

Furthermore, as technology becomes more central for business, as well as in our personal lives, trust matters more than ever. For decades we have followed core principles grounded in commitments to trust and transparency that guide our responsible development and deployment of new technologies. These values ground our business decisions, inspire our employees, and sustain our client relationships. We have not only followed guidelines around the responsible handling of data and the stewardship of new technology, but created them, published them and invited others to adopt similar commitments. Our focus is not just on our direct client work, but extends to society at large, as we have been very active in areas such as education, sustainability and security. This is reinforced through a culture of inclusion and diversity. All of IBM treats this “responsible stewardship” as core to our mission.

A New Chapter in Technology

2019 ushered in Chapter 2 of our clients’ digital journeys in which the two predominant technology forces of our day—hybrid cloud and data/AI—are moving from “start-up” to “production at scale”. These two forces work *together* to help companies become what we call Cognitive Enterprises—companies that are powered by innovation, agility and data-driven intelligent decision making.

We describe below how IBM is leading the way in Chapter 2.

Hybrid Cloud

Chapter 1 marked the early stages of cloud with the rise of public cloud. This stage was focused on new end-user applications, including applications that have allowed consumers to check their bank balances, access social media, make online purchases and receive online support. While movement to public cloud has been strong, only twenty percent of workloads have been addressed in Chapter 1. Clients are merely at the beginning of a multi-stage journey.

Chapter 2 is about clients modernizing the remaining eighty percent of workloads, moving mission-critical workloads to the cloud and infusing AI deep into the decision-making of their businesses. These mission-critical workloads include core financial transaction systems, customer databases and Enterprise Resource Planning systems. Some of these workloads will gravitate to the public cloud in Chapter 2, while others will move to a private cloud or remain in traditional IT environments for security, compliance and/or performance reasons.

Wherever clients’ workloads reside, these environments must work together seamlessly to communicate, share data and share capacity. With enterprises having accumulated as many as fifteen public clouds, each with its own means of management, harmonizing these different clouds has become a necessity. Bringing these multiple public clouds, private cloud and traditional IT together is what we call hybrid cloud. Hybrid cloud defines the mission for Chapter 2 in IT.

We are a leader in hybrid cloud, and our mission in Chapter 2 is to bring our expertise and experience in building and managing mission-critical systems to lead our enterprise clients along this multi-stage journey.

Our public cloud is built on a foundation of open source software and enterprise grade infrastructure. It is the most open and secure public cloud, and it is built for the enterprise with Cloud Paks—enterprise-ready, containerized software solutions for applications, automation, data, integration and multi-cloud management.

To accelerate our clients’ success, we acquired Red Hat in 2019, further strengthening our leadership in hybrid cloud. Red Hat is the world’s leader in open source technology, including Enterprise Linux, the operating system of the cloud, as well as containers and OpenShift, technology platforms that create seamless integration between traditional and cloud environments. As the leader in open source, Red Hat brings capability that enables applications to be “written once and run anywhere”, in turn helping companies avoid lock-in to a single cloud provider, thereby taking advantage of the entire industry’s innovation. These technologies are central to the next era of computing.

Our systems and services play a large role in these hybrid cloud offerings as well. We have introduced new versions of our systems that work securely and seamlessly in the hybrid cloud, bringing mission-critical workloads into our clients’ digital journeys. Through our services, we play a large role in helping our clients map out their digital journeys, and then helping them build, manage and run the technology and the workflows.

This integrated value proposition of innovative technology and industry expertise built on trust and security, and now together with Red Hat, is helping our clients realize the full potential and competitive advantage of the hybrid cloud.

Data and AI

A new era of business reinvention is emerging as leading companies are moving from merely improving their processes to creating truly “intelligent workflows,” processes that are not only *efficient* at what they do, but intrinsically *smart*: capable of finding, connecting and analyzing data to uncover deep insights that can inform intelligent decisions. Data and AI, in concert with hybrid cloud, are making intelligent workflows possible.

We have been a pioneer of technologies and services that help clients collect, organize, and analyze their vast data stores and then operationalize AI across their business. Our long-running innovation in automation, data science, and natural language processing is helping clients manage their data as a strategic resource and deploy AI for greater insight and more accurate, trusted predictions.

Our data offerings help clients organize, collect, analyze and embed their data into their workflow. IBM software spans areas ranging from data management and discovery to reporting, governance, compliance and risk management. Our systems process our clients’ data with unparalleled speed, accuracy and security and our services help clients capture and embed the value of their data into their business.