



IBM Finance Forum 2013

IBM SMARTER ANALYTICS


19. Juni 2013

Peter GANGL, CFO IBM Austria




IBM Corporation

Key Figures	
Company Headquarters	Armonk, New York, USA
CEO	Virginia M Rometty
Employees 2012	430.000
Revenue 2012	104,5 billion US-Dollar
Homepage	ibm.com



CEO
Virginia M Rometty



Company Headquarters
Armonk, New York

With revenues of **104,5 billion US-Dollar** in 2012, IBM is one of the world's largest provider of information technology (hardware, software and services) and B2B solutions.

The company employs ~ **430.000 employees worldwide** and is active in more than 170 countries.

On June 16, 2011, IBM celebrated its **100th anniversary** as a corporation.

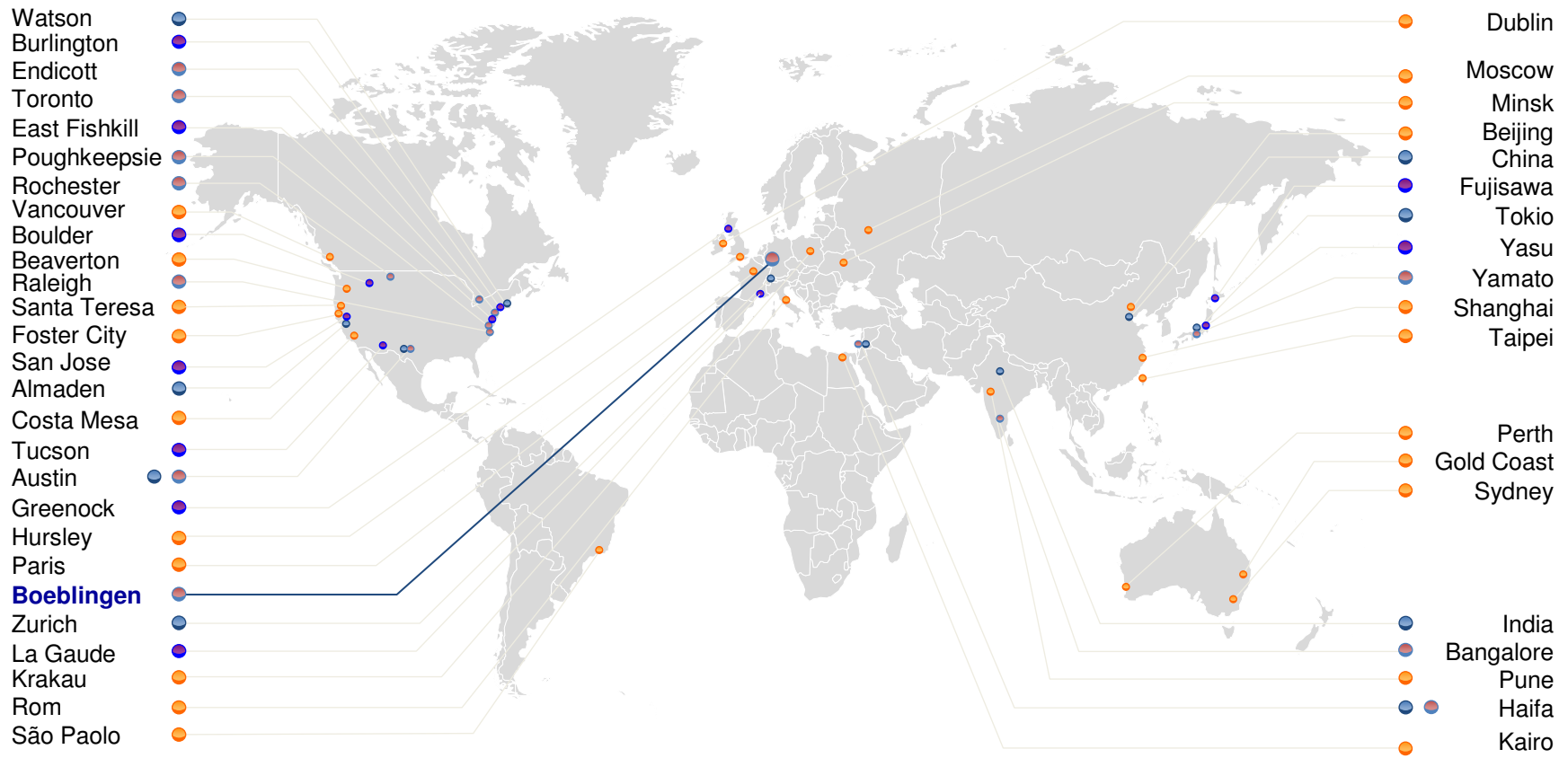
IBM Research- and Development Centers

○ Research

● Hardware Development

● Software Development

● Hardware and Software Development



IBM in Austria

Key figures

Head offices	IBM Österreich GmbH Obere Donaustraße 95 A- 1020 Wien
General Manager	Tatjana Oppitz
Locations in AT	7
Homepage	ibm.com/at
Contact	+43 (0)121145-0



Country General Manager
Tatjana Oppitz



Head Offices
Vienna

IBM has its Austrian headquarters in Vienna. Since January 2011, Tatjana Oppitz has been Country General Manager of IBM Austria. In Austria, IBM is represented at **7 locations**.

IBM locations in Austria

IBM in Austria

... is represented at **seven** locations all over Austria:

- Vienna
- Graz
- Linz
- Salzburg
- Klagenfurt
- Innsbruck
- Bregenz



... and has a dense network of Business Partners all over Austria, that has reached ~ 250 in 2012.

IBM legal setup in Austria

- IBM Österreich GesmbH
 - ÖCS Computer Service GesmbH
 - B.I.T. Blue IT Service GesmbH
 - IBM Pensionskasse AG
 - Joint For Growth GesmbH

“When a man stops studying, stops acquiring knowledge about the business or profession in which he is engaged, he doesn’t stand still [...] he starts going backwards.”

Thomas J. Watson Sr.
IBM Chairman 1914-1956

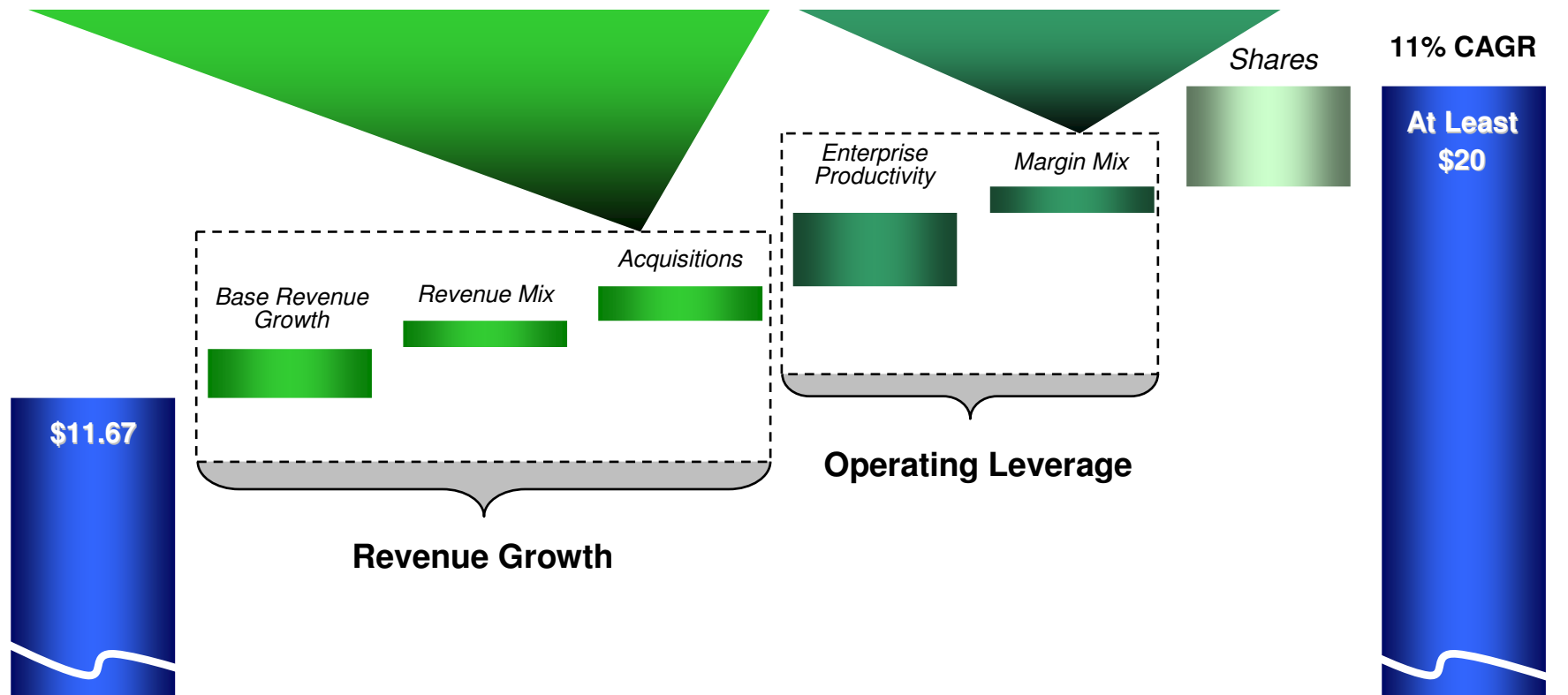


Model of Continuous Transformation

Move to higher value, a new era of computing and new markets and new clients

<p>Remix to Higher Value</p>	<p>Acquire, Divest, Remix Organic Research and Development 140 acquisitions since 2000 – over 30 in Analytics \$15 billion of revenue divested over the last decade \$19 billion invested in research and development</p>
<p>Continuously Make Markets</p>	<p>Big Data Analytics, Enterprise Cloud, Growth Markets, Smarter Planet</p>
<p>Reinvent a Core Franchise</p>	<p>Mainframe – making relevant for new workloads: Linux, Java and growth initiatives WebSphere - introduction of Mobile First</p>
<p>Remix Skills and Expertise</p>	<p>8,000 skills in Analytics added in the last three years 9,500 new industry skilled sellers</p>
<p>Reinvent our Enterprise</p>	<p>Evolution of the Enterprise model: Multinational → Globally Integrated → Smarter Disciplined Productivity / Leverage Analytics</p>

IBM 2015 Roadmap



2015 Operating EPS*

2015 Operating EPS*

*Non-GAAP: Excludes acquisition-related charges and non-operating retirement-related expense
 Assumes current tax policy and Non-GAAP tax rate of 25%

IBM 2015 Growth Initiatives

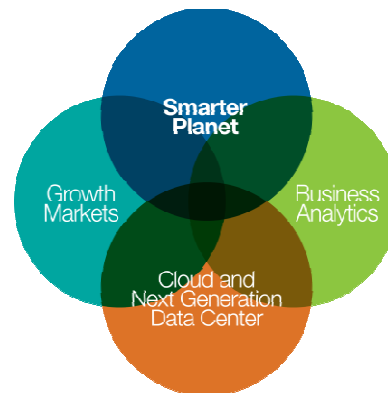
Business Analytics is a key driver of IBM growth

Smarter Planet

- Grows to ~\$10B business by 2015
- Approximately 400 recent client engagements illustrate reach

Growth Markets

- Approaches 30% of IBM's geographic revenue by 2015
- Contributes ~50% of IBM's growth over the Roadmap



Business Analytics

- Grows to ~\$20B business by 2015
- Contributes ~20% of IBM's growth over the Roadmap

Cloud

Grows to ~\$7B business by 2015, of which ~\$3B is incremental

Operating Leverage through Enterprise Productivity

The “Smarter” phase of our transformation is underway

Process

Sharing & Partnering



- Consistent set of processes worldwide
- Leverage best practices
- Standardize and reduce waste
- Governance and performance discipline

Delivery Model

Globally integrating

The Globally Integrated Enterprise

Samuel J. Palmisano

- Right skills, right place, right cost
- Rationalize support functions for greater efficiency
- Radically simplify processes

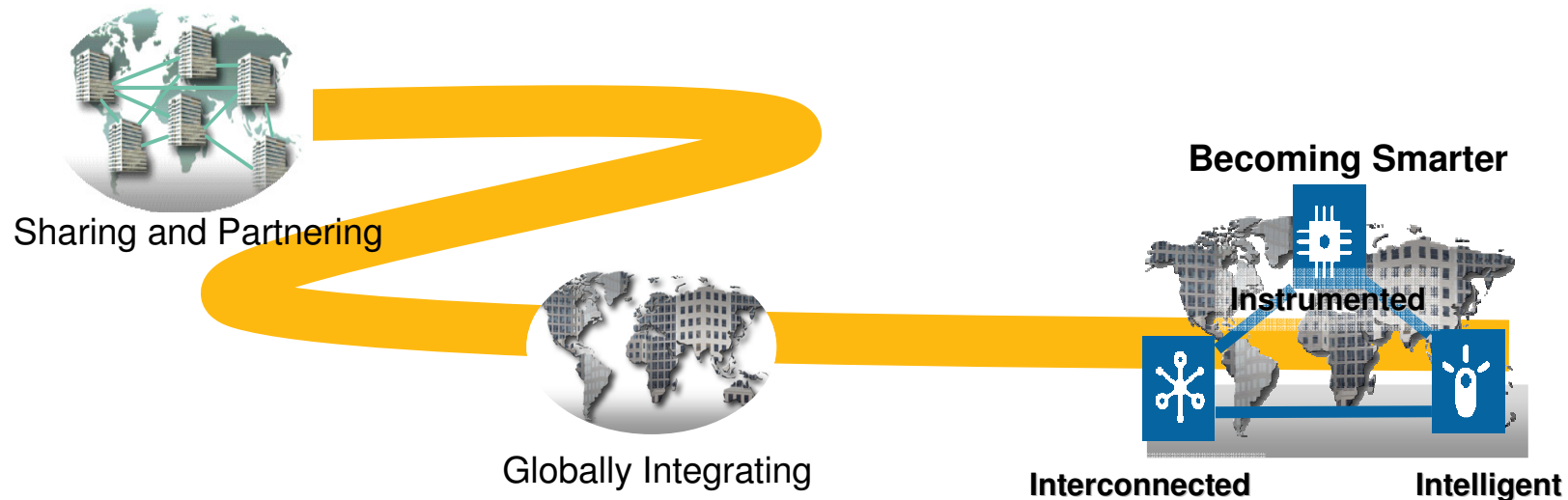
Analytics

Making things smarter



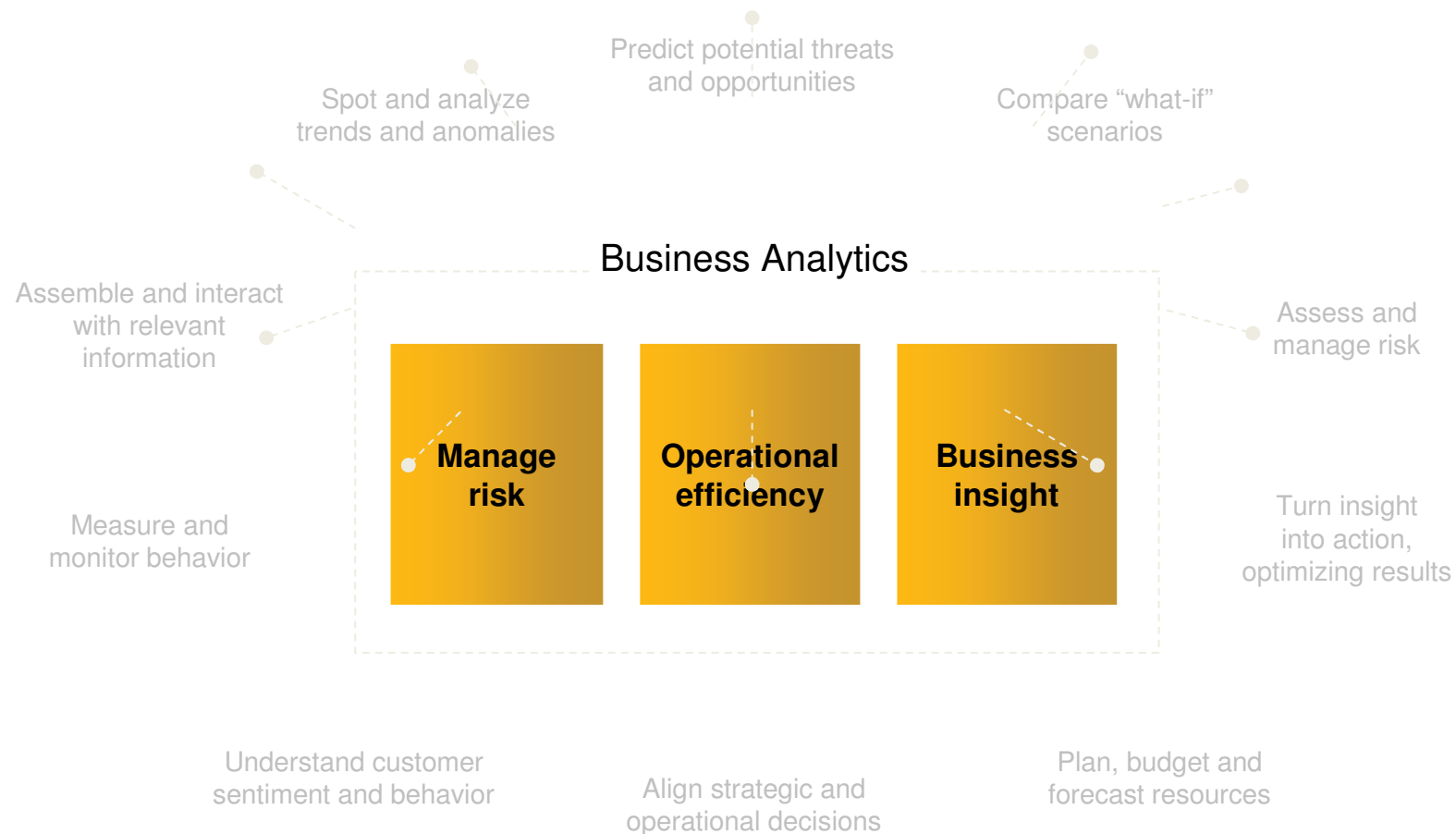
- Instrumented, interconnected, intelligent
- Enable growth and productivity
- Optimize the whole system

IBM is Leveraging Analytics to Transform



- Establish a culture that continuously develops **information-based insights**
- Create a level of **transparency, consistency and awareness**
- Use **analytics and knowledge** to improve decision-making **for better outcomes**

Applying analytic insights to inform decisions enterprise-wide



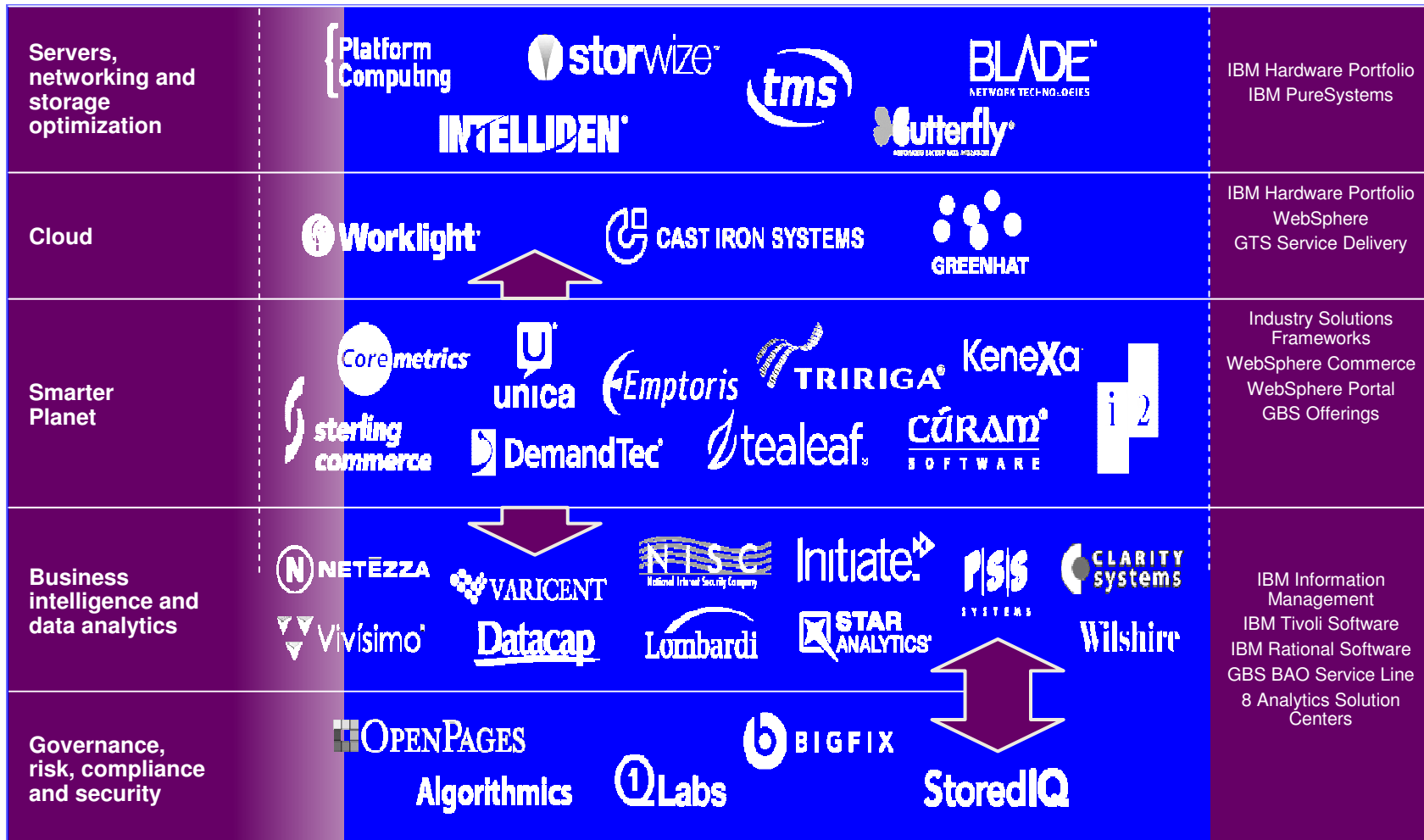
Applying a focused acquisition strategy



Applying a focused acquisition strategy

Strategic Investment Areas

Complements Organic Assets



Evolving Role of Finance

Traditional Finance

- Create Financial Reports
- Manage Accounting Close
- Improve Transactions
- Data

Drive Profitable Growth

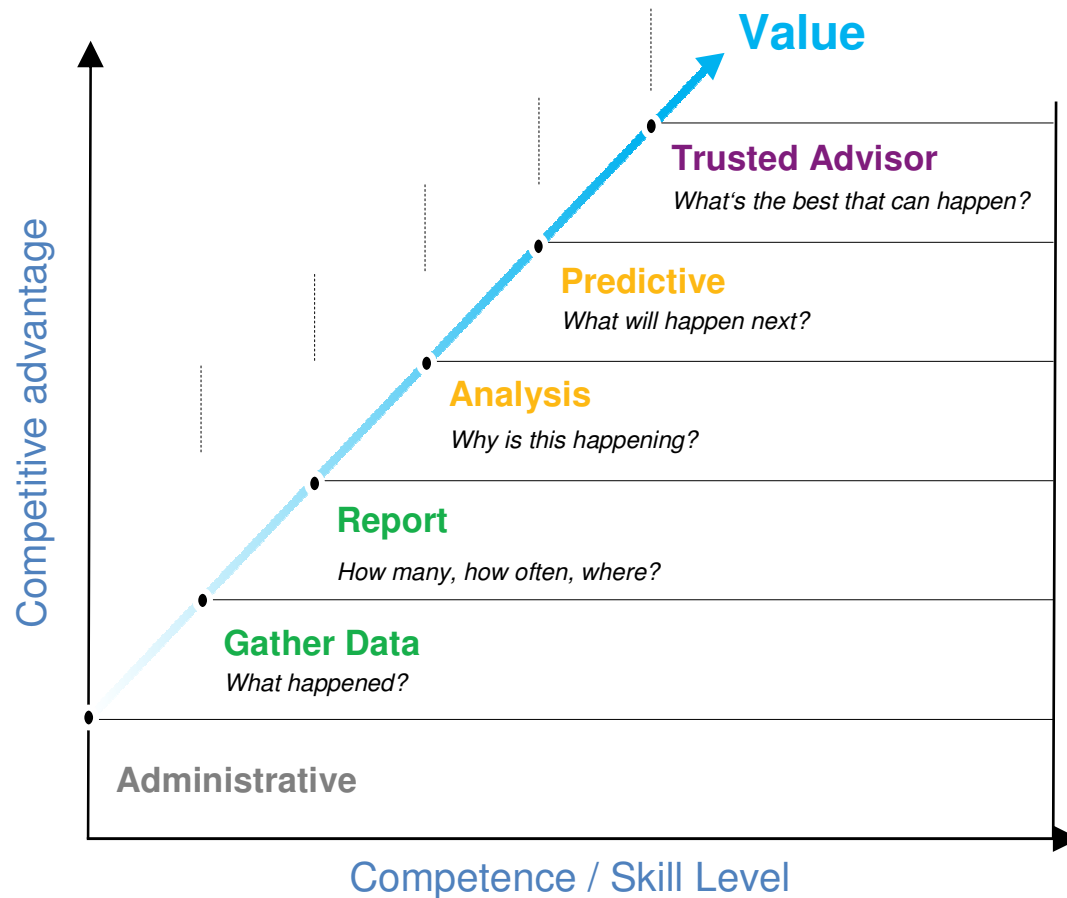
Future Finance

- Provide Business Insight
- Strategic Planning
- Transform the Enterprise
- Judgment

“In order to be a strong partner to the business, Finance must consistently challenge the business’ assumptions and decisions”

Roadmapping the Next Generation Finance Function – Corporate Executive Board report

Redefining skills and value



"We are trying to build our people as part of the business team.... to be not just a general utility, but rather an active and critical part of the business unit's success."

Head of Customer Analytics unit at Wachovia Bank

Fundamental Approach

Analytics is not, in itself, a strategy...
rather, analytics is an enabling technology.

“By analytics we mean the extensive use of data, statistical and quantitative analysis, explanatory and predictive models, and fact-based management to drive decisions and actions.”

*Thomas Davenport
& Jeanne Harris,
Competing on Analytics*

„Every two days, as much data is now generated as in all human history up to 2003. This is „Big Data and Analytics“ and it constitutes a vast new natural resource that can revolutionize industries and societies – with the right technology capable of analyzing and extracting value..... This is a competitive advantage that will position enterprises for lasting relevance.“

*Ginni Rometty
Chairman, President and CEO, IBM*





Let's Build a Smarter Planet