IST 614

Independent Research Project

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**CASE STUDY ON ORGANIZATION: GOOGLE LLC**

Google LLC is an American multinational technology company that specializes in Internet-related services and products, which include online advertising technologies, a search engine, cloud computing, software, and hardware. It is considered one of the Big Five companies in the American information technology industry, along with Amazon, Apple, Meta (Facebook) and Microsoft. Google is a company many students aim to work in and rightly so, it is a company that is in control of a lot of information of all its users. It is the dream company for most professionals in the data analytics field. It is also one of the fastest growing companies especially in the software field.

Google’s vision statement is, “to provide access to the world’s information in one click”. This aligns directly with what the company does. Their first product and the one they focus on the most is their search engine. There is no doubt that it has worked. They have managed to push their brand image enough for their name to be used as a verb. People no longer say, “look it up on the internet”, people have switched to saying, “google it”. That says a lot about Google’s services. The only way you can push the public to use the word Google as a verb would be to provide a high enough quality of service where your service is what people think first of when thinking about looking up something on the internet and associate the two strongly enough. This mental association is a result of hard work that put behind providing accurate and relevant results whenever their search engine was used. This was what allowed them to focus on all the other products they have because people would be willing to use a product that they came up with more trust than similar products by other companies thanks to their brand power.

Google’s mission statement is, “to organize the world’s information and make it universally accessible and useful”. They certainly have worked for it, developing proprietary algorithms, and making them more efficient over the years. They have launched applications like google maps and the google suite to utilize these algorithms to help make things convenient for humans. The Google app allows you to utilize the search engine to look up any information you want, provides the latest news, and more. It has been integrated into Android OS, one of the leading mobile operating systems in the world, along with most other google products to make smartphones “smarter”.

Their entire approach is driven by wanting to make information more accessible and in various formats. Think about it; if you want to go out to eat dinner at a restaurant, not only does google maps help you reach the place through the most efficient route, shows pictures of the restaurant to help you get an idea of what it looks like, it shows ratings, restaurant timings and provides contact information of the restaurant. This was not achieved in a day; it is a result of years of optimization and hard work. Google worked on it one step at a time, beginning with getting the GPS set up accurately enough to work as a digital map.

Google LLC’s success is linked to the effectiveness of its organizational structure and organizational culture in supporting excellence in innovation. In theory, a company’s organizational or corporate structure is the arrangement of components and resources based on the overall design of the organization. In contrast, a company’s organizational or corporate culture is the set of beliefs, values, behavioral tendencies, and expectations among employees. Google’s organizational structure is not conventional because of its emphasis on flatness. In relation, the company’s organizational culture is also not typical because it emphasizes change and direct social links within the firm. Theory suggests that a strong alignment between a firm’s corporate structure and corporate culture can lead to higher chances of success. This benefit is manifested in the case of Google’s information technology and Internet services business, which continues to expand in the global industry. The company’s dominant position is attributable to the synergistic benefits of its organizational structure and organizational culture.

Google’s organizational structure supports the company’s organizational culture to maximize innovation. Innovation contributes to the brand image. The case of Google is an example of aligning and effectively using corporate structure and corporate culture to achieve strategic objectives in developing competencies for business growth. This alignment promotes human resource competencies that are essential to business development toward the fulfillment of Google’s corporate mission and vision statements.

Google’s organizational culture is not typical, partly because of the effects of the company’s organizational structure. In essence, the structure and the culture interact to influence the capabilities and cultural characteristics of the organization. Google’s corporate culture has the following primary characteristics: open, innovative, smart with emphasis on excellence, hands-on, supports small-company-family rapport. Openness involves sharing of information to improve Google’s business processes. Openness is achieved through the matrix organizational structure. Within the context of Google’s organizational culture, employees feel free to give their ideas and opinions, such as in meetings with managers. Also, innovation is at the heart of Google LLC. Every employee is encouraged to contribute innovative ideas. In addition, this corporate culture pushes for smartness among Google’s employees. The aim is to motivate workers to strive for excellence. Moreover, the company supports employee involvement in projects and experiments, which are implemented to test new ideas. Google’s organizational culture creates a social ambiance that is warm. Warmth is a factor that facilitates information sharing and employee satisfaction. The company’s organizational culture maintains a small-company-family ambiance, where people can easily share ideas with each other, including executives like Larry Page. Thus, Google’s corporate culture supports excellence in innovation through the sharing of ideas and the capability to rapidly respond to the global market for information technology, cloud computing and Internet services, and consumer electronics.

Google’s success is based on its high-quality human resources. The company generally emphasizes smartness and excellence among its employees. Google’s human resource management also includes carefully selected strategies, methods, and techniques for recruitment and selection, and for the retention of high-quality workers. The firm’s recruitment practices, and selection process ensure an adequate workforce. The retention programs at Google are designed to retain excellent employees. These programs also attract employees to the firm. The company is now one of the best places to work. This popularity and positive perception indicate the success of the firm’s human resource management in recruitment, selection, and employee retention. I mean, think about it, no one has a bad perception of working at Google. Nobody says that they don’t want to work at Google. Google’s human resource management uses a mixture of internal and external recruitment sources to maintain the adequacy of its human resources. The company uses promotions, transfers, and trainees/interns as the main internal recruitment sources for HR needs. On the other hand, the external recruitment sources at Google include educational institutions and respondents to job advertisements. Most of these ads are available through the Careers section of Google’s website. Through these recruitment sources, the company facilitates a continuous influx of qualified workers, while matching these employees’ capabilities with human resource needs. Google’s compensation packages are the main HRM tool that the company uses for retaining high-quality human resources. The company’s compensation packages are competitive and above average. For example, Google provides high salaries and wages. In addition, employees get free meals and other incentives and benefits. The typical design of the company’s offices emphasizes fun and creativity, which attract and retain creative and innovative workers. Google’s human resource management uses coaching and mentoring to retain and develop employees with leadership potential.

A SWOT analysis of Google really lines up why the company is so huge today, why it is a household name. Google’s main strength is brand recognition. They process 70% of the world’s queries and Android powers 80% of the smartphones in the world. Their ad-based revenue model lets them provide high quality services to the public for free and gain more than just trust, they earned a name for themselves. Although it must be noted that the ad-based revenue model is also a weakness at the same time. Being dependent on ads makes them vulnerable to fluctuating demand for its ads. Competitors like Facebook have taken advantage of the time users spend socializing on their platform and their connected apps. Google faces huge challenges not only due to this but also due to their three main competitors: Amazon, Apple and Facebook starting to use alternatives instead of Google and having developed their own mobile applications developed well enough to not need to depend on paying Google to advertise themselves thanks to having a brand image of their own. This has recently pushed Google to display more advertisements on platforms like YouTube and giving users the option to pay a subscription fee to get rid of ads and coming up with YouTube music, a subscription-based music streaming service to generate more revenue.

Google’s culture is reflected in their decision making as well. Decisions at Google are made in teams. It is common for several small teams to attack each problem and for employees to try to influence each other using rational persuasion and data. Gut feeling has little impact on how decisions are made. In some meetings, people reportedly are not allowed to say, “I think…” but instead must say “the data suggests….” To facilitate teamwork, employees work in open office environments where private offices are assigned only to a select few. The reason Google is so efficient is because they invest in their greatest asset, their employees. Ensuring their employee’s happiness is key to their success. Employees are more likely to be more productive and loyal to the company if they feel wanted and heard. Various surveys have determined that their employees are happier than employees of a lot of other organizations. Efficiency of an organization is directly dependent on the productivity of its employees and hence Google has prospered through it. Think about it, if your workplace had free food, a gym, a spa, relaxing lounges, flexibility of work timings, caring about and considering your opinion in decision making, and more, would you not feel like the organization cared for you? Google gained so much popularity through their approaches of caring for their employees, that a few companies like Apple and Amazon adapted a couple of methods from Google to boost their productivity as well.

What makes Google so unique is the way they function. Firstly, the lack of a vertical structure, which places everyone except the top executives such as the CEO and COO at the same level makes the employees feel like they are a team and not workers under a manager. This makes them want to collaborate and voice their opinions and ideas. Google encourages employees to explore any ideas they might have. All Google employees follow a rule called the 70/20/10 rule, under which they are expected to devote 70 percent of every workday to whichever projects are assigned by management, 20 percent of each day to new projects or ideas related to their core projects, and 10 percent to any new ideas they want to pursue regardless of what they might be. The company credits this rule with being the driving force behind many of Google's new products and services because programmers, salespeople and even executives are given enough space to be creative. When the company became too large to easily manage the flow of new ideas and projects, it instituted a schedule of meetings between employees and the company's founders and chief executives. At these meetings, employees can pitch new ideas and projects directly to the top executives.

Google believes in the concept of managers being good leaders first. They believe in nurturing their employees and being a good coach. They are given their creative space to explore any idea they have and are supported in any way possible. The upper management doesn’t believe in micromanagement, they give the employees a target and give them complete freedom to use their own approach to achieve the goal. If, the results are met, the board is not particular about the approach used. These little things are what make Google different from the competition. Their “employee first” ideals are what make them the leader in internet related services and products.

Google’s approach of being more of a leader is what a lot if experts criticize, because management theories emphasize the importance of a good manager and how leadership is one of the four functions of being a manager. It may feel like that Google lets the employees handle the other three functions by themselves implying that they do not believe managers are important, but the fact is that they do. Managers at google are more than just managers, they play almost a parental role to the employees, nurturing their creativity and letting them have freedom to complete the tasks they wish to. Google may have, arguably, the best managers in the world.

If I were to oversee this organization, I would honestly not change much. It is one of the big 5 in tech companies for a reason after all. Personally, I would prefer having some sort of structure in the company, because I prefer everything to be organized into sections and it could have benefits like streamlining the production process, but I would worry about how it affects the creativity of the employee’s, something Google is famous for. One big change that I would like to propose is having a big creativity meeting once a week where people from all departments will gather to discuss ideas that they have had all week and cross check with all departments how feasible they are in terms of implementation. This exchange of ideas is a faster way to more ideas being implemented. I also feel that a little more management would benefit the already existing level of leadership that Google employees experience.

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