

The Y in Google: Attracting and Retaining the Millennials

Emphasizing her belief that the future of Michigan's economy would depend on high-tech companies, the encouragement of entrepreneurship, and the attraction of talent, Michigan Governor Jennifer Granholm called Ann Arbor's recent attraction of search engine giant Google "the most obvious example of what we are trying to build, as we reshape the next Michigan. We love the Michigan that has been, and is - we love our auto economy - but we know we have to enlarge and diversify the economy to keep young people here."¹

Google has been touted as flying the flag of hope for Michigan's economy, which over the course of the last decade has struggled with keeping young talent from fleeing its lakeside borders. U.S. Census Bureau figures estimate that 42,600 college-educated young adults left Michigan between 1995 and 2000, while only 26,600 moved to the state. This reduced Michigan's young adult population by more than any other state at the time except Pennsylvania.² So, what could be learned from Google, one of the most sought-after employers by today's college graduates, which would help Michigan retain local alumni and attract talent from other parts of the country?

Background

Since its founding, Google has created the dominant Internet search engine, redefined the concept of advertising, and taken on the mammoth mission of "organizing the world's information and making it universally accessible and useful."

Google's founders, Larry Page and Sergey Brin, developed a groundbreaking approach to online search that began in a Stanford University dorm room and eventually spread across the globe. Google's incredible growth was exemplified by its stock performance. Since going public in 2004, its stock price skyrocketed from \$85 to a high of more than \$550 in July 2007. (See **Exhibit 1** for quick facts about Google.)

The company's profit was driven by its online advertising revenue, which came mainly from its AdWords product. AdWords enabled advertisers to reach potential customers by displaying ads related to the key words they typed into the Google search engine.