#### **BusinessConnect**

A New Era of Smart 29/05/2013

## IBM's Social Business Journey

Enabling growth, productivity, and culture change



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## Our social business journey is ongoing...



- 80's and 90's: Online VM Chat Forums (1980s), employee portal, W3 (1996), Lotus SameTime Instant Messaging (1998), Developer Works Communities (1999)
- 2001: First all-employee online brainstorm, WorldJam
- 2003/04: ValuesJam: employees collaborate to create Values; BlogCentral: All employee blogging platform on intranet; Developer Works; blogs on ibm.com, WikiCentral launched on W3
- 2005: Employee self publishing platform, IBM Media Library launched on intranet, IBMers write blogging guidelines
- 2006: IBM hosts innovation Jam for employees clients, family members, friends
- 2007: Cattail: social file sharing, DogEar: social tagging, Fringe4:internal social networking
- 2008: BeeHive: Internal social network; BlueTwit: Micro-blogging behind firewall; Blogging Guidelines refreshed (NOW Called Social Computing Guidelines)
- 2009: Connections established on W3 and ibm.com; SocialBlue: Internal social network; Conduct enterprise risk
  assessment; Legal publishes social computing FAQ; All employee BCG education
- 2010: IBMers form largest employee communities on Linkedin, Facebook, Twitter; social
  Computing Guidelines 3.0; IBM SVPs Host Social Business Forum; Social media located on IBM Enterprise Risk Map
- 2011: Social Business @IBM tool Launched; Social Business Management Council; Host social business Jam; Build social
  Intelligence System for always-on crisis and opportunity monitoring & workflow
- 2012: CEO blogs on her first day in office; Digital IBMer certification implemented
- 2013: Client Experience Jam; 1-3-9, Think Academy, IBM Expertise, Think management



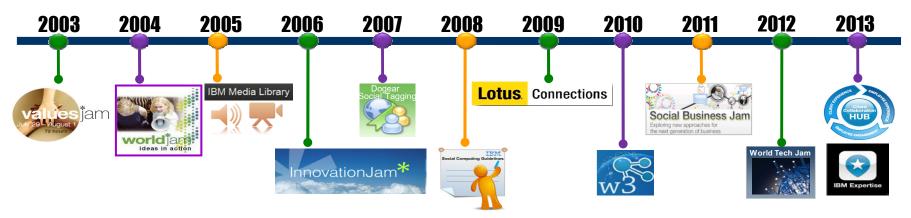
## Tools and approaches to call people into action





"We are just beginning to scratch the surface of what we are going to do with social at IBM. We will be the preeminent social enterprise, make no mistake about it."

- Ginni Rometty, All IBMer Announcement "Client Experience Jam Results", July 25, 2013





## IBM's Journey to becoming a Social Business



### 400,000+ employees

in over 200 countries

50% workforce

has less than 5 years of se

71% of employee population

is outside of the US

## 50% of employees

work remotely, not from a traditional office

> Mobile Office 1990s

**Traditional Office** 1980s

Best in class 2014

**Social Business** 2008

Social Networking 2004

Collaboration

2000



75M total meeting min/month

LinkedIn in 333,000 IBMers 31 million IBMer Connections **Twitter** 32,000 IBMers active/month **Facebook** f

171,000 list IBM as a workplace

Corpora

## A New Era of Smart How work is performed is evolving













#### 1. Technology will be all-pervasive and universal

- · Based on cloud, mobile devices and internet
- Driving borderless collaboration and automation of tasks

#### 2. Talent will be worldwide

• Social networks and future technology will increase the capability for talent to network and for companies to access talent globally and 24/7

#### 3. Skills will be specialized

· Less generalist, more in-depth mastery of specialist skills and the ability to collaborate and compete will be required

#### 4. Expectations of work will change

- Skilled workers will be more individualistic and expect more flexibility. Digital reputations will be the basis of employability
- The norm will be to work more from home or in small community hubs to avoid carbon costs and lengthy commutes

#### 5. Labor regulations will evolve

- Legislators who continue to try to protect employment by law will put their economies at risk
- Highest standards of corporate citizenship will be expected by governments, unions, media and employees



## A New Era of Smart We have several business challenges impacting workforce





An **adaptable workforce** that can rapidly respond to changes in the outside market

No cookie-cutter approach to employment needs of a global talent base



**Effective leadership** to guide individuals through change and deliver results

High focus on Leadership - Pipeline Assessment & Development



An **integrated people management model** that addresses the entire employee lifecycle

IBM differentiators that provide a complete Employee Experience



Workforce analytics that can deliver strategic insight and measure success

Relevant measures that drive business value

Enhancing people performance in today's turbulent business environment requires focused leadership



## Senior Executive Point of View



"This isn't just a change in tools. It's a change in mindset and organizational culture" "In a social enterprise, your value is established not by how much knowledge you amass, but by how much knowledge you impart to others."

- Ginni Rometty, Council on Foreign Relations speech (March, 2013)





...to become the world's leading social business...



## HR Ongoing Taking action



- Apply science and analytics to the art of talent management
  - Forecast the need and availability of key skills and key roles



- Build social capabilities into the fabric of your organization
  - Enable employees to locate, connect with others with right skills
  - Rethink learning programs to adapt to a more social, interactive generation
- Work with internal and external partners to unlock new sources of value and deliver new capabilities
  - Form new internal partnerships that address key strategic initiatives such as branding (Marketing), collaboration (IT) and risk (Finance)





Top performers are **5.4**x more likely to use an analytic approach

over intuition and gut instinct when making

decisions.1

Highly engaged employees are

87%

less likely to leave

their organizations than highly disengaged employees<sup>1</sup>



across the value chain, especially in consumer packaged goods,

# can increase margins

by up to **60%**<sup>2</sup>

Source 1: The New Path to Value, a joint MIT Sloan Management Review and IBM Institute of Business Value study. © 2010 Massachusetts Institute of Technology. Source 2: Source: 2012 McKinsey Global Institute: The social economy: Unlocking value and productivity through social technologies; Source 3: Role of engagement in return to growth, Bloomberg Businessweek Aug 2010;





## A smarter workforce enables leaders and managers to:

- · Identify, attract and retain the best people that fit their culture
- Develop employee skills
- · Cultivate new, highly engaged leaders



