15.568 – Practical Information Technology Management – Spring 2005

Class 13: LifeLine
Thursday March 17, 2005

Visitor: CIO Rich Reich

<u>**Note: Project Status Report due**</u>

Read the assigned article:

> Broadbent, M. & Weill, P., "Management by Maxim: How Business and IT Managers can Create Infrastructures," *Sloan Management Review*, Spring 1997, 77–92

Prepare for discussion:

> Lifeline Systems, Inc. – The CareSystem Project (on MIT Server)
> Last page hardcopy handed out in class on March 10).

1. Given the three phases of Lifeline Systems' life as a business, what are two critical success factors (ie, things which must go right or be managed well) for each phase? What has to be done well to make the transition to the "information exchange" phase?

2. What were the three or four key decisions made leading to and during the CareSystem project? Do you agree with those? Why or why not?

3. ("Jurassic thinking"; don't avoid it!) What risks and problems could prevent the fully successful operational implementation of CareSystem at the time of the case? What action steps would you recommend?

4. ("Subirana thinking"; embrace it!) Assume CareSystem is successfully implemented. What are some ways Lifeline could exploit its competitive capabilities over the next five years to achieve high levels of growth and profitability?

5. Here is a note from Rich Reich:

    > In the past year we completely redesigned our web site (www.lifelinesys.com) - it is now very rich in content. There are even some animations on how the service works. If you click on the investor relations link you can get to News releases, fundamentals, annual reports and SEC filings. A tremendous amount can be learned about the company. There also is a way to get an audio file of the last investor conference in which we discuss our latest earnings release. Starting at the investor relations link, click on calendar of events, then click on Past events then click on the Q4 2004 Lifeline Systems Earnings conference call - you then have to register and you can listen to an actual session with the president and CFO. (The audio file is also available on yahoo finance.)

How well is Lifeline doing as a business? What is the role of IT in its strategy? (See the "Strategic Grid" matrix from an early class.)