About strategy

Tips to create, understand, adopt and influence your startegy

György Kökényesi
CIO Hungary, Ibm Global Financing, Europe transformation manager
23.11.2016

IBM

What does clarity of purpose really mean?

The Golden Circle

Simon Sinek

https://www.youtube.com/watch?v=l5Tw0PGcyN0

IBM

Brands are everywhere

IBM

How to build a 70B brand?

To create outstanding value, leaders of great companies make four choices:

1. An enduring idea.
Although a company's products and services must in themselves be unique in the marketplace, that is not enough - because products and services come and go. This is why these companies choose to be expressed through an idea that is timeless.

2. Who they serve.
These companies are respected by many, but they choose to serve certain constituents who have specific desires.

3. How they are primarily experienced.
All of these companies have made choices about how they are experienced in the world. Although each touches the world in many ways, they're clear about which ways count the most.

4. What differentiates them.
These brands are clear about what makes them unique as companies, what differentiates their products and services, and how they earn the permission to represent a core idea in the world.

IBM

Nike

- Based on an enduring idea: *Competition*

- Who they serve: *The athlete in all of us*

- Experienced through: *Nike's advertising and sponsorship*

- Differentiated by: *Performance*

IBM

Coca-Cola

- Based on an enduring idea: *Inspire and nurture*

- Who they serve: *Cultivators*

- Experienced through: *Best Ads*

- Differentiated by: *Moments of connection*

IBM

Apple

- Based on an enduring idea: *Thinking differently*
- Who they serve: *The contrarian*
- Experienced through: *Design of its products*
- Differentiated by: *Steve Jobs' ethos*

Celebrating 100 @ IBM

1911
2011
2111

Over the past 100 years, hundreds of millions of IBMers, clients, customers and business partners all over the globe have helped IBM make the world work better.

To every single individual, thank you.

We pledge boldness in IBM's second century to create a company that never stops moving toward the future. *Ever onward.*

Monetary value of IBM brand

MICROSOFT
$65.1 BILLION

IBM
$52.7 BILLION

FORD
$30.1 BILLION
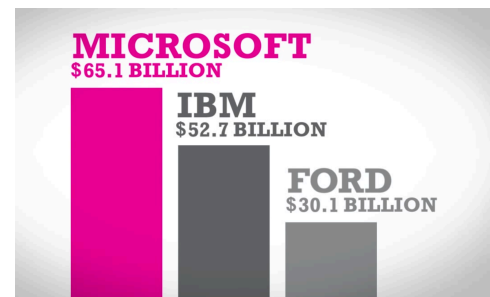
IBM 2015 Annual report

2015
IBM
Annual
Report

Dear IBM Investor,
IBM is unique. It is the only company in our industry that has reinvented itself through multiple technology eras and economic cycles. We do so for one reason: **to create differentiating value for our clients** and for you, our owners.
We are doing so again, in an IT industry that is fundamentally reordering at an unprecedented pace. In important ways, our industry is unrecognizable from what it looked like just a few years ago. So is your company.
Today, IBM is much more than a "hardware, software, services" company. IBM is now emerging as a **cognitive solutions and cloud platform** company.

The progress of our Transformation
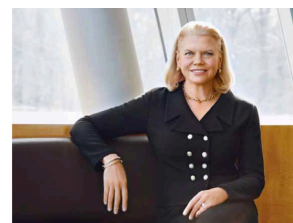
Virginia M. Rometty
Chairman, President and
Chief Executive Officer

Our Solutions Are Cognitive

Slide 1

Go beyond artificial intelligence with Watson

Watson is working with businesses, scientists, researchers, and governments to outthink our biggest challenges.

$300,000 $1,000,000 $200,000
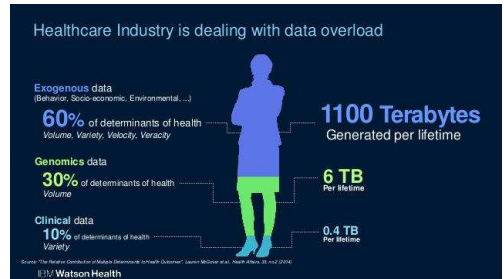
KEN   WATSON   BRAD

Understand
With Watson, you can analyze and interpret all of your data, including unstructured text, images, audio and video.

Reason
With Watson, you can provide personalized recommendations by understanding a user's personality, tone, and emotion.

Learn
With Watson, you can utilize machine learning to grow the subject matter expertise in your apps and systems.

Interact
With Watson, you can create chat bots that can engage in dialog.

Slide 2

IBM Watson to work at in Healthcare

Healthcare Industry is dealing with data overload

Exogenous data
(Behavior, Socio-economic, Environmental, …)
60% of determinants of health
Volume, Variety, Velocity, Veracity

Genomics data
30% of determinants of health
Volume

Clinical data
10% of determinants of health
Variety

1100 Terabytes
Generated per lifetime

6 TB
Per lifetime

0.4 TB
Per lifetime

Source: "The Relative Contribution of Multiple Determinants to Health Outcomes", Lauren McGovor et al., Health Affairs, 33, no.2 (2014).

IBM Watson Health

14

Slide 3

WATSON

PRODUCTS   APIs

Watson Virtual Agent
Help your customers help themselves. Provide them with instantaneous, personalized support - wherever and whenever they need it.

Watson Explorer
Combine the power of cloud-based enterprise search, content analysis and cognitive solutions to connect and view data insights across silos, for better outcomes.

Watson Analytics
Uncover new insights quickly and easily with automated data analysis, automatic visualization and predictive analytics.

Watson Knowledge Studio
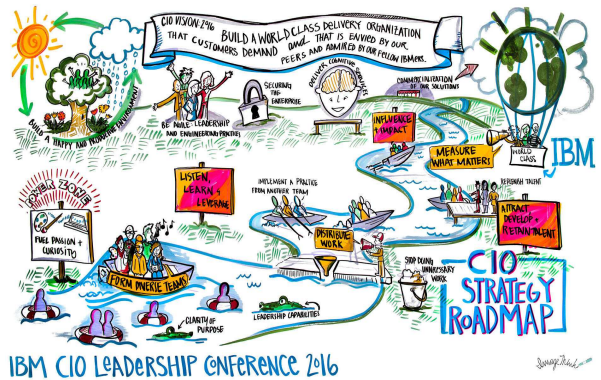Teach Watson to discover meaningful insights in unstructured text without writing any code.

LANGUAGE	AlchemyLanguage	Conversation	Dialog
	Document Conversion	Language Translator	Natural Language Classifier
	Personality Insights	Retrieve and Rank	Tone Analyzer
SPEECH	Speech to Text	Text to Speech	
VISION	Visual Recognition		
DATA INSIGHTS	AlchemyData News	Discovery	Tradeoff Analytics
EMBEDDED COGNITION	Project Intu		

Slide 4

WHAT CAN I DO?

16

Slide 5

Jeff Smith
Chief Information Officer IBM
Armonk, New York | Information Technology and Services

Current   IBM
Previous   Suncorp, Majitek, Telstra
Education San Jose State University

Connect   Send Jeff InMail

500+ connections

https://www.linkedin.com/in/jeff-smith-9013a4a

Background

Experience

Chief Information Officer
IBM
August 2014 – Present (2 years 4 months)

CEO - Suncorp Business Services
Suncorp
July 2010 – August 2014 (4 years 2 months)
Leader of shared services across Suncorp

IBM CIO implement **agile** based structure and **culture** to support IBM's transformation.

CIO LEADERSHIP EXCHANGE 2016
June 13–14, 2016 | New York City

17

Slide 6

Example of a strategy on a page

IBM CIO LEADERSHIP CONFERENCE 2016

Introduction to Agile – Agile Principles

1. Begin with clarity about the outcome, and let it guide every step along the way.

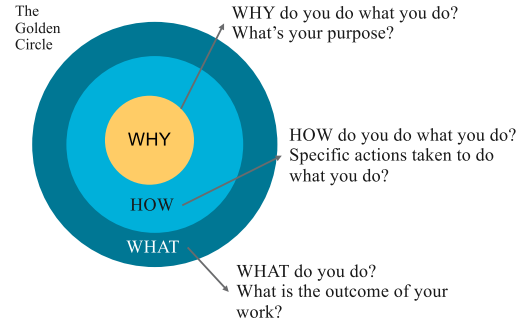**2.** Listen, iterate, learn and course correct rather than wait until it's perfect.

3. Encourage self-direction for teams to unleash innovation, instead of concentrating leadership in the hands of a select few.

- Focus on the customer and business value
- Iterative and fast
- Flexible, adaptive and continuously improving
- Collaboration and teamwork
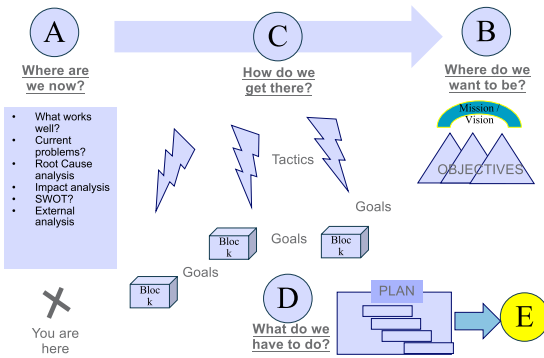- Empowered and self directed teams

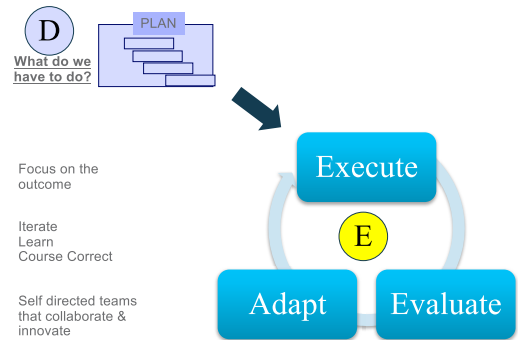19

Clarity of purpose

The Golden Circle

WHY

HOW

WHAT
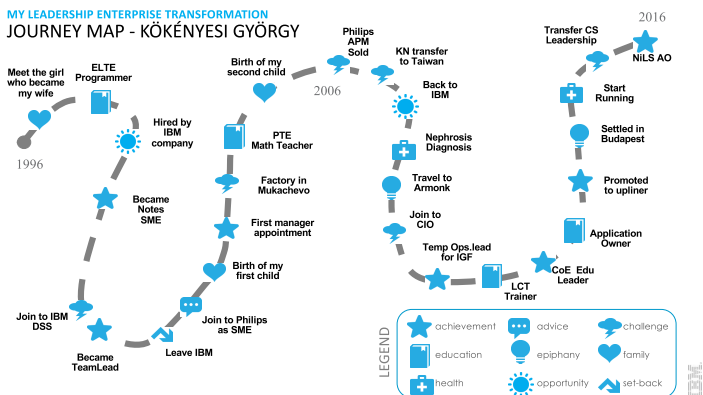
WHY do you do what you do? What's your purpose?

HOW do you do what you do? Specific actions taken to do what you do?

WHAT do you do? What is the outcome of your work?

Strategy Formulation Process

A — Where are we now?
- What works well?
- Current problems?
- Root Cause analysis
- Impact analysis
- SWOT?
- External analysis

You are here

C — How do we get there?

Tactics

Goals

Goals

Goals

Block Block Block

B — Where do we want to be?

Mission / Vision

OBJECTIVES

D — What do we have to do?

PLAN

E

Strategy Execution Process

D — What do we have to do?

PLAN

Focus on the outcome

Iterate
Learn
Course Correct

Self directed teams that collaborate & innovate

Execute

E

Adapt

Evaluate

MY LEADERSHIP ENTERPRISE TRANSFORMATION
JOURNEY MAP - KÖKÉNYESI GYÖRGY

Meet the girl who became my wife

ELTE Programmer

Hired by IBM company

Became Notes SME

Join to IBM DSS

Became TeamLead

Leave IBM

Join to Philips as SME

Birth of my first child

First manager appointment

Factory in Mukachevo

PTE Math Teacher

Birth of my second child

Philips APM Sold

KN transfer to Taiwan

Back to IBM

Nephrosis Diagnosis

Travel to Armonk

Join to CIO

Temp Ops.lead for IGF

LCT Trainer

CoE Edu Leader

Application Owner

Promoted to upliner

Settled in Budapest

Start Running

Transfer CS Leadership

NiLS AO

1996

2006

2016

LEGEND
- achievement
- advice
- challenge
- education
- epiphany
- family
- health
- opportunity
- set-back

References / videos

1. Golden Circle
   https://www.youtube.com/watch?v=l5Tw0PGcyN0
2. Branding
   https://www.youtube.com/watch?v=JKIAOZZritk
3. IBM Centennial Film
   https://www.youtube.com/watch?v=39jtNUGgmd4
4. IBM 2015 Annual report
   http://www.ibm.com/annualreport/2015/assets/img/2016/02/IBM-Annual-Report-2015.pdf
5. Watson Jeopardy
   https://www.youtube.com/watch?v=WFR3lOm_xhE
6. IBM Watson Healthcare
   https://www.youtube.com/watch?v=hbqDknMc_Bo

24

Thank you!

IBM