IMPACT OF A NOVEL RAPID TRANSFORMATION PROCESS CALLED SYNTEGRATION® ON BUSINESSES AND COMPLEX PROJECTS IN CHANGING THE ECOSYSTEM IN INDIA – A CONCEPT PAPER & PRACTITIONER'S GUIDE

Abstract

In this article we bring forth the way to build future-ready organizations. With possible roots in ancient Indian sciences, which will be the subject of our future articles in this domain we shall focus on a process called Syntegration® which is based on Cybernetic Theory & Complex Adaptive Systems. Research by McKinsey & Partners has shown that only 30%-40% of the business transformations succeed while Syntegration® has a success rate of 99%. We provide evidence through literature survey of establishing this failure rate of 70%. We also provide literature sources of remedies of such failure as cited by practitioners of strategy (McKinsey, Bain and BCG). Thereafter we bring forth the drawbacks of existing frameworks and method followed by the consultants. We then establish how Syntegration tackles the drawbacks. Finally we extend the discussion to how this process can transform the business houses and public sector units in the country to throttle India's Viksit Bharat vision.

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Introduction

Man has always tried to mimic nature. Most of the designs are learnt from nature, but despite that, designers have made structures which look distinctly different from natural designs. It's time we deep dive into this to build sustainable systems.

If we look at a city, it is very different from a forest or natural habitat. The concept of apparent visual symmetry has lead designers to build designs which are rigid and based on failure modes. One may say the problem is not that of objective but that of approach. Therefore, some revolutionary thinkers and scientists started thinking retrospectively and this lead to a subject called cybernetics.

In this context it is important to reflect on ancient texts in India which designed systems akin to nature and self-sustaining. However, as time passed this science was lost and up came the ideological basis of capitalism and communism which are also facing their nemesis. However, as this science was lost a new set of thinkers emerged in the west who started looking at how natural systems work. (Beer, 1993) presented a diagnostic approach to management cybernetics which unveils this fallacy.

Literature Review

(Robinson, 2019) quotes that academic research proves that 70% of business transformations fails and suggests the remedies. (Maor, 2021) show results from McKinsey & Co. surveys that only 30% success from business transformations is achieved. (Steil, 2026) quote Gartner surveys and McKinsey Surveys to inform why execution and not vision is a cause of 70% failure in transformations. The author mainly focuses on digital transformations but links them to legacy issues etc. (Argon&Co, 2019) in this whitepaper conclude that 40% to 81% of transformations fail and provide certain remedies. (N.Ramesh, 2019) through an empirical study suggest how to beat 70% failure of transformations. (Burke, 2025) reports 88% of business transformations fail. (Kristy Ellmer, 2024) of BCG consulting declare that 70% of transformations fail to achieve their goals and the go forward to suggest remedies.

These reports and suggestions come from some of the top consulting firms of the strategy consulting world like McKinsey, Bain and BCG. These are the very companies who have undertaken the transformations themselves. We shall revisit their remedies in our framework section, but now we shall provide an overview of a novel rapid transformation process which has it's roots in the United Kingdom and implemented at a country level in South America. The transformation process was designed from a systems perspective and hence it's applications move beyond the firm to governance and policy.

1. Background

Dr. Stafford Beer (1927–) served in India's Gurkha Rifles until 1947, then joined United Steel in England as a research scientist in 1956. In 1972, his book *Brain of the Firm* introduced the Viable System Model (VSM). That year, Fernando Flores (age 26), head of Chile›s CORFO, approached Beer (Bartlett, 2023). They designed a cybernetic socialist economy: Project Cybersyn (Medina, 2014).

(Medina, 2014) On September 11, 1973, CIA-backed forces overthrew and killed democratically elected President Salvador Allende, ending Cybersyn—the bold experiment in management cybernetics. Elected in 1970, Allende sought socialism distinct from U.S. capitalism or Soviet communism: nationalize industries, redistribute wealth from oligarchs/MNCs, enable worker participation, while upholding democracy, rights, and rule of law. Unlike militarized neighbors (Argentina, Brazil), Chile had sustained democracy since the 1930s. U.S. aid flowed, yet opposed socialism. Cybersyn addressed this by applying cybernetics to manage nationalization amid factions.

2. Cybernetics

The word was coined by Norbert Wiener, a MIT professor and in 1948 described it as "control and communication in animal and machine". This covers complex systems like the computer and human brainThe field spans across, engineering, information science, biology, sociology and industrial management. (Beer, 2002) in his article "what is cybernetics?", essentially a speech in the University of Valladolid, informs that cybernetics is multi-disciplinary. He goes on to say that world revolves around money and markets, and econometrics should have a clue how to regulate them. One analogy for this is ecology. Beer further expands the origins of cybernetics in Mexico where many learned men gathered and found that they couldn't communicate easily due to their specialities but found a subject common to all i.e

nature of control. The next concept Beer introduces is Ashbey's Law of requisite Variety. This First Law of Cybernetics, states that a system must be as complex or more complex than its environment to deal with it well. Beer the goes to explain *ultrastability.* To explain this Beer gives an example of a computer which has a chance to overheat, so we can secure this with putting a thermostat and detect the overheat. If the risk is for theft of the computer we install security guards. So this he calls ultrastability which is key to viable performance. This system is just like a human being which is survival worthy out of the womb. The system is self-sustaining and survival worthy. Such a system is ultra stable and completely autonomous within its own physiology. Speed of response is the clue as Beer states and he envisions the applicability to the economy in real time.. The second clue as per him is recursivity i.e. a self-regulatory process of revisiting or reassessing ideas. With these two Dr. Beer envisages a system which continuously samples and recognizes incipient change.

3. The Chilean Government Experiment – *Project Cyberyn*

Project Cybersyn was Beer's life's serendipity. He designed an 11-level recursive Viable System Model (VSM) redesigning Chile's economy from state to villages and enterprises—all structurally identical. Real-time measures (data less than 24 hours old) flowed from president to locals. Knowledge disseminated and regulated per level; measurements became uniform indices, filtered via Bayesian statistics.

Bayesian theorem updates priors with data for predictions: priors (background) & likelihood resulting in the posterior. This processed vast data into management-ready info.

Bayes theorem is given below:

$$P(A \mid B) = \frac{P(B \mid A) \cdot P(A)}{P(B)}$$

A, B = events
$P(A|B)$ = probability of A given B is true
$P(B|A)$ = probability of B given A is true
$P(A), P(B)$ = the independent probabilities of A and B

It has many advantages like it is logical, it provides inferences that are conditional on the data and are exact, without reliance on asymptotic approximation. Small sample inference proceeds in the same manner as if one had a large sample & it provides a convenient setting for a wide range of models, such as hierarchical models and missing data.

However, despite the downsides the biggest advantage was that massive amount of data could be processed and presented at appropriate level of management as *information*. Dr. Beer qualified the definition of information as that *which changes us.* Dr. Beer wanted to segregate the incipient danger on which management should act from what he calls *trivia* or unactionable details. He advised an operations room at each level of management which would be collaborative and interactions of key managers in these rooms enables availability and recognition of *actionable information*. This is known as *Redundancy of potential command*. This ensures necessary skill and actionable information is available when needed i.e as Beer says information on incipient danger, on which management can act instantly. Dr. Beer gives and example of how actionable information was transmitted through Telex when CIA attempted to overthrow the government with local unions called *gremios.* A scheme was orchestrated to take away amenities from local people and blame the government to create chaos. The ministers and bureaucrats who were primarily intellectual, self -organized and reacted to take action to prevent chaos from happening, as information flowed through Telex messages. This was a test-tube experiment of the enormous capability of cybernetic principles, which thereafter was implemented in bits and pieces but never took a scalable form.

4. Syntegration®

Syntegration® (Gunter Nittbaur, 2006) disseminates knowledge organization-wide, boosting communicative competence and efficiency amid complexity. It breaks expert silos, rooted in Greek *agora*. Beer (*Beyond Dispute*) taps tacit knowledge via icosahedron structure—optimal for group energy, with 12 vertices.

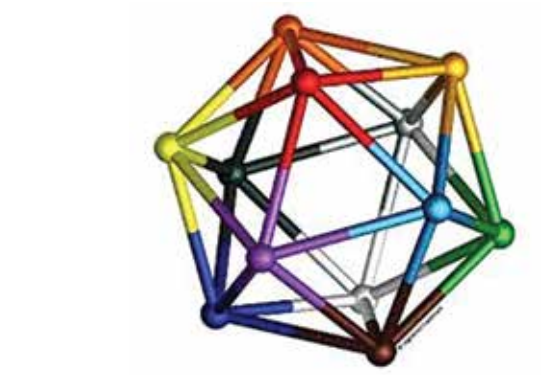

Figure 1:Icosahedron Source: (Gunter Nittbaur, 2006)

Icosahedrons structure proteins and viruses like polio, enabling genetic efficiency via modular synthesis—maximizing info savings despite limited nucleic acid (Hsia et al., 2016; Polyhedra, n.d.). Buckminster Fuller identified it as nature's principle; Beer adapted it for Syntegration communication.

In Syntegration, 12 topics occupy icosahedron vertices; 30 people (6 groups of 5: owners, critics, observers) form struts, ensuring Ashby's requisite variety (Gunter Nittbaur, 2006). Process starts with an opening question (e.g., "How to design future management education?"—Leonard & Schwaninger, 2004). Guided "importance filter" brainstorms, negotiates, and algorithm-optimizes 12 topics.

The 12 topics are then discussed in groups of 5 and Dr. Beer shows that this produces the perfect solution. The process uses *reverberation effect* to provide the critical effect of Syntegration. The diagram from Beyond Dispute and (SCHWANINGER, 2003) shows that 90% of relevant information i.e *actionable information* gets distributed amongst participants.

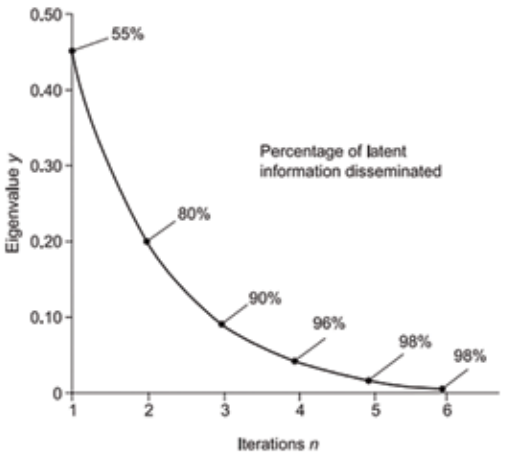

Figure 2 Syntegrity Iterations Source: (SCHWANINGER, 2003)

The documented statements thus have knowledge of the group for the Opening statement or Initial question. An important impact of the process is creating a *learning organization.* The participants learn and understand each other. The most important outcome beyond these two results is the *commitment, alignment and ownership* of the participants.

Methodological Approach – Comparison with existing approaches

Before we elaborate the frameworks used by the leading strategy firms, we must reflect on the suggestions suggested by the very firms that implemented the transformations that failed.

Table 1: Existing transformation causes of failures and remedies

Source	Failure source	Remedy
(Kristy Ellmer, 2024)		Define transformation objective, anchoring, transparency, accountability and leadership
(Robinson, 2019)	Building conviction in people, no buy-in, lack of required capabilities to bring change, no-change management in place, no transformation office	
(Steil, 2026)	People resistance 2/3rd resist change. Friction	Leadership
(Maor, 2021)		Embedding transformation disciplines to business-as-usual

(Argon&Co, 2019)	Lack of leadership commitment, organization inertia, talent gap	Clear approach & framework, organisational culture, processes, getting the rhythm of change
(N.Ramesh, 2019)	Timing-transform during declining phase	Leadership involvement, psychological ownership, transparency

Remedies stress leadership, employee buy-in, and frameworks as keys to success. Kristy Ellmer (2024) details forming transformation offices to sustain momentum, yet these lack objective formulas and carry a theoretical tone. Focusing on consultants over academics, McKinsey uses the 7S framework, BCG the matrix, and Bain its operating model. Task forces collect client data over 3-12 months, delivering roadmaps and advising offices—which they often run. This hub-and-spoke model falters as rapid business changes invalidate reports by delivery.

1. Syntegration as a Framework

Change in organisations is complex. Each transformation is essentially a project or a stack of projects making them complex in nature. Through the recipe is given by the traditional strategy consultants, the method to success is merely subjectively defined by them.

To address a complex problem a systems thinking approach is required. The Syntegration process doesn't use an expert like an outside consultant to prepare a recipe. Rather the process of syntegration utilizes the knowledge of the employees and leadership. What the consultant brings is mere process of conducting syntegration. The problem and solution is provided by the participants themselves. This ensure 100% buy-in by the participants and high ownership as the topics are chosen by them and the action plan developed by them instead of an external consultant.

The process effectively utilizes *reverberation* which ensures reinforcement of the belief of change during the process. Since it is completed in 3.5 days the soultions get implemented immediately after that, thus ensuring relevance.

(Gunter Nittbaur, 2006) The process is a democratic process which is non-hierarchical in nature and therefore dissemination of information takes place. The key to success is the transparent information dissemination in-built in the process.

Case Studies in Syntegration® Success

1. Post-Merger Banks

Malik Management applied Syntegration in 1998 for UBS-Credit Suisse integration, bridging cultures and models.

Outcomes (Schwaninger, 2003; Malik & Malik, 1998): 17 measures clustered into 6 implementable sets; averted client exodus; achieved deep cultural alignment in 2.5 days, uniting employees sustainably.

2. Fürth Financial Recovery

In 2010, debt-laden Fürth, Bavaria, used Syntegration to cut budget deficits 48% long-term; 60% of relief items implemented within two years (Bilder, 2010).

3. Brainport Smart District

April 2017 Syntegration yielded 34 health/well-being recommendations for this urban project, integrating diverse expertise into actionable community strategies (Gebhardt, 2020).

4. Volkswagen vs. Tesla

In a 3.5-day Super Syntegration, 31 VW/Audi/Porsche executives strategized Mission T EV catch-up: pooled software/hardware, delayed launch.

Result: 20.1% Europe EV share (May 2024) vs. Tesla's 10.5% (Diess, 2020; Boston, 2021; Torque, 2022).

Numerous successes span insurance, retail, hospitality, consumer goods, and construction.

Implications and possible application in India

Amid global turmoil from West Asia and Ukraine-Russia wars, India sustains growth and needs a new economic model. Dr. Beer's Viable System Model already tested in Chile, suits India's democratic

welfare state, despite diverse needs. For Viksit Bharat, a two-pronged approach trickles policies to firms and citizens: Syntegration® at firm level (via Rembarrier Advisors/Malik Institute) disseminates knowledge; at policy level, it transforms cities like Furth, Gossau, Zurich, and Lower Austria (Malik, 2024) through multi-stakeholder workshops ensuring holistic viability. China (IMAU) and Helmholtz (300k employees) apply it similarly. India's Smart Cities Mission (MoHUA, 2024; Rs. 200k crore) lags (66/100 cities; Mohanta, 2023), facing socio-economic hurdles (Mutambik, 2024), but Syntegration® enables silo removal and crisis response, as in Beer›s Chile coup aversion and Katrina coordination (Reissberg et al., n.d.).

Limitations and Future research

Syntegration®—a rapid, consensus-building process tested 1,000+ times—succeeds in India (2025: steel, construction, manufacturing firms; pre-merger). It is robust yet limited by consulting mindsets, with scarce cybernetics research.

The process has drawbacks like St. Gallen-centric experts are necessary and has low market reach (e.g., Canada/Australia closures); needs PhD-level facilitators versed in systems thinking. It has strict logistics (3.5 days, venue/timing, parallel sessions) vs. simple hub-spoke models.

Future: Failure modes from novice facilitators (devolves to basic discussions) and needs to be amplified with Malik tools/system dynamics.

Conclusion

Syntegration® can spearhead the progress of India on multiple levels. The first is the firm level, where as Dr. Beer informs, *actionable information* can be disseminated by this process by adoption by firms in India to solve their complex problems which range from sluggish growth, restructuring, cost effectiveness etc. Business transformations can be successfully improved with this rapid transformation process and Malik Syntegration in association with Rembarrier advisors are promoting the know-how in India.

As the viable system model suggests, the other end of the chain lies policymakers and the business environments in which firms operate. This includes, public sector units, universities, research institutes, state governments and central governments. The process of Syntegration® can resolve much of the problems for these institutions and bodies.

For the Viksit Bharat, Smart cities have been a core area where Malik Syntegration has successfully applied their transformations in City of Furth, Gossau, Zurich and Lower Austria. This can be adapted in India with the requisite variety.

As in China Universities can benefit by using the technique to disseminate knowledge in the country through cooperation. MA

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