ORGANIZATION CULTURE AT NETFLIX

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Content

NETFLIX'S OVERVIEW
NETFLIX'S ANALYSIS
NETFLIX'S WAY FORWARD



PARTI

Company's Overview



Company at a Glance



NETFLIX

Is an online library to watch series & film that can be streamed through website, television, and mobile phone which based on subscription and offer customization for each user.

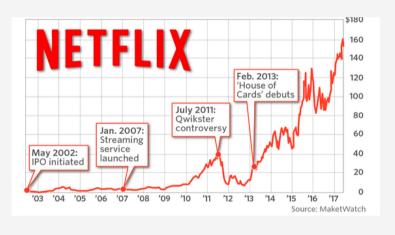
VISION

BECOMING THE BEST GLOBAL ENTERTAINMENT DISTRIBUTION SERVICE.

The Story of Netflix











1997

Reed Hastings and Marc Randolph was thinking to rent DVDs by mail 1999

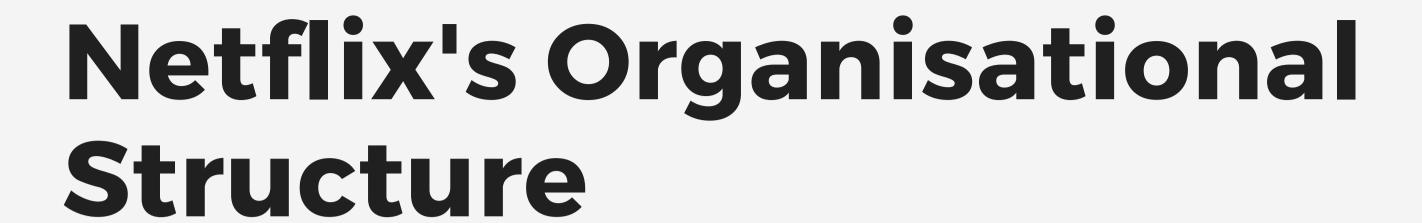
Expanded to website and created subscription feature to the audiences

2002

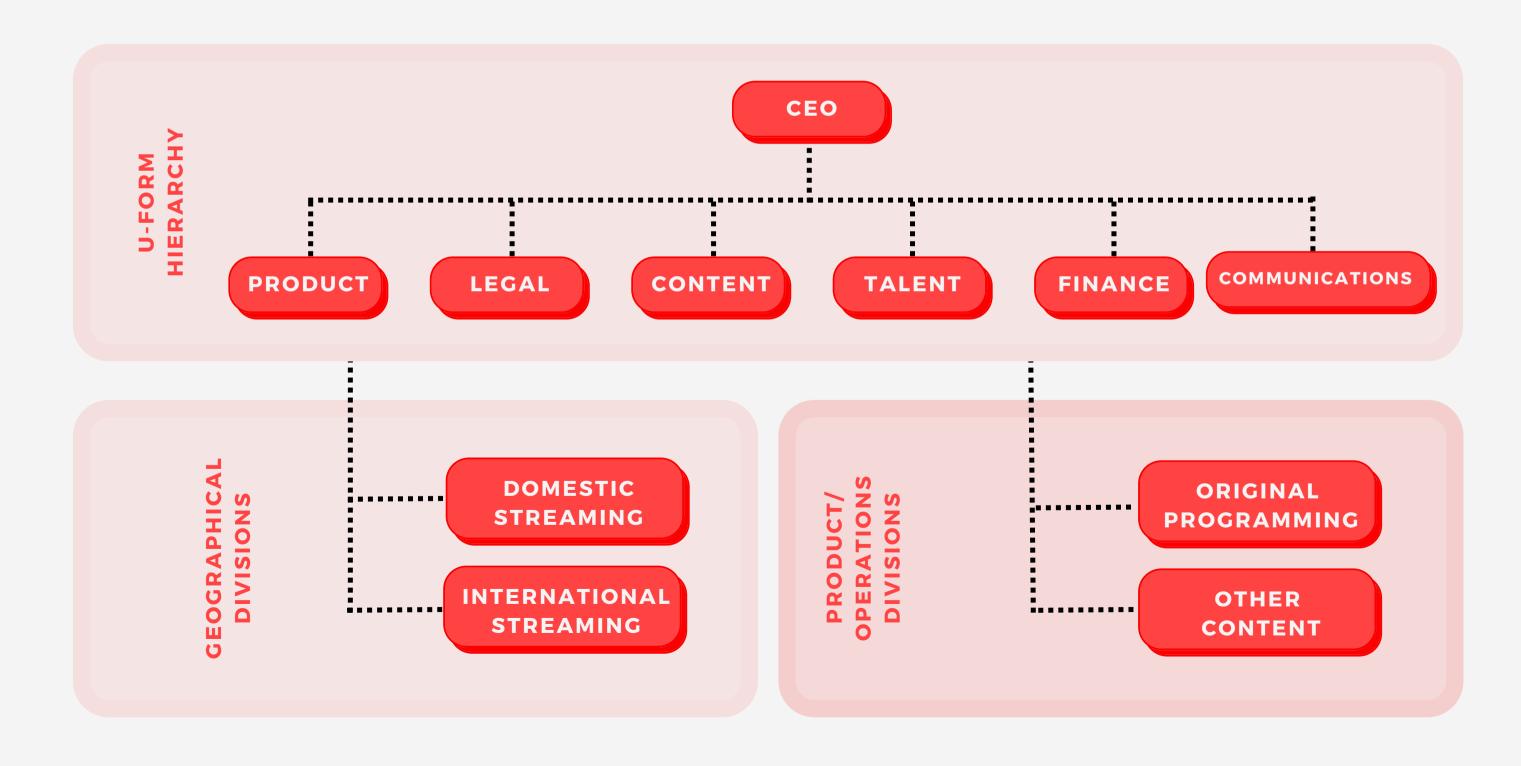
Developed personalization & comments feature, growth, and made its IPO 2016

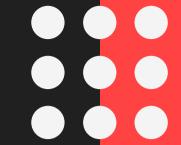
Registered patent, launched for mobile devices, expanded the business to new 130 countries 2021

Gained over 200 million membership and produced its original film & series







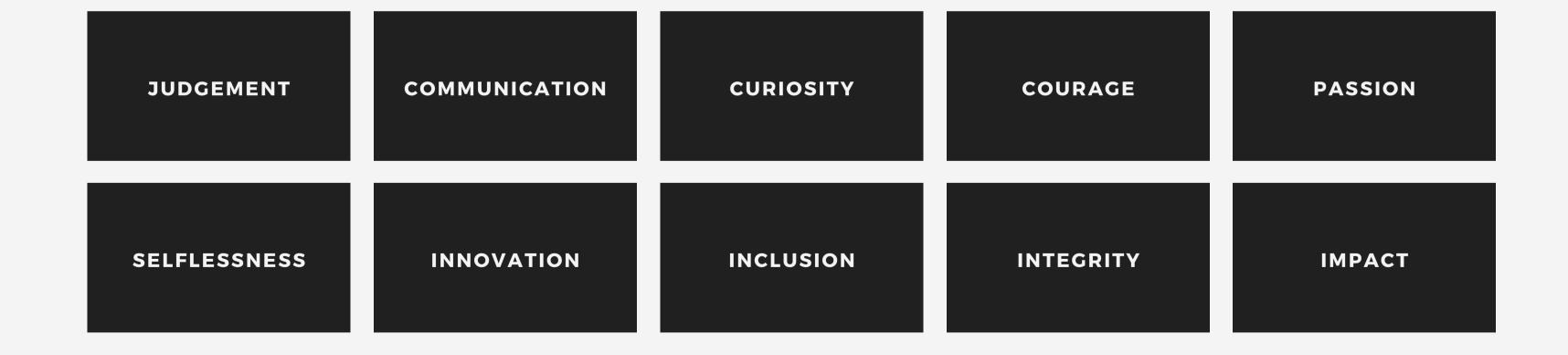


An amazing and unusual employee culture that is not for all.



Hastings understands that company culture is the only sustainable competitive advantage he has complete control over and he is smart enough to have defined and invested in building the Netflix culture into a major asset for the business.

Netflix's Values



Netflix's Culture

ACT IN NETFLIX'S BEST INTERESTS



- 1. No Rules Rules
- 2. 'Sunshining' Failures
- 3. The Keeper Test
- 4. Radically Honesty
- 5. Transparent Compensation
- 6. No Boss Pleasing
- 7. Independent Decision-Making

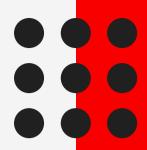
- 1. Highly Competitive
- 2. Limited Lateral Movement
- 3. Role Driven Hiring & Firing
- 4. Rude & Ruthless
- 5. Big Negative Fear Energy
- 6. Everyone is Replaceable

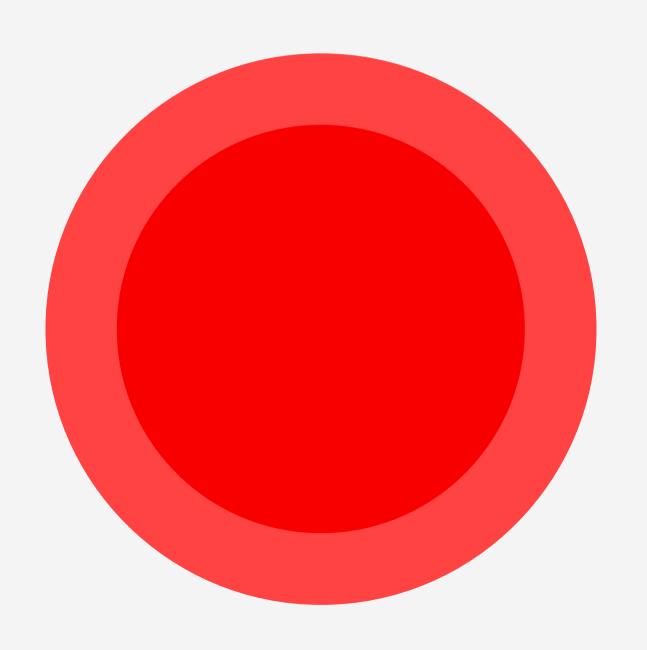
PARTII

Culture & Design Analysis



Junginger's Framework



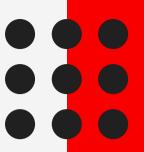


DESIGN IS INTEGRATED TO ALL ASPECTS OF THE ORGANIZATIONS

Internally to the employees, Netflix designed its culture based on personal challenges that relate with many people. The employees become more creative when trust is given.

Externally to the users, Netflix created a holistic & personalized experience based on a data analytics-based algorithm. Additionally, Netflix understands that expectations from users are important - they make sure the customer service is being responsive as the front line to capture problems directly from the users.

Transformative Design Role:



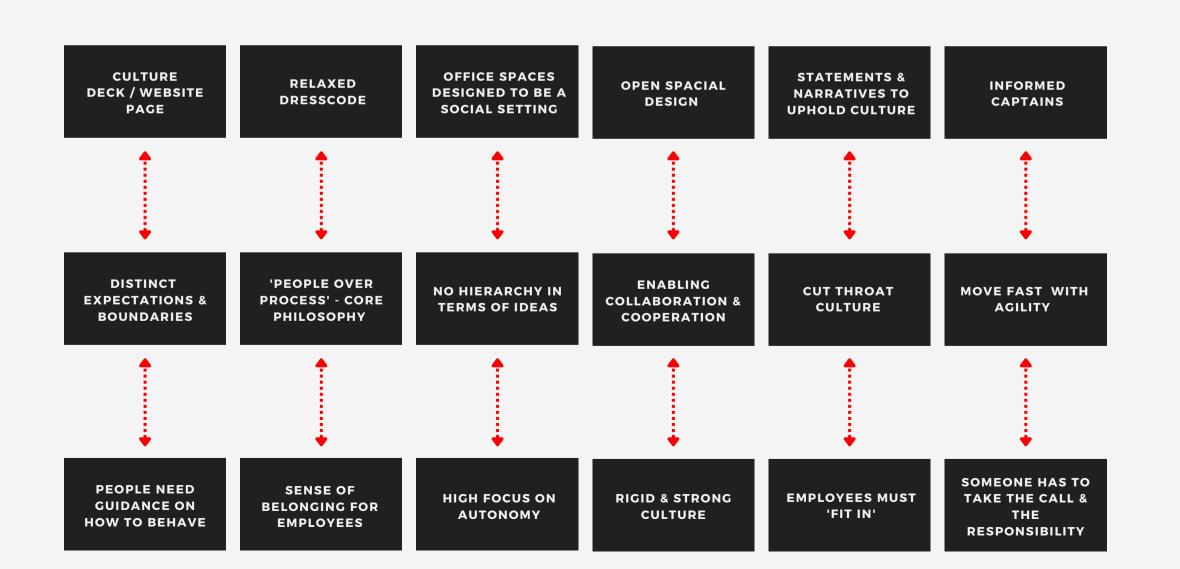


DESIGN AS CULTURAL CATALYST

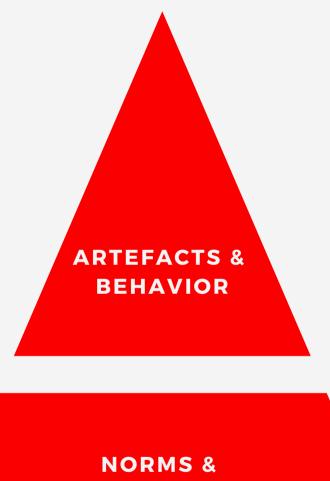
Netflix uses design as part to help their organization to:

- 1. Value diversity of people & thoughts
- 2. Provide constructive feedback of loops
- 3. Live in the integrated ecosystem

Schein's Framework: Internal Projection



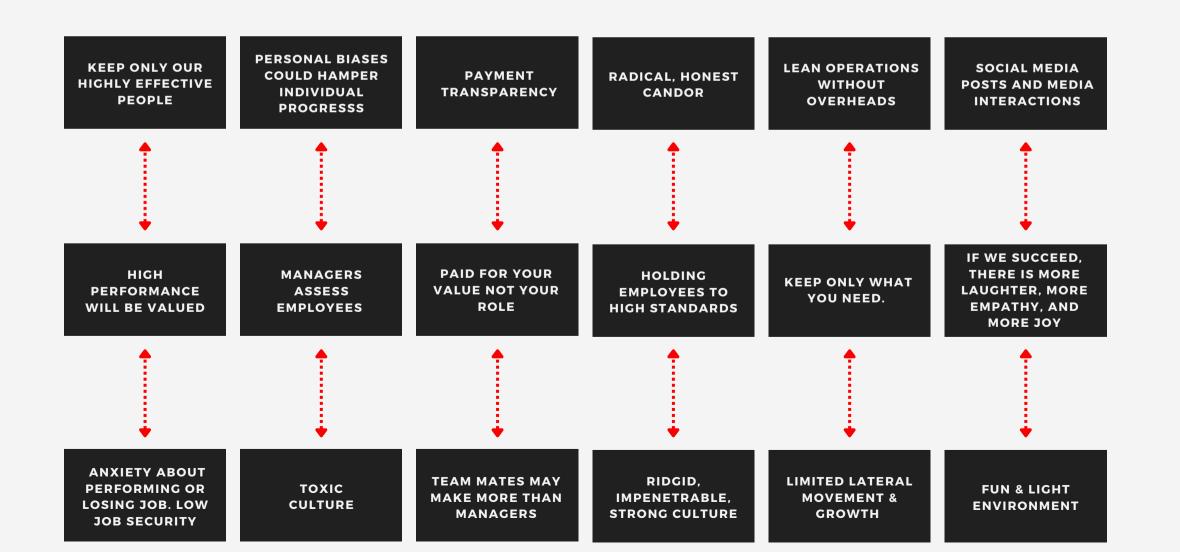




BASIC ASSUMPTIONS

VALUES

Schein's Framework: External Perception





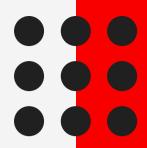


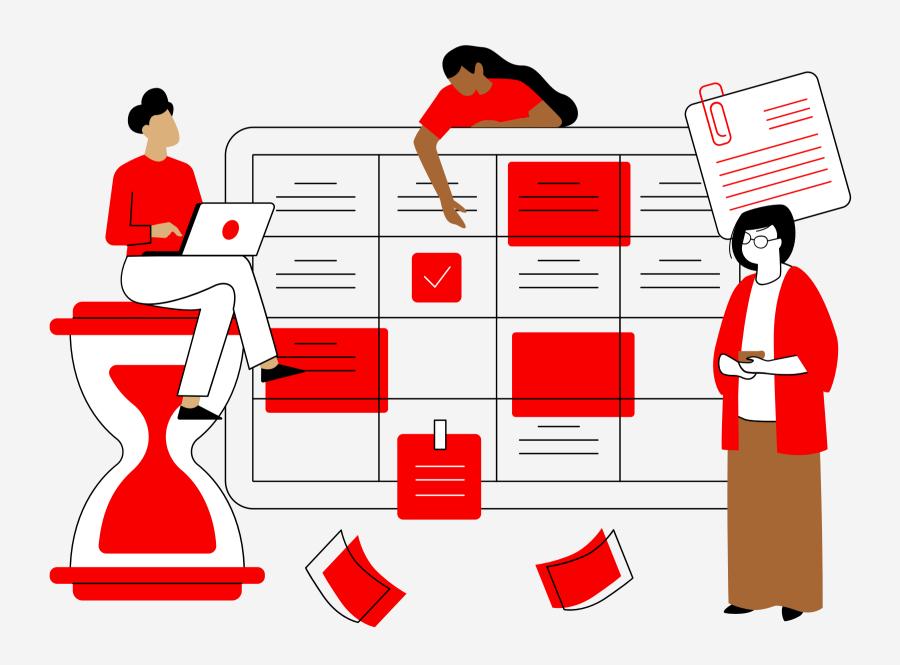
BASIC ASSUMPTIONS

NORMS &

VALUES

Managing as Designing





Managing as Designing

Netflix landed on all of these innovations by using design thinking to empathize with its customers



ON-DEMAND STREAMING

Became an on-demand streaming site in response to cable's competition and, to its customer needs and expectations.

ORIGINAL CONTENT

Netflix began to create its own content, original movies and series, which changed the entertainment landscape.

USER CENTRIC

Netflix also leveraged artificial intelligence and predictive analytics to create a unique experience for each viewer based on that customer's viewing habits



DOES NETFLIX MANAGE IT'S CULTURE BY DESIGN?



UNDERLYING ASSUMPTIONS ABOUT NETFLIX'S CULTURE

High Focus on Autonomy

No hierarchy in terms of ideas, collaborative creative atmosphere

High Standards

High class of talent- with distinct expectations and boundaries

Low Job Security

Lack of Psychological Safety, anxiety about job performance

Lack of Vacation Policy

Creating sweatshop conditions where no one dares to take vacations



LOW JOB SECURITY

Firing ineffective employees with a generous severance package

Lack of Psychological
Safety

LACK OF VACATION POLICY

Employees are likely to even take less days off
because of the human behaviour called 'loss aversion'.

Creation of sweatshop environment



IS NETFLIX MANAGING BY DESIGN?



As a company that tries to put people first, Netflix needs to both sustain & eliminate some of the culture.



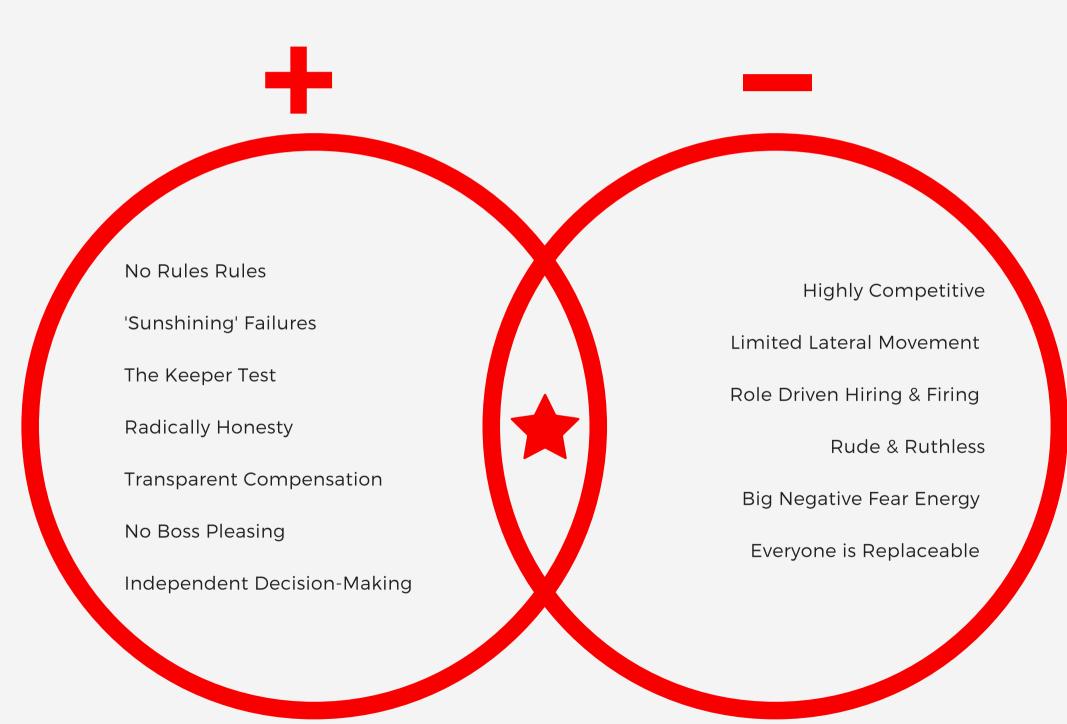


PART III

Netflix's Way Forward



Culture Review





Culture Recommendation



Sincerity to explore creativity

Vulnerability over perfectionism







Independent decision-making with ethical & sustainable thinking

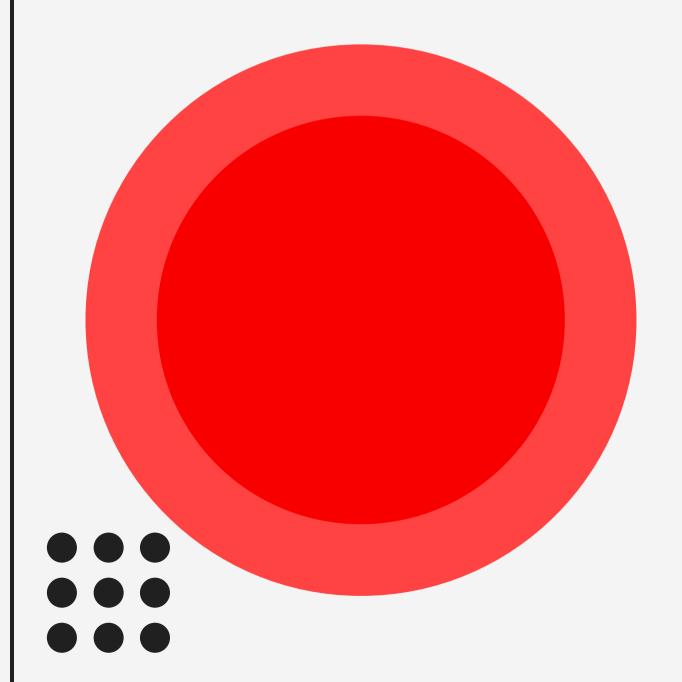
Radically honest with respectful behavior

"Sunshining" failures to learn & do agile changes





Design Role



MAINTAIN THE ROLE OF DESIGN TO BE INTEGRATED WITH THE ORGANIZATION

The role of design needs to be in sync with the company to keep relevancy with the users and employees. By utilizing design in interdisciplinary facets, Netflix will be able to create functional roles with thoughtful ways of thinking.

Moving forward, the role of design-thinking will be able to act as one of the required skills for future employees. By having the same standard on this, Netflix can leverage the value of humanity internally within the company and externally to the users.

Leadership Role

By having a flexible culture that demands excellent work, there is a massive leadership role in every employee that works at Netflix. Having the ability to lead themselves is mandatory before even leading the team and other stakeholders. Learning to be a resonant leader will help the organization to have positive contagious energy.







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THANK YOU

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