



Japan Core Advanced

Driving future-proofed, citizen-centric DX while optimizing costs

Case study: City of Setagaya, Tokyo

Setagaya, the most populous among Tokyo's 23 cities with a population of 920,000 and 490,000 households, is the largest basic municipality in Japan, excluding ordinance-designated cities. Its IT investments had increased, had become more complex and needed to be examined. During the construction of the new main office and other facilities, COVID-19 forced the municipality to find the best approach for digital transformation (DX) using digital technology to protect the residents while optimizing costs.



Industry:	Local government
Population:	920,632 (as of May 2021)
Budget:	General account 319.9 billion yen (FY21)



Source: Setagaya City Main Government Building and Other Facilities Development Implementation Design Outline (2020.3 City of Setagaya)

“Due to the impact of COVID-19, we needed to accelerate DX to ensure the residents’ safety and security while optimizing IT-related costs. Gartner provides us with not just proven global case studies and technology trends, but the “live updates” tuned to the current situation and challenges of Setagaya City. That is crucial for policy planning and organization and human resources development to drive successful projects.”

Kazuhiko Yamada, Director of ICT Promotion Division, Policy Planning Department, City of Setagaya



Mission-critical priority

Annual IT costs amounting to 5 billion yen became a major concern for Setagaya, which was expected to get independent opinions and achieve cost optimization. No-bid contracts accounted for most of these costs, and the municipality was under pressure to review them.

Partly because of COVID-19, accelerating the digitalization of administrative services became the top priority.

Setagaya started by discussing what DX is and what it could be used for; it needed to move quickly to develop and implement an effective policy.



How Gartner helped

Gartner delivered objective insights and expert guidance in a variety of ways:

- Document reviews, such as checking of procurement terms and conditions, for procurements under no-bid contracts
- Discussions on individual issues with Gartner subject matter experts
- Insights on DX and organizational management, including organization and human resources development, bimodal IT and global trends analyzed in the context of Japan
- Product comparison to help select a communication tool, reports that detail implementation considerations and access to toolkits



Mission accomplished

For no-bid contracts, Setagaya now requests vendors to submit a breakdown of quotes and conduct detailed reviews to optimize cost.

In one procurement project, Gartner reviewed the RFI and provided guidance that helped Setagaya achieve a cost savings of approximately 30 million yen.

As for the DX initiative, a team mainly of younger employees took the lead and announced the Setagaya City DX Policy Ver.1 (coined Re-Design SETAGAYA) in March 2021, just four months after the project began its full-scale operations.

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