Skills for Economic Growth in South East Europe (SEE)

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Member of the IBM Academy of Technology
Improving Skills for the ICT sector in the Western Balkans
Human Capital Working Group meeting
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## Economic Background: examples

<table>
<thead>
<tr>
<th>%GDP %Labor</th>
<th>Bulgaria</th>
<th>Croatia</th>
<th>FYR Macedonia</th>
<th>Romania</th>
<th>Turkey (2005)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>9 10</td>
<td>6 16</td>
<td>11 17</td>
<td>8 32</td>
<td>12 34</td>
</tr>
<tr>
<td>Industry</td>
<td>31 33</td>
<td>27 30</td>
<td>26 33</td>
<td>31 31</td>
<td>27 23</td>
</tr>
<tr>
<td>Services</td>
<td>60 57</td>
<td>67 54</td>
<td>63 50</td>
<td>61 37</td>
<td>61 43</td>
</tr>
<tr>
<td>Population (million)</td>
<td>7.72</td>
<td>4.44</td>
<td>2.04</td>
<td>21.61</td>
<td>72.52</td>
</tr>
<tr>
<td>Unemployment rate %</td>
<td>9.0</td>
<td>11.1</td>
<td>35.9</td>
<td>7.3</td>
<td>8.4</td>
</tr>
</tbody>
</table>

Sources: Manfred Wannöffel, Josef Le and Julia Kramer, Economic structures in south-eastern Europe and Turkey: a view from the metalworking industry, South-East Europe Review, pp.7 – 32, Feb 2007 (2006 data)
Higher Education Background

- Economy is service and manufacturing dominant
- Higher Education
  - Modest or insufficient funding
  - Significantly state ownership
  - Understaffing
  - Lack of EU quality harmonization
  - Mismatch: graduate profiles with respect to the economy needs

- Foreign Direct Investment
- Curriculum modernization
- Governance reform
- University-industry-government partnership
Higher Education vs Economy

Economic Growth means Value Creation!
Value Creation

How to do it?
- through Innovation

to do things better:
- more efficient in processes
- more relevant in contents
- more effective in outcomes

Smarter Planet.

Need
Market Valued Skills
Market Valued Skills Opportunities in 2009
Potential - Longer Term Outlook Areas (2009 through 2014)

- Application
  - SOA
  - Systems Software
  - Software Engineer
  - RFID

- Operating Systems
  - Security
  - Antivirus Protection

- Networking and Internetworking
  - Network Systems
  - Security
  - Wireless/Mobile
  - Identity Management

- Web/eCommerce
  - Web Services

- Enterprise Application Suites
  - Systems Analyst
  - Security
  - Disaster Recovery

- Project Management
  - Project Management

- Services
  - Change Management
  - Service Management (ITIL)
  - Risk Management
  - Vendor Management

- Database
  - Database Administrator
  - Business Intelligence
  - Data Management
Value Creation

SHAREHOLDER’S VALUE

Ultimate Objective

Fundamental Indicators (KPIs)

MARKET SINGULARITY

Business Expectation

REGULATION COMPLIANCE

Government /Society Expectation

SOCIAL RESPONSIBILITIES

CUSTOMER INTIMACY

PRODUCTS & SERVICES LEADERSHIP

OPERATIONS EXCELLENCE

Value Creation

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OPERATIONS EXCELLENCE

Cost
Quality
Utility
Perception
# Innovation: Value Creation Matrix

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Value</th>
<th>Market Share</th>
<th>Revenue</th>
<th>Profit</th>
<th>Productivity/Utility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td></td>
<td>Mass Customization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products &amp; Services</td>
<td></td>
<td>Facilitation, Simplification, Integration, Standardization, Differentiation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market &amp; Competitors</td>
<td></td>
<td>Globalization, Market Singularization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations/ Processes/ Resources</td>
<td></td>
<td>Optimization, Automation, Integration, Securitization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governance &amp; Business Integrity</td>
<td></td>
<td>Regulation Compliance Optimization</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Examples of Skills Required for Service Science

MARKET & COMPETITORS
- Leadership
- Entrepreneurship
- Strategy
- Critical Thinking/Analysis
- Macroeconomics

PRODUCTS & SERVICES
- BI/Data warehousing
- Product/Service Management
- Product/Service Marketing
- R&D Management
- Microeconomics
- Pricing
- Innovation

OPERATIONS/PROCESSES/RESOURCES
- Infrastructure
  - IT Architecture
  - IT for Services
  - IT Management
- Processes
  - e-Commerce
  - SOA/BPM/ERP/ISC
  - Quality Management
- Project Mgt/Consultancy
- Human Capacity Mgt
- Financial Management
- Knowledge Mgt

GOVERNANCE
- Business Law/Reg. Compliances
- IT based Risk Management
- Social Responsibilities
- Ethics and Values
- Business Law/Reg. Compliances
- IT based Risk Management
- Business Law/Reg. Compliances
- IT based Risk Management

CUSTOMERS
- BI/Data warehousing
- Behaviour Science
- Business Analytics
- Optimization
- CRM, Marketing
- Sales
- Innovation

BI: Business Intelligence
SOA: Service Oriented Architecture
ERP: Enterprise Resource Planning
ISC: Integrated Supply Chain
How to make the planet smarter

*Academic Initiative helps develop skills for a smarter planet*

- **Smart Work**
  - Skills to develop flexible and dynamic processes modeled for the new way people buy, live & work.

- **New Intelligence**
  - Skills to take advantage of the wealth of information available in real time from a multitude of sources to make more intelligent choices.

- **Green & Beyond**
  - Skills to reduce energy costs, drive greater efficiencies, respond more quickly by taking action now on energy, the environment, and sustainability, and develop new portfolio of green services and products.

- **Dynamic Infrastructure**
  - Skills to create intelligent infrastructure that drives down cost, is secure, and is just as dynamic as today’s business climate.
Skill Development

What does IBM do to contribute and to help

in developing the skills for the 21st century?
## Global University Programs - Today

<table>
<thead>
<tr>
<th>Four Pillars</th>
<th>Programs &amp; Initiatives</th>
</tr>
</thead>
</table>
| **Talent - Research**  
Collaboration in areas of mutual interest & value | - Shared University Research Awards (SUR)  
- Faculty Awards  
- Open Collaborative Research Awards (OCR)  
- Centers for Advanced Study (CAS)  
- World Community Grid (with CC&CA) |
| **Talent - Skills**  
Building the pipeline | - Academic Initiative Program (led by SWG)  
- SSME/Smarter Planet Skills for 21st Century  
- LA Grid Initiative (Hispanic Focus)  
- Student Contests / Competitions (e.g., ACM)  
- Innovation Centers and Developer Relations  
- Volunteerism/Corp Citizenship (with CC&CA) |
| **Talent - Recruiting**  
Acquiring top talent | - PhD Fellowship Program  
- Global Recruitment Campaign  
- Global University Sourcing  
- Extreme Blue Internship Program |
| **Infrastructure Projects**  
Value creation, sales, and revenue generation | - Partnership Executive Program (PEP)  
- Client Executives S&D  
- Public Private Partnerships in Research  
- Industry-Academic IP Collaboration |
The IBM Academic Initiative

*Our goal:* Skills for the 21st Century

*Our mission*

- Partnering with schools, colleges and universities to drive open standards, open sources and IBM technology
- Better educate millions of students for a more competitive IT workforce

*Our offerings*

- No Charge access to IBM technology & tools
- Course materials and curriculum
- Education: faculty, IT staff and students
- Certifications and Qualifications

*Over the past year we have worked with thousands of faculty members and institutions, teaching over 8,000 courses to over 800,000 students worldwide, supported by thousands of IBM volunteers*

http://www.ibm.com/developerworks/university/academicinitiative
Collaboration with IBM

PhD Fellowships

- University of Cambridge
- University of Oxford
- Liverpool John Moores University
- University of Bristol
- Technical University of Munich
- University Politehnica of Bucharest
- Hebrew University
- National and Kapodistrian University of Athens

Shared University Research

- Universität Karlsruhe
- Universität Stuttgart
- Meraka Institute, SA
- New University of Lisbon
- Universidad Carlos III de Madrid
- University of Toulouse 3
- University Polytechnic of Turin
- Koc University, Turkey
- University Polytechnic of Timisoara
- Ozyegin University, Turkey

Faculty Awards

- Technical University of Cluj Napoca
- Cambridge
- Moscow State Institute of Electronics and Mathematics
- Makerere University
- Erasmus University of Rotterdam
- University Polytechnic of Bucharest
- University of Stuttgart
- Royal Institute of Technology, Stockholm
- Bocconi, Italy
- Istanbul Bilgi, Bilkent, Koc, METU, Ozyegin

IBM-University Collaborations in the SEE

Internship current situations

- Croatia, Slovenia and Bulgaria have internships within the respective brands and are handled 'ad-hoc' with HR support, fulfilling the business demand 'on demand'
- Serbia, started last year.
- Bosnia, Herzegovina, Macedonia, Albania and Kosova: none for now
- Turkey and Romania: regular programs

Certifications/Qualifications

- Recently for Bulgaria: Sofia University, Varna Free University, University of Ruse, Technical University of Sofia. Serbia: Belgrade University, Singidunum University. Croatia: Faculty of Humanities and Social Sciences, Faculty of Computing and Engineering, Faculty of Organization and Informatics, Academy for applied computing, Faculty for traffic sciences, Turkey: Bahcesehir University, Baskent University, and Dokuz Eylul University

Recent University-IBM Partnerships

- Serbia: Institute of Physics Belgrade, Faculty of Mathematics – University of Belgrade, Faculty of Informatics and Management – Singidunum University. Romania: Transylvania University of Brasov, Academy of Economic Studies (ASE), TU in Cluj-Napoca, Politehnica University of Timisoara, Croatia: Computer College, Slovenia: Maribor,…
IBM and Bulgarian Government in Partnership in Nanoscience

IBM Helps Create First Nanotechnology Center in Central and Eastern Europe

SOFIA, Bulgaria - 22 May 2009: IBM (NYSE: IBM) and the Bulgarian government today officially announced their cooperation in the area of nanoscience and a deal for IBM to support the creation of what will be the first Bulgarian nanotechnology center.

• The General Framework Agreement signed today defines the scope of cooperation between IBM and the Bulgarian government and ways to encourage industry, universities and the Bulgarian Academy of Science to work together in the emerging field of nanoscience. The government’s three-year program is aimed at creating different nanoproducts, micromachines and microsystems.  
So how do we develop skills and competences in SEE?
- a comprehensive strategy for effectiveness

Delivery and Pedagogical Excellence
- Infrastructure: Cloud computing
  - computing on demand, applications on demand
  - Bandwidth, jitter, reliability, availability
- Tools
  - Ubiquitous, participatory, collaboratory

Market singularity
- Specialization

Quality Leadership
- Product: Contents
- Service: Faculty

Learner Centricity
- Relevance
- Impact

Governance Challenges
- Accreditation
- Certifications

Market singularity
- Specialization
Value Creation in Higher Education

Faculty perspectives:
• Standing out among the out-standings
  • Patents
  • Publications
• Pushing the frontier of innovation and relevancy
  • Government/industry Partnership
    - practicality
    - alignment with government/industry strategic objectives
• Committing to change
  • Continual learning

Student Perspectives:
• Hitting the ground running
  • Employability
    • Knowledge
    • Experiences
    • Insight
      • Project based approach
• Preparing for innovation
  • Versatility: wider spectrum
    • Major
    • Minor
• Expecting the unexpected
  • Adaptability
    • Methodology
    • Framework

• Better student pre-university orientation; common trans-disciplined 1st year courses
• Quarter system
• Two year program (like foundation degree, UK; or DUT, France)
Value Creation: Entrepreneurship spirit

The skills needed for services innovation are in short supply; science and engineering education does not seek to develop skills required for innovation and entrepreneurship.

- Depth
- Breadth
- Practical Experience
- Communications
- Teaming
- Management
- People Management
- Strategic Planning
- Problem solving via informatics
- Problem solving via social networks
- Flexible, adaptive and entrepreneurial
- On demand

Professional Perspectives:

- Challenging the Conventional Wisdom
  - That’s it?
- Creativity
  - Can I do better?
- Passion
  - Am I excited?
- Perseverance
  - Yes, I can!
Conclusion: to meet the SE Europe challenges,

Higher Education Reform for

- Market Valued Skills for the 21st Century
- Innovation for the Economy

through

- Service Science/Smarter Planet in our University Curricula
- Value Creation by focussing on society’s needs (client centricity)
Thank You
## Top Solutions for New Intelligence for Smarter Planet

### Information Management
- Information on Demand
- Information Agenda
- Information Infrastructure

### Predictive Capability
- Business Intelligence
- Business Event Processing
- Analytics Solutions
- Telelogic and Cognos

### Engaging the Value Chain
- Industry Specific Assets (IA, MRO, Telelogic)
- CRM, SCM and HR Transformation
- Sensor and Actuator
- Information Integration

### Business Optimization
- Business Optimization Solutions
- Business Process Management
- Smart SOA
- Information On Demand, Information Agenda
- Information Infrastructure SW and Services

### Academic Initiative

**Related New Intelligence Courseware**
- Designing SOA Solutions with the IBM SOA Foundation
- Information Management Basics
- Architecting the Data Warehouse
- Relational Database Design
- Changing Business with Data Insight
- IBM Informix Dynamic Server Administration
- SQL & Database basics
- Teaching Business Process Management with Innov8
- Teaching Business Process Modeling
- Introduction to IBM DB2
- Advanced Data Warehouse Workshop: Multi-Dimensional Modeling
- DB2 for z/OS Fundamentals
- DB2 Family Fundamentals
- DB2 SQL Workshop
- Designing SOA Solutions with the IBM SOA Foundation
- Getting Started with SOA
- Implementation Technologies for Service Oriented Designs
- The Value of Service Oriented Architecture
- IBM WebSphere Business Modeler- Process Simulation and Analysis
- Using IBM WebSphere Business Modeler for BPM
## Top Solutions for Smart Work for Smarter Planet

### Agile Business Model
- Industry business solutions and Industry frameworks
- Business Model Innovation services (CBMSOMA)
- SOA strategy services
- Smart SOA INsight series

### Connected Customers
- Collaboration software and services
- RFID, sensors, actuators, consulting services
- Web 2.0 products and service
- Consulting services for CRM and SCM
- Collaborative Software Development
- WebSphere Commerce
- Mobility & Contact Center Solutions

### Dynamic Business Processes
- Key Agility Indicators
- BPM Suite and consulting services
- WebSphere Business Events
- Component Business Modeling services – (KAlS)
- Enterprise Architecture products and services

### Smart SOA
- Smart SOA and SOA solution services
- Application Infrastructure
- Connectivity and Integration
- SOA Sandbox

### Academic Initiative

**Related Smart Work Courseware**
- Designing SOA Solutions with the IBM SOA Foundation
- Assessment Assets for Service Oriented Architecture (SW707)
- Developing Applications with a Service-Oriented Architecture
- Getting Started with SOA
- Implementation Technologies for Service Oriented Designs
- Service Oriented Architecture Design Patterns
- The Value of Service Oriented Architecture
- Fundamentals of IBM Lotus Domino 8 Application Development
- Using IBM Lotus Notes 8 Mail, Calendar, and Contacts
- IBM WebSphere Portal v6.0: Administration 1&2
- IBM WebSphere Business Modeler- Process Simulation and Analysis
- IBM WebSphere Enterprise Service Bus Implementing an ESB
- Using IBM WebSphere Business Modeler, Monitor and Process Server for BPM
- IBM WebSphere Commerce V6.0 Hands-on Training for Developers
- Programming XML with Java 1.4
- Teaching Business Process Management with Innov8
- Developing Supply Chains to support Service Operations
- Introduction to XML and Related Technologies
- Teaching Business Process Modeling
Top Solutions for Dynamic Infrastructure for Smarter Planet

Reduce Cost
- Cloud Computing
- Virtualization
- Energy Efficiency
- Information Infrastructure

Improve Service
- Service Management
- Asset Management
- Security Management
- Business Resiliency
- Express Mid-Market Offerings
- Strategic Outsourcing

Manage Risk

Academic Initiative:
Related Dynamic Infrastructure Courseware

- Foundations in IT Services I and II
- IBM Tivoli Netcool/Proviso 4.4.3 System Administration and Maintenance
- IBM Tivoli Asset Management for IT 7.1 Implementation
- IBM Tivoli Access Manager for Enterprise Single Sign-On Workshop
- IBM Tivoli Business Services Manager 4.1 for Implementers
- IBM Tivoli Composite Appl. Mgr for RTT 6.1 - Install Monitor Deploy
- IBM Tivoli Composite Application Manager for Response Time 6.2 Implement and Admin Workshop
- IBM Tivoli Federated Identity Manager 6.1 - Deployment and Administration
- IBM Tivoli Monitoring 6.2 for Implementers
- IBM Tivoli Netcool/Impact 4.0 - Administration and Implementation
- IBM Tivoli Netcool/OMNibus 7.1 - User
- IBM Tivoli Netcool/Realtime Active Dashboards 3.0 Fundamentals
- IBM Tivoli Network Performance Reporting 3.X User
- IBM Tivoli Provisioning Manager 5.1 - Operations Management Workshop
- Service Desk Management Using IBM Maximo 6 for IT
- Work Management in IBM Maximo 6 for Enterprise Asset Management
- An Introduction to the Mainframe - Large Scale Commercial Computing
- An Introduction to the Mainframe - z/OS Basics
- Linux on System z
- Teaching Enterprise Systems
Top Solutions for Green and Beyond for Smarter Planet

Finding the Value in Green
- Data Center Assessment and Design Services
- Green IT
- Software for a Greener World

Smart Systems
- Intelligent Utility Network and Metering
- Intelligent Transportation
- Consumer Driven Supply Chain
- Intelligent Oilfields, Manufacturing Productivity

Societal Shifts and Corporate Social Responsibility
- CSR and Sustainability
- Carbon Management
- Reputation Management Services
- Ethical Supply Chain Monitoring

Academic Initiative:
Related Green and Beyond Courseware & Assets
- An Introduction to Large Scale Commercial Computing
- An Introduction to the Mainframe - Networking
- An Introduction to the Mainframe - z/OS Basics
- IBM's Software for Greener World
  - Lotus Quickr 8.1
  - IBM Content Collector, Filenet
  - Information Agenda for Energy & Utilities
  - IBM Tivoli Usage and Accounting Manager, IBM Tivoli Monitoring for Energy Management Accounting
  - Rational Test Lab Manager Managing
  - Lotus Notes, Domino 8.5
  - SmartSOA Sandbox Accelerating
  - IBM FileNet Business Process Manager,
  - IBM FileNet Content Manager
  - Lotus Forms & Lotus Forms Turbo
  - Telelogic System Architect

http://www.ibm.com/academicinitiative
About the speaker: Dr Diem Ho is Manager of University Relations for IBM Europe, Middle East and Africa (EMEA).
His mission is to build and manage relationships of mutual value for IBM and the academic community.
Diem’s past research interests covered many disciplines in Science, Technology and Finance/Economics. He has published widely in physics, mathematics, image processing, remote sensing, engineering, optimization and finance.
He recently co-edited/authored a special issue of the *Computational Economics* on Stochastic Process and Data Analysis published by Springer.
In recent years, he has lectured intensively on Higher Education Reform and is a member of the peer review teams for the EFMD-EQUIS and EPAS accreditation programs and a member of the EPAS committee.
He is an associate editor of the journal of *Computational Economics* and is a member of the IBM Academy of Technology.
Before assuming his current position, he was an EMEA practice leader with the IBM Management Technologies Consulting Group, specializing in using Technologies to address Business Challenges in Banking and Finance sector.
Before joining IBM, Diem was a university professor and he continues to supervise PhD thesis to-date. Diem obtained two Master degrees and a PhD in Magnetospheric Physics at Stanford University, California.