IBM has a long history as dating back to 1911, where they had 6 plants and employed 1,300 employees. Since that time, they have grown that number to 379,592 worldwide. (Corporation, 2016). Becoming such a large organization requires a strategic plan not only on how the organization will grow but how the Human Resource Department will recruit, train, and retain employees. While IBM has had its peaks and valleys in the success of the organization, this analysis looks at the strategy of Sam Palmisano, and his transitioning of the HR workforce at IBM from a multinational process to a Globally Integrated process. This Paper will use a SWOT analysis to determine if the transition to a Globally Integrated workforce was needed and to provide two options of forward movement for IBM.

**Strengths**

Going into the transition IBM had many strengths. The most valuable was its reputation for being “IBM’s long tradition of treating its people well was a hallmark of IBM’s culture and approach to people strategy and HR management” (Boudreau, 2010). Palmisano’s strategy to transition IBM to a Globally Integrated enterprise continues IBM’s long traditions regarding the treatment employees. His plan is about maxing the workforce productivity. “Workforce productivity requires making sure a company has the employees it needs to support is business strategies and that these employees are performing their jobs in a manner that supports the business needs of the organization” (Hunt, 2014).

**Other strengths:**

* **“**IBM’s most important innovation was the IBMer” (Boudreau, 2010).
* 2003 named company of the year by the Society for Hispanic Professional Engineers.
* Ranked in the top 10 by National Assocaiton for Female Executives
* Named by *Working Mother* magazine as one of the best companies for multiculutural women
* Named among the top 10 companies for women for 15 years.
* Current talent management systems were state of the art
* IBM’s practical know-how
* Ability to deliever its services quickly, effectively and efficently.

**Weakness**

There are several weaknesses in the plan to transition to a Globally Integrated Enterprise. The largest being that IBM is a large organization with many product lines, and service sectors. This would make the transition difficult as the sheer number of people involved must be willing to accept the change and understand the importance of it and how to implement it. The differences in language alone adds a huge weakness to the transition, as each location has a different understanding of the jobs description. In order to overcome this the language that the organization would have to use would need to become a standardized language. So that when a plant in Australia needed a position filled in IT the traits, abilities, and training that they were looking for would be understood by all the other plants internationally in order to help find the right talent.

**Other Weaknesses:**

* Three talent pools managed independently of each other.
* Little visibility between contractor hiring decisions
* Only local use of full-time employees
* Applicants on file only locally
* No visibility between talent pools across the company
* Upward movement throughout the organization based upon who your local manager knew at other locations.
* Not using full-time employees to their fullest potential
* Hiring contractors to do work that full-time associates could do.

**Opportunities**

Transitioning IBM to a Globally Integrated Enterprise would allow IBM to “deploy its more experienced and expensive workforce located largely in developed countries to projects that increasingly were located in developing countries, while at the same time systematically upskill the developing-country workforce to offer IBM a long-term cost and effectiveness advantage” (Boudreau, 2010). This strategy would allow IBM to offer the same type and quality of services to all its clients regardless of where they are. This strategy would help to rebrand IBM as not only an industry leader but as a quality leader in the industry.

**Other Opportunities:**

* Reduce “time to value”
* Monthly report showing how utilization rates among employees translated into lost consulting business opportunities.
* Utilization of individuals who were “on the bench” awaiting assignments.
* Decrease the bottleneck
* Fill talent gaps
* Talent development often offset pay
* Ability to provide clients best of both worlds, local workforce that delivers like the best in the world.
* Ability to provide clients with technology that services understood, anticipated and responded to specific changes.

**Threats**

The largest threat to becoming a Globally Integrated Enterprise is the cost that was expected to be involved in the strategic transition. “The HR team anticipated that the full investment might be more than US $100 million over the course of five years” (Boudreau, 2010). With such a high cost, it may be difficult to get top executives on board. Especially with the organization having two previous close calls with bankruptcy.

**Other Threats:**

* Demonstrating the value of the investment
* How to implement becoming Globally Integrated Enterprise.
* How should the system be managed and maintained?
* Who should have availability to the system
* Could the system adequality predict the future with perfect accuracy.
* Can the system hold true for years in order to see a ROI

**Why it was needed**

There were several benefits of transitioning IBM from a Multinational organization to a Globally Integrated one. The first benefit of this strategic HR transformation is the ability to have the right people in the right place at the right time. “Despite the strategic importance of hiring, many companies have treated recruiting as a largely administrative process” (Hunt, 2014, p. 59). This was one of the largest issues that IBM faced. Each location hired their own employees and contractors. This became an issue when there were employees at one location that were not fully being utilized to their ability while other locations had a positon that was unfilled. The idea behind the transition to a new HR Strategy was to combine all the locations globally so that the talent they had could be best utilized. By doing this employee would find themselves more engaged in their work, the overall HR costs would be decreased, and tasks would be more streamline. This change would help IBM once again become a leader in the industry.

Knowing that the change was needed IBM had two options. First to do a complete overhaul of the HR strategy at the Global level changing all locations at once. Or, second, to transition department by department, plant by plant. Overhauling the entire organization in one big massive movement would be costly, and disruptive. Yet, it would allow for a quicker and easier to adopt approach. The second option of slowly transitioning the organization would allow IBM to spread the cost of the transition over many years. However, it would also take many years to have Palmisano’s vision of becoming a Globally Integrated Enterprise come to fruition and demonstrate the overall cost savings, and benefits of the change.