Globally Integrated Capabilities
Capabilities without borders

Nancy Thomas
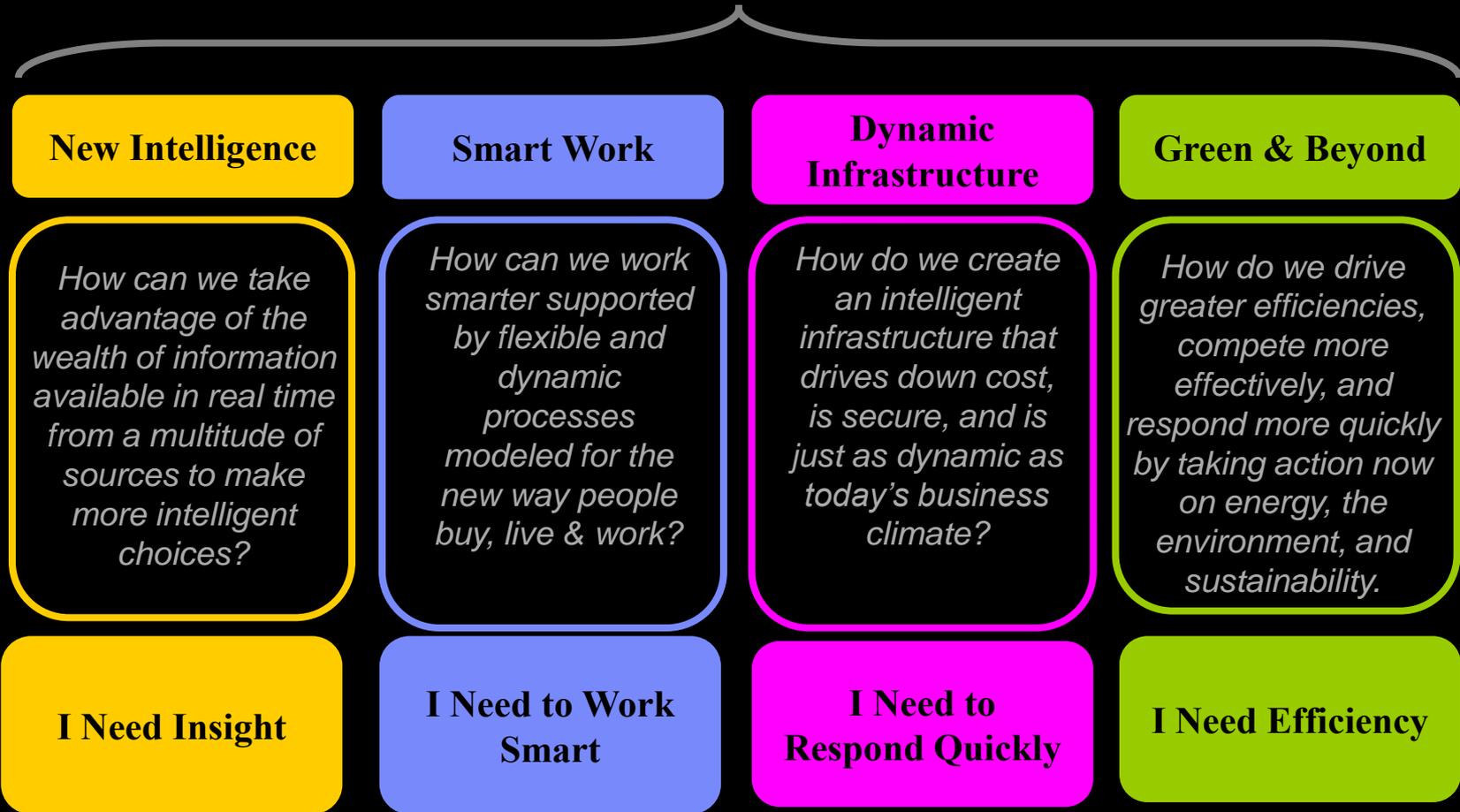Vice President, IBM Global Business Services

Agenda

IBM: Helping build a smarter planet

Globally Integrated Model: Value through Integration

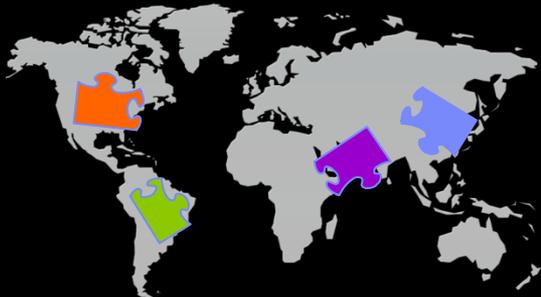**Delivery Center Strategy and Capabilities**

New delivery approaches

Changing the way the world works – Smarter Planet

New Intelligence	Smart Work	Dynamic Infrastructure	Green & Beyond
How can we take advantage of the wealth of information available in real time from a multitude of sources to make more intelligent choices?	*How can we work smarter supported by flexible and dynamic processes modeled for the new way people buy, live & work?*	*How do we create an intelligent infrastructure that drives down cost, is secure, and is just as dynamic as today's business climate?*	*How do we drive greater efficiencies, compete more effectively, and respond more quickly by taking action now on energy, the environment, and sustainability.*
I Need Insight	**I Need to Work Smart**	**I Need to Respond Quickly**	**I Need Efficiency**

Client needs along with technology and macro–economic trends are driving the evolution of a globally integrated enterprise model

Client Needs
Global Supply & Expertise

Technology
Macro-Economic Trends

Globally Integrated
Enterprise

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Client Needs:
- Grow markets, cross border M&A
- Reduce cost
- Diversify sourcing strategy - multi-country
- Reduce number of vendors

Global Labor Supply
- Emerging economies with low-cost high-quality talent
- War for talent
- Increase talent expertise

Technology:
- Internet and wireless comms.
- Open standards - shared IP
- …enables global componentization

Macro Economic Trends:
- The rise of emerging markets…GDP growth rate greatly exceeds that of developed markets
- Emergence of a "developing country" middle class
- Global trade and mobility

Globally Integrated Enterprise
- Global talent pool and specialization
- Diversified supply base
- Global centers of excellence
- Flexible sourcing capabilities
- Global resource optimization
- Streamlined infrastructure
- Internal & external collaboration
- Seamless integration

IBM's globally integrated services have adapted to changing requirements providing clients with compelling competitive advantages
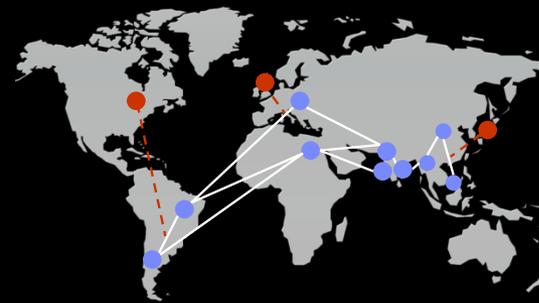
Increasing scale and diversification

Global integration

• On-shore global delivery

• Supply-led model

• Emergence of regional centers

• Common processes, methods and tools
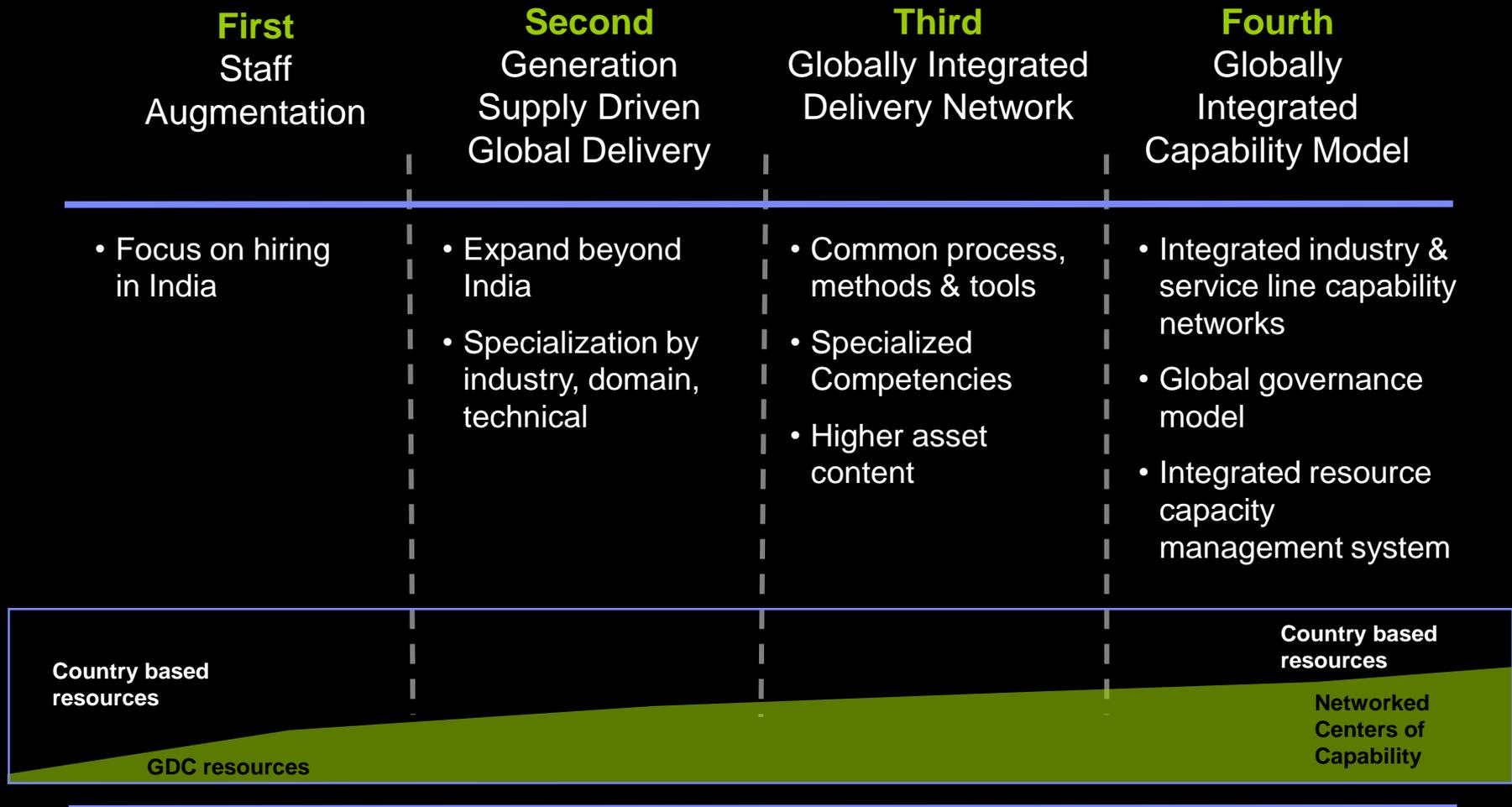
• Integrated capacity management

• Global governance

Market dynamics create a need for global integration

- Clients demand value based on depth of industry and domain expertise, global scale and seamless delivery
- Need for an agile delivery system with talent that is globally mobile and locally competitive

IBM's Globally Integrated Delivery Model provides uniquely differentiated and cost competitive value

- World class competency centers across our industries and domains
- Deploys this expertise across the globe to strengthen our client value proposition
- It will do so across the engagement lifecycle, from selling through solutioning and delivery, across geographic boundaries

Unique Fourth Generation Globally Integrated Capability Model

First Staff Augmentation	Second Generation Supply Driven Global Delivery	Third Globally Integrated Delivery Network	Fourth Globally Integrated Capability Model
• Focus on hiring in India	• Expand beyond India • Specialization by industry, domain, technical	• Common process, methods & tools • Specialized Competencies • Higher asset content	• Integrated industry & service line capability networks • Global governance model • Integrated resource capacity management system

Country based resources

Country based resources

GDC resources

Networked Centers of Capability

Drives improved labor productivity and talent management

Globally integrated capability model balances risk, cost and operational efficiency

Global Integration
Achieves the optimum combination of quality, stability & savings

Global	Regional	Local	Onsite
• Service customized to achieve maximum savings • Ongoing operations • Monitoring • Development	• Service delivered from the same continent • Similar time zone • Similar culture • Language • Ease of integration	• Service delivered from the same country • Processing of sensitive data • Legal restrictions	• Service with a physical presence at the client location • Consulting • Front-end analysis

China
- Shanghai
- Dalian
- Shenzhen
- Chengdu

Eastern Europe
- Lithuania
- Poland
- Romania
- Slovakia

Egypt

Latin America
- Argentina
- Brazil
- Mexico

India
- Bangalore
- Pune
- NCR (Delhi, Gurgaon, Noida)
- Hyderabad
- Chennai
- Kolkata

Vietnam
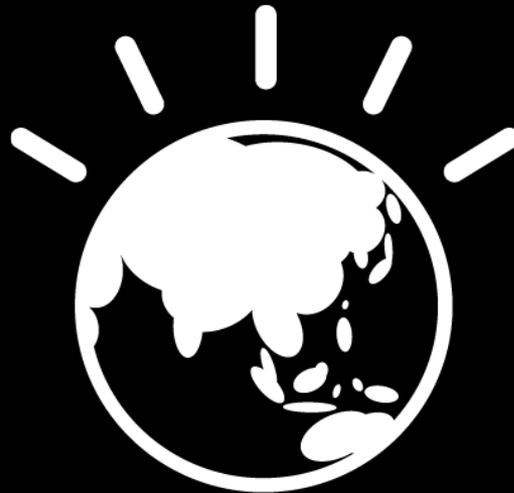
Philippines

IBM GDC in Egypt

Strengths

- **Center of Excellence for Embedded Systems**
- **Competitive cost of operations**
- **Ability to handle end to end engagements**
- **Robust telecommunications infrastructure**
- **Large base of skilled professionals with formal certifications**
- **Tie up with universities**
- **Growing IT sector combined with a liberal business environment**
- **Excellent command over English language**

Differentiators

- **Strategic location: gateway to North Africa and Middle East**
- **Convenient time-zone, overlapping with USA, Europe and Asia**
- **Geographic location and cultural proximity to Europe, ME and USA**
- **Strong government support: partnering in various National Projects**
- **Partnership with universities**

We've only just begun to uncover what is possible on a Smarter Planet

Thank you