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Business and IT Alignment
at the Ecole Hôtelière de Lausanne

Prof. Alain Wegmann (Ecole Polytechnique Fédérale de Lausanne) prepared this analysis only for the purpose of teaching and not for the purpose of illustrating either effective or ineffective handling of an administrative or technical situation.

This case is based on interviews, in 2010, with the EHL CIO, Ernest Gmünder. This business case does not represent any official position of the EHL.

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This case describes the « Ecole Hôtelière de Lausanne » (EHL). On its web site (http://www.ehl.edu), the school is described as:

Michel Rochat, General Director from 6.2010

"When you enter the world of the Ecole Hôtelière de Lausanne, you immediately feel the energy and enthusiasm, a sense of shared purpose. It is a place where everyone is different yet everyone feels at home. Walk down the main hallway of the school and you will hear ten different languages being spoken – a microcosm of the hospitality industry itself.

In its constant quest for excellence, EHL's aim is to increase its global leadership in high-level management for the hospitality industry. In order to do so, it exploits the synergies between the professional and academic approaches and thereby ensures exceptional professional opportunities for its students.

Students come to EHL from all over the world. They have talent; they are the future leaders of tomorrow who will stimulate economic growth in their professional domain."

Message from the General Director
http://www.ehl.edu/eng/About-EHL/Profile/Message-du-Directeur-general

Overview

The Ecole Hôtelière de Lausanne is a leading hospitality school, which is part of the University of Applied Sciences of Western Switzerland. EHL is an international, bilingual school, offering its programs in both English and French. It provides the strong management education of a top business school while basing its programs on its own unique educational philosophy: hospitality management as both a science and an art.

History and Heritage

The Ecole Hôtelière de Lausanne was the first hotel management school in the world. It was founded over a hundred years ago, in 1893, during the *belle époque* when Switzerland was experiencing an unprecedented boom in tourism and there was an urgent need for skilled and professional personnel, at every level: from management on down.

Help for Sustainable Practices

In 2006 EHL was already recognized as a leader in the field when it was awarded the Swiss Ethics prize for its commitment to renewable energy.

Organization and Governance

EHL is a non-profit school that is organized on three levels of governance: the Board of Governors, the Executive committee, and the International Advisory Board.

EHL's Double Accreditation

The Ecole Hôtelière de Lausanne is accredited at the university level, both nationally (HES http://www.hes-so.ch/) and internationally. (NEASC http://www.neasc.org/)»[1]

You can learn more about the school by taking the virtual tour: http://www.ehl.ch/virtual_presentation_en/visite_ehl.html

The Students

In 2009, 1'227 candidates applied, 422 were accepted and 362 were enrolled. 50% were enrolled in the French section and 50% in the English one.

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[1] http://www.ehl.edu/eng/About-EHL/Profile

Business and IT Alignment at the Ecole Hôtelière de Lausanne – Wegmann - EPFL

The nationalities of these students are (by order of importance): Swiss Students (approx. 50%), Western Europe (approx. 30%), Asia-Pacific, North America, Central & Eastern Europe, Central & South America, Middle-East and Africa.

The average age of the students is 20 years. More than 80 nationalities are represented. 43% are male students and 57% female. 52% of the students have less than 6 months of professional experience, 38% more. 91% of the students speak 3 or more languages.

The main reasons for choosing EHL are their combination of theoretical and practical courses (94%), the academic quality (94%), the school's reputation (94%), cultural diversity (85%), the reputation of hotel management studies in Switzerland (78%), student life at EHL (76%), the rigorous admission process (70%), and the alumni network (63%).

The Alumni

The school has more than 25'000 graduates who work in 104 countries. The principal sectors of employments are:

Source : http://www.ehl.edu/eng/About-EHL/Profile/Facts-and-figures/Alumni
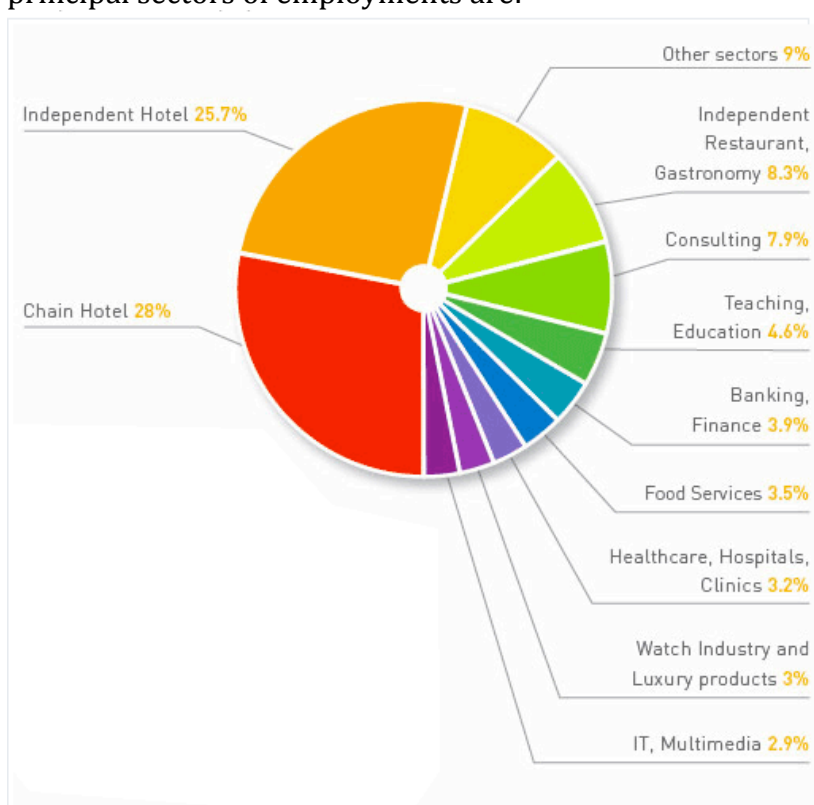
The alumni network is organized as an association (http://www.aehl.net/) and has approximately 50 chapters. The school manages the association (including finance, communication).

The History

« The Ecole Hôtelière de Lausanne was the first hotel school in the world. It was founded nearly a hundred and twenty years ago, in 1893, during the Belle Epoque when Switzerland was experiencing an unprecedented boom in tourism and there was an urgent need for skilled and professional personnel, at every level from management down.

This was the era of grand palaces and magnificent hotels – still visible today – built along the shore of Geneva and in mountain resorts high above the lake, in order to accommodate an increasing clientele - international and often wealthy and famous.

The rapid growth of this wealthy and highly demanding clientele resulted in a huge increase in hotels. Fifty palaces and grand hotels were built between 1834 and the opening of the school in 1893, and the number had more than doubled by the outbreak of the First World War. The demand for skilled employees and dynamic managers also grew exponentially in response to the need for high standards of individualized service.

EHL was founded in response to this need. At the time, the idea of a hotel school was revolutionary. EHL's founder, Jacques Tschumi, an influential member of the Swiss Hotel Association, had to persuade his rather reticent fellow members that the project was a realistic and viable one. His vision was soon to be proved well founded.

When founded in 1893, EHL opened with 27 (male) students in the first year. In 1924, the first woman enrolled as a student at the EHL. The campus of EHL was originally located in the city of Lausanne, on the shore of Lake Geneva in the building of the Hotel d'Angleterre, but it was relocated to Chalet-à-Gobet in 1975. EHL has educated more than 25,000 hospitality industry executives; now members of the EHL community network.

Since April 2002, Ruud Reuland has been the General Director of EHL. He came to EHL from the Hotel School The Hague, where he was Dean.
In the first half of 2004 there were over 1,400 students from more than 80 different countries, enjoying the unique and enriching environment of the Lausanne Hotel School.

As of September 2009, at the beginning of the preparatory year for the revised bachelor's program, approximately 1,800 students - of 90 nationalities - were enrolled in EHL.

On April 24, 2009 Ruud Reuland announced his decision to terminate his mandate as General Director. In November of the same year, the Foundation Board elected Michel Rochat as his successor. Mr Reuland was to remain in office until mid 2010».[2]

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[2] http://en.wikipedia.org/wiki/École_hôtelière_de_Lausanne

The EHL provides certifications to other schools. Six schools are certified (e.g. in India or in Saudi Arabia). For more info see:
http://www.lhcconsulting.com/development-of-learning-centres/; for an example of school see http://www.ecolehotelierelavasa.com.

The Organization:

In 2007, EHL had the following departments, all-reporting to the general director of the time:
- External Relations (alumni management)
- Fund Raising
- "Lausanne Hospitality Consulting" (LHC)
- 3 programs (teaching)
- Research
- Library
- "Institute of entrepreneurship" (INTEHL)
- Student Affairs (admission, social services, …)
- HR
- IT
- Operations (restaurant, lodging, housekeeping, …)
- Planning & Administration
- Finance
- Quality & Project Management Office

EHL had approx. 330 employees that can be considered as belonging to three categories:
- Approx. 100 professors and teaching staff (in the departments: programs, research, library, INTEHL and LHC)
- Approx. 110 operational positions (in the operation department)
- Approx. 120 admin and support (in all other departments)

The EHL operation runs four restaurants and provides lodging facilities. These are used daily in the school operation (to feed visitors, students, staff) but also used for education purposes (internships). The flagship activity is "Le berçeau des sens" (http://www.berceau-des-sens.ch/bds_en.htm).

The school worked with partners (fictitious names), some of them are:
- NetworkingSA hired to manage the alumni network
- TelcoSA hired to manage the telecommunication infrastructure
- ITDevSA hired to develop custom software

The IT:

The IT department managed the following applications:
- Accounting application,
- Miscellaneous smaller applications
- Network (wired and wireless)

- Servers running virtual machines

The software application that manages the information about the students was provided by the HES-SO (network of university); consequently it is not managed closely by EHL. The student application is IS-Academia, a software jointly developed by the EPFL university (http://ogif.epfl.ch/) and Equinoxe (http://www.equinoxemis.ch/).

In 2007, most of the IT staff is technically oriented. They operate the servers and manage the applications. There are also resources to manage a small help desk and a small print shop. The developments are outsourced to ITDevSA. TelcoSA manages the telecommunication infrastructure.

Life was difficult between IT and business. This can be illustrated by two examples:

- In 2004: EHL becomes officially a university of applied science (http://www.hes-so.ch). As part of this integration, they had to adopt the IT system used by all the universities of this group: IS-Academia. The goal of the HES-SO management was, by imposing the IT system, to standardize the business processes of all universities that are part of the HES-SO network. Unfortunately, this was not achieved. IS-Academia was customized and the business process did not evolve. It was almost the same in all the universities of the network.

- In early 2008, the EHL became part of the Bologna process (http://en.wikipedia.org/wiki/Bologna_Process). The consequence was that the EHL had to give up its existing admission process (that proposed two admission periods per year) in order to move to the "one admission per year" admission process. In this case, the business process was changed. Unfortunately, when the new process had to be used, the modifications of the IT application arrived very late. This forced the school to find an ad-hoc solution – perhaps using the old software - for the first year.

The Challenge:

Late in 2007, a new Chief Information Officer (CIO) was hired and had to manage the transition to the Bologna process early 2008. After this project, it was clear that his duty was to get the IT group and the business to work closer and to increase the success rate of the IT projects. It is also worth noticing that the CIO began to receive questions from professors, alumni and students on IT strategies. With the emergence of new technologies (video-conferencing, wireless Internet, social networks, …), hotel management teams need to develop technical strategies to be able to provide IT services to their customers.

What concrete strategy could the CIO have contributed to improve the business and IT co-evolution?