

Google



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BUSTER**

The company is d " Google", a play on the word " Googol" that is a mathematical term for the number followed by a hundred zeros.(www.google.com). This represents the spirit of the company, to be constantly innovating and branching out into new areas, so that the company has now evolved into a global enterprise employing 16, 800 people and reporting revenues of \$16, 594 million for the fiscal year ended December 2007. (Datamonitor, 2008).

Google has consistently followed a distinctive hiring policy, because it has focused upon pulling in large numbers of employees, especially the cream of the crop in terms of brain power. For example, in the third quarter of 2007 alone, Google hired 2130 people to ensure that it had the best brains and the smartest people on board its corporate engine.(Dignan, 2007). As Dignan (2007) has pointed out, employment at Google is largely centred around work on the search engine and ad words; as a result a slow down in business, such as the current recessionary period, could affect the Company adversely. But the Company's recruitment and HRM policies have been strongly focused on pulling in the best and smartest people into the organization, because of its recognition that innovation is the driving factor ensuring success in the IT business today.

One of the reasons for Google's spiraling success is its thrust on innovation and the belief that good ideas can, and should, come from anywhere. (Business Week, 2005). Engineers in the company are allowed a day off in a week to work on their pet projects and there is a high level of receptivity from the upper echelons of management to new and innovative ideas. By constantly staying on the cutting edge of innovation, the company has been able to sustain itself as the market leader through the development of new

products and services. There is no strict hierarchical structure in place at Google and the corporate environment is characterized by informal networking, such that the CEO Eric Schmidt himself, is approachable to every employee, who is at liberty to pitch a new sales or networking/IT idea to him anytime.

Google's HRM policy is different from other organizations, characterized by the high level of informality and networking, which is a very successful business policy insofar as Google is concerned. Since the products and services in the IT business can be easily replicated by competitors who can put out their version of a product or service, the cutting edge in this business lies in the development of innovative new products which rush in and seize the maximum share of the market before the competitors move in.

Sustaining the innovative edge has allowed Google to remain the prime mover in its business and its HRM policy in recruiting the best and brightest minds has contributed to this advantage. The Company has managed to snag a strong market position as the leading search engine in the world. Attracting the brightest minds has also enabled the Company to develop proprietary technology such as its Page rank technology and its Googlebots. Such proprietary technology and infrastructure provides Google with a strong competitive advantage. It is one of the features that has contributed to the company's continued rise in profitability, even during a recessionary period, for instance, Google's gross revenue for the third quarter of 2008 was \$5.4 billion, which reflects an increase of 3% compared to the second quarter of 2008 and an increase of 31% compared to the same period last year (www.google.com/financial_release). As a result, its HRM policies have worked out to be very advantageous for the Company.

Bibliography

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