

Unit 2: The Components of Information Systems

The purpose of information systems

Information systems are designed to collect store and distribute information. Information systems transform data into information that can be can be turned into useful knowledge. Information systems provide knowledge that can be leveraged to help assist with decision making. Information systems can enable streamlined business processes, thus increasing competitiveness.

The components of information systems

Information systems can be broken into 5 core components:

1. Hardware
2. Software
3. Data
4. People
5. Processes

Hardware

The hardware are the physical machines used such as computer servers, hard-drives or phones. The hardware performs the processes and provides an interface for the people.

Software

The software component is the instructions in code from. The instructions are the implementation of the processes.

Data

The data is the stored facts that are used. Data can be inputted, processed and retrieved from the system.

People

The people are everyone involved with the system from the end users who input data to the managers who use the data to make decisions, to the programmers who write the code.

Process

The process is the steps required to achieve the systems goals. Business carefully designs processes to automate tasks and provide a competitive advantage.

Networking

Networking, which is a combination of hardware and software has become a crucial part of modern information's systems in today's hyper connected world. Networking could be considered its own core component of an Information system.