



\$12.2 million

investment made by IBM in 2008 in China talent and skill development, supporting both our local and global missions. IBM has invested more than \$23.5 million in China talent and skill development over the last three years.

1946

is the year IBM entered the China market. The company reentered in 1970.

More than

18,000

employees in 26 offices.

\$2.6 billion

in revenue in 2008.

Market Profile: The intersection of business and responsibility in China

To be competitive, any individual, community or enterprise has to adapt continuously—learning new skills in new areas. Today, IBM's business is expanding most quickly in the hyper-growth economies spread across Asia Pacific, Latin America, Central and Eastern Europe, the Middle East and Africa—markets in varying stages of development.

This reality demands that we continually look at new approaches to how we grow in the communities in which we're already working—and develop leaders prepared to function not just locally but also as global citizens and professionals. A program like our Corporate Service Corps, described in this section of the report, has a triple benefit. It benefits communities by solving problems on the ground. It benefits IBMers by providing them with an exemplary form of leadership training and development. And it benefits the company by developing a new generation of global leaders.



Corporate Service Corps: A Worldwide Program with a Local Emphasis

Assessing the impact of the Corporate Service Corps: The Harvard Business School recently studied the effects of the IBM Corporate Service Corps and found it has clearly had positive impacts on individual participants—personally and professionally—as well as on the communities served.

Harvard also surveyed 31 of the local “project hosts” to assess their satisfaction with the program. The vast majority cited improvements in their internal business processes and their ability to forge new and stronger partnerships with other private sector, NGO and governmental agencies in-country as a result of their work with the IBM Corporate Service Corps.

In April 2009, a team of nine IBMers from Europe, Asia and North America, with a broad range of skills, traveled to Chengdu, a city of 11 million in China’s Sichuan Province, for a month-long assignment, as part of the Corporate Service Corps initiative. Now in its second year, IBM’s “corporate Peace Corps” sends future leaders, from all over the globe, to developing countries to work in teams on projects where information technology is used to foster economic development.

The Chengdu team, for example, worked with local businesses, offering training in corporate governance, financial management and corporate communications, including how to promote cooperation with foreign investors. The team also implemented a plan for an integrated IT system and network for the Chengdu Chamber of Commerce to help it provide better services to all of its member businesses.



The city of Chengdu in the Sichuan Province is a major center of China's software industry and the largest railway hub in southern China with four major railways converging there. However, the devastating 8.0 earthquake in May 2008 left the economic infrastructure of Chengdu in serious need of rebuilding. To help in this effort, IBM commissioned a Corporate Service Corps team of nine IBMers to Chengdu in April of 2009, the first of three teams working in the region.



100

employees were selected for Corporate Service Corps assignments in 2008, out of 5,500 applicants from 54 countries. Five hundred will receive Corporate Service Corps assignments in 2009.

1,500

IBMers will be deployed between 2008 and 2010. In 2009, teams will work in Brazil, China, Egypt, Ghana, India, Malaysia, Nigeria, the Philippines, Romania, Tanzania, Turkey, Vietnam and South Africa. Beginning in the second half of 2009, IBM will deploy the first Corporate Service Corps executive team.



Improving Educational Resources in Sichuan Province

On the Web

For more information on the SME toolkit, visit china.smetoolkit.org

IBM is working with the Ministry of Education to leverage the open source Blue Sky instructional portal, which we developed earlier in our Reinventing Education initiative. This will provide access to the latest Web 2.0 functionality and the highest quality educational content for teachers and students in the region. IBM is also supporting the China Research Lab in its efforts to develop new emergency and early earthquake warning systems and technologies. A Mandarin language version of the Small Business Toolkit, an online portal offering a variety of business resources, is being launched in 2009 to support young entrepreneurs in Sichuan Province.

Earthquake Disaster Relief in Sichuan Province, China

“The social service sector is stressed by a significant increase in the number and types of needs that must be addressed and by a reduction in the resources available to respond to them. However, organizations around the world are reporting an enormous growth in the number of people who are volunteering their time and talents. There is a real opportunity to rethink how corporations can utilize their most valuable asset—employees—to create change, like IBM has done with its Corporate Service Corps and On Demand Community volunteer program.”

Michelle Nunn, CEO, Points of Light and HandsOn Network

On May 12, 2008, Sichuan Province was the epicenter of an 8.0 magnitude earthquake that killed more than 70,000 and left five million homeless. Within 24 hours various IBM teams, including IBM On Demand Community volunteers, were mobilized.

Sahana, an open-source disaster management system, and six IBM high-end enterprise servers were donated, configured and installed by IBM experts to support the Zhongmin Charity Information Center under the Ministry of Civil Affairs and the Blood Center of Beijing Red Cross Society. More than 50 IBM development lab and technical support experts worked around the clock to customize and translate the Sahana software, based on the request of the Emergency Command Center in Chengdu City and the National Disaster Reduction Center in Beijing.

Because a large number of schools were destroyed in the quake, IBM offered 100 KidSmart Early Childhood Learning Centers to the Ministry of Education, and these were deployed in the relief villages which had been set up by the Government immediately following the disaster.



Sahana, an open source, Web-based “disaster relief in a box” management system, was instrumental in helping the citizens of Chengdu and the Chinese government track missing persons, coordinate relief efforts and manage pledges for support.