

# WORKFORCE INCENTIVES AT IT COMPANIES: THE GOOGLE'S CASE <sup>1</sup>

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## ABSTRACT

Organizations may have much to gain in attracting and retaining IT professionals than can help to reduce costs and improve the productivity of the business. That is even more crucial for IT companies that rely upon talented IT professionals to add value in their core business processes and not just to support them. Thus we need to better understand what motivates and keeps satisfied an IT workforce. As a successful IT company, Google may be a good example to look at adequate incentive policies for IT professionals. Using a netnographic approach, this study examined a blog discussion with the participation of past and present Google employees. The collected data was analyzed under a total rewards model, a framework from WorldatWork to encompass a diversity of topics in building a reward strategy. One of those topics, work-life, was significantly discussed showing that Google's incentive policies take into consideration work-life sub-topics such as health and wellness, cultural environment, community involvement and work flexibility to attract and retain IT professionals. Adding to the sub-topics already proposed in the framework, some new ones popped out still under the work-life topic: equipment and technology, administrative efficiency and workplace stability. Although compensation and benefits are certainly incentives to not be disregarded, it seems there may be something else also important as work-life incentives to attract and retain an IT motivated workforce, specially, at an IT company.

## KEYWORDS

Incentive, IT Company, Google, Netnography, Total Reward Strategy.

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## 1. INTRODUCTION

Attracting new Information Technology (IT) professionals and retaining the talented ones have been top management concerns in the last years (Luftman, Kempaiah, & Rigoni, 2009). Even if the recession and crisis climate nowadays is throwing concerns with business productivity and cost reduction to the top apparently lowering the concerns with human resources (Luftman & Ben-Zvi, 2010), no organization can survive for a long time without paying close attention to such an important asset. And this asset frequently requires motivation to be effective at the workplace. Many IT projects fail although “there was not a single technological issue to explain the failure”. Motivation is frequently at the root of IT project failure rates (DeMarco & Lister, 1999). Thus management should develop incentive policies under a total reward strategy to keep human resources motivated at work.

Taking Google as an interesting case for studying IT employee incentive policies, this paper calls particular attention to what may be special in recruiting and managing this type of professionals. Adopting the total rewards model (WorldatWork, 2008) as the theoretical lens, this study uses a netnographic approach under the methodological guidelines for research of online communities (Kozinets, 2002, 2010). “Raw Thought” is the blog under examination where a discussion took place with the participation of present and past employees regarding work conditions at Google (Swartz, 2010c). The findings are presented and discussed according to the main topics of the total rewards model making clear the relative importance of them and leading to some new insights for a total reward strategy at IT companies.

### 1.1 Google’s Success

Shooting straight to the top in 2007 Fortune’s “100 Best Companies to Work For”, Google was first for two consecutive years and fourth in the last two years making it the only IT company that has been in the top five since its appearance in the list (Fortune, 2010). According to Google co-founder Larry Page:

*“Google is organized around the ability to attract and leverage the talent of exceptional technologists and business people. We have been lucky to recruit many creative, principled, and hard-working stars (Google, 2010a)”*

What makes this company so special to work for? Are there incentives policies in place? If so, what kind and to what extent are they determinant in attracting and retaining people?

Having an across-the-board staff 10% raise in 2010 or repricing employee stock options that have declined in 2009 were some of the initiatives to prevent staff defection to other companies such as Facebook (Efrati & Morrison, 2010).

As recognized in Google third quarterly report:

*“Our future success depends on our continuing ability to identify, hire, develop, motivate, and retain highly skilled personnel for all areas of our organization. Competition in our industry for qualified employees is intense, and certain of our competitors have directly targeted our employees. (Google, 2010b)”*

In fact, Google seems to give considerable attention to incentives to attract and retain people that go beyond the conventional ones (see Table 1).

Table 1. Key employment and incentive indicators at Google (Fortune, 2010)

Topic		Indicator
Benefits	Paid sabbaticals	No
	Onsite child care	Yes
Health	100% health-care coverage	No
	Onsite fitness center	Yes
	Subsidized gym membership	Yes
Work-life	Job sharing program	Yes
	Compressed workweek	No
	Telecommuting	Yes
Diversity	% minorities (data from 2009 survey)	35%
	% women (data from 2009 survey)	33%
	Has non-discrimination policy that includes sexual orientation?	Yes
	Offers domestic partner benefits for same-sex couples?	Yes
Professional training	Salaried employees (hrs./yr.):	113
	Hourly employees (hrs./yr.):	113

The emphasis given to the strategy to attract and retain professionals at Google is huge, having led to develop a model to predict which employees are most likely to leave based on factors like employee reviews (Efrati & Morrison, 2010).

## 1.2 Recruiting and managing IT professionals

Should we consider significant behavioral differences between IT and non IT people? Some studies support that there are significant differences, for instance, suggesting that Information Systems (IS) managers tend to be less warm and outgoing, more assertive and aggressive, less adventurous and socially bold, less trusting and accepting of conditions, more self-sufficient and resourceful, more impulsive, and more tense (Moore, 1991).

If we were to assume significant differences between IT and non-IT people, then simple stereotypes should not be applied as IT people's motivators. IT people have a multiplicity of motivations that cut across age and organizational tenure profiles (Igarria, Greenhaus, & Parasuraman, 1991; Igarria & Guimaraes, 1992). Managers should deal with a complex set of motivations (achievement, security, flexibility or career management) and not rely on simple generalizations to predict the needs of IT people (Enns, Ferratt, & Prasad, 2006). Even among IT employees, like programmers, systems analysts or managers, differences of personality were identified showing the importance of studying, managing and recruiting these groups differently (Wynekoop & Walz, 1998). The adoption of incentive policies should allow for the alignment of organization and individual strategies, including all aspects valued by employees in working relationships as payment, benefits, career and work environment (Belfo, 2010).

The influence of incentives in IT activity hasn't been too much covered in the Information Systems field. Nevertheless, some significant research work has been done. Looking at the differences between information centre and other IS employees, job satisfaction was found a key direct factor in retaining information centre employees but did not have a straight influence on IS employees (Igarria & Guimaraes, 1992). Specificities of certain groups of IT

personnel were also studied and some significant differences have been found in behavior (Baroudi & Igbaria, 1994).

### **1.3 Total Rewards Strategy**

Reward, satisfier, job satisfaction, career satisfaction, career success, intention to stay or motivation state are often associated with incentives policies. Each one of those elements may be taken into consideration to guide human behavior at workplace. (Baroudi & Igbaria, 1994; Beecham, Baddoo, Hall, Robinson, & Sharp, 2008; Igbaria, et al., 1991; Igbaria & Guimaraes, 1992).

Explaining human behavior has been the purpose of well-known theories like Maslow's hierarchy of needs (Maslow, 1943). In this theory, motivation is a function of a ranking of five levels of needs - physiological, safety, love, esteem and self-actualization - requiring a lower level to be first fully satisfied in order to get to a higher level. However, little evidence has been found for a ranking of needs applied to everyone and in the same way (Wahba & Bridgewell, 1976). Building upon Maslow's theory, the ERG theory (Alderfer, 1969), recognizing the overlap among some needs, categorizes them into just three types: existence, relatedness and growth. Like Maslow's theory, ERG assumes that the needs are progressive and hierarchical. However, unlike Maslow's theory, the hierarchy is not rigid allowing for different people to pursue different needs simultaneously and in different order. ERG theory is then calling for a holistic approach to motivation at the workplace suggesting a total reward strategy able to account for different behaviors. WorldatWork (2008) is a total reward framework answering that call that will be used in this research to better understand the ways an incentive policy may work.

Looking at what present, past or future employees may have to say regarding the most important incentives offered by Google, this research is willing to explore what is really making a difference in attracting and retaining people. From Google's policies we hope to learn what may better work in a total reward strategy for IT employees. Netnography was the research method selected for this work as justified in the following section.

## **2. NETNOGRAPHY METHODOLOGY**

Netnography can be defined as "a written account resulting from fieldwork studying the cultures and communities that emerge from on-line, computer mediated, or Internet-based communications, where both the field work and the textual account are methodologically informed by the traditions and techniques of cultural anthropology" (Kozinets, 1998).

It is an interpretative method initially used for consumer and marketing research on cultures and communities present on the Internet (Kozinets, 1998, 2002, 2006, 2010). Among others, the honesty and trustworthiness of online communicators compared to other media communicators is underlined as an important advantage.

Netnography has been used in three general ways: first, to study "pure cybercultures and virtual communities that do not exist off-line in real life but are manifest exclusively through computer-mediated communications; second, as a methodological instrument to study "derived" cybercultures and virtual communities; third, as an exploratory tool to study general topics (Kozinets, 1998). While following a more moderate open-ended form of enquiry, since

less rigorous guidelines are justified by the public nature of the blogs in our research (Langer & Beckman, 2005), we will still be applying the methodological guidelines suggested by Kozinets (2002, 2010): making cultural entrée, collecting and analyzing data, ensuring trustworthy interpretation and following research ethics.

## **2.1 Online Communities and Cultural Entrée**

Departing from the official company position on incentives, this research also wants to get the position of past, present and future Google employees to generate some insights on incentives policies and their innovative characteristics in IT companies. Such community does not exist off-line in real life calling for the use of netnography that works on virtual communities that manifest exclusively through computer-mediated communications.

Netnography allows an extensive list of possibilities of online communities through blogs, chats, SMS, and mailing lists among others. Blogs are considerable popular in individuals' web pages turning many times into virtual communities (Kozinets, 2006). Searching for blogs on Google work life, we came across Aaron Swartz blog "Raw Thought" (Swartz, 2010c), a virtual community with considerable participation devoted to in-depth discussions and evaluations: the repository counts 408 blog entries with a permanent activity for the last six years. One of the most frequented discussion forums was the "The Goog Life: how Google keeps employees by treating them like kids" (Swartz, 2010b), which we decided to analyze in-depth due to its high number of active discussants and posts. Besides that forum it was decided to analyze another one, "Classism at Google" (Swartz, 2010a), since it was related to the previous topic.

As recommended in Kozinets (2002), our selected online community is characterized by (1) being related to our research question (both blogs have discussions regarding incentives in IT activity), (2) having significant 'traffic' of different message posters (except for the "Classism at Google" blog that seeks a deep understanding on a particular aspect of work life at Google), (3) offering more detailed or descriptively rich data (as blogs usually do), and (4) offering more social interactions (especially "The Goog Life" has a significant number of different bloggers with a strong interaction among them).

## **2.2 Data Collection**

In netnography, the research activity can range from a mere non-participative observation to a deeper one. We have used the first approach since we are convinced that our participation in the blog would not bring a significant advantage at this starting point in the research.

Collecting data was carried out in two ways: gathering data from the blog and adding reflective notes from the researchers. A third way that was not used could have been a direct approach to certain individuals through interviews by mail, chat or instant messaging (Kozinets, 2006), something we didn't have access for this research.

We listed 187 posts from two blogs entries previously identified (173 posts at "The Goog Life: how Google keeps employees by treating them like kids" and 14 posts at the "Classism at Google"). We followed the ongoing discussion and collected the data posted between December 2006 and September 2008 for the first blog and between February and March 2007 for the second blog. Even if the first blog lasted for approximately 22 months, the large majority of submitted posts occurred during the first month of the blog. December 2006 had

150 posts, correspondent to 87% of the total number of the posts of that blog. For this research, the text volume of “The Goog life” blog was 71 double-spaced 12 point font pages, containing 139 distinct bloggers.

With regard to anonymity, we classified each blogger into three categories: “anonymous” for a blogger that used the word “anonymous”, a short version of it like “anon” or “anon2”, or a name probably false like “George W. Bush; “not so certain” for a blogger that used only one name either a common name or a strange one; “non-anonymous” in the remaining situations. Using this approach, “The Goog Life” blog had 27% “non-anonymous” posts, 35% as “not so certain” and 38% as “anonymous”. The great majority of the bloggers, 89%, presented only one post. The “Classism at Google” blog had only 11 different bloggers with 14 posts resulting in seven double-spaced 12 point font pages. At this blog, two bloggers were classified as “non-anonymous”, seven were classified as “anonymous” and the other two as “not so certain”. Overall the major contributions in number of posts came from anonymous bloggers or from bloggers with a nick name that is probably difficult to link to the owner.

We centered our attention on threads and posts discussing various aspects of incentives or demotivators on Google’s work life, e.g. age considerations, fraternity, “change the world”, laundry, free meals, “college, whimsical life”, happiness, “bright and crazy ideas”, meetings, payment, collectivism, “kids”, reduced telecommute or socioeconomic division. According to Kozinets (2002), the 173 postings were than pre-classified (before downloading) into topics either relevant or not relevant for incentive policies in an IT company, the topic under research.

### **2.3 Data Analysis**

In terms of data analysis, even if there is panoply of techniques, we followed the recommendations of Kozinets (2006), with an approach that take advantage of the online interaction’s contextual richness. Instead of using a content analysis technique with specific software, it was used a “penetrating metaphoric, hermeneutic and symbolic interpretation to reveal netnographic data’s more profound insights, rather than relying solely upon the alleged ‘rigor’ of decontextualized classification of textual data”. A total reward strategy framework guided the analysis through main topics. New sub-topics emerged whenever we didn’t see them in the existing topics. The data was structured, coded, summarized, explained and interpreted.

### **2.4 Research Ethics**

Like ethnography, netnography needs to be performed without harming the participants. Thus one key concern in netnography is whether the online community is private or public. “If access is restricted (e.g. using passwords) and thus reserved for members only, we can talk about a (semi-)private communication”. In this situation, permission to post and to use posts is absolutely essential (Kozinets, 2006). It is not the case of Aaron Swartz’s blog. Nevertheless, the owner of the blog was informed of the research. The participation in the blog did not require formal membership since no member check was made. Besides the blog did not give the possibility to get personnel information like mail address or phone number. Anyway, codes instead of usernames were associated to the blog posts.

### 3. INTERPRETATION AND FINDINGS

This section interprets the collected data and reports key findings about incentives in the IT activity by applying content analysis in the study of online communications at the selected blog. These interpretations and findings are presented according to the reward model proposed by WorldatWork, an association representing professions comprising total rewards. This reward model has five main topics which are Compensation, Benefits, Work-Life, Performance and Recognition, and Development and Career Opportunities (WorldatWork, 2008). Each finding will have posts excerpts exemplifying and supporting it. Sub-topics coming from this reward model were used to categorize posts excerpts. Other sub-topics emerged when there was no similar sub-topic that could be used from the model. Along this interpretation, we have looked at the top 10 reasons to work at Google as shown in Table 2.

Table 2. Top 10 reasons to work at Google (Google, 2010a)

Reason	Explanation
1 Lend a helping hand	With millions of visitors every month, Google has become an essential part of everyday life – like a good friend – connecting people with the information they need to live great lives.
2 Life is beautiful	Being a part of something that matters and working on products in which you can believe is remarkably fulfilling.
3 Appreciation is the best motivation	We've created a fun and inspiring workspace you'll be glad to be a part of, including on-site doctor; massage and yoga; professional development opportunities; shoreline running trails; and plenty of snacks to get you through the day.
4 Work and play are not mutually exclusive	It is possible to code and pass the puck at the same time.
5 We love our employees, and we want them to know it	Google offers a variety of benefits, including a choice of medical programs, company-matched 401(k), stock options, maternity and paternity leave, and much more.
6 Innovation is our bloodline	Even the best technology can be improved. We see endless opportunity to create even more relevant, more useful, and faster products for our users. Google is the technology leader in organizing the world's information.
7 Good company everywhere you look	Googlers range from former neurosurgeons, CEOs, and U.S. puzzle champions to alligator wrestlers and Marines. No matter what their backgrounds, Googlers make for interesting cube mates.
8 Uniting the world, one user at a time	People in every country and every language use our products. As such we think, act, and work globally – just our little contribution to making the world a better place.
9 Boldly go where no one has gone before	There are hundreds of challenges yet to solve. Your creative ideas matter here and are worth exploring. You'll have the opportunity to develop innovative new products that millions of people will find useful.
10 There is such a thing as a free lunch after all	In fact we have them every day: healthy, yummy, and made with love.

We checked the blogs posts in each main topic against the reasons presented to see to what extent Google has an effective strategy to attract and retain IT professionals.

### 3.1 Compensation

Compensation was usually a key discussed topic about incentives. Table 3 shows exemplary statements of online community members addressing compensation incentives sub-topics. A recent employee clearly says that compensation is not the reason he joined Google (post A017). One of the discussed sub-topics was the wage compensation. Post A077, values compensation stability besides other benefits. Another blogger (post A104) emphasizes that his work would create great richness, and so, it should be distributed accordingly; however, according to him, it is not. Variable payment compensation, like stock options is an important part of Google incentive strategy. A potential candidate to Google, posted A040, says that the starting revenue there is not so good compared to any normal programmer activity. He also underlines the partial failure of recent stock options real benefits to Google employees (recently Google redefined and corrected some of these stock options clauses). Anyway, this blogger still values this incentive if employee stays in the long term with the company. He recognizes that this may incentivize the employee commitment with certain long term projects that may need more time to be successful than others.

Table 3. Compensation posts

Sub-Topic	Post	Statements
Global Compensation	A017	I joined here not to get rich, and I doubt I'll be a zillionaire anytime soon.
	A154	MOST PEOPLE who work at Google are in SUPPORT roles!! And they are getting paid way less than industry standard for working 50, 60+ hours a week for it!
Wage Compensation	A077	(...) I ran from 6 month job to 6 month job, never settling down, always worried about my next paycheck, never having benefits.
	A104	I currently work at a startup where the owners don't get it but have taken my work and the work of other and will soon be unloading it for millions. Good for them, but what about all of the people that helped them get there? Well you got your small pay check, wasn't that enough?
Variable Pay Compensation	A040	won't be getting rich from stock options anymore, not anytime soon. sure, if you get in now and work there 5 years, you've got a shot. (...) my own side projects are doing > \$6k per month in revenue. So you make a entry level programmer's salary.
	A102	Overworked, underpaid skeleton crews barely keeping a \$6 billion dollar a year revenue generating company going. (...) No more bonus, no more stock options (...) All in the name of the holy stock price.
	A136	I kinda wish my company had some of the aspects of their business, the main one would be the stock options and free food.
	B006	support people don't get stock options

Possibly, due to the fact that the titles proposed by the blog owner did not directly focus the attention on compensation, other incentive topics like work-life were more discussed than others. Anyway, the bloggers stressed the importance of work-life incentives over compensation. That is clearly in line with the top 10 reasons presented at Table 2 which underline work-life incentives.



### 3.2 Benefits

Benefits were the less discussed topic among bloggers. The only sub-topic related to benefits in discussion was about health and welfare. We present their posts at Table 4.

Table 4. Benefits posts

Sub-Topic	Post	Statements
Health and Welfare	A077	Now I work at Google. I could care less about the benefits of free laundry. I'm happy to have a dental plan
	A102	(...) no benefits except high priced health care options.

One posted the importance of having a dental plan stressing it over the laundry service (post A077). Post A102 values some benefits like having fair health care options.

Despite the importance given to benefits in the top 10 reasons to work at Google (see reason 5 in Table 2), it seems there isn't enough satisfaction on this issue. In fact, as shown in Table 1, health-care coverage is not provided at 100%. Google appears to give more importance to conditions at the workplace such as onsite child care, onsite fitness center or laundry services.

### 3.3 Work-Life

Work-life incentives were the most debated among bloggers (see Table 5).

Table 5. Work-life posts

Sub-Topic	Post	Statements
Caring for Dependents	A103	I'm in my 30's with kids. I would not recommend that combination with Google.
Community Involvement	A017	If helping to reduce carbon emissions AND providing Googlers with safe, restful, free and efficient transportation is infantile, then by golly, just gimme a pacifier now.
	A131	Plus the founders/CEO have all the right values, so no matter what your function is at the company, you're contributing to a good cause
	A139	any company I've worked at (about 5 in high tech), it's the only one who believes it's their responsibility to devote some resources to making it a better place — not only for the techies, but for the world's poor, my mom, or whatever. (...)
	A144	I've been over to google once for a charity dinner. I was impressed by the fact that google sponsored the event (...)
Work flexibility	A103	Collectivism. If I had a dollar for every time I've had the "Lone Ranger" analogy used in a negative sense...
	A142	We don't get free food but we pretty much have 90% freedom to do what we want as well as a company car.
	A146	I say NO, for one simple reason. Google allows for zero telecommuting. (...) I have a home, a life, a family ...

Sub-Topic	Post	Statements
Health and Wellness	A016	I'm confused... what's so wrong with trying to keep your employees happy? There's nothing inherently noble about doing your own laundry, cooking your own meals...
	A017	Amazingly delicious free meals on campus? I don't think infants would appreciate the tastes. (...) engineers happily NOT spending time driving and waiting off campus for food... that sounds like a pretty sensible, adult benefit to me. (...)
	A105	The question must become whether the free food, snacks, toys, and other cruff contribute to or ameliorate the unhappiness for most of the employees. (...) I suspect that the perks do much more good than they do harm (...)
	A137	(...) the same strategy is essentially a military one at its roots (...) It is cheaper to buy laundry services and food servers from KBR et al than to waste esprit de corps (...)
	B157	there are foosball tables in the support buildings, but who has time to play them?
Cultural Environment	A001	The dinosaurs and spaceships certainly fit in with the infantilizing theme (...) Everyone I know who works there either acts childish (the army of programmers), enthusiastically adolescent (their managers and overseers), or else is deeply cynical (the hot-shot programmers).
	A056	Google doesn't treat its employees like children, it decouples them from events not related to coding. Many Fortune 500 employers do treat their employees like children, counting keystrokes, filtering web searches, videotaping their every move.
	A102	Yeah, I'd kill for a little fun at work no and then...
	A103	The side projects are fun. (...) Ok, so it's not that you can't telecommute, but it is definitely discouraged big time. (...) The socioeconomic divide. Porsche driving developers always make sure that their (...) co-workers are aware of their car keys
	A105	I worked from home for seven years. I miss the thirty second commute.
	A110	(...) when we were kids we dreamed big. Those dreams weren't mature or polished, but the sky was the limit. Perhaps that's not such a bad thing to have.
	A128	Also they have done many studies that show the more hazing one goes through, the stronger the bond of the people that join that club. Google is a club.

One of the most referred sub-topics was the Google cultural environment. Either criticizing, either supporting, this aspect was much debated. Some defend an organizational culture based on a “college, whimsical life” environment which may “make a company better” (A016, A056, A102 or A103). Others think it could be part of a strategy with “infantilizing tactics” that increase the probability of retaining employees (A001). Community concerns, like the reduction of carbon emissions, were also presented by a recent googler (post A017) and an experienced one (A139). One of the most important flags of Google incentives is the everyday “plenty of snacks” (see Table 2). This is really appreciated by some (A016 or A107) even if others seem not value it (A128 or A137). So, these incentives seem to be different, innovative and appreciated.

A googler mentioned the “collectivism” as a demotivator arguing that he has no work flexibility to develop his own way (post A103). Same googler also mentioned the lack of “caring for dependents” incentives, the discouragement of telecommuting and the socioeconomic cultural division. Another remark from one blogger was about Workplace Flexibility (A142). Even if Google allows for the possibility of having a flexible agenda, it may be not enough for some practitioners. Administrative Efficiency was a new sub-topic that emerged (A157). Workplace stability was another one. Nevertheless, it seems this is not one of the main concerns among employees probably due to the fact that Google and other IT companies are still growing and then requiring more professionals. However, this may be due to a circumstantial and not a structural reason. Another emerged element was the kind of equipment and technology to work with (see Table 6). This seems to be important among IT companies’ professionals (A001 or A151).

Table 6. Work-life posts (new sub-topics)

Sub-Topic	Post	Statements
Administrative Efficiency	A157	Travel takes months to pay trip expenses. Payroll makes constant mistakes. (...) HR ‘lost’ my documents several times (...)
Equipment & technology	A001	People read the airbrushed versions of Google technologies (...) and think that Google has some amazingly large computer lab with amazingly powerful technology. But hang around a Googler long enough and you’ll hear them complain (...)
	A151	Google does have amazingly powerful computers and technology. It also has a shortage of machines and unreliable software. There’s no contradiction there.
Work Stability	A090	(...) as long as you can keep your job

Most of the top 10 reasons to work at Google (see Table 2) are related to work-life type of incentives. That is probably why most of the posts evolved around this topic. Google’s three main reasons, "lend a helping hand", "life is beautiful" and "appreciation is the best motivation", are basically confirmed as very important incentives for cultural environment at Google (see Table 2).

### 3.4 Performance and Recognition

Performance and recognition is another important topic related to incentives. Some posts and corresponding sub-topics are presented at Table 7.

Post A037 doubts from Google competence for keeping innovating. Significant IT activity is related to IS projects at their different levels of involvement, including code writing. Some criticisms appear about an excessive code writing hard work (A077, A153 or A157). On the other hand, the relaxed environment with bright colors, dinosaurs or spaceships is underlined as a performance promoter (A103, A116, A145 or A153). Someone highlighted the effectiveness of having a “carrot” approach with a creativity promoting environment (A116). Another referred facet that may promote higher performance is the brightness of the hired people. If people are not smart enough to think their way, the work will fail. Methodologies can even do serious harm to efforts of competent professionals because usually they try to force the work into an unchanging way. Some IT sectors have developed the idea that more

paperwork would solve their problems, but perhaps it is time to introduce the opposite notion that the voluminous documentation is part of the problem, not part of the solution (DeMarco & Lister, 1999). Still, someone said Google has too much focus on hiring technological practitioners neglecting other important knowledge (A107). The importance of having a culture where technicians and non-technicians are treated equally was underlined at post A171.

Table 7. Performance and recognition posts

Sub-Topic	Post	Item wording
Performance	A037	I don't see any new products/services coming out. Apart from the basic search and gmail Google has purchased everything else. Those that Google built are not popular. So what are all those "Best Brains in the industry" doing?
	A103	It is pretty easy to concentrate on my work and be productive.
	A107	The place is obviously run by the admittedly intelligent engineers and devs, and this is starting to show through a certain lack of product focus...
	A116	Google facilities and environment are clearly aimed at fostering creativity and retention — and of course maximal work output. I see nothing wrong with any of this when implemented through this kind of "carrot" approach.
	A127	products are great and they are fantastic productivity gains when used to but to work for Google you have to either buy into the Google religion or you don't work there.
	A145	Try working in an office without the bright colours (...) At first, you'll think it looks clean and professional, but after about 6 months, it really starts to wear you down.
	A153	the sausage making is tedious. it's not magical. (...) — a fact Google, Intel (which I've worked at), Microsoft (worked there too) are all too familiar with. Google, you pointed out, is suffering everything all other grow-fast, try-earnestly-to-be-the-coolest high-tech companies experience—the post-honeymoon letdown.
	A157	To see people with PhD from top-rank universities working as code monkeys 12h per day, or MBAs doing payroll... I don't know, I never got to understand it.
1:1 Meetings	A171	I have worked (...) where technical people have been regarded with contempt by sales and marketing people. It strikes me that this does not apply to Google.
Recognition	A103	A meritocratic atmosphere where "confrontation" is understood. Most people are used to having to prove their ideas

There is clearly a Google strategy to direct their professionals to creativity. That is evident at their top 10 reason: "boldly go where no one has gone before" (see Table 2). In addition, Google employees are called to develop their own projects hoping for new ideas to develop into products. The unconventional way Google manages IT professionals regarding performance and recognition acknowledges the specificity of this type of professionals.

### 3.5 Development and Career Opportunities

Table 8 presents development and career opportunities sub-topics evident at several posts. Having bright people can also be seen as a vital trigger to get great learning opportunities. Google seems to get bright people (A103, A116 or A131) but it is something that is not unanimous (A135 or A141).

Table 8. Development and Career Opportunities posts

Sub-Topic	Post	Item wording
Advancement Opportunities	A152	(...) drops this landmine right out of the gate: “Hi. (...) how about giving me a list of all the things you think Google is doing wrong?”
	A157	The only benefit I can find for working at Google is the reputation you obtain, because of the image it projects. (...)
Learning Opportunities	A103	Smart people to brainstorm with.
	A116	I might add that all of the Google folks I’ve met or otherwise been in contact with have seemed intelligent, friendly, and concerned about important issues
	A124	I really encourage your Google engineer friends to AT LEAST read the GFS paper
	A131	Hands down it remains the best place to work — worldwide — because we’ve been able to hire the brightest and mostly non-self-centered people out there.
	A135	I’m an ex-googler (...) The place is basically run along cult lines and the “smartest people in the room” thing is bullshit too, they’re no smarter than any other (...)
	A141	(...) employees can believe their co-workers are of a certain calibre (“they must be smart, they passed the test”), and Google can play it up to the world.
	A167	Until recently most hires had to have a few years of experience, so there is a gap in your thinking that they want to perpetuate the “college life.”
Role conflict	A077	I had two managers with conflicting agendas (...)

One post ironizes about it, saying the admission tests results are mainly an internal and external “flag” (A141). Developing bright solutions also attracts people (A124). Job and problems challenges can be an attraction to some professionals. The answers to those problems may be an internal advancement opportunities or a recruitment motive (A152 post refers to a question made during a Google recruitment interview). Having worked at Google may represent an external advancement opportunity (A157) but the multinational facet was not referred as an opportunity for employees.

Posts appear to support the idea that IT labor market values a Google professional experience, sustaining that it is a “good company everywhere you look” (see reason 7 in Table 2),. Employers seem to value it and so employees. Another top 10 reason pointed by Google (see reason 8 in Table 2) holds that “people in every country and every language use

our products" evidencing the quality of Google products and an exciting learning environment for those professionals willing to join the company.

#### **4. CONCLUSIONS**

Incentives policies in IT companies should take into account different motivations for IT professionals' behavior. A better understanding of these behaviors will allow organizations to develop incentive policies under a total reward strategy. Understanding the incentive policies at one of the best IT companies is just a start.

Google was considered one of the top five best companies to work in U.S.A. in the last four years (Fortune, 2010). It is definitively considered a superior firm to work. Still, several threats exist evidencing the importance of defining a careful incentive policy. According to The Wall Street Journal, about 10% of Facebook's employees are Google veterans, so the retainment of Google's professionals may be a key problem. Facebook and other Silicon Valley firms have aggressively poached employees from Google's talented staff. Google recently announced a \$1,000 holiday cash bonus in 2010 and a 10% company-wide salary increase followed by an additional raise from moving a portion of target bonuses into the base salary for 2011 to more than 23 000 of its employees across the world (Efrati & Morrison, 2010). The Google Chief Executive Officer (CEO) Eric Schmidt explained they want to raise morale, to make sure employees felt rewarded and to continue to attract the best people. Googlegeist, an annual employee survey of Googlers, showed that salary is more important than any other component of pay (i.e., bonus and equity) (Blodget, 2010). This announcement happened after Google and five other IT firms (Apple, Intel, Adobe, Intuit and Walt Disney Pixar Animation) agreed to scrap secret no-poaching agreements to avoid the U.S.A. Justice Department antitrust suit. They argued this agreement was needed to work together with no fear of losing their best employees (Catan, 2010). Equity award programs could represent a motivator factor but may not always be successful in attracting new employees and retaining and motivating their existing employees (Google, 2010b).

We used netnography to research two blogs, applying the WorlDatWork (2008) incentive model topics and sub-topics to interpret and organize posts. Selected posts reveal that among the used five main topics, some are definitely more mentioned than others. Benefits were the less cited. Compensation posts seem to indicate that wage was not the main reason to work at Google. Nevertheless, this is still something valued by employees, apparently justifying the recent board decision to make a company-wide wage increase. It was also evident that variable payment compensations at that time (from 2006 to 2008) were not as effective as they should be. This also could justify 2009 Google's initiatives regarding stock options. The performance discussion was mainly around the admission of intelligent people and, in a certain way, about the relaxed environment culture. By the same reasons and because of the rich technology atmosphere, Google is usually considered a good firm to advance or learn.

Work-life incentives were among the most discussed topics with issues on organizational culture like the one on special "college" culture environment or a strategy to "infantilize" employees. All those posts just pointed out to the importance of work-life incentives in attracting and retaining IT professionals as it is also notorious in the top 10 reasons to work at Google.

Netnography, compared with other research methods such as surveys or experiments, was less time consuming, potentially less obtrusive and less costly. The observations were extracted from a non fabricated environment by researchers. Yet, according to blog entries theme selection, some topics were more developed than others and so, could have led to a more narrow focus. Still, a life community experience would offer richer details that could only be felt by living it. It is also normally difficult to generalize results from netnography. Future research should consider using other methods for triangulation (Kozinets, 1998, 2002). The adoption of a particular individual's blog entries has some limitations. Sometimes, "blog is a near-autocracy where the owner remains the undisputed star of his/her own page", unlike more collective and democratic forums like newsgroups and mailing lists (Kozinets, 2006). As Aaron Swartz said: "*I like sharing my thoughts and I like hearing yours (...), but fundamentally this blog is not for you, it's for me*". Blogs may skew, attracting some and dismissing others. However, the blogs in this research were largely and differently participated.

This study generated new insights regarding topics to be considered in a total reward strategy for IT companies. Moving beyond compensation and benefits that are usually expected when talking about reward strategies, another category of incentives came into sight as important: work life incentives. In this category, community involvement, health and wellness, work flexibility and cultural environment seem to get more attention. In addition to the previous ones already included in the WorldatWork framework, the study suggests administrative efficiency, workplace stability and working conditions regarding equipment and technology as also important in the same category of work life incentives.

As shown by Google's recent initiatives, looking into incentives policies to attract and retain talented IT people is of the highest importance. However, compensation and benefits are just some of the incentives to act upon. Work life incentives should also be considered in a total reward strategy for this type of employees. This study identified some of them but it is just a starting point calling for additional research in other IT settings.

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