

Summary: The Corporate Entrepreneurship Audit

ideas. The sponsor and employee must develop an experimentation plan that covers details such as expectations, timelines and resource commitments. Key milestones for the development of the idea are agreed and regular check-in points scheduled where the employee can update the sponsor on the experiment's progress. Sponsors build 'dashboards' to capture the key metrics of their programmes. They take any opportunity to share these metrics with their peers and superiors so as to remind them about the value of their programme.

S. *You're brilliant? We're hiring:* Google employs only people who it thinks are exceptionally talented. It believes you need to attract the right sort of people to build a successful innovating organization – people with ambition and a high regard for themselves. Then you need to build the team.

Partnering

In contrast to Apple, which jealously guards its iPhone operating system (iOS), Google's Android system is open access and it is interesting to compare the success of these two very different strategies. Anyone can write Apps for Android, compared to Apple's strict control of its Apps store and a resulting problem is that quality can be variable. Manufacturers can use the operating system free of charge, thereby encouraging the development of a wide range of phones, compared to Apple's limited range. As a result, the Android system now accounts for some 87 per cent of smartphone sales worldwide (mainly by Samsung) compared with Apple's 13 per cent. However, in 2015 it was estimated that whilst about 70 per cent more Apps are downloaded from Google Play than Apple's App Store, the revenue generated by the Apps Store was about 70 per cent higher. However, App sales through Google Play do not tell the full story as Google expects income to come from advertising, capitalizing on a user's location. Unlike Apple's monopoly on Apps, Android's open access means any company can set up an App store. Ironically, when Amazon opened what it called the 'Appstore' in 2011 (named despite the best efforts of Apple) it was a closed system, monitored and controlled by Amazon, just like Apple's own App Store.

Google has also partnered with numerous organizations, involved in a range of activities, from research to advertising. Examples include Sun Microsystems to share and distribute each other's technologies, AOL to enhance each other's video search services, Fox Interactive Media (part of News Corporation) to provide search and advertising, and GeoEye to provide satellite images for Google Earth.

Corporate venturing

Google has pursued an aggressive policy of acquisition, focusing mainly on small venture capital-backed start-up companies. By 2017, it had acquired over 200 companies, which have resulted in some key developments: Google Earth, for example, came out of the acquisition of Keyhole in 2004 and Google Voice out of the acquisition of Grand Central in 2007. It also purchased YouTube in 2006, DoubleClick in 2007 (which developed technology that allows Google to determine user interests and target advertising), video software maker On2 Technologies and social network Aardvark in 2009 and, in 2010, hardware start-up Agnilux and web-based teleconferencing company Global IP Solutions. Case insight 15.2 looked at how these companies were 'absorbed' within Google and 'monetized'.

Google had its own venture capital arm, Google Ventures (now called GV), which provided seed, venture, and growth stage funding to technology companies that were thought might be strategically important to the company. Between 2008 and 2010 it invested in some 30 firms in areas as diverse as educational software and biotechnology. Its annual budget of \$100 million was invested in amounts of between \$50,000 and \$50 million and companies are often sold off (for example, the gaming company, Ngmoco) or floated on the stock market (for example the holiday rentals and bed-and-breakfast portal Home Away). Google also had Google Capital (now called Capital G) which was a late-stage growth venture capital fund focused on larger, growth technology companies.