedback from lots of people while at Netflix. You are required to listen and consider all feedback provided. You are not required to follow it. Say “thank you” with

sincerity. But both you and the provider must understand that the decision to react to the feedback is entirely up to the recipient.

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Highlight (Yellow) | Location 791

But he still came across as a jerk because he also broke part of the first candor rule, by giving feedback to get frustration off his chest.

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Highlight (Yellow) | Location 792

Following other general critical-feedback guidelines—such as “Never give criticism when you’re still angry” and “Use a calm voice when giving corrective feedback”

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Highlight (Yellow) | Location 801

With candor, high performers become outstanding performers. Frequent candid feedback exponentially magnifies the speed and effectiveness of your team or workforce.

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Highlight (Yellow) | Location 802

Set the stage for candor by building feedback moments into your regular meetings.

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Highlight (Yellow) | Location 803

Coach your employees to give and receive feedback effectively, following the 4A guidelines.

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Highlight (Yellow) | Location 804

As the leader, solicit feedback frequently and respond with belonging cues when you receive it.

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Highlight (Yellow) | Location 805

Get rid of jerks as you instill a culture of candor.

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Highlight (Yellow) | Location 823

Today, in the information age, what matters is what you achieve, not how many hours you clock, especially for the employees of creative companies like Netflix.

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Highlight (Yellow) | Location 854

Time off provides mental bandwidth that allows you to think creatively and see your work in a different light. If you are working all the time, you don’t have the perspective to see your problem with fresh eyes.

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Highlight (Yellow) | Location 865

LEADERS MUST MODEL BIG VACATION-TAKING

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Highlight (Yellow) | Location 878

In the absence of a policy, the amount of vacation people take largely reflects what they see their boss and colleagues taking.

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Highlight (Yellow) | Location 952

SET AND REINFORCE CONTEXT TO GUIDE EMPLOYEE BEHAVIOR

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Highlight (Yellow) | Location 953

“Lead with context, not control”

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Highlight (Yellow) | Location 1029

Giving employees more freedom led them to take more ownership and behave more responsibly.

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Highlight (Yellow) | Location 1106

Before you spend any money imagine that you will be asked to stand up in front of me and your own boss and explain why you chose to purchase that specific flight, hotel, or telephone. If you can explain comfortably why that purchase is in the company’s best interest, then no need to ask, go ahead and buy it. But if you’d feel a little uncomfortable explaining your choice, skip the purchase, check in with your boss, or buy something cheaper.

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Highlight (Yellow) | Location 1145

If your people choose to abuse the freedom you give them, you need to fire them and fire them loudly,

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Highlight (Yellow) | Location 1178

even if your employees spend a little more when you give them freedom, the cost is still less than having a workplace where they can’t fly. If you limit their choices by making them check boxes and ask for permission, you won’t just frustrate your people, you’ll lose out on the speed and flexibility that comes from a low-rule environment.

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Highlight (Yellow) | Location 1209

the lack of process speeds everything up.

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Highlight (Yellow) | Location 1224

Processes provide management with a sense of control, but they slow everything way down.

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Highlight (Yellow) | Location 1232

some employees actually spend less when the expense policy is lifted.

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Highlight (Yellow) | Location 1255

Great places to start are the lifting of your vacation, travel, and expense policies. These elements give people more control over their own lives and convey a loud message that you trust your employees to do what's right.

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Highlight (Yellow) | Location 1259

When removing your vacation policy, explain that there is no need to ask for prior approval and that neither the employees themselves nor their managers are expected to keep track of their days away from the office.

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Highlight (Yellow) | Location 1260

It is left to the employee alone to decide if and when he or she feels like taking a few hours, a day, a week, or a month off work.

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Highlight (Yellow) | Location 1262

When you remove the vacation policy, it will leave a hole. What fills the hole is the context the boss provides for the team. Copious discussions must take place, setting the scene for how employees should approach vacation decisions.

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Highlight (Yellow) | Location 1264

The practices modeled by the boss will be critical to guide employees as to the appropriate behavior. An office with no vacation policy but a boss who never vacations will result in an office that never vacations.

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Highlight (Yellow) | Location 1266

When removing travel and expense policies, encourage managers to set context about how to spend money up front and to check employee receipts at the back end. If people overspend, set more context.

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Highlight (Yellow) | Location 1268

With no expense controls, you'll need your finance department to audit a portion of receipts annually.

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Highlight (Yellow) | Location 1269

When you find people abusing the system, fire them and speak about the abuse openly—even when they are star performers in other ways. This is necessary so that others understand the ramifications of behaving irresponsibly.

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Highlight (Yellow) | Location 1271

Some expenses may increase with freedom. But the costs from overspending are not nearly as high as the gains that freedom provides.

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Highlight (Yellow) | Location 1272

With expense freedom, employees will be able to make quick decisions to spend money in ways that help the business.

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Highlight (Yellow) | Location 1273

Without the time and administrative costs associated with purchase orders and procurement processes, you will waste fewer resources.

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Highlight (Yellow) | Location 1274

Many employees will respond to their new freedom by spending less than they would in a system with rules. When you tell people you trust them, they will show you how trustworthy they are.

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Highlight (Yellow) | Location 1291

We decided that rather than putting more rules and procedures in place, we would continue to do two other things: 1. We would find new ways to increase talent density. In order to attract and retain the best people, we would have to make sure that we offered the most attractive methods of compensation. 2. We would find new ways to increase candor. If we were going to remove controls, we would need to make sure that our employees had all the information they needed to make good decisions without management oversight. This would require increasing organizational transparency and eliminating company secrets. If we wanted employees to make good decisions for themselves, they would have to understand as much about what was going on in the business as those at the top.

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Highlight (Yellow) | Location 1309

a culture of Freedom and Responsibility

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Highlight (Yellow) | Location 1430

I learned from that exchange with Leslie that the entire bonus system is based on the premise that you can reliably predict the future, and that you can set an objective at any given moment that will continue to be



important down the road. But at Netflix, where we have to be able to adapt direction quickly in response to rapid changes, the last thing we want is our employees rewarded in December for attaining some goal fixed the previous January. The risk is that employees will focus on a target instead of spot what's best for the company in the present moment.

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Highlight (Yellow) | Location 1441

I love this quote from former chief executive of Deutsche Bank John Cryan: "I have no idea why I was offered a contract with a bonus in it because I promise you I will not work any harder or any less hard in any year, in any day because someone is going to pay me more or less." Any executive worth her paycheck would say the same.

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Highlight (Yellow) | Location 1458

the offer of a higher bonus led to poorer performance.

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Highlight (Yellow) | Location 1462

People are most creative when they have a big enough salary to remove some of the stress from home. But people are less creative when they don't know whether or not they'll get paid extra. Big salaries, not merit bonuses, are good for innovation.

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Highlight (Yellow) | Location 1547

You'll get more money if you change companies than if you stay put.

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Highlight (Yellow) | Location 1592

It is best to have salaries a little higher than necessary, to give a raise before an employee asks for it, to bump up a salary before that employee starts looking for another job, in order to attract and retain the best talent on the market year after year. It costs a lot more to lose people and to recruit replacements than to overpay a little in the first place.

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Highlight (Yellow) | Location 1642

I want all my employees to make an active choice to stay. I don't want them to stay because they lack options.

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Highlight (Yellow) | Location 1692

The methods used by most companies to compensate employees are not ideal for a creative, high-talent-density workforce.

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Highlight (Yellow) | Location 1693

Divide your workforce into creative and operational employees. Pay the creative workers top of market. This may mean hiring one exceptional individual instead of ten or more adequate people.

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Highlight (Yellow) | Location 1694

Don't pay performance-based bonuses. Put these resources into salary instead.

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Highlight (Yellow) | Location 1695

Teach employees to develop their networks and to invest time in getting to know their own—and their teams'—market value on an ongoing basis. This might mean taking calls from recruiters or even going to interviews at other companies. Adjust salaries accordingly.

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Highlight (Yellow) | Location 1750

Just about all managers like the idea of transparency.

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Highlight (Yellow) | Location 1779

Transparency sounds great. You never hear leaders saying they promote organizational secrecy.

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Highlight (Yellow) | Location 1829

Although just about all companies talk about empowering staff, in the vast majority of organizations, real empowerment is a pipe dream because employees aren't given enough information to take ownership of anything.

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Highlight (Yellow) | Location 1850

For our employees, transparency has become the biggest symbol of how much we trust them to act responsibly.

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Highlight (Yellow) | Location 1917

Netflix treats employees like adults who can handle difficult information

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Highlight (Yellow) | Location 1918

Just tell those employees the truth. They might freak out, but at least they know you're honest with them. And that counts for a lot.

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Highlight (Yellow) | Location 1945

it is our job to treat you like an adult and give you all the information we have, so that you can make informed decisions.

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Highlight (Yellow) | Location 1974

Spinning the truth is one of the most common ways leaders erode trust.

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Highlight (Yellow) | Location 1975

Your people are not stupid. When you try to spin them, they see it, and it makes you look like a fraud.

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Highlight (Yellow) | Location 2004

Generally, I believed that if the dilemma is linked to an incident at work, everyone should be informed. But if the dilemma is linked to an employee's personal situation, it's up to that person to share details if he chooses.

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Highlight (Yellow) | Location 2035

it's just normal human behavior to feel more trusting of someone who is open about mistakes.

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Highlight (Yellow) | Location 2054

honesty about mistakes is good for relationships, health, and job performance.

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Highlight (Yellow) | Location 2062

The pratfall effect is the tendency for someone's appeal to increase or decrease after making a mistake, depending on his or her perceived ability to perform well in general.

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Highlight (Yellow) | Location 2075

To instigate a culture of transparency, consider what symbolic messages you send. Get rid of closed offices, assistants who act as guards, and locked spaces.

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Highlight (Yellow) | Location 2076

Open up the books to your employees. Teach them how to read the P& L. Share sensitive financial and strategic information with everyone in the company.

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Highlight (Yellow) | Location 2077

When making decisions that will impact your employees' well-being, like reorganizations or layoffs, open up to the workforce early, before things are solidified. This will cause some anxiety and distraction, but the trust you build will outweigh the disadvantages.

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Highlight (Yellow) | Location 2079

When transparency is in tension with an individual's privacy, follow this guideline: If the information is about something that happened at work, choose transparency and speak candidly about the incident. If the information is about an employee's personal life, tell people it's not your place to share and they can ask the person concerned directly if they choose. As long as you've already shown yourself to be competent, talking openly and

extensively about your own mistakes—and encouraging all your leaders to do the same—will increase trust, goodwill, and innovation throughout the organization.

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Highlight (Yellow) | Location 2120

dispersed decision-making

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Highlight (Yellow) | Location 2124

Dispersed decision-making can only work with high talent density and unusual amounts of organizational transparency.

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Highlight (Yellow) | Location 2185

When the boss steps out of the role of “decision approver,” the entire business speeds up and innovation increases.

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Highlight (Yellow) | Location 2207

Our big threat in the long run is not making a mistake, it’s lack of innovation.

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Highlight (Yellow) | Location 2258

But we do know that good decisions require a solid grasp of the context, feedback from people with different perspectives, and awareness of all the options.” If someone uses the freedom Netflix gives them to make important decisions without soliciting others’ viewpoints, Netflix considers that a demonstration of poor judgment.

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Highlight (Yellow) | Location 2292

Humans are much more comfortable when going along with the herd.

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Highlight (Yellow) | Location 2322

The more you actively farm for dissent, and the more you encourage a culture of expressing disagreement openly, the better the decisions that will be made in your company.

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Highlight (Yellow) | Location 2326

After explaining why you don’t agree, you can suggest that she socialize the idea with her peers and other leaders in the company. This means that she sets up multiple meetings, where she outlines her proposal and enters into discussions in order to stress-test her thinking and collect numerous opinions and data points before making her decision.

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Highlight (Yellow) | Location 2399

Farm for dissent. Socialize the idea. Test it out. This sounds a lot like consensus building, but it's not. With consensus building the group decides; at Netflix a person will reach out to relevant colleagues, but does not need to get anyone's agreement before moving forward.

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Highlight (Yellow) | Location 2401

For each important decision there is always a clear informed captain. That person has full decision-making freedom. In Erin's scenario, Sheila is the informed captain. It's not for her boss or any of her colleagues to decide. She collects opinions and chooses for herself. She is then solely responsible for the outcome.

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Highlight (Yellow) | Location 2410

She is psychologically invested, and I want to keep her that way.

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Highlight (Yellow) | Location 2416

F& R works so well is because people do feel the burden of the responsibility that comes with the freedom and make extra efforts accordingly.

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Highlight (Yellow) | Location 2467

making bets is not a question of individuals' successes and failures but rather a learning process that, in total, catapults the business forward.

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Highlight (Yellow) | Location 2492

complexity kills consumer engagement.

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Highlight (Yellow) | Location 2497

When a bet fails, the manager must be careful to express interest in the takeaways but no condemnation.

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Highlight (Yellow) | Location 2525

When you sunshine your failed bets, everyone wins. You win because people learn they can trust you to tell the truth and to take responsibility for your actions. The team wins because it learns from the lessons that came out of the project. And the company wins because everyone sees clearly that failed bets are an inherent part of an innovative success wheel.

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Highlight (Yellow) | Location 2567

have a series of historic cases we cover with them to teach what not to do.

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Highlight (Yellow) | Location 2576

In a fast and innovative company, ownership of critical, big-ticket decisions should be dispersed across the workforce at all different levels, not allocated according to hierarchical status.

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Highlight (Yellow) | Location 2577

In order for this to work the leader must teach her staff the Netflix principle, “Don’t seek to please your boss.”

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Highlight (Yellow) | Location 2578

When new employees join the company, tell them they have a handful of metaphorical chips that they can make bets with. Some gambles will succeed, and some will fail. A worker’s performance will be judged on the collective outcome of his bets, not on the results from one single instance.

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Highlight (Yellow) | Location 2580

To help your workforce make good bets, encourage them to farm for dissent, socialize the idea, and for big bets, test it out.

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Highlight (Yellow) | Location 2582

Teach your employees that when a bet fails, they should sunshine it openly.

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Highlight (Yellow) | Location 2630

The family represents belonging, comfort, and commitment to helping one another over the long term.

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Highlight (Yellow) | Location 2665

A job should be something you do for that magical period of time when you are the best person for that job and that job is the best position for you. Once you stop learning or stop excelling, that’s the moment for you to pass that spot onto someone who is better fitted for it and to move on to a better role for you.

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Highlight (Yellow) | Location 2669

think of Netflix as a professional sports team.

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Highlight (Yellow) | Location 2908

In order to encourage your managers to be tough on performance, teach them to use the Keeper Test: “Which of my people, if they told me they were leaving for a similar job at another company, would I fight hard to keep?”

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Highlight (Yellow) | Location 2910

Avoid stack-ranking systems, as they create internal competition and discourage collaboration.

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Highlight (Yellow) | Location 2911

For a high-performance culture, a professional sports team is a better metaphor than a family. Coach your managers to create strong feelings of commitment, cohesion, and camaraderie on the team, while continually making tough decisions to ensure the best player is manning each post.

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Highlight (Yellow) | Location 2913

When you realize you need to let someone go, instead of putting him on some type of PIP, which is humiliating and organizationally costly, take all that money and give it to the employee in the form of a generous severance payment.

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Highlight (Yellow) | Location 2915

The downside to a high-performance culture is the fear employees may feel that their jobs are on the line. To reduce fear, encourage employees to use the Keeper Test Prompt with their managers: “How hard would you work to change my mind if I were thinking of leaving?”

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Highlight (Yellow) | Location 2917

When an employee is let go, speak openly about what happened with your staff and answer their questions candidly. This will diminish their fear of being next and increase their trust in the company and its managers.

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Highlight (Yellow) | Location 2929

“Only say about someone what you will say to their face.”

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Highlight (Yellow) | Location 2997

a culture of candor.”

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Highlight (Yellow) | Location 3157

Candor is like going to the dentist. Even if you encourage everyone to brush daily, some won't do it. Those who do may still miss the uncomfortable spots. A thorough session every six to twelve months ensures clean teeth and clear feedback.

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Highlight (Yellow) | Location 3159

Performance reviews are not the best mechanism for a candid work environment, primarily because the feedback usually goes only one way (down) and comes from only one person (the boss).

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Highlight (Yellow) | Location 3160

A 360 written report is a good mechanism for annual feedback. But avoid anonymity and numeric ratings, don't link results to raises or promotions, and open up comments to anyone who is ready to give them.

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Highlight (Yellow) | Location 3162

Live 360 dinners are another effective process. Set aside several hours away from the office. Give clear instructions, follow the 4A feedback guidelines, and use the Start, Stop, Continue method with roughly 25 percent positive, 75 percent developmental—all actionable and no fluff.

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Highlight (Yellow) | Location 3202

“Ted wasn't about to make that decision for me, but he set broad context to help align my thinking with the company's strategy. That context he set laid the foundation for my decision.”

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Highlight (Yellow) | Location 3213

Leading with context, on the other hand, is more difficult, but gives considerably more freedom to employees. You provide all of the information you can so that your team members make great decisions and accomplish their work without oversight or process controlling their actions. The benefit is that the person builds the decision-making muscle to make better independent decisions in the future.

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Highlight (Yellow) | Location 3282

When considering whether to lead with context or control, the second key question to ask is whether your goal is error prevention or innovation.

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Highlight (Yellow) | Location 3294

To encourage original thinking, don't tell your employees what to do and make them check boxes. Give them the context to dream big, the inspiration to think differently, and the space to make mistakes along the way. In other words, lead with context.

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Highlight (Yellow) | Location 3297

If you want to build a ship, don't drum up the people to gather wood, divide the work, and give orders. Instead, teach them to yearn for the vast and endless sea.

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Highlight (Yellow) | Location 3304

I'm a software engineer and software engineers speak about “tight coupling” and “loose coupling” to explain two different types of system design. A tightly coupled system is one in which the various components are intricately intertwined. If you want to make a change to one area of the system, you have to go back and rework



the foundation, which impacts not just the section you need to change, but the entire system. By contrast, a loosely coupled design system has few interdependencies between the component parts. They are designed so that each can be adapted without going back and changing the foundation. That's why software engineers like loose coupling; they can make a change to part of the system with no repercussions for the rest of it. The entire system is more flexible. Organizations are constructed a bit like computer programs. When a company is tightly coupled, big decisions get made by the big boss and pushed down to the departments, often creating interdependencies between the various areas of the business. If a problem occurs at the departmental level, it has to go back to the boss who oversees all of the departments. Meanwhile, in a loosely coupled company, an individual manager or employee is free to make decisions or solve problems, safe in the knowledge that the consequences will not ricochet through other departments.

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Highlight (Yellow) | Location 3314

If the leaders up and down your company have traditionally led with control, a tightly coupled system may have come about naturally. If you are managing a department (or a team within a department) in a tightly coupled system and you decide you'd like to begin to lead your people with context, you may find that the tight coupling gets in your way. Since all the important decisions get made at the top, you might wish to give your employees decision-making power, but you can't, because anything important has to be approved not just by you but by your boss and by her boss.

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Highlight (Yellow) | Location 3329

With loose coupling, on the other hand, the risk of misalignment is high.

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Highlight (Yellow) | Location 3335

Loose coupling works only if there is a clear, shared context between the boss and the team.

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Highlight (Yellow) | Location 3338

**HIGHLY ALIGNED, LOOSELY COUPLED**

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Highlight (Yellow) | Location 3377

**WHEN ONE OF YOUR PEOPLE DOES SOMETHING DUMB DON'T BLAME THEM. INSTEAD ASK YOURSELF WHAT CONTEXT YOU FAILED TO SET. ARE YOU ARTICULATE AND INSPIRING ENOUGH IN EXPRESSING YOUR GOALS AND STRATEGY? HAVE YOU CLEARLY EXPLAINED ALL THE ASSUMPTIONS AND RISKS THAT WILL HELP YOUR TEAM TO MAKE GOOD DECISIONS? ARE YOU AND YOUR EMPLOYEES HIGHLY ALIGNED ON VISION AND OBJECTIVES?**

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Highlight (Yellow) | Location 3383

Netflix we almost always prefer to pay more for the option that gives us greater flexibility,

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Highlight (Yellow) | Location 3519

organizational transparency, a ton of context, and high alignment

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Highlight (Yellow) | Location 3560

In order to lead with context, you need to have high talent density, your goal needs to be innovation (not error prevention), and you need to be operating in a loosely coupled system.

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Highlight (Yellow) | Location 3561

Once these elements are in place, instead of telling people what to do, get in lockstep alignment by providing and debating all the context that will allow them to make good decisions.

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Highlight (Yellow) | Location 3563

When one of your people does something dumb, don't blame that person. Instead, ask yourself what context you failed to set. Are you articulate and inspiring enough in expressing your goals and strategy? Have you clearly explained all the assumptions and risks that will help your team to make good decisions? Are you and your employees highly aligned on vision and objectives?

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Highlight (Yellow) | Location 3566

A loosely coupled organization should resemble a tree rather than a pyramid. The boss is at the roots, holding up the trunk of senior managers who support the outer branches where decisions are made.

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Highlight (Yellow) | Location 3567

You know you're successfully leading with context when your people are moving the team in the desired direction by using the information they've received from you and those around you to make great decisions themselves.

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Highlight (Yellow) | Location 3777

a culture of candor,

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Highlight (Yellow) | Location 3862

Add a relationship-based touch like a smiling emoji.

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Highlight (Yellow) | Location 3865

One of the best ways to get better at providing feedback to an international counterpart is to ask questions and show curiosity about the other person's culture.

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Highlight (Yellow) | Location 3911

What her approach was lacking was global sensitivity. Despite her candor, her feedback technique led to misunderstanding.

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Highlight (Yellow) | Location 3926

Map out your corporate culture and compare it to the cultures of the countries you are expanding into. For a culture of F& R, candor will need extra attention.

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Highlight (Yellow) | Location 3927

In less direct countries, implement more formal feedback mechanisms and put feedback on the agenda more frequently, because informal exchanges will happen less often. With more direct cultures, talk about the cultural differences openly so the feedback is understood as intended.

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Highlight (Yellow) | Location 3930

Make ADAPTABILITY the fifth A of your candor model. Discuss openly what candor means in different parts of the world. Work together to discover how both sides can adapt to bring this value to life.

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Highlight (Yellow) | Location 4012

Culture isn't something you can build up and then ignore.

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