

IBM



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*Samuel Palmisano,
Chief Executive
Officer, IBM*

IBM develops innovative, engaging learning practices for all employees, from frontline to senior levels.

IBM is the world's largest information technology company. With more than 300,000 employees in 75 countries, IBM's business model is designed to encourage innovation that not only meets the needs of its clients, but also creates a culture of learning for IBM employees, or "IBMer" as they are often called. According to President and Chief Executive Officer Samuel Palmisano, "innovation has become a priority for the world today because it creates systemic, sustainable, and meaningful value. At IBM, however, we think the work of innovation is even more than a priority. It is, and has always been, a responsibility." To meet this obligation, IBM invests three-quarters of a billion dollars annually in employee training and development. The company offers its employees an array of progressive learning

opportunities designed to encourage innovation. This commitment to employee training and development represents IBM's philosophy that educating and training a workforce enhances employee potential and productivity and generates bottom-line results for IBM and its clients.

Transformation to Innovative Learning

In the 1990's, IBM transformed itself from a hardware company to a service-driven organization. To meet the needs of a changing information technology industry and to attract new business opportunities, IBM found it necessary to re-skill its workforce. During the early 1990's, training and development at IBM had consisted of face-to-face

classroom learning experiences that were costly, time consuming, and impersonal. IBM made a strategic decision to design and implement a more practical method to train its employees. As a result, the company's successful business model transformation was accompanied by a corresponding human resources transition.

The success of this human resources initiative sparked IBM's investment in developing innovative and engaging learning practices for all its employees, from the front-line workforce to senior management. This commitment to leadership development at all levels of the organization is one of WorkforceChicago2.0's Exemplary Learning Practices. According to Director of Human Resources Monica Chambers, "IBM's commitment to learning is not just tuition assistance and skill development; it is a commitment to lifelong learning and to developing the whole person for all employees at IBM." As a result, all employees from administrative assistants to senior management are able to access learning opportunities that will develop them both personally and professionally.

Strategic Commitment to Employee Learning and Development

IBMers today spend an estimated 17 million hours per year (55 hours per employee) engaged in structured training, such as classroom study and online instruction, as well as informal training like experiential or collaborative learning activities. As Ted Hoff, Vice President of Learning explains, "for IBM, learning is embedded in our DNA - it is as fundamental to the future of IBM as it has been to its heritage." To meet the educational needs of its workforce, IBM offers many of its training courses online so that they can be accessed by any employee at any time. These programs enable IBMers to stay abreast of market shifts, industry trends, and innovative



Company Stats	
Name	IBM
Industry	Professional and Business Services
2005 Employees: Total	329,000
2005 Employees: U.S.	133,789
2005 Employees: Chicagoland	3,686
Location	Global Chicago: multiple locations in region
FY2005 Revenue	\$91.13 Billion
Year Founded	1914
Website	www.ibm.com

practices to deliver business value to their clients. According to Susan Valdiserri, Manager of IBM's Worldwide Coaching Practice, "At IBM, we continue to invest in learning and in finding new techniques that help us develop our people. We don't ever stop learning; our values clearly spell this out."

A Blended Approach to Learning

IBM applies a blended approach to training its employees, using technology in conjunction with classroom lectures and peer mentoring. IBM's four approaches to learning include:

1. Learning from information—employees can move at their individual pace and access performance support information online that is relevant to their job needs;
2. Learning from interactions/simulations—employees practice working through online real-life business scenarios that are relevant to their job function in order to master specific competencies;
3. Collaborative learning with peers—employees work with peers in virtual classrooms to practice working in teams during online workshops/conferences; and
4. Classroom-based learning—employees engage in face-to-face discussions of lessons learned. This includes learning labs, classroom sessions, mentoring, role-playing, and coaching.

Independently, each of IBM's learning techniques are innovative and successful. When combined, they ensure that all learning styles are accommodated, placing IBM at the forefront of employee development.

IBM's first blended learning initiative, "Basic Blue," was developed as a new, worldwide management training program. IBM uses Basic Blue to deliver critical leadership information to new IBM managers via a combination of e-learning, simulations, in-field experiences, face-to-face, experience-based workshops, and coaching. IBM's Basic

Blue training program has been heralded as a tremendous success and has been recognized with awards for its approach to developing managers. Basic Blue is also recognized for its cost effectiveness. As stated in WorkforceChicago2.0's Exemplary Practices, exemplary learning and development organizations assess the impact of their training and development investments. According to IBM, its managers learn five times as much material at one-third of the cost of a classroom-only approach. As a result, in addition to being a strategically designed learning program that maximizes IBM's training effectiveness, Basic Blue also provides the company with a significant return on its investment.

Structured Learning Opportunities at IBM—Career Learning Plans

IBM believes that employees are best able to meet their learning goals, increase their productivity, and identify more strongly with the organization when they design individually focused learning activities. Each year every employee and manager at IBM is responsible for completing two sets of individualized performance documents. Based on a set of specific competencies for each position, an employee's Personal Business Commitment (PBC) document identifies the responsibilities of that position and how the employee will meet annual business goals and objectives.

IBM also asks all employees to design an Individual Development Plan (IDP) within their PBC. An IDP is used to map out the employee's learning activities that meet the position's performance objectives in their PBC. In addition, IDPs are also used by employees to define their long-term career goals and list the activities, like continued education, necessary to achieve their goals.

According to Human Resources Director Monica Chambers, "these individually

IBM's Blended Approach: employees learn 5 times as much at 1/3 the cost of classroom instruction.



designed plans are an excellent opportunity for IBMers to discuss with their peers, coaches, and mentors what their career goals are in the company, how they plan to build and strengthen their skills, and how they see themselves as a success at IBM. They keep us future-oriented." IBM has found that by showing its employees a career trajectory within the company, its employee retention is high.

Utilizing Technology for Employee Learning and Development

In accordance with WorkforceChicago2.0's practice regarding the strategic use of technology, IBM strategically links technology to its employees' learning objectives. In addition to its "Global Campus," a learning portal that allows IBMers to access a worldwide IBM course catalog, to enroll in e-learning and/or classroom lecture opportunities, and to begin

online courses, IBM also has an intranet site that is customized for each employee at the company. This intranet site not only offers up-to-the-minute business-critical information, but also provides each employee with specific information about his or her position and key industry trends within that field.

IBM's customized intranet offers a "business library" section that recommends books to employees based on their area of responsibility and provides a summary that employees can preview online or download in an audio format to be listened to at their convenience. In addition, the intranet includes links to broadcasted messages from senior management and downloadable "podcasts," i.e. messages that can be listened to on an Ipod. Because of these technical learning opportunities, employees at IBM are able to access learning and development whenever and wherever they want. "The book summaries and podcasts are an excellent example of how IBMers can access on demand learning. Employees can listen to a podcast about a new technology trend while at the gym, download a lecture while at home on a Saturday, or watch company executives speak at business forums around the world while at work," said Dave Carlquist, VP, Americas – Central Region.

Commitment to Expanding Skills and Knowledge Beyond Job-Related or Technical Skills

IBM is committed to developing the skills and knowledge of its employees. In addition to offering generous tuition assistance benefits, IBM provides job shadowing opportunities throughout the organization to introduce its people to different careers within the company. Perhaps the most innovative learning practice at IBM is its new program, "Transition to Teaching," where IBM offers opportunities for some of its most experienced, older employees to be retrained

to teach. Recognizing that the United States workforce is aging, average life expectancy is increasing, and the fastest growing segment of the population is the older adult, IBM announced in September 2005 that it would help employees transition to a second career and become fully accredited as teachers so that they can work in the fields of math and science when they choose to retire from the company.

According to Dave Carlquist, VP, Americas—Central Region, “Many of our employees have strong math and science backgrounds and most, when approaching the age of retirement, have made it clear that they are still interested in contributing to a new field. We are encouraging our people to teach math and science, so that we create an interest and grow a new generation of leaders in these areas. Hopefully, these leaders will be interested in positions like those offered at IBM. It’s all cyclical.”

For those participating, education includes online coursework, classroom training, and student-teaching for up to three months to meet state certification requirements and prepare to work with students. Employees involved in the Transition to Teaching program will receive \$15,000 from IBM for tuition and stipends while student teaching.

Working and Managing by Values

A result of IBM’s commitment to offer a myriad of progressive learning opportunities designed to encourage innovation is fully engaged employees who are excited about learning and growing with the company. “IBM is dedicated to building the skills of its employees and offering lifelong learning opportunities within the company,” stated Monica Chambers, Human Resources Director. “IBM senior management really invests in and cares about its people.”

This pride in shared corporate values and learning practices is prevalent throughout the company. In 2003, for example, IBM’s senior management used its online web-board or “jam” sessions to engage all employees in a community discussion that charged IBMers with redefining the company’s core values. This 72-hour “ValuesJam” was a great success as it generated tens of thousands of ideas from IBMers and resulted in the identification of IBM’s three core values that influence the company’s learning and development practices:

1. Dedication to every client’s success;
2. Innovation that matters, for our company and for the world; and
3. Trust and personal responsibility in all relationships.

According to IBM employee Tameem Mohsin, “The ValuesJam gave IBMers a voice to discuss our thoughts about the core values of this company. Now that we have them identified, everything at IBM begins with our values, because they are a reflection of us.”

Conclusion

As a result of its learning practices and shared values, IBM has successfully created a corporate culture that fosters employee development, enhances employee productivity, and generates bottom-line results for IBM and its clients. IBM offers an example of how technology can be maximized and applied in low cost ways to create a culture that breeds excitement about learning and development.

WorkforceChicago2.0 is pleased to honor IBM with the 2006 award for exemplary learning and development practices.