

Running head: CASE STUDY ANALYSIS: GOOGLE

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Executive Summary

Fifteen years after Google had a remarkable ascent, the company began facing unpredictable aspirations; Google Glass which had been developed in open beta started making mobile apps and its web was made accessible within the eye glasses of its users. Initially this was purely science fiction but by the year 2014 the product was on the shelves of downtown stores for instantaneous purchase in customized colors and designs.

The company's self-driving cars were also incredible; for they had covered millions of miles without the assistance of drivers on streets and highways. It is believed that this concept was too bold. This stems from the fact that Google had plans for a space elevator in which companies would use to cheaply launch their satellites. However, this plan was shelved when it was realized that the available materials were inadequately strong (Aaker, 2010).

These opportunities were a privilege to Google which enjoyed exploring them because its primary business relentlessly produced free cash flow and adequate profits. By serving an incredible number of searches in the developed nations it captured a huge chunk of advertisers' funds. Advertising through search engines had become successful in the sales of every good and service. As a matter of fact, advertisers would come back to reinvest; yet on the horizon there was a lot of rumbling.

Fundamentally the market move to mobile devices was a threat to Google's position. Instead of making information requests and purchases through searches at Google.com users mostly made use of specialized apps from their mobile devices thus decreasing the profits Google would make through appropriate referrals in the end the company's advertising revenues were remarkably reduced. In addition, process for advertising on mobile devices were

outstandingly lower than those of Google. This reflected the unwillingness of paying to reach users that were no longer using desktops (Berkun, 2010).

The company which is now based at Mountain View in California had gross revenues accruing to \$59 billion coupled with an operating income of \$15 billion in 2013. By the 2014 second quarter Google had 52,000 employees with cash and equivalents of above \$60 billion. This company that was incepted in 1999 completed its IPO in 2004 at \$86 for every share. Its share prices were above \$570 in the third quarter of 2014 which gave it company a \$390 billion value in the market (Brooks, 2014).

In 2014 the company benefited from a 67% of all the American searches. Its biggest competitor which is Microsoft's Bing.com only managed a paltry 19% of the market searches. Ever since it had its IPO the company started launching a number of products that started expanding its domain well beyond its web search. These products include Google Checkout, Gmail, Google Docs, Google Maps, Google Fiber, Google Books and Google Finance. As much as this was a strategy to deal with the competition from mobile devices there is still more to be done as explored in this paper. In doing so, this paper will adopt a qualitative approach of analysis in order to come up with sound findings.

Chapter One Case Study Background

As the world wide web started expanding there was a sudden growth in the need for search services. Yahoo which is amongst the earliest search services picked and organized sites into categories of human editors. The classification of the directory became imminent with the growth of the web. Technology that automated searches using software crawlers was invented by Alta Vista. This produced a page contents searchable index alongside algorithms that which ranked the relevance pages founded on the frequency of key words. Alta Vista's algorithmic was added by yahoo as a search engine however, it replaced this with Inktomi in 1998; this employed parallel processing to provide a larger index and a higher rate of processing (Chad, 2003).

As search algorithms were exploited by website developers who repeated keywords on these pages searches rapidly returned inappropriate listings which frustrated users. In 1999 this problem was tackled by two Stanford graduate students Larry and Sergey. Their algorithm in page ranking supported referenced pages that had been linked to different pages. These links were a sign that other page designers perceived that the focal pages needed attention. The significance of the focal pages was established by the number of its inbound links (Neal, 2009).

In the year 1999 the two Stanford Students realized their first round funding for Google which was then a startup and were supported by Kleiner Perkins and Sequoia which are still very influential capital firms. In 2000 Google substituted Inktomi as the search Engine favored by yahoo after establishing 1 billion web pages. The company's revenues were by then derived mainly from leasing its technology to yahoo amongst many sites. The company in the beginning was not involved in advertising and a number of portals only provided it search results with no

communication tools. Contrastingly, most portals provided many add-ons to support users in lingering which yielded many page views and huge advertising revenue (John, 2005).

A new model came up to monetize paid listings. Established by overture an acquisition of Yahoo they became succinct text ads and they were labeled as sponsored links which appeared either contiguous or mixed together with the search results. The bid for key words by advertisers established the top to bottom categorization of ads on web pages. Paid listings were characteristically sold on a per click basis. Advertisers only paid after users had clicked on their adverts. The success of overture was founded on a number of factors; firstly, from marketers view point leads from users search engines always researched products and services they had intended to soon purchase. It was estimated by marketers that 71% of e-commerce transactions stemmed from web searches while 41% of these searches were commercially motivated. Secondly, the ordering of paid listings based on cost per click yielded considerable revenue to overture as it met numerous users needs (Page and Brin, 2004).

The Statement of the Problem

With the growth of Google came a number of challenges from both users and advertisers. Google advertisers often made complaints about charges they perceived to be improper. Advertisers were always worried of being slapped by charges. This paper aims at finding out the extent to which the organizational culture at Google plays a role in ensuring the company effectively deals with future challenges. The case of Google is a dream comes true for everyone in the entrepreneurial world. At its 1998 launch in Stanford University the company already portrayed potential and two decades later this has been more than realized. Its first profits were

made in 2001 and today its profits are not only larger but increase after every year (Clutterbuck, 2003).

The generation of such profits in these tough economic times is enviable, however, the challenges is faced with lots of future challenges that must be tackled sooner rather than later if it is to stay afloat. Its considerable reliance on one product advertisements on its website have made it vulnerable changes in the market. This is because the windows of opportunity it thrives on are being seen by its competitors who are already curving in. The company therefore needs to work with more intangible company elements such as its organizational culture for they cannot be easily copied. Being abstract in nature it may be difficult to work with organizational culture, however, it could also be a critical resource and provide the company a fundamental competitive edge because of the fact that it influence significant areas for instance it attracts the best employees, it furthers innovation and ensures an effective workforce (Sullivan, 2013).

Secondly, Google has faced lots of competition from emerging social networks such as Twitter and Facebook. Facebook particularly is a big threat given that it has closed its platform for Google's search engine. The growth of Facebook has realized enlarged information which has become difficult for Google to retrieve on behalf of its users (Whit, 2007).

Thirdly Larry Page Google's cofounder was recently named as its CEO; this is a big challenge since it is always a potential problem to come up with a CEO from within the company's rank and profile. This is because having been there for many years it would be challenging for insiders to perceive any required changes since they do not possess the outside perspective.

Fourthly, there is an ardent need for Google to attend to competition authorities globally. Its existing situation is more like a monopoly and any form of regulation from external forces could be detrimental in terms of cost and convenience. The cell phone market is the fifth and biggest challenge for Google; Android which is Google's operating system has not yet realized its niche in the market and competition has become fierce. If Google sticks to its core products it will get the power to focus however, if its starts spreading its activities this will help it avoid complacency (Blake and Steven, 2013).

Research Questions

1. Fifteen years after Google had a remarkable ascent, the company began facing unpredictable aspirations. How true is this statement?
2. Google is very ethical and has a deeply entrenched social responsibility principal. How true is this statement?
3. Google has already left the red oceans and it is operating in the blue oceans where it gains lots of profits without competition. How true is this statement?
4. The adoption of an external CEO was a setback to Google's cultural organizational structure. How true is this statement?

Aims

The aim of this paper is to evaluate Google's organizational structure in relation to the challenges it has faced over the years and come up with strategic management models that could ensure it improves on its performance. The paper will also explore the challenges that Google

has faced over the years and provide possible solutions. Apart from that it would provide a business plan that can be used to implement the solutions to Google's problems.

Objectives

- To find out if Fifteen years after Google had a remarkable ascent, the company began facing unpredictable aspirations.
- To investigate if Google is very ethical and has a deeply entrenched social responsibility principal.
- To explore if Google has already left the red oceans and if it is operating in the blue oceans where it gains lots of profits without competition.
- To analyze if the adoption of an external CEO was a setback to Google's cultural organizational structure.

Chapter Two Case Brief

With Google's growth its co founders having been guided by their venture capitalists started searching for a seasoned executive to assist in leading the company. Erick Schmidt who was formerly a chief technology officer at Sun Microsystems and later Novell's CEO joined the company as CEO in 2001. This pushed the cofounders to assume presidency of products and technology. Initially the company management had dismissed a public offering however; pressure was insurmountable for employees and investors with options to access liquidity. An IPO was announced in 2004; however, in its prospectus Page gave unique remarks that the company was not traditional in nature and did not want to become one (Farmer, 2008).

Google has had a lot of pressure to engage in other business activities apart from advertising in order not to close shop if its competitors master their game as was the case with IBM. The company has since started hosting videos and books, communication applications, mobile phones and tablets, as well as productivity applications. Other products include Google's chrome web browser that allowed users to request websites with addresses, Google checkout enabled users to make safe online payments (Hartley, 2010).

Value Proposition

Expansion Of Products

There are various ways in which Google could expand its products for instance through acquisitions, mergers and even line extensions. As much as its prudent to diversify in new line of products sticking to the main product also always offers the power of focus. However, research and development (R&D) coupled by innovation will ensure that the company does not become complacent. Given that Google's profits are majorly from advertising have made a number of investors get worried that it will remain an advertising company all its life disguised as a tech firm. 5% of its profits stems fro the sales of its Google Apps; however, this venture is facing competition from Microsoft's 2010 word version (Herman, 2011).

Competitors And Innovation

Google came up with Buzz a social network to counter Facebook but this has hit a dead end since it has no followers. The two companies compete for the personalized online marketing niche even though their services immensely differ. Facebook has a focus on online networks while Google concentrates on a number of online service needs fundamental to it is the Google.co m its search engine.

As much as the two do not offer similar products and thus not essentially competitors the fact that Facebook has not allowed Google to search its websites is a big challenge to Google. This is because Google can find anything for its users and now that Facebook with such a large following has denied it access its a huge setback.

Consequently, as long as Facebook remains the world's main social network and continues to maintain privacy of its digital platform, Google will not be in a position to claim being part of the revenues accruing from social network sites. The promotion of an innovative culture is likely to solve this problem by synchronizing and outpacing other companies through the provision of economic merits (Morrison, 2006).

Management

It is a big challenge for the company to nominate a CEO within its ranks. It is advantageous because this kind of CEO knows both employees and the organization very well. This includes the go to persons, the lines of authority and unspoken rules. In addition the CEO does not have to use time and energy on forming an ethos to win people over given that company employees already know him.

Apart from that it enhances motivation since the employees are made to know that they are important. However, the CEO could be affected by personal emotions given that he is deeply involved in the company's history. Given that the current CEO is the cofounder of Google this risk is extraneously very high. Larry Page is faced with the uphill task of managing a culture that is part and parcel of his person and he risks being captivated the status quo that he created (Rogers, 2003).

Ethics And Monopolies

Authorities in international competition are a big threat to Google. This is because they can regulate a company's power against its will and if their directions are ignored they could impose hefty fines. If Google is perceived as a monopoly this would result to forced changes that

would reduce its autonomy. However, a company that has had a long time in monopolistic status tend to become conceited, complacent and conservative (Schein, 2010).

Trust and safety

The cell phone market is a very big concern for Google. Having began in the software market the market still intends to stay there. Production of the best smart phones is not in its niche since this is the hardware market. However, the company has produced a competitive operating system called Android which has given Microsoft and Apple's operating systems a run for their money. This is because it possesses an application store the *Android market* which is founded on open source technology. This means that anyone can find tools for developing these applications online thus realizing numerous applications. The number of applications has expanded rapidly over the years compared to other app stores making the Android market the app store with the highest number of applications. However, this has the risk of anyone making a virus in the form of a free game. Google thus has a moral obligation to gain the trust of its users. It can only do so through proving that its services are credible and accountable (Sullivan, 2013).

Chapter Three The Problems

Google faces many challenges other than those mentioned in Chapter two. The company whether in its advertising or technology niche operates in a very volatile environment that is subject to continuous innovations for it to survive in this environment it must have the capacity to adapt first and fast. As much as the company is growing rapidly it still needs to stay in the lean mindset. It prospered very fast because it started when there was no substitute to its search engine it thus gained a big chunk of the market share effortlessly (Tellis, 2002).

Customers have been accustomed to its brand and thus use it out of habit rather than reason. Google is now challenged with retaining its customers because today there are other usable options in the market. The company is already spending a huge sum of money on marketing to deal with this threat. This paper presumes a functional perspective on the culture of Google as an organization and proposes to use two models to solve its expansion and

competition problems these are Hofstede's cultural theory and the innovation circle theory (Kirkpatrick, 2007).

The Models/ Theories /Planning Tools to Be Used To Analyze the Case

Hofstede's Cultural Theory

National culture has been found to affect fundamental business activities ranging from group performance to capital structure. Cultural awareness could realize huge successes for global business ventures while the absence of it could realize their failure. Geert Hofstede researched on a number of issues pertaining to cultural disparities. His model was founded on a study done on IBM employees in more than 50 countries. He came up with five dimensions that signified disparities between various national cultures. They include; long term orientation, power distance, masculinity/ femininity, uncertainty avoidance and individualism/ collectivism (Hofstede, 2005).

Power distance tends to define how social inequality is comprehended and accepted in various cultures. Hofstede (2005) shows how in high powered distance cultures there is the raising of children with more emphasis on the respect for elders that is usually maintained up to adulthood. Therefore in Google which is more centralized employees like an autocratic leadership style where subordinates expect orders from above, however, there are glaring wage gaps in the hierarchy structure. However, in low power distance cultures people shun inequality decision making involves consulting employees which can only be done by a resourceful and liberal leader.

Individualism is where people prefer to be involved with loosely knit societal grouping where significance is founded on self and independent. In individualists organizations like

Google employees should be allowed the autonomy to work freely and they should always desire challenging work. This is perceived as more critical than any other relationship for it assists them realize self actualization .In the collectivist organizational cultures management structures are accountable for the organization's employees and collective cohesion.

Masculinity is perceived by Hofstede as a representative of different gender roles where the men have an inclination to rewards, success and competition. Women on the other hand, concentrate on tender values such as modesty and life quality. Managers are more self-assured and influential in masculine cultures. More insightful managers that confer disputes and enhance participation are bred in feminine cultures.

Uncertainty avoidance is the level by which people in a culture perceive they are threatened while in unfamiliar circumstances. In cases of high levels of uncertainty avoidance most people go for structured settings complete with set rules and policies. Hard work is then embraced with a high sense of anxiety amongst employees. In weak uncertainty avoidance rules only exist where it is a must because they create fear and discomfort. People on these cultures are more relaxed and thus work at their own pace. Long term orientation defines the degree by which individuals have a dynamic and future based perspective instead of focusing on the present and previous occurrences (Hofstede, 2005).

Innovation Circle Theory

The seven circles of innovation theory highlights the fact that to obtain innovation requires a number of connected innovation mechanisms founded on sound innovation principals at the corporate level but closely related to market and customers. They all stress that obtaining

innovation excellence is not about concentrating on it as a product but as a mechanism that calls for an optimized corporate structure (Bendell, 2009).

The model holds that innovation must always be entrenched in the market. And all innovations must be built on sound principles such as; competencies, culture, structure and strategy. However, growth facilitated by innovation only occurs after the five learning and development circles of implementation, ideas, planning, evaluation and prototyping are set in motion, embedded in the market, where they build on the fundamentals and connect and overlap with one another in the creation of a developmental, continuous and learning loop.

Greiner's Growth Model

Greiner's growth model holds that every revolution's dissolution time interval establishes whether a company will get to the next evolution phase or not. The end of every growth phase is the beginning of the crisis in these phases. This theory has five phases the first one is evolutionary dimension where the company experiences a stable and calm growth, the second one is revolutionary dimension where every phase triggers a new phase. The future of a company such as Google is more likely to be determined by external forces rather than its history. The company tends to come to a breaking point when pressure and buildup in one phase is calm while revolution is being generated to establish radical dynamics in organizational culture (Flamholtz, 2000).

The organizational structure that changes solves the challenges at that point in time and prepares infrastructure for likely future challenges. Organizational structures that are in growth phases are likely to adapt to new circumstances in the process of establishing new phases. Revolutions are the times when the company is at the point of considerable turmoil in its life.

For instance centralized structures may at one point call for decentralization. In addition the nature of a company's solutions to every revolutionary period establishes whether it moves to the next evolutionary growth stage (Greiner, 1972).

Blue Ocean Strategy

This model opines that the way in which companies can sustain their performance is not through competing in industries that are overcrowded rather it is by creating blue oceans of market spaces that are uncontested. Research has confirmed that there are no permanent incredible companies in the same way that there are no permanent incredible industries. The blue ocean strategy thus is a challenge to Google to break out from the bloody competition in the red ocean and create an uncontested market space that will realize an irrelevant competition (Tellis, 2002).

Rather than divide up the current and mostly shrinking demand that benchmarks competitors Blue Ocean is out to grow demand and make Google break away from the competition. On the other hand stiff competition in the red oceans limits growth and profitability. There are ample opportunities in the blue oceans for growth and they are not just profitable but also rapid in nature. In some cases the company could create a completely new industry however, in most cases blue oceans are demarcated from red oceans when an existing industry has its boundaries altered by a company (White, 1981).

Chapter Four Findings from the Analysis (Using The Tools)

Google's Hofstad's Cultural Theory

Google's practitioners who are coming up with several software to beat the mobile service competition such as Google Maps, the android, as well as the hosting of video and books are facing challenges of design across numerous cultures across the globe. The worst part of this is that they have little tools upon which they can rely for guidance. The fact that Google offers its products on the worldwide web has enabled it to exponentially grow beyond its Mountain

View headquarters in California (Yunker, 2003). The company now sales most of its products beyond the USB its home borders.

The construction of systems for its now rapidly global markets and diverse audiences has posed challenges which if dealt with will realize un-cultural intensive designs with likely harsh and pricey consequences (Aykin, 2005; Yunker, 2003). A glaring mistake was done Windows 95 which indicated that the disputed Jammu Kashmir area was not in India this resulted in the Indian government banning the software (Brown, 2004).

If Google is to design cultural sensitive and suitable products it has to comprehend audiences in targeted cultures. Google's research on designs that have cross cultural user interphase has concentrated on evaluating the current designs and attempting to comprehend their perceptible disparities in form of cultural models. For instance this strategy has been in the comparison of different countries websites (Gould, Zakaria and Yusof, 2000; Callahan, 2005) while explaining how different countries accept and adopt its technologies (De Angeli, Athavankar, Joshi, Coventry and Johnson, 2004; Barnett and Sung, 2005; Maitland and Bauer, 2001). Even though this strategy has led to more comprehension of culture coupled with i9nterphase design there is still more that Google needs to do. Hofstede's (2005) cultural model is being applied to better understand and solve this problem.

Google's Virtuous Innovation Circle Theory

The innovation circle theory can be applied to Google in terms of supporting its network neutrality. The virtuous circle stems from the concept that as it grows its content and software applications it arouses demand for internet subscriptions that generate the company's revenues which are invested in its infrastructure. For instance Google began hosting content when it

acquired You Tube in 2006 at \$1.6 billion. While the company's main search business indexed materials which were placed on other company's sites the acquisition of You Tube placed it in the content host role where it stored materials on its servers (Yunkers, 2003).

This hosting provided the company legal setbacks which alleged that it infringed on copyrights when it had unauthorized videos get posted on its servers without the right holders authentication. However, You Tube became even more popular with almost 6 billion views by the end of 2008. It single handed dealt with 41% of all online video streams. Analysts credited the decision of Google to withhold most You Tube video adverts pending confirmation of the right to disseminate such adverts for it shielded Google from likely liability.

This strategy firstly had huge losses the company lost about \$469 million in 2009 due to low ads revenues coupled with high costs of bandwidth. However, as of 2012 the company had obtained the right to showcase ads on all videos by 2013 the company's revenue from You Tube alone had clicked \$5 billion. The company began hosting and even searching digital copies of any books. By 2010 it already had over 1 million books that people could access on its servers. This again attracted litigation from disenfranchised right owners However; the courts found Google's practice as fair use with no copyright infringement since it only briefly showed excerpts and not complete copies of these books. These cases are ongoing in various countries today with the final decision pending on this matter (Sullivan, 2013).

In 2009 the company introduced its pioneer paid listings that were sold on cost per impression. In 2002 it adopted overtures cost per click. It soon became a big threat to Yahoo's overtures given that yahoo had refused to buy it at \$1 million in 1998. It was amongst the top ten visited websites in the US in 2001 with over 24 million visitors per month yet it was not doing

any advertising of its services. Eventually yahoo's share in the market reduced to a paltry 17% compared to Google's 66% by 2009. Google prevailed in a number of fundamental deals for instance paying for ad space to kick out its rivals in the market such as Microsoft it paid AOL \$1 billion because it believed in the power of virtuous innovation.

Google's Greiner's Growth Model

With Google's growth the founders decided in 2001 to get a CEO to manage the company's affairs on their behalf. This evolution was followed by a revolution from the company's management who voted against a public offering. However, more pressure was exerted for employees and investors to be provided liquidity. In the early years of the company its core founders instilled unique corporate values. However, they were met with mixed reactions from the concerned public. The structural changes in Google's life as a company have brought it various challenges but it has withered it all through changing its management style and adapting modern management theories that have enabled it to post continuous growth in the face a competitive environment (Schein, 2010).

Don't be evil meant the company could not advertise for guns or alcohol but they accepted to advertise wine products. This was considered not ethical because wine is believed to be an alcoholic beverage. Some analysts critiqued the authenticity of page rankings, however, Page clarified that the company does not manipulate these results to place its partners higher for no better page rank can be bought.

Google's Blue Ocean Strategy

Having been in the red ocean for a long time where it faced lots of competition from yahoo Google decided to move into the blue ocean by paying for advertising space. Apart from that it launched a personal search tool which enabled people to order results through evaluating users prior searches as well as clicks. This also provided search history that indicated the achieves of users previous searches with links to the outcomes they had accessed. It established dozens of offices locally and abroad to reach users everywhere thus attracting more advertisers. Consequently, US enterprises spend more than \$88 billion on Goole adverts annually (Aykin, 2005).

Google analytics was set up to help advertisers improve their features and track the key words that were most profitable. These are amongst the refinements that made Google move into the Blue Ocean earning much more beyond what its closest rivals earned. By 2005 the company had expanded this margin in profits by 38%, while it earned 60% from paid adverts yahoo followed by a paltry 22% by 2005. The reasons that realized this move included the fact that it improved on Overture's principal of ranking paid listings using bids by considering the relevance of these listings. Advertisers left Overture and joined Google when they realized it had increased its traffic and thus lower minimum bids (Aaker, 2010).

Chapter Five Recommendations

Given that Google has beat all its competitors it should increase the margin in its profits to its closest competitor by branching into new areas. For instance it can transform into a full

portal like Yahoo and MSN through the aggregation of content to thematic platforms. The company should also expand its checkout functions that facilitate transactions. It should not stop challenging Microsoft's dominance of the PC market through the development of more software that can compete with office and Windows.

The company should also construct warehouse that can store seller's goods and try same day deliveries. To ensure it is in profits without competitors 'blue waters' it should reinvest in its new products such as the self driving cars as well as the Google glass. Google has been christened the fastest growing company in world history; however, sustaining this is a major problem. To ensure that it does not wither it should do what is enshrined in its first fundamental principal: making money without necessarily doing evil (Barnett, 2005).

The company should start thinking of new ways of making money; it should come up with strategies to face emerging challenges. It should be in a position to perceive new opportunities in line with the Blue ocean principal. In spite of its incredible achievements the company is facing a wide range of challenges it is now getting difficult to get things done effectively because of the gigantic nature of the company. The company became so huge that it attracted litigation from government operatives who wanted to break it up in 2008 when they hired investigators to look into its deal to serve Ads on yahoo as well as how it has managed to dominate the advertising industry.

However, If Google does not seal its internal loopholes it could lose its customers trust once it starts misusing their data or starts to capitalize on its customers' indispensability as a chokehold to earn extra money through charging them. In case of ethical issues the company should respond to the public through its CEO rather than through PR companies. The company

should invest in its customers for instance what it is doing through Google ad sense it can enable them form their own companies for the sake of building relationships (Berkun, 2010).

In relation to the Hofstede's cultural theory Google should start supporting the minority in society so that in turn they could feel appreciated and engage deeply in Google's activities. When the company becomes a part of its employees lives it will start gaining more meaning rather than just a place of work. Its employees would become more entangled in its affairs with more passion to obtain the company's long term strategic goals. This is so because it is not easy to bring about efficient employees through organizational structures and rules.

Google like IBM which depended on computer frames in the 90s faces the challenge of depending in one product advertisement revenues and is likely to go to sleep thinking all is too well. As a matter of fact IBM was in the blue ocean large profits with no competition. Google is in this league in 2008 alone it had 71% of US searches, and 97% UK searches. Upon acquiring Double Click in 2008 it managed to control 70% of online ad serving and 25% of internet Ad revenues.

Its revenues surpassed that of the largest TV channel in the UK in 2008. The company no longer accounts for the number of servers it has which run into neither millions nor the number of pages it monitors. Yahoo and SN which were once Kings on the online hill are now by contrast has been. Compared to the two Google is not and is not likely to become a portal. Given that it goes to people it is a networking platform (Blake, 2013).

However, as much as the company upholds innovation as very critical it has not innovated in the recent past and this could work against it unless this is taken seriously in line with the virtuous innovation circle theory it adopted at its onset. Google's management can

trigger innovation by finding efficient ways in which they can motivate their employees to work hard. If the work force feels motivated their mindsets would become self fulfilling and this can be attained by the management adopting a liberal attitude where it should believe in employees to effectively do their work independently.

On the other hand if the management strictly controls its employees they could become passive in the absence of supervision which would work against the company's objectives. This is in line with Hofstede's cultural theory Power distance domain where in low power distance cultures people shun inequality and decision making involves consulting employees which can only be done by a resourceful and liberal leader. The company abolished its centralized structure and adopted a decentralized power structure to ensure that everyone is involved in decision making (Brown, 2004).

The Google company management displayed this initiative when it permeated most of its employees a lot of self management. The employees have been offered 20% of their working hours to do their own projects. Christened the *Pet Projects* this initiative has shown that the company employees are capable of managing themselves. The outcome of this project legally belongs to Google and employees have been motivated to be innovative since the number of people bringing their ideas into life has been increased (Callahan, 2005).

This is in line with the innovative cycle theory which holds that growth facilitated by innovation only occurs after the five learning and development circles of implementation, ideas, planning, evaluation and prototyping are set in motion, embedded in the market, where they build on the fundamentals and connect and overlap with one another in the creation of a developmental, continuous and learning loop (Maitland and Bauer, 2001).

Google should also be ethically responsible in order to continue attracting customers worldwide. The company through its do no evil slogan perceives itself as ethically responsible which has assisted it attract resourceful workers as well as improve its reputation. However, it should not brand itself as ethical just for marketing value rather it should implement this fact on the ground. As much as Google's slogan: *don't do evil* sounds good it is passive in nature and does not provoke actual moral actions (Brooks, 2014).

As much as it is known for good employee welfare it is known to have negative tax politics. Like many multinationals it tends to evaluate tax regimes in different nations in order to be given the favorable tax rates which it has maintained at a rate of 2.4. Given that corporate social responsibility holds for all involved stakeholders then this is not morally right. The company needs to discontinue its procedures of evading taxes in order to avoid being painted in the wrong light (Bendell, 2009).

Business Plan For Google

<i>Issues and Objectives</i>	<i>Plan/ Approach</i>	<i>Date</i>
Hofsted's Cultural Theory	More decentralization of management structure through adopting a horizontal organizational structure	29 th September 2015
Virtuous Innovation Circle Theory	Increase time allocated to employees to do their own inventions	15th October 2015
Greiner's growth model	Ensure that there is a seamless transition from evolution period to revolution period	15th November 2015
Blue Ocean Strategy	Buy out all yahoo and MSN advertising platforms	15th October 2015

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