

City of Zurich: Award-winning IT strategy with the Malik Syntegration® method

It was one of the largest, most complex change projects in the history of the Zurich City Government. The revolutionary, innovative Malik Syntegration® method* enabled the City of Zurich's IT competence center to develop a strategy for a complete reform of the city's IT in only 3½ days. Thanks to the extraordinary effectiveness of this method, the strategy was implemented quickly, smoothly and efficiently. Zurich's example has set new standards for the industry. In recognition of its accomplishments, the city's IT department has won countless honors, including the prestigious Cisco Innovation Award and the SAP Efficiency Prize.

*"If something seems impossible –
too difficult, too complex, or there is too much opposition –
you know it's time for Syntegration."*

Head of IT after the Syntegration

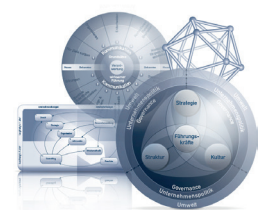


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1. Background

The City of Zurich employs around 25,000 people and consists of nine divisions and 60 large and small service departments such as Hospitals, Fire Department, Police, Water Services, Transportation, etc.

The *Organization and IT of the City of Zurich (OIZ)* department was the city government's IT competence center that managed city-wide IT projects and around 2,500 IT workstations. It also provided outsourcing services for a large number of private sector clients. The day came, however, when the IT department faced a daunting challenge: to carry out a series of highly complex reorganization and IT renewal projects that were obviously beyond the capabilities of conventional methods.

Project manager and future OIZ Director *Daniel Heinzmann*, then working as the IT manager for a service department, agreed to take on the overall project – on the condition, however, that he would be free to pick the method used to tackle this enormous challenge. He opted for the innovative Malik Syntegration method, which he had already seen in action as a Syntegration participant.

The challenge: not enough information to manage the city

In 2005, the Zurich City Government realized that it didn't have the data it needed to run the city. There just wasn't enough visibility into its financial data. For example, it didn't know exactly how many employees it had at any given time. One of the main reasons was that its IT was siloed in nine different divisions and 80 service departments. There was no common information basis – *“everyone just did whatever they wanted.”* Then, the City Council launched the *Zurich City Council Management Model* that called for the city to be managed like a commercial enterprise. This would, in the Council's view, improve efficiency and lay a more solid foundation for foresighted policymaking.

Since the current heterogeneous IT environment was unable to support this transformation, the IT strategy that had been devised in the 1990s had to be re-engineered and replaced with a standardized cross-divisional IT strategy for the entire city.

Replacing legacy systems

It would not only contain costs, but also prepare the city government to execute IT projects that could meet increasingly complex requirements.

This meant replacing and standardizing the legacy systems. And it required the government's processes to be reviewed and updated.

Considerable opposition

The city government's apprehensions about losing autonomy to a central organization were palpable long before the project started. Service departments were filled with doubters and critics who were reluctant to let go of old systems and habits. Culturally, one of the main challenges for the Syntegration process was to effectively integrate all the different opinions, expectations and interests of the divisions and service departments.

Each group of stakeholders – teachers, tax officials, physicians, engineers, etc. – needed and expected something very different from IT. *Heinzmann* had never been involved with an organization anywhere near as complicated as the city government – not even during all his time at *Siemens*. People began to whisper that he had taken on an “impossible” job.

Outstanding results

The final outcome, however, was many times better than anyone had hoped. The highly effective Syntegration method resolved the key challenge quickly, effectively, masterfully and farsightedly. In 3½ days, the project had set a new benchmark that won accolades far beyond the city's borders. The implementation of the results of the Syntegration method was so impressive and innovative that the city and its IT department won multiple awards and industry professionals worldwide hailed the project as a new yardstick for quality.

2. Key question for the Syntegration of Zurich's IT

Generally, the first step in a Syntegration is the identification of the main challenges in managing an organization. They are formulated as a "key question" that is answered using the Syntegration method. The City of Zurich's question was this:

"How should we design the IT structure for the City of Zurich in order to generate the greatest possible sustainable benefits for our internal and external customers?"

3. Syntegration: for the most complex challenges

Malik Syntegration methods are innovative high-performance management processes for reliably addressing complex challenges at top levels of management where conventional methods often fail.

The Syntegration processes work reliably because they are based on the natural laws of modern communication theory and system cybernetics. Being grounded in laws of nature, the Syntegration methods have proven extremely successful in all 600 cases where they have been applied. Participant satisfaction has always been extraordinarily high, too – an outstanding 90-plus percent.

Endless workshop series, debilitating management conferences and their marginal compromises are now a thing of the past, as are failures of large, costly, time-consuming projects with the resulting loss of credibility. Where conventional methods take months and years to come up with only part of the solution, our Syntegration methods can effectively resolve highly complex, intertwined problems within a few days.

Where previous methods were sequential and piecemeal and delivered slow, fragmentary results, the Syntegration processes work simultaneously and holistically in an integrated fashion using the same principles as super-computers. This alone speeds up solution processes by an unimaginable factor of more than 100 – but this represents only part of its problem-solving capabilities.

Syntegration allows organizations to harness the knowledge, intelligence and creativity of more than 40 experts into an innovation hotbed that produces effective, wholistic, innovative and ultra-fast solutions. It also produces solutions of unsurpassable quality, largely through a self-regulating process of high-performance communication that is driven by the dynamic integration logic of Syntegration principles.

The Malik Syntegration processes address several levels of the problem at the same time. At the cultural level, an entirely new approach to participation helps produce a sustainable, broad-based, maximum consensus for the developed solutions. Conflicts and opposition – a virtually inevitable part of complex projects – are resolved almost automatically through synergetic cooperation. Emotionally, participants are overcome by a spirit of change unlike any they have ever felt before. At the same time, Syntegration releases a shot of social energy of a kind that no one had believed possible. A "jolt" goes through the organization. This leads to a quick, reliable and effective execution of the solutions.

Syntegration methods, in short, not only accelerate problem resolution by a factor of 100, but also increase organizational motivation over 80 times more than conventional methods. With Syntegration tools, an organization's management can tap into phenomenal, previously unimaginable wellsprings of motivation and management effectiveness.

This also goes for the City of Zurich's IT strategy, which the participants described as a "sensational" success thanks to the Syntegration methods.

4. Fascinating results

Used twice to develop and implement the IT strategy

The Syntegration method was used twice for the Zurich IT strategy: in the beginning, to develop the strategy and later on, to speed up the implementation of its constituent programs and subprojects.

The new IT strategy was laid out as a coherent end-to-end concept at the first three-day Syntegration held in spring 2006. Excellent participation fostered everyone's willingness to carry out the project. In the course of a few days, around 40 experts and managers poured their expertise into the solutions, while the method focused the participants' attention on their common goals.

A second two-day Syntegration was conducted with the same key people during the 2007 implementation phase. It significantly accelerated the implementation of all 60 identified subprojects.

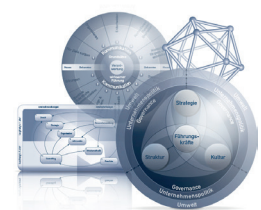
The Syntegration owed much of its success to the fair, equal integration of opponents and critical opinion leaders, including directors who opposed the project for a variety of reasons and IT directors for individual divisions who were pursuing their own agendas. The process included not only experts from the city's IT department, but also three external IT consultants and an IT professor from the University of Zurich. Political representation was provided by the Head of the Finance Division of the City of Zurich.

The results and their execution were so impressive that they garnered acclaim throughout the industry, set entirely new benchmarks and, as a result, won multiple awards.

Results at four levels simultaneously

The Syntegration methods are so successful in large part because they deliver innovative results at four critical levels simultaneously.

1. The **substantive level**, where optimal solutions emerge and innovative implementation activities take place.
2. The **cultural level**, where maximum consensus for the solutions is created, and where the social energy for implementation is released to an extent hardly imaginable.
3. The **implementation level**, where participants acquire the determination and perseverance needed to achieve their goals and act quickly.
4. The **financial level**, where cost and time savings are so high that Syntegration pays for itself and even earns an additional two- to three-figure return.



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1. Substantive level:

Complete, end-to-end realignment of IT

Instead of the customary half-hearted reorganization, Zurich opted for a complete realignment in order to fundamentally re-engineer and restructure its entire IT.

No one would have dared tackling a challenge of this size with conventional methods. In only 3 ½ days, the Syntegration approach produced a total of 32 measures for the 12 most important, deeply interconnected sub-problems, consolidated the measures into 7 target fields and effectively implemented them through 80 projects (one project per department).

12 interconnected subproblems for the IT strategy

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|--|---|
| <ol style="list-style-type: none"> 1. Overall management of IT 2. Innovation 3. IT controlling and risk management 4. Infrastructure 5. Training 6. Responsibility | <ol style="list-style-type: none"> 7. Project management 8. IT-standardized process 9. Support, operations, procurement processes 10. Definition of strategic IT goals 11. Acting in an entrepreneurial fashion 12. IT strategy follows “Business” strategy |
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The 7 target fields for the results

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| <ol style="list-style-type: none"> 1. Management: Ensuring the transparency of IT projects by reorganizing management, controlling and IT delegation 2. Infrastructure: Standardizing the basic IT infrastructure for all service departments (e.g. common e-mail system) 3. Service Desk: Introducing a city-wide service desk 4. SAP: Rolling out SAP as a uniform standard for the city government’s human resources, finance and accounting departments | <ol style="list-style-type: none"> 5. SIBAP: Equipping around 15,000 desks with standardized hardware and software at all service departments 6. Data centers: Replacing around 100 local operating centers with two large data centers to improve security and efficiency 7. Models: Revising all investment, billing and pricing models to improve cost transparency in the city’s IT |
|---|---|

2. Cultural level

“It is harder to integrate different cultures than different IT environments,” said the operational project manager for the implementation phase. *“We didn’t want to split up into two camps, with OIZ on one side and the service departments’ IT units on the other. We wanted to be able to bring IT managers and the OIZ together and say, ‘Together, we are the City of Zurich’s IT organization.’”*

have been impossible to carry out these fundamental changes in such a brief time.

The Syntegration greatly strengthened the participants’ faith in the process and the IT department’s prudent leadership. In addition, *Daniel Heinzmann*, the IT manager, successfully established his standing through the professional project kick-off.

Through Syntegration, the various needs and cultures of 60 different service departments were combined into a functioning whole. Most of the project’s initial opponents did an about-face during the Syntegration and became passionate supporters who were willing to take ownership of the implementation. Without their support, it would

He enjoys an excellent reputation and is highly regarded by project participants. The City Council, for its part, believes that since Heinzmann managed to set up this project so successfully from the beginning, he will have a successful career in general, too.

Around half of the participants were actively involved in implementation, creating the critical mass needed to execute the project. People were assembled into a project team that “combined unparalleled motivation with exceptional capabilities,” said the CEO of a supplier involved in the project.

The employees are still proud of their achievement – together, they created something great, unique, sustainable and inspirational.

3. Fast, successful implementation level

A highly ambitious implementation schedule was set up and strictly followed, despite the need to coordinate 60 different projects across service departments. The only step that required extra time was the political process of obtaining an operating permit for the new data center.

The Syntegration method produced such excellent, accurate results that nothing needed to be modified throughout the implementation phase. Everything that had been defined during the Syntegration was carried out unchanged.

“Many local governments in Switzerland and Europe wish they had our IT,” said *Werner Breinlinger*, Vice Director of the OIZ (current Director of OIZ) in fall 2012, seven years after the application of the Syntegration method.

4. Financial level: high return through innovative approach

At the end of the implementation phase, the project manager conducted a benchmark study with external consultants to compare the IT costs of the new solution to the costs at commercial enterprises. They discovered that the City of Zurich had set a new, unprecedented cost benchmark. *Daniel Heinzmann* was proud to report that private-sector companies now visited the OIZ in order to learn from them.



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5. Awards and certificates

The Zurich IT project has won multiple industry awards and has been widely honored as an exemplary role model.

- › 2007 **SAP Efficiency Prize for rolling out ERP for an entire city** in only 17 months for only CHF 17 million
- › 2009 **Cisco Networkers Innovation Award: Best Mobility and Wireless Project of the Year in Europe and Middle East**
- › 2009 **Knights of Communication for 2009**, awarded by patron Federal Councilor Leuenberger
- › 2011 **Innovation Award of the City of Zurich** for developing an innovative SAP solution for the government as part of the project
- › **ISO/IEC 20000-1: 2012** for IT service management
- › **ISO/IEX 27000-1: 2010** for IT security
- › **Gold Certified Government Partner Microsoft** – the world’s first government administration to earn this certification. It honors Microsoft partner companies who combine deep expertise with professional project execution using Microsoft technologies.

6. Widespread acclaim in industry media

- › **Computerworld:** *“The City of Zurich has modernized, streamlined and standardized its IT environment in a project of truly Herculean proportions. The first project involved implementing SAP at around 60 organizational units. After only 17 months, it was successfully completed. The initial results are positive.”*
- › **Computerwoche:** *“The City of Zurich developed the fundamentals of its new IT strategy within three days using the Syntegration management method. It managed to align the interests of all its stakeholders.”*
- › **Adapter Zürich:** *“The City of Zurich’s IT has evolved at a breakneck pace during the recent years thanks to the efforts of hundreds of IT employees at every service department.”*

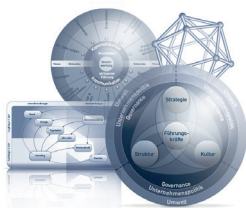
7. Participant opinions after the Syntegration

This project could not have been implemented using any other method, said the client. In *Heinzmann’s* view, no toolset is more effective at helping a city tackle its biggest challenges. *“If something seems impossible – too difficult, too complex, too much opposition – you know it’s time for Syntegration.”* He recommends applying the method at the cantonal and federal level, too.

100 percent of the participants rated the Syntegration as “good” to “very good”. Here is a cross-section of representative comments from participants:

“I know of no other method that is able to manage such complexity, integrate widespread expertise and focus on the desired goal so effectively in such a short period of time.”

- › *“You can clearly sense that our culture has changed. That is extremely important and an enormous opportunity.”*
- › *“I’m delighted that we’ve finally tackled this ‘hot potato.’”*
- › *“The methodology and the team are sensational.”*
- › *“I’m amazed at the wide range of results that we’ve achieved in such a short time, and at everyone’s open-mindedness.”*
- › *“The deep integration enabled everyone to understand each other at a very deep level.”*
- › *“I am surprised at how well the integration worked and how we knew about all the other issues during the event.”*
- › *“It’s impressive to see how you can cover so much ground in such a short time with this method.”*
- › *“I was particularly pleased by the openness and honesty shown in discussions on hot-button issues.”*
- › *“This is a brilliant method.”*



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