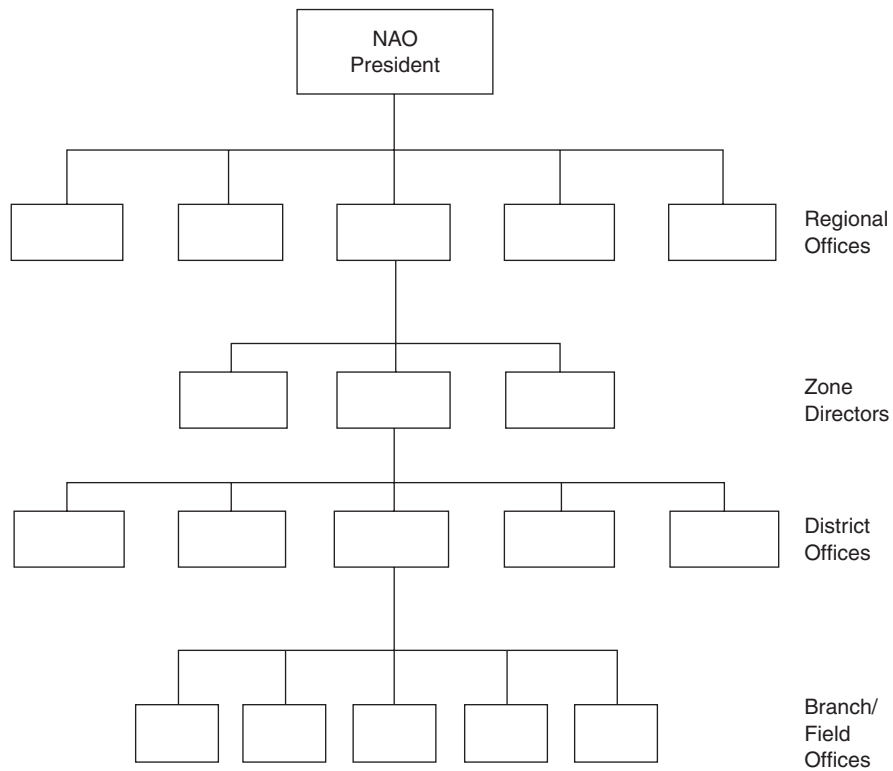# Otis Elevator: Accelerating Business Transformation with IT

Assignment Questions:

1. How hard do you think installing Otisline was in 1990? (Be sure to look at the enclosed Organization Chart).

2. The IT tools being used by Otis in 2004 are simply - databases, workflow software, Intranets and Extranets, email - but the benefits appear to be extraordinary. How can this be?

3. An Otis manager states in the case that "To achieve continuous transformation, the e*Logistics program makes sure the business process change sticks. At first, business executives saw process improvements from SIP, but after even just a few employees left, benefits fell off and became inconsistent. With the e*Logistics program, best practices from SIP are baked into the organization and institutionalized to achieve that continuous transformation." How do the systems that comprise the e*Logistics program bake in an institutionalized best practice?

NAO Organization – 1999

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                    ┌──────────────┐
                    │     NAO      │
                    │  President   │
                    └──────┬───────┘
        ┌──────────┬───────┼───────┬──────────┐
     ┌─────┐   ┌─────┐  ┌─────┐ ┌─────┐    ┌─────┐   Regional
     │     │   │     │  │     │ │     │    │     │   Offices
     └─────┘   └─────┘  └──┬──┘ └─────┘    └─────┘
                ┌──────────┼──────────┐
             ┌─────┐    ┌─────┐    ┌─────┐              Zone
             │     │    │     │    │     │              Directors
             └─────┘    └──┬──┘    └─────┘
        ┌────────┬─────────┼─────────┬────────┐
     ┌─────┐  ┌─────┐   ┌─────┐  ┌─────┐   ┌─────┐      District
     │     │  │     │   │     │  │     │   │     │      Offices
     └─────┘  └─────┘   └──┬──┘  └─────┘   └─────┘
          ┌──────┬─────────┼────────┬──────┐
       ┌─────┐┌─────┐   ┌─────┐  ┌─────┐┌─────┐          Branch/
       │     ││     │   │     │  │     ││     │          Field
       └─────┘└─────┘   └─────┘  └─────┘└─────┘          Offices
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Regional offices are geographically dispersed throughout North America.

Zone directors have three to five district managers reporting to them.

District managers have two to six branch/field offices reporting to them.

Source: Otisline (A), 9-186-304, revised 1990, F. Warren McFarlan, Donna B. Stoddard, Harvard Business School Publishing..