

Addendum II



September 4, 2011

Document History

Rev.	Date	Author	Remarks
1.0	September 4, 2011	Walter Tuvell	Final draft

Related Documents

Author	Date	Title
IBM	September, 2004	<i>Our Values at Work, On Being an IBMer (OvaW)</i> , 68-page (34-double-page) pamphlet, published as “lessons-learned” from “ValuesJam”.
Paul Hemp, Thomas Stewart	December, 2004	<i>Leading Change When Business Is Good (LCWBIG)</i> , interview with IBM CEO Sam Palmisano, Harvard Business Review, pp. 59–70.
Walter Tuvell	August 18, 2011 (version 1.0)	<i>Claims Of Corporate And Legal Misconduct</i> , in two Parts: <i>Part I (Acts Of Fritz Knabe)</i> ; <i>Part II (Acts of Dan Feldman, HR, Legal)</i> . — Referenced as “original (two-Part) Complaint”
Walter Tuvell	August 28, 2011 (Version 1.0)	<i>Claims Of Corporate And Legal Misconduct, Addendum I.</i>

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38 Executive Summary — Addendum II

This document is Addendum II to my original two-Part Complaint plus Addendum I.

Hereinafter, the unqualified term “Complaint” includes the original two Parts, plus Addendum I, plus now this Addendum II, unless otherwise specified.

38.1 List Of Particulars

- Many times, I have decided/requested to be removed from the influence of Dan and his cohorts-in-blackballing (first choice: terminate them; second choice: transfer them; third choice: transfer me), but IBM has consistently refused to do so. Section 25. In this place, I now point out that IBM’s refusal is not only abuse/harassment/IIED, but is additionally in *breach* of IBM-Law BCG-Contract (AYJ, p. 10):¹³² “In certain circumstances, it may be appropriate to transfer the offender to another department or location. If requested by the victim, he or she may be transferred to another department or location.”¹³³
- Throughout this Complaint, I have alleged IBM (via its agents) of treating its employees “shabbily”, that is, to be guilty of wrongful/false/fraudulent/abusive/illegal workplace bullying/harassment/IIED/etc. — *internally*, to its employees. Section 7.1, *passim*. In this place, I hereby further allege IBM (via its agents, Dan, Diane Adams, etc.) of the same — *externally*. In other words, I accuse IBM of publicizing/advertising/trumpeting/propagandizing, *to all outsiders* (*customers/partners/investors/etc.*), its own “goodness to employees”, but doing so knowingly falsely/fraudulently/deceptively (i.e., knowing it is actually treating its employees shabbily). The motivation, I claim, is that IBM wants outsiders to believe the perception, but not the reality, that IBM is taking positive vigorous steps to maintain employee satisfaction — thereby attracting/retaining a higher-caliber workforce than *IBM’s competitors, knowingly-falsely enhancing IBM’s product/market/stock valuation over IBM’s competition*. This false manipulation of company valuation runs afoul of financial rules/regulations/laws — both domestic and international.
- Even *after* I explicitly pointed out to Russell Mandel that his improper stance on “BCG disqualification” amounts to misconduct (both breach of BCG contract and vi-

132· It may be wondered whether the AYJ falls under the aegis of “IBM-Law BCG-Contract”, given that the AYJ is not itself *explicitly* mentioned in the BCG. However, such *direct* linkage between BCG and AYJ is not required. *Indirect* linkage suffices (BCG pp. 9, 14, emphasis in original): “Whether communicating in person, over the phone, online, or by any other means or media, the Business Conduct Guidelines apply. ... [Y]ou must ensure that *all* information is recorded and reported accurately, completely and honestly. ... Reporting inaccurate or incomplete information, or reporting information in a way that is intended to mislead or misinform those who receive it, is *strictly prohibited* ...” And, if that already-very-strong term-of-contract doesn’t “do it for you”, you can sprinkle on a pinch of *contra proferentem* for good measure.

133· There’s an ambiguity in the plain language of this clause, concerning the meaning of the word “may” (two occurrences) — namely, there’s a question as to *who* has the prerogative of decision, me or IBM? By the principle of *contra proferentem*, this ambiguity is resolved in favor of *my* interests (not IBM’s interests, and certainly not the interests of the other people involved, since the “BCG Contract” in question is between me and IBM, not me and those other people). That is, I alone have the prerogative to decide/request the propriety of transferral, not IBM. (Provided my decision/request satisfies the “reasonable person” rule, which it clearly does.)

olation of ADA law), he *continued* to assert his stance. This amounts to *additional/multiple count(s)* of breach of contract, violation of ADA, hostile work environment (IIED), etc.

39 Typos, Etc.

- Part I, p. 25, top: I should have mentioned that during the one-on-one meeting with Dan, he stated to me that he had told Fritz (at their meeting the previous day) that if I were switched with Sujatha, she wouldn't be able to accomplish as much for the Wahoo project as me (because of her junior status), and Fritz told Dan that was OK. This is relevant in light of "Dan's public embarrassment" (Section 33).
- Part II, p. 1, top: I neglected to put John Metzger's name in the subtitle, because I considered him an ambivalent figure when I started writing Part II, and I "wanted to believe he was honest". Section 14. But as the writing/thinking progressed, I came to the (reluctant) conclusion that he was a wrongdoer too, but I didn't go back and change the subtitle. His name should now be included in the subtitle too.
- Part II, p. 8, top: "I had drank beer" should read "I drank one beer".
- Part II, p. 26, top: "2 citations" should read "two citations" (for overall consistency).
- Part II, p. 26, fn. 97: Another reason diluting Dan's claim of "personal identification" is the fact that it's a common practice to "BCC" ("blind-copy-to's") third-parties on emails, which ordinary-addressees and "plain/clear-CC's" ("copy-to's") aren't aware of.
- Part II, p. 28, top: In Section 20.1.1, another thing happened at the "reconciliation" meeting that I keep forgetting to write down. Dan told me he "had a large investment in me", and he "wanted me to succeed". He did this immediately *after* he'd already put his blackballing exercise in motion (by giving me his "three behaviors lecture"). Perfidy on top of perfidy.
- Part II, p. 34, top: The quotation from Sam at the top of the page lacks proper attribution. It comes from IBM's public website at http://www-03.ibm.com/employment/our_values.html, explaining "IBM Values". Appendix PP.a. See also Section 40.
- Part II, p. 34, mid: The quotation about "smarter people" originally came from LCWBIG, p. 63.
- Part II, p. 63, mid: The word "From:" (at the end of a line) introduces a new email (dated 06/30/2011 08:13 AM). Typographically, this means it should introduce a new bullet-list item.
- Addendum I, p. 2, top: "First draft" should read "Final draft".
- Addendum I, p. 6, top: Before the final (one-line) paragraph at the end of Section 30, add the following paragraph:
 - Not to mention that the "lazy" passage in *Learning SQL* contains the additional phrase "(and aren't we all)". This implies that the *reader is lazy* — not only the *author*, as was the case with my own "the laziest path is always the best" (Sec-

tion 18). This makes *Learning SQL's* "lazy" passage *far "worse"* than mine. What would Dan/HR/Legal do if they found a copy of *Learning SQL* in the Marlboro office? Merely: confiscate the book? Maybe: burn the book's owner in effigy? Most likely: witch-hunt the book's author, tar-and-feather him, and "make an example of him" by hanging a sign around his neck proclaiming "Disregarded IBM Values".

- Addendum I, p. 9, mid: Following the reference to "Appendix OO", reference should have been made to the BCG's "Importance of Compliance" clause (BCG, p. 6).
- Addendum I, p. 9, bot: "wording¹³¹of", should read "wording¹³¹ of" (with a space).
- Addendum I, p. 59, mid: The title of Appendix KK should have included dates: "Email Chain: Dan's Public Embarrassment (August 4-5)".

40 IBM: "Values/Trust" Brand/Strategy

(Note: This Section 40 is legally/technically complicated. My apologies in advance.)

The concept of "IBM Values" has already appeared several times throughout this Complaint.¹³⁴ As will be demonstrated in this Section, IBM makes a "very big deal" (at the level of corporate-image branding-strategy)¹³⁵ of these so-called "Values" — both (i) *internally* (employee-facing), and (ii) *externally* (customer/partner/investor-facing). That is, IBM proclaims loudly/broadly that it's a "good/ethical/loving" company", especially to its employees, but knowing all-the-while that it (via its agents, Dan, Diane Adams, etc.) treats employees shabbily (as alleged throughout this Complaint). This two-faced practice is false/deceptive/fraudulent, in both directions: (i) From the *internal* point-of-view, the practice is illicit/illegal by reason of the fact that it breaches the IBM-Law BCG-Contract (amongst other transgressions). (ii) From the *external* point-of-view, the practice is illicit/illegal by reason of the fact that it, both attempts-to and succeeds-at, falsely/misleadingly elevating *perceptions of the financial value* of IBM (both products and the company itself). Point (i) has already been argued, in Section 37; point (ii) is argued in this Section 40.

But to begin with, "right off the bat", we must first dispel a doubt about "actionability" ("stat-ing a case") that might otherwise linger, tainting our argument in this Section:¹³⁶

- **Corporate values generally are feel-good statements that have almost no effect on a company's operations. What made — what makes — you think they can be more than this?**

... I feel that a *strong value system is crucial* to bringing together and motivating a workforce as large and diverse as ours has become. ... When you think about it, there's no optimal way to organize IBM. ... So if there's no way to optimize IBM through organizational structure or by management dictate, you have to empower people while ensuring that they're making the right calls the right way. And by "right," I'm not talking about ethics and legal compliance alone; those are table stakes. I'm talking about decisions that support and give life to IBM's *strategy and*

134· The first appearance (without explication) was at the very end of Section 20.1.

135· "[A]ll of our relationships — with clients, colleagues, partners, investors and the public at large".

— Appendix PP.c, last paragraph. "Brand and Values" — Appendix PP.e, introductory comment.

136· If you prefer something based more on contract law, see the "indirect linkage" argument of footnote #132.

brand, decisions that shape a culture. That's why values, for us, aren't soft. They're the *basis* of what we do, our *mission* as a company. They're a *touchstone* for decentralized decision making. ... You've got to create a management system that empowers people and provides a *basis for decision making* that is consistent with who we are at IBM. ... For one thing, people — rather than products — become your brand. ... One way to ensure that is to inform their behavior with a globally consistent set of *values*. ... What you need to foster this sort of cooperation is a common set of guidelines about how we make decisions, day in and day out. In other words, *values*.

— Sam Palmisano, in LCWBIG (*emphasis added*)

So there.

Appendix PP. IBM proclaims very publicly/prominently (both internally and externally, e.g., internal and external websites) that its “most important innovation” is actually its very *employees* — a.k.a. “IBMers”. Appendix PP.a. These are saintedly wonderful creatures *defined* by their high degree of fidelity to “integrity/ethics/trust” (BCG, p. 6), founded upon deep dedication to a triad of mission¹³⁷-critical “Values” (tags added, in italics, as introduced in Section 27):

■ IBM Values

- (*Business*) Dedication to every client's success.
- (*Technology*) Innovation that matters — for our company and for the world.
- (*Trust*)¹³⁸ Trust and personal responsibility in all relationships.

- The history of IBM's “Values”-movement — which is the very *core/essence/soul/raison-d'être*¹³⁹ of both IBM itself and its corporate-image/brand-strategy¹⁴⁰ — can be gleaned from Appendices PP.a-d (amongst many other places, both internal and external, in varying degrees of detail)¹⁴¹. In particular, the “Values thing” has been “in full-force” at IBM for nearly a *decade* — to the extent that it is even explicitly included as a/the major factor of the IBM-Law BCG-Contract certification program

137· Concerning corporate “mission”: Appendix PP.c, last paragraph; Appendix PP.e.

138· This Complaint challenges *only* the Trust component of Values, not Business or Technology (so don't get confused if we sometimes conflate “Values” with “Trust”, by abuse-of-language). The point of the Trust component for this Complaint is that it guarantees trust in *all* relationships — especially (from the employee's point-of-view) the manager/manager (“master/servant”) relationship.

139· This very language is explicitly used/inculcated/“brainwashed” at IBM, for both internal and external consumption. BCG, p. 4; Appendix PP.a; Appendix PP.c (where Sam writes “reason for being” instead of the more usual *raison d'être*). No other (“giant”) company in the world literally identifies itself with “values”/(trust) to this extent. It is the hallmark of the IBM branding strategy.

140· Appendix PP.e.

141· The “classic” account of IBM's “Values”-movement (arising from “ValuesJam”) is LCWBIG. Which brings up a point: If you think “lazy” is such a dirty word, you should take a look at ValuesJam and its aftermath as Sam describes it in LCWBIG. For example (p. 66): “And yes, the electronic argument was hot and contentious and messy. But you had to get comfortable with that. Understand, we had done three or four big online jams before this, so we had some idea of how lively they can be. Even so, none of those could have prepared us for the emotions unleashed by this topic.”

(“pledge of allegiance” to IBM).¹⁴² Therefore, *every* IBM employee is *provably fully aware-of, and (supposedly) committed-to*, the preceding “IBM Values”-statement.

Since, as just seen, “IBMers” (i.e., employees) are IBM’s “most important innovation”, it follows that IBM must treat its IBMers/employees very, very well indeed (“enhanced talent management”, if you will). Otherwise, the company would be remiss in both its (i) ethical responsibility (per IBM “Values”/Trust itself), and its (ii) fiduciary responsibility (per financial rules to protect/enhance/maximize shareholder value). And indeed, good-employee-treatment is explicitly/formally codified in IBM Law — for example, and most forcefully, by IBM’s Concerns and Appeals program (C&A, p. 4): “problems, questions, concerns, appeals ... provide a timely and thorough investigation of employee issues and concerns when a resolution cannot be reached by working with management”.

That much may seem “obvious/trivial” to some; a clever marketing/branding strategy, perhaps. Except for one thing: IBM — much more-so than *any other (“giant”, [near-]monopolistic) company in the world* (with special reference to IBM’s competitors)¹⁴³ — *wields its workforce (and/or the “values/happiness” of that workforce) as a competitive advantage*. And that’s the very reason *IBM goes out of its way to advertise/publicize its (happy ☺) workforce*. You don’t see other companies doing this anywhere near the extent IBM does, do you? There’s a reason for that: IBM uses “Values = workforce-happiness” as its *own unique “hook”* — as a lever to gain that ever-narrowing competitive edge.

Here is some supporting evidence for that claim (of “Values”-bragging-&-competitive-tool):

- **Corporate identity, IBM = IBMers = Values:** Appendix PP.a. This is a recruiting ad. http://www-03.ibm.com/employment/our_values.html. Note the language: “DNA”, “soul”, “essence of the company”.
- **“We’re the employee’s personal best-friend-forever”:** Appendix PP.b. An international (Austrian) recruiting ad. <http://www-05.ibm.com/employment/at/about/values.html>. Check out the wording: “We are a million miles away from a grey faceless corporation.”¹⁴⁴
- **“IBM’s core values ... [is] what sets the company apart”:** Appendix PP.c. I.e., the “Values”-thing gives IBM a competitive edge (“sets the company apart”).
- **Public puffery:** Appendix PP.d. From IBM’s “centenary book”, *Making the World Work Better*, a book-length puff-piece (but nonetheless binding for the purposes of this Complaint),¹⁴⁵ commissioned/published on the occasion of IBM’s 100th birthday. Intended for (i) external/public consumption (IBM Press, 350 pages, \$29.99, ISBN-13: 978-0-13-275510-8), as well as (ii) internal/employee consumption (distributed freely to all IBM employees, mailed to their home addresses).

142· “Your daily commitment to living the IBM Values and following the Business Conduct Guidelines distinguishes IBM and IBMers. It’s no exaggeration to say that IBM’s integrity, reputation and brand are in your hands.” — BCG, p. 5.

143· The only serious contender might be HP, with its “HP Way”. But that pales into insignificance compared to IBM’s “Values”, because HP doesn’t use “Way” as a competition-basher the way IBM uses “Values”.

144· “Yeah! That’s the ticket!” — “Tommy Flannagan” (played by actor Jon Lovitz), *Saturday Night Live*.

145· Per “indirect linkage”, as in footnote #132.

- **Super-Legality:** Appendix PP.e. The equation “IBM = Values”, means IBM “holds itself to a higher standard than any law requires”.¹⁴⁶ Specifically, IBM-Law BCG-Contract. see Add. III, p. 7, top
- **Brand = Trust:** Appendix PP.f. The three components of the “Values Brand” (Business, Technology, Trust) aren’t equal. The Trust component is “more equal” than the others, the *sine qua non* of “Values”. Here’s how Sam puts it Appendix PP.f: “[A]s a company we can never break that bond of trust. I think it’s the brand, it’s what the brand stands for. It’s that integrity and that trust, we’ve been a hundred years building it and we have to live up to it.”
- **Exactly why are “IBMers” so important to IBM?** Appendix PP.g. There’s a specific reason IBM puts so much stock on the human/employee-level value of Trust (over-and-above the non-human/thing-level values of Business and Technology). Namely, in recent years (since 2003), IBM has actually been *re-modeled/re-tooled precisely to leverage Trust itself as a business/competitive strategy* — with a special view toward *globalization* (GIE, “Globally Integrated Enterprise”, a phrase coined by IBM). It is thus precisely the IBMer, that world-wide-recognizable “touch of humanity”, that gives IBM its *special global competitive edge*.
- **Internal Trust:** Appendix PP.h. Does the “bond of trust” apply *internally* (IB-Mer-to-IBMer), equally well as externally? You betcha. Sam highlighted that in Appendix PP.f (a document for external consumption), and the slide in Appendix PP.h also highlights it (for internal consumption).
- **Etc., etc., etc.:** Etc., etc., etc. There’s tons of this stuff out there. It would be futile for IBM to deny its “**IBM = IBMers = Values (especially ‘Trust’)**” internal/external branding/competition strategy. (I don’t think they’ll try, but who knows? I’ve been surprised by every twist/turn of this case/Complaint.)

The definitive explication of IBM Values is OVaW (*Our Values At Work, On Being an IBMer*; this is also the title of Sam’s email, Appendix PP.c). That document critically important/central to the IBM *gestalt/weltanschauung*. It is no exaggeration to say that the BCG is IBM’s “Constitution”, and OVaW is IBM’s “Federalist Papers”.¹⁴⁷ Here are just a few quotes from OVaW (chosen to punctuate IBM’s shift from the “thing”-Values of Business/Technology to the “human”-Value of Trust, with a view to competitive advantage; emphasis added):

- Simply put, the center of gravity of our marketplace has shifted from transactions to *relationships* ... (p. 21.)
- I can trust IBMers to *always tell me the truth*. I might not like it, but I can trust what my IBM team says. (p.27.)
- This company has always believed in progress, believed in reason, believed in science and the improvability of the human condition. It was no accident that we pursued a progressive social agenda, championed tolerance and led business in everything from *workforce policies*, to equal pay, to environmental awareness. All of these are, to IBMers, *innovations* in their own right, *at least as important* as pioneering a new technology or a new way of doing business. (pp. 33–34.)

146· Again, this cannot just be a sound-bite; IBM really means it (by “indirect linkage”, as in footnote #132).

147· Put together, the OvaW + BCG are of “biblical” proportions, if you’ll forgive the sacrilege.

OVaW

- *Innovation* at IBM is about making the world *better* — for our *colleagues*, our clients, our neighbors. (p. 37.)
- How should a *business* and *technology* leader respond? What *values* will guide us through this perceived conflict between innovation and trustworthiness? And what should individual IBMers do to ensure that *innovation* continues — indeed, accelerates? (p. 45.)
- IBMers rely on our *colleagues* to do the *right thing*. (p. 47.)
- As an IBMer, you will make decisions that will affect the future, brand and reputation of this company, *other people's jobs and careers and even more people's work and lives*. If you cannot make those decisions honestly and ethically, for the right reasons and without regard for your own personal benefit, then you should not — and likely will not for long — be an IBMer. (p. 48.)

We insert here one final official IBM statement, to serve as a recapitulation/encapsulation of this “Values/Trust” Section 40 — a concise quotation which explicitly highlights both (i) the internal/external dichotomy we’ve emphasized in this Complaint, as well as (ii) this Complaint’s argument that “human-capital = competitive-edge (referred to as ‘differentiator’ in this excerpt)”.¹⁴⁸

■ **Developing shared values**

IBM has embedded a set of core values into the fabric of the organization to support the need for greater integration. *Internally*, these values encapsulate the company’s mission and aspirations, and they guide employees’ decisions, behavior patterns and actions collectively and individually. *Externally*, the values *differentiate IBM* with clients, business partners, investors, employees and communities by driving a consistent brand and perception of the company’s *human capital*, regardless of the geography, industry, function or offering involved. Most important, though, they are indicative of how IBM empowers its employees to take responsibility for the company’s success. As Sam Palmisano pointed out in a 2004 Harvard Business Review article, values support “a management system that empowers people and provides a basis of decision making consistent with who we are at IBM.”

Putting all the above words/concepts/promises together, IBM’s “Values”-orientation amounts to nothing less than a “*sacred covenant*” (more “sacred” than, say, a “mere” BCG Contract) — between IBM and its employees/customer/partners/investors/public-at-large.

Why does any of this matter for the present case/Complaint? It matters because this case/Complaint implies perception-manipulation of financial-misrepresentation, that’s why.


IBM (via multiple of its agents named in this Complaint, such as Dan, Diane Adams, and the unnamed lawyer mentioned in Section 20.1 [and doubtless many, many others “infiltrating” the company]) were *fully aware* that: (i) while IBM uses the concept/carrot of “treatment/happiness of IBMers” as a financial/competitive tool externally (especially including recruiting); it nonetheless (ii) internally treats its employees worse than chattel, subjecting them to terribly

148· From *IBM — Delivering performance through continuous transformation*, IBM Global Business Services Executive Report, published by the IBM Institute for Business Value, September, 2009, IBM document number GBE03234-USEN-01 (authors Jim Bramante, Ron Frank, Jim Dolan are IBM employees working in IBM’s Global Business Services unit), p. 10.

wrong/illegal “blackballing”/abuse/IIED when they “step out of line” (by committing such dastardly deeds as asserting the rights guaranteed to them by IBM-Law BCG-Contract).

This is conscious, duplicitous, wrongful manipulation of “corporate perceptions”, for the intent-to-deceive purpose of fraudulently enhancing company valuation, hence breaking financial rules/regulations/laws, both domestic and international.

41 Russell Mandel: Continued Delay

Appendix QQ  That email chain really says it all, but one aspect apparently does need to be re-emphasized here yet again (since Russell dumbly refuses to accept the point):

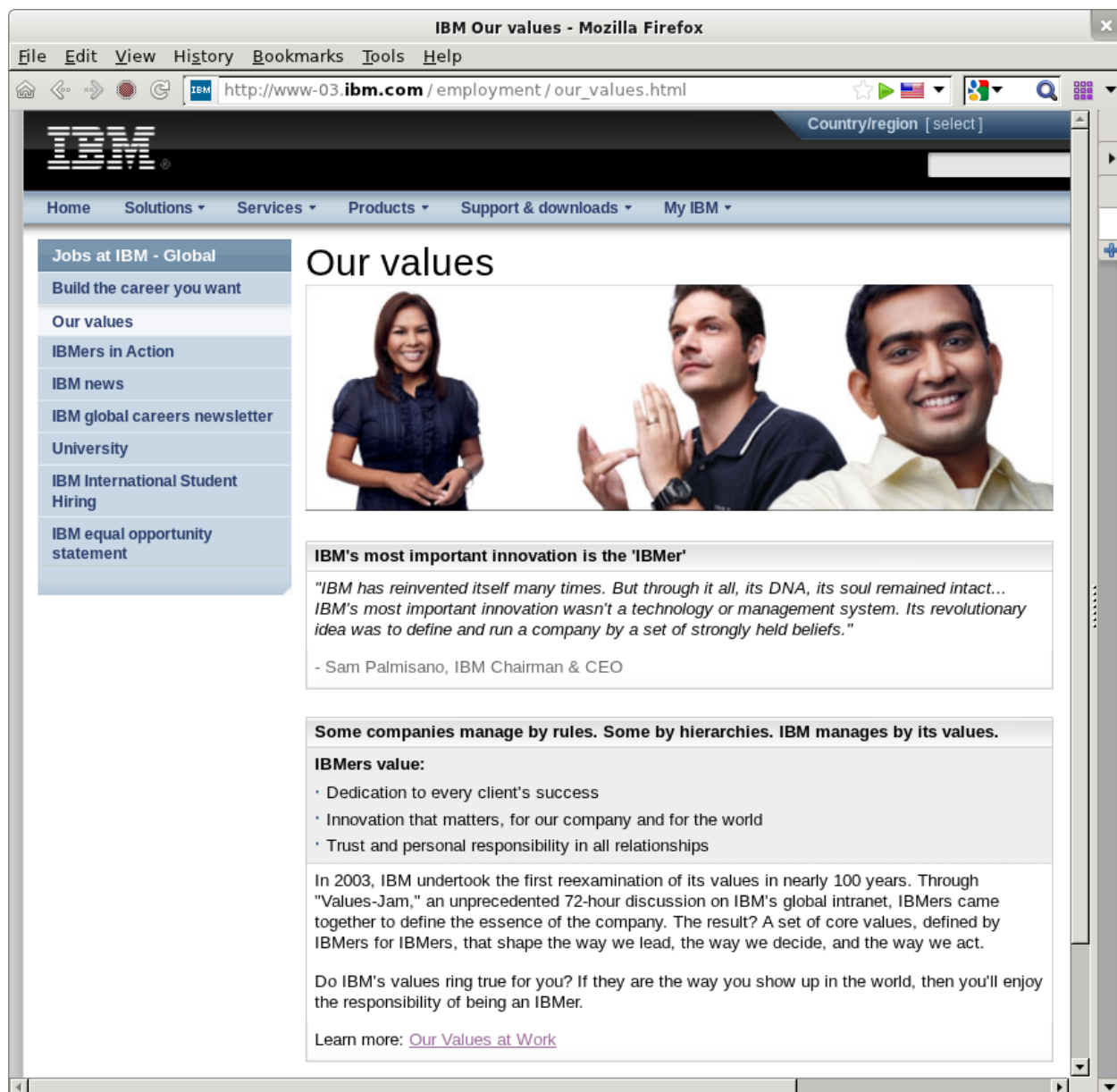
Russell’s newly-expressed insistence that he is “simply not going to discuss” the case with me until after I return from STD leave, is obviously *unreasonable/nonsensical/abusive* (in *addition* to breach-of-BCG-Contract and violation-of-ADA-law). For, I obviously have a “shoot-on-sight” target on my back. As soon as I “return from STD” as Russell wants me to do — which for Russell/IBM means “report to Dan for duty” — I will be pulled behind closed doors for a one-on-one meeting, from which Dan will then emerge screaming that I “tried to rape him” (or I “pseudo-yelled”, or uttered “lazy”, or some other outrageous lie), and I will be summarily fired *before* Russell can “discuss” the case with me.

Excuse me while I go throw up now.

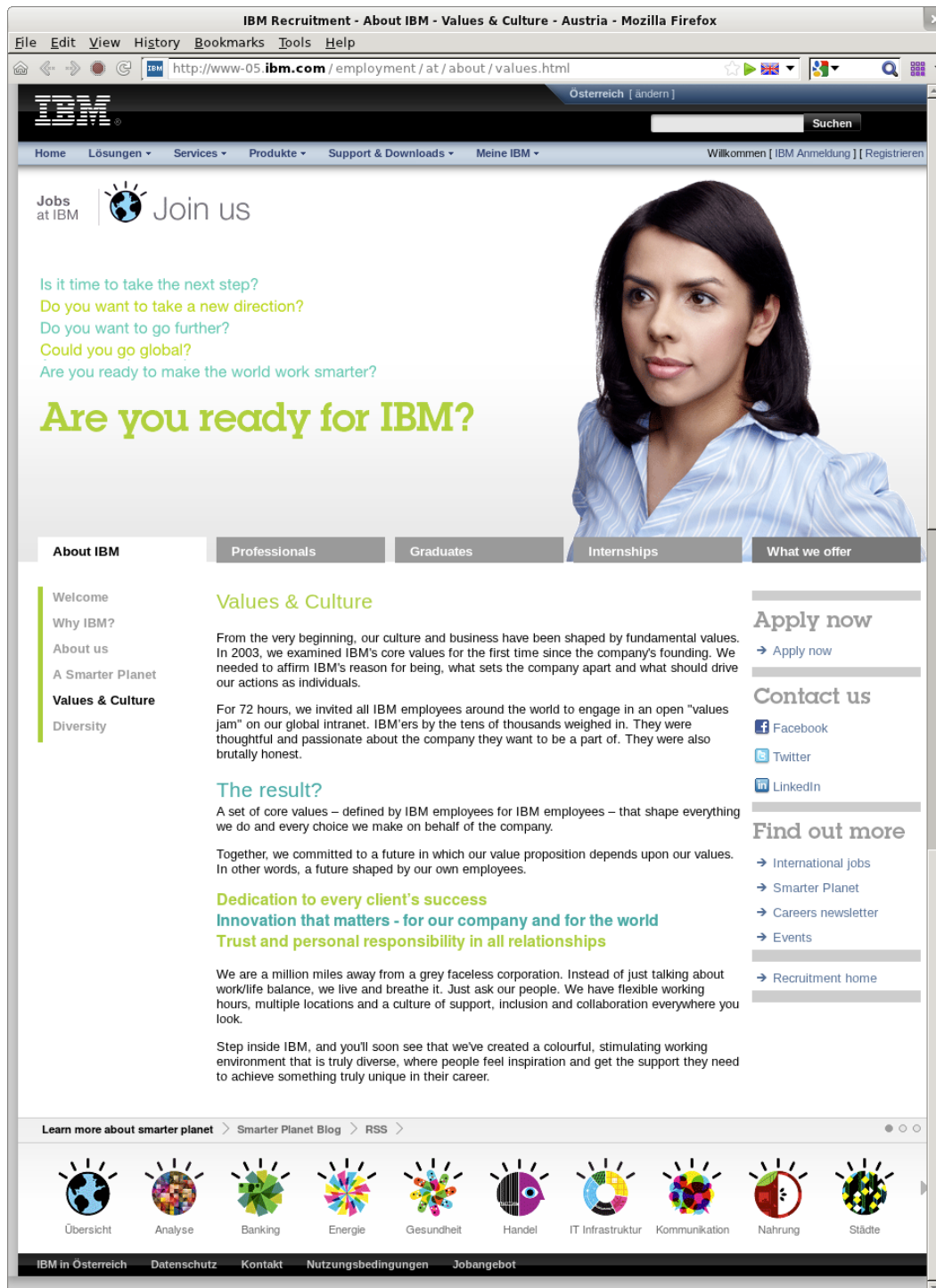
APPENDICES — Addendum II

PP On IBM “Values”

PP.a IBMers = Values = Most Important Innovation



PP.b Not A Grey Faceless Corporation



PP.c Sam's Our-Values-At-Work Email

►*The following document comes from <http://www.ibm.com/ibm/values/us>, which is the public web page pointed to by the URL "Our Values at Work" at the bottom of the web page reproduced in Appendix PP.a. Though undated, it appears to have been written in 2004, since it refers to the 72-hour "ValuesJam" (also spelled "Values-Jam") event of July 29 - August 1, 2003. But whenever it was written, it remains in force today, by virtue of the fact that it's still prominently displayed on IBM's public website. Reportedly, this document was originally delivered as a corporate-wide email from IBM CEO Sam Palmisano.◄*

Our Values at Work on being an IBMer

Business value, and a company's values

We've been spending a great deal of time thinking, debating and determining the fundamentals of this company. It has been important to do so. When IBMers have been crystal clear and united about our strategies and purpose, it's amazing what we've been able to create and accomplish. When we've been uncertain, conflicted or hesitant, we've squandered opportunities and even made blunders that would have sunk smaller companies.

It may not surprise you, then, that last year we examined IBM's core values for the first time since the company's founding. In this time of great change, we needed to affirm IBM's reason for being, what sets the company apart and what should drive our actions as individual IBMers.

Importantly, we needed to find a way to engage everyone in the company and get them to speak up on these important issues. Given the realities of a smart, global, independent-minded, 21st-century workforce like ours, I don't believe something as vital and personal as values could be dictated from the top.

So, for 72 hours last summer, we invited all 319,000 IBMers around the world to engage in an open "values jam" on our global intranet. IBMers by the tens of thousands weighed in. They were thoughtful and passionate about the company they want to be a part of. They were also brutally honest. Some of what they wrote was painful to read, because they pointed out all the bureaucratic and dysfunctional things that get in the way of serving clients, working as a team or implementing new ideas. But we were resolute in keeping the dialog free-flowing and candid. And I don't think what resulted - broad, enthusiastic, grass-roots consensus - could have been obtained in any other way.

In the end, IBMers determined that our actions will be driven by these values:

- Dedication to every client's success
- Innovation that matters, for our company and for the world
- Trust and personal responsibility in all relationships

I must tell you, this process has been very meaningful to me. We are getting back in touch with what IBM has always been about - and always will be about - in a very concrete way. And I feel that I've been handed something every CEO craves: a mandate, for exactly the right kinds of transformation, from an entire workforce.

Where will this lead? It is a work in progress, and many of the implications remain to be discovered. What I can tell you is that we are rolling up our sleeves to bring IBM's values to life in our policies, procedures and daily operations.

I've already touched on a number of things relating to clients and innovation, but our values of trust and personal responsibility are being managed just as seriously - from changes in how we measure and reward performance, to how we equip and support IBMers' community volunteerism.

Our values underpin our relationships with investors, as well. In late February, the board of directors approved sweeping changes in executive compensation. They include innovative programs that ensure investors first receive meaningful returns - a 10 percent increase in the stock price - before IBM's top 300 executives can realize a penny of profit from their stock option grants. Putting that into perspective, IBM's market value would have to increase by \$17 billion before executives saw any benefit from this year's option awards. In addition, these executives will be able to acquire market-priced stock options only if they first invest their own money in IBM stock. We believe these programs are unprecedented, certainly in our industry and perhaps in business.

Clearly, leading by values is very different from some kinds of leadership demonstrated in the past by business. It is empowering, and I think that's much healthier. Rather than burden our people with excessive controls, we are trusting them to make decisions and to act based on values - values they themselves shaped.

To me, it's also just common sense. In today's world, where everyone is so interconnected and interdependent, it is simply essential that we work for each other's success. If we're going to solve the biggest, thorniest and most widespread problems in business and society, we have to innovate in ways that truly matter. And we have to do all this by taking personal responsibility for all of our relationships - with clients, colleagues, partners, investors and the public at large. This is IBM's mission as an enterprise, and a goal toward which we hope to work with many others, in our industry and beyond.

Samuel J. Palmisano
Chairman, President and Chief Executive Officer

PP.d Puffery

► Excerpt from MTWWB, Chapter “Reinventing the Modern Corporation”, Section “The Intentional Creation of Culture”, pp. 161–7. Being a paeon to “IBM Values”/Motherhood/ApplePie. Not cynical/hypocritical in the least. Hardly gags you at all.◄

THE WATSONS’ BASIC BELIEFS stood IBM in good stead for decades. Nevertheless, major changes in a company’s business environment—not to mention a near collapse—can necessitate deep self-examination. Within months of taking over as IBM’s chief executive in 2002, Sam Palmisano decided it was time to ask the question: what are our actual beliefs today? He did so for three reasons. First, he, like Gerstner, realized that the Basic Beliefs had in many respects devolved into something very different from their original intent. “Respect for the individual” had, over the decades, morphed into a sense of entitlement. “Excellence in all things” had become a decision-inhibiting perfectionism. And “the best customer service” had often come to mean “give customers whatever they say they want.”

Second, IBM was expanding globally, adding thousands of employees in emerging markets. Palmisano wanted to create a cultural fabric that would knit together the sprawling organization.

Most important, Palmisano believed that IBM needed to reengage at the level of *values* if it were to become a great company once again. Jon Iwata, IBM’s senior vice president of marketing and communications, recalled the mobile phone call he got from Palmisano around that time: “My phone rings, and it’s Sam. He says, ‘I have been thinking about what it means to be a great company. We used to know: be admired, be the role model. Then we became a very troubled company. And now we’re back, and we’re a pretty good company. But what does it mean to be a *great* company in our time? Because it’s not the same thing it was in Watson’s time.’”

Palmisano wasn’t asking himself whether values were still important for IBM. He was thinking about whether the values should be updated to reflect the shifting realities of a new century. It was a risky move. But after much reflection, he decided that it was time for a change, and he invited IBM’s entire global workforce of more than 300,000 people to have a say. “This was a way to get everybody to understand what IBM stood for,” Palmisano said.⁹⁸

During ValuesJam, a 72-hour brainstorming session on the company's internal network in July 2003, IBMers hashed out ideas. The jam got off to a rough start. Some veteran employees were resentful over layoffs and changes in the pension plan that came as a result of the company's need to be more efficient and competitive. Others complained about gaps between the company's espoused values and its behavior. "The only value in IBM today is the stock price," wrote one participant. Another wrote: "I feel we talk a lot about trust and taking risks, but at the same time we have endless audits, mistakes are punished and not seen as a welcome part of learning, and managers (and others) are consistently checked."⁹⁹ The critics deluged the forum with negative comments. Things got so bad that one senior executive wanted to pull the plug. But Palmisano wouldn't go along with that, and over time the tone changed and became constructive.¹⁰⁰ After the jam, the discussion was analyzed and three new values emerged:

Dedication to every client's success

Innovation that matters—for our company and for the world

Trust and personal responsibility in all relationships

Without question, there is a family resemblance between the new, employee-created values and the Watsons' Basic Beliefs. But some of the differences are instructive: for example, the change from "excellence in all things" (appropriate for an institution seeking to establish its reputation) to "innovation that matters" (reflecting technologies and work that have

**"You just can't impose command-and-control mechanisms on a large, highly professional workforce. I'm not only talking about our scientists, engineers and consultants. More than 200,000 of our employees have college degrees."
—Sam Palmisano, 2004**

More than 1,700 IBMers gathered outside IBM's Silicon Valley lab for a photo that appeared in the company's 2004 Annual Report.



assumed a far greater impact on the world). The most emotionally fraught of the Basic Beliefs—"respect for the individual"—has been succeeded by a value more explicitly rooted in a culture of mutuality and shared empowerment: "trust and personal responsibility."

But apart from the particulars, the biggest change has been that the company's employees, rather than just the CEO, have defined the values. Indeed, the company makes it clear that these are not IBM's values, but *IBMers'* values. That shift, more than anything else, reflects the new spirit of the company in the twenty-first century.

Palmisano explained this shift to the *Harvard Business Review* in 2004: "How do you channel this diverse and constantly changing array of talent and experience into a common purpose? How do you get people to *passionately* pursue that purpose? You could employ all kinds of traditional, top-down management processes. But they wouldn't work at IBM—or, I would argue, at an increasing number of twenty-first-century companies. You just can't impose command-and-control mechanisms on a large, highly professional workforce.... The CEO can't say to them, 'Get in line and follow me.' Or 'I've decided what *your* values are.' They're too smart for that. And as you know, smarter people tend to be, well, a little more challenging; you might even say cynical."

It remains to be seen whether these new values will have the staying power and impact of the Basic Beliefs. Establishing a company culture is a difficult task; redefining one may be even tougher. Look at how hard it is for big successful companies to change the way they see themselves and operate. General Electric under legendary CEO Jack Welch was known for its relentless dedication to efficiency and quality improvements. If a business unit couldn't be hammered into shape, Welch would sell it. But times have changed, and his successor, Jeffrey Immelt, faces major challenges in transforming a hard-driving, process-oriented company into one where creativity and risk taking flourish.¹⁰¹

This challenge of continual reinvention is one that IBM has faced over and over again. Indeed, the reality is that it is never-ending—not just because the world never stops changing, but because the promise of change is the key to attracting the smartest and most forward-looking people. As former IBM CEO John Akers put it: “The environment is so dynamic. The competition for people is so intense. What worked yesterday won’t work tomorrow. In order to attract the best people, they need to have confidence in your future successes, so they’ll be willing to take a crack at it with you.”¹⁰² Palmisano, who early in his career was Akers’s executive assistant, agrees. One of the keys to managing change during his tenure as CEO has been to focus on employees’ desires to contribute to progress. Through his years as CEO, Palmisano has sold off one commodity business after another and replaced them with products and services that are higher on the technology food chain, focusing less on hardware and more on software and business expertise. In doing so, he has pulled IBM out of product categories, such as disk drives and PCs, that IBM engineers and scientists pioneered in earlier days. In one meeting and memo after another, Palmisano laid out the rationale for the changes and urged employees to turn away from their past glories and help invent the future. “There’s an incredible acceptance in the workforce for change,” he said. “They want to go invent something that transforms the industry.”¹⁰³ This element of IBM’s culture, the drive to innovate and make the world work better, to keep moving to the future, is a key factor in success during the good years and survival in the bad.

WHAT DOES IBM’S EXPERIENCE SUGGEST for corporate culture in the future? If anything, it will become even more important. Whether a leader is managing a giant, global operation or a 10-person start-up, the stresses of functioning in a fast-changing, highly competitive, complex and global

business environment simply cannot be managed by traditional processes. As Palmisano put it to HBR:

Think of our organizational matrix. Remember, we operate in 170 countries. To keep it simple, let's say we have 60 or 70 major product lines. We have more than a dozen customer segments. Well, if you mapped out the entire 3-D matrix, you'd get more than 100,000 cells—cells in which you have to close out P&Ls every day, make decisions, allocate resources, make trade-offs. You'll drive people crazy trying to centrally manage every one of those intersections.

So if there's no way to optimize IBM through organizational structure or by management dictate, you have to empower people while ensuring that they're making the right calls the right way. . . . You've got to create a management system that empowers people and provides a basis for decision making that is consistent with who we are at IBM.

Clearly, this applies not just to companies like IBM. In the years ahead, it seems likely that the culture at more and more companies will be based on collectively developed and clearly articulated values and behaviors, rather than on supervision and uniform processes. And this has a direct impact on the role of the most visible embodiment of the old hierarchy—the manager. Managers are increasingly seen as orchestrators and catalysts rather than overseers. “The world of management as we know it will change radically over the next 10 years,” predicted Randy MacDonald, senior vice president for human resources at IBM. “Managers will be less needed. A lot of what they do will be replaced by management systems using the network to enable a collaborative diversity of thought.” He believes that at some point IBM will develop sophisticated decision-management software that in many cases will enable employees to make decisions that they formerly depended on managers to make.¹⁰⁴

IBM has learned over a century that culture isn't just one of the tools of management; it is the purpose of management. The company also understands that words in corporate values statements, as powerfully as they may be expressed, are empty platitudes unless they're acted on rigorously and consistently in day-to-day business activities. In that way, organizational culture—embodied in everything from making decisions the right way to projecting the company's values in word and deed—can become as natural to employees as walking, breathing ...and thinking.

• • •

PP.e Higher Standard Than Any Law

►Slide (#12 of 39) from a presentation by Lee D. Green, IBM VP Brand Experience and Strategic Design, at Sustainable Branding '10 Conference, June 7-10, 2010. Video available at http://www.sustainablelifemedia.com/digital_learning/event-video/ibms-smarter-planet-gaining-momentum-branding-strategic-platform; slides available at <http://www.slideshare.net/sustainablebrands/ibm-smarter-planet-gaining-momentum-by-branding-a-strategic-platform-5720323>. Green's biography at http://www.dmi.org/dmi/html/conference/europe09/sp_green.htm reveals that his previous corporate title was VP IBM Brand and Values Experience, with "... responsibility for IBM's worldwide brand and values experience initiatives, brand strategy and identity, design strategy ...". **This explicit linkage of "Brand and Values" is intentional/significant.**◄

A Great Company, A Values-Based Company

“(Our goal is to become) a globally integrated company that **manages on the basis of values**, decentralized decision-making, and holds itself to a higher standard than any law requires”




“... values, for us, aren't soft. They're the basis of what we do, our mission as a company”

— Sam Palmisano
Harvard Business Review
December 2004

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PP.f The Bond Of Trust

►Article by Kenneth James in *The Business Times*, June 16, 2007. *Emphasis added.*◄

We can never break the bond of trust: Palmisano

IBM chairman Sam Palmisano laughs when reminded that he used to be known as “the Closer”, a tribute to his reputation as a master salesman. And he notes that his biggest sales skill has proved invaluable to him as a manager as well.

“I think the thing you learn in sales is how to listen to the customer. I mean, the fact you’re a sales person, you have to solve problems, right? You find a match from your products and services to the client’s problem.

“You learn to listen, which is very, very important because when you move to management, you not only listen to your customers, you listen to your people. And just like the customers, you have to listen for subtleties, because they’re not always going to be direct with you, or impolite with you. It’s also true when you’re managing an organisation, especially at my level, you have to listen for subtleties, because it’s through the subtleties that you learn what’s going on.”

Another key management lesson came from observing the legendary founder of Wal-Mart, Sam Walton. “I was a young man. I was with (then IBM chairman) John Akers, visiting Mr Walton at the time. He had an uncanny ability to ask questions. He was asking Mr Akers about how IBM operated in an international way. He took copious notes, and then he went around the room to his management team and asked them what they learnt in the conversation. And then he summarised what they all got out of this dialogue. It was fascinating, it really was. And in a way he was teaching, that’s what he was doing, through this kind of interaction. So I learnt the importance of participation, allowing people to speak their voice before you conclude.”

But all this counts for nothing if there is a lack of integrity and trust, Mr Palmisano says. He explains: “Business serves at the pleasure of society; I think we’ve forgotten that fundamental premise. There were periods of time when companies didn’t behave properly, and as a result of that, all of our credibility has been hurt. And I think you need to get back to this fundamental basic tenet: that business needs to be trusted.

“I decided a couple of years ago to speak out on this point only because IBM operates across the global footprint. At the end of the day, if this world is going to interconnect and operate, it has to be, I believe, on a bond of trust.”

He admits that his own organisation hasn’t been entirely fault-free in this respect. “Some things happened in IBM that we don’t approve of. But at the end of the day, you have to stand up, regardless of the short-term implications. We’ve had situations where we’ve taken aggressive management action where there were behavioural problems. It did hurt us financially for a couple of quarters. It did. But you have to do that. You can’t allow it to happen in your company, because if you do, if you don’t stand up and address the issue head on, you’re not going to create a climate that will ensue in trust.”

And *that’s especially true of IBM*, he says. “We do trusted work. We work on human genome projects, to come out with cures for breast cancer. We work on supercomputing that’s figur-

ing out where the avian flu is going to mutate, and come up with the associated treatments. We work on modern fresh water systems of the world. We do the back office systems of the world. I mean, we do trusted things. *And as a company we can never break that bond of trust. I think it's the brand, it's what the brand stands for. It's that integrity and that trust, we've been a hundred years building it and we have to live up to it.*"

PP.g Human/Talent Trust/Capital HR Management

►Excerpts from “IBM’s Global Talent Management Strategy: The Vision of the Globally Integrated Enterprise” (GIE), an IBM Case Study, by John W. Boudreau (with special access to IBM, especially Randy MacDonald, IBM Senior VP of Human Resources), *Society for Human Resources Management*, 2010, document number 10-0432 parts A/B/C. Available at http://www.weknownext.com/docs/IBM%20Case%20Study_partA.pdf (also “partB”, “partC”).◀

Of course, talent and human capital were becoming increasingly vital to competitive success in all organizations, but they offered an even greater strategic pivot-point for IBM. IBM competed mostly on its ability to deliver unique know-how and practical solutions to clients, rather than a particular hardware or software product. The knowledge, motivation, skill and deployment of IBM’s workforce was even more vital than for many of its competitors. In 2003, IBM had approximately 350,000 employees. IBM employees were highly qualified and motivated, but the existing workforce could simply not provide the global flexibility that would be needed to serve the needs of IBM’s evolving clients.

The customer was saying, “know my business and provide value propositions that are unique to me.” Yet, IBM’s workforce systems and decisions tended to be focused on accurately projecting demand and creating sufficient supply of talent against a multinational model that often operated separately within countries or regions. IBM sales and service experts were highly skilled in IBM products and solutions, but it was their unique knowledge about the client’s industry and global implications that increasingly would become key differentiators.

IBM had found that its most promising clients were enterprises. In the late 1990s and early 2000s, enterprise clients were becoming more demanding. Business computing was increasingly a service clients could get through many channels, and it was becoming a commodity. IBM clients were seeing their own businesses change as well and increasingly demand information technology services that understood, anticipated and responded to those specific changes. Clients were saying, “Know my business better, add value to me, and don’t just find ways to show why I should buy your existing products and services. IBM doesn’t give me what I need, as much as try to sell me your stuff. Increasingly, IBM has the wrong offer set, because you are not keeping up with changes in my business.”

IBM was not distinctively knowledgeable or unique in hardware or software (like Intel or Microsoft). Rather, IBM differentiated itself on its practical know-how and the ability to deliver its services quickly, effectively and efficiently. That meant that while a client might have operations in one country, the client's purchasers might be in another country, the IBM programmers might be in another, the IT architects in another, etc. The idea was that while sometimes the workforce delivering the services did need to be in the same country as the client's operations or purchasing decision makers, in many cases the workforce did not need to be located there. Increasingly, it was becoming apparent that IBM's competitive advantage would hinge on globally optimizing service delivery rather than on coordinating multiple operations across several nations.

IBM's long tradition of treating its people well was a hallmark of IBM's culture and approach to people strategy and HR management. One 2009 internal IBM presentation stated, "IBM's most important innovation was the IBMer." IBM had traditionally been known as a place that was committed to its employees rather than treating them like simply costs of production. Yet, it was not simply a commitment to make employees "happy." IBM's commitment was based on the idea that a fundamental set of beliefs could "transcend economic cycles, geopolitical shifts, and generations of products, technologies, employees and leaders." In 2003, IBM had been named Company of the Year by the Society for Hispanic Professional Engineers, ranked in the top 10 by the National Association for Female Executives, named by *Working Mother* magazine as one of the best companies for multicultural women, and had been named among the top 10 companies for women for 15 years.

While the competitive markets of the 21st century made policies like "no layoffs" impossible to credibly pursue, the paradox was that the generation of workers coming of age seemed to increasingly value organizations that made significant and well-considered investments in their people. Particularly in emerging markets, IBM's global brand and vaunted reputation for enlightened human resource management made it a strong candidate for talented young people interested in developing cutting-edge capabilities and a global career.

PP.h Values-Based Practices

►Single-slide “slideshow”, describing how IBM employees are supposed to “translate ‘Values’ into ‘Practice’”. Available on IBM internal website at http://w3.tap.ibm.com/medialibrary/media_set_view?id=9398. Note especially the wording: **Count on me: We take responsibility to follow through on commitments [especially IBM-Law BCG-Contract] to ... one another, and we hold each other mutually accountable.**◄



These Practices describe how we bring together the breadth of IBM,
collaborate & take personal responsibility in our actions to deliver client value

Values-Based Practices

Clients first, IBM second, Business Unit third: We make the client's agenda our first priority - asking “how can we create value for you?”—and collaborate actively and flexibly to align our efforts to support clients' success, knowing that this leads to IBM's long-term success.

One face: We do not allow organizational, geographic or expertise boundaries to keep us from delivering IBM's total value to clients seamlessly and collaboratively – we make it happen together, from sales through delivery and ongoing support

IBMers are the difference: We depend on our skills, expertise and capabilities to innovate and deliver client value, and we seek to create an energizing environment with challenging work, mentoring and growth opportunities

Count on me: We take responsibility to follow through on commitments to clients and to one another, and we hold each other mutually accountable

Make the call: We, as client-facing teams, make the necessary decisions and take appropriate actions for our clients based upon our collective knowledge of relevant strategies, objectives and challenges

See it, fix it: We anticipate potential issues to proactively address risk, and willingly identify, communicate and resolve known issues

Informed courage: We demonstrate and encourage the confidence and insight to take intelligent risks for client value and success

QQ Email Chain: What Is Going On? (August 30-31)

■ From: Walter Tuvell

To: Sam Palmisano, Randy MacDonald, Steve Mills, Robert Weber, Lynea St Pier

Cc: Russell Mandel, Arvind Krishna, Pratyush Moghe, David Flaxman

Date: 08/30/2011 12:31 PM

Subject: Corporate Open Door -- what is going on?

All -

As I wrote last week (Thur, Aug 25), I demanded/expected (with clear justification) to hear from Russell Mandel (via IBM official Notes email) yesterday (Mon, Aug 29) about the current status of my case. He did not contact me.

I have NO IDEA at this point who I'm supposed to be communicating with about this matter, because NOBODY WILL TALK TO ME. That's why I'm addressing this note to everybody who "should" be the major stakeholders in this matter. Given that we are all signatories to the "BCG Program" Contract (as I pointed out in my Addendum I, Section 37), IBM (through an assigned agent, under control of you people) is legally bound to take notice and "do the right thing" (i.e., investigate and prosecute my Complaint) -- and do it "promptly", according to the BCG's own term. You/IBM are manifestly NOT being "prompt", or even doing anything insofar as I can tell (Russell Mandel even stated in writing an illegal reason for his non-promptness). Therefore, I now consider you/IBM to now be in breach of the BCG contract. And every day you/IBM continue these delaying tactics just compounds the misconduct. How can this be helping you/IBM?

Corporate officers: According to the "Corporate Open Door" documentation (in the C&A document): "Concerns directed to the corporate office will be acknowledged to the employee by the corporate employee relations staff." That has not happened. Also: "The concern will be assigned to an appropriate executive for handling, such as division general managers or other senior executives." That hasn't happened either. These things were supposed to happen "promptly" (BCG, pp. 7, 8), but they didn't (and it's now too late to be "prompt"). What is going on?



Lynea St. Pier: According to the "Confidentially Speaking" documentation (in the C&A document), you're supposed to contact me about the Complaint I've filed with you. You've never done that. Not even a single word. If you're deferring to others, you need to tell me that (and who it is you're deferring to). According to C&A, p. 10, Confidentially Speaking is a "tangible example of our values in practice". Is this kind of "silent treatment" your idea of an "IBM Value"? What is going on?

Russell Mandel: You're the last person who conversed with me (by email, last Thur), but now you've gone silent. How hard can it be to drop me a line about what's happening? It could be as simple as "I'm waiting for replies from the accused", or "Legal is reviewing"? Even a simple "Nothing to report today" would be sufficient, yet

you didn't even do that. What is going on?

To all concerned: I have pointed out (rightly) that twice by his written falsehoods in email ("no third-part complaints" and "STD/leave disqualification from due process"), Russell Mandel has proven he's not qualified to hear my case, so somebody else needs to be appointed. But there's even an over-riding reason Russell can't be assigned to this case: Because I have accused HR and C&A (in the form of Diane Adams and Lisa Due) of corruption and conspiratorial involvement in "blackballing me", and those are close colleagues of Russell, therefore the following clause of C&A (p. 6) applies: "The investigator, however, must not have been involved in the issue being investigated and, in IBM's opinion, is sufficiently removed organizationally from the employee to provide objectivity." Who is that person? What is going on?

As you know, I'm currently on STD leave due to an easily understandable and fully legitimate reason: the illicit/illegal stress Dan Feldman and others are inflicting upon me, which is very severe and debilitating, not to mention illegal (have you ever been "knocked out" by direct/intended psychological attack/IIED?). Over the course of this affair, I have many, many times demanded to be removed from Dan's "leadership" (if you can call it that), but to date have been blindly/unthinkingly refused (sometimes explicitly, sometimes implicitly). Yet my reasons for said demand are fully documented (and truthful!) and reasonable. This puts you/IBM again in breach of BCG Contract (AYJ p. 10): "In certain circumstances, it may be appropriate to transfer the offender to another department or location. If requested by the victim, he or she may be transferred to another department or location." Though this demand remains in effect, I hereby renew it. What is going on?

The only reason I can think of at this point for your/IBM's continued delay is to "wait me out", hoping that either: (i) I'll make some kind of minor/trivial slip-up (along the lines of the "lazy" scandal), so you can falsely fire me; or (ii) I'll exhaust STD protection, and be forced/coerced to work under Dan again, which I am physically/mentally incapable of doing (I CANNOT let myself be put into another "be-rate-until-you-faint" situation), so you can fire me for "non-performance" (even though I am perfectly capable of doing first-rate work if you'll just enable me to do so in a non-abusive/bullying/blackballing environment, as demanded above). If these are your reasons for delay, I allege (as part and parcel of the allegations in my Complaint, and it's obvious anyway) that they are illicit/improper/immoral/unethical/illegal. If these aren't your reasons for delay, you need to tell me your reasons (if there's a "good" reason, I sure can't think of it). What is going on?

WHAT IS GOING ON?

■ From: Russell Mandel
To: Walter Tuvell
Date: 08/30/2011 01:40 PM
Subject: Re: Corporate Open Door -- what is going on?

I am investigating your concerns and have been working on them. As I previously

explained to you, I am simply not going to discuss with you the concerns you raised while you are out on STD since you are not supposed to be working during this time. However, that did not mean that the investigation and my review of your lengthy submissions did not already commence. It just meant we would speak directly upon your return.

I do not normally provide detailed updates of my investigations and plan to follow that same practice in your case.

Finally, communications about your concerns and the investigation process must be distributed through the appropriate IBM channels. If you have any additional issues or information regarding your complaints, please communicate with me alone since I am investigating your concerns, rather than disturbing senior IBM executives who will not be directly involved in the investigation process. Therefore, please cease sending or carbon copying emails to senior executives about the concerns you raised that I am investigating going forward.

Thank you

■ From: Walter Tuvell
To: Russell Mandel
Date: 08/31/2011 10:04 AM
Subject: Re: Corporate Open Door -- what is going on?

Concerning your personal involvement in the investigation: My objection to this has already been stated in multiple places, with reasons (another one of which occurs in this very note of yours, see next paragraph), and I hereby reassert my position.

Concerning your insistence upon "STD disqualification": Your position is wrong, as a matter of contract law, as I have already stated and hereby reassert (Complaint Addendum I, Section 36). According to "IBM Law" ("BCG Contract"), I have the right to a full C&A investigation, explicitly regardless of my "STD leave" status. Your reassertion of your wrong position, even though you were duly notified of the correct position, will now be entered into my Complaint Addendum II as an additional "count" of breach of contract (not to mention hostile workplace, etc.). You are very well aware that I am fully capable of conducting "C&A business" (and that the only reason I can't do "technical business", per the STD, is because of the IIED that will be inflicted upon me by Dan & his cohorts-in-blackballing). Indeed, this note is just one more in a continuing string of proofs thereof. By refusing to accord me my rights to a full/proper C&A investigation, you are therefore knowingly preventing me from "recovering" sufficiently to "return to work" -- that is, you yourself are affirmatively "coercing me to remain 'disabled' (in the sense of my current STD leave)".

This same result can be arrived by the "other" ("ADA law", as opposed to "IBM Law") direction. The ADA defines "disability" as "a physical or mental impairment that substantially limits a major life activity". While it's true that the determination of whether any particular condition is considered a disability is made on a case-by-

case basis, it's also clear that "inability to work at one's '(normal) occupation' due to blackballing/IIED, which includes inability to maintain consciousness" obviously qualifies. The key here is "(normal) occupation", which in my case means "as a technical member of staff, under Dan & co-conspirators" (given IBM's stance in refusing to distance me from them). Notably, "(normal) occupation" does NOT mean "processing my Open Door case" -- THAT, I am NOT "disabled" to do. Only I (together with my personal consultations with health-care providers, and their certification thereof) have the expertise/authority to decide the extent to which I am or am not "disabled". I AM NOT DISABLED ONLY FROM "(NORMAL) WORK" -- NOT FROM CONDUCTING MY C&A CASE. YOU/IBM ARE NOT QUALIFIED/AUTHORIZED TO MAKE SUCH A DISABLEMENT DETERMINATION.

Therefore, for both the above reasons (IBM Law and ADA law), I hereby renew my demand that you stand down from your wrongful "STD disqualification" position, and for you to inform me you have done so.

Concerning "discussing with me" and "speak directly": The mode of "discussion"/communication must remain Notes email until other arrangements can be mutually arranged, for obvious reasons (namely, it all must remain "on-the-record").

Concerning "lengthy submissions": The submissions are no more "lengthy" than required by the situation. We say how improperly Lisa Due handled the "short-form" submission (Complaint, Section 15). The incompetence/corruption of the entire C&A process (as I have alleged it) is the reason the "long-form" submissions is required. I tried doing it the "informal" way, but IBM's dishonesty (as I have alleged it) has now forced me to do it the "formal" way (or "legalistic" way if you prefer that characterization).

Concerning "ongoing updates" and your "normal practice": We have proof (because we've already tried it, see preceding paragraph) that the "normal practice" doesn't work (it's failed miserably so far), so it cannot be trusted. In order to ensure a higher chance of success this time, improved communications (among other things) are necessary. This is especially appropriate to achieve truth/justice in any case which is as "lengthy"/complex at this one, as you yourself acknowledge. Namely, resolving "little problems" in a continuous manner throughout the process is far preferable, from a process point-of-view, to trying to "debug the whole thing in one gulp". Therefore I hereby renew my request/demand for improved communication/dialog, in the form of daily updates (even if it's of the "nothing happened today" variety).

Concerning "appropriate IBM channels": I of course will conduct myself according to all known-to-me IBM policies/processes/procedures/practices. That's exactly what I've been doing do date, most recently via Corporate Open Door (I was supposed to contact the executive committee, which I did, but nobody would even respond to me about it until you did yesterday). I have no particular desire to "disturb" anyone, only to involve them appropriately, which is what I did. So I won't CC them anymore (unless/until it may become appropriate again in future).

- Walt Tuvell

■ From: Walter Tuvell
To: Russell Mandel
Date: 08/31/2011 01:05 PM
Subject: Re: Corporate Open Door -- what is going on?

Typos (all trivial/obvious):

"I AM NOT DISABLED ONLY FROM '(NORMAL) WORK'" should read "I AM DISABLED ONLY FROM '(NORMAL) WORK'".

"must remains Notes" should read "must remain Notes".

"We say how" should read "We saw how".

"'long-form' submissions" should read "'long-form' submission".

"paragraph" should read "paragraph".