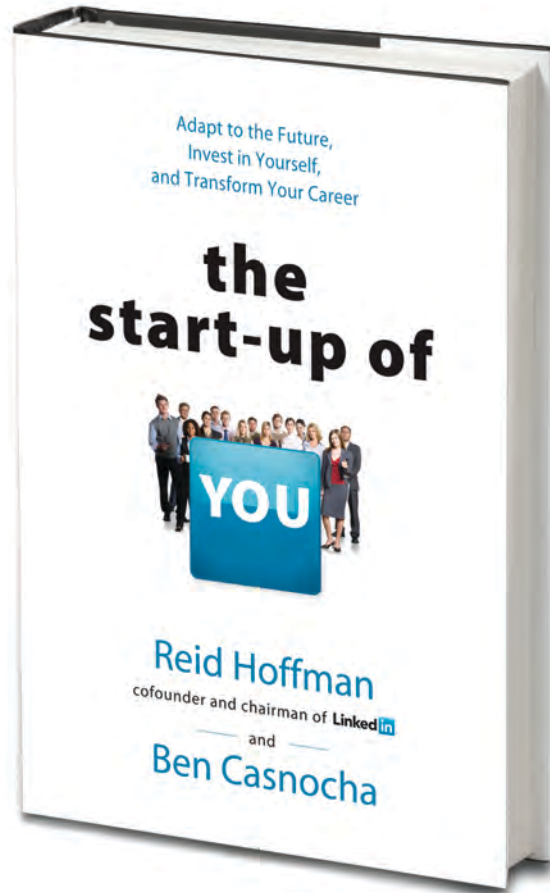


Connect to Human Networks



“Opportunities do not float like clouds. They are firmly attached to individuals. If you are looking for an opportunity, you’re really looking for *people*....A company doesn’t offer you a job, *people* do.”

THE START-UP OF YOU

Notes by Sacha Chua, @sachac, livinganawesomeLife.com 2012



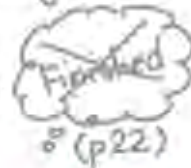
REID HOFFMAN

BEN CASNOCHA

COMPETITIVE ADVANTAGE

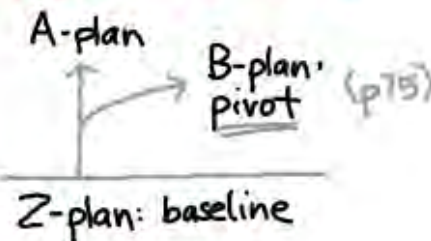


You remake yourself as you grow and as the world changes.




Adopt the permanent beta mindset! (p22)

ABZ PLANNING



PROFESSIONAL NETWORK

Focus on helping others. 



Create an "interesting people" fund. (p139)

OPPORTUNITIES



INTELLIGENT RISK

Pursue opportunities that have lower risk than your peers think, but which are still high-reward. (p193)

Regular volatility makes surprises survivable. (p184)



NETWORK INTELLIGENCE

> Private observations (p199)
> Personalized advice
> Filtered information
> Better thoughts in dialogue

Better questions: (p208)

◉ Converse, don't interrogate.

◻ Adjust the lens

+ Frame and prime

⇒ Follow up and probe

Ten Ways to Use LinkedIn to Find a Job

Searching for a job can suck if you constrain yourself to the typical tools such as online jobs boards, trade publications, Craigslist, and networking with only your close friends. In these kinds of times, you need to use all the weapons that you can, and one that many people don't—or at least don't use to the fullest extent, is [LinkedIn](#).

LinkedIn has over thirty-five million members in over 140 industries. Most of them are adults, employed, and not looking to post something on your Wall or date you. Executives from all the Fortune 500 companies are on LinkedIn. Most have disclosed what they do, where they work now, and where they've worked in the past. Talk about a target-rich environment, and the service is free.

Here are ten tips to help use LinkedIn to find a job. If you know someone who's looking for a job, forward them these tips along with an invitation to connect on LinkedIn. Before trying these tips, make sure you've filled out your profile and added at least twenty connections

1. **Get the word out.** Tell your network that you're looking for a new position because a job search these days requires the "law of big numbers" There is no stigma that you're looking right now, so the more people who know you're looking, the more likely you'll find a job. Recently, LinkedIn added "status updates" which you can use to let your network know about your newly emancipated status.
2. **Get LinkedIn recommendations from your colleagues.** A strong recommendation from your manager highlights your strengths and shows that you were a valued employee. This is especially helpful if you were recently laid off, and there is no better time to ask for this than when your manager is feeling bad because she laid you off. If you were a manager yourself, recommendations from your employees can also highlight leadership qualities.
3. **Find out where people with your backgrounds are working.** Find companies that employ people like you by doing an advanced search for people in your area who have your skills. For example, if you're a web developer in Seattle, search profiles in your zip code using keywords with your skills (JavaScript, XHTML, Ruby on Rails) to see which companies employ people like you.
4. **Find out where people at a company came from.** LinkedIn "Company Profiles" show the career path of people before they began work there. This is very useful data to figure out what a company is looking for in new hires. For example, [Microsoft employees worked at Hewlett-Packard and Oracle](#).
5. **Find out where people from a company go next.** LinkedIn's "Company Profiles" also tell you where people go after leaving the company. You can use this to track where people go after leaving your company as well as employees of other companies in your sector. (You could make the case that this feature also enables to figure out which companies to avoid, but I digress.)
6. **Check if a company is still hiring.** Company pages on LinkedIn include a section called "New Hires" that lists people who have recently joined the company. If you have real chutzpah, you can ask these new hires how they got their new job. At the very least you can examine their backgrounds to surmise what made them attractive to the new employer.
7. **Get to the hiring manager.** LinkedIn's job search engine allows you to search for any kind of job you want. However, when you view the results, pay close attention to the ones that you're no more than two degrees away from. This means that you know someone who knows the person that posted the job—it can't get much better than that. (Power tip: two degrees is about the limit for getting to hiring managers. I never help friends of friends of friends.) Another way to find companies that you have ties to is by looking at the "Companies in Your Network" section on LinkedIn's Job Search page.
8. **Get to the right HR person.** The best case is getting to the hiring manager via someone who knows him, but if that isn't possible you can still use LinkedIn to find someone inside the company to walk your resume to the hiring manager or HR department. When someone receives a resume from a coworker even if she doesn't know the coworker, she almost always pays attention to it.
9. **Find out the secret job requirements.** Job listings rarely spell out entirely or exactly what a hiring manager is seeking. Find a connection at the company who can get the inside scoop on what really matters for the job. You can do this by searching for the company name; the results will show you who in your network connects you to the company. If you don't have an inside connection, look at profiles of the people who work at the company to get an idea of their backgrounds and important skills.
10. **Find startups to join.** Maybe this recession is God telling you it's time to try a startup. But great startups are hard to find. Play around with LinkedIn's advanced search engine using "startup" or "stealth" in the keyword or company field. You can also narrow by industry (for example, startups in the Web 2.0, wireless, or biotech sectors). If large companies can't offer "job security," open up your search to include startups.
11. **Build your network before you need it.** As a last tip, no matter how the economy or your career is doing, having a strong network is a good form of job security. Don't wait until times are tough to nurture your network. The key to networking (or "schmoozing"), however, is filled with counter-intuitiveness. First, it's not who you know—it's who knows of you. Second, Great schmoozers are not thinking "What can this person do for me?" To the contrary, they are thinking, "What can I do for this person?" Read more: <http://blog.guykawasaki.com/2009/02/10-ways-to-use.html#ixzz216YFC2bb>

The real way to build a social network January 24, 2012: 5:00 AM ET

If there is a guru of networking, it is Reid Hoffman. Here he explains how to do it right -- and wrong -- in an excerpt from his new book with Ben Casnocha, *The Start-Up of You*.



PHOTO: GREGG SEGAL

Reid Hoffman travels with several devices so that he can constantly stay in touch.

FORTUNE -- *Forget Dale Carnegie. He understood how important connections were, but missed out on the authenticity part -- which, say Reid Hoffman and Ben Casnocha, authors of The Start-Up of You, is the key to building a truly helpful professional network. Here's how to leverage that network into the career you only dreamed of.*

Many people are turned off by the topic of networking. They think it's slimy, inauthentic. Picture the consummate networker: a high-energy fast talker who collects as many business cards as he can and attends mixers sporting slicked-back hair. Or the overambitious college kid who frantically e-mails alumni, schmoozes with the board of trustees, and adds anyone he's ever met as an online friend. Such people are drunk on networking Kool-Aid -- and are looking at a potentially nasty hangover.

Luckily, building your network doesn't have to be like that. Old-school networkers are transactional. They pursue relationships thinking solely about what other people can do for them. Relationship builders, on the other hand, try to help others first. They don't keep score. And they prioritize high-quality relationships over a large number of connections.

Building a genuine relationship with another person depends on at least two abilities. The first is seeing the world from another person's perspective. No one knows that better than the skilled entrepreneur. Entrepreneurs succeed when they make stuff people will pay money for -- and that means understanding what's going on in the heads of customers. Likewise, in relationships it's only when you put yourself in the other person's shoes that you begin to develop an honest connection.

The second ability is being able to think about how you can collaborate with and help the other person rather than thinking about what you can get. We're not suggesting that you be so saintly that a self-interested thought never crosses your mind. What we're saying is that your first move should always be to help. A study on negotiation found that a key difference between skilled and average negotiators was the time spent searching for shared interests and asking questions of the other person.

Follow that model. Start with a friendly gesture and genuinely mean it. Dale Carnegie's classic book on relationships, despite all its wisdom, has the unfortunate title *How to Win Friends and Influence People*. This makes Carnegie widely misunderstood. You don't "win" a friend. A friend is not an asset you own; a friend is an ally, a collaborator. When you can tell that someone is attempting sincerity, it leaves you cold. It is like the feeling you have when someone calls you by your first name repeatedly in

conversation. Novelist Jonathan Franzen gets it right when he says inauthentic people are obsessed with authenticity.

Strengthen your alliances

The best way to engage with new people is not by cold calling or by "networking" with strangers at cocktail parties, but by working with the people you already know. Of the many types of professional relationships, among the most important are your close allies. Most professionals maintain five to 10 active alliances. What makes a relationship an alliance? First, an ally is someone you consult regularly for advice. Second, you proactively share and collaborate on opportunities together. You keep your antennae attuned to an ally's interests, and when it makes sense to pursue something jointly, you do. Third, you talk up an ally. You promote his or her brand. Finally, when an ally runs into conflict, you defend him and stand up for his reputation, and he does the same for you.

I [Reid] first met **Mark Pincus** while at PayPal in 2002. I was giving him advice on a startup he was working on. From our first conversation, I felt inspired by Mark's wild creativity and how he seems to bounce off the walls with energy. I'm more restrained, preferring to fit ideas into strategic frameworks instead of unleashing them fire-hose-style. But it's our similar interests and vision that have made our collaborations so successful.

We invested in Friendster together in 2002. In 2003, the two of us bought the Six Degrees patent, which covers some of the foundational technology of social networking. Mark then started his own social network, Tribe; I started LinkedIn (**LNKD**). When Peter Thiel and I were set to **put the first money into Facebook in 2004**, I suggested that Mark take half of my investment allocation. I wanted to involve Mark in any opportunity that seemed intriguing, especially one that played to his social networking background. In 2007, Mark called me to talk about his idea for **Zynga (ZNGA)**, the social gaming company he co-founded and now leads. I knew almost immediately that I wanted to invest and join the board, which I did. An alliance is always an exchange, but not a transactional one. A transactional relationship is when your accountant files your tax returns and you pay him for his time.

An alliance is when a co-worker needs last-minute help on Sunday night preparing for a Monday morning presentation, and even though you're busy, you agree to go over to his house and help. You cooperate and sacrifice because you want to help a friend in need but also because you figure you'll be able to call on him in the future when you are the one in a bind. That isn't being selfish; it's being human.

The diversity of weak ties

Allies, by the nature of the bond, are few in number. By contrast, there are potentially hundreds or thousands of looser connections that also play a role in your professional life. These are the folks you meet at conferences, old classmates, co-workers, or just interesting people. Sociologists refer to these contacts as "weak ties": people with whom you have spent low amounts of low-intensity time but with whom you're still friendly.

Weak ties in a career context were formally researched in 1973, when sociologist Mark Granovetter asked a random sample of professionals how they had found their new job. It turns out that 82% of them found their position through a contact they saw only occasionally or rarely. In other words, the contacts who referred jobs were "weak ties." Granovetter accounts for this result by explaining that your good friends tend to be from the same industry, neighborhood, religious group, etc. Consequently, their information is similar to yours -- a job a good friend knows about, you probably already know about too.

Weak ties, however, usually sit outside the inner circle. Thus, there's a greater likelihood that a weak tie will be exposed to new information or a new job opportunity you'd otherwise miss. To be sure, weak ties are uniquely helpful so long as they hail from a different social circle or industry niche and

therefore bring new information and opportunities. A weak-tie acquaintance whose job and background is identical to yours is unlikely to offer unique network intelligence. So when connecting with acquaintances, prioritize diversity in order to broaden the overall reach of your network.

Just as a digital camera cannot store an infinite number of photos and videos, you cannot maintain an infinite number of allies or acquaintances. The maximum number of relationships we can realistically manage -- the number that can fit on the memory card, as it were -- is described as Dunbar's Number, after the evolutionary psychologist Robin Dunbar. In the early 1990s, Dunbar studied the social connections within groups of monkeys and apes. He theorized that the maximum size of their overall social group was limited by the small size of their neocortex. Based on our neocortex size, Dunbar calculated that humans should be able to maintain relationships with roughly 150 people at a time. He also found that many businesses and military groups organize their people into cliques of about 150. Hence, Dunbar's Number of 150.

There is indeed a limit to the number of relationships you can maintain, but a crucial qualifier is that there is not one blunt limit of 150; in fact, there are different limits for different types of relationships. Think back to the digital camera. Either you can take low-resolution photographs and store 100 of them in total, or you can take high-resolution photographs and store 40. In relationships, you may have only a few close buddies you see every day, yet you can stay in touch with many distant friends if you e-mail them only once or twice a year. But there's a twist: You can actually maintain a much broader social network than the people you currently "know."

Three degrees of separation

Your allies, weak ties, and the other people you know right now are your first-degree connections. But your friends know people you don't know. These friends of friends are your second-degree connections. And those friends of friends have friends -- those are your third-degree connections.

Stanley Milgram's and Duncan Watts's "small world" research shows the planet Earth as one massive social network; every human being is connected to every other via no more than about six intermediaries. Academically the theory is correct, but when it comes to meeting people who can help you professionally, **three degrees of separation** is what matters. Three degrees is the magic number because when you're introduced to a second- or third-degree connection, at least one person personally knows the origin or target person. That's how trust is preserved.

Suppose you have 40 connections, and assume that each friend has 35 other friends in turn, and each of those friends of friends has 45 unique friends of his own. If you do the math ($40 \times 35 \times 45$), that's 63,000 people you can reach via an introduction. People's extended networks are frequently larger than they realize, which is why an early tagline at LinkedIn was "Your network is bigger than you think." So how do you actually reach those connections? Via an introduction from someone you know, who knows the person you want to reach.

I receive about 50 entrepreneur pitches by e-mail every day. I have never funded a company directly from a cold solicitation, and my guess is that I never will. When an entrepreneur comes referred by introduction, it's as if he has a passport at a national border -- he can walk right through, because someone I trust has already vetted that entrepreneur. Anytime you want to meet a new person in your extended network, you should ask for an introduction. You need to ask, directly and specifically, and you do need to present a compelling reason for why your connection should do it: "I'd love to meet Rebecca because she works in the technology industry." Not good enough. "I'm interested in talking to Rebecca because my company is looking to partner with companies just like hers." Better, as it appears to benefit both parties.

OkCupid, a free online dating site, analyzed more than 500,000 first messages between a man

or a woman and a potential suitor. They found that those with the highest response rates included phrases like "You mention ..." or "I noticed that ..." In other words, phrases that showed that the person had carefully read the other's profile. People do this in online dating, but when it comes to professional correspondence, it doesn't happen. People send out appallingly unresearched and generic requests. If you spend 30 minutes researching a person's professional profile, your request will stand out. For example, "I noticed you spent a summer working at a German architecture firm. I once worked for an ad agency in Berlin and am thinking about returning -- perhaps we could swap notes about business opportunities?"

You can conceptualize and map your network all you want, but if you can't effectively request and broker introductions, it adds up to a lot of nothing. Take it seriously. If you are not receiving or making at least one introduction a month, you are probably not fully engaging your extended professional network.

The best network: Wide and (selectively) deep

Several years ago sociologist Brian Uzzi did a study of why certain Broadway musicals made between 1945 and 1989 were successful and others flopped. The explanation he arrived at had to do with the people behind the productions. For failed productions, one of two extremes was common. The first was a collaboration between creative artists and producers who tended to all know one another. When there were mostly strong ties, the production lacked the fresh, creative insights that come from diverse experience. The other type of failed production was one in which none of the artists had experience working together. When the group was made up of mostly weak ties, teamwork and group cohesion suffered.

In contrast, the social networks of the people behind successful productions had a healthy balance: There were some strong ties, some weak ties. There was some established trust, but also enough new blood in the system to generate new ideas. Think of your network of relationships in the same way: The best professional network is both narrow/deep (allies with whom you collaborate regularly) and wide/ shallow (weak-tie acquaintances who offer fresh information and ideas).

Giving helpful help

The best way to strengthen a relationship is to do something for another person. But how? Here's a good example. When **Jack Dorsey** was co-founding **Square** -- the mobile-payments company -- he had loads of investor interest. **Digg and Milk founder Kevin Rose** had seen a prototype of the Square device and immediately realized the potential. When he asked Jack whether there was room for another person to join the initial funding round, Jack told him it was full. But Kevin still wanted to be helpful. He noticed that Square didn't have a demo on its website showing how the device worked. So he put together a high-definition video and then showed it to Jack. Impressed, Jack turned around and invited Kevin to invest in the Series A round of financing.

To be truly helpful, as Kevin was, you need to have a sense of your friend's values and priorities. What keeps him up at 2 a.m.? What are his talents? His challenges? Once you understand his needs, think about offering him a small gift. A small gift is something that's easy for you to give, unique to the relationship, and unusually helpful for the other person. Classic small gifts include relevant information, introductions, and advice. A really expensive big gift is actually counterproductive -- it can feel like a bribe. When deciding what to give, reflect on your unique experiences and capabilities. What might you have that the other person does not?

My passion for entrepreneurship and my interest in board game design led me to introduce many of my entrepreneur friends to the German board game The Settlers of Catan.

Set up an "interesting people" fund

Relationships are living, breathing things. Feed, nurture, and care about them; they grow. Neglect them;

they die. You might be nodding your head at the importance of staying in touch. But behavioral change isn't easy. That's why Steve Garrity budgeted and precommitted real time and money to it.

Garrity studied computer science at Stanford and interned at startups over the summers. After graduating from a master's program in 2005, he was convinced that he wanted to start a tech company of his own in Silicon Valley. But he had spent his entire adult life in the Bay Area and was worried that he would be tied down to one location for many more years. So he took a job as an engineer at Microsoft (**MSFT**) to work on its mobile-search technology.

Garrity had one big worry: What would happen to his network of Silicon Valley entrepreneurs, venture capitalists, and friends? He knew he would someday move back to start a company. He did not want his local network to become stale. So he set aside time and money in advance to keep his network up-to-date.

The state of Washington doesn't tax personal (or corporate) income, so Garrity figured he was saving a meaningful amount of money by living there. Upon moving to Seattle, he declared that \$7,000 of his savings would be "California money." Anytime someone interesting in the Valley invited him to lunch, dinner, or coffee, Garrity would fly to San Francisco to do the meeting. One of his old Stanford professors called him, not realizing he had left town, and invited him over to meet some interesting students. The following evening, he arrived at the professor's house, suitcase in hand. Because he had allocated money, he didn't have to worry about the cost of flights or the stress of decision-making.

Over his 31/2 years at Microsoft, Garrity visited the Bay Area at least once a month. After returning to California in 2009, he started a company, **Hearsay Labs**, with a friend whose couch had served as his bed during his regular pilgrimages to the Bay Area from Seattle. It shows the power of what we call Iwe: Your capabilities and potential get magnified exponentially by an active, up-to-date network.

Reid's rules

In the next day: Look at your calendar for the past six months and identify the five people you spend the most time with -- are you happy with their influence on you?

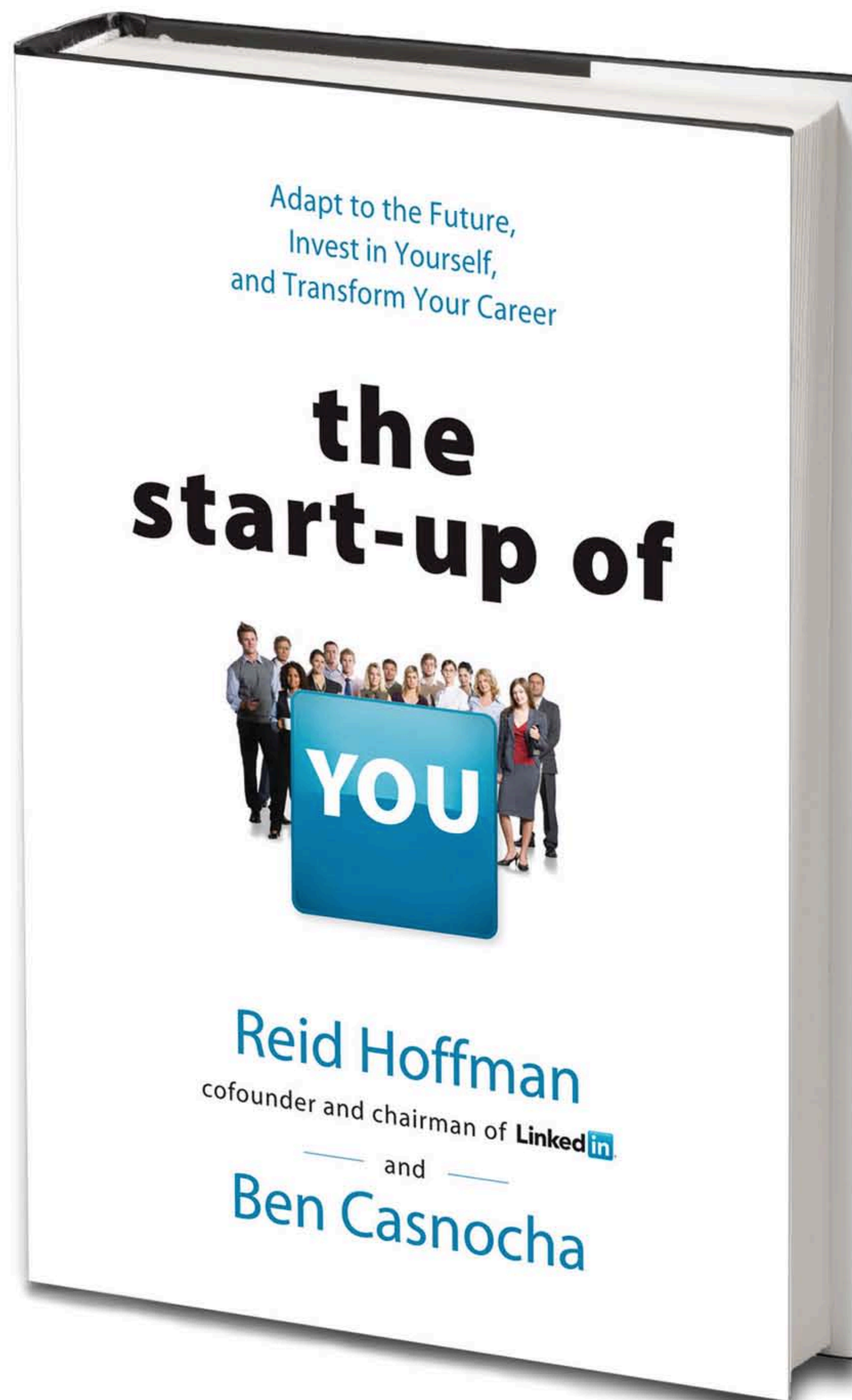
In the next week: Introduce two people who do not know each other but ought to. Then think about a challenge you face and ask for an introduction to a connection in your network who could help. Imagine you got laid off from your job today. Who are the 10 people you'd e-mail for advice? Don't wait -- invest in those relationships now.

In the next month: Identify a weaker tie with whom you'd like to build an alliance. Help him by giving him a small gift -- forward an article or job posting.

Create an "interesting people fund" to which you automatically funnel a certain percentage of your paycheck. Use it to pay for coffees and the occasional plane ticket to meet new people and shore up existing relationships.

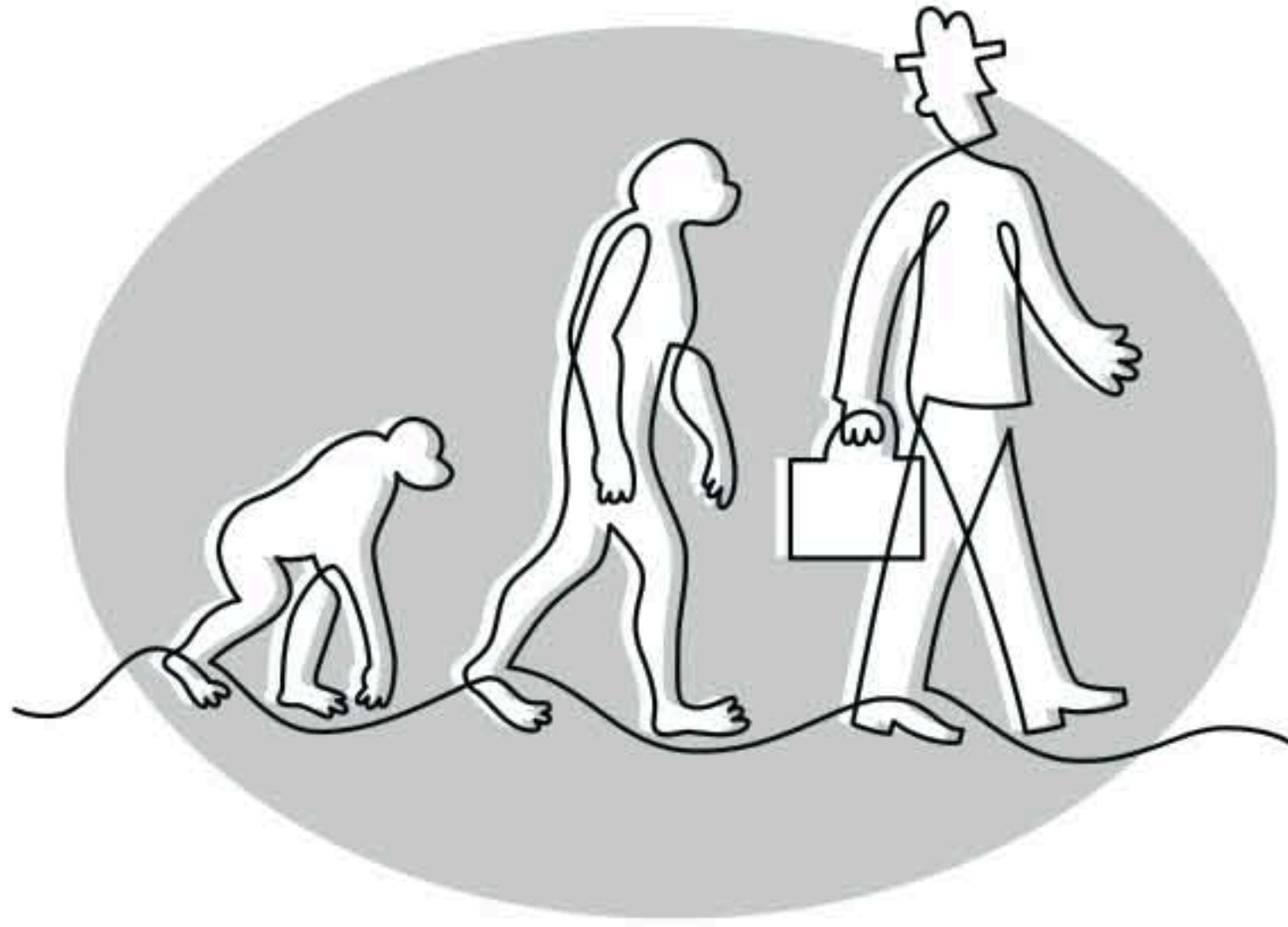
--Reid Hoffman is a partner at Greylock and founder and executive chairman at LinkedIn. Ben Casnocha is an award-winning entrepreneur and author. This article is from the February 6, 2012 issue of Fortune. Reprinted from The Start-Up of You: Adapt to the Future, Invest in Yourself, and Transform Your Career. © 2012 by Reid Hoffman and Ben Casnocha. Published by Crown Business, a division of Random House, Inc.

executive summary of the start-up of **YOU**



Reid Hoffman and Ben Casnocha

Chapter 1: All Humans Are Entrepreneurs



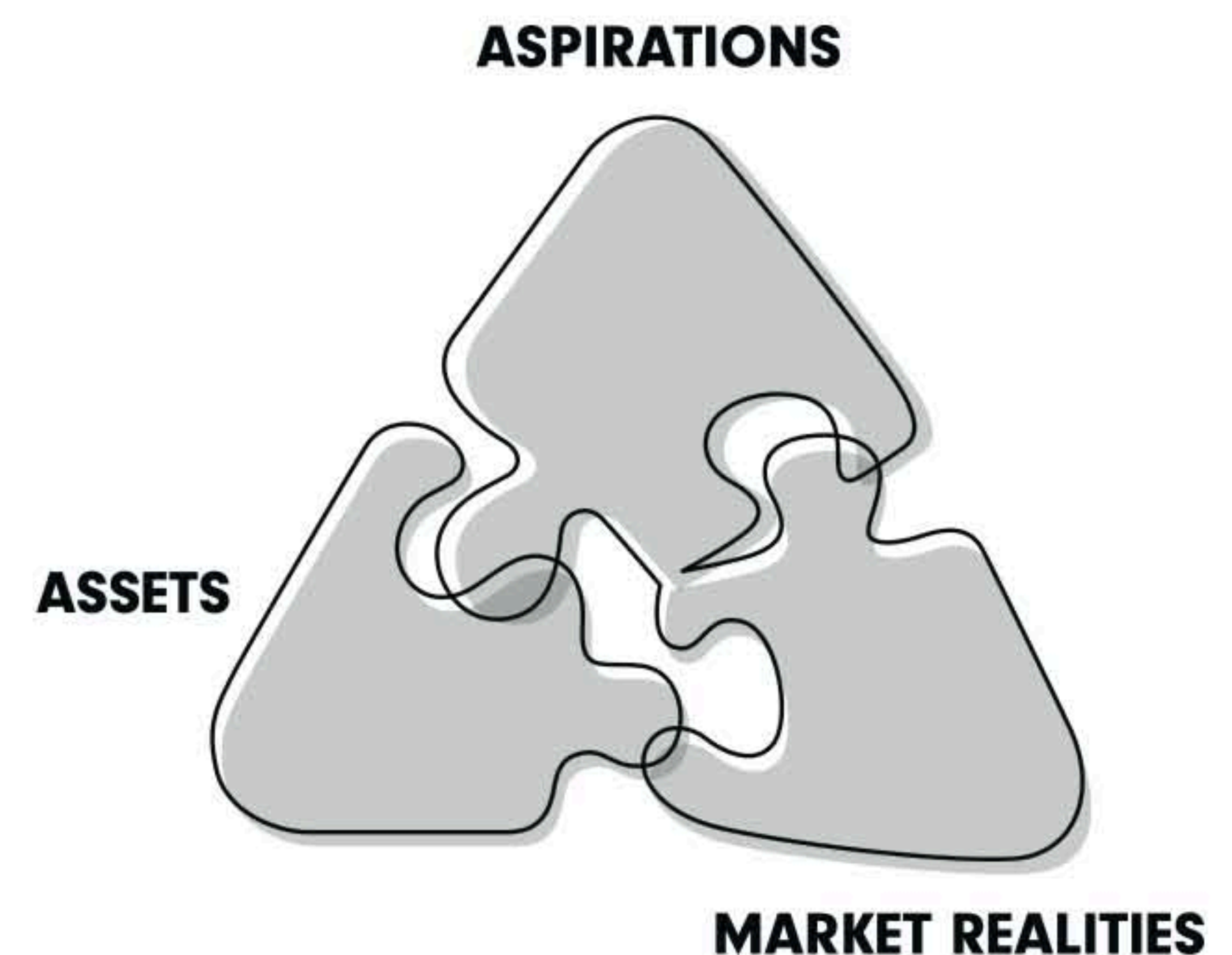
To adapt to the challenges of professional life today, we need to rediscover our entrepreneurial instincts and use them to forge new sorts of careers. Whether you're a lawyer or doctor or teacher or engineer or even a business owner, today you need to also think of yourself as an entrepreneur at the helm of at least one living, growing start-up venture: your career.

Why? The old career escalator is jammed. Age-old assumptions about work have come undone. There are new rules, and you need to know them--or else you may be on track to irrelevance.

The solution has two parts. First, a mindset of Permanent Beta: you must think of yourself as a work-in-progress and, therefore, you must invest in yourself every single day. Second, an entrepreneurial, adaptive skill set taken from the very best of Silicon Valley. It's these skills that we explain in the chapters ahead.

Chapter 2: Develop a Competitive Advantage

Differentiate or die. To beat the competition, companies develop clear reasons why a customer should pick them over other the alternatives. Zappos massively differentiated itself from other e-commerce companies by offering free shipping both ways and 24/7 customer service via a locally staffed 1-800 number.



Similarly, in a world where "a million people can do your job," chart a career path that sets you apart from other professionals. You don't need to be better than all professionals. You just need to be better in a local, professional niche.

Three dynamic, changing puzzle pieces comprise your position in the market and, when paired with a plan, determine the course you should head in:

1. **Assets:** What you have going for you now. Your soft assets (like knowledge, skills, connections) and hard assets (like cash in the bank).
2. **Aspirations & Values:** Where you might like to go in the future.
3. **Market Realities:** What people will actually pay you for.

One without the others doesn't work. Skills that can't earn money won't get you very far; following your bliss but not being very good at your bliss won't be too blissful after long; and being a slave to the market regardless of your likes and passions isn't sustainable over the long-run.

One way to upgrade your competitive position is by upgrading your assets—i.e., investing in yourself. You can also become more competitive by changing the environment you play in. Some American basketball players not good enough to play in the NBA play successfully in Europe—their skills don't change, but the market does. Picking a market niche where you're better than the competition is key to entrepreneurial strategy.

Chapter 3: Plan To Adapt

Popular career planning advice says you should decide where you want to be in 10 years and then develop a plan for getting there. Popular career planning advice says you should find your passion and then pursue it. These philosophies have serious strengths, but also huge drawbacks.

It presumes a static world. In fact, you change, the competition changes, and the world changes. It presumes that fixed, accurate self-knowledge can be easily attained through introspection. In fact, your identity is not found through introspection but rather emerges through experimentation.

Entrepreneurial career planning and adapting is about being flexibly persistent: always ready to adapt, but also persistent in driving towards set goals. Flickr and PayPal are two companies that adapted significantly, and Sheryl Sandberg's adaptive career are examples of flexible persistence.

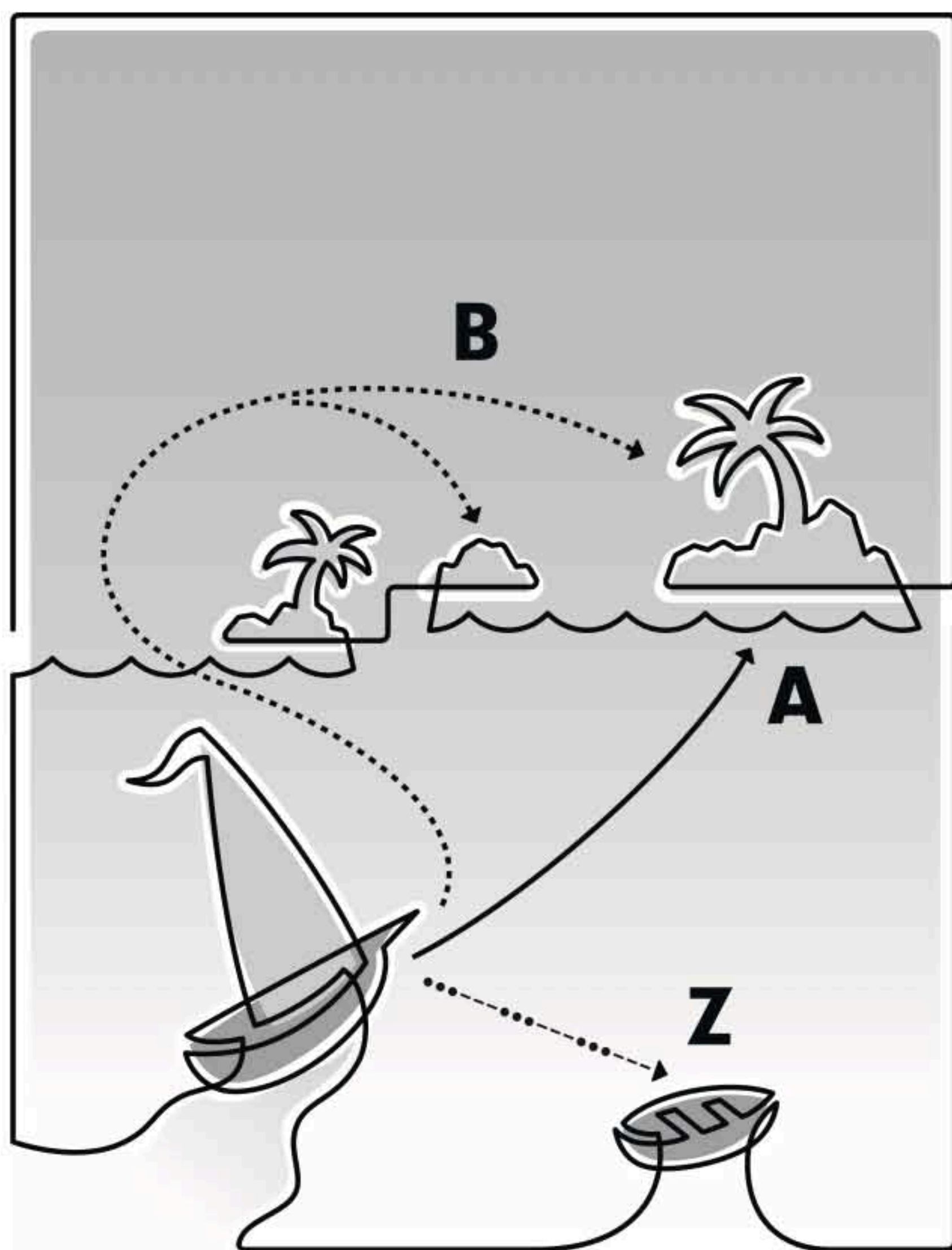
Make explicit the assumptions and hypotheses in your plan. You'll never have complete certainty; identify areas of incomplete knowledge about yourself or your industry and make plans that will help you fill those gaps.

Prioritize learning. Just as start-ups in the early days prioritize learning over profitability, so should you prioritize learning (soft assets) over cash salary (hard assets) for the majority of your career. In the long run, you'll likely lead a more meaningful life, as well as make more money.

Learn by doing. Actions, not plans will generate the lessons that help you adapt to the next phase of your journey.

Think two steps ahead. What next move will maximize the quantity and quality of follow-on opportunities?

Then craft an experimental Plan A, an alternative Plan B, and an unchanging, certain Plan Z.



Plan A: What you're doing now. Your current implementation of your competitive advantage.

Plan B: You pivot to B when your plan isn't working or when you discover a better way toward your goal.

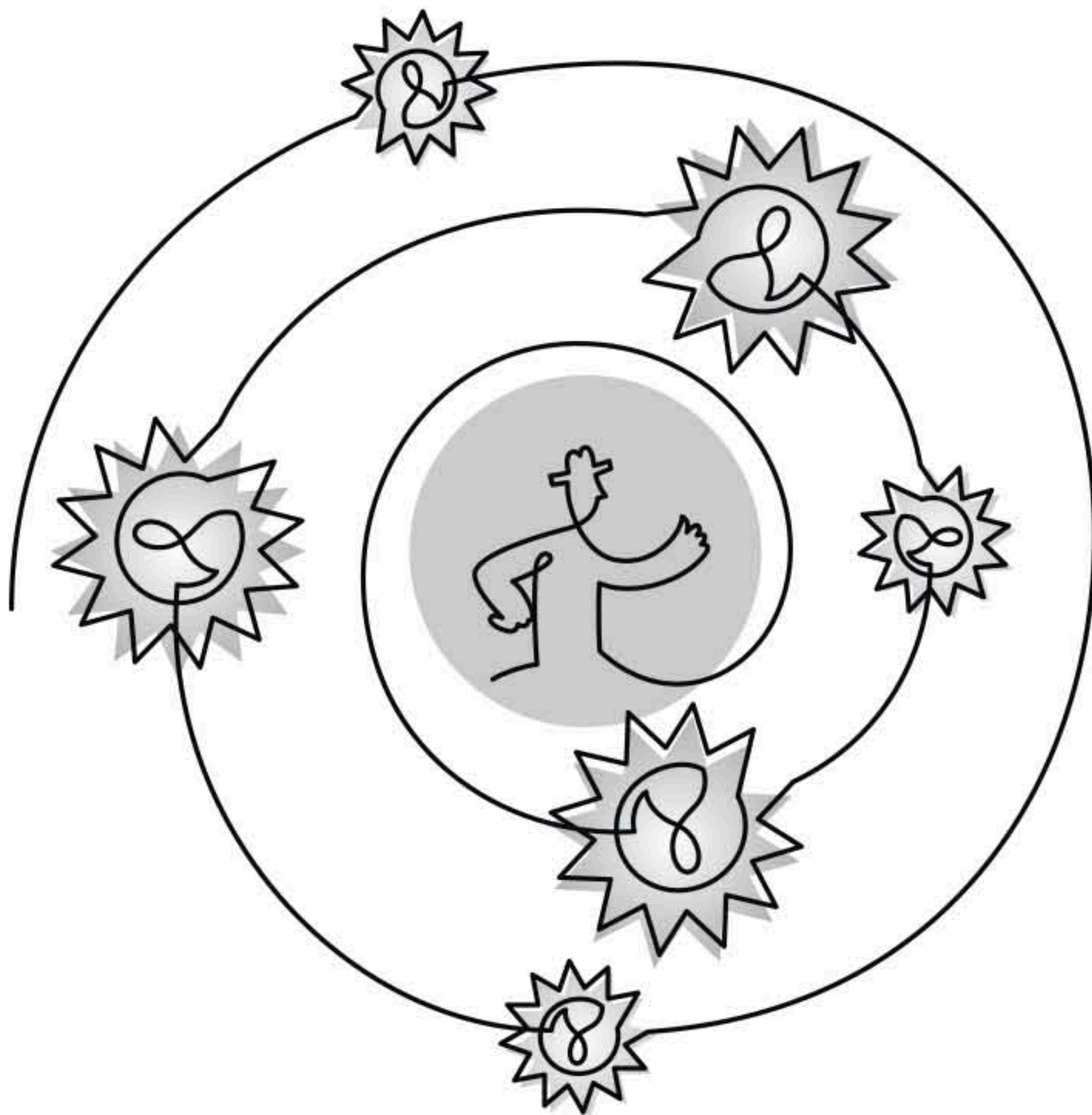
Plan Z: You shift to Z if something goes seriously wrong. It's the lifeboat you can jump in if your plan fails and you need to re-load before getting back in the game.

Chapter 4: It Takes A Network

Relationships matter to your career no matter the organization or your level of seniority because, ultimately, every job boils down to interacting with people. People control resources, opportunities, information, and the like. And the people you spend time with shape the person you are today and the person you aspire to be tomorrow. Think of it as **I^{We}**: An individual's power is raised exponentially with the help of a team (a network).

There are people you know in a personal context. There are people you know in a professional context. Generally, you keep the two lives separate for reasons of both etiquette and potential conflict of loyalties. However, sometimes you're personal friends with a professional colleague; in these instances, the context in which you engage the person shapes the right approach.

We wrote about two types of professional relationships:



Allies. Allies are people you consult regularly for advice. You trust their judgment. Second, you proactively collaborate on opportunities together. You keep your antenna especially attuned to an ally's interests, and when it makes sense to pursue something jointly, you do so. Third, you talk up an ally to other friends. You promote his or her brand. When an ally comes into conflict, you defend him, and stand up for his reputation. And he does the same for you when times get tough.

Weaker ties and acquaintances. While not as vital as allies, acquaintances usually introduce diversity to your network. They tend to hail from different social circles or industries and so they can be useful to find opportunities or intelligence outside your inner circle.

While there's a limit to the number of people you can ever know at one time, you are part of a broader network of friends of friends and friend of friends and friends—second and third degree connections—for which there is virtually no limit. Your network is bigger than you think. If you're connected to a couple hundred people on LinkedIn, you're actually at the center of an extended network more than two million people strong. If you're not asking for or giving introductions to these second or third degree connections, you are not fully leveraging your network.

Finally, remember that relationships are like any living thing: if they're not getting stronger, they're getting weaker. Strengthen relationships by sending articles, making introductions, collaborating on projects, and staying in touch.

Chapter 5: Pursue Breakout Opportunities

The trajectories of remarkable careers are not slow and steady up and to the right. Rather, they are marked by breakout opportunities—career experiences that lead to unusually rapid gains. For George Clooney, being cast in ER was his breakout opportunity.

You can develop habits of behavior that increase the likelihood you find great career opportunities:



Be in motion and court selective randomness. When you do something you stir the pot and introduce the possibility that seemingly random ideas, people, and places will collide and form new combinations and opportunities.

Tap the networks and associations of people. If you're looking for an opportunity, you're really looking for people. Historical figures like Joseph Priestly and Benjamin Franklin, or modern figures like Steve Wozniak, all tapped networks of people when they discovered oxygen, invented the modern university, and founded Apple Computer. Join conferences and clubs. Better yet, start your own.

There will be times when your back's against the wall, when you're low on resources or time, and when you'll have to get scrappy and hustle for opportunities. Constraints can be a blessing in disguise: it's amazing how resourceful one can get when one has no choice but to be resourceful. Recall the entrepreneurial stories of Airbnb and Pandora—entrepreneurs are the kings of hustle.

Chapter 6: Take Intelligent Risks



Risk tends to get a bad rap. We associate it with things like losing money in the stock market, or riding a motorcycle without a helmet. But risk isn't the enemy—it's a permanent part of life. In fact, being proactively intelligent about risk is a prerequisite for seizing those breakout opportunities. There's competition for good opportunities. And because of that, if you can intelligently take on risk, you will find opportunities others miss. Where others see a red light, you'll see green.

Every possible career move contains risk. If you don't have to seriously think about the risk involved in a career opportunity, it's probably not the breakout opportunity you're looking for.

A basic definition of risk is it's the downside consequences from any action and the likelihood those consequences come to be. Learning how to accurately assess the level of risk in a situation isn't easy. Risk is both personal and situational. What may be risky to you may not be risky to someone else.

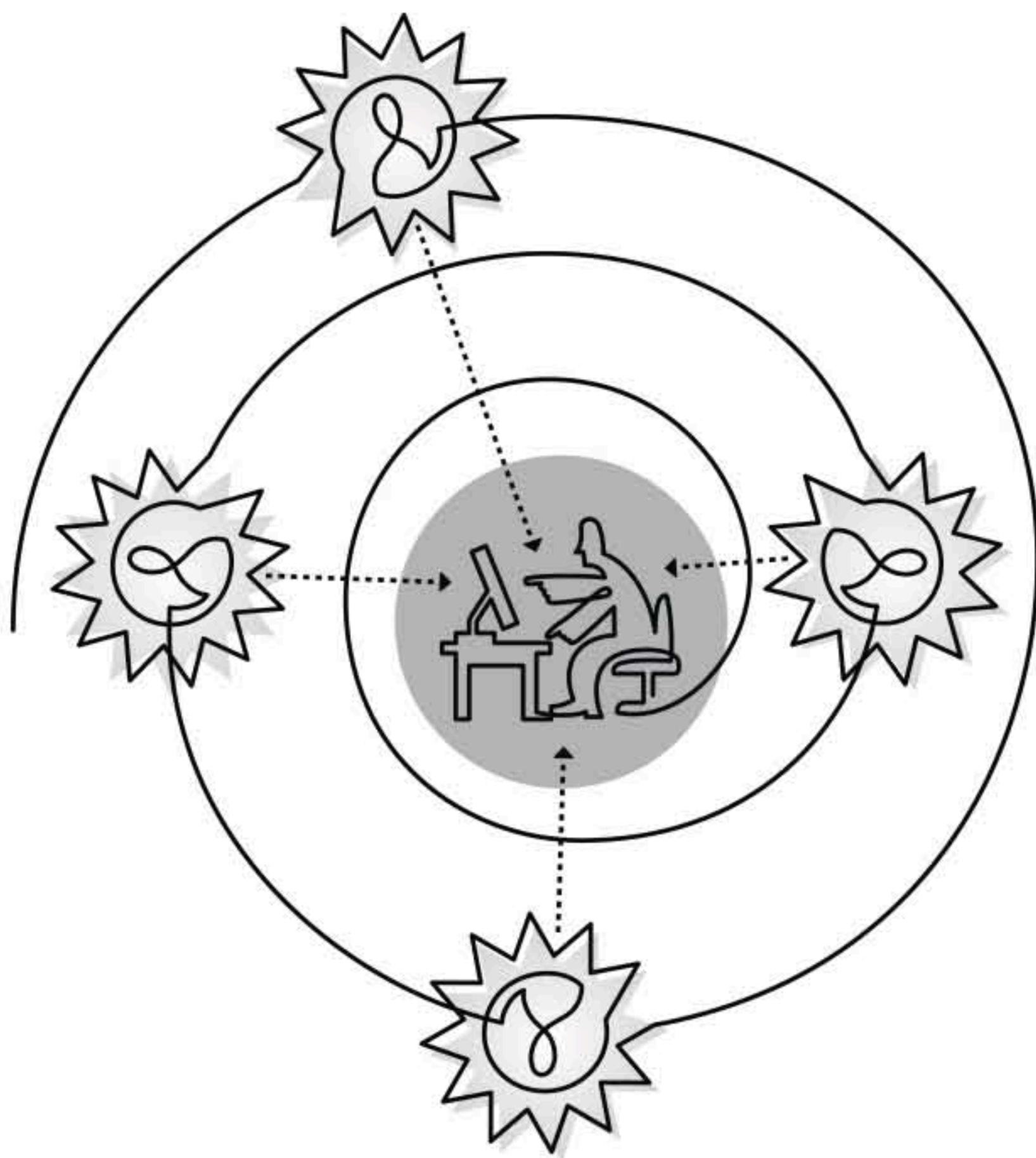
So here are a few rules of thumb for thinking about the risk associated with opportunities:

- * Overall, it's probably not as risky as you think. We're wired for evolutionary reasons to overestimate risk.
- * If you can tolerate the worst-case outcome, be open to it. If the worst-case outcome means death, homelessness, or being permanently unemployed, avoid it.

- * Can you change or reverse the decision mid-way through? If so, it's lower risk.
- * Don't conflate uncertainty with risk. There will always be unknowns. This doesn't mean it's risky.

You can never fully predict how or when ill-fortune will strike. Instead of placing faith in your ability to anticipate all that could go wrong, build up resilience to unimaginable blowup. Achieve stability by introducing low levels of volatility—by introducing small risks on a regular basis. Ideally, your day job has volatility built-in. A freelance editor has to hustle more day-to-day than the staff editor. An independent real estate agent goes hungry more days than the big-company agent. But those who regularly deal with small risks will never starve. They will never be engulfed by the big risks.

Chapter 7: Who You Know Is What You Know



A decade ago, Bill Gates wrote: “The most meaningful way to differentiate your company from your competition, the best way to put distance between you and the crowd, is to do an outstanding job with information. How you gather, manage, and use information will determine whether you win or lose.” This could not be truer today. But the way we’ve been socialized to think about information and knowledge is radically insufficient. Our educational system trains us to memorize facts stored in textbooks and then regurgitate them on an exam.

But as a modern professional, you can’t acquire knowledge this way, because the knowledge you need isn’t static—it’s always changing. You can’t cram your brain with all the relevant information that might possibly be relevant to your careers, then deploy it on exam day. In the world of work, every day is exam day—every day brings new, unpredictable challenges and decisions. Stockpiling facts won’t get you anywhere. What will get you somewhere is being able to access the information you need, when you need it.

You get the intelligence you need to make good career decisions by talking to people in your network. It's people who help you understand your assets, aspirations, and the market realities; it's people who help you vet and get introduced to possible allies and trust connections; it's people who help you track the risk attached to a given opportunity. What you get when you tap into other people's brains is called "network intelligence."

To pull intelligence from your network, you need to map your network so you know who knows what, and then you need to ask questions or send out the queries that elicit the useful answers.

Conclusion

So start tapping into your network. Start investing in skills. Start taking intelligent risks. Start pursuing breakout opportunities. But most of all, start forging your own differentiated career plans; start adapting these rules to your own adaptive life.

For life in permanent beta, the trick is to never stop starting.

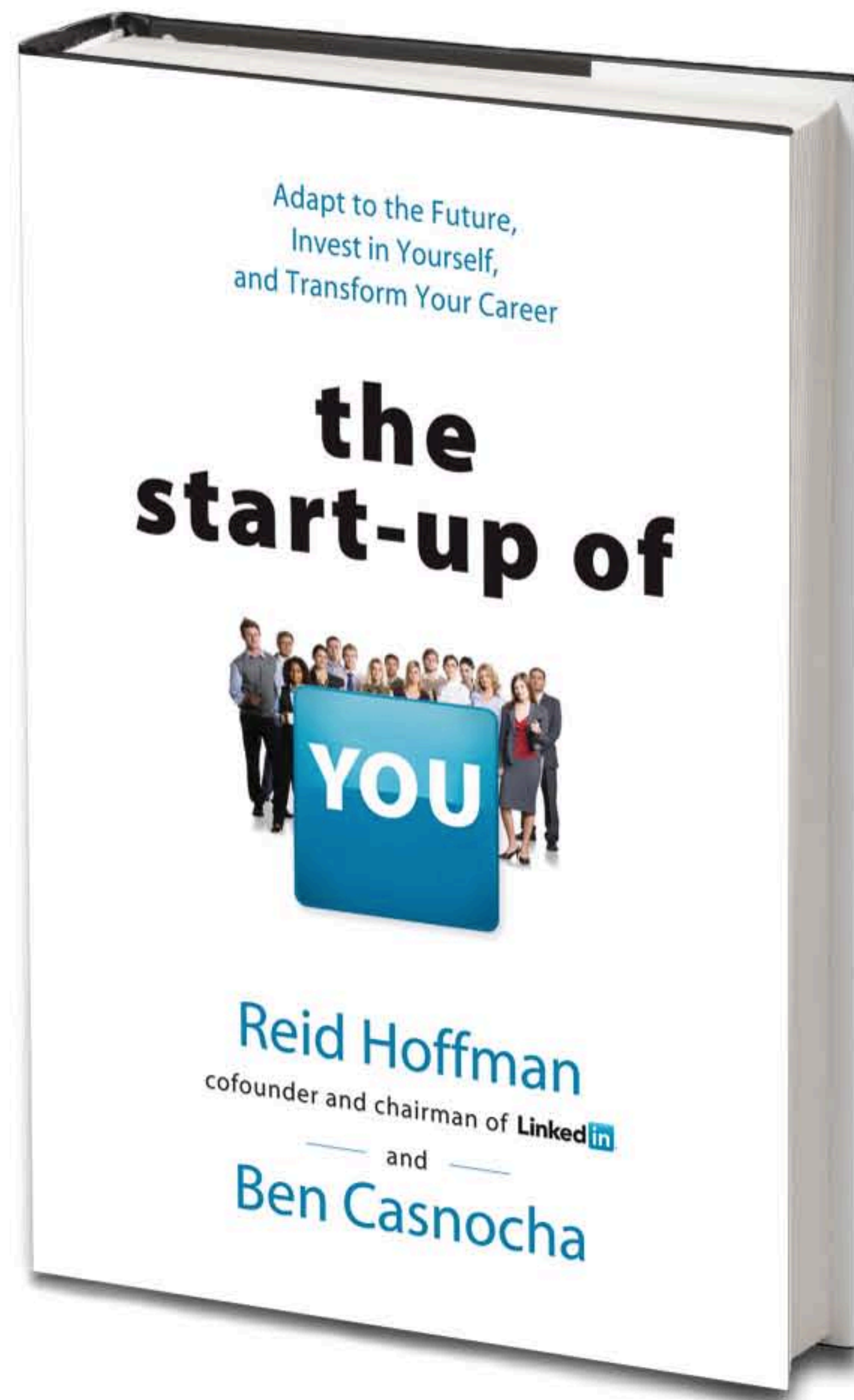
The start-up is **you**.



Reid Hoffman and Ben Casnocha

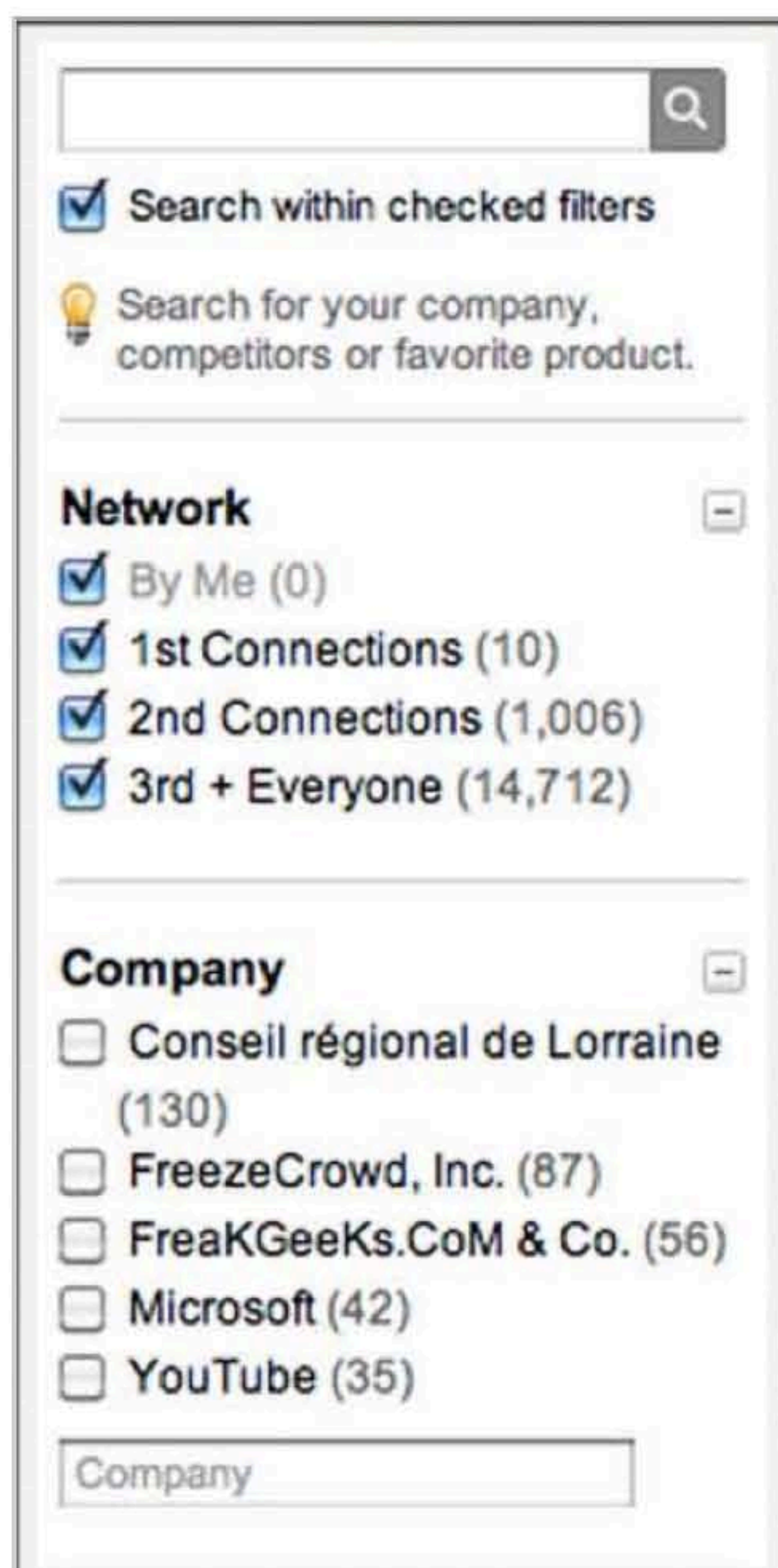
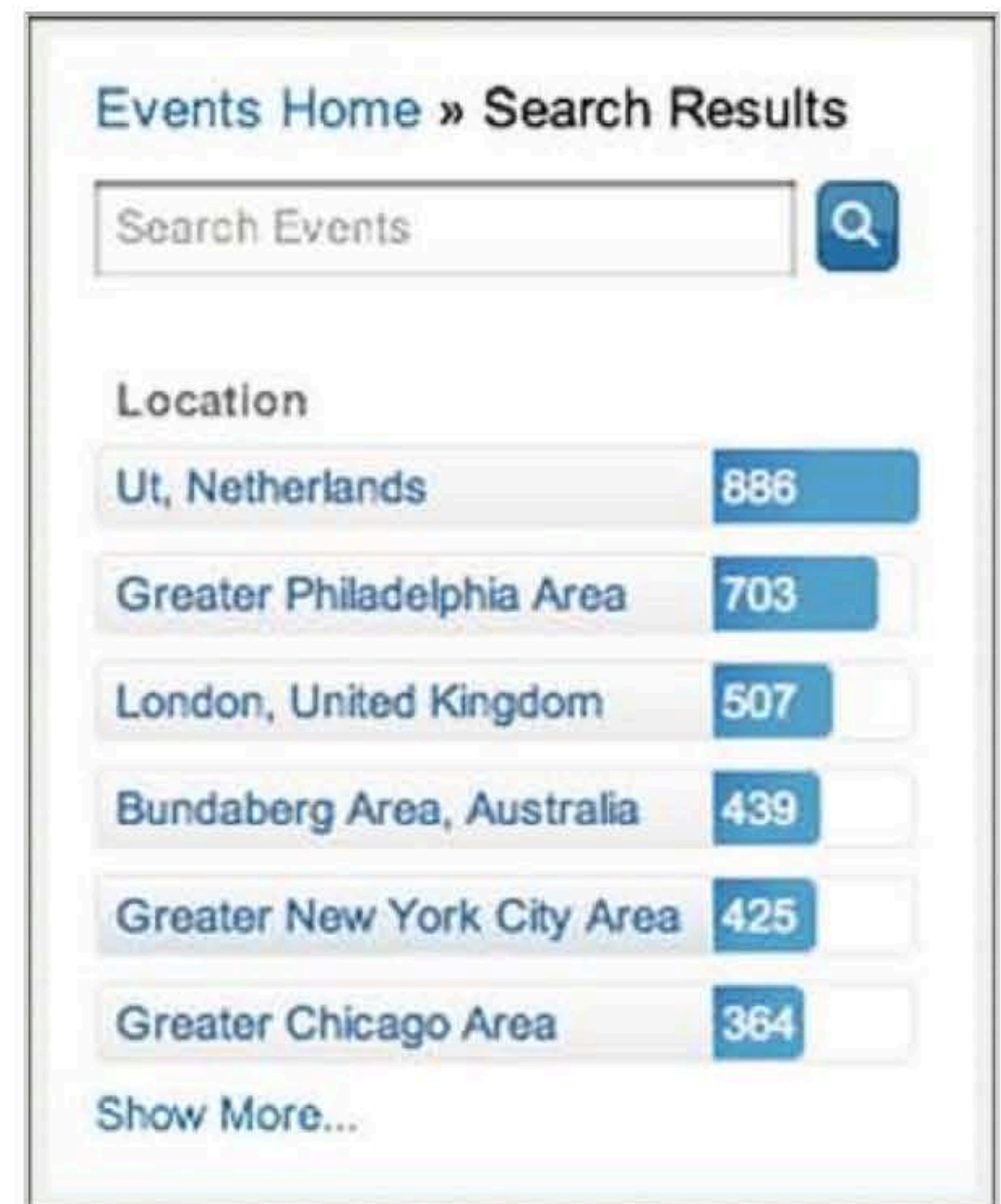
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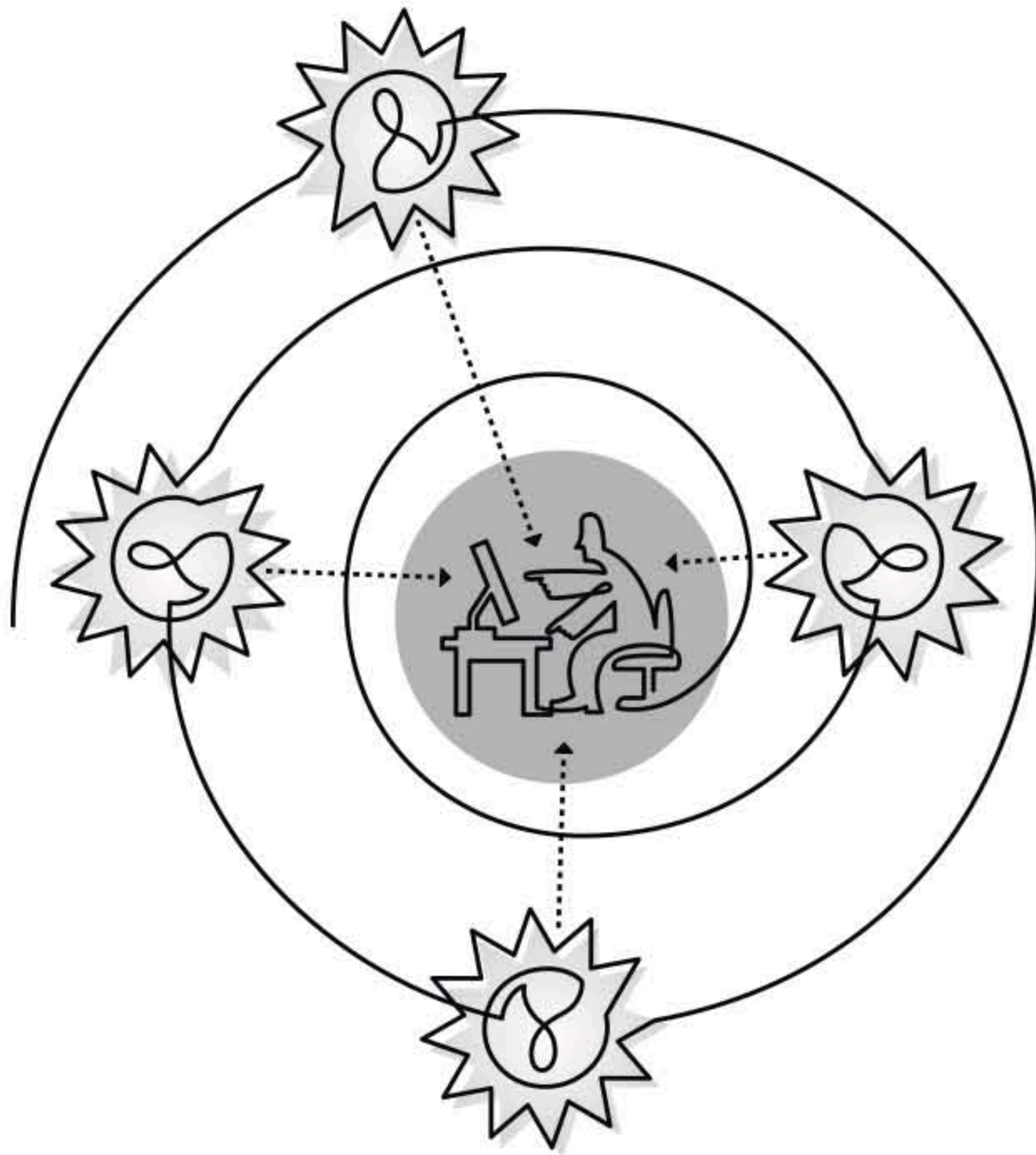


Reid Hoffman and Ben Casnocha

1. Use LinkedIn Events to find events and actually see people who will be attending.
2. Find and join LinkedIn groups that are interesting and relevant to you. For example, join your college's alumni group, those for former employers, or one focused on your industry or profession.
3. Do some personal benchmarking. Search LinkedIn for your peers at other companies in the industry and study their profiles to look for areas of differentiation.



4. Study the LinkedIn Company Page of the companies relevant to you to gain insight on the people the company has recently hired (and who have left) to see the types of skills that in demand.
5. LinkedIn data refreshes in real-time, so check back to see the latest company insights, updates from your network, and other sources of information to prepare you when it's time to take action.



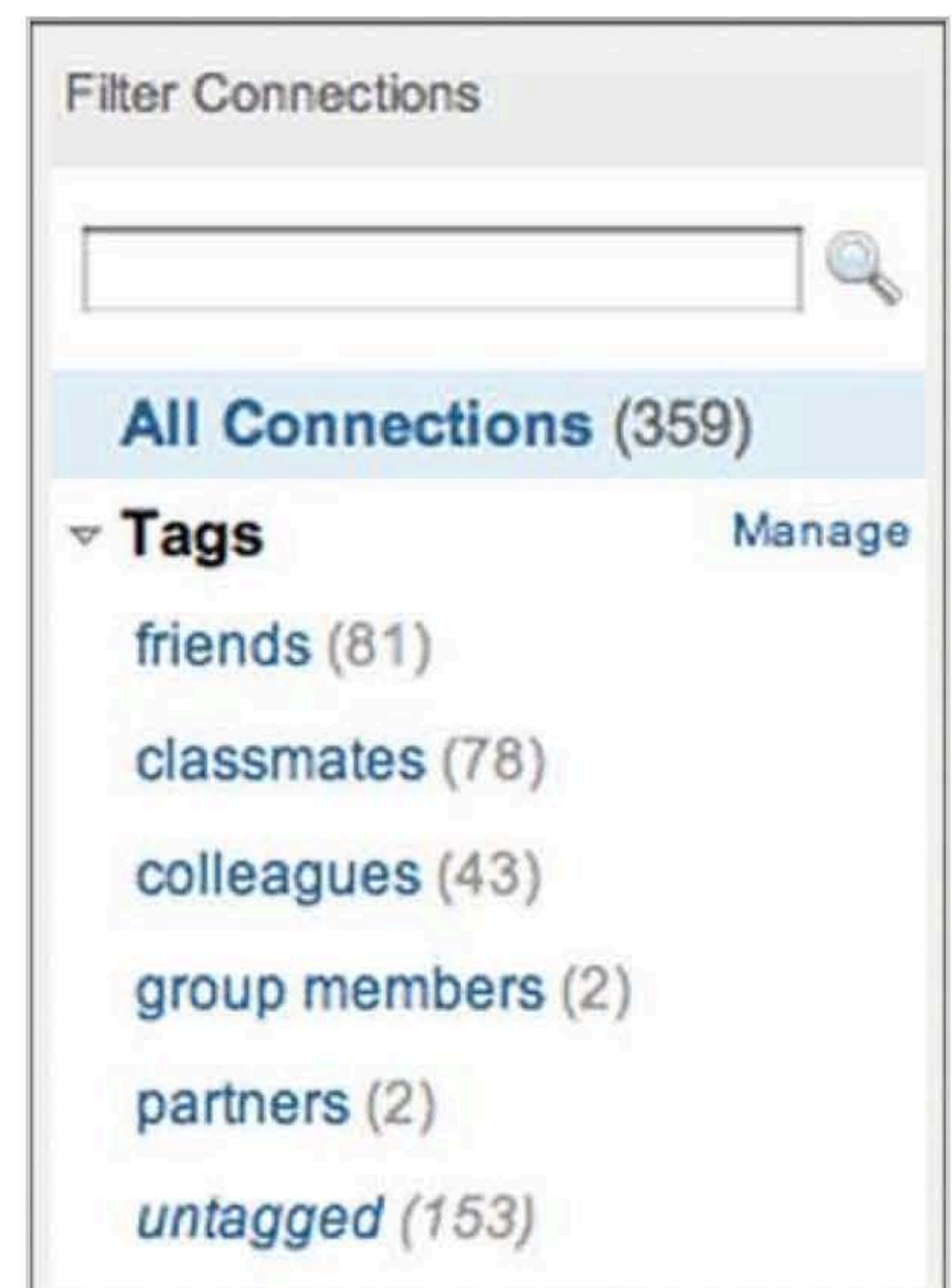
6. Look at Annual Company Growth on a LinkedIn Company Page to understand if a company is growing, is flat, or shrinking in terms of employees. Seeing trends in any of these directions early can give you an edge in making your career plans.

7. Update the Skills area of your profile with your key areas of expertise and talents so new opportunities can find you.

8. Post career-related questions on LinkedIn Answers. You might get a response from a domain expert, or from someone outside the industry who's approaching the question from a different angle.

9. Create a poll on LinkedIn to gather network intelligence. Try a question that's relatively broad to get a wide range of viewpoints.

10. Add descriptive Tags to your connections' profiles so you can easily identify people with specific expertise.



the start-up of **YOU**

The Three Ways to Introduce Two People Over Email

As we talk about in the chapter “It Takes a Network,” a good way to strengthen your network is to make an introduction between two people who would benefit from knowing each other.

When you introduce two people, you’re in a unique situation:

1. You’re at an informational advantage: You know both parties, and usually you know why the two should get to know each other. Meanwhile, they know nothing about each other.
2. Both people are presumably busy, so you want to make it easy for them to take action and quickly decide if it makes sense to get to know each other.
3. You’ve instantly bestowed social pressure on both the recipients. Because you know each of the recipients, they will feel social pressure to at least respond (whether you intend this or not). The worst introductory emails make busy people resent having to respond to someone who they (1) don’t know and (2) aren’t sure why they’re being introduced to them.

There are (at least!) three types of email introductions. We will cover each in blow-by-blow detail.

LEVEL ONE: The “Use My Name” Introduction

Say I want to introduce Jason to Christina, and say Jason is the less senior person who wants to meet Christina. I know both of them. Rather than email both of them, I could tell the lower status person (Jason) to email Christina, CC me, and “use my name.” This approach saves me (the introducer) time but doesn’t guarantee Jason a positive response from Christina; after all, she may very well skip over an email that comes from a name (Jason) she doesn’t recognize.

The email chain would look like this:

From: Ben

To: Jason

Subject: Getting to know Christina

Hey Jason,

We talked about my friend Christina at lunch. I think you’d enjoy chatting with her. Feel free to contact her at: christina@example.com and say I recommended you contact her.

Let me know if you end up meeting with her

- Ben

From: Jason

To: Christina

CC: Ben

Subject: Greetings from fellow author in Baltimore / Ben Casnocha recommended I contact you

Hi Christina,

Ben Casnocha recommended I contact you. He thought very highly of you *[Always flatter the person you're sending an email to, and make the introducer (Ben) look good in the eyes of Christina]* and encouraged me to reach out to talk about our respective experiences in the publishing industry.

I wrote a book last year and it was named one of the top business books of the year by the Wall Street Journal.

Would love to compare notes and hear what your next book is going to be!

Are you available for coffee next Tuesday? *[Active question with a question mark]* I'd be delighted to come by your office to chat. *[Lower status individual offering to come to higher status office.]*

LEVEL TWO: Introducer emails both parties directly

This is the most common type of introduction. You believe two people in your network would benefit from knowing each other, so you email each person in the same email, making the connection. Here's how the email thread would look:

From: Neil

To: Ryan Anderson

CC: Michelle Jones *[You can put both on the "to" line, or if you want to be very clear about who should do the follow up, put higher status person on the "cc" line.]*

Subject: Ryan, meet Michelle. Michelle, meet Ryan

Ryan, I want to introduce you to Michelle Jones. She's been a partner at Venture Capital Inc. for the last 2 years, and I know you're looking for a quote from a venture capitalist about nurturing young entrepreneurs for an upcoming article you're writing. *[Be instantly specific about who she is and what she wants]*. She's probably too modest to mention it, but she was in Time Magazine last week and her fund has produced 30x returns last year. *[Trumpet their achievements. People like to work with winners]*. She's been my good friend since college. *[Personal connection makes it more likely they will trust the other person and respond to maintain the friendship with you]*

Michelle, Ryan is a journalist at The San Francisco Business Journal, and is looking for a quote for his article. As I mentioned to you, he's the rare breed of journalist who doesn't twist quotes to fit a pre-written story. *[Don't forget to highlight why the other person is special, too].*

You both grew up in California and are now based in Los Angeles. *[Demonstrate commonality and also note that both are in the same time zone, to make next step logistics easier.]*

Ryan – will you follow up with Michelle over email to set up a phone call? *[Specify what's supposed to happen next. Suggest the appropriate medium. For example, if you don't think Michelle should necessarily meet, proactively suggest they have a phone call.]*

Thanks,

-Neil

Now, if you are the busy person, you get tons of emails like this every week. Fortunately for you, you get the luxury of waiting for the non-busy person to send a followup. (Since so many people don't, this is an effective filter to screen out people who won't even respond to an introductory email.) Here's the next part of the email thread:

From: Ryan

To: Michelle

BCC: Neil *[Notice how Ryan has moved Neil to the bcc line – this allows Neil to see the follow up without having to be copied on all the future back-and-forth.]*

Thanks for the introduction, Neil. *(Moving you to the BCC line.) [The recipient should always thank the sender. Then they should focus on the person they were introduced to]*

Michelle, it's great to meet you. Neil has told me a lot about you. My article will be published in the Journal of Entrepreneurs, and I'd love to get about 10 minutes of your time over the phone to ask you a few questions about your experience with working with young entrepreneurs. Do you have any time this week (e.g., this Tuesday at 10am or Wednesday at 2pm Pacific Time)? I can work around your schedule. *[Ryan knows that Michelle is busy, so he suggests multiple specific times.]*

Thanks,

Ryan

Bonus points to Ryan for mentioning exactly how much time he'd need on the phone, and for suggesting two concrete times that work for him. This makes the busy person happy, because he/she can just reply and say "Sure, Tuesday at 10am works. Give me a call at (XXX) XXX-XXXX."

LEVEL THREE: The Sure-Fire Power Introduction

If one of the people involved in the introduction is especially busy, or the recipient of lots of introductions (like a VC who sees lots of deals come across his or her desk), ask each person first whether they would be open to receiving an introduction. This a) guarantees both parties will respond affirmatively once the introduction is finally made, since each party has pre-committed, b) avoids creating awkwardness when one party is on the receiving end of an introduction that they don't want

(and this makes you, the introducer, look bad as well).

From: Ben

To: Jake

Subject: Do you want an intro to Brad?

Hey Jake,

Good seeing you again last night. Good luck with your upcoming fundraising process. Are you interested in an intro to Brad, the VC I mentioned? He might be a good resource for you – at the least, for feedback, and who knows, maybe he'd fund your company!

Let me know.

Best,

Ben

Assuming Jake responds positively....

From: Ben

To: Brad

Subject: Open to being introduced to Jake?

Hi Brad,

I hope you are well. I wanted to check to see if you'd be open to being introduced to my friend Jake. Jake is a serial entrepreneur based in Palo Alto who I had dinner with last night. Sharp fellow. His new company seems pretty interesting – it's in the email space – and they're going to start fundraising soon. *[Be upfront about what Jake is probably looking for – VC money!]*

I know he reads your blog and is a fan.

Would you be OK if I made the email intro? No worries either way. *[Give him an easy out – he gets tons of deals sent his way and statistically must say no to most.]*

Thanks and all best,

Ben

Assuming Brad responds positively...

From: Ben

To: Jake, Brad

Subject: Introducing you two

Hi Jake and Brad,

I've told each of you about each other already.

Brad – Jake is the entrepreneur in the Bay Area starting a new company in the email space.

Jake – Brad is the VC who's funded over a dozen email-related companies.

I recommend you two find a time to talk on the phone and have Jake explain what he's doing to Brad. Brad's on mountain time; Jake's on pacific time. Jake, can you suggest some times that may work for you to Brad and his assistant? *[Again, be clear on the next step.]*

Thanks!

Best,

Ben

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CHAPTER 1 — ALL HUMANS ARE ENTREPRENEURS

Why are humans born entrepreneurs?

- Our ancestors had to be resourceful and creative to feed themselves and survive.
- Work in its current form is a new invention and the rare exception in history, not a natural human state.

How has the world of work changed?

- The traditional career paths and assumptions are no longer valid — e.g. that big corporations will take care of loyal workers who automatically move up in a career escalator — due to at least two (interrelated) macro forces: (1) Technology (automates jobs, changes the nature of jobs, and makes it easier to offshore jobs), and (2) Globalization (increases competition for jobs).
- “Professional loyalty now flows ‘horizontally’ to and from your network rather than ‘vertically’ to your boss.”
- “Networking has been replaced by intelligent network building.”
- “Searching for a job only when you’re unemployed or unhappy at work has been replaced by always be generating opportunities.”

Why the Start-Up of You?

- To succeed professionally in today’s world you need to think and act like you’re running a startup — the Start-Up of You — i.e. adopting the strategies of successful entrepreneurs
- You are now also operating in a quickly changing and uncertain environment with constraints on resources, information, and time
- “The forces of competition and change that brought down Detroit are global and local. They threaten every business, every industry, every city. And more important, they also threaten every individual, every career.”

What is the Start-Up of You mindset?

- Your life and professional career is in permanent beta. We are all works in progress.

What’s the Start-Up of You skill set (and also the organization of the book):

1. Develop competitive advantage — combine three puzzle pieces into a coherent whole: your assets, your aspirations, and the market realities
2. ABZ planning — formulate a Plan A based on your competitive advantage, and then iterate and adapt that plan based on feedback and lessons learned
3. Build a professional network — based on real, lasting relationships
4. Pursue breakout opportunities
5. Take intelligent risks
6. Tap network intelligence

What are the principles of Silicon Valley?

1. Take intelligent and bold risks to accomplish something great.
2. Build a network of alliances to help you with intelligence, resources, and collective action.
3. Pivot to a breakout opportunity.

CHAPTER 2 — DEVELOP A COMPETITIVE ADVANTAGE

3 factors that form your competitive advantage:

1. Assets.

– Two types of assets: Hard assets (like cash, stocks, and physical possessions) and soft assets (like skills, experiences, connections, and knowledge).

2. Aspirations.

– Include your vision of the future, goals, deepest wishes, and core values (regardless of the market realities or your existing assets).

3. Market realities.

– What people will actually pay you for.

How do you fit the pieces together to create a competitive advantage?

- Pursue worthy aspirations, using your assets, while navigating the market realities.

- The three factors (assets, aspirations, market realities), when paired with a good plan, determine the course you should head in.

How to think about assets:

- Develop a soft asset mix that gives you a competitive advantage.

- Strengthen your asset mix by investing in yourself.

- In the meantime, try to turn weaknesses into strengths.

How to think about aspirations and values:

- You should orient yourself in the direction of your aspirations and values — your pole star — even if you can't achieve them.

How to think about market realities:

- Making the market realities work for you instead of against you is key to being successful.

- Ride the big waves; put yourself close to industries, companies, places, and people with momentum.

Some advantages of having clear aspirations and values in a startup (examples: Twitter, Square):

1. Clarifies product priorities.

2. Ensures a consistent user experience.

3. Makes it easier to recruit employees who have similar aspirations and values.

How do you improve your competitive advantage?

1. Strengthen and diversify your asset mix, e.g. learn new skills.

2. Pick a hill that has less competition.

CHAPTER 3 — PLAN TO ADAPT

Should you craft a detailed plan and persistently work to make it happen? Or do you stay flexible in order to seize unexpected opportunity?

- Both: plan to adapt.

- Follow plans with discipline, yet have no firm plans.

- Be flexibly persistent: always ready to adapt (for valid reasons), yet persistent in driving towards set goals.

ABZ planning

- An adaptive approach to planning that promotes trial and error.

- Plan A: What you're doing now. Your current implementation of your competitive advantage which you

constantly iterate on.

- Plan B: What you pivot to when plan A isn't working or when you discover a better way toward your goal. Don't write an elaborate plan B, but consider your parameters for pivoting. If you pivot to plan B and stick with it, that becomes your plan A.
- Plan Z: What you shift to when something goes seriously wrong. The lifeboat you can jump into if your plan fails and you need to reload before getting back in the game. The certainty of plan Z is what allows you to take on risk in your plan A and B.

Tips for making a plan:

1. Make plans based on your competitive advantage.
 - A good plan should leverage your assets, set you in the direction of your aspirations, and account for market realities.
2. Make explicit the assumptions and hypotheses in your plan:
 - What needs to be true for your plan to work?
 - Example (hypotheses about your competitive advantage): I am skilled at X; I want to do Y; the market needs Z.
3. Prioritize learning.
 - Prioritizing focused learning (soft asset) over, say, cash salary (hard asset) will lead to a more meaningful life and probably to more money in the long run.
4. Learn by doing.
 - Some knowledge (practical knowledge) is best developed by doing.
 - Test hypotheses through trial and error.
5. Make reversible, small bets.
 - A good plan A can be stopped or reversed or easily morphed into a plan B, minimizes the cost of failure, and is iterated bit by bit.
6. Plan two steps ahead.
 - If you're unsure what your first or second step should be, pick a first step that generates a large number of possible follow-on second steps.
7. Maintain an identity separate from specific employers.

The A-B-Z timeline

- Plan A: Almost ready, aim, fire; aim, fire; aim, fire.
- Plan B: Pivot as you learn.
- Plan Z: Jump on your lifeboat and regroup.

What is pivoting?

- Changing your path to get somewhere based on what you've learned (not simply changing you path).

Plan B questions:

When to pivot? (When do you switch to plan B?)

- To pursue upside or avoid downside.
- "In general, a lesson from the technology industry is that It's better to be in front of a big change than to be behind it."

Where to pivot? (What should your plan B be?)

- To an adjacent niche, something different but related to what you're already doing.
- "Keep one foot planted while the other swings to the new territory."

How to pivot? (How do you make the switch to plan B?)

- Start it on the side (unless you need to take immediate action).
- Tip: set aside one day a week or month or whatever to work on stuff towards a plan B, e.g. pursue a business idea, develop a skill, or build a relationship.

CHAPTER 4 — IT TAKES A NETWORK

Why do relationships matter?

1. Ultimately, every job boils down to interacting with people.
2. People control resources, opportunities, and information.
3. The people you spend time with shape the person you are and the person you aspire to become. “The fastest way to change yourself is to hang out with people who are already the way you want to be.”

Metaphor for what success depends on:

- I^(We)
- Success depends on (a) your individual capabilities and (b) your network’s capability to magnify them.

The main reason to separate relationships in a personal context from those in a professional context

- Potential conflict of loyalties (between duties as a friend and duties as a professional)

What determines the right behavior if you are personal friends with a professional colleague?

- The context in which you engage the person

How to build a genuine relationship with another person:

1. Empathize: See the world from the other person’s perspective. (“Seek first to understand, then to be understood.”)
2. Help first: Think about how you can help and collaborate with the other person, rather than what you can get. (“Synergize.”)

Mindset for building genuine relationships:

1. Don’t be transactional
 - Don’t keep score; be aware that many good deeds are reciprocated, but don’t be calculated about it; think about relationships all the time, not just when you need something.
2. Prioritize high-quality relationships over a large number of connections.
3. Meet people through people you already know
 - Start by understanding how your existing relationships constitute a social network.

What’s the best way to engage new people?

- Via the people you already know (which means that you should start by taking stock of the relationships you already have).

Types of professional relationships: (2)

1. Professional allies (8-10)
2. Weaker ties and acquaintances (100s-1000s)

Characteristics of professional allies:

1. Consult regularly and trust each other’s judgment.
2. Proactively share and collaborate on opportunities together.
3. Keep antennae attuned to each other’s interests.
4. Talk up, promote, and defend each other.
5. Are explicit about their bond: “Hey, we’re allies, right? How can we best help each other?”.
6. “With an ally, you don’t keep score, you just try to invest in the alliance as much as possible.”)

Definition of weaker ties and acquaintances

- “People with whom you have spent low amounts of low-intensity time but with whom you’re still friendly.” Examples: people you meet at conferences, old class mates, coworkers in other divisions.

Usefulness of weaker ties and acquaintances:

1. Introduce diversity into your network
2. Useful for finding opportunities and information outside your inner circle

What's your extended network?

- People that are one, two, and three degrees of separation away from you (i.e. friends, friends of friends, and friends of friends of friends).
- Motivation: This is the largest network where it is guaranteed that in any introduction chain where you (You) ask to be introduced to someone (Target), every member of the chain has a stake in the introduction — at minimum they know you or know the target (as special cases, they may be you, or be the target, or know both you and the target).

You → P1 → P2 → Target

If one more degree is included, there may exist introduction chains where a person crucial for the introduction don't know either you or the target. That means they don't care about the introduction.

You → P1 → P2 (don't care) → P3 → Target

How do you reach your 2nd-and 3rd-degree connections?

- Via introductions (meet people through people you already know).
- Via (a) strong connections or (b) weak connections that have a compelling transactional reason to make the introduction.
- Put in the effort to (a) figure out how you can help the person and (b) tailor your request for an introduction to something you've learned. Example: "I noticed that you X — perhaps we could swap notes about Y".

What's the structure of the best professional network?

- Optimal mix of narrow/deep (strong connections) and wide/shallow (bridge ties).
- This creates an optimal mix of cohesion/trust and diversity/creativity.
- Strong connections create trust (because there's overlap in values, communications styles etcetera) and trust creates cohesion (necessary for a good team). Bridge ties (the right weak connections) leads to diversity (in the information and resources that flow through the network) and this diversity helps generate more creative solutions.

What's the best ways to strengthen a relationship?

1. Help the person.
 2. Let yourself be helped.
- In both cases, jump-start the long-term process of give-and-take.

What's a good way to help people?

- Be a bridge: introduce them to new people and new experiences.
- To be a bridge, straddle different communities and social circles.

Some tips for staying in touch and top of mind:

1. You're probably not nagging
 - Keep following up by mixing up the message, the gift, and/or the approach — or until you get an explicit no.
2. Try to add value.
 - Check in with someone when you can offer something more than a generic greeting or personal update.
3. If you're worried about seeming too personal, disguise your staying-in-touch as a mass action.
 - Example: "I'm trying to reconnect with old X from Y. How are you?" Once contact is established, then try to add value (personalize the message).
4. One lunch is worth dozens of emails.

5. Social media updates.

CHAPTER 5 — PURSUE BREAKOUT OPPORTUNITIES

What's the mindset that has to be "on" to power all the other opportunity-seeking behavior?

- Curiosity.

How do you increase your opportunity flow? (3)

1. Tap the human networks where the best opportunities flow.

- Join many small, informal networks and start your own.

2. Court serendipity.

- Stir the pot. "When you do something, you stir the pot and introduce the possibility that seemingly random ideas, people, and places will collide and form new combinations and opportunities."

- Don't be too directed but set smart parameters, that is, court good randomness but also be strategic.

Example: You can go to a conference and approach random people; or, you can go to a conference, identify someone interesting, and approach the people that person is talking to.

3. Hustle.

- Be resourceful, resilient, and see opportunity amidst hardship.

What factors makes a network rich in opportunity flow (and worth your while)?

1. High-quality individuals.

- A network is only as good as its nodes.

2. Common bond (shared experiences, interests, values etc).

- Shared experiences lead to trust, and trust leads to sharing of information and opportunities.

3. Strong ethos of sharing and cooperation.

- "For a network to be valuable, everyone has got to want to invest in that network."

4. Geographic density

- Collaboration happens best when information and ideas can bounce around quickly.

Why is it hard to pursue a breakout opportunity?

- It will often be inconvenient (because it doesn't fit your schedule) and associated with uncertainty.

Why should you avoid "keeping your options open"?

- It's often riskier than committing to a plan of action.

- "Making a decision reduces opportunities in the short run, but increases opportunities in the long run."

- "To move forward in your career, you have to commit to specific opportunities as part of an iterative plan, despite doubt and despite inconvenience."

Definition: Serendipity

- Accidental good fortune (that is taken advantage of)

CHAPTER 6 — TAKE INTELLIGENT RISK

Definition: Risk

1. The effect of uncertainty on objectives.

- Example: Making an investment has higher risk if its return is more uncertain. If there's no uncertainty in the size of the return, there's no risk. If uncertainty in some variable increases but this does not impact the objective (making a high return), there's no increase in risk.

- The impact on objectives may be negative or positive, according to this definition.

Why is it important to take on intelligent risk?

- There's competition for good opportunities and people don't like taking on risk. Therefore, if you take on intelligent risk, where the potential upside more than justifies the potential downside, you'll be able

to take advantage of opportunities that others miss.

Rules of thumb for thinking about the risk associated with opportunities:

1. Overall, it's probably not as risky as you think.
 - Because humans are biased to overestimate risk (overestimate threats, underestimate opportunities, and underestimate resources); we have a negativity bias (“sticks get our attention a lot faster than carrots do”).
2. Assess the worst-case scenario.
 - Get a handle on a single yes-or-no question: If the worst case scenario happens, can I tolerate it (would I still be in the game)?
3. Assess how easy it is to change or reverse the decision (and jump to plan B).
4. Uncertain does not mean risky.
 - Something risky is uncertain, but something uncertain is not necessarily risky. For example, not planning a vacation introduces uncertainty (about what will happen) but not necessarily any risk (because the objective of the vacation, e.g. to have fun and relax, is not necessarily affected by not having planned everything out).
 - When there's uncertainty about something many people overestimate the risk. Therefore, the biggest and best opportunities are often the ones that are most uncertain because they're the ones unexploited. If you embrace uncertainty and are not scared of it, you'll be able to take advantage of those opportunities.
 - You will never be fully certain of a big opportunity.

Examples of opportunities/situations where others may overestimate the risk (relative to the reward):

1. Jobs that pay less in cash but offers tremendous learning.
2. Part-time or contract gigs.
3. Hiring someone without much experience but who's a fast learner and much cheaper.
4. An opportunity where the risks are highly publicized.

What's the volatility paradox?

- High short-term risk leads to low long-term risk, that is, volatility leads to stability.
- Intuition: Small fires prevent the big burn.

CHAPTER 7 — WHO YOU KNOW IS WHAT YOU KNOW

Motivation:

- “What will get you somewhere is being able to access the information you need, when you need it.”

Network literacy:

- “Knowing how to conceptualize, access, and benefit from the information flowing through your social network.”

Why is your social network an indispensable source of intelligence?

1. Insider information. People offer information that would never appear in a public place (for example, private observations, personal impressions, and insider knowledge).
2. Personalized advice. People offer personalized and contextualized advice (because they know your interests and particular situation).
3. Filtered information. People can filter information you get from other sources (and thereby help focus your attention on what's actionable and relevant, which is increasingly valuable in an age of information overload).
4. Better ideas. You may think better thoughts when in dialogue with others.

In a nutshell, how do you acquire good network intelligence?

- Identify the right people to talk to, ask these people good questions, and synthesize points into

something meaningful.

Two ways to tap information from your network:

1. Ask private and specialized questions to specific individuals.
2. Ask broad and generic questions to your entire network (e.g. via a mass email or a poll)

When you want information from you network, when facing a decision, who do you ask and in what order?

1. Domain experts. Gives you a sense of your overall options.
 2. People who know you well. Helps prioritize options and figure out the best personal fit.
 3. People who are just really smart. May give completely different perspectives.
- On a high level, sort the people in your network into these three (overlapping) categories
 - Broad network gives you access to many domain experts (and people who are overall smart); deep network gives you access to people who know you really well (and who may be domain experts and overall smart).

How do you ask good questions?

1. Converse, don't interrogate.
 - Have an even, true exchange of intelligence.
 2. Adjust the lens.
 - When making a decision, ask wide questions to figure out the criteria you should be using (and the factors you should be considering); ask narrow questions to figure out which weight you should give to each criteria (and for specific information about each factor).
 - Example: Begin by asking domain experts "What should I be thinking about when when assessing the pros and cons of this opportunity?". Then, once you've narrowed down your criteria for making a decision, ask a more select group (including people who know you well) for specific information about the relevant factors.
 3. Frame and prime.
 - To get higher-quality intelligence, frame/prime the same question in multiple ways (because the way a question is framed/primed influences how it will be answered).
 - Example 1: Use both a positive and negative frame: What are the top two things you got right when doing what I'm about to do? What are the top two things you did not get right?
 - Example 2: Give sample answers to prime for the type of answer you're looking for: What do you see as the pros and cons of X? For example, maybe a pro is Y?
 4. Follow up and probe.
 - Follow up and probe on qualifying words.
 - Example: It's really risky to X? What does 'risky' mean? Well, there's not a lot of security? What does 'not a lot' mean?
- (5.) For vague concerns — e.g. "something doesn't feel right with X" — when you're unable to formulate a clear question, engage people in person and try to figure out the issues over a long conversation.

How do you get serendipitous network intelligence?

1. Engage people.
 - If you're in touch and top of mind, people are more likely to spontaneously send you useful information.
2. Keep a few general questions in your back pocket.
 - Example: "What's the most interesting thing you've learned over the past few months?"
3. Push interesting information out to your network.

What are the steps in tapping in to your network for intelligence? (3)

1. Gather information from multiple people in your network.
2. Analyze the validity and relevance of this information (while remembering that everyone has biases).
3. Synthesize information into actionable intelligence.