

Value Creation: Innovation and Globalization; *the economic challenges and their impacts on higher education and skills development*

Dr Diem Ho

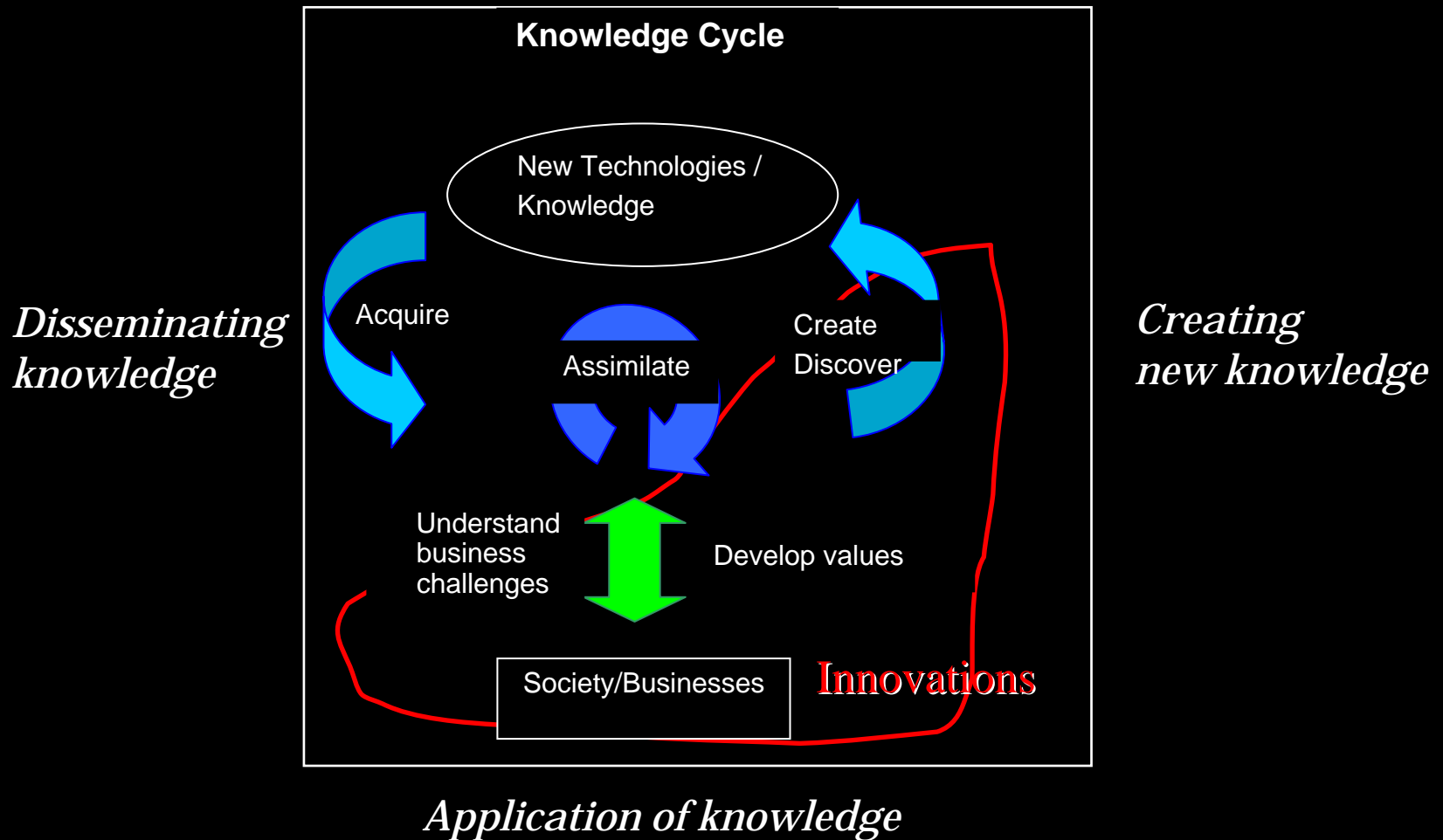
Member of the IBM Academy of Technology

UNICA Rectors' Seminar, July 4, 2008

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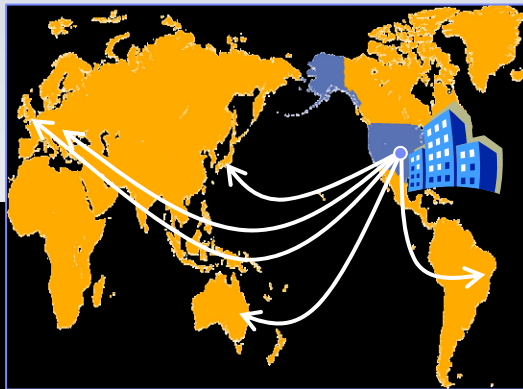
Innovation and the Roles of Higher Education



“Business schools need to have a two-track faculty, with the second track being a clinical faculty, that is, ...those who would bring into the classroom the world of practice and experience”. JEFFREY E. GARTEN (former YSM dean)

Globalization: look for where the best is in a flattened world

International



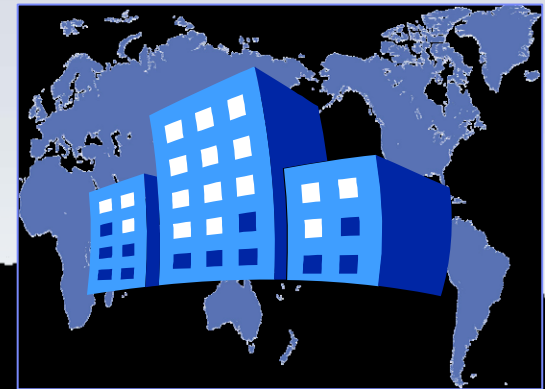
**HQ in one country
Sell in many
Export/Import**

Multinational



**Replicate operations
in many countries
(HQ, R&D, Manu, etc.)**

Globally Integrated



**Draw on global skills
and global delivery.
Tasks performed in
one location for
customers in many**

C 19th



C 20th



C 21st

Services Science and Engineering: Value Creation

HOW VALUES ARE CREATED

Services focus on creating Utility Value or Perceived Value for a product/asset. They are in contrast with Engineering which focuses on Cost and Quality



Route to Market: Servitization vs Productization

GIE

Globalization

Mass Customization

**Business or
Societal Challenges**

Servitization

Products

Services

Clients

Clients

Clients

Clients

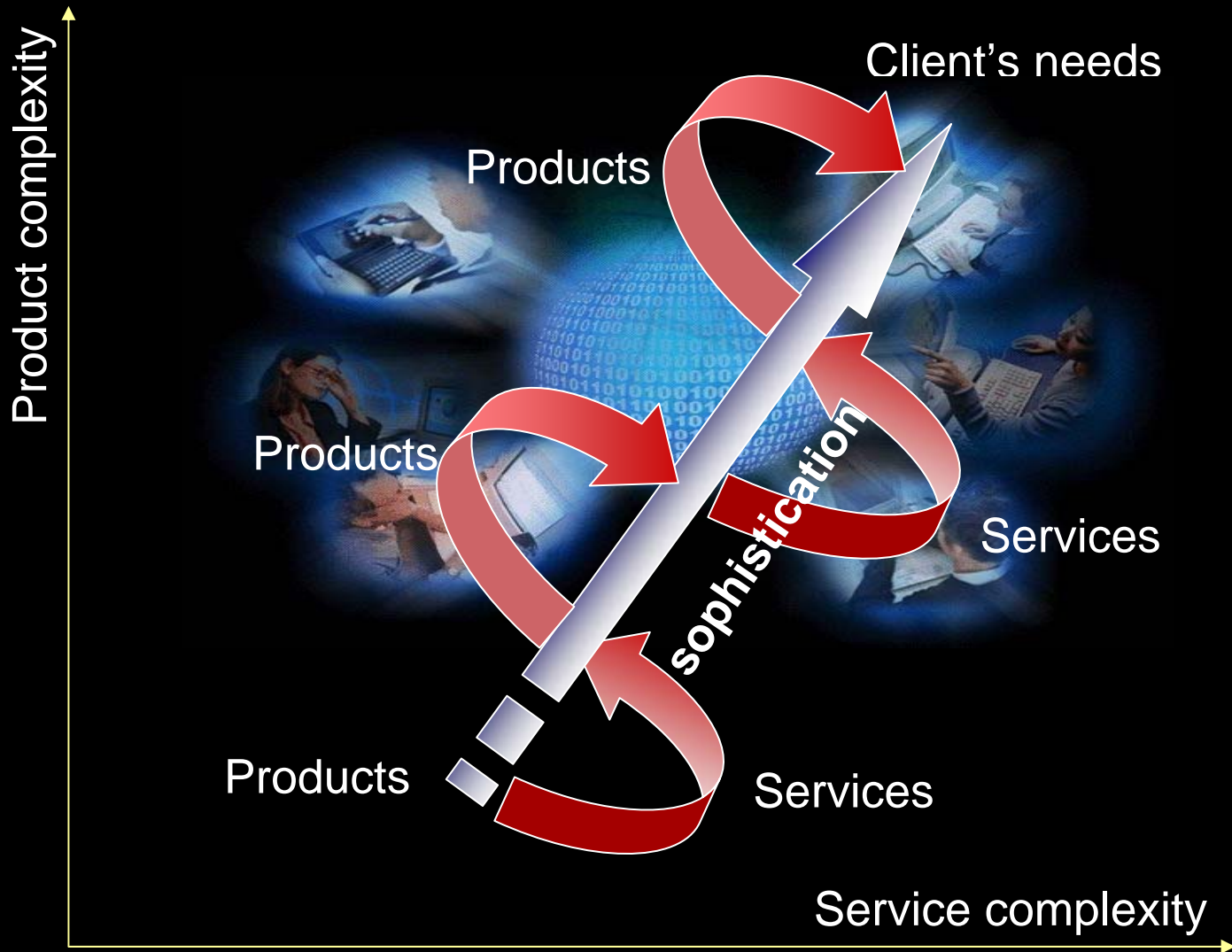
Clients

Residues of common assets

Reusable assets

Productization

Economic Evolution: Servitization and Productization



The Globally Integrated Enterprise

- Extends reach into local markets
- Reallocates works to meet talents
- Optimizes and integrates key operations
- Eliminates redundancies and excess overhead
- Leverages capability wherever it is located



Value Creation: Value Matrix

Where Innovation and Globalization can target?

Can Value Creation be measured?

Where values should show up?

Values

Revenue Growth

Market Share

Profit

Productivity

Challenges

Customers

Products/Services

Market/Competition

Operations/Processes

/Resources

Business Integrity

Customer Intimacy

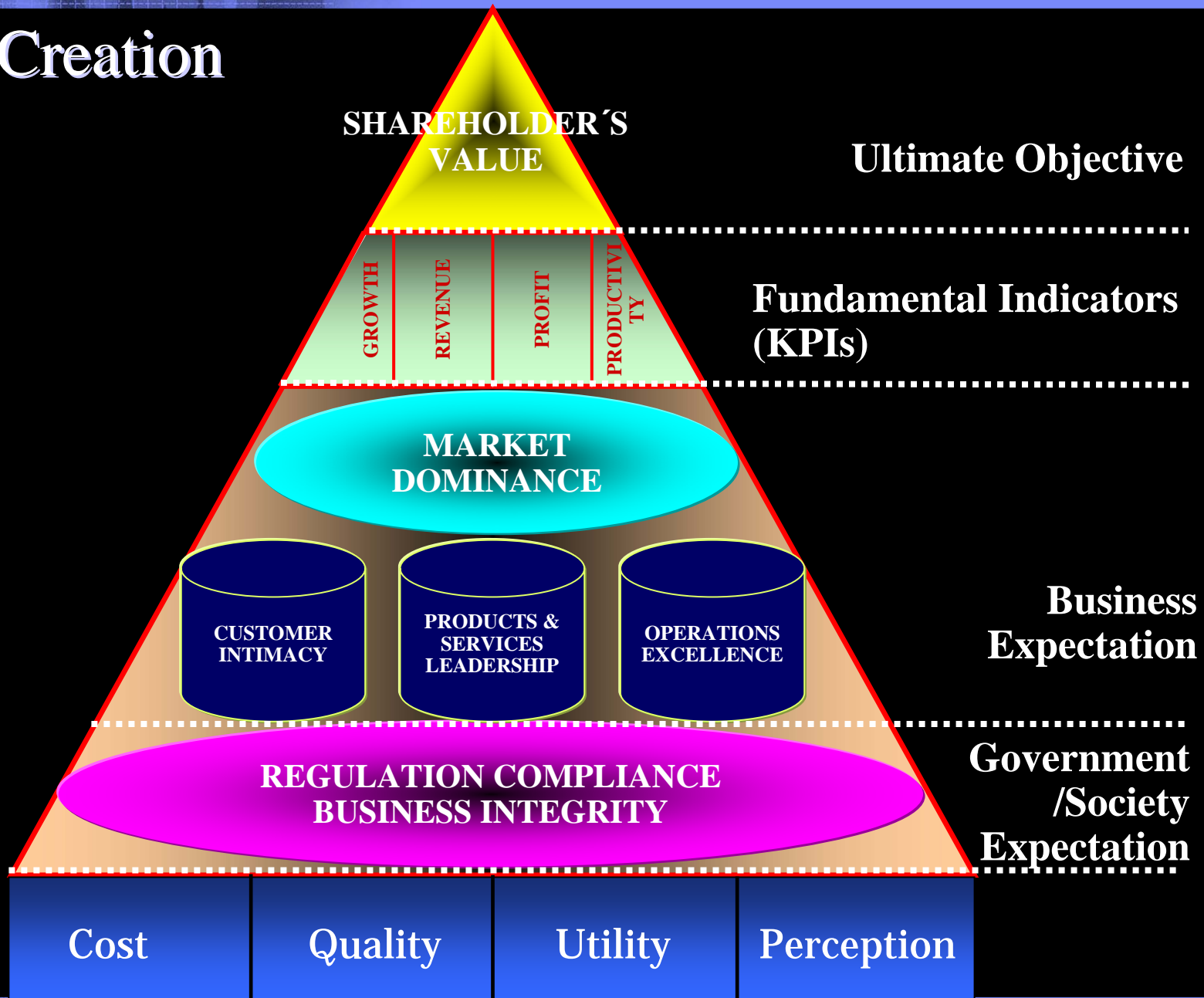
Products/Services Leadership

Market Dominance

Operations Excellence

Regulation Compliance

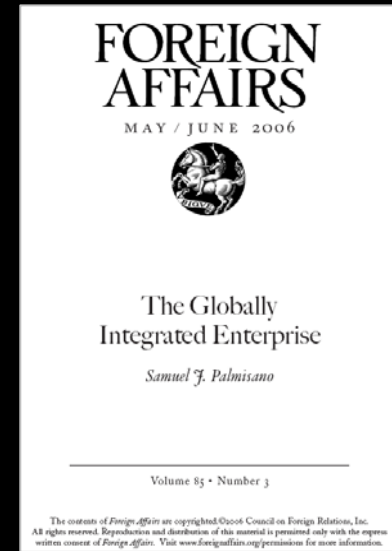
Value Creation



Example; Become a globally integrated enterprise to tap the power of globalization to deliver unique value in an open collaborative ecosystem

Case Study: IBM has integrated global operations and sustains trust in a distributed environment by lowering the center of gravity

- Lower the center of gravity
- Improve cost and effectiveness by moving work to where it can best be performed
- Focus IBM's resources where we create the greatest value and excel in business collaboration

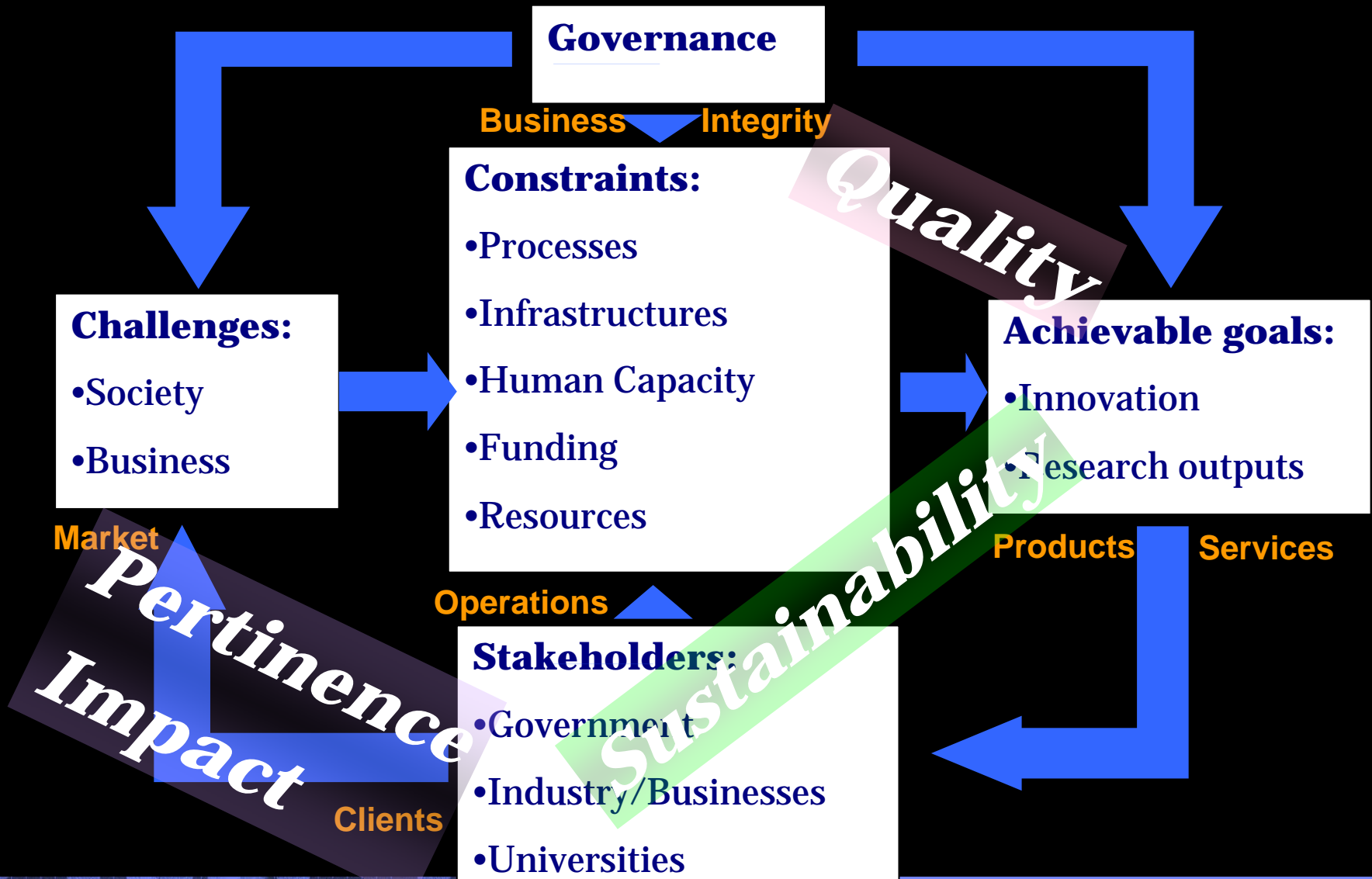


The 21st Century Demands Uniquely Skilled People

- Cross-disciplinary programs and degrees
- Fusing technical competency with industry-specific knowledge and business-process expertise
- Success requires open collaboration among academia, government and industry to transform how the pipeline of future skills is built



Innovation Ecosystem



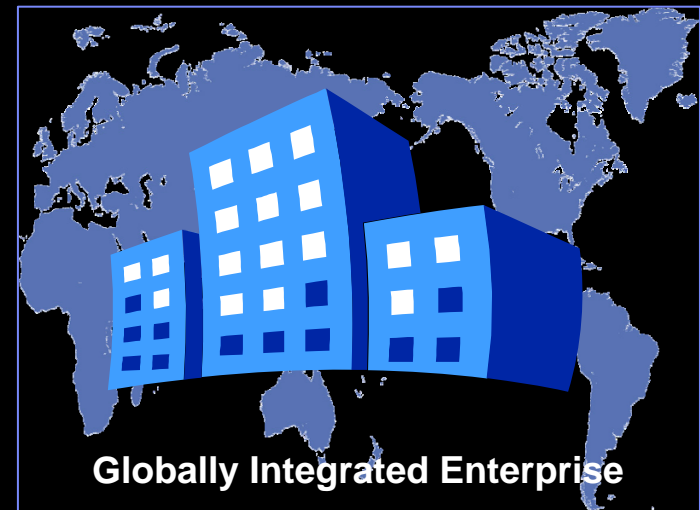
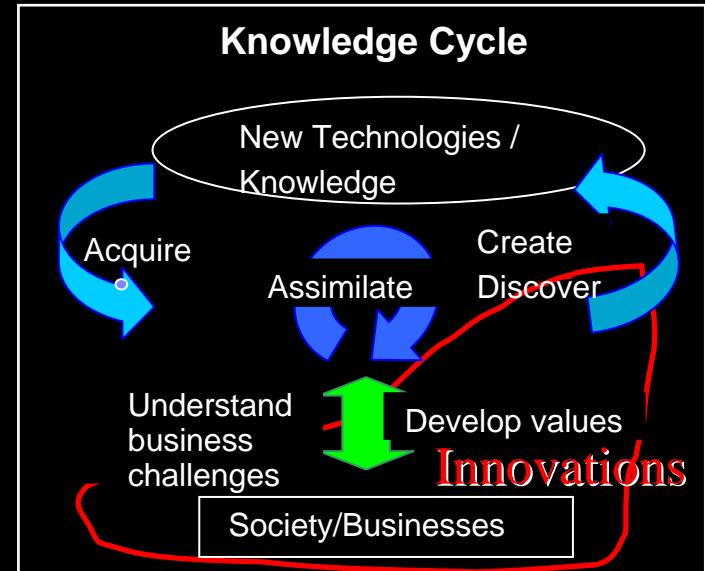
Innovation and Globalization: Critical Success Factors

Innovation: Value Creation through Inventiveness and Newness

- Quality
- Pertinence
 - Impact
- Sustainability

Globalization: Value Creation through Improved Productivity/ Affordability/Marketability

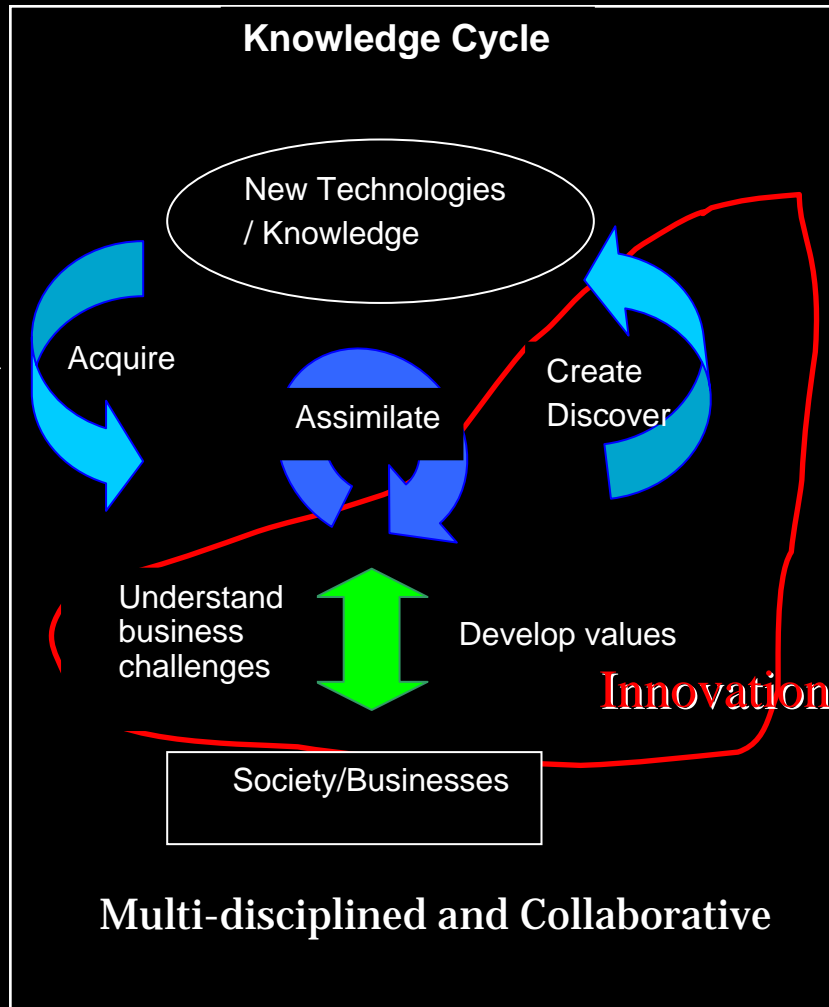
- High Valued Skills
- Fruitful Collaboration
 - Intellectual Capital Sustainability
 - Trust
- Seamless Integration



Impacts on Higher Education

Faculty perspectives:

- Standing out among the out-standings
 - Patents
 - Publications
- Pushing the frontier of innovation and relevancy
 - Government/industry Partnership
 - practicality
 - alignment with government/industry strategic objectives
- Committing to change
 - Continual learning



Student Perspectives:

- Hitting the ground running
 - Employability
 - Knowledge
 - Experiences
 - Insight
 - Project based approach
- Preparing for innovation
 - Versatility: wider spectrum
 - Major
 - Minor
- Expecting the unexpected
 - Adaptability
 - Methodology
 - Framework

Thank
YOU



About the speaker: Dr Diem Ho is Manager of University Relations for IBM Europe, Middle East and Africa (EMEA).

His mission is to build and manage relationships of mutual value for IBM and the academic community.

Diem's past research interests covered many disciplines in Science, Technology and Finance/Economics. He has published widely in physics, mathematics, image processing, remote sensing, engineering, optimization and finance.

Last year he co-edited/authored a special issue of the *Computational Economics* on Stochastic Process and Data Analysis published by Springer.

In recent years, he has lectured intensively on Higher Education Reform and is a member of the peer review teams for the EFMD-EQUIS and EPAS accreditation programs and a member of the EPAS committee.

He is an associate editor of the journal of *Computational Economics* and is a member of the IBM Academy of Technology.

Before assuming his current position, he was an EMEA practice leader with the IBM Management Technologies Consulting Group, specializing in using Technologies to address Business Challenges in Banking and Finance sector.

Before joining IBM, Diem was a university professor and he continues to supervise PhD thesis to-date.

Diem obtained two Master degrees and a PhD in Magnetospheric Physics at Stanford University, California.