



IBM's Commitment to Africa

Point of View Essay

Highlights:

- Africa is emerging as the last great global growth market. IBM is expanding its reach there.
- As African countries endeavor to boost their economic capabilities, IBM stands ready to help.

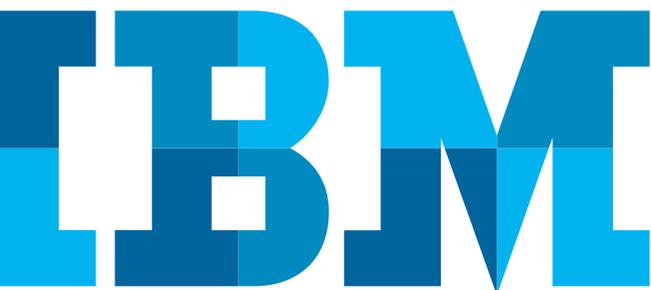
Contents

- 2 IBM's Approach to Capacity Building in Africa
- 5 Smarter planet
- 6 Corporate Service Corps
- 7 University Relations
- 8 Research
- 8 Management Mentoring
- 8 Promoting Entrepreneurship
- 9 Elementary and Secondary Education
- 9 Millenium Goals

This is Africa's time. There's a rising sense of optimism about the potential for the African economies. There's hope that modern technologies and market-based systems will help to provide the boost that African countries need to participate fully and successfully in the global community. "All across Africa, people are discovering that there's an economy to be built. If business leaders jump in, there's a glorious future for Africa," declares Nitin Nohria, dean of Harvard Business School.

IBM is jumping. Last September, when the company was on the verge of signing a landmark agreement to provide information technology services for Bharti Airtel in Africa, IBM's chief executive, Sam Palmisano, insisted on flying to Kenya on short notice to participate in the press conference announcing the deal. He wanted to demonstrate his commitment to the future of Africa. "At IBM, we see this kind of transformation through the lens of what we call 'building a smarter planet,'" Palmisano said of the [agreement](#)¹ to retool and operate Bharti Airtel's IT operations in 16 African countries. "By integrating much of the continent ... this new infrastructure will enable systems of all kinds, from commerce to government services and more."

IBM has long done business in Africa—beginning back in the 1920s. It launched an expansion three years ago. But the Bharti Airtel arrangement expanded the company's geographic footprint on the continent and [lifted its ambitions](#)². IBM has already played a role in developing the technology capabilities of India, China, Brazil and Central and Eastern Europe. Now, IBM sees the potential to work alongside its clients and partners to play a leading role in Africa, a huge developing market, as it becomes a vibrant player in the global economy.



Expanding in Africa comes with a unique set of challenges. It can't be viewed in the same way as IBM's expansion in India and China, where the economies were booming. Africa is growing rapidly, but it is fundamentally different. Before IBM can hope to sell a lot of products and services, it must aid in building the capacities of Africa's people and institutions—including knowledge, technology infrastructure, business sophistication and governance. Also, Africa isn't a single market, but 54 countries. Each country has its own political, economic and cultural dynamics—and its own pace of development.

“At IBM, we see this kind of transformation through the lens of what we call ‘building a smarter planet.’”

— Sam Palmisano

This dedication by IBM to capacity building isn't based on altruism. The company is convinced that there is enormous growth potential across the continent, but that potential won't be realized unless the underlying physical, economic and societal infrastructures that permit markets to develop and endure are in place. Only through a patient, long-term approach will Africa become a substantial market for IBM's products and services and an important source of employment talent.

Along side its day-to-day business of providing advanced technologies and services to clients in Africa, IBM has deployed an array of programs aimed at building economic capacity. They range from the employee volunteer program Corporate Service Corps, which is modeled on the U.S. Peace Corps, to university relations programs aimed at improving math and science education, and to scientific research collaborations designed to solve vexing problems that are of particular importance in a country or region. IBM will adapt these programs to fit Africa, and will invent new programs that are tuned to Africa's challenges and opportunities. Indeed, IBM's entire Smarter Planet agenda, embodied in an ever-expanding set of concepts and technology solutions, helps governments and businesses make complex man-made and natural systems function more effectively. IBM's Smarter Planet vision is in line with the national agendas of many of the countries of Africa.

However, IBM understands that fundamental improvements won't come quickly. Progress takes courage and determination and a long-term view. Also, progress won't come unless the interests of citizens are taken into account. A dynamic economy requires the participation of many stakeholders. In spite of the many challenges, IBM stands ready to be a partner in progress alongside African government, business and non-profit leaders—and the people of Africa.

IBM's Approach to Capacity Building in Africa

In the fall of 2009, a team of 12 IBM Corporate Service Corps volunteers arrived in Nigeria's Cross River State to assist the government in improving public services. The rural state borders Nigeria's oil-rich delta region, but most residents rely on subsistence farming and 70% of them live under the local poverty line of 150 Naira, or about \$1, per day. Fortunately, the state gets a portion of Nigeria's oil revenues and has government leaders who are willing to invest in the social safety net. The IBM volunteers assisted state agencies with two ambitious programs: Project HOPE, which provides free health care to mothers and young children, and Project Comfort, which provides financial assistance to people in disadvantaged households with the goal of helping them to educate family members and establish small businesses.

When the four-week Corporate Service Corps stint ended, Cross River officials were so pleased with the results that they engaged IBM Global Business Services to further develop the projects. IBM assigned a team of four consultants to oversee technology development, improve service-delivery processes, train state employees and fashion a marketing campaign for drawing in participants. “With these [two programs](#)³, the government hopes ultimately to reach 750,000 women and children and support 12,000 very poor households who will be promoted to a safe place where they can fend for themselves,” says Edak Iwuchukwu, Cross River commissioner, Social Welfare and Community Development.

The Cross River engagement is a vivid illustration of the evolution of IBM's approach to doing business all over the world. For many companies, corporate social responsibility activities are distinct from their core business activities. “Most companies remain stuck in a ‘social responsibility’ mindset in which societal issues are at the periphery, not the core,” writes Harvard Business School professor Michael E. Porter. Not so

at IBM. The way the organization does business and the way it engages with society have merged into one. Porter calls this “shared value”—creating economic value in ways that also create value for society. IBM expresses this melding of purposes at the highest level in its Smarter Planet agenda, through which it aims to make the world work better by harnessing the latest technologies to improve the performance of a host of man-made and natural systems, from electrical grids to river deltas. But the philosophy infuses everything IBM does. And, in Africa, because of the needs of society, this approach is even more essential to the company’s success. “IBM has to help build the capacity of the countries of Africa. That will be fundamental. If you make an economic or social impact in a country, you’re creating a better climate for your business,” says Stanley Litow, IBM vice president for Corporate Citizenship and Corporate Affairs.

The tide is turning in Africa. A shift is underway to a culture of enterprise. The change is being led by a new generation of forward-thinking governmental and business leaders, among them John Kufuor, president of Ghana from 2001 to 2009. Convinced that a vibrant private sector was the key to economic development in his country, Kufuor put in place reforms aimed at encouraging local entrepreneurship and investment by multinationals. As a result, Ghana’s GDP quadrupled in eight years. “The miracle is that Africa today is quickly awakening and determined to mainstream itself through the phenomenon of globalization,” he said in a 2009 lecture.

The lure of Africa is strong for multinational businesses. The continent holds 10% of the world’s oil reserves and 40% of its gold, and African mines produce more than half of the gem diamonds. In agriculture, African farmers grow two thirds of the world’s cocoa and a sizable share of its gourmet coffee beans. Economic trend lines are improving fast, too. Africa’s collective gross domestic product in 2010 was \$1.7 trillion, greater than Brazil’s, and it’s expected to hit \$4 trillion in 2020, while the continent’s consumer spending is forecast to rise from \$880 billion in 2010 to \$2.6 trillion in 2020. So it’s no wonder that foreign direct investment rose from \$9 billion in 2000 to \$62 billion in 2008, almost as large as the flow to China as a percent of GDP. Further out in the future, the picture is even brighter: Citigroup expects Africa’s share of total global GDP to rise from 4% today to 7% in 2030 and 12% in 2050. And, in 2050, it expects Nigeria and Egypt to be among the top 10 global economies.

For IBM, the attraction of Africa is obvious. First, there’s the fast-growing information technology market. Africa’s IT market is attractive, with a served market growing to \$12.5 billion in 2015. Further out, Africa has the potential of providing a deep talent pool for IBM. (The company has already tapped the talent markets in South Africa, Egypt and other countries.) While working-age populations in most other regions are shrinking, the number in Africa is expected to expand from 500 million today to 1.1 billion in 2040, making it the largest reservoir of workers in the world. Some countries have done admirable jobs with literacy and other aspects of human development. Namibia, for instance, has an 88% adult literacy rate. Further, the completion of major fiber optic ocean cable projects is at last giving African people the prospect of broadband connectivity they need to become full participants in the global networked economy.

“IBM has to help build the capacity of the countries of Africa. That will be fundamental. If you make an economic or social impact in a country, you’re creating a better climate for your business,”

—Stanley Litow, IBM vice president for Corporate Citizenship and Corporate Affairs

Yet the numbers also show how far Africa still has to go to produce thriving economies capable of creating large markets and a plentiful supply of skilled workers. Violence and political turmoil remain persistent threats in many countries. Education levels remain low in some: in Tanzania, less than 1% of adults have college degrees, compared to 38% in the United States. (For comparison, China now has more university graduates per year than the United States.) Internet connectivity is scant, as well. Less than 10% of the adults in Kenya and South Africa have Internet access, which the United Nations considers crucial for a modern economy. In Tanzania, the number is just 1.3%. While Africa produces a bounty of natural resources and cash crops, it manufactures relatively few high-margin finished products. Corruption suppresses economic dynamism in underdeveloped countries all around the world, and that’s true in parts of Africa, as well. At the same time, even while African economies are expected

“Africa’s growth needs to be measured not just in GDP figures but also by the degree to which it brings social benefits to all of its people.”

—former United Nations Secretary-General Kofi Annan

to grow an average of more than 4% this year and faster in the future, wealth is flowing disproportionately to a relative few, which is stifling economic opportunity at other strata of society. “Africa’s growth needs to be measured not just in GDP figures but also by the degree to which it brings social benefits to all of its people,” says former United Nations Secretary-General Kofi Annan.

How can IBM help African economies flourish and build a broad middle-class that’s crucial to both economic and social progress? The most obvious way is through the sale of products and services that provide solutions to the challenges that clients in the public and private sectors face every day. Information technology has become an essential ingredient of every successful economy. For instance, non-farm labor productivity in the United States grew an average of 1.6 percent between 1981 and 1995 but accelerated to an average of 2.6 percent between 1995 and 2007, and Erik Brynjolfsson, a professor at MIT Sloan School of Management, credits aggressive investments in technology for much of this growth.

Already, IBM is expanding its reach in Africa. The company has long operated subsidiaries in Egypt, South Africa and Morocco, and has worked through business partners in others. As part of an Africa expansion strategy launched in 2008, IBM established legal entities in Kenya, Nigeria and Ghana, and is opening additional ones in Tanzania, Angola and Senegal in 2011. It’s focused on countries with the right political and business environments. The Bharti Airtel deal from 2010 nearly doubled IBM’s staff in Africa. It now has employees in 20 countries and sells a wide array of software, hardware and services in several of them. IBM has landed significant contracts in recent months, including [providing technology](#)⁴ for the Senegal Customs Directorate’s import and export management system, which will help the country track the flow of goods at all of its border crossings.

But, clearly, selling technology and services won’t be enough. IBM is assisting African governments and businesses in building strategies, expertise, policy frameworks, organizational structures and operating procedures so they can perform better in the 21st century. It has well-established programs for improving education and the capacity for conducting research. And, as IBM engages more deeply in Africa, it will adapt and expand these programs to meet the needs of countries, industries and institutions as a form of corporate nation building.

IBM hopes that African leaders from governments, businesses and NGOs will see it as a respectful partner that wants to learn, collaborate and assist them in solving problems. The message was articulated by Dr. Katherine Getao, secretary for e-government in Kenya: “Sometimes people who want to help us tell us what we need. It’s really important to us that they listen to the challenges we are facing but also the solutions we have chosen for ourselves. We really appreciate it when somebody comes and is willing to help us with a problem that we have identified and where we have part of the solution, and we believe they have the expertise and skills and knowledge and experience to help us move further along the way to solving that particular problem.”

IBM has a long history of helping governments, industries, and business leaders take on complex problems and develop solutions that transformed the workings of societies and economies. In earlier times, IBM helped enable the U.S. Social Security System, automate the census processes in places as diverse as Brazil and Nepal, and support modern banking, telecommunications, retailing, and more. Now, through its many Smarter Planet engagements across the globe, the company is helping governments and industries add another layer of intelligence to essential systems, or actually build new systems from scratch.

In Africa, IBM sees opportunities to dramatically improve the transportation infrastructure, the banking and telecommunications systems, plus mining. But there is also the potential to create whole new industries. Rather than trying to match China’s efficiencies in low-cost manufacturing, for instance, IBM is urging the leaders of African nations to invest in building advanced data analysis capabilities. It’s a new sort of “manufacturing” for the 21st

Century. “They can manufacture insight from the world’s data,” says Mark Dean, vice president and chief technology officer for IBM Middle East and Africa. “It’s a high-margin industry. It’s very clean. You can put it anywhere. And it will generate a tremendous number of jobs.”

During its 100-year history, IBM has helped shape the evolution of the organization and work with its business innovations—including progressive workforce policies, global engagement and the deliberate creation of corporate culture. It also pioneers new methods of social engagement. IBM leaders know that the process of evolution is never finished, and they stand ready to assist the organizations of Africa and to evolve their own operational approaches to suit the business environments on the continent.

So IBM is developing a new approach to Africa. It hopes that it will eventually be seen as a national asset in every country on the continent—just as it is in today in China, India and Brazil.

IBM isn’t the first multinational company to pursue this approach to doing business in Africa. Others have developed innovative strategies that have produced positive results both for them and for African communities where they operate. For instance, Coca-Cola, the US-based beverage company, created a Manual Distribution Center program in East Africa that employs a network of entrepreneurs as distributors in hard-to-reach urban and rural areas. The individuals deliver beverages to small retailers via bicycles and carts. To date, more than 2,800 small distribution businesses have been formed, creating direct employment for more than 13,000 people and generating more than \$550 million in revenues.

Coca-Cola and other companies offer lessons to learn from, but IBM is concocting its own recipe for Africa. So far, its capacity-building programs address community development, governance, education, research and Smarter Planet engagements. Here are some key ingredients:

Smarter Planet

IBM’s Smarter Planet agenda underpins its approach to doing business all around the globe. The world is increasingly instrumented, interconnected and intelligent, thanks to advances in sensors, networking, telecommunications and analytical software. These new capabilities enable organizations to manage the complex systems of the world

so they run more efficiently and effectively. From water management, agricultural supply chains and environmental protection to public safety, education, energy, banking and health care, there are abundant opportunities to use technology to make the world work better.

In Africa, because of the relative immaturity of the physical, governmental and economic infrastructures, Smarter Planet solutions have the potential to produce even greater impacts than they have in more developed countries. Indeed, Africa can skip steps along the traditional development path—leapfrogging some of the world’s more advanced economies. Those more mature societies are mired in out-of-date systems and infrastructure for electricity, water, transportation and the like. African countries have the opportunity to include instrumentation and information-gathering capabilities from the start as they build out new systems and services.

Mobile communications is a prime example: Already, Kenya leads the world with the mobile money applications. Now, think of each mobile phone as a node on a vast information network. This powerful new source of connectivity makes it possible for citizens to access a wide array of commercial and government services. At the same time, it enables governments and businesses to serve their clients in ways that would have been impossible to imagine just a few years ago.

Technology innovations will play a key role in making Smarter Planet solutions useful in Africa. For example, to make it easy for companies to launch new mobile commerce services, especially in emerging markets, IBM and business partner SAP in April, 2011, [announced a server appliance](#)⁵ designed specifically for mobile carriers, financial services and retailers. The computer can be up and working in a matter of days.

IBM is now thinking through the details of how to apply Smarter Planet to Africa. Already, one thing is clear: It will not do to simply take solutions that have worked well in developed nations and try to force-fit them to situations in Africa. Instead, IBM stands ready to collaborate with African governments, universities and businesses to adapt and co-create solutions that will be effective here. “We can look at an issue and bring in our technology, processes and analytics to create a solution that is better, more reliable and cheaper,” says Taiwo Otiti, general manager, IBM West Africa.

IBM's efforts at adapting the Smarter Planet concepts and technologies to Africa have already begun. Here are a couple of examples:

Land Registration, Egypt: In one of Egypt's most prominent e-government initiatives to date, IBM helped the government establish a new [digital land registration system](#)⁶. Earlier, government officials and citizens relied on paper records and it took many visits and an average of 193 days to complete a typical registration. Today, the work can be done online and the entire process takes less than 30 days.

“We can look at an issue and bring in our technology, processes and analytics to create a solution that is better, more reliable and cheaper.”

—Taiwo Otiti, general manager, IBM West Africa

SMS for Life, Tanzania: Using cell phones, Web sites and SMS technology, health workers in remote parts of Tanzania were involved in a [trial project](#)⁷ to track inventories so they won't run out of five life-saving anti-malarial drugs. The data is gathered and monitored in a central repository and supplies were sent out immediately in response to looming shortages. The system was developed by IBM, Novartis and Vodafone.

Corporate Service Corps

The Corporate Service Corps (CSC) was established in 2008 at a time when IBM was rapidly expanding in emerging markets. The primary goals were to foster teamwork and cultural understanding among up-and-coming IBMers while at the same time making contributions to the communities in which it does business. As of February, 2011, IBM had dispatched more than 1,000 employees in 100 teams to 20 countries to work on [community improvement projects](#)⁸. Typically, teams of a dozen IBMers chosen from around the world spend two months preparing and then four weeks in-country gathering information, developing proposals and working on solutions.

Over time, the program has evolved into a powerful way for IBM to engage with governments and businesses in emerging markets. The goals are often quite ambitious, concerning matters such as economic development, entrepreneurship, transportation, education, citizen services, health care, and disaster recovery. In Africa, in particular, where, by the end of 2011, 25 teams will have engaged in Kenya, Ghana, Nigeria, South Africa and Tanzania, the CSC is fast becoming an important business development tool. “Activities like these help in these countries. You work with local government. You develop relationships. The word spreads,” says Takreem El-Tohamy, general manager, IBM Middle East & Africa.

The teams are taking on vital strategic projects that align with the national agendas in the countries where they serve. The IBM teams perform deep market research and produce detailed analyses of problems and potential solutions. Their proposals typically include a wide array of options, starting with actions that government leaders can take immediately and including initiatives that might take years to accomplish.

A CSC team's engagement in Kenya in early 2011 shows how these strategic engagements work. The team divided up into three sub-groups, each with its own task. They included advising Posta Kenya, the national mail delivery organization, about diversify its offerings with such things as mobile banking and government services; improving the country's ability to develop and retain top-end technology talent; and assisting in establishing a legal framework for e-government. Government leaders there now see IBM as a partner. “The Corporate Service Corps is helping us set [our strategic direction](#)⁹ for investments of ICT (information and communications technology) in this country,” says Dr. Ndemo Bitange, permanent secretary for Kenya's Ministry for Information and Communications.

In the coming months, the Corporate Service Corps engagements in Africa will align ever more closely with IBM's Smarter Planet agenda. For example, a group of six participants in IBM's Smarter Cities Challenge, a variant of the CSC, was dispatched to Tshwane-Pretoria, South Africa, in May, 2011, to interview city leaders and propose a set of civic improvements leveraging the Smarter Planet portfolio.

University Relations

SMS for Life was an outgrowth of an IBM internship program, and it's a prime example of how IBM's university relations initiatives can stimulate breakthrough ideas and aid Africa's young as they attempt to transform the way their societies and economies work.

University Relations, which is part of IBM Research, oversees a wide variety of programs aimed at engaging with universities, faculty members and students worldwide. They include providing software, course materials and research grants for faculty; internships and mentoring programs for students; and technology for university administrations. The goal is to build relationships of mutual benefit for fueling IBM's talent pipeline, innovation, and, ultimately, revenue growth.

Extreme Blue, one of IBM Research's internship programs, brings in international students to collaborate with scientists at IBM Research labs. In the case of SMS for Life, Dina Machuve of the University of Dar es Salaam in Tanzania worked in 2008 with scientists at IBM Research in Zurich, Switzerland who were looking into treatments for malaria. She performed field research at remote clinics and came up with the idea of using SMS to create a simple inventory shortage alert system.

IBM's Mark Dean feels a special connection with Africa. He participated in a global information gathering effort that led in 2007 to IBM publishing a study, [Africa: A Global Innovation Outlook Report](#)¹⁰. After meeting with African leaders and students in Nairobi, Kenya, he decided that IBM had to do something to support the continent's young scholars. The result was a mentoring program designed specifically for Africa called Makocha Minds. (Makocha is the Swahili word for "teacher.") Launched in 2008, the program matches promising African engineering and computer science students with IBMers in the United States, France, the UK and Germany. One of the mentees, Nigerian Dang Bwebum Cleofas, says his e-mail exchanges with IBM mentor Carolyn Norton, a software architect in the U.S., guided him to pursue graduate studies in computational mathematics. He hopes eventually to apply math to medical science. "I want to do something that helps people—that has an impact," he says.

One of the most effective ways that IBM reaches into the university community is through research grants. One example of such a [grant in Africa](#)¹¹ is the award of \$20,000 to a faculty member at the National University of Rwanda in 2010. The focus of the research is on IBM's Spoken Web technology, which was developed by IBM Research in India and which makes it possible for small businesses to create voice-operated Web sites accessible entirely through mobile phones and voice commands—making themselves accessible to illiterate and semi-literate customers. IBM and a mobile telecom carrier are planning a test of a service based on Spoken Web in Kenya, and IBM hopes that eventually the technology will be widely available throughout Africa.

Even though the research grants are usually small, the goal is to make them as strategic as possible. A team at IBM Research in Hawthorne, New York, for instance, is developing a technology platform that will enable software application developers in emerging countries to quickly and inexpensively create new services for feature phones, using capabilities including Spoken Web and SMS. Once they're built, the applications can be sold or distributed for free in an online application store. Think of Apple's App Store—only aimed at the 4 billion people in emerging nations who can't afford expensive smart phones, but can afford simple mobile phones. "Wouldn't it be great if we could generate that kind of enthusiasm for those people?" asks Jason Ellis, a researcher in the Social Computing Group at IBM Research. Ellis and his colleagues are working with faculty and students at the University of Nairobi, in Kenya, to assist them in learning to design applications on the platform.

African universities need access to high-performance computers to perform cutting-edge research, so IBM has adopted a strategy of providing technology and other resources that institutions can share. The company launched [this initiative](#)¹² with a bang in 2008 by donating a Blue Gene supercomputer to Meraka Institute, a government-funded research organization in South Africa's Cape Town, with the stipulation that it would be available free of charge to any qualifying African university for advanced scientific research projects. African scientists have used the machine for research into ocean-atmosphere modeling, the evolution of HIV-1 and astrophysics, among other topics.

Research

Ever since IBM was formed in 1911, the company has recognized the importance of innovation for its long-term success. It set up an engineering department in New York City in 1915, established a research venture with Columbia University in 1945, and, over time, built IBM Research into a global research organization with nine offices worldwide employing more than 3,000 engineers and scientists. Earlier, IBM built new laboratories in mature economies, such as Switzerland and Japan, but in recent years it has expanded its reach to include emerging markets, including India, China and Brazil.

What of Africa? IBM's research strategy there is a work in progress. It's not clear what approach will be most effective. What is clear is that for IBM to succeed in Africa, it needs to help strengthen university programs with the goal of greatly expanding the number of people graduating each year with undergraduate and graduate degrees in computer science. One of the top challenges for IBM in Africa is skills, and it has to invest in building that capacity.

In the meantime, IBM researchers are working on a number of global projects that have the potential to be game-changers in Africa. One example is the effort to sequence the cacao genome with the goal of producing drought and disease-resistant trees. IBM is working with scientists from U.S. chocolate giant Mars Inc. and the U.S. Department of Agriculture. In 2010 the group announced a preliminary finding and released [their research results](#)¹³ for anyone to use and build upon. Their work is expected to boost the incomes of farmers in West Africa, where so much of the world's cocoa is produced.

Management Mentoring

Look back on IBM's 100-year history and you will see that the company has long been a pioneer in management science. In recent years, IBM reorganized its decentralized worldwide operations to create what it calls a globally integrated enterprise. It performs work in the locations around the world where it can be done most effectively and efficiently. IBM's global operations share resources, values and ways of doing things, yet the local sales and marketing organizations are empowered to develop strategies that work in their unique business environments. This strategy is succeeding in both mature markets and emerging ones.

To help local management teams in emerging markets get the full benefit of the globally integrated enterprise, IBM in 2008 launched a new program called Global Enablement Teams, or GETs. It's all about capacity building. Five-member teams drawn from the company's 330 most senior executives work directly with country leaders over a three-year period. They visit the countries as a group and individually, offer mentorship to the managers, meet with clients, and tap their networks of contacts within IBM to bring expertise to bear on behalf of local leaders. So far, GETs have been assigned to 18 countries, including three in Africa, Egypt, Nigeria and South Africa.

"We look at what's happening and we align to the national agenda to enable success for both the country and IBM."

—Katharyn White, the vice president for marketing in IBM Global Business Services and head of the South Africa GET

One of the most important goals of this program is to align IBM's country operations with the national priorities. In South Africa, for instance, the GET scoped out the needs of the national government and proposed creating an integrated financial management system that would be shared by all government agencies. The GET executives worked with local IBMers and government leaders to map out a plan and brought in technology specialists from the United States to advise on the design of the system. Ultimately, IBM landed contracts to implement pieces of it. "We have a national agenda methodology," explains Katharyn White, the vice president for marketing in IBM Global Business Services and head of the South Africa GET. "We look at what's happening and we align to the national agenda to enable success for both the country and IBM."

Promoting Entrepreneurship

IBM lends its management expertise to leaders of local businesses as well. In 2007, IBM and the International Finance Corp., the private sector finance arm of the World Bank, launched a program called the [SME Toolkit](#)¹⁴, which is aimed at helping small and medium-size businesses grow and prosper. These businesses aren't IBM customers, but they

could become customers someday. The Web-based toolkit includes 500 interactive tools, business forms and how-to articles. It's distributed to entrepreneurs primarily through non-governmental organizations, but some enterprising IBMers have combined the toolkit with another IBM program, the On-Demand Community of volunteers, to give it more impact in their countries.

In Nigeria, where 90% of IBM's employees participate in the On-Demand Community, many of them in 2011 pitched in on a new program called Enterprise Challenge 100. IBM invited the leaders of 12,000 businesses who are already using the SME ToolKit to apply for a six-month mentorship program. The 100 companies chosen were assigned IBMers to work with them on special projects of their choosing. More than 500 companies applied, and IBM chose a wide variety of businesses, including farmers, technology startups, a maid service, a travel agency and a newspaper. "There's a lot of excitement in the office these days. Everybody's talking about how their mentee is doing," says Remi Aberé, the corporate citizenship program manager for IBM West Africa. So the program doesn't just boost local businesses; it gives IBMers a strong sense of mission and teaches them how the small business community works.

Elementary and Secondary Education

IBM's Corporate Citizenship program has created a wide range of initiatives and tools designed to improve the quality of education and skills training around the globe, which is key to long term economic growth and sustainability. The company works at the governmental leadership level on educational policy initiatives that have transformative potential. In the United States, beginning in 1996, IBM organized and led three National Education Summit meetings, working with the president, the nation's governors, educational leaders and CEOs of businesses. The result was the establishment of the Common Core Standards, which are now being implemented throughout the United States. The company has also established educational policy partnerships in China, India and Brazil. It's looking for similar opportunities in Africa.

For years, IBM had developed and distributed a [wide variety of tools](#)¹⁵ for classroom use aimed at improving early childhood literacy and math and science education for older kids. They include Reading Companion, KidSmart, TryScience, Mentor Place, and others. These programs

have long been employed in South Africa and Egypt. In South Africa, for instance, more than 95,000 students have benefitted from the Reading Companion program, which helps them learn to read and pronounce English in an online environment. The programs are now being put to use in Nigeria as well, and will eventually be rolled out to other African countries. IBM invests heavily in education in developing nations so it has a skilled workforce and so its customers have skilled workforces.

Millenium Goals

A decade ago, member countries of the United Nations adopted the Millennium Development Goals, committing to a new global partnership aimed at improving the lot of the world's disadvantaged people. Among the eight goals are eradicating extreme poverty, achieving universal primary education, ensuring environmental sustainability, and developing low-output economies. The UN set detailed metrics for success—and a firm deadline of 2015. The deadline is drawing near, and, while progress has been made, billions of the world's citizens are disadvantaged and dozens of countries are hobbled by dysfunctional economies.

More than any other region, Africa needs assistance in reaching the Millennium Development Goals. It needs better agriculture, transportation, schools, health care, banking, communications, Internet access, science, and government. It's clear that IBM's Smarter Planet agenda and the U.N.'s goals are in close alignment. There's an important role for global businesses to play in helping Africans achieve those goals—not out of guilt, but in search of opportunity.

A half century ago, many countries in Africa broke the chains of colonialism. With independence, Africans hoped for self-determination and economic prosperity for the many. In many cases, what they got instead was economic stagnation, violence, corruption, ineffective aid and wealth for the few. Now there's an opportunity for corporations to help achieve a goal that Franz Fanon, the French liberation theorist, set before the former colonial powers in 1963: "They will help to rehabilitate mankind, and make man victorious everywhere, once and for all," he wrote. Perhaps now, Africans themselves, aided by enlightened global institutions and corporations, can make real progress in achieving that lofty goal. IBM, for one, is committed to assisting Africans in fulfilling their soaring aspirations.

Endnotes

- ¹ www-03.ibm.com/press/us/en/pressrelease/32505.wss
- ² youtube.com/watch?v=GL_VIIIBoHY
- ³ <http://asmarterplanet.com/blog/2011/04/ibm-helps-government-leaders-in-nigeria-launch-health-and-welfare-programs.html>
- ⁴ www-03.ibm.com/press/us/en/pressrelease/33599.wss
- ⁵ www-03.ibm.com/press/us/en/pressrelease/34300.wss
- ⁶ www.esri.com/news/arcnews/spring08articles/egypt-launches.html
- ⁷ www-03.ibm.com/press/us/en/pressrelease/29022.wss#release
- ⁸ www-03.ibm.com/press/us/en/pressrelease/33834.wss
- ⁹ <http://asmarterplanet.com/blog/2011/04/helping-africa-work-better.html>
- ¹⁰ www.ibm.com/ibm/files/W154013Y38479B00/gio_3.0_africa_report_single_page.pdf
- ¹¹ www.nur.ac.rw/spip.php?article84
- ¹² www-03.ibm.com/press/us/en/pressrelease/22776.wss
- ¹³ www.mars.com/global/news-and-media/press-releases/news-releases.aspx?SiteId=94&Id=2460
- ¹⁴ www-03.ibm.com/press/us/en/pressrelease/21940.wss
- ¹⁵ www.ibm.com/ibm/ibmgives/grant/education/



© Copyright IBM Corporation 2011

IBM Global Services
Route 100
Somers, NY 10589
U.S.A.

Produced in the United States of America
June 2011
All Rights Reserved

IBM, the IBM logo, ibm.com and Cognos are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with a trademark symbol (® or ™), these symbols indicate U.S. registered or common law trademarks owned by IBM at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the Web at "Copyright and trademark information" at: ibm.com/legal/copytrade.shtml.

Other product, company or service names may be trademarks or service marks of others.

References in this publication to IBM products or services do not imply that IBM intends to make them available in all countries in which IBM operates.



Please Recycle
