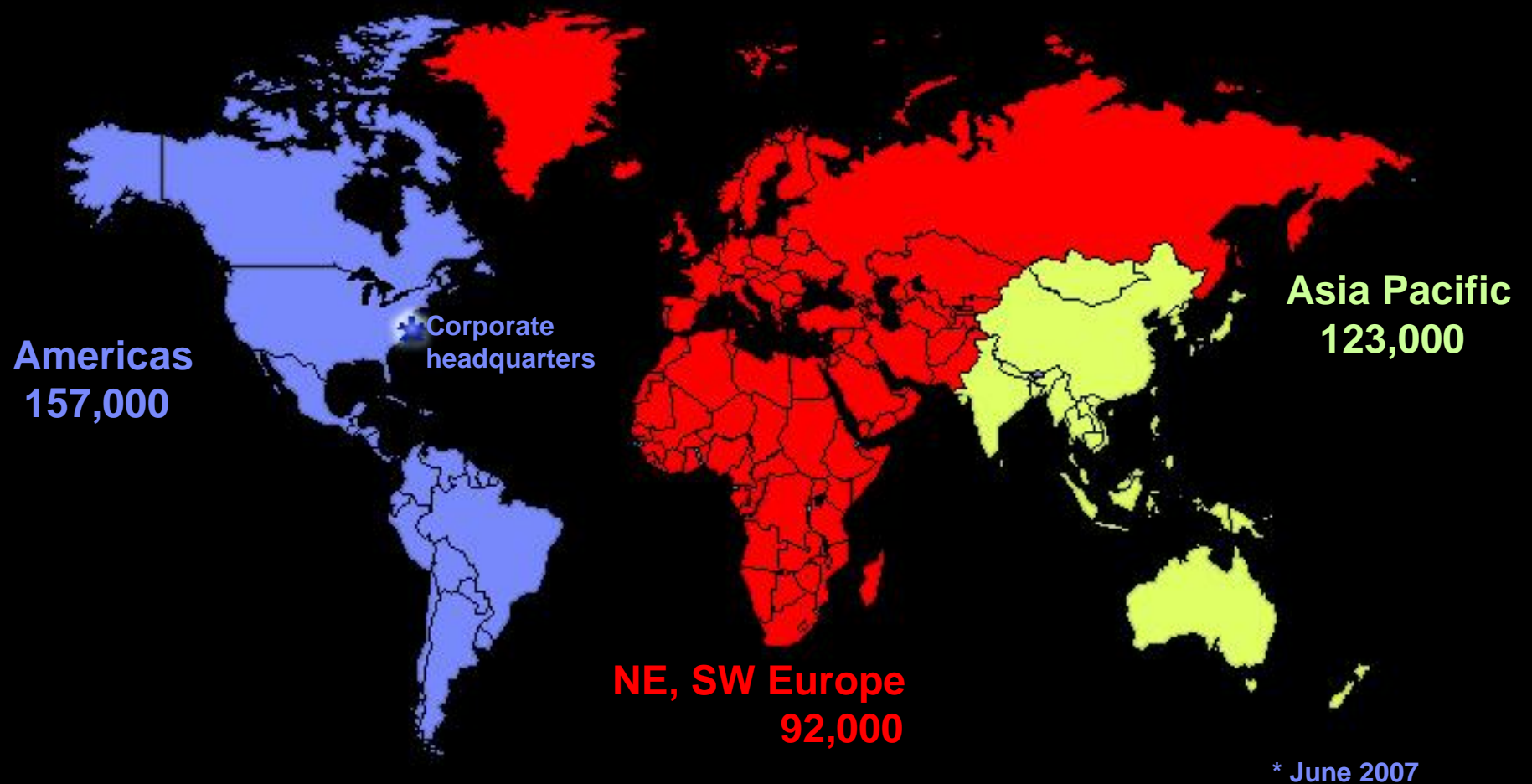# IBM
A Globally Integrated Enterprise

Jai Menon
IBM Fellow & Vice President, Technical Strategy
Vice-Chair, IBM Academy of Technology

372,000 IBMers in 170 countries

Americas
157,000

Corporate
headquarters

NE, SW Europe
92,000

Asia Pacific
123,000

* June 2007

The Changing Nature and Scope of Innovation

Open

Collaborative

Multi-disciplinary

Global

Global Economy in a New Era
21st-Century Drivers of Change

Network Ubiquity
§ More than a billion Internet users today

Open Standards and Openness
§ Widely-adopted technical and transaction specifications
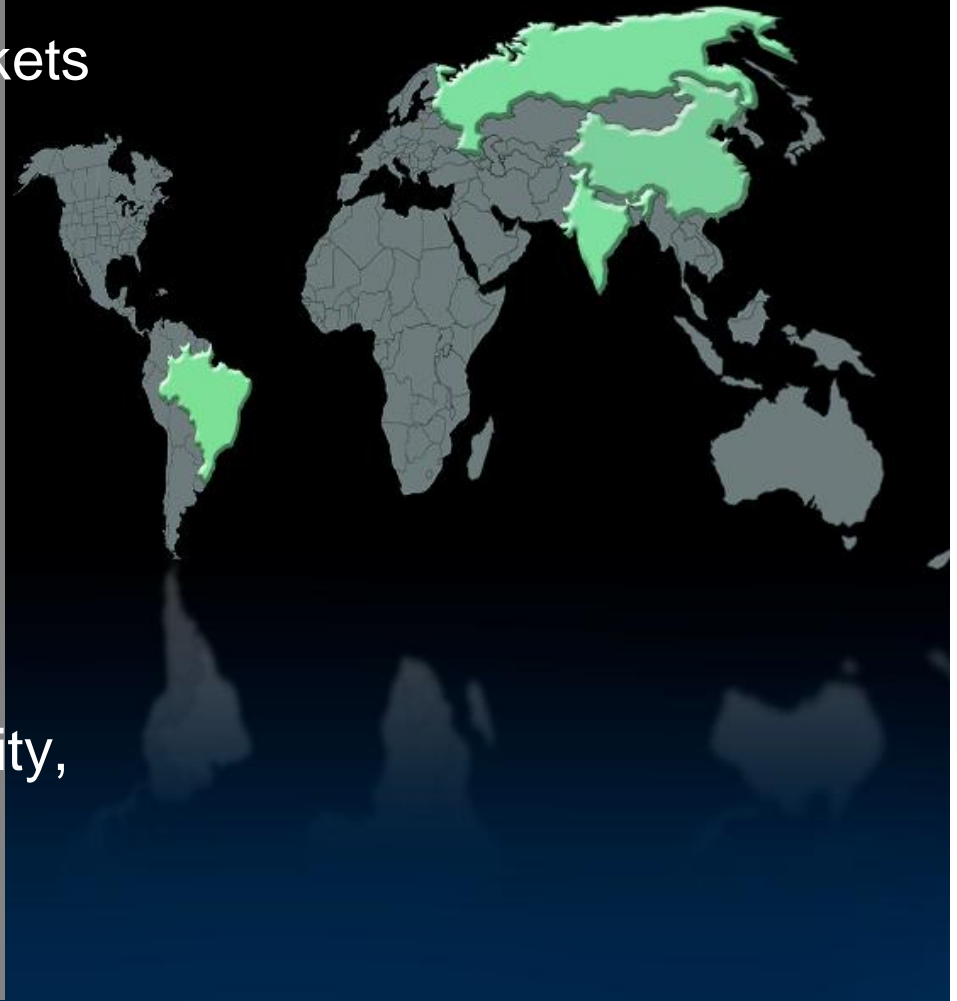
New Business Designs
§ Horizontally-integrated operations

The Globally Integrated IBM
Making the Whole of IBM More Efficient

§ Extending reach into local markets

§ Reallocating talent

§ Optimizing and integrating
key operations

§ Eliminating redundancies
and excess overhead

§ Leveraging world-class capability,
wherever it is located

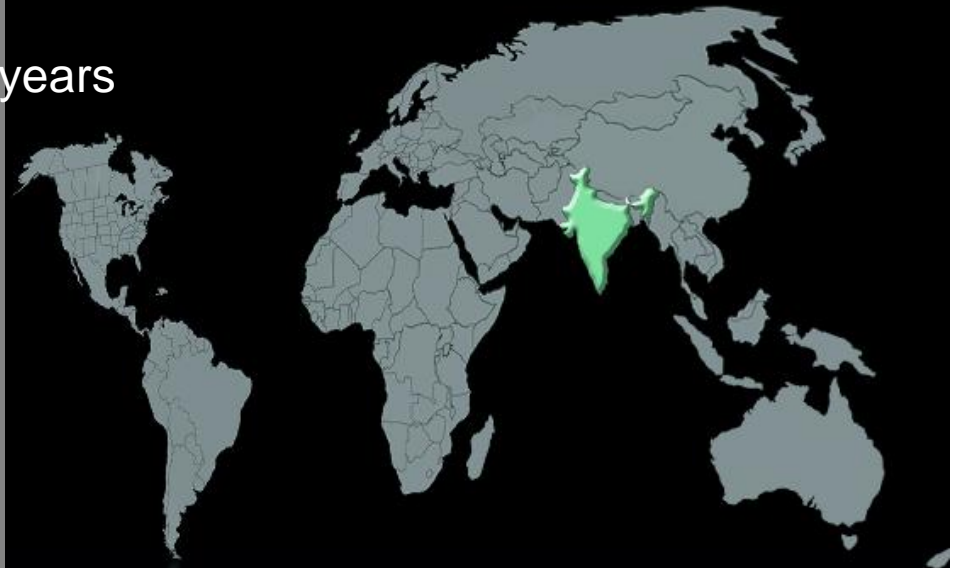# The Globally Integrated IBM

Example: India

Over 50,000 IBM Employees
Fastest growing, 30% YoY growth for 4 years

$6B Investment Over Three Years
- People, Infrastructure, Capital

Most Immediate Steps
- Advanced Global Service Delivery Network
- STG Innovation Development and Executive Briefing Center
- Telecommunications Research & Innovation Center
- High-Performance On Demand Solutions Lab
- Enhanced University Relations

The Globally Integrated IBM

Example: China

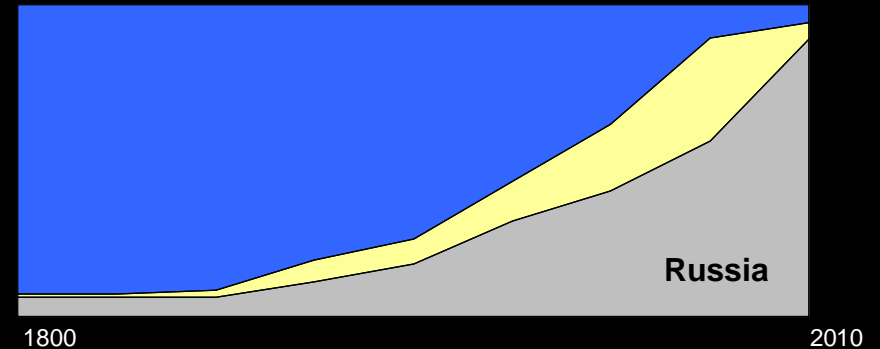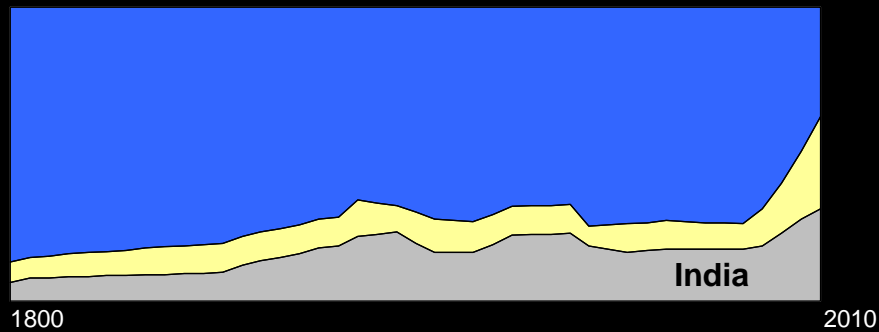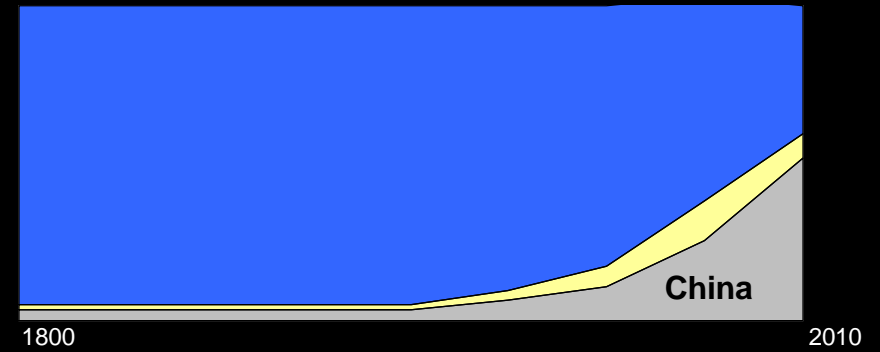10,000+ IBM Employees
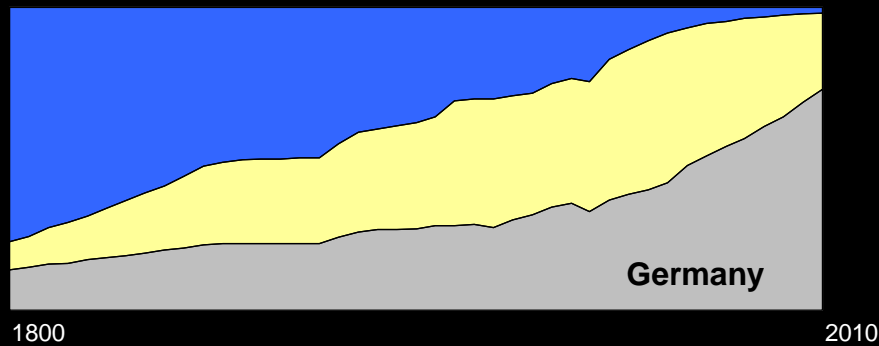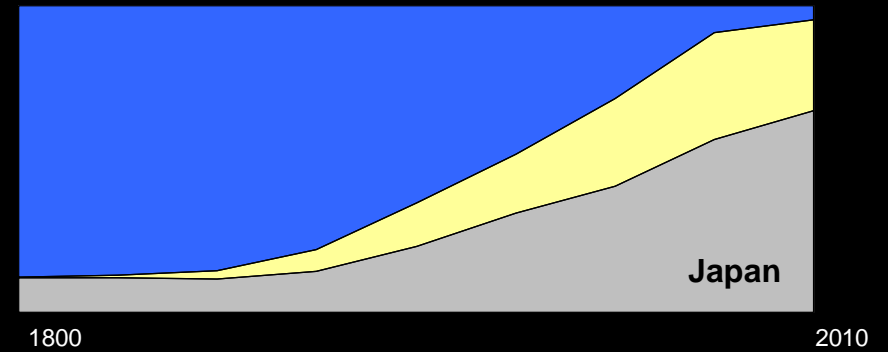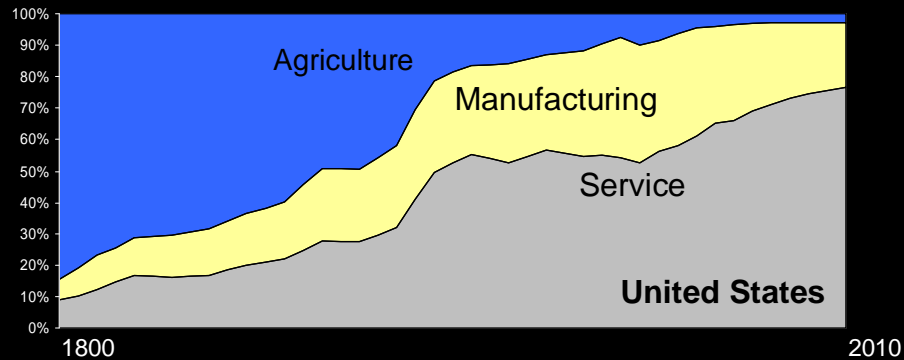
"A China IBM, not an IBM China"

Henry Chow
CEO, IBM China

IBM Presence

§ Three Global Service Delivery Centers
§ 17 Service Delivery Centers
§ Research Lab, SW Development Lab (Beijing)
§ Systems Center
§ Business Innovation Center

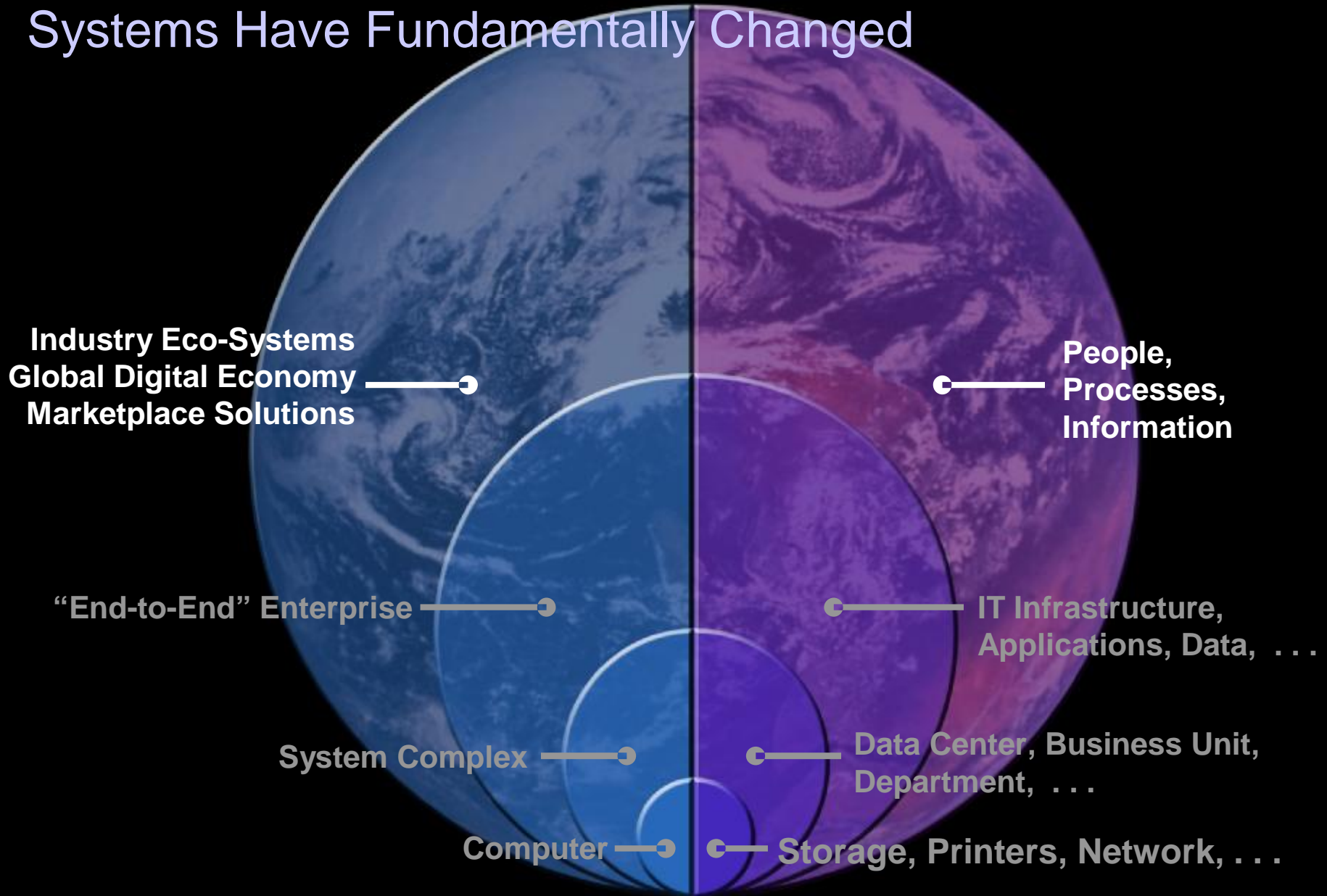# The Global Marketplace has Fundamentally Changed

United States — Agriculture, Manufacturing, Service (1800–2010)

Japan (1800–2010)

Germany (1800–2010)

China (1800–2010)

India (1800–2010)

Russia (1800–2010)

Source: IBM Study, 2004

Systems Have Fundamentally Changed

Industry Eco-Systems
Global Digital Economy
Marketplace Solutions

People,
Processes,
Information

"End-to-End" Enterprise

IT Infrastructure,
Applications, Data, . . .

System Complex

Data Center, Business Unit,
Department, . . .

Computer

Storage, Printers, Network, . . .

The 21st Century Demands Uniquely-Skilled People

§ Cross-disciplinary programs and degrees

§ Fusing technical competency with industry-specific knowledge and business-process expertise

§ Success requires open collaboration among academia, government and industry
  – To transform how the pipeline of future skills is built

§ SSME – Service Science, Management and Engineering