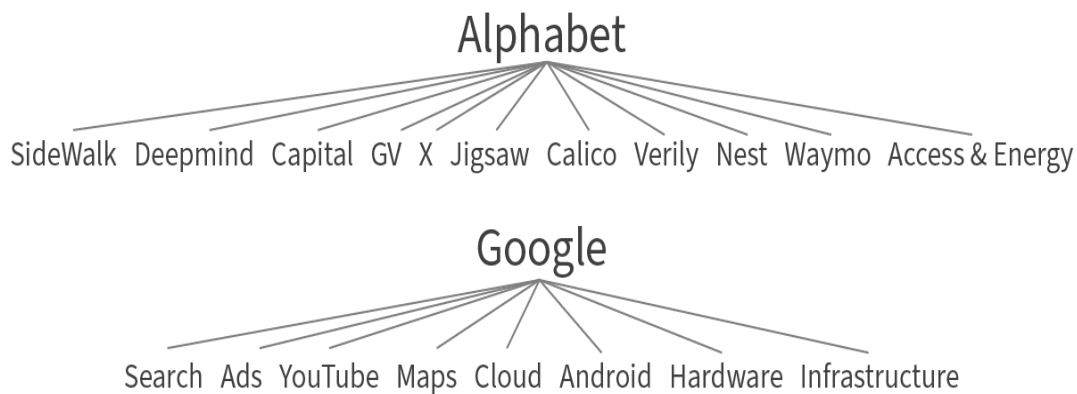


# The big picture

As of 2021, Alphabet Inc. was one of the top five most valuable companies in the world in terms of market capitalisation (the total value of a company's shares). Alphabet was created in 2015 when Google founders, Larry Page and Sergey Brin, decided to reorganise Google Inc. in order to better manage its various businesses, such as Google (cloud applications), Waymo (<https://waymo.com/>) (autonomous transportation), Nest ([https://store.google.com/us/category/connected\\_home?hl=en-US&GoogleNest&utm\\_source=nest\\_redirect&utm\\_medium=google\\_oo&utm\\_campaign=homepage](https://store.google.com/us/category/connected_home?hl=en-US&GoogleNest&utm_source=nest_redirect&utm_medium=google_oo&utm_campaign=homepage)) (smart homes), Sidewalk Labs (<https://www.sidewalklabs.com/>) (smart cities).

The creation of Alphabet was just the latest step in the fast-moving growth of Google since its founding. Page and Brin began developing an internet search engine while they were students. They founded Google as a company in 1998, setting up business in a garage and hiring their first employee. A year later, Google moved from the garage to a more typical office space with eight employees. By 2004, the company had over 800 employees working in California and in offices all over the world, and they sold shares to the public for the first time through an initial public offering (IPO). By 2021, Alphabet had over 150 000 employees working in areas as diverse as biotechnology, the internet of things, robotics and self-driving cars.



**Figure 1.** An overview of Alphabet's structure.

Not many companies grow and change at the speed of Google. However, all organisations must develop in order to respond to changes in the external environment and inside their own organisations (Section 1.1.6 (</study/app/y12-business-management-a-sl-may-2024/sid-352-cid-174703/book/tool-swotsteeple-analysis-id-36834>)) and to the interests of their stakeholders (Subtopic 1.4 (</study/app/y12-business-management-a-sl-may-2024/sid-352-cid-174703/book/the-big-picture-id-36856>)).

This subtopic explores how organisations change and develop. It starts by describing the meaning of growth, and by evaluating some of the advantages and disadvantages of growth. It then explores various internal and external strategies for growth, as well as the reasons for businesses to stay small. It concludes with a new way of thinking about growth, where organisations strengthen the business ecosystem around themselves in order to grow in resilience rather than in size.

## Theory of Knowledge

Most businesses assume that growth – in number of sales, customers, revenues, profits or employees – is a key objective of their work. At a national level, politicians usually use growth in gross domestic product as a key measure of economic success.

However, this growth goal is coming under increasing criticism. Infinite growth on a finite planet is not possible. And the pursuit of growth has done much damage to people, the planet and even to businesses and economies of entire countries.

- How do assumptions frame the approaches we take in the human sciences?
- How do we need to change our assumptions about growth in business to ensure we act responsibly towards people and the planet?