

Management



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IBM's Investment in Growth Markets This paper is a summary of an international executive roundtable held on Friday, November 2, 2012 from 12 noon to 1.30 pm at 1380 Lawrence Street, Terrace room. The main speaker of the meeting was Matt Marriott, Director, and Regional Services Executive for the West region and Vice President, Services IBM. Marriott discussed the topic on acquiring and managing people, skills, and talent. Other Panellists included executives who are member of the Institute for International Business Global Advisory Board discussing global workforce issues. The roundtable is co-sponsored by Burton Boothby and St. Charles Investments, Molson Coors Brewing Company, and UCD's Institute for International Business.

Undeniably, globalisation has changed the nature of 21st century businesses all over the world. The world is becoming smaller by day with favourable tariffs encouraging cross-border businesses. Surprisingly, developing countries have followed suit in cross border businesses accounting for a significant percentage. Arguably, IMF predicts that in the coming few years' developing countries will account for half of the global businesses.

Advancement in technology has resulted to high-speed internet that has reduced the barriers of time and distance. Additionally, they have worked on their work environment to accommodate other cultures, other languages, and geographies.

After reading the book the coming job war by Jim Clifton that describe a metric based economic model that links human nature in the work place, customer engagement, and business outcomes, IBM is considering adopting the approach. In addition, the talent masters by bill Conaty and Ram Charam has played an important role in shaping IBM. Marriott explains that IBM is

working towards aligning its workforce to global opportunities a thing that will improve its productivity through development of creative leaders. In addition, this move will develop workforce skills with greater capabilities, collaboration skills, and with capacity to share knowledge. A great opportunity arises in creation of a workforce that mirrors the shift of an organisation from one level to another. IBM targets improved services to its customers, most of whom will be from outside the US. Arguably, today, 35% of IBM's revenue comes from the US, with the balance coming from non-US countries. Projected target predicts that by 2017, the revenue coming from the US will go down to 23% and the one from the non-US increase to 77%, which encourages them to invest in other countries other than the US.

To invest in other countries, IBM needed to beef up several business aspects that would enable them to compete effectively. They include embracing diversity in a multicultural workforce, which will enable the company to tap a pool of knowledge from the diverse workforce. They will also need to embrace other cultures, study it, and incorporate them in their products. Global consumers require their desires met in the products in the market and their feedback taken into account. In this regard, IBM has adopted the aspect of cultural immigrations and cultural differences enabling global contracts.

Marriott explains that investing in growth markets required IBM to exercise induced anaphylaxis, encourage key initiatives that would enable continued shift in growth, and subject the company to business analytics. Creative selection of workers who can think horizontally and solve complex problems in a global scope has seen the company shift from one level to the next.