

## COMPANY PROFILE & ANALYSIS

# Alphabet Inc.

NASDAQ: GOOG

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**Prepared By :**

Chuck Ganbaatar

## Abstract

This report is not a comparable firm analysis, because many firms are in multiple industries, making it complicated to identify representative benchmarks. I strive to gain insightful information of the firm by collecting the most relevant data and information, analysing it, comparing different price multiples within ten years against factors laid out in this report, and explaining why they might be correlated. It is crucial to understand that different businesses require varying approaches to strategy and execution, depending on their characteristics and unique needs. For a company to successfully implement the right strategic approaches; management must balance long-term vision with short-term execution in their organisational strategies. This report will focus on exploring Google's overall profile, including the factors and strategies that can potentially have either positive or negative effects on business performance and reputation.

The following factors will be discussed:

- Background and timeline
- Organisational strategy
- Organisational approaches
- Operational performance
- Current technology
- HR & people operations
- News and political activities
- Public Opinion
- Conception of Rationality

As a result, all data and information presented in this report support the claims that the internal and external business environments are strongly correlated with the above factors. For example, effective management communication fosters positive relationships between stakeholders and management. Business performance can be seen as the organisation's operational ability to satisfy the requirements of the organisation's top management, stakeholders, as well as shareholders (Smith & Reece, 1999). An organisation needs to regularly assess its performance to determine recent and current accomplishment. Return on investment, turnover of customer and profit have always been used as indicators to measure business performance (Wood, 2006). The analysis is only as good as the information being collected. I endeavour to obtain as much publicly available information as I can on Google. An information-driven approach will help me identify business opportunities, assess demand for goods and services in a particular market or region, understand management functions and organisational behaviour. This will subsequently assist me to form unbiased opinions, enable me to explore fresh approaches and evaluate the business in a different perspective.

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## **Chapter one: Introduction**

### **1. Report Purposes & Disclaimer**

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## Chapter Two: Profile Study

### 2.1 Background and Timeline

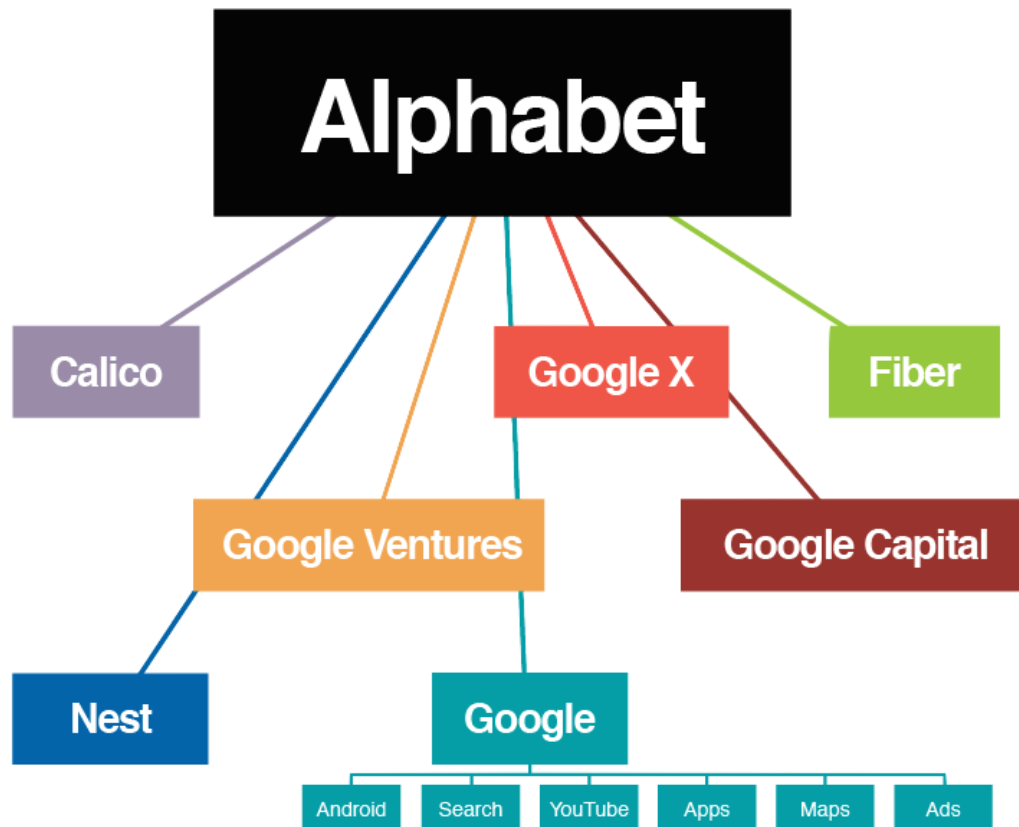
After restructuring of Google in 2015, Alphabet became the parent company with many other subsidiary companies under its umbrella, such as Fitbit (fitness devices), Looker (business data analytics), Nest (smart phone products), Waze (navigation map devices), Double Click (ad serving solutions), and YouTube (video sharing platform) (Johnston, 2022). Alphabet's new semi-autonomous corporate structure aims to divide itself into three different segments to pursue new opportunities with the advantage of having shared resources and cooperation. These segments are Google Services, Google Cloud, and Other Bets. Google Services generated approximately 92% of company's annual revenue alone in 2022 (Montevirgen, 2024). The company's segments include:

- **Google Services:** Core search and advertising business, such as Android, Chrome, Google Maps, Google Play, YouTube, and Bard.
- **Google Cloud:** Enterprise cloud computing solutions tailored for businesses and government agencies.
- **Other Bets:** Waymo self-driving vehicles, bio-tech research "Calico Life Sciences", Smart-home devices "Nest", Google private equity fund "Capital-G", and Artificial Intelligence research "DeepMind".

The creation of Alphabet as Google's parent company was partially inspired by the structure of investment holding company Berkshire Hathaway, the new structure also allows all departments to spin off in different directions into their own subsidiaries under the Alphabet's umbrella. Alphabet is currently one of the world's largest information technology

companies by annual revenue alongside Microsoft, Apple, and Amazon. Google mainly focused on online advertising two years after its incorporation in 1998, which currently counts over 90% of its total annual revenues. The success and popularity of all websites mostly depend on the PageRank system designed and created by the founders; the company has subsequently become a search engine giant in the internet industry. It has also expanded the operation to cable TV, broadcast, and mobile devices (Voigt, Buliga, & Michl, 2016). It is truly astonishing to realise the number of products and services Google provides as of 2024, not to mention Google Search and Google Maps, the wide range of products including Google Play, Google Cloud, Google Display, Google Marketing Platform, Android, Chrome, Video 360, Gmail, YouTube, and the list goes on. There have also been new hardware innovations over the years in Google, such as smartwatches, Pixel phones and Google Nest home products. It continues to offer online advertising services through its network services like AdSense, Google Ad Manager and Google AdMob. Subscription-based products and apps are abundant from Google cloud and platforms. The amount of investment goes into Alphabet's infrastructure, data, analytics, artificial intelligence, and machine learning in recent years come as no surprise. The company has strong business presence across the Americas, Europe, and Asia-Pacific (Global Data, 2024). Google's Other Bets segment engages in the sale of healthcare-related products and services, provides enterprise-ready cloud services, cybersecurity, analytic and database solutions, namely Vertex AI platform and Duet AI for Google Cloud (Reuters, 2024). Since the birth of Alphabet, it has acquired more than 160 companies including two larger companies Android and YouTube which remain Google's primary earners.





(La Monica, 2016)

### Google's Statistics Highlight in 2024 (Jones, 2024):

- About 5.9 million Google searches per minute
- 63% of Google searches occur on mobile in the U.S.
- Google accounts for 91.54% of the global search engine market
- Most Google searches are 3 to 4 words long
- Google's shopping graph has over 35 billion product listings
- 50% of the U.S. population uses voice-enabled search everyday
- Google processes about 5.9 million searches per minute
- Google's search index is over 100,000,000 GB in size

- 63% of searches occur on mobile Devices in the U.S.
- 27.03% of Google's desktop traffic comes from the U.S.
- Google accounts for 91.54% of the global search engine market
- Google sites made \$191 billion in ad revenue in 2022
- 49% of consumers use Google to find new products
- 77% of consumers use Google when looking for local business
- 78% of holiday shoppers searched the store online before going
- Local business searches on mobile increased 250% in 2019
- 50% of the U.S. population uses voice search everyday

### **Between 1995 and 2000**

Larry page and Sergey Brin met with each other in the summer of 1995 at Stanford University, Brin was a graduate student in the computer science department (Battelle, 2005). Page majored in engineering from the University of Michigan, attended the new student orientation tour at Stanford. They ended up talking with each other during the campus tour as Brin was the student tour guide on that day. At Stanford, Page was intrigued by connection between academic citations in the research papers and webpage back-links, he thought it would be useful to identify what webpages were linking to whom. Page and Brin decided to make attempts to reverse engineer Time Berner-Lee's World Wide Web that later led to the creation of Google. The idea was initially based on the practice of citing other people's academic work in the research papers. They reasoned that the mechanism of Web was loosely based on the process of citation. They soon started a research project called "BackRub" with the help of Scott Hassan, the programmer who wrote the code for the original Google Search engine but left the company before the company was officially set up and registered. The

name came from the algorithm-generated ranking for the number of “back-links” a page generated. BackRub’s output consisted of a list of web backlinks ranked by importance, the normal search engines back then only ranked results according to the number of times a particular term was searched, BackRub appeared to be more advanced. The link structure of the web pointed to various web pages could influence search results. It had the similar theory to academic citation, the more important the citation, the more value it carried in the research paper. Page and Brin subsequently created an algorithm that they dubbed “PageRank” after Larry Page’s last name. The search results used by PageRank were far superior to traditional search engines, PageRank was one of the fundamental elements of Google’s secret to better quality search results (Sebo Marketing, 2024). The patent of PageRank was initially assigned to Stanford University and not to Google, the university sold it to Google in 2005 for US\$ 366 million (Savage, 2005).

The very first version of Google was released on the Stanford website in August 1996 (McFadden, 2023). Page’s dorm room had become a lab and Brin converted his room into an office and programming centre. By the fall of 1996, their project would regularly slow down Stanford’s internet connection due to overusing the resources. Page and Brin were reluctant to publish an academic paper on PageRank concerning someone would steal his ideas, but they eventually published it. Google.com was officially registered in September 1997, the name came from “googol” a mathematical term for the number one followed by hundred zeros which reflected Page and Brin’s mission to collect and organise the infinite amount of information on the internet. In 1998, Google Friends Newsletter was launched and ended in 2011. The same year, investor Andy Bechtolsheim wrote a check for \$100,000 just before the Google company was legally incorporated in September 1998 as a private company. Google’s

first office was in a friend's garage in Menlo Park, California and first employee was Craig Silverstein. Google moved to University Avenue, Palo Alto in 1999 and had only eight employees. Sometime in 1998 Yahoo had the chance to acquire Google for US\$ 1 million but decided to against the acquisition. Google made another offer of US\$ 5 billion in 2002, Yahoo again rejected the offer (Derrick, 2016). Google's first company chef was Charlie Ayers, his father had told him not to make any investment in Google because he thought Google was a scam. By 2006, Ayers and his team catered for more than 100 employees every day at the company's headquarters campus. In the early 1990s, Page and Brin were planning to sell Google again and focus on their studies. George Bell, CEO of Excite rejected their offer of US\$ 1 million and did not think Google would be worth that much. In 1999, Google raised US\$ 25 million from investors Kleiner Perkins and Sequoia Capital. By 2000, Google launched an advertising program called Google Ads, allowing advertisers to pay based on click-through rates.

### **Between 2001 and 2010**

Google's first public acquisition was Deja Archive in early 2001, the entire Deja database was being reformatted and optimised after the acquisition (Delio, 2001). Former software engineer and technology executive Eric Schmidt was hired in 2001 as Google's first CEO and served until 2011. In 2002, Google Search Appliance, AdWords and Google labs were launched. Google also opened its first office in Australia (McFadden, 2003). In 2003, Google acquired Applied Semantics formerly known as Oingo for about US\$ 102 million and gave it a new name, Google AdSense. By 2004, Google had grown to more than 800 employees with new offices on Amphitheatre Parkway, Mountain View. The company hired Morgan Stanley and Goldman Sachs to prepare an IPO which was projected to raise more than US\$ 4 billion. The IPO took

place in August 2004, a total of 19,605,052 shares were publicly offered at a price of US\$ 85 per share. The sale eventually raised US\$ 1.67 billion and gained a market capitalization of more than US\$ 23 billion (Webb, 2004). The same year, Google launched Google Scholar Service to provide peer-reviewed academic journals, books, conference papers and other scholarly literatures. Gmail was also launched as free email service. In 2005, Google rolled out Google Maps, Google Earth, and Google Talk. The word Google was officially added into Oxford English Dictionary in 2006 and Google made its largest acquisition to acquire YouTube for US\$ 1.65 billion (Muse, 2022). The same year, Google launched its revolutionary spreadsheet and Google docs services by acquiring XL2Web and Writely. In 2007 Google Apps and a Cloud computing suite were born, the company also offered a host of dominant services in email, video, mapping, and email. Google launched the Chrome browser in 2008 to compete with Internet Explorer and Firefox. It acquired DoubleClick for US\$ 3.1 billion.

### **Between 2011 and 2020**

Google Plus took shape in 2011 as a social networking service to compete with Twitter (now “X”) and Facebook. It also launched Google Flights after acquiring the ITA Software for US\$ 700 million (Muse, 2022). In 2012, Google Search reached over 1 billion monthly visitors and made the second largest acquisition at that time to purchase Motorola Mobility for US\$ 12.5 billion. The same year, the installation of Google Fiber began in Kansas. Google subsequently acquired the smart-thermostat-maker Nest for US\$ 3.2 billion, shortly after it acquired Boston Dynamics. In 2015, Google underwent organizational restructuring to improve accountability and oversight, gave birth to Alphabet. It also unveiled a revised logo with minor modifications. Google Photos was launched in the same year, not to be confused with Google Images. Google Photos provided free photo-sharing and storage service which

spun out from Google Plus. The company had to discontinue Picasa in 2016 to focus on Google Photos. In 2017, Google acquired parts of HTC's smartphone engineering division for US\$ 1.1 billion. The company had to face major antitrust investigations in 2019 for unfairly dominating online advertising and search, Google was accused to undermine consumer choice, stifle innovation, and violate users' privacy (Lohr, 2019).

## **2021 onwards**

Between 2020 and 2021, Google continued facing regulatory pressure and antitrust lawsuit. The company could be facing US\$ 593 million fine from French authorities for failing to negotiate with news publishers around paying for content. In 2022, Google announced to invest over US\$ 9.5 billion in US based data centre and other facilities due to their constant growth. The same year, Google paid Apple Inc. US\$ 20 billion to be Safari's default search engine. Google agrees to give Apple a 36% cut of all search ad revenue that comes from Safari. This partnership strategy appears to be something new, but Google has long been paying other browser providers like Firefox for using Google search as default search engine. Google spent more than US\$ 26.3 billion in 2021 for this privilege, US\$ 18 billion went to Apple (Pierce, 2023). There is a possibility that Apple will preinstall a Google Search app on every IOS device in the future. In 2024, Google was accused of tracking customers while browsing in "incognito" mode, which is supposed to keep customer's online activity private. Facing multiple antitrust lawsuits, Google has recently settled a US\$ 5 billion class-action privacy lawsuit regarding the "incognito" issues. Not long before that, Google agreed to pay US\$ 700 million to settle a lawsuit for illegal monopoly that overcharged consumers in all 50 states, including the District of Columbia, Puerto Rico, and the US Virgin Islands (Rainey, 2024). It would be the first monopoly trial of the modern internet era if the US Justice Department was trying to force

Google to divest from ad tech. The same year, Google's algorithm leaked more than 2,500 pages and 14,000 lines of code detailing the company's search ranking mechanisms. It was accidentally made public via GitHub. Overall, Google still maintains online dominance in their core services; the outcomes of investigations and lawsuits are still uncertain.

## 2.2 Organisational Strategy

Google had a rather flat organisational structure with limited management levels in the beginning compared to its current cross-functional structure (Brewer, 2023). Larry Page and Sergey Brin wanted their employees, especially engineers and programmers to focus on their daily tasks rather than being bulldozed by managers or interrupted by unnecessary team meetings. They soon realised the flat structure did not work very well and the plans had been thrown into disarray. Unsupervised employees would go straight to CEO Larry Page himself for basic administrative and HR questions. Google leadership quickly assemble a small team of managers to supervise many employees to deliberately avoid potential micromanagement, which provided little opportunity for career advancement due to limited management positions. After trials and tribulations, Page and Brin introduced Objective and the Key Results system (OKR) to Google. The concept was carried out and enhanced by their new CEO Sundar Pichai, who has also been tasked to handle capital allocation. The creation of Alphabet is the new structure that allows Google to keep exploring untapped markets and opportunities inside the company, its goal is to make information and knowledge available for all users. In addition, the new structure supports the implementation of segment reporting and provide separate financials (Yarrow, 2015). Here are two main strategies implemented by Google.

## **Competitive Strategy:**

Economies of scale support Google's cost leadership, its competitive advantages are created by cost-effective processes which constantly attract target customers by offering them great pricing for its products and services such as Google Drive. This competitive strategy helps the company to continue competing with other online advertising companies like eBay, Amazon, Microsoft, Apple, and Facebook etc. Google's search algorithms focus on many factors, signals, and words of online user's query (Thompson, 2023). The complexity of its algorithm has become the dominating force in the world of search engines, internet professionals around the world try to build their careers and earn a living on finding ways to benefit from Google ranking algorithm system and improving their positions within google. Google's search algorithm evolves over time to keep up with other search engine providers and ensure its competitive advantages by partnering up with competitors. As of 2024, Google has the following market dominating products (Iwebnext, 2023):

- Google Search: Arguably the most popular search engine on the web in most of the countries.
- Google Maps: More accurate and real-time information for navigation.
- Chrome Browsers: Preferred choice for many online users.
- YouTube: The ultimate destination for video content for many users.
- Gmail: Innovative features and storage capacities capture a vast user base.
- Android Smartphone: Open-source nature allows Android to dominate the smartphone OS market.



## **Growth Strategy**

Google's growth is anchored to expansion strategies including regular acquisition, and constant development. The company has never stopped innovating such strategies to putting unique concepts on current products and services like Gmail (Alonso, 2022). Google acquired YouTube in 2006 to gain substantial power in online video and social media platforms, it also boosted the company's revenue growth and made Google search engine more popular on the web. Product and market development along with diversification are the backbone of Google's success in market growth. For example, Google acquired Raxium in 2022, to help the company to build more advanced Micro-LED technology and improve its already existed Augmented Reality (AR) capabilities, because Micro-LED tech makes AR displays more energy-efficient and colourful (Lawler, 2022).

### **SWOT Analysis Overview:**

#### Strengths (Internal Factors):

- High value and strong image of brand
- High capability for rapid technological innovation
- Diverse portfolio of patented products
- Balanced diversification
- Large organisational size

#### Weaknesses (Internal Factors):

- Dependence on online technologies
- Low control on consumer electronics

- Weak operations for consumer electronics distribution and sales

Opportunities (External Factors):

- More new products that complement existing services
- Hardware and consumer electronics
- Possibility of establishing physical stores for hardware

Threats (External Factors):

- Competition with innovative businesses worldwide
- Regulations and potential lawsuits
- Imitation of products and services

Google's most important mission is to diversify itself and introduce more new products and services on a regular basis, all the above strategies are based on an eco-system that motivates customers to use wider range of products and services. When using Chrome browser or watching YouTube, online users are constantly prompted to try Google's various services such as Google Drive, Google Play, Google Calendar etc. (Dudovskiy, 2017).

## 2.3 Strategic Approaches

### **Modular Approach**

Since the creation of Alphabet in 2015, the company has been allowing different business units to operate independently and innovate quickly. The two main units are "Google" and "Other Bets", best known for its R&D innovation lab called "X the moonshot factory" (Hartmann & Meisenzahl, 2020). Google has effectively implemented this modular approach

to further drive strategic ambidexterity and operate in more than one environment. It also allows for the development of different leadership styles and cultural variation within different business units. Each unit requires unique strategies approaches, Google has been building the necessary capabilities and culture to support the needs of all the units.

## 2.4 Operating Performance

### Financial metrics:

(Millions of US \$)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Stock Price</b>	26.50	38.86	39.58	52.61	52.19	66.89	87.53	144.7	88.13	139.5
<b>Annual Δ%</b>	-5.59	46.61	1.86	32.93	-0.80	28.18	30.85	65.30	-39.09	58.32
<b>Ave. P/E</b>	28.67	27.75	29	37.75	39.75	25.33	24.25	28.67	20.5	24.25
<b>Revenue</b>	66,001	74,989	90,272	110,855	136,819	161,857	182,527	257,637	282,836	307,394
<b>Ave. Gross Margin</b>	60.25	61.5	61.5	59.25	56.5	55.25	53.75	55.25	55.75	55.25

## Google stock fluctuation and events:

2022 (-39.09):

- Google acquired cybersecurity firm Mandiant for US\$ 5.4, the company joined its cloud computing division (Krause, 2024).
- Google acquired smartwatch maker Fitbit in January for US\$ 2.1 and entered the health and fitness market.
- Shares shrink, Google lost nearly 40% of its value (Haegele, 2024).
- Stock split issued in July; shareholders approved it. Each shareholder now owned 20 shares for each single share (Cattlin, 2022).



(Ebiefung, 2024)











































































## Operating Performance

Fiscal	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TTM	5-Yr	Index
	32.07												
Return on Assets %	11.93	11.36	12.37	6.94	14.29	13.50	13.52	22.40	16.55	19.23	21.22	17.19	12.50
Return on Equity %	15.06	14.08	15.02	8.69	18.62	18.12	19.00	32.07	23.62	27.36	29.76	23.99	30.42
Return on Invested Capital %	13.77	12.82	14.02	7.98	17.26	16.15	16.63	28.36	20.66	23.67	25.91	21.09	20.62
Financial Leverage	1.25	1.23	1.20	1.29	1.31	1.37	1.44	1.43	1.43	1.42	—	—	—
	62.44												
Gross Margin %	61.07	62.44	61.08	58.88	56.48	55.58	53.58	56.94	55.38	56.63	57.12	55.62	—
Operating Margin %	24.99	25.82	26.27	26.05	22.94	22.20	22.59	30.55	26.46	27.42	29.03	25.66	—
Net Margin %	21.88	21.10	21.58	11.42	22.46	21.22	22.06	29.51	21.20	24.01	25.90	23.72	18.80
Days Sales Outstanding	50.50	50.96	51.94	53.46	52.25	52.05	56.25	49.75	51.34	52.38	46.23	47.28	—
Days Inventory	—	—	2.78	4.07	5.69	5.35	3.72	3.12	5.55	—	8.51	4.94	—
Days Payables	29.61	23.63	20.63	20.73	23.03	25.23	24.02	19.13	16.15	17.28	13.89	17.47	—
Receivables Turnover	7.23	7.16	7.03	6.83	6.99	7.01	6.49	7.34	7.11	6.97	7.90	7.76	—
Inventory Turnover	—	—	131.11	89.64	64.17	68.28	98.13	116.90	65.73	—	42.89	79.03	—
Fixed Asset Turnover	3.27	2.84	2.85	2.69	2.68	2.24	2.01	2.48	2.38	2.23	2.20	2.26	—
Total Asset Turnover	0.55	0.54	0.57	0.61	0.64	0.64	0.61	0.76	0.78	0.80	0.82	0.72	—
EBITDA Margin %	33.85	33.10	33.70	30.87	32.20	31.82	33.92	40.18	30.98	31.87	34.22	33.99	—
EBITDA (Bil)	22.34	24.82	30.42	34.22	44.06	51.51	61.91	103.52	87.61	97.97	108.87	79.62	—
Free Cash Flow/Net Income	0.79	0.99	1.33	1.89	0.74	0.90	1.06	0.88	1.00	0.94	0.84	0.95	—

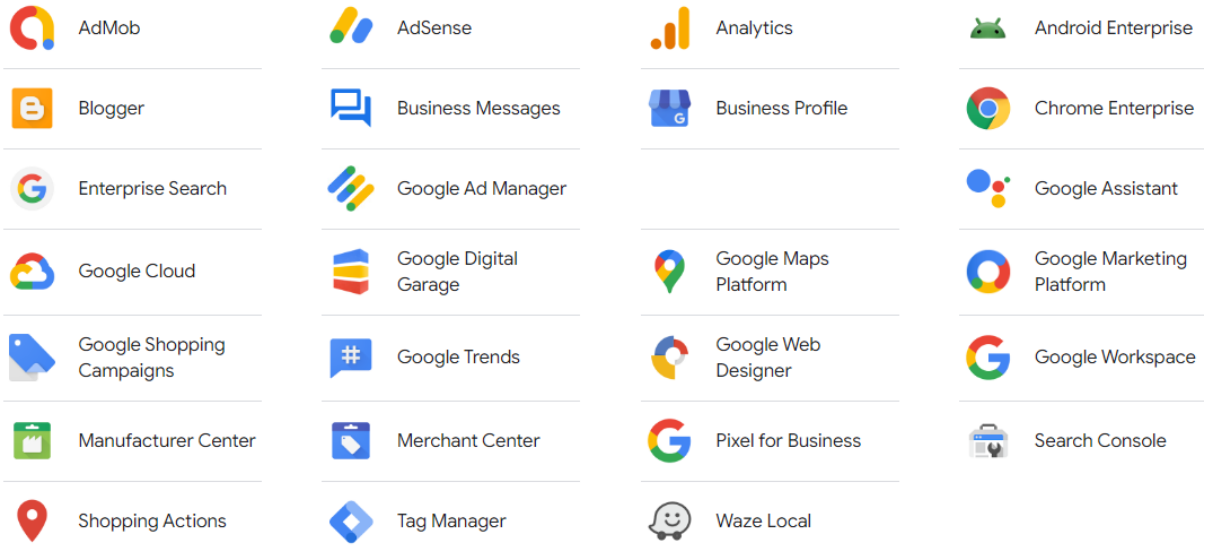
(Morning Star, 2024)

## 2.5 Current Technology

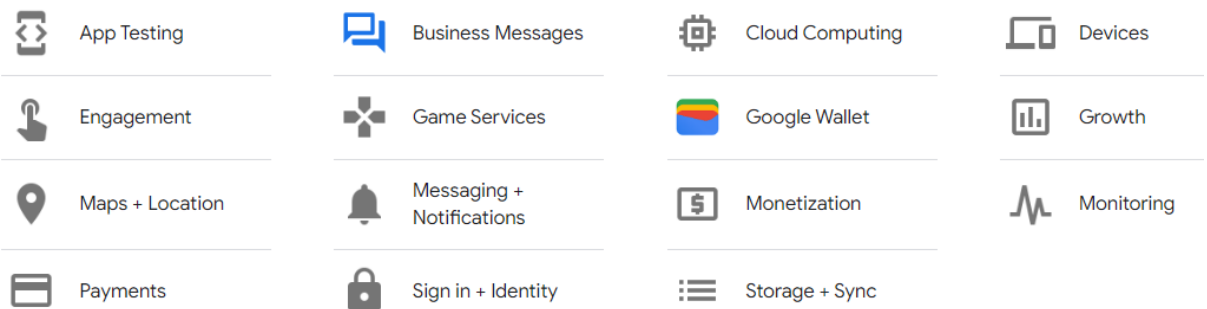
For all:

 Android	 Android Auto	 Android TV	 Calendar
 Cars with Google built-in	 Chrome	 Chrome Enterprise	 Chromebook
 Chromecast	 Contacts	 Docs	 Drawings
 Drive	 Earth	 Expeditions	 Family Link
 Files	 Finance	 Flights	 Forms
 Gboard	 Gemini	 Gmail	 Google Alerts
 Google Arts & Culture	 Google Assistant	 Google Authenticator	 Google Cast
 Google Chat	 Google Classroom	 Google Fi Wireless	 Google Fit
 Google Fonts	 Google Health Studies	 Google Home	 Google Input Tools
 Google Maps	 Google Meet	 Google One	 Google Pay
 Google Photos	 Google Play	 Google Play Books	 Google Play Games
 Google Shopping	 Google Store	 Google TV	 Google Wallet
 Google Workspace	 Groups	 Keep	 Lens
 Messages	 Nest	 Nest Wifi	 News
 Pixel	 Pixel Buds	 Pixelbook Go	 Play Protect
 Scholar	 Search	 Sheets	 Sites
 Slides	 Translate	 Travel	 Voice
 Waze	 Wear OS by Google	 YouTube	 YouTube Kids
 YouTube Music	 YouTube TV		

## For business:



## For developers:



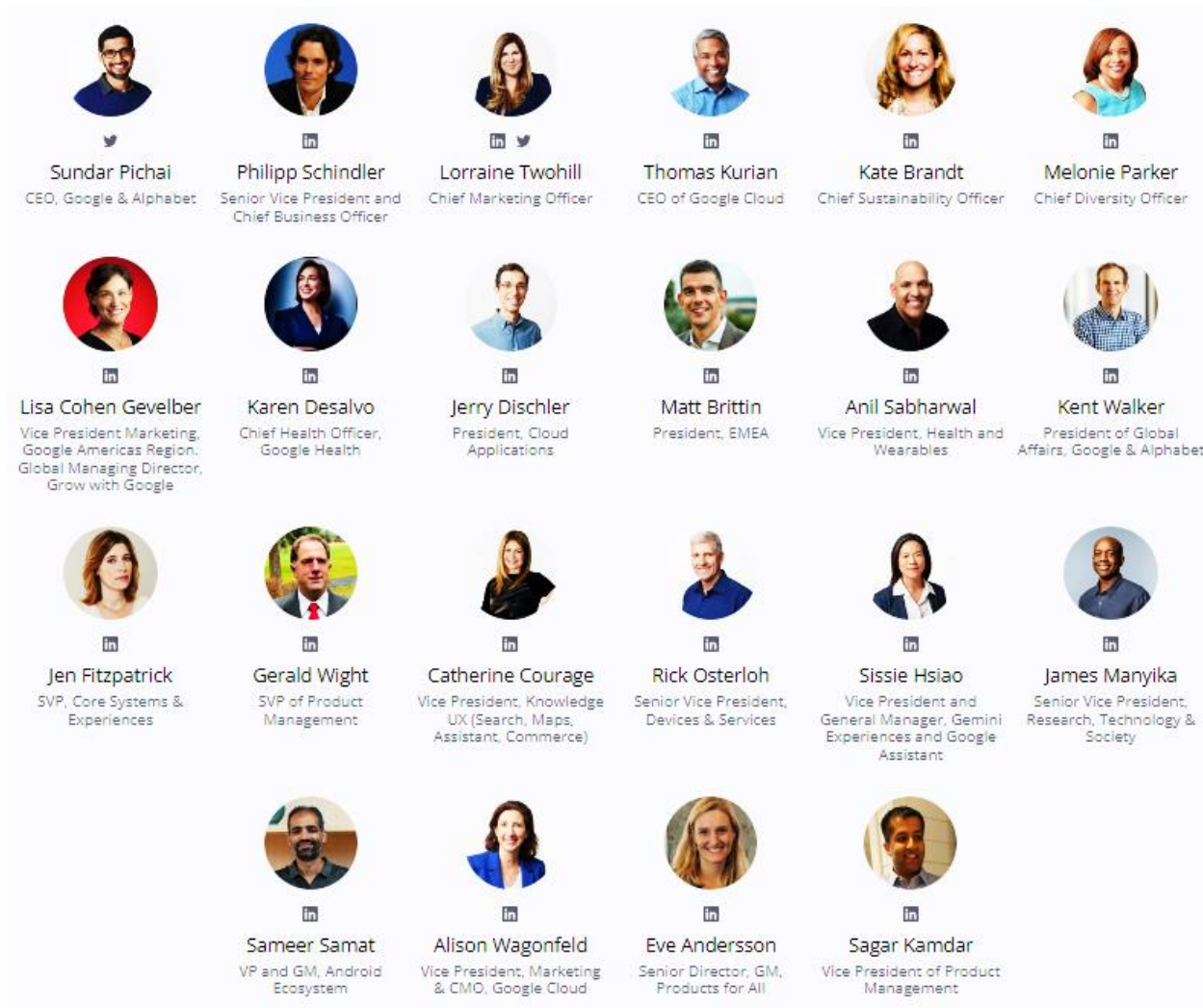
(About Google, 2024)

## Chapter Three: HR & People Operations

### 3.1 Key People & Management

In 2019, Larry page and Sergey Brin stepped down from Alphabet's operation as CEO and President (Mediadb, 2024). They remain active as founders, board members and shareholders of the company. Sundar Pichai, CEO of Google had become CEO of Alphabet and Google. Looking back now, when Page and Brin started their research project in the late 1990s and moved their servers from a dormitory to a garage, they could never have imagined the path that would lead them to today's Google. Pichai joined Google in 2004, in the early days he had helped the company to develop Chrome and subsequently become responsible for the creation of Chromebooks, Gmail, Google Docs and Maps. Pichai had an idea of using giant helium balloons in the stratosphere to provide internet in remote regions of the world, but the project was eventually abandoned due to unsustainability of the business. In 2020, former Alphabet chief lawyer David Drummond drew a lot of negative attention to himself; he was at the centre of several high-profile sexual misconduct controversies related to his relationships with employees. Most notably, his extramarital affair with Google lawyer Jennifer Blakely. Drummond allegedly engaged in affairs with other employees, Blakely later revealed (Statt, 2020). Drummond then left Google without an exit package, he sold more than US\$ 200 million in Alphabet stock.





(Craft, 2024)

### 3.2 Employees

Alphabet has stated having recognised its responsibility to address racial equity issues, management continues to work toward creating more diverse and inclusive workforce, adding more diverse employees (Alphabet, 2021). The company is planning on improving its leadership representation of underrepresented groups by 30% by 2025. It also announced a US\$ 175 million economic opportunity package to support Black business owners, job seekers, startup founders and developers. Another US\$ 100 million to amplify Black creators and

artists on YouTube. Alphabet currently has 182,502 employees working for the company, a 4.06% decline from 2022 (Macrotrends, 2024). The company has been having a short-term revenue problem lately, it can no longer continuously grow in the vacuum of digital transformation. The management might be looking at cutting as many as 10,000 jobs (Markman, 2023).

### Google Reviews ★★★★★ 16 reviews

★★★★★ Excellent	11
★★★★☆ Very Good	1
★★★☆☆ Average	2
★★☆☆☆ Poor	1
★☆☆☆☆ Terrible	1

★★★★☆

Once upon a time, Google was an inspirational company full of originality and a culture that cultivated innovation. For nearly fifteen years under the founders Larry and Sergey and great leaders like Eric Schmidt, Google's search engine and technologies shaped the way we thought, worked and lived our lives. In the years that followed, it began to falter and lose its way under new leadership who sought to constantly reinvent itself in ways that utterly destroyed its culture, wasted resources, and ultimately lead to a major downturn in employee morale, product innovation, and relevance in a fast moving industry. All while those behind some of the worse decisions in the company's history apathetically reap the rewards of tearing the company apart. Unlike leaders of the past who worked for \$1, the current leaderships benefits \$225 million while tens of thousands lose their jobs and major reformation for downtown San Jose which displaced and raised property prices for thousands have halted.

Senior Employee · Apr 26 2023 · [Overall Experience](#)

Report

(Niche, 2023)

In 2021, a former Google software engineer Emi Niefeld spoke out against the company's hostile work environment, who had no choice but to leave Google in 2019 (Niefeld, 2021). She could not talk to anyone outside the company about workplace harassment she was getting from her team lead, management did not take her complaint seriously and the company investigator suggested that Niefeld should take some time off or seek counselling. Niefeld later learned that Google had similar situations and responses to other female

employees who reported to management about racism and sexism. After taking three months off, she was no longer treated as a valued employee at Google and rejected for a well-deserved promotion. The manager told her that, “People in wood houses shouldn’t light matches”. Niefeld also took a huge pay cut after that, apparently Google finance office had already calculated her worth to the company, the harassment complaint was also included in the calculation. Niefeld wanted to make a difference at Google, but she had to leave to a safer workplace.

#### **Chapter Four: News & Political Activities**

##### **Google publicly opposes Voter Suppression, but funds Voter Suppression Group.**

In 2021, Google donated US\$ 20,000 to the Republican State Leadership Committee (RSLC) supporting voter suppression. The Committee supports Republican candidates that are in favour of voter suppression laws. For readers’ information, voting restriction laws are introduced under the guise of election integrity and anti-cheating measures, despite voting fraud being extremely unlikely (Gilbert, 2021). “Americans are more likely to be struck by lightning than commit election fraud” says from a Business Insider reporter. Election officials in 45 states confirmed to The New York Times in 2020 that they did not see any evidence of fraud in their states, 28 international election observers stated in a preliminary report that they had witnessed a well-run election with no evidence of malfeasance or fraud (Panetta, 2020). Google’s Policy Manager, Joe Dooley attended RSLC private event organised by Alabama Secretary of State John Merrell on voter suppression, Merrell made several proposals to restrict voting (Kotch, 2021).

### **Google publicly opposes anti-abortion, but funds anti-abortion legislators.**

A report from Centre for Political Accountability shows large donations made to the Republican Political organisation by Google (Robin-Early, 2023). Google has donated US\$ 45,000 to the RSLC who is working to elect anti-abortion state legislators. At the same time, Google's Chief People Officer Fiona Cicconi advocates for abortion right on behalf of the company. Google might have donated total US\$ 240,000 to the RSLC (Legum, 2022), the committee is dedicated to putting anti-abortion Republicans in charge of state legislatures. Google has also donated US\$ 320.700 to the Republican Governors Association (RGA) who helps to make sure a state legislature passes the abortion ban and gets signed into law (Legum, 2022). On aside note, a new conservative organization was formed in 2020 to remake the US federal judiciary to restrict voting rights etc. The organisation is called Honest Elections Project funded by right-wings such as Koch brothers and Betsy Devos' family, they are pushing US supreme court to put Brett Kavanaugh and Neil Gorsuch to be in charge (Levine & Massoglia, 2020).

Since 2016 following corporations have donated to Republican organizations that fund anti-abortion state legislators in the U.S.



## **Chapter Five: Public Opinion**

### **Company culture**

Google's company culture seems to be lack of flexibility in terms of product development and product design, which might have resulted in less user-friendly products and services. People have complained about the cloud business and its slow speed. Many employees at Google have become complacent on the job and not caring about customer or user feedback, because of the decentralised culture or atmosphere. Google has been known to its hands-off and laid-back approach of management (GuruFocus, 2024).

### **Google earth and privacy**

The purchase of Keyhole software satellite system and partnership in 2003 with the US intelligence agency were a milestone for Google (Levine, 2018). Google was no longer only consumer-facing internet company and search engine provide, it began working and integrating with the US government. Keyhole was reborn as Google Earth. Google scored more than US\$ 2 million contract to integrate the National Security Agency' system with a purposefully built search solution to scan and recognise documents in 24 languages. Google also landed contracts with other government agencies.

### **Google workers protesting the company's partnership with Israel.**

Many Google's employees are opposing Google's ties with Israel, as Israel was facing genocide charges for its war on Gaza in the International Court Justice (Al Jazeera, 2024). Conscientious employees do not want to work to work for a company that is providing the Israeli government products and services that are helping it commit more atrocities in Palestine.

According to a report from The Intercept, Google has been offering advanced AI technology to Israel for facial recognition and object tracking as part of “Project Nimbus”. Google subsequently fired many employees who participated in the protest.

### **Reverse discrimination and “the ideological echo chamber”**

According to a former Google employee James Damore’s internal memo stating Whites, Asians and male conservatives are automatically being discriminated against by Google (Lecher, 2018). Google tries to fix workplace inequity and disparities through Reverse Discrimination Techniques. Damore was later fired as an engineer by Google after the manifesto, along with other employees who expressed views deviating from Google’s views on politics, business, and diversity policies. CNN described this corporate fallout as “the biggest setback to what has been a foundational premise for Google employees: the freedom to speak out about anything” (Fiegerman, 2017). In Damore’s memo, he further emphasised that Google’s culture of shaming and misrepresentation is disrespectful and unaccepting of anyone outside the company’s “echo chamber” (Damore, 2017). He also listed the following issues with Google:

- Google’s discriminatory programs only for people with a certain gender or race.
- Special treatment for “diversity” candidates
- Lower the hiring bar for “diversity” candidates by decreasing the false negative rate.
- Reconsidering a group of people not “diverse” enough without showing the same scrutiny in the reverse direction.

## Chapter Six: The Conception of Rationality

### Being ripped off

One of the most salient problems in our current corporative society is dishonesty, everyone sees it and many of us contribute to it without knowing or thinking about the consequences. This social phenomenon itself is amorphous and popular in both working and upper classes. If a company lies to you about its intentions of making donations to certain political parties, or how much money they donate, or gives you false reasons for making those donations. You, as the customer, spend your hard-earned money buying its products and services, have now become a victim. A victim who is twice deceived, having a false belief about what the company does with your money, and another false belief about the company's mendacious propaganda or advocacy. A public company that does not make an explicit assertion concerning its political or financial positions and tries to maintain its innocence after being caught red-handed, should be considered less trustworthy. For another example, if someone intends to deceive you concerning what is in their mind, but they have not lied to you. In this case, it is natural to regard this person as misrepresenting their own beliefs in a way that is deceptive. It is called deceptive misrepresentation. Since deception needs not be false, it deviates from lies in its misrepresentational intent. However, the lack of connection between a company's public opinions and its apprehension of reality is worse than lying. I feel that my intelligence is undermined if someone lies to me and does not care about lying to me.

Charlie Munger tells an anecdote in his book *The Psychology of Human Misjudgement*, "a man buys an overpriced \$1,000 leather dashboard merely because the price is so low compared to his concurrent purchase of a \$65,000 car" (Munger, 2005). This is the result of contrast mis-reaction tendency. We have developed such a strong primary desire of using digital



resources, online products and services provided by those multinational corporations. The costs and disadvantages of using such products and services are diminishing right before our eyes. We have slowly become accustomed to living this way. Our privacy might be compromised by using certain digital products and services, but we think the benefits outweigh the costs, so much so we rather pay seemingly a “small price” of losing our right to privacy and satisfy our desire that is sometimes based on weak rationality. May I add a quote from Benjamin Franklin before getting digressive and repetitive on this topic. “Beware of little expenses; a small leak will sink a great ship”.

## **Chapter Seven: Limitation & Assumption**

This research study has certain potential limitations, companies are selected from the Fortune 500 and only well-known organisations are selected for analysis. Therefore, to generalise the outcome or results for better accuracy, the report will need to include additional analyses in more areas in-depth, which can be requested by the readers. A request for additional information analyses can be sent via email or website contact form.

This report is mostly dependent on the availability of public information, there is no interaction between the management of each company or organisation and the researcher. Although this may limit the scope of the analysis, it will not have a significant impact on the research itself. Because publicly available data and information are likely to be more imperative and reliable than individual feedback or comments from management or other stakeholders. The report writer assumes that all data and information from accredited sources are the most sufficient and relevant, the theoretical framework is assumed to be an accurate reflection of the phenomena being analysed in the report.

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