



“Innovation is probably the single biggest factor determining who succeeds and who fails anywhere in the world.”

—Nick Donofrio, IBM Corporation

Innovation that Matters

The nature of innovation is changing dramatically in the 21st century. Proprietary invention in search of purpose is out. Open, collaborative and multi-disciplinary approaches to innovation are taking center stage in the shaping of new ideas and creation of tangible value for business, individuals, and the world.

The Global Innovation Outlook

When IBM launched the Global Innovation Outlook (GIO) in 2004, we fundamentally transformed the way we evaluate new trends, opportunities and issues around innovation. For the first time, leaders in IBM’s technical and consulting communities are sitting together with clients, business partners, academia, government leaders, public interest groups, the venture capital community and others to collectively peer into the future.

In a series of dynamic, collaborative brainstorming sessions across the world, these thought leaders examine and debate trends in society, business and technology. The goal? To surface provocative insights and opportunities for innovation.

The GIO is an investigation both deep and wide, unearthing rich and meaningful insights that resonate across industries and geographies. It is a snapshot of the technological and human possibilities that will propel economies, businesses and societies forward in an increasingly connected world. Its impact doesn’t stop at interesting observations and potential opportunities. These insights shape IBM’s own internal research, policies and practices, and drive fresh thinking into how we apply resources on behalf of our clients. And, working in tandem with our ecosystem partners, we are committed to act on GIO findings through a series of collaborative initiatives that step up to the challenges and opportunities facing the world.

GIO at a Glance

GIO 1.0 (2004)

- The Global Innovation Outlook launches as a global dialogue with sessions in New York, Shanghai, Washington, D.C. and Zurich
- 3 broad focus areas: Healthcare, Government and Its Citizens, and the Business of Work and Life
- 10 ecosystem “deep dive” sessions over 24 days
- 109 ecosystem members* from 96 organizations
- 100 IBM researchers, consultants and subject matter experts
- 25 additional interviews with global thought leaders
- Participants representing 24 countries and regions

GIO 2.0 (2005-2006)

- The Global Innovation Outlook, now in its second iteration, proceeds with sessions in Beijing, New Delhi, Zurich, São Paulo and San Francisco
- 3 broad focus areas: the Future of the Enterprise, Transportation and the Environment
- 15 ecosystem and 12 internal “deep dive” sessions over 150 days
- 180 ecosystem members* from 178 organizations
- 207 IBM researchers, consultants and subject matter experts
- Participants representing 33 countries and regions

*Ecosystem participants included representatives from academia, governments, nongovernmental organizations (NGOs), major multinational corporations, venture capital firms, think tanks and other leading organizations.

GIO 2.0 Focus Areas

Each GIO cycle begins by identifying broad focus areas critical to society, and then considers specific opportunities for innovation and advancement—in the realm of products, services, business processes and models, policy, culture and beyond. This time, focus areas include:

The Future of the Enterprise

What are the new foundational structures and organizing principles that will characterize business in this era? How will those principles affect existing corporations and the field of competition? What will they imply for the disciplines of management and current R&D practice?

Transportation

Will 21st-century technology facilitate increased mobility? If so, how will we balance rapid improvements in long-distance travel with the pressing challenges of navigating high-density mega-urban centers? What possible path can be taken to support continued economic growth and sound environmental health?

The Environment

What areas of environmental sustainability hold the most promise for private and public sector innovation? What are the management implications when well-known environmental issues are confronted? Does increased regulation accelerate or impede innovation around eco-efficient technologies?

Sample Insights

The Future of the Enterprise

- The very definition of the enterprise is being challenged as networks of specialized entities with complementary interests increasingly provide the organizing structure for activity.
- Which leadership qualities will thrive in massively-distributed virtual work environments? The world of multi-player online role playing games may provide clues.
- A new breed of small and highly specialized businesses is now capable of operating globally and even disrupting existing business models.
- Traditional approaches to R&D—and even the creation of “innovation” departments and job titles—won’t be sufficient when it comes to fostering and sustaining cultures of innovation.

Transportation

- In an era of massive urbanization, inadequate transportation modes and outdated infrastructure threatens to cripple economic growth of the world’s mega-cities.
- Those cities and regions that pursue systemic, integrated transportation solutions will gain significant competitive advantage.
- Lack of standards and common practices in shipping and ports is hindering global supply chain efficiency.
- As vehicles increasingly evolve into mobile IT devices, a new breed of products and services is emerging that will fundamentally deepen the relationship between customers and providers.

The Environment

- Significant opportunities for innovation and entirely new business models exist at the back end of the product lifecycle—in how products and their component parts are reused, redistributed and disposed of.
- Companies can create competitive advantage through voluntary eco-friendly initiatives that get ahead of government regulations and restrictions.
- Are landfills the new mines? Some natural resources are now more plentiful (and easier to retrieve) in landfills vs. the earth.
- Common, verifiable approaches to disclosing product contents might encourage smarter, more informed purchase decisions, and drive manufacturing innovations that minimize environmental damage.

To learn more about the Global Innovation Outlook or to find out how IBM can innovate for you, visit www.ibm.com/gio.