



Highlights

Who will emerge as an even stronger competitor in their markets?

The global financial crisis that erupted in September 2008 with bank failures and other dislocations in the financial services sector has reverberated across all industries. Despite the dire news, however, many companies will make it through the crisis — and some will emerge as even stronger competitors in their markets.

What's the key? In this type of environment, successful companies focus on five aspects of their business:

Capital and liquidity. This is *the* critical short-term survival factor and a key to longer-term advantage, particularly for those with stable funding sources.

Cost and complexity. In the short term, most businesses will see widespread spending reductions across all areas of the enterprise; this will lead to longer term interest in simplification of the business.

Risk and transparency. Leaders must understand their risk positions — and be able to demonstrate them to the market and to regulators; they must also have the ability to take action based on current information.

M&A — and divestiture. Divestitures can help raise capital in the short term; over the longer term, they can shape the portfolio through additions and pruning.

Customers. Companies with staying power recognize that customer service is where they will differentiate themselves. Focusing on customer data / insight / analytics can create an improved customer experience — and grab an increased share of wallet.

The CIO's role

Like other business leaders, CIOs are feeling the pressure of economic uncertainty. Some are being asked to reduce IT spending or demonstrate faster return on investment (ROI). Others have simply been barraged by stories about troubling economic conditions and weak market and industry trends.

But as IDC points out, “There's no sense of panic amongst CIOs, more a resigned acceptance of the need to swallow some cost savings while the economic outlook remains gloomy or uncertain.”

By optimizing your operations in a down market, you prepare your organization to seize opportunities, gain market share and build new capabilities.

While many CIOs have already been working to make their IT and networking environments more efficient, reassessing IT operations can uncover hidden costs and highlight opportunities for infrastructure optimization. IBM can help.

Do more with less

There are many ways IBM Global Technology Services can further enable your IT efforts, including by helping you:

- Cut operational costs
- Get more out of your existing infrastructure, which also helps defer capital expenditures
- Improve productivity
- Secure financing

And there are added benefits to improving your IT environment. By optimizing your operations in a down market, you prepare your organization to seize opportunities, gain market share and build new capabilities. IBM Global Business Services can help you develop a roadmap and make the strategic decisions necessary to exploit these possibilities.

Financing plays a crucial role

IBM Global Financing (IGF) can also support your efforts. In the past, many companies have viewed financing separate from the acquisition of IT solutions — something to be considered after the technology details were determined. In today's economic environment, however, financing has become a critical means to an end: Not only are information technology solutions mission-critical to operations, but companies still need to invest in new IT to ensure their future growth, even while they strive to conserve cash.

In some ways, too, there's never been a better time to invest in technology. The Economic Stimulus Act of 2008 allows a depreciation write-off for qualifying equipment acquisition. And IGF — the world's largest information technology lender, with an asset base of nearly \$34 billion and more than 125,000 customers in 50 countries — can help credit-qualified customers with financing solutions at every stage of the information technology lifecycle, from planning to asset disposition.