

International business machine company review

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International Business Machine (IBM) was begun as a Tabulating Recording Company in 1911, later in 1924, it was renamed as International Business Machines. It is the multinational American tech company and having headquartered in Armonk, New York, United States, with business operation in more than 170 nations.

It manufactures and sells computer hardware, software solution, middleware, also provide web hosting and cloud consulting services in mainframe computers and Nanotechnology. It is the one of the leading research company and has a record of holding the highest US patents and copyrights of software by corporation till today for two decades. company invention includes PC, the floppy disk, hard drive and the auto teller machine(ATM), magnetic cards barcode technology, the relational database, the SQL programming lanugos . the company's mainframe computers boosted by its system /360 dominated the whole IT industry in mid-nineties. But, now the company has shifted its market to a higher value and more profitable business areas. Which includes examples snipping off printer manufacturer Lexmark in 991 and selling off its personal computer such as think pad and think center and x 86 server-based business to Lenovo in 2015 and company ' s has takeover companies like as PwC consulting in 2002 and later SPSS in 2009 and The weather company in 2016. Recently it has announced that it would go for " fables" approach for semiconductor production. IBM also knew with its nickname Big Blue, It is the amongst 30 MNC that in includes johns industrial average and that become world largest employer in 2016 308000 employees known as " IBMers".

The company's business mix has been shifted constantly to aim more profitable business by commoditizing markets. It includes divested of printer manufacturing and personal computer brand like ThinkPad/ThinkCentre to Lenovo in 2005 and 2004. On the other hand, the company has acquired many companies like PwC consulting, The Weather Company in 2002 and 2009 respectively. The later company move to "fabless" and decide the design semiconductors but it will outsource its manufacturing from Global Foundries.

Strategic Capabilities of IBM

IBM operating its business successfully through implementing generic strategy effectively for competitive advantage and intensive growth opportunities to find new opportunities in the market. According to Porter's model, a company should use its strategy to competitive advantage over its competitors. In the case of IBM, the company has a good rate of advance technological innovation which is IBM main competitive strategy. For example, IBM is quite popular for its various types of technical product and services such as cloud services and cooperates servers machine globally. However, the company uses different types of intensive growth opportunities to expand their growth in different markets. The company's successful business reflects its effective generic competitive strategies, the diversifying company business operation is the IBM's one of the strategic objective, for example, IBM takeover small business which is doing well in the market. Acquired newly based business increase company's potential and supports cost leadership generic competitive strategy. By implementing this intensive growth strategy company can get more advantage of unique technological

trends of business and help IBM to expand their business and which allow them to find new opportunities in the market need to change and paste it somewhere else later.

The cost leadership generic competitive strategy leads IBM to expands its product and services to other markets which strengthen the IBM's IT business. For instance, the IBM must invest more in cloud services and for that, they are building more data centers worldwide so that the company can provide new cost-effective and efficient cloud services to its clients. moreover, investing in Research and development (R&D) is an another IBM's strategic objective to boost product value based competitiveness. This generic strategy helps the help to build foundation used for the company's intensive growth strategies which support complete advantage.

Strengths

IBM's Strengths (Internal Strategic Factors):

The internal factors play a major role in the company's growth and development. These factors can have found in SWOT analysis. in case of IBM, these factors have promoting company's growth continuously. These factors are the become strength of the company and provide support to IBM more than 100 years. IBM main internal strength factors are:

1. High-value brand- IBM is a reputed information Technology (IT) solution provider with quality which makes it a more valuable brand in the cyber world. Companies have good expertise in software solutions, hardware and cloud, which help the company to retain and attracts new and currents clients for its new products and services.

2. Expertise in production processes and materials management- company has expertise in different fields of IT, this expertise achieved by past innovations, which helps IBM to make its policies and business strategies for its talented employees that influence the development of the industry.
 3. Extensive intellectual property portfolio- IBM has a rich intellectual property portfolio. For example It has the highest number of patents in the tech industry which gives strength to the company to fight competition In the market.
 4. High economies of scale- another strength of IBM has a high economic scale which helps the company ' s growth by maintaining competitiveness despite high-cost advanced technology products.
- These all factors ad strengths help IBM to survive in the market despite the tough competition.

International Business Machines Corporation (IBM) actively engages its stakeholders and their interests through a holistic corporate social responsibility (CSR) strategy. Archie B. Carroll's theory of corporate responsibility establishes the mutual significant influence between businesses and stakeholders. Stakeholders are individuals or groups that have interests in the business or its effects. IBM has five major stakeholders Virginia M. Rometty, Martin J. Schroeter, Kenneth I. Chenault, Erich Clementi and James J. Kavanaugh. The company focuses on sustainability and take initiatives to ensure that their company's products have less impact on the environment.

IBM's Stakeholder Groups & CSR Initiatives

As a global information technology company, IBM has many stakeholders in various areas of society. These stakeholders have interests in the different aspects of the business, thereby requiring a multi-pronged corporate social responsibility strategy. For example, the company's CSR strategy must include initiatives for investors as well as programs for the environment, such as sustainability programs. In aiming for corporate citizenship, IBM addresses its corporate responsibilities to the following stakeholders:

Environment – IBM gives more priority to the environment and considers it as a significant stakeholder. The interests identifying with nature are ecological preservation and the minimization of the natural effect of business activities. In such a manner, IBM's corporate social responsibility system ought to underscore sustainability to address this stakeholder. For this case, the organization has various program to help for environment conservation. For instance, IBM's CSR procedure incorporates power conservation and programs, which has been continuous for a considerable length of time. Since 2000, the organization's water preservation activity has spared in excess of 20 million cubic meters of water in microelectronics and semiconductor producing forms. Moreover, IBM has an overall environmental management system for adjusting activities to ecological preservation and assurance objectives. This system adds to the organization's satisfaction with its corporate citizenship through waste reduction, power conversation, and related activities. As a demonstration of the viability of its corporate social obligation endeavors for tending to corporate duties towards, IBM got the 2017 Climate Leadership Award for Organizational Leadership.

Communities - the importance of communities are based on its clients' perception in customer social responsibility, for instance, company's high-value brand is supported and boosted by corporate citizenship programs, the high brand value is the key factor of company's strength. This stakeholder group has more focus and interested in the initiatives taken for community's welfare and development . in this IBM IBM's CSR policies involves a partnership with the International Finance Corporation (IFC)of world bank Group to provide financial management services for the non-profit organization. IBM's also offers its IT services to communities to find out a solution for complex issues like housing and social service for sustainable development for societies is the initiative taken by IBM in the interest of communities.

Suppliers - IBM consider suppliers as a significant stakeholder and it has made proper standards and policies for its product supply chain. The suppliers have little influence on the production rate and the company's product quality. To address this group company should take interest in the relevant business operation. For instance, suppliers want to grow their business transaction with the company. In this case, IBM is providing technical support to its supplier to improve the efficiency of their operation. For this company help another party to comply with corporate responsibility. For instance, comply help suppliers to join Electronic Industry Citizenship Coalition (EICC) code of conduct . this includes requirements on conflict-free miners, among other concerns. These CSR's programs show that IBM concern about suppliers interest.

Investors - the significant of investors in corporate social responsibility directly affect the company's capital. These stakeholders want more profit out of their investment. In this regard, the company should take initiative to full fills investors demands by growing business and its profits. For instance, the company has a code of conduct to ensure effective leadership and improve the decision-making process. For this IBMs' government and Regulatory affairs function is to comply with governments which benefits company's business, for example, IBM is working with the government to make the cashless economy and giving solution for sustainable development in government policies. This generic strategy and intensive growth strategies satisfy its investors.

Employees IBM's corporate citizenship programs incorporate employees as a noteworthy stakeholder. Workers are keen on high compensations and wages and in addition viable vocation improvement programs. IBM's CSR approach must address these interests, considering that workers are noteworthy in deciding the capacities of the business, for example, development abilities for the upper hand in the data innovation industry. The organization's corporate social obligation technique incorporates reasonable contracting rehearses and aggressive remuneration, and also decent variety and consideration programs that advance representative resolve and help limit working environment struggle. Likewise, the IBM Integrated Health Services Organization keeps up prosperity programs for the wellbeing and wellbeing of all IBMers. What's more, the organization has corporate duty activities for authority improvement. For instance, the HR Internship Program and the HR Leadership Development Program bolster workers' initiative

improvement in the field of human resources administration. Besides, IBM's corporate social duty endeavors empower worker inclusion in the community-based get-together. Such inclusion advances this stakeholders' background and adequacy intending on true issues. IBM's authoritative culture likewise underpins ability and aptitudes improvement, particularly regarding the radical reasoning for fruitful development.

IBM's Organizational Culture Type and Characteristics

IBM has an organizational culture of THINK. The type of is culture is formed by Thomas J. Watson Sr.'s efforts. His vision was to unify the IBM and ensure its success in long-term . the cultural characteristics have been reformed based on outcomes of 2003 Values Jam, that was way has been established core values through employees participation. Today, there are some notable elements of IBM's culture are:

- Radical thinking;
- Dedication to every client's success;
- Innovation that matters;

Trust and personal responsibility in all relationships.

Radical Thinking – IBMs primary characteristics are radical thinking this trait has a major impact of on company's development over the 100 years in the IT industry. IBM motivates its employees to think and embrace new ideas.

This type of culture promotes new and innovative technological breakthrough in the IT industry.

Dedication to every client's success - these cultural elements help the company to understand its customer requirement. As a global company, IBM wants to maintain the good relationship the with by providing excellent customer service. The company takes customers service seriously its direct associates to business success moreover, customer develop a positive perspective and response based product quality and services. This element of IBM culture to develop an organization for customer loyalty and maintain the balance of its share in the market.

Innovation that Matters- the company believes making a new solution which distinct from others. This corporate cultural feature helps the company to understand the market demands and current trends. To guarantee that advancement matters, this cultural credit focuses on greatness as a key achievement factor in the IT business. For instance, a powerful PC give a long-haul advantage to clients regarding taking care of their business issues. Along these lines, the hierarchical culture adds to the estimation of the organization's image, which is one of the business qualities identifiable in the SWOT assessment of IBM.

Trust and Personal Responsibility in all relationship: the company promotes trust, personal responsibility, and respect for the individual. This corporate cultural affects overall relationship which include IBM employees, customer, and other stakeholders. This cultural factor gives benefits in company's business in long-term. For example, trust and respect develop a positive environment and boost employees morale and build a strong relationship with the customer as well.