

The New Collaboration: Enabling Innovation with IBM Global Technology Services

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Barbara:

Hi, I am Barbara Leonard and you are listening to an IBM Podcast with Liz Smith, General Manager, Infostructure Services, and Global Technology Services at IBM.

We are going to be talking today about collaboration and how IBM can help clients take advantage of today's technologies and use collaboration to drive innovation and differentiation.

Liz, I know you speak with clients all the time and in today's global economy the way companies do business has shifted dramatically. Overall workforces are more dispersed than ever before but we also know sharing information and expertise is an important component for success. How important in your view is collaboration in today's competitive landscape?

Liz:

Hi Barbara, thanks for having me today. Working collaboratively is essential. It's one of the most critical elements for success and businesses today and in fact it's not an option. Businesses really need to address this issue from a strategic perspective. Let me just share with you some information that we recently discovered from our client surveys. We regularly survey our business executives and try and stay in tune with what's on their minds and what's important to them and what's keeping them up at night. Some of our recent feedback from CEOs, CFOs and CIOs alike, cited collaborative innovation as one of the most important competitive advantages that they must cultivate within their enterprise.

As corporations, not for profits, government entities, are becoming more globally integrated and as traditional geographic and competitive boundaries disappear, the need to identify and then to develop and connect the right people has never been more critical. How do their people share ideas and collaborate across organizational and geographic boundaries? Are they willing and able to take reasonable and informed risks? Are managers at all levels enabling their teams to work differently and empowering those closest to the client? How do you gain employee commitment to certain behaviors and actions and decisions that are needed to be made for success in this new operating flat world model? Workforces need to collaborate across their organizations, connecting individuals and groups that are separated by organizational boundaries, time zones, as well as cultures.

When I meet with clients, regardless of where they're located around the world, they all recognize that good ideas come from not only all areas of their business but extending beyond the walls of their business to the larger ecosystem which is made up of their connection to their business partners, their suppliers and, of course, their clients. There's a shift in thinking that's taking place as a result of globalization. As the world gets flatter, we have access to more information, more customers, we face new competitors and we have the potential to team with a different set of partners. In order to compete effectively in this new landscape, businesses must foster collaborative relationships that drive that innovation. It's that type of environment that is breeding success in today's market.

Barbara:

That's an interesting point Liz. Are you saying that businesses need to collaborate both internally and externally?

Liz:

Yes, I think that smart businesses are looking for ways to first connect their own employee groups. So, how do I get the best out of all of my employees? How do I get the most out of them? How do they learn from one another? How do they share information, as well as connect to other communities outside the firewall so that they can tap into knowledge that resides not only in-house, but externally as well? So for instance in IBM, we connect a lot with local universities or universities around the world so our laboratories are looking at new technologies. We connect to some of the laboratories inside of universities and with some of our clients as well so we can share ideas. We do this very successfully and companies that do so ensure that their corporate culture is one of real collaboration and trust.

Barbara:

Thanks Liz. What do you think is the driving force behind collaborating to innovate?

Liz:

I think one important challenge is being able to find effective ways to harness the intellectual firepower within an organization. How you get people who are not necessarily organizationally aligned collaborating and sharing the knowledge that results in innovation for clients. I think this is especially important as the population is aging. We'll see in some countries higher retirement rates. I also think that this idea of globalization and the competitive environment that it is causing is making this a business imperative.

It's human nature for us to all bounce ideas off of colleagues. It is sometimes not so easy to get in touch with those colleagues but often times we do so to give our clients the very best answer in trying to solve a problem or opportunity on their behalf. With today's technology, we have the ability to collaborate with anyone in the world and not just the person down the hall. That's a significant change and it's a cultural change and an exciting change that's opening a lot of doors for us.

If we look at IBM, we are both a provider and an early adopter of the Web 2.0 technologies that encourage communication within a company and within the ecosystem of the company; so with our suppliers, partners, and customers. We've hosted a series of internal corporate-wide collaborative discussions and we call them, "Jams." We recognize that by collaborating with a broad group instead of just a few folks that are locked inside of a conference room, we tap into unbelievably bright, engaged, and insightful people made up not just of our employees, but also our clients, business partners, academic institutions, as I mentioned before, to help really identify some of the most promising emerging technologies and capabilities.

This really demonstrates the power behind collaboration to advanced innovation both discovering new ideas and the execution of those ideas. We have seen where we had more than 150,000 people from over 104 countries participate in these kinds of Jams helping us to generate over 46,000 new ideas.

When we did this innovation Jam inside of IBM, our chairman committed to investing \$100 million over two years to pursue just a few of those new ideas generated within the Jam. This was unprecedented in our business and clearly an experiment in collaborative innovation. It was a new way for us to look at pursuing new business opportunities whereas in the past most of our strategy and direction that we have developed inside of our company had been very proprietary. Now we're reaching outside of our company to gain new ideas.

We are starting to see clients in all industries implementing these kinds of innovations to drive new ideas and differentiation for their businesses. A recent example is the challenge faced by the merger of two large banks that had brought together 40,000 employees to work and innovate for their clients. As those two companies merged they were looking for fast, efficiency and sharing across their employee base. By using collaborative and social networking tools, we were able to enable a much more rapid integration of the two companies thereby improving the return of the acquisition, but also most importantly, improving access to the information that allowed them to bring new products and services to market much more rapidly. And then have the support for the sales team who are speaking to new customers to have the greater expertise behind them as they went to market with those new products and services.

Barbara:

Liz, you have given us some terrific examples of collaboration. What makes this type of collaboration possible?

Liz:

Well Barbara, in today's world it's really the underlying technologies that make it possible. In IBM we have built these capabilities around a collaboration platform including Web, audio conferencing, instant messaging and the ability to connect our workforce using all types of devices whether its voice, data or video. We have developed a myriad of other tools such as

portals, directories and social software tools to help people find and connect and then share ideas and information.

For instance, IBM Lotus Connections is a great example of one software offering that we have that helps companies incorporate blogs, tags and other 2.0 tools. We can advocate these technologies to clients based on not only how we've used them internally in our own personal experience, but also to help them as we have helped other clients drive collaboration and innovation.

For our clients, IBM has teams of people around the world working with businesses to identify different ways to collaborate and help them innovate and drive business models. There is a range of services that we provide. We can first help build the communications environment that integrates voice, data, and video and integrate them with collaborative applications to create this robust and easy-to-use environment. We basically converge the communication networks and then rest of the collaboration platform on top of that converged network. Then we plan and evaluate and select and implement the right software for the client within that environment. So what rests on that collaboration platform is critically important.

Then, we help the client build capabilities or we personally will deliver the service for them to secure the valuable information that is gathered through those collaborative efforts, as well as the applications that are needed to enhance the learnings that are created as a result of the collaboration. We can then train and provide the ongoing support for the end users who make use of the collaborative environment to make sure that they're getting the maximum value and productivity.

For instance, if we look at IBM Blog Central which is a site that we have, we host more than 4,000 active blogs many of which spark lively dialogue on emerging technologies and other topics germane to IBM's business. We can do the same thing for our customers whether we host and support them for our customers or they host it within their own data center environment.

We are bringing industry leading partners along to help us deliver these solutions and of course we are leveraging the breadth of IBM hardware and software including the software products that I mentioned, as well as Lotus Notes, Lotus Sametime and Lotus Quickr. Of course, I mentioned earlier Lotus Connections. Ultimately, I think that businesses recognize that collaboration is necessary to drive innovation and that they need to make sure that they're fostering an open environment where this can occur. It's the type of environment that really makes innovation possible.

Lastly Barbara, I think that in today's generation of the new worker there is an expectation that they have instant access at all times to all people that are involved in their workplace. I think this will be essential as we create the environment of the future.

Barbara:

Thank you for the insight Liz. I appreciate you taking the time to discuss collaborating to innovate with us today.

Liz:

Thank you Barbara. It was a pleasure to join you.