

The voices of googlers business essay

[Business](#)



Management of Organizations (BMGT2002S)

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Grade:

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The success factor of Google

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This report aims to study and identify the motivational strategy, in close relation to the process and content motivational theories that renowned theorists have developed and which, Google has undertaken to achieve its corporate goals through its employees. Despite the efforts Google has put in to win the hearts of their employees, there have always been people who were never completely won over by Google. This report also touches on the various factors which Google's employees are unsatisfied with and the eventual reason why some of these employees chose to leave the organization. Along with this study, we have also made some recommendations that Google can adopt together with their existing motivational strategies to successfully manage their diversified workforce.

TABLE OF CONTENTS**INTRODUCTION**

Google, formally called Backrub, is a global technology company founded by Larry Page and Sergey Brin in 1998. They started off working at their dorm room, subsequently moving to a garage. In 2004, they moved their headquarters to Mountain View, California. Currently, Google has more than 70 offices worldwide, with more than 30, 000 employees (Google, N. D). The mission of Google is to gather and distribute information in a way that it is easily accessed on a global platform and connect data and people together (Bock, 2011). One of the critical success factors of an organization is its people and it is important to keep these people motivated. According to

Robbins (2012), motivation is the driving force of efforts undertaken by any individual to achieve his or her goals and eventually the organization's goals. Google does so by introducing the three main types of motivation rewards, namely extrinsic rewards, intrinsic rewards and social relationships. Despite being known for providing employees with numerous fringe benefits and ranked No. 1 in Fortune Magazine for being the best company to work for in USA (Fortune CNN, 2013), there will always be employees who cannot be bought over due to individual's motivational needs.

MOTIVATION REWARDS

EXTRINSIC REWARDS

Based on Maslow's Hierarchy of Needs, the basic need of all human beings is our physiological needs which are supported by our basic salary. As recorded by Tom (2012), Google and Facebook held a Hacker Cup in search of young talents in the field of software engineering. In the course of such a friendly competition for talent, average salary at both companies increased as they wanted to draw these young talents to their respective organization. With such an increase, it directly meets the physiological needs of individuals. As reported by Grobart (2012), Google ranks number one in paying their software engineers based on a survey done by Glassdoor which gathered data from 15 companies in their industry involving more than 5, 000 employees. In the high-tech industry, software engineers inevitably play a critical role in the development of its programs. With a recorded high base salary, they will be more motivated to put in additional efforts to achieve the organizational goals. Besides the basic salary, Google also offers a wide array of fringe benefits to its employees, ' Googlers', as what they call them.

These fringe benefits range from outdoor sports complex to indoor recreation area to on-site doctors providing healthcare services and also first class dining facilities (CNN Money, 2012). According to CBS News (2011), what Google wants to achieve is to house everything that an employee needs within its compounds. Besides the three daily gourmet meals and the unlimited snacks provided to all its employees that Google is spending \$72 million on, each year (Huffington Post, 2011), Google is also providing just about anything to their employees, even haircuts and carwashes! With all these facilities within a stone throw away from their workstation, Googlers can have these physiological needs taken care of at work and also momentarily gets time off the hectic office environment. Google also has a Global Education Leave Program that is specially catered to employees who want to pursue their studies. They are allowed to take leave of absence of up to 5 years from work and \$150, 000 in reimbursement (Great Place to Work Inc, 2007). This program undoubtedly offers Googlers the opportunity of self-actualization and development. As parents, Googlers are also well taken care of by their employer. To allow them to spend more time with their child, Dads are entitled to a 6-week paid paternity leave while Mums can take up to 18 weeks after their child is born. Google cares not only for their employees but also their families. They have come up with an additional benefit, the ' death benefits'. During an interview with Forbes Magazine, Laszlo Bock, the Chief People Officer of Google mentioned that should any of their employees pass away, Google will continue to render its support to their spouse by continuing to give them 50% of their salary for the next 10 years. In addition to that, each child of the employee will also receive \$1, 000 monthly until they reach the age of 19, or 23 if the child is still studying

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(Forbes, 2012). According to a research done by the Great Place to Work Institute, a co-publisher of the Fortune annual list shows that salary nowadays is no longer the sole motivator employees are seeking for in a job but also intangible rewards such as enjoyment, work fulfillment, empowerment and a fair and transparent environment which Google has proven to be one of the companies encompassing that (Great Place to Work Institute, 2007).

INTRINSIC REWARDS

Besides extrinsic rewards, intrinsic motivational factors are important as well. Google understands this need in motivating of employees and have several interesting programs at play in its daily work culture to support this. Google has an all-time famous policy of allowing employees 20% of work time to work on something they like. There is no restriction on what this one-fifth of work hours should be spent on as long as it is ethical and legal. Employees can choose to work on ideas they have or even have a game or two at the bowling alley (Hayes, 2008). This idea might seem ridiculous to some as it is seen as a waste of work hours to have an organization's employees playing pool, staring into space and having a game of basketball instead of doing proper work. Google, however, thinks deeper than that and this out of the box idea has reaped many rewards for the organization. Google's ultimate goal in doing this is innovation and they believe this can happen when employees are given freedom to do what they like and explore ideas they might have. Google believes that providing employees with this 20% free time and giving them time off from day-to-day work can motivate them to generate creative ideas. Extrinsic rewards aside, the next big

motivational factor for anyone is having passion in what they are doing. (Baldwin, 2012) There are many personal projects such as Gmail and Google Talk that became big revenue generating business for Google. This however, does not mean that Google only pays attention to potential ideas that make money for them. For example, a team of Googlers created Google's People Finder, an online tool that enables people to post and search for missing loved ones during disasters. It was developed when the Haiti earthquake hit in 2010 and a group of like-minded Googlers decided to spend their 20% personal project time in doing something meaningful. This project, although not revenue generating, is strongly supported by Google's management (Goldman, 2011). Being able to put their skills and knowledge to good use, for the better good of man and helping people of need, is a strong motivational factor for many to put in their best. Google also offers its employees the opportunity for personal growth and self-development. According to Joseph (2012), Google spent \$171.5 billion on learning and development in the year 2010 and in year 2011; they conducted in-house classes more than it ever has to their 33,100-strong global workforce. The vice president of leadership and talent Karen May, leads GoogleEDU, the organization's learning and leadership-development program, customizing its classes in alignment to Google's strategy. Google, unlike many organizations, has a flat hierarchical structure with only one step of management. 'TGIF' meetings are held every week for employees to ask questions directly to their CEO and management. This weekly meeting allows transparency in the organization, allowing all employees to know what is going on without second-guessing (Google, N. D.). This highly improves the morale of employees as they feel like they are truly part of the organization

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and treated as family, motivating them to do well. Google organizes project groups into small teams and the role of project leader is rotated amongst the team members (Weber, 2007). The project units are self-responsible and are given the empowerment to make decisions and take appropriate risks (Welch, 2008). According to Jiang (2010), empowerment not only allows team members to improve cooperative skills within the team, it also gives employees a sense of ownership in the organization and creates higher level of job satisfaction, growth and self-actualization. Google periodically awards Googlers for their excellence and achievement in the organization. The most prestigious of these awards is the Founders' Award and is the highest form of employee award given to Googlers that have exhibited extraordinary entrepreneurial achievement. (Graham, 2007) The first such award given in 2005, amounted to \$12 billion in company stock given to two teams consisting of around 6 members each (Hafner, 2005). The high financial reward was an attempt to replicate the monetary gains from a successful startup. The second most prestigious award given by Google is the Google OC Award, presented to projects that have created enormous and measurable value, in the form of revenue or reduced costs for the company or projects that are widely viewed as rare and substantial, changing their fields and redefining user expectations of a leading product. These awards are what Googlers work towards for the rewards, recognition and achievement that come with them. In the words of Shannon Deegan, Director of People Operations at Google, in an article by Davis (2012), " We tell employees, 'You own your career.'" Googlers are allowed to switch teams without the need for any formal application if they feel that another project interests them more and they would like to work on that instead. This

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high level of freedom allows them to hold the reins and steer their own career paths. Google believes that people are not only attracted to work in the organization by monetary rewards. Yolanda Mangolini, Google's Director of Talent and Outreach Programs said in an interview that people choose to work at Google so that they can produce work that is beneficial to people all around the world. Being challenged to solve complex problems and having co-workers who are intelligent and the best in what they do is also another driving force in joining the organization (Levin-Epstein, 2011).

SOCIAL RELATIONSHIPS

Another aspect of motivational rewards that Google targets is the social relationships of its employees. In an interview with Fortune Magazine (2012), Larry Page, Google's CEO speaks of his beliefs on the importance of having a good relationship with their employees. By treating them with respect and showing them care and concern, employees will feel like they are part of the big family in Google. He also mentioned that it is of utmost importance that his employees stay happy and productive (Lashinsky, 2012). To make its employees feel affiliated and have a sense of belonging, Google often organize teambuilding events and also invested heavily to achieve that. As reported in Dailymail (2013), Google spent \$120 million to expand its current HQ in California with the aim of facilitating innovation as they strongly believe that ideas can be generated just about anywhere. With the expansion, each and every Googler will be no more than 2.5 minutes' walk away from each other, allowing them to share their thoughts when it strikes them. The in-house facilities also allow employees to meet and interact with one another even if they do not work together (Klie, 2010) and is targeted at

connecting people, bringing them closer together. Google also organizes department gatherings on a quarterly basis, to allow employees not just to have fun together and also to socialize with other members of the department and learn more about each other. One such event is the team building activity held at Ruthin Castle. As reported by Cinnamon Active (2012), a corporate event specialist in the UK and Europe, the ultimate aim was to encourage communication and teamwork within the 50 participants. Such events bring Googlers from different departments together to work as a team at the event. This forms a bridge and eventually enables the employees to bring the level of synergy back to the work place.

MOTIVATION THEORIES

ALDERFER'S THEORY (ERG THEORY)

Alderfer's theory is a condensed version of Maslow's hierarchy of needs theory. It simplifies Maslow's five levels of needs into three levels of core needs – existence, relatedness and growth. Unlike Maslow's theory however, Alderfer's theory suggest that it is not required for lower levels to be satisfied before needs of a higher level emerges. All levels can be satisfied at the same time and at any point of time, if satisfaction of a particular level is blocked, attention can then be focused on other levels to gain motivation (Dinibutun, 2012). In all 3 levels of needs, Google has exhibited the existence of giving Googlers all levels of motivation in accordance to Alderfer's theory. Existence, in the case of Google, is present in its salary. As mentioned in the above section, Google's engineers receive the highest pay based on a survey conducted amongst employees in the same industry. A sense of belonging, affiliation and having meaningful interpersonal

relationships are referred to as Relatedness in Alderfer's ERG theory. Google achieves this by specially designing its present headquarters and its future extension such that employees are able to socialise with each other more often, be it along the corridors or in social settings like cafes, bowling alleys and tennis courts. In addition, Google encourages like-minded Googlers to form and join social clubs like wine-tasting and salsa dancing and even clubs like Google Women Engineers and the GLBT (Gay, Lesbian, Bisexual and Transgender) club (Yen and Lev-Ram, 2008). Google provides Googlers with many chances to excel in their career by giving them challenging work and allowing them to exert full potential in their creativity with the '20% time' to work on personal projects. Training programs provided by Google also assist Googlers in their career development. This is how Google meets its employees' needs level of Growth in Alderfer's theory.

MCCLELLAND'S THEORY (ACHIEVEMENT MOTIVATION THEORY)

According to McClelland's Achievement Motivation theory, motivation comes from the wants to attain power (Power), build positive relationships (Affiliation) and solve problems (Achievement) in people. These motivators are present in each individual in varying extents. Different combinations of a person holds impact on how one works with others and the types of roles they are likely to succeed in (Prugsamatz, 2010). In the case of Google, being able to build positive relationships is possible. Mentioned above in Alderfer's Theory, the level of Relatedness is very similar to McClelland's need for Affiliation and it has been explained above how Google has put in place this motivational factor in its company's culture. The need for

Achievement is also explained above in Alderfer's Theory in the level of Growth. The ability for Googlers to attain Power, however, does not seem to be very strong in Google since it has an almost flat hierarchical structure and all Googlers are treated at the same level. Even team leadership roles are rotated amongst team members. There is however, empowerment given to Googlers that allow them to make decisions and take risks that will help satisfy their need of power to some extent.

HERZBERG'S THEORY (2 FACTOR THEORY)

Herzberg's theory concluded that job satisfaction is the outcome of hygiene factors which prevents or increases dissatisfaction but do not lead to satisfaction and motivators factors which causes satisfaction or no satisfaction (Ahmed et al, 2011). Hygiene issues are related to the employee's environment including salary and personal relationships.

Motivators on the other hand fulfil an individual's needs for personal growth and meaning and are related to the work itself (Richard, 2012). On the area of hygiene factors, Google has prevented dissatisfaction in Googlers in providing one of the highest base salaries in the industry. In addition, the work environment for its employees houses everything under one roof so all that they need is around them. Social relationships are also encouraged as detailed in Alderfer's Theory of Relatedness. Motivators factor, similar to Alderfer's theory of Growth and McClelland's theory of Achievement has also been substantially reported in the above.

EXPECTANCY THEORY

According to this theory, the amount of effort people choose to exert is based on three factors. Effort-Performance expectancy is the perception of

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an individual that effort is positively correlated to level of performance. Performance-Outcome expectancy is the expectation that the rewards received by an individual are closely tied to his level of performance. Valence is the degree to which an individual values the reward (Nasri and Charfeddine, 2012). Googlers are positively awarded when they produce exceptional work. The prestigious Founders' Award is one of which Gogglers highly covet not only because it is the highest honor a Google employee can achieve, but also because of the monetary rewards that comes with it. The presences of these awards are a source of motivation for Googlers. With the amount of efforts they put in, they know they will be well rewarded if the results are desirable. The rewards that come with it are acknowledgement as well as financial rewards which are of both intrinsic and extrinsic. This follows the expectancy theory and definitely can motivate employees. However, for this theory to continue to work, Google must ensure that criteria of awarding these are clear and transparent. If Googlers feel that they deserve the award and did not achieve it, they will start to feel that their efforts are not aligned with the rewards they are receiving, eventually decreasing their motivation. Especially since the reward comes with a huge price tag, it will be easy to trigger unhappiness amongst Googlers whom have deemed themselves to have put in a great deal of effort in their work and deserve to receive the award.

VOICES OF 'GOOGLERS'

Google has given everyone an impression that it is some kind of Nirvana and it is a place that everyone would wished to be working in. Having ranked the best company to work for in USA (Fortune CNN, 2013), there are still

unsatisfied employees from Google that ultimately leave the company. One factor we found is that Google rewards its employees based on only new project launches. The chances of getting promoted or rewarded will be higher if employees are involved in building and launching new products. Programmers who work on incremental improvements like bug fixing or rebuilding codes to make the system more robust are not given any rewards or incentives upon completion (Lynley, 2012b). All employees want their work to be recognized but having this system brings about the lack of recognition in some employees and eventually causes them to be less motivated to put in best effort into their work. Google is known for its culture where employees are given freedom in whatever they do as long as work is done timely. This is not necessarily the case for all employees in the organization as those who need proper guidance in their work will often feel lost and also face difficulties in delivering their project on time (Lynley, 2012a). Not everyone works well with ambiguity and having freedom does not always benefit all employees as it only applies to those who are highly self-motivated and independent. Those who fail to fit into the culture often face internal competition amongst colleagues, generating peer pressures (Lynley, 2012a). For example, new hires tend to be more ambitious and are more willing to be involved and make sacrifices when working on projects. Hence, to encourage that, Google has placed a lot of meal facilities around the work place to encourage employees to work within the campus which will allow them to spend more time on their work. However, these young and ambitious employees sometimes face issues where senior management employees claim credits for their completed work (Lynley, 2012a). Therefore, works done by the young employees are usually not recognized by the top

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management causing internal politics between team members. As Google grows bigger in size, having thousands of people working in the company together is not an easy feat to manage and there are bound to be some issues faced by the management and its people. According to Lynley (2012b), former employees felt that Google does not value and treat their people equally. Engineers in Google are being treasured most with better benefits and they have most of the final say when it comes to decision making while the other positions like designers, human resources, public relations and operations sectors are usually left out by the top management making the employees in those departments feel that their presence is not important. One of the implemented policies enables Google employees to spend 20% of their time on self-directed projects. This may be deemed to be not as effective to some, due to the heavy influx of innovative ideas and some are not being reviewed or adopted by the management. This results in demoralized employees as the amount of time and effort they put in on a specific project will not be justified by its returns (Cohan, 2010). In addition, without proper strategic planning and communication by the management, it causes several teams to be working on the same projects which lead to unhappiness and disappointment in employees due to the lack of recognition in their work and time spent on duplicated projects (Lynley, 2012a). Some of the former Google employees also raised concerns that they feel too constrained working in the company, commenting that they feel there is too much bureaucracy and poor management in Google (Arrington, 2009). Based on our findings, employees do not feel that they belong to the organization as each individual is hogging on to their own laptop (Arrington, 2009). For those who fail to thrive in Google, doubts about Google being a Nirvana are

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being questioned. Over time, unsatisfied employees start to move to other companies as they no longer feel Google can help them achieve their individual goals which they had when they first joined the company. As Google face the above-mentioned problems, they will start to lose their talents to competitors in the same industry like Facebook. Some of their former employees have also left Google for entrepreneurial experiences for example, founder of Twitter, Instagram and Foursquare (Lynley, 2012b).

RECOMMENDATIONS

Having found out some of Google's problems faced by its own employees, measures should be taken to improve the satisfaction of the employees so that they are more motivated in their work which will lead to an increase in innovative productivity. Human resource is considered one of the most important factors in any organization. Without people and their ideas, the organization will not be able to operate smoothly. The management in Google should value their people and ensure things are done fairly to reduce the amount of conflicts within the company. We understand that Engineers are very important to Google for new ideas and innovations but they also need to acknowledge the other departments that are equally important. For example, the marketing department is crucial in the organization in telling the world about Google's products and as a result, generating a desired effect on the business. The entire organization across all functions and departments has to work closely together to be able to achieve the organizational goals. Recognition should not only be given to engineers and their projects but also to other departments who have delivered outstanding work. As each and every individual's contribution is important to the

organization's success, besides possessing the knowledge and skills required to fit the job description, the right fit also needs to be made between the employee and the company culture. Google's culture does not provide hard and fast rules for its project work and instead, it allows employees to work on their piece the way they feel is the best. This kind of employee flexibility does not work for everyone and those who work well with structure will not be able to fit into the culture and eventually will feel out of place, lose motivation and leave the organization. Thus, in Google's recruitment of new Googlers, interviewers need to know the right type of people they are looking for that will eventually thrive and have their full potential brought out in the organization's unique culture. As a new hire that is not familiar with the organization culture, it is important that the human resource department pays more attention in helping them to transit into their culture. Focusing on basic on-board training will actually help new hire to understand the basic functions of the organization and also assist them in fitting into Google's working culture easily. On the other hand, this will actually help the employees to tune into the right behaviour towards their expectation of the organization. A simple mentoring program where each new Googler is assigned to a colleague who has been in the organization for some time can also help ease them into the culture. They will be able to seek advice and gain tips from these seniors. With this guidance provided to them, employees will no longer feel as lost and they will be better prepared to blend into the culture and face any issues they may encounter. Google as a technological advanced company should develop a system for employees to indicate projects that they are currently working on. In this way, duplication of work can be avoided as having more than one team work on the same

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idea could turn out to be a waste of time and effort. Googlers who have great suggestions to improve a certain idea can also join the team that is currently working on it and work together to provide fresh ideas. Some of the employees gave feedback that their works were recognized by the top management but all credits were claimed by their direct team leaders. The human resource department and top management should work together to have a better performance review process put in place so they have a clear view on each employee's achievements. A clear performance review with project milestones and team member responsibility should be conducted frequently, depending on the project timeline. This will enable management to have a more detailed review of the the progression of each employee and their project. The review sessions should be overseen by the top management so that they are able to identify the amount of effort put in by individuals. From here, top management will be able to recognize and reward their employees fairly. With a proper reward system, it will increase the level of motivation and job performance of each employee. To ensure work credit is not taken solely by someone of higher management, a bottom up performance approach can be added into the company's appraisal system so that employees can also review and give feedback on their manager's performance. Besides the improvements on the individual performance rewarding system, Google should also improve in their reward system for project launches. They should not just reward employees who are involved in the major projects, but also those who play a part in smaller scale projects as well. With a fairer reward system, employees will not concentrate only on the larger scaled projects and neglect to give their best to smaller projects. This

will also be a push factor for them to be more self-motivated and contribute more innovative ideas.

CONCLUSION

Google itself is already a successful and wonderful workplace which many people wish to join. They put in a great deal of efforts in motivating its employees and a lot of these efforts can be related to the motivational theories developed by renowned theorists. With the ever changing environments, Google has to maintain their open culture and also focus on improving the areas of people management and effective communication to upkeep its image. They also have to be flexible to adjust their motivational rewards to keep up with the changes. All these measures will continue to keep their employees motivated and satisfied, allowing Google to retain its people, especially when the industries are looking out for the same type of talents at present. By keeping these talents on board, it will enable the organization to strive towards its goals and objectives, bringing greater success to Google.