



**STOP**  
FOLLOWING.  
**START**  
LEADING.

Taking Charge of Change

31st January 2008



A vertical photograph on the left side of the slide shows a road at night with long, curved light trails from cars, transitioning from red to yellow to white.

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Creating A Globally Integrated Enterprise

31st January 2008

Linda Sanford,  
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Transformation & Information Technology, IBM

# The Rise – and Impact – of Globalization

- **Access to global talent – doubling of the labor pool**
- **Social and political tension over globalization's pace, impact, interconnected markets**
- **Open standards, and a proliferation of componentization**
- **Host of collaborative tools and organizational models**
- **Significant empowerment of individuals**



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# The Evolution of the Corporation

The international era -- exporting



20th  
Century

The multinational era -- replicating



20th  
Century

Today - a globally integrated enterprise... business without borders



21st  
Century



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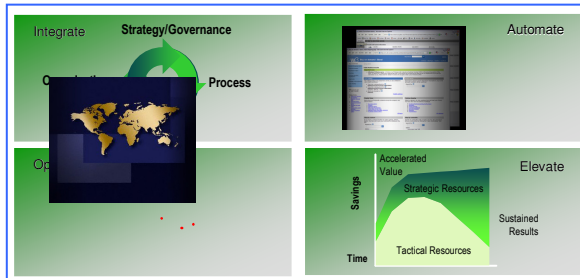
~~The Destination.~~ Our Destination for Transformation



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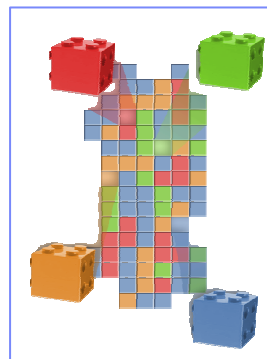
# Processes and IT Enable Employees & the GIE



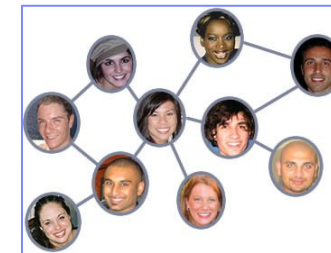
Globalized support functions



#3

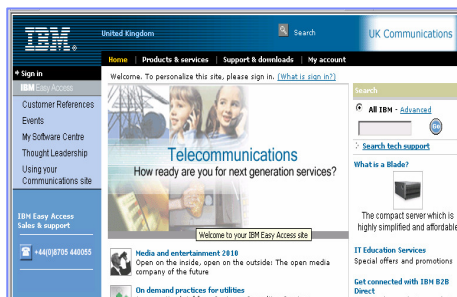
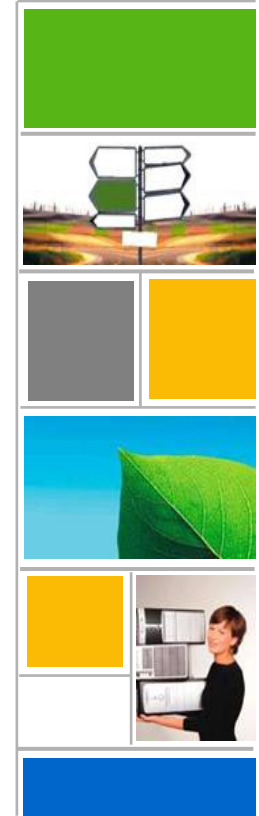


SOA

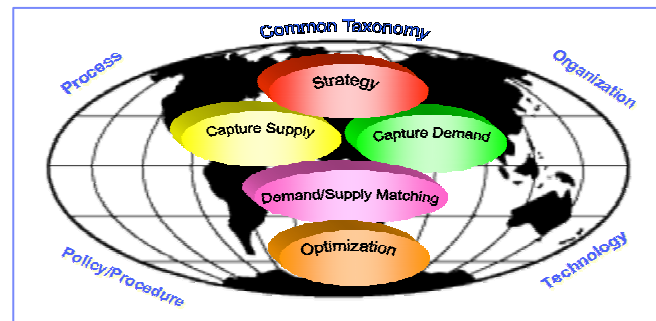


Web 2.0

Project Big Green



Web Experience



Human Capital Management



Market Alignment Project

# Project 'Big Green'

- **IBM to reallocate \$1 billion each year:**
  - To accelerate “green” technologies and services
  - To offer a roadmap for clients to address the IT energy crisis
  - To create a global “green” team of almost 1,000 specialists from across IBM
- **Re-affirming a long standing commitment at IBM:**
  - Energy conservation efforts from 1990 – 2005 have resulted in a 40% reduction in CO<sub>2</sub> emissions and a quarter billion dollars of energy savings
  - ***Doubling compute capacity by 2010 without increasing power consumption***
  - ***Saving 5 billion kilowatt hours per year... equals energy consumed by Paris - “the City of Lights”***
- **How IBM will benefit:**
  - Consolidating 3900 distributed servers onto 33 System Z mainframes
  - Expect savings up to 80% in annual energy costs and 85% savings in total floor space
  - Freeing up technical skills to move from system admin to value-add work



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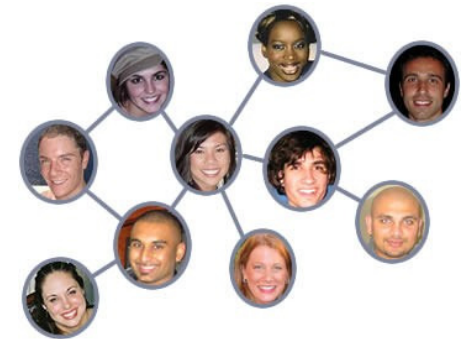
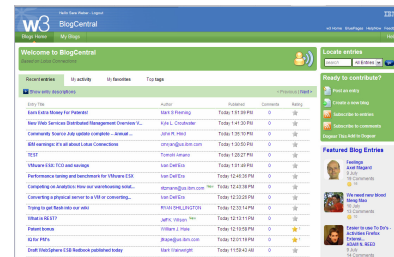


# Collaborative Innovation: Leveraging Web 2.0

**Creative ways of connecting employees to improve collaboration and effectiveness**

## Examples

- Technology Adoption Program
- Communities of Practice
- BlogCentral
- WikiCentral
- Situational Applications
- Podcasting
- Social Tagging
- Community Reputation System
- MetaVerse



*"Google is often portrayed as the technology hipster, rolling out Web applications almost at whim. But unseen to the public, IBM is rolling out Web 2.0 technologies such as blogs, wikis, mashups and virtual reality technologies to help its employees be more productive. Inside its firewall, Big Blue looks pretty hip." -*  
- Clint Boulton, eWeek

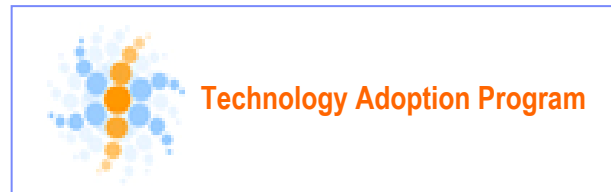


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# Innovation that Matters – For Our Company and for the World

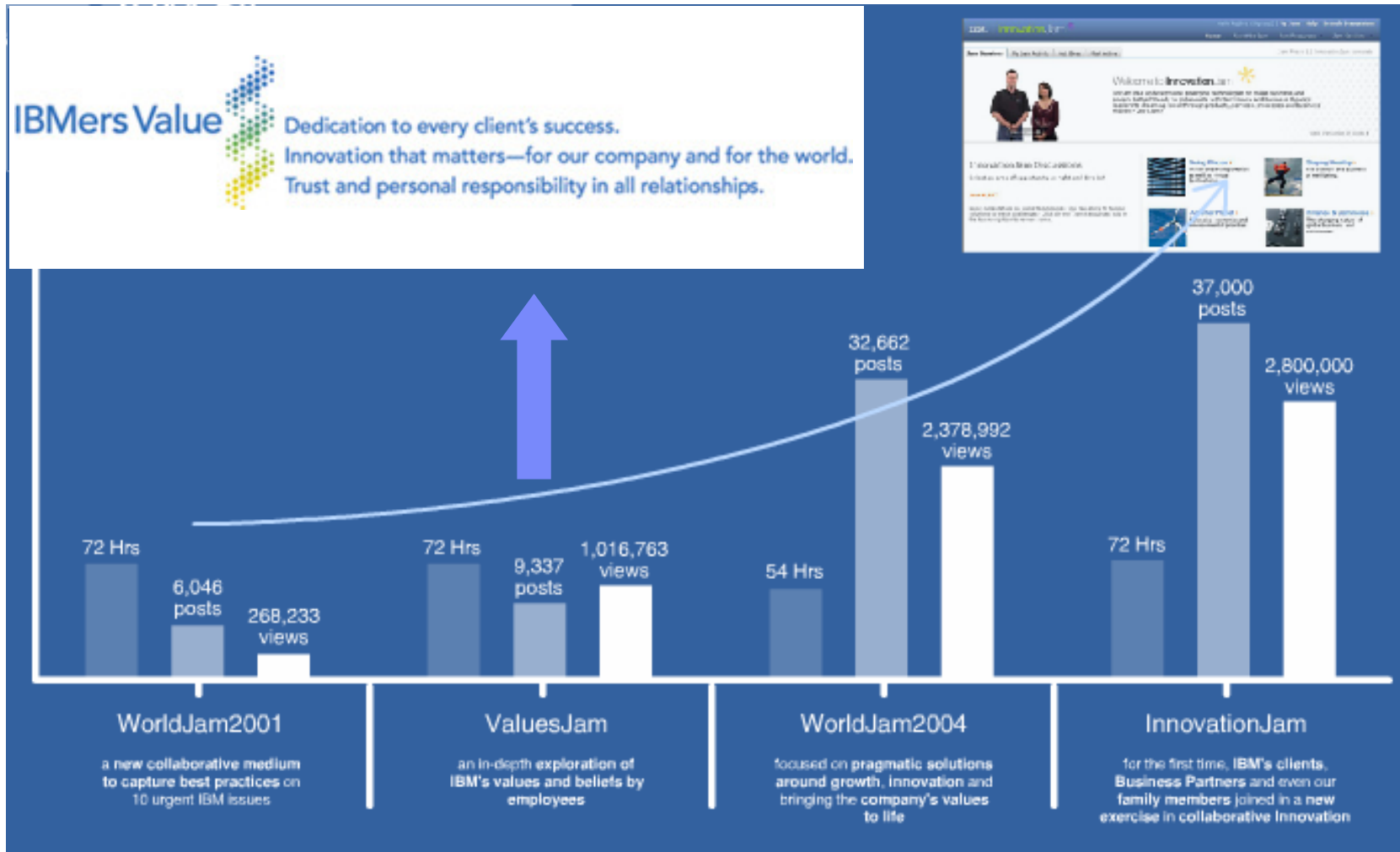
**Collaborative innovation across the ecosystem  
(Clients, Partners, Academia, Employees)**



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# Jams: Company-wide collaboration to drive innovative ideas



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# center for **CIO** leadership

A GLOBAL COMMUNITY TO ADVANCE THE PROFESSION



*"It is a great time to be a CIO. We sit at the center of it all."*

*~Patricia Hewlett,  
CIO, ExxonMobil*

- Global learning community
- Practical research; executive development
- Path to greater influence and impact for IT leaders

<http://www.cioleadershipcenter.com/>



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# Creating a Globally Integrated Enterprise: A Few Early Lessons Learned

- Integration efforts require support, engagement and accountability by senior leadership
- Change initiatives involve participants and teams from across silos and around the globe
- Collaborative technologies stimulate innovation
- Driving IT infrastructure efficiencies can free up resources to fund transformation investments
- Transformation must be supported by global structure, common processes & IT platforms & shared culture



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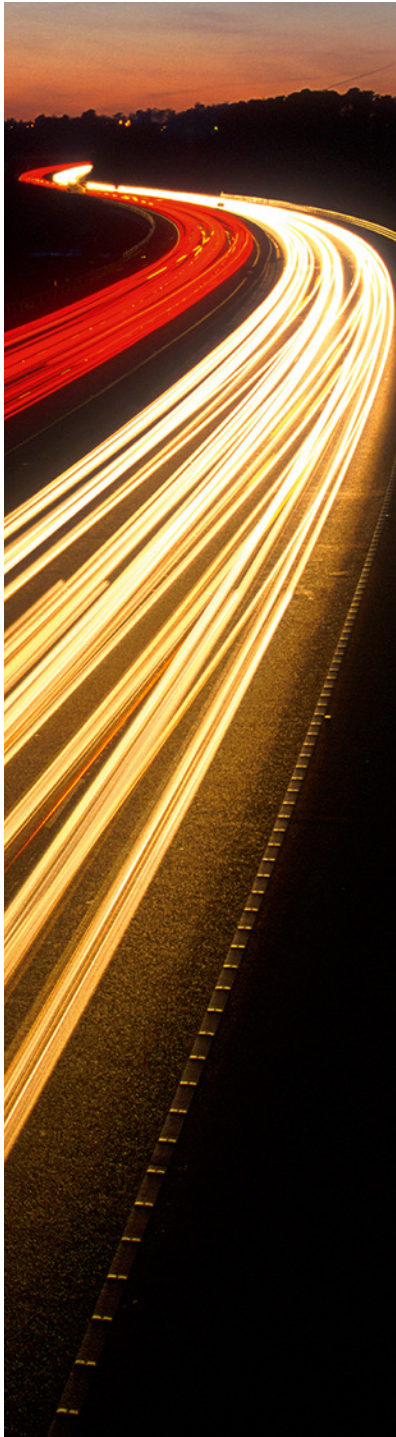




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**START**  
LEADING.

Thank You

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