QUINTESSENTIAL QUOTES

The IBM Corporate Archives contains among its holdings many of the preserved words -- and, by extension, the philosophy and wisdom -- of the company's chairmen and chief executives. As this body of work is both very large and widely distributed among several collections, it is not feasible to make all of it available to researchers at one time and in one place. Instead, we offer in the pages that follow just a small sampling of statements and comments which personify some of the people who have led IBM since 1914.

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Thomas J. Watson, Sr.

- What every business needs is more people who think.

- A man is known by the company he keeps; a company is known by the men it keeps.

- The IBM spirit, the IBM heart and the IBM language were the same in all tongues and in all countries.

- It is better to aim at perfection and miss it than to aim at imperfection and hit it.

- Good management means good organization.

- A manager should regard his position as one that gives him a splendid opportunity to render assistance.

- Every manager's first duty is to help the men under his direction.

- Knowledge creates enthusiasm.

- Teaching is of no value unless somebody learns what is being taught.

- The forces that produce success are manpower and brain-power.

- Education is the foundation of our progress.

- Your success will be determined by the manner in which you use the tools you have been given to work with.

- Learn to supervise yourself.

- The man who does not take pride in his own performance performs nothing in which to take pride.

- Cooperation means to give just as much as you get.

- Resolve to stand for something big and fine outside of your business life.

- Listen to the man below you as well as the one above.

- Develop your initiative. Do something no one else has done.

- Our work is one of service.

- We must render service beyond thought of personal gain.

- Research is the advance guard of progress.

- One of the most important things in our business is research.

- There is no such thing as standing still.

- You cannot stay in one place: you either go forward or go backward.

- Too many people are waiting for someone else to give them a push. We have tried to develop self-starters in IBM.

- We must never feel satisfied.

- Our aim is higher every year and we always reach our mark.

- Pioneering must never cease.

- Whenever an individual or a business decides that success has been attained, progress stops.

- Yesterday we pioneered for today; today, we are pioneering for tomorrow.

- To visualize the future of IBM you must know something of the past.

- We must never think that what we have today will satisfy the demand ten years from now.

- Plan for the future.

- Analyze the past, consider the present and visualize the future.

- Have faith in the future.

- You must guard constantly against those who lack vision. You must guard against the reactionary mind. Always cultivate and associate with persons of vision and with persons who believe that things are going to be better. When you do this, you take on the kind of vision, backed by the right kind of inspiration, that you need if you are going to grow in this business or any other business.

- I have made a good many predictions about the future of our business and I have been wrong every time because I have always underestimated its possibilities. . . . We have proved the worth of our machines to the world, and I feel it is now our obligation to plan so that this

business may go on for all time. I want all of you to get the same kind of vision and belief in IBM.

- I am very happy tonight to be a member of this company and to feel that I have had, and will continue to have, the support of such an able organization. It is impossible for any man, I don't care how able he may be, to do the work and attend to all the details of a business -- to accomplish anything -- without the support of his entire organization. This business is such that neither I nor any executive staff can run it alone. It is too big. Our company has grown each year and succeeded because everybody has been contributing to its success. I want to thank you and the others in the IBM organization all over the world for what you have done. It is because of your work and cooperation that the products of the International Business Machines Corporation are now distributed in 58 different countries, that we can say that the sun never sets on International Business Machines and that our company continues to grow bigger and better. (1927)

- I want to say to the men in the field, "Do not merely make calls; make *sales*!" Calls which do not result in sales or in developing a prospect for future business are not productive and a waste of time. It is not the number of calls a man makes, it is the number of sales he makes that counts. (1933)

- I want to thank the factory workers for the constant improvement in the quality of our products. That means much to the salesmen. It saves them time and it saves time for our service force. When our machines work perfectly at all times our customers are always satisfied, and a satisfied customer is our most valuable advertisement. (1936)

Thomas J. Watson, Jr.

- Nothing is more vital to the continuous improvement of IBM than constructive suggestions or criticism by each of us -- fairly given and fairly received. (1956)

- Let's avoid being overly cautious, conservative, playing it safe. We should have the courage to take risks when they are thoughtful risks. We must try to make clear, sound, aggressive decisions, not waiting until every possible base has been touched. Each of us must aim to make his own decisions, and shun the process of decision of agreement of all possible interested parties. We should be motivated by what is right for the IBM company rather than by the niceties of internal diplomacy. We expect that there will be mistakes. We must forgive mistakes which have been made because someone was trying to act aggressively in the company's interest. (1957)

- There are many things I would like IBM to be known for, but no matter how big we become, I want this company to be known as the company which has the greatest respect for the individual. (1957)

- One of the proudest claims is the fact that people say IBM is a good place to work. I like to think that as we continue to grow we are not only going to live up to that claim, but make IBM an even better place to work. (1957)

- It is essential for each of us to strive to retain originality and to maintain our identity as human beings. (1957)

- "Think it through" [is] a reminder that creative, individual thinking is an indispensable tool in finding solutions to the manifold problems of today's modern business and social activities. (1957)

- Thinking things through is hard work and it sometimes seems safer to follow the crowd. That blind adherence to such group thinking is, in the long run, far more dangerous than independently thinking things through. (1957)

- Machines might give us more time to think but will never do our thinking for us. (1957)

- We believe in the importance of the individual in IBM and we'll never forget it. We think it's more important than the most fantastic electronic product that we could ever invent. (1957)

- No subject occupies more executive time at IBM than the well-being of our employees and their families. (1958)

- This is a company of human beings not machines, personalities not products, people not real estate. (1958)

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- We are looking for the factual, outspoken, courageous man who will really call them as he sees them. (1958)

- For those who have that priceless ingredient of being a little bit wild, hang onto it and don't let anyone talk you into being the safe company man. (1958)

- I think my most important job in IBM is working with anybody who has a problem.

- Failure to delegate is the biggest single obstacle to job performance in IBM. (1959)

- Obviously we want high standards of behavior and grooming in this organization. But such standards should be general, not specific. The object is to make sure we are always able to represent the IBM company in the best possible way -- not that we should all look alike, or be walking, talking replicas of our superiors. Let's not confuse propriety with uniformity. (1960)

- Service has always been a hallmark of our company, and looking at the years ahead, I think that the margin between our success and failure will be measured more and more in terms of the service we provide. I am speaking not only of the service we agree to provide by contract but also of that quality of urgency expressed by people who desire to do a little more than is expected. ... To respond cheerfully and willingly to the needs of customers, fellow employees and everyone we meet in our business contacts. (1960)

- The employee relations of this company were founded long ago upon the Golden Rule and we expect all of our managers in working with their people to start with this fundamental. In keeping with this, we will continue to be sensitive to any personal problem which may temporarily affect an employee's performance. (1960)

- The one unbeatable talent IBM has been most proud of throughout its history has been, and is today, the contributions of loyalty and skill of every employee. (1960)

- IBM's future is in the hands of its people. Our future is unlimited. (1961)

- One of the things my father always tried to impress me with was that the success we want as individuals and as a business is the kind that is built and sustained by the good will of other people. … The only way we can be sure of keeping this good will is always to consider the total impact of our personal and collective behavior. The little things we do -- or fail to do -- often testify louder than the loudest statements of our intentions. It is easy to be big in big things, in big moments, when everyone is watching. Real character emerges in the way we meet our routine, everyday obligations. … Really big people are, above everything, courteous, considerate, and generous, not just to some people, in some circumstances, but to everyone all the time. One of the reasons we are known as a great company is that we are known as a company made up of people like that. (1961)

- If IBM is to continue to be strong, to grow, and to bring profit to all of us in the company and to our customers and stockholders, we must be certain -- constantly -- that we are headed in

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the right direction, making the right decisions, and treating every employee with respect. (1961)

- Nothing can bring disaster more rapidly to a business and to its people than a breakdown in communications and in understanding. (1961)

- We intend to maintain a system in IBM which ensures unimpaired two-way communication. We want every IBMer to contribute his ideas and thereby lend his influence to our progress. (1961)

- We have always believed in IBM that our most important asset is our people and so we have followed a basic principle of trying to hire, train and keep the best possible people. This principle, along with the recognition of the dignity of every individual, is the backbone of IBM employee relations. (1961)

- The pursuit of perfection means not just enthusiasm for doing a topnotch job in important things, it means attention to detail and an itch to innovate and improve in whatever we have to do. It means to be dissatisfied with the status quo. … We ought always to know precisely why a given job is done in a particular way, and why it is done at all, and why it can't be done more efficiently, if it must be done at all. This is the attitude that built our modern industrial society. It is the attitude that built IBM. I hope we never lose it. (1962)

- Kierkegaard drew his point -- you can make wild ducks tame, but you can never make tame ducks wild again. One might also add that the duck who is tamed will never go anywhere any more. We are convinced that any business needs its wild ducks. And in IBM we try not to tame them. (1963)

- IBM's dedication to the dignity of the individual is no myth. To me it is the very essence of our success. (1967)

- As we grow in size, we must make certain that what we're adding is not excess weight, but healthy muscle. (1968)

- One of the ironies of our business is that we can transmit the most complex information in a fraction of a second with the computer -- but when we use the written or spoken word to communicate with one another in everyday situations, we often fall back on jargon which obscures our meaning. We put together long words where short ones will serve, fancy phrases where plain talk is needed. My father used to urge people to "talk net," and he had the right idea. (1968)

- We accept our responsibilities as a corporate citizen in community, national and world affairs; we serve our interests best when we serve the public interest. We believe that the immediate and long-term public interest is best served in a system of competing enterprises. Therefore, we believe we should compete vigorously, but in a spirit of fair play, with respect for our competitors, and with respect for the law. In communities where IBM facilities are

located, we do our utmost to help create an environment in which people want to work and live. We acknowledge our obligation as a business institution to help improve the quality of the society we are part of. We want to be in the forefront of those companies which are working to make the world a better place. (1969)

- Each of us must periodically stop to remember how important personal appreciation and recognition are to every person. (1969)

- There is an old saying that when you talk -- you teach, when you listen -- you learn. There are a lot of ideas worth listening to in this company. Let's be sure we're paying attention. We are never so rich in ideas that we can afford not to. (1969)

- Outside or inside the business, the matter of "calendar integrity" is an inherent indication of the orderliness with which the company plans and executes its functions. … In a business that moves as fast as ours, that is as complex as ours, that has as many people as ours, there will always be the requirement for many meetings, presentations and appointments, but I think we can make "calendar integrity" a way of doing business and benefit from its discipline. (1970)

T. Vincent Learson

- A "play-it-safe" philosophy can be contagious, and can eat away at the will of even our most dedicated people. This company was built by people willing to take thoughtful but decisive action at every level. Let's keep it that way. … Take some risks. The success of our business depends on your willingness to be daring and innovative. (1971)

- Our success in the future -- whether we can retain and enhance our reputation as "the best service organization in the world" -- will depend as much on the cumulative effect of many small acts as on our larger and more dramatic achievements. This is something we should not -- cannot ever afford to -- forget. (1972)

- We encourage frankness in IBM; we encourage everyone to speak out. Let's make it a daily habit. (1972)

Frank T. Cary

- Being a good manager is more than meeting deadlines, quotas and schedules, and involves making the required effort to encourage and lead people.

- For all the growing up we have done, our business is hardly beyond its infancy. (1973)

- Fighting for your convictions can be a lonely business. But it's my observation that the people who get ahead in IBM are the ones who are willing to do just that. (1973)

- In recent years, this younger generation has given the rest of us, along with moments of uneasiness, many good lessons in honesty, idealism, and courage of conviction. I'd like them to know that those qualities have a warm welcome in the IBM company. (1973)

- In recent years, there has been a widespread and growing public concern about the need to protect the individual's right to privacy. It is my belief that few issues will prove to be of greater significance to IBM. … I am determined that we in IBM practice internally what we propose externally for our customers and the society generally. Accordingly, last year I asked for an intensive examination of our personnel practices to make sure that we are doing everything possible to protect the privacy of our own employees. That is a complex effort but it has been a fruitful one. While not complete, it has taken us a long way toward my personal goal of establishing IBM as the leader in employee privacy. (1974)

- Youth has no exclusive claim to imagination, intellect, energy or enthusiasm. Wherever I travel in IBM, I see long-service people very much involved in critical projects. They have earned our respect, not for their tenure so much as for their continuing day-to-day contributions to the business and its future. I believe that we enjoy the best of both worlds. We are a young company, but we also know the value of, and profit from, the special wisdom of experience. (1974)

- Our business has to undergo changes constantly. It's vital that these changes should not seem mysterious or unreasonable to the people affected by them. Our responsibility … is to make the reason clear, whether it's a change of mission or method, a reorganization, a merging of functions, or an attempt to address some new business opportunity. The message may be negative -- the discontinuance of a mission or consolidation of staffs, for example -- but it is essential that there be a common understanding of why we do what we do. (1974)

- Our investment in education is large, and the reason is plain: We cannot hope to run the IBM of tomorrow on yesterday's knowledge. It is vital for each of us to keep abreast of new knowledge, whatever our job. (1974)

- Business conduct is not something that can be left to auditors and lawyers. It is the very cornerstone on which our business reputation is built, and it is one of our most prized assets. Ethical behavior starts with the individual; the principles that govern it must be a day-to-day

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way of life. (1977)

- The opportunity to get ahead at IBM will come not only from the growth of the business but also from personal growth. The IBMers who advance their careers will be people with high standards who are ambitious enough to keep on learning throughout their careers, flexible enough to adapt to the challenge of new technologies, and motivated enough to meet the complex requirements of the business. For such people, I am convinced, opportunity at IBM is as great as ever. (1977)

- It is how the world sees each of us, how it judges everything we do, that counts for more than anything else in what people think of IBM. Commercials, yes. They're good for the business. But how we do whatever we do will always be the very best commercial we can have. (1978)

- I know that IBMers everywhere are working harder than ever to meet heavy customer demand. But none of us is so important that our job and the company can't get along without us once in a while. The employee who chronically delays a vacation is not doing himself or anybody any good. He may be unknowingly tampering with his own health and well-being; and he is shortchanging his family. .... It's not how many miles you travel that matters. What counts is the distance you put between yourself and that daily routine. (1979)

- Each time we answer the phone, we're IBM to the caller. The impression we give the caller is one that is carried away. Any caller has the right to expect courtesy, but when someone calls IBM, that person also expects service. We built this business on the premise that IBM means service, and it's something to remember each time we pick up the phone. (1980)

- Quality in IBM has long accounted for much of what we call the "IBM difference." It's part of us; it's bred in us; it's something in which we have always taken great pride. But pride can trick us into believing that because we've always had quality, we always will. Unfortunately, that is not so. Our reputation for quality is only as good as our last machine or our last customer call. … In today's competitive world, the health and future of IBM can depend on our ability to provide our customers with products and service that are defect-free. And they will be if each of us makes quality the first order of business. (1980)

John R. Opel

- If we value leadership in the industry, the way we hold onto it is to put quality first. There is nothing mystical or abstract about IBM quality. It's no more -- and no less -- than what all of us put into our daily jobs. (1981)

- For as long as IBM has been in business, IBM people have viewed themselves as partners in the business, with a proprietary interest in everything we do and how we do it. At the heart of that partnership is personal, two-way communication to help all of us know what we're doing wrong and how we can do better. This day-to-day exchange is critical to our well-being, for no one knows better how things are going than the people charged with making them go. We've always had this openness, and we'll go to any lengths to strengthen it. … Our belief in respect for the individual assures everyone in IBM the right to criticize, to complain, to ask questions, get answers and, when making a suggestion, to know that it's going to reach the person who can do something about it. … Despite all the checks and balances we've built into IBM, we are occasionally caught by surprises that might have been avoided if only a single voice had been raised. With all these two-way programs [e.g., Open Door, Speak Up, opinion surveys], that single voice has the chance to be heard. So long as we all continue to talk openly and honestly to one another, we'll go on -- as we always have -- sharing in the responsibility for the conduct of the business. It wouldn't be IBM without that partnership. We want to strengthen it in every way we can. (1981)

- As advancing technology continues to help people do more and more at less cost, as we market products for new uses and new users, change becomes a way of life for us. We plan for it and create it. In fact, we are prepared to change everything about the way we do business, except for our basic beliefs. When we make these changes, they may seem painful. When we look back later, we wonder how we ever would have got along without them. I make no promises of easy growth. On the contrary, I promise hard work, tough competition and constant change as we work for growth. But we should all remember that the best opportunity each of us has for career development is through company growth. And that is our direction for the 1980s and beyond. (1981)

- Technological leadership is the very lifeblood of this business. We can never emphasize it too much nor take it for granted. You don't lead by merely running; you lead by running faster than anyone else. (1982)

- However many *thou shalt's* and *thou shalt not's* we inscribe in the book, we cannot run a company by the book. There is no such thing as a completely fail-safe environment in business -- and especially in a business as fast-paced as this. (1982)

- Few industries face more strenuous competition than ours in markets everywhere. Our products call for little in the way of natural resources. They are products of human inventiveness, and there is no shortage of inventiveness anywhere. Thus, if we are going to lead in IBM, we're going to have to be more inventive than anyone else. We're going to have to be more efficient, more productive, better at quality than anyone else, taking nothing

whatsoever for granted. (1983)

- It is no accident that the very same people who applaud our business performance also speak highly of our reputation for integrity in the way we conduct the business. The two, as they should, go hand in hand. (1983)

- No matter how large we become, we know that size is no substitute for service. We know we must undertake every transaction in which we are involved -- with a customer, with a vendor or with each other -- as if the business depends upon it, which indeed it does. We must demonstrate, every hour of every business day around the world, that IBM's size is an asset. We must prove it is an asset not only in terms of what it allows us to do in moving the technology forward, but also in terms of the quality of service and product we are able to bring to our customers. Since its founding, IBM has held to what we call the "small company attitude." By this we mean an attentiveness to the needs of those with whom we deal. … The way a company is perceived rests ultimately on the impression its employees convey to the outside world. We must always act in a way that shows responsiveness, fairness and accountability. To do anything else would both discredit our past and jeopardize our future. We have no intention of doing either. (1984)

- In IBM, the transition from one CEO to another recalls the adage that the more things change, the more they remain the same. For while individual management styles may differ, we share a common culture rooted in IBM's unchanging beliefs. Respect for the individual. The very best in customer service. Excellence in every task we undertake. … During my years in the business, we've come a long way from back room accounting machines to become the leader in what is probably the most relevant and important industry in the world. Relevant because ours is a technology that has become necessary to almost every form of human activity. … Important because the well-being of society everywhere is dependent upon increased productivity and improved performance -- and information processing is necessary to both. But with all the opportunities that await us, we face no easy road. … But we are fortunate that we shall be tested by opportunities, not by limitations. … One of the great privileges of life is to have a purpose beyond the business of making a living. In IBM, we find this purpose in the uses to which our products and services are put -- in the enrichment of life, health and learning in nations throughout the world. Who could ask for anything more? To the many of you who have contributed so much to my term as CEO, I shall be forever grateful. (1985)

John F. Akers

- Because the stakes are so high, we cannot afford to let our commitment to quality waver. The first step in keeping it solid is to accept ownership of everything we do. This means standing behind every piece of work as if your name and reputation were squarely on the line. So the push for improved quality continues. It's not only that we have no other choice; it's that we wouldn't have it any other way. (1985)

- We all serve a customer in the IBM company. Some internal. Some external. Ultimately, all roads lead to users -- the people who buy and use our equipment. Our second basic belief is still solid as a rock. A customer well served is a customer who never forgets. A customer well served is a loyal customer. And that's something we should all remember. (1986)

- For a company can do well only if its people do well. And people do their best only when they know their company places their interests first. Which is the way we have always operated in IBM. (1986)

- Trust is at the heart of effective leadership. (1986)

- There's no doubt that ours can be a complicated business to talk about. All the more reason, then, to write and speak as clearly and understandably as we can. … Because if people believe we're saying what we mean, they'll also believe we mean what we say. But first they have to understand what it is we are saying. (1987)

- This is my 28th year in IBM. I continue to take great pride in the professional challenges that face our business. These last two years have been tough ones. But they've also been extraordinarily satisfying because we are doing what needs to be done. ... There is no team of people on earth like the people in the IBM company. When we focus clearly on where we are going, the results have always been remarkable. I have faith in what we're doing and confidence in the people around me. I love the debate. I love the challenge. It's stimulating and invigorating. That is why I am excited. (1988)

- To maintain our momentum, we have to take greater risks. … Now is the time to be more innovative than ever, to try new approaches, to depart from the past. Take on more responsibility. Seize the initiative. Take pride in what you do. Be an entrepreneur. … If we play it safe, we will fail both ourselves and our customers. If we take more risks, if we show some daring, and move swiftly and with determination in everything we do, we will succeed. (1988)

- Operating in an international arena has long been a way of life for IBM. Our business roots in many countries are strong and deep. They must remain that way, for our strength as a company depends on our performance all over the world. … It's important for all of us to think beyond the borders of our own countries -- and to realize that our company's future is being fashioned across a broad range of cultures and languages. (1989)

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- Updating the skills we have and developing the new ones we need is a mutual responsibility, one shared between the individual and the company. … As John Ruskin, the English author and critic, once put it: "The training which makes people happiest in themselves also makes them most serviceable to others." When the customer benefits from our improved skills, we have spent our time and money on education well. (1989)

- We want every IBM product and service, every contact with our company, to be perfect in the eyes of our customers. That is what our focus on "market-driven quality" really means. If perfection is a very ambitious standard, it is no more than what our customers increasingly expect -- and what our competitors are attempting to deliver. (1990)

- I'm spending a good deal of time encouraging field organizations and plant and laboratory sites to give more authority to those who are responsible for doing the work. Some have called this process empowerment. But in the final analysis, empowerment is not something your manager can give to you. It comes from taking ownership and making decisions. Managers can create the room to participate, but it's up to you to fill it. (1990)

- We have 76 years experience as a company in successful change management, from meat scales and time clocks to punched card equipment to mainframe computers to personal computers. We enter the 1990s with good market opportunities; excellent products, services and business relationships; a more competitive structure; and a wonderful team of people who know they are being held accountable to deliver on our commitments to our customers and to our shareholders. (1990)

- New ideas and innovation must be given a chance to succeed -- or to fail. And constantly improving our previous best may come at the cost of an occasional mistake or false start. A decision that has been triple-checked until it is failure-proof is no risk at all. It is probably also much too little, far too late. (1990)

- The only thing that should exceed the strength of our products is the strength of our ability to market and support them -- that strength must be reflected and reinforced by excellence in our customer relationships. Excellence means we are so in tune with our customers' needs, we not only read their requests, we can almost read their minds -- and never rest in our obsession to satisfy and delight them. (1991)

- Respect for the individual, commitment to excellence in all we do, providing the best service in the world -- these are IBM's compass. These are the core of IBM's tradition of honesty, integrity, and ethics that guided our past and that must continue to guide our businesses in the future. And these beliefs and values are at the heart of IBM's most enduring strengths. (1992)

- We benefit from a deep well of customer goodwill. Based on the confidence that when a customer has a problem, IBM will be there -- and will bring whatever determination and resourcefulness are necessary to solve it. The customer is, and will remain, first in all our efforts. (1992)

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- I have spent 32 years working for IBM. I love this business. IBM is a remarkable institution in business history, a hallmark of leadership, excellence and progress -- to America and the world. And that it will remain. (1992)

Louis V. Gerstner, Jr.

- I am pleased to have this opportunity to lead IBM at a time of significant challenge for this great company, whose tradition of success and excellence is unsurpassed. IBM's strength is its people, with their technology skills, manufacturing prowess, and global marketing and services expertise. I look forward to working with them to return IBM to a path of growth and success. (1993)

- I think the greatest challenge facing the company is not to put in place all the fundamentals needed to succeed in this industry but rather to adapt our strategy, structure and culture to a world of constant change. IBM will be marching to a different drummer but we will preserve those things that made this the great company it still is today. I'm not seeking change for change's sake. I'm seeking change for IBM's sake. And while I can't promise this journey will be easy or fast, I can tell you that the steps we will take will not be pussyfooting but bold strides. (1993)

- We're at the threshold of the next major phase of computing. It draws upon many of the technologies we've been discussing, but one in particular -- high-speed, high-bandwidth networking -- which is why we refer to it as network-centric computing. Now, this term doesn't exactly roll off your tongue, but what we call it isn't nearly as important as what it means to people: to individual consumers, to businesses and institutions around the world and all of us. …   And the implications of network-centric computing go on and on. It will transform every business, organization and institution in the world. It will create winners and losers. It will change the way we do business, the way we teach our children, communicate and interact as individuals. … We have grown, we have innovated, and we have prospered at a rate unsurpassed by any other. It's been an amazing, breathtaking ride. It can continue -- and accelerate -- if we remember that our future rests on how well we respond to the total needs of society and of our customers all around the world. (1995)

- As more and more of these real applications come online and people make the shift from browsing to buying, and surfing to working, we'll see a redefinition of the term "killer application." A "killer app" will not be just a shrink-wrapped program that sells millions of copies. A killer app will be any Web site that touches millions of people and helps them do what they want to do. Business to consumer. And business to business. … So one measure of leadership in this business has to be whether a company is working for open standards, or working to erect proprietary walls. Whether the company is working to ensure the true promise of "any client to any server" is fulfilled, or working to make it their client, to their server. A world populated by closed or semi-closed architectures forces customers to choose, and then to pray that they chose correctly. It takes away choice. And now it may slow down or prevent the realization of the networked world all of us want to build for our customers. The issue is simply, whether choice and control resides with the customer, or with one company. The issue is whether we will come together to do what is right for the customer. IBM has decided. Our future is staked to the vision of an open networked world. (1996)

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- The evidence is incontrovertible: There is a direct link between education and income. People who have a better education have better jobs and get better pay. Countries that have better education systems have stronger economies and are tougher competitors in the worldwide marketplace. (1996)

- Network technology is an extremely powerful tool for gaining competitive advantage. More and more customers are using networks to transform nearly every aspect of what they do. They're making internal operations more efficient; moving ideas and critical information across their enterprise faster; strengthening relationships with their partners, suppliers and distributors; and of course, improving or completely transforming the way they buy and sell products and serve customers. We're calling all of this simply, "e-business." It embraces the full range of network computing applications: intranets, extranets, online customer care, online government and healthcare services, distant learning, electronic commerce. (1997)

- As customers embrace the Net for real business, they're doing something much more than posting a Web site, offering their brochure or 800 number on the Web. "E-business" done well involves every process of their business -- from order entry to inventory, to fulfillment, to distribution, to customer care. Consequently, it challenges, and in some cases overturns, very established ways of doing business in financial services, in distribution, in almost every industry. (1998)

- The main point here is that there will be lots of ways -- lots of low-cost ways -- for people to get on the Net and participate in this new economy. So, together we will have a greater opportunity to take unprecedented levels of service and information to the entire world regardless of an individual's social or political standing, or personal buying power. It's a big opportunity -- one of many that are within our power to deliver. As you return to your countries I hope you carry a commitment to: ensure your existing tax policies are the only ones you apply to e-commerce, and that they're applied in a nondiscriminatory fashion; engage with your private sector on the issue of privacy; allow the marketplace to determine appropriate standards for encryption and you work toward international agreements; foster a competitive telecommunications environment because we will never realize the full benefits of e-commerce until the cost of bandwidth is set by markets, not monopolies; and finally, that you assess your readiness to harness this powerful medium to advance your social and economic goals. … While we can rarely see or predict the final destination of an evolutionary process, to stop or strictly control the flow of technical or economic evolution based on nothing stronger than uncertainty is wrong. The choice here is to embrace or to resist; to enable or to inhibit; to change or to stand pat. Either choice implies pain -- but I believe the first option also implies progress and potential. The latter implies a premature fatalism or a world weariness at precisely the moment when we're ready to step across the threshold into an entirely new world of economic opportunity and new levels of prosperity and security for your people. (1998)

- This young, and in many ways, very immature industry, is about to play out in its most important dimension. That's because the technology has become so powerful and so pervasive that its future impact on people, businesses and governments will dwarf all that has

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happened to date. I believe there are two trends that are most significant, and bear the closest watching. The first is what we call "Deep Computing." The term is inspired by our chess-playing supercomputer Deep Blue. … Deep Blue is emblematic of a whole class of emerging computer systems that combine ultrafast processing with sophisticated analytical software. … The second type of "Deep Computing" is what's known as data mining. Some people call it business intelligence -- the ability to extract insight from mountains of information and see relationships and trends that were previously invisible.... The next milestone is what we call "pervasive computing." … Chips are getting so small and inexpensive, they're being embedded in everything: cars, appliances, tools, doorknobs, clothes. Most significantly, all these tiny intelligent devices will be interwoven in the global fabric of computing and communications. … "Pervasive computing" meets "Deep Computing." Companies and institutions will amass more data, more information than ever in history -- and for the first time be able to do something productive with it -- turn raw data into knowledge and move that knowledge to the right people instantaneously. Personally, I believe that future leadership companies and future leadership institutions of all kinds will be those that know how to compete and win on the basis of knowledge -- learning, adapting and improving using this vital asset we know as Information. (1998)

- All successful companies have good strategies. They all have good processes. They reward people for the right things. For the companies that truly break through, it comes down to their people. For us, it's not a question of talent. We have the best people in the industry. I knew that before I came to IBM, and I know it today. But are our people going to stretch to their potential — step up and lead? That's the real issue for IBM. What's really important is the personal commitment that each of us makes about how we're going to behave, how much we care, how much we're willing to give, how much we're willing to learn and adapt, what we think about every day that drives what we do operationally. It comes back to *win, execute* and *team*. Those are not slogans or even institutional values. They are personal commitments. They're not things of the head, they're things of the heart and the gut. They are behavioral, not intellectual. You do not get up every morning and salute them. You get up every morning and live them. We have completed, for the most part, the task of restructuring the institution. Our success now is going to be a function of personal behavior — the behavior of each and every one of us. (1998)

- Today, almost everyone is talking about the Internet as the ultimate medium of business. And so now we find ourselves in 1999 taking an equally unconventional position: Today it's clear to us that the greatest value being created by this networking technology is not in these new "dot-com" Internet companies that a lot of people seem to believe are going to redefine the world of retail, of Wall Street, of the media industry, and gobble up everyone's business. These are interesting companies, and maybe one or two of them will be profitable someday. But I think of them as fireflies before the storm -- all stirred up, throwing off sparks. But the storm that's arriving -- the real disturbance in the force -- is when the thousands and thousands of institutions that exist today seize the power of this global computing and communications infrastructure and use it to transform themselves. That's the real revolution. … Right now, there's a lot of focus on e-commerce -- on Net-based buying and selling. But we think that equally important, if not more important, are the staggering investments our

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customers are starting to make in what we call "e-business." E-business includes e-commerce, of course. But it's about a broader set of transactions and important applications that will go to the Net in supply chain, in customer care, in e-service; and internally in applications from product development to logistics to employee training to knowledge management inside enterprises. In fact, our view is that the Web enabling of these core business processes will deliver returns on investments that will equal or exceed the returns on investments coming from e-commerce. (1999)

- Thanks -- 320,000 thanks -- to all my colleagues in this magnificent company. No matter what the challenge -- from IBM's own near-death experience, to Y2K, to dot-com mania, to recession, to 9/11 -- IBM employees blessed all of us with their grit, their passion, their compassion and their class. I'm proud to have served with all of you. I'm grateful for all that you've taught me, and for sharing with me the business opportunity of a lifetime. (2002)

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