



Company Name: IBM

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Business Benefits Realised:
IBM Greenock site has transformed to become a microcosm of the IBM Corporation with a unique set of service delivery capabilities serving clients around the globe

The business need

In November 1951, IBM leased space at premises at Battery Park, Greenock, Scotland, and began operations shortly afterwards. On the 26th of July 1954, IBM moved from the Battery Park facility and commenced operations in a new 'Spango Valley' location, Greenock, where it has remained until the present day.

From its conception, IBM was first and foremost a Manufacturing location. Initially electronic typewriters and card punch machines were built in the factory.

The years following saw IBM in Greenock grow its reputation, securing new and exciting mission, the most significant was Greenock site having responsibility for IBM's Personal Computer mission for customers in Europe, Middle East and Africa. Over time, activities such as Customer Fulfilment, Product development, Global Procurement, Integrated Supply Chain services, saw the location diversify and also vertically integrate key elements of supply chain management. This mission also laid the foundation for much of the expertise and skills that would help the Greenock location transform in support of IBM's services led vision. In the late 80s/early 90s IBM was in trouble and faced a 'near death' experience, however under Lou Gerstner's leadership, IBM fought back and a major transformation began with IBM shedding its hardware image. IBM in Greenock strategically navigated through a period of rapid and significant change. In 2002, IBM outsourced desktop manufacturing to Sanmina SCI and in 2004, IBM announced the sale of the remaining Personal Computing mission to Lenovo.

IBM repositioned itself as the creator and provider of IT solutions. The Greenock location which had been wholly manufacturing transformed to a multilingual organisation, providing a range of IT services and solutions for IBM's clients around the globe.

The approach

IBM leadership in Greenock recognised the market was changing; the commoditisation of hardware with manufacturing moving East was predicted. This demanded pre-emptive action, identifying a strategic roadmap of opportunities for new, sustainable, mission in support of IBM's global strategy. Key to the transformation of the Greenock facility was the leadership, an acceptance of change, flexibility in re-skilling with a willingness to acquire and develop an entirely new skill-set .. All needed to be embraced by the workforce if the leadership's vision of the Greenock location, providing technology led services to customers around the globe, was to be realised.



The Right People...



The Right Time...



The Right Place...



Up-skilling was critical. With a history of innovation, success to date has been due to reinvention and up-skilling of employees, moving up the value chain. For example, those who built and tested computers were re-trained to provide 1st, 2nd and 3rd level technical support to IBM's clients and Partners via our Technical Helpcentre. Our IT specialists, grounded in end to end systems and processes for the PC business, transformed those skills for the benefit of IBM's clients as we took solutions to Market.

With the demise of manufacturing, the strategy was to transform the location, removing its dependence on Manufacturing or one 'Line of Business'. This succeeded, to such an extent that on his second visit to IBM in Scotland, in the midst of the transformation, Lou Gerstner referred to the Greenock location as being a 'microcosm of the greater IBM'.

Nowadays, with a policy encouraging flexible working, employees are office based, work from client premises, home based or office and home working. The proliferation of devices - whether smart-phones, tablets or notebooks - means that there is a continuous stream of social media updates which also facilitate people being able to stay up-to-date and in-touch while they are 'mobile'

The results

- **Better alignment to client demand**
Successful transition and transformation from wholly manufacturing operation to a services led facility, with a large number of global roles based at Greenock location
- **Increased flexibility allowing Greenock location to be known as a Microcosm of IBM**
A significant number of managers have people in their teams who work remotely, and whom they do not see on a daily basis. There are employees who are office based and those who are classified as mobile, with no fixed work base. Employees, other than those working in client contact or delivery centres, where uninterrupted service is necessary, have flexibility about where and when they work
- **Services from Greenock location include:**
Integrated Supply Chain (ISC) – With a heritage in Supply Chain Management stemming from the location's manufacturing era, this team manages the supply of material, prioritisation and fulfilment of customer orders, and complex engineering and process related activities, for products manufactured elsewhere, whether by IBM or outsourced to contract manufacturers. In addition to these core supply chain skills, the Integrated Supply Chain organisation has also driven itself to provide an end to end support for customers, providing up front customer support in areas such as customer contracts & developing customer solutions right through to the end of the supply chain process providing management & tracking of our Business Partners' incentives & payments. Across the whole of the supply chain organisation, there are also teams continuously working to improve our existing IT & infrastructure in order to enable growth and drive effectiveness to create a smarter value chain for IBM. The ISC Greenock organisation have a significant number of global roles, highlighting the team's ability to become world leaders within the supply chain, and also enjoy the benefit of our geographical location where we can support worldwide business across the timezones.





David Stokes Country General Manager UK and Ireland:

"The UK marketplace is experiencing unprecedented rates of change and business must continually transform to successfully compete. This means transforming not just products and services but business processes and even entire business models; central to this is a workforce which can evolve and adapt to the needs of the market. Flexibility is a business imperative for IBM, helping employees manage their lives and meet their career aspirations whilst contributing their energy and talent to our business and our clients."

Application Management Services – The UK Delivery Centre, from one of its key locations in Greenock, provides both application management and development support to external customers. The location plays a lead role for the Financial Services sector in the UK and Ireland, given that many of the head offices of these organisations are based in Scotland. Additionally, the centre provides services to the public sector, distribution sector and has specialist security skills provided to many different customers, across industries, from a team with UK government security clearance. It also provides governance and business controls support to the broader UK and Ireland GBS – AMS organisation.

Technical Support Services (TSS) – TSS Greenock is the Centre of Competence for Europe providing level 2 technical support for Hardware and Software solutions on the X-series platform. We provide remote and on site support for complex customer installations whilst interlocking with the various World Wide teams who provide level 3 and product development support.

Customer Service Centre - The Customer Service Centre (CSC) provides dedicated and shared IT Service Desks for companies who have chosen to outsource their Information Technology support to IBM. The UK CSC provides 24x7x365 support in English. The service operates from two locations – one in Greenock, the other in Manchester. No two Service Desks within the CSC are the same due to the customised support provided for each customer.

Global Process Services, Finance & Administration (F&A), Supply Chain Management (SCM): Providing business process outsourcing services for F&A and SCM. This team provides a full range of services across Source-to-Pay, Record-to-Report and Order-to-Cash business processes. The Greenock roles are key leadership and consulting roles, with all operational roles having been transferred to lower cost countries.

Global Process Services, Customer Relationship Management - Providing CRM Solutions architects, infrastructure expertise and delivery teams in **23 native languages**, the CRM Contact Centre provides solutions to both IBM external customers and IBM internally. Solutions are designed to meet the specific needs of customers and include both incoming and outgoing calls. As the largest of the contact centres on the campus, the team also provides infrastructure support to the other 4 contact centres.





IBM Global Technology Services - SO Delivery - We design, build and operate IT services for large scale clients in both public and private sectors. IBM offers a spectrum of services delivering the provisioning of fully managed IT Infrastructure Services, which include Data Centre, Cloud, Workplace, Mobility, Security and Storage Services. Outsourcing has moved beyond the basic needs, like cost-cutting; IBM's expertise is focused on business outcomes, such as growth, competitive advantage and innovation.

From Greenock the journey begins from designing global outsourcing solutions through to transforming a client's IT Infrastructure. Underpin that with our continued focus on deployment with industry leading standards, automation and global integration, what you get is a monitored and measured environment where quality of service delivery is key.

In Summary

Greenock location continues to bring value add. With a large number of employees in global roles, our people have moved up the value chain. For example, people who previously worked in low skill roles are now working and assisting in developing solutions for global clients, with a shift towards increased value.

We continue to anticipate change and always looking to the future, as is evident with the recent announcement of divestiture of the customer relationship management (CRM) business within Global Process Services (GPS). IBM recognises the need to continue to bring value to its clients and challenge its employees to take on new skills and opportunities and to embrace change.

