A logo for college computing

Description automatically generated

Benefits of American Tech Companies in Ireland

|  |  |
| --- | --- |
| Student Full Name: Jeisson Steven Preciado Wilches |  |
| Student Number: 2024326 |  |
| Module Title: Strategic Thinking |  |
| Assessment Title: CA 1 – Capstone Project Proposal |  |
| Assessment Due Date: 27/10/24 |  |
| Date of Submission: 27/10/24 |  |

**Declaration**

By submitting this assessment, I confirm that I have read the CCT policy on academic misconduct and understand the implications of submitting work that is not my own or does not appropriately reference material taken from a third party or other source.

I declare it to be my own work and that all material from third parties has been appropriately referenced.

I further confirm that this work has not previously been submitted for assessment by myself or someone else in CCT College Dublin or any other higher education institution.

# Abstract

This paper will examine big tech American companies, providing an overview of these organizations’ operations and importance. It will present into the motivation to establish in Ireland, showing key factors such as favourable tax policies, access to skilled workforce, and supportive business environment. This analysis further outlines the economic history, its current economic landscape and its strategic vision of growth, will illustrate how these elements have made Ireland an attractive destination for tech firms. Emphasizing the implications of business and trade. The role of human talent as a critical driver for innovation in the technology sector is analysed, along with an examination of Ireland’s climate condition, which may influence global companies’ decision to operate in this country. This study will underscore Ireland’s position as a key player in the global economy in the world.

Table of Contents

[Abstract 1](#_Toc180797550)

[Introduction 3](#_Toc180797551)

[Objectives 4](#_Toc180797552)

[Problem Definition 4](#_Toc180797553)

[Scope 5](#_Toc180797554)

[Methods & Techniques 5](#_Toc180797555)

[What Expect by The End of Semester Two? 7](#_Toc180797556)

[Milestone 8](#_Toc180797557)

[Reference 9](#_Toc180797558)

# Introduction

Analyse four U.S. technology companies such as Google, Meta, Amazon and Microsoft, providing a summary of each. Following this, the reasons behind these companies’ decision to establish operations in Ireland will be explained, exploring the potential motivations for this choice.

Based on this, the factor that have positioned Ireland as a preferred destination for technology companies will be described. These factors will include the economic impact that Ireland has experienced throughout its history, the country’s current situation, and its vision for development in the coming years. Additionally, the effects of Brexit on Ireland will be explained, particularly its impact on international affairs within the Europe community.

Furthermore, human talent will be analysed as a key factor for knowledge development in the technology sector. Finally, Ireland’s climate condition will be considered as a factor that may attract global tech companies to establish offices in the country.

# Objectives

The aim of this research is to understand the importance of these four U.S. companies have on Ireland, focusing on their economic influence, the present skilled personnel, international relations and select environment issues.

* General Objectives
  + Assess the significance of American technology companies
  + Examine Ireland’s appeal as a business destination
  + Identify and describe four key economic and social impact on the country
* Specific Objectives
  + Analyse economic metrics, such as investment levels and GPD contributions
  + Examine data on the educational sector’s contribution to the tech industry
  + Provide a brief overview of the country’s environmental conditions and their relevance to technology companies

# Problem Definition

Context: How these companies contribute to Ireland’s economic and social development, particularly at a time of rapid growth in the tech sector through advancements and emerging expertise in the field, with the goal of acquiring and applying this knowledge in the industry. Topics including GDP, environment factors, and the international landscape will also be essential to provide context for the final project.

Impact: Present features that impact Ireland and their effects on the technology sector. With the growing use of ICT and the ongoing development of artificial intelligence, multiple countries are striving to lead in communication, e-commerce, and cloud computing system. This drive underscores the importance of human talent, which would also have a positive impact on sustaining industry growth. Additionally, Ireland’s economic strength an international role makes it an attractive destination due to its favourable tax benefits, drawing numerous global companies to the country. Ireland also stands out as gateway to the European market following the United Kingdom’s exit.

Importance: The importance of this topic is rooted in the early stage of Ireland’s economic development in the last century and in how various sectors have evolved since then, fostering the country’s growth. Recently, there has been a growing focus on large global corporations, particularly big technology organizations along with the most prominent technology sectors.

# Scope

Below, I will present several points to consider for the project.

* Describe Ireland economy, considering some aspects from the last century and the contemporaneous Ireland’s economy.
* Why is Ireland important for tech companies?
* Delivery information about technology industry in America
* Show a brief description of Meta, Microsoft, Google and Amazon
* Present a relation between American tech companies and Ireland
* Describe four variables such as economy, talent, international affairs and environment.
* Predict the development of Ireland’s economy in the technological field over the next 5 years

## Methods & Techniques

Throughout the Project, I will consider several methodological approaches to ensure a comprehensive analysis based in technical consideration like papers, books and web investigation, data gathering and graphic representation to support the project. The methodology that its going to be use are:

1. Descriptive Method:  
   This part of methodology from my final project will focus on describing the selected American companies based on their established presence in Ireland. I will delve into their operational strategies and contributions to the local economy. Additionally, I will explore the various factors that make this country an attractive destination for entrepreneurs and investors, including its favourable business environment, regulatory framework and cultural aspects.
2. Historical Method:  
   This approach will involve providing a concise overview of the Irish economy, tracing its development from the past century to the present day. By examining key historical milestone and significant transformations, also give context about the current economic landscape. This will include discussions on shifts in wealth distribution, the availability of nature resources, and the impact of international economic relations on Ireland’s growth trajectory.
3. Analytical Method:  
   After collecting relevant data on the selected companies, the broader economy, education system, and environment, I will conduct thorough analyses to evaluate their contributions to economic and social development. This method will also address potential negative impacts associated with the operations of these companies, providing a balanced perspective base on empirical data and case studies.
4. Comparative Method:  
   Following the descriptive analysis of the companies and a general understanding of the Irish economic framework, I will gather and compare relevant data to assess the positive impacts of technology companies on the local economy. This comparative analysis will involve benchmarking key performance indicators and evaluating how the presence of these multinational corporations has influenced economic growth, job creation and innovation.

By employing these diverse methodologies, the project aims to provide a holistic view if the interplay between American technology companies and Ireland’s economic and social landscape.

## What Expect by The End of Semester Two?

The objective of this project is to present a comprehensive analysis that highlights the contributions of Google, Amazon, Meta and Microsoft in Ireland. This will be achieved through the examination of some key components that will be elaborated upon to provide a detailed understanding of their impact on the economy, education and environment. To facilitate a thorough exploration of these contributions, I will employ various data sources, enhancing my understanding of the topic and allowing for the extraction of meaningful insights. Through effective visualization, I aim to draw informed conclusions regarding the influence of these technology giants.

By systematically breaking down each component and employing rigorous analytical methods, the project aspires to deliver a nuanced perspective on how these companies are shaping the future of Ireland. This approach will not only clarify the specific roles that each company plays within the Irish context but also illustrate the broader implications of their presence in terms of economic growth, education advancement and environmental stewardship. Ultimately, the findings will provide valuable insights for policy markets, stakeholders and the public regarding the multifaceted impact of these major technology firms.

# Capstone Report Second Part

# Business Problem

## Global Business

Durante los últimos años hemos estos viviendo cambios tecnológicos importantes y que están teniendo efecto en la forma en como trabajamos, estudiamos y vivimos. Covid-19 y el desarrollo de la inteligencia artificial fueron escenarios que permitieron que la tecnología tuviera un papel fundamental en el crecimiento del sector. De este modo, surgieron nuevas formas de realizar las cosas en nuestro diario vivir, para que con el transcurso de los meses nos adaptáramos a nuevas tecnologías.

## International Relations

La mayoría de las empresas tecnológicas vienen de los Estados Unidos, como los son Apple, Amazon, Microsoft y Meta. La relación entre estos dos países es importante ya que de acuerdo con Ireland.ie (2024) “La relación viene del siglo XVIII, donde hubo participación irlandesa en la declaración de independencia de los Estados Unidos. También tengamos en cuenta los ancestros irlandeses que ha tenido América a lo largo de los años.” Además, es importante mencionar que Irlanda, país habla inglesa, es la puerta estratégica a la Unión europea debido a las buenas relaciones que tiene con el país. Esto sin duda alguna significa una ventaja para Irlanda, pero si complementamos la salida del reino unido en el año 2020, esto deja a Irlanda en una muy buena posición debido a que las nuevas regulaciones entre reino unido y la unión europea convierten un proceso comercial más largo, mientras que, con Irlanda que hace parte de la unión europea, estos procesos son menos burocráticos, beneficiando el comercio, oferta laboral y turismo.

# Project Plan

# Business Understanding

## Economy

Irlanda fue un país pobre hace 100 años, enfrentando great famine, guerras y migraciones hacia los Estados Unidos y países europeos cercanos, todo esto desde el siglo XIX. Sin embargo, desde mediados del siglo XX las estrategias del crecimiento económico irlandés cambio cunado decidieron enfocarse en abrir sus fronteras a empresas con una tasa baja de impuesto, evidentemente muchas multinacionales empezaron a enfocarse en Irlanda. Teniendo en cuenta las empresas que se mencionaron anteriormente para el desarrollo del trabajo, Apple fue la primera empresa en llegar a Irlanda en el año de 1980, luego Microsoft (1985), Google (2003) y por último meta (2009). Ademas de otras muchas empresas que llegan a Irlanda por la baja tasa de impuesto a sociedades, pero que según Observer (2024) The Irish government is seeking to raise the corporate tax rate to 15% for some large companies, but the appeal remains. In addittion, Ireland’s anual GPD growth from 1995 to 2005 had a remarkable 9.4% Observer (2024).

According with the European Commission (2024) “Ireland’s GDP is expected to decline by 0.5% in 2024, mainly due to a contraction in the multinational sector in the first half of the year. Economic activity is projected to rebound with growth of 4.0% in 2025 and 3.6% in 2026 supported by0020a strong labour market, low headline inflation and favourable external environment. Headline inflation is set to remain low over the forecast horizon. Public finances are forecast to normalise after further positive surprises in revenues and strong increases in expenditure. “

From: <https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/ireland/economic-forecast-ireland_en>

## Employment

Se espera un decrecimiento leve para los próximos años, no obstante, estudiantes tanto nacionales como internacionales puede variar las ofertas laborales. Si estamos hablando de compañías del sector tecnológico, según Nathantrust (2022), nine of ten top globla companies and USA companies are in Ireland. In addition, there are more than 900 american companies in the country, Nathantrust 2022. All of these context about tech companies in Ireland, llaman la atencion de los Jovenes europeos ya que siendo parte de la comunidad europea, no tienen ningún problema en acceder a otros mercados laborales dentro de Irlanda que hace parte de Europa. Si se quiere aprovechas las ofertas laborales en esta industria, se debe educar a las personas para estar a la vanguardia. Y de acuerdo con NT (2022) computer science and coding are now part of both school and college subjects.

According with central statistics office (2024) “Ireland had a rate of 95% of 20–24-year-olds with at least higher secondary level of education, ranking the country joint second with Greece and behind Croatia among EU member states… The Irish rate for early school leavers of 18–24-year-olds in 2023 was 4%... In 2023 Ireland was well above the EU-27 average for third level attainment across all age groupings.

## Environment

Para almacenar gran cantidad de datos, se usan computadoras dentro de un sistema frio para que las computadoras no se sobren caliente, esto quiero decir que se consume energía para mantener las computadoras funcionando. Esto es otra de las razones por la que las empresas tecnológicas están en irlanda, gracias a las condiciones climáticas de Irlanda, un país que, a lo largo del año, y a pesar de las estaciones, es un país frio y que de este modo logra reducir costos operacionales.

Según KPMG (2024) “Ireland is a popular location for tech startups and giants alike, owing to its well-understood matrix of favourable characteristics: political stability; absence of natural risks; EU membership; English language; position between North America and Europe; ambient climate; developed supply chain; talent depth.”

# Data understanding

## Initial Data

* Una vez busque y recolecte los datos de “Central Statistics Office”, se selecciono una base de datos que contiene

# Reference

* CCT-Dublin. (2024). *Capstone project - JeissonSPreciado*. Disponible en: <https://github.com/CCT-Dublin/capstone-project-JeissonSPreciado.git>
* CurrencyFair. (2022). *How Ireland became a tech hub (and what’s next)*. CurrencyFair Business Blog. Disponible en: <https://blog.currencyfair.com/en/business/how-ireland-became-tech-hub>
* European Business Review. (2023). *How Ireland is becoming an international tech hub*. European Business Review. Available at: <https://www.europeanbusinessreview.com/how-ireland-is-becoming-an-international-tech-hub/>
* Sinha, S. (2024). *US Big Tech companies’ complicated role in Ireland’s booming economy*. Observer. Available at: <https://observer.com/2024/07/us-big-tech-companiess-complicated-role-in-irelands-booming-economy/>
* OECD. (2024). *Trade in value added*. OECD. Available at: <https://www.oecd.org/en/topics/sub-issues/trade-in-value-added.html>
* World Bank. (2024). *GDP growth (annual %)*. Available at: <https://datos.bancomundial.org/indicador/NY.GDP.MKTP.KD.ZG?end=2023&locations=EU-IE-ES-DE-AT-FR&name_desc=false&start=1980&view=chart>
* Sinha, S. (2024). *US Big Tech companies’ complicated role in Ireland’s booming economy*. Observer. Available at: <https://observer.com/2024/07/us-big-tech-companiess-complicated-role-in-irelands-booming-economy/>