INFORMATION SYSTEMS AND THE DIGITAL FIRM

What Is an Information System?

331 Brite Dish Soap 1.29
883 BL Hill Coffee 4.69
173 Meow Cat .79
331 Brite Dish Soap 1.29
663 Cntry Ham 3.29
524 Fiery Mustard 1.49
113 Ginger Root .85
331 Brite Dish Soap 1.29

Sales Region: Northwest
Store: Superstore #122

ITEM NO.	DESCRIPTION	UNITS SOLD
331	Brite Dish Soap	7156

YTD SALES
$ 9,231.24

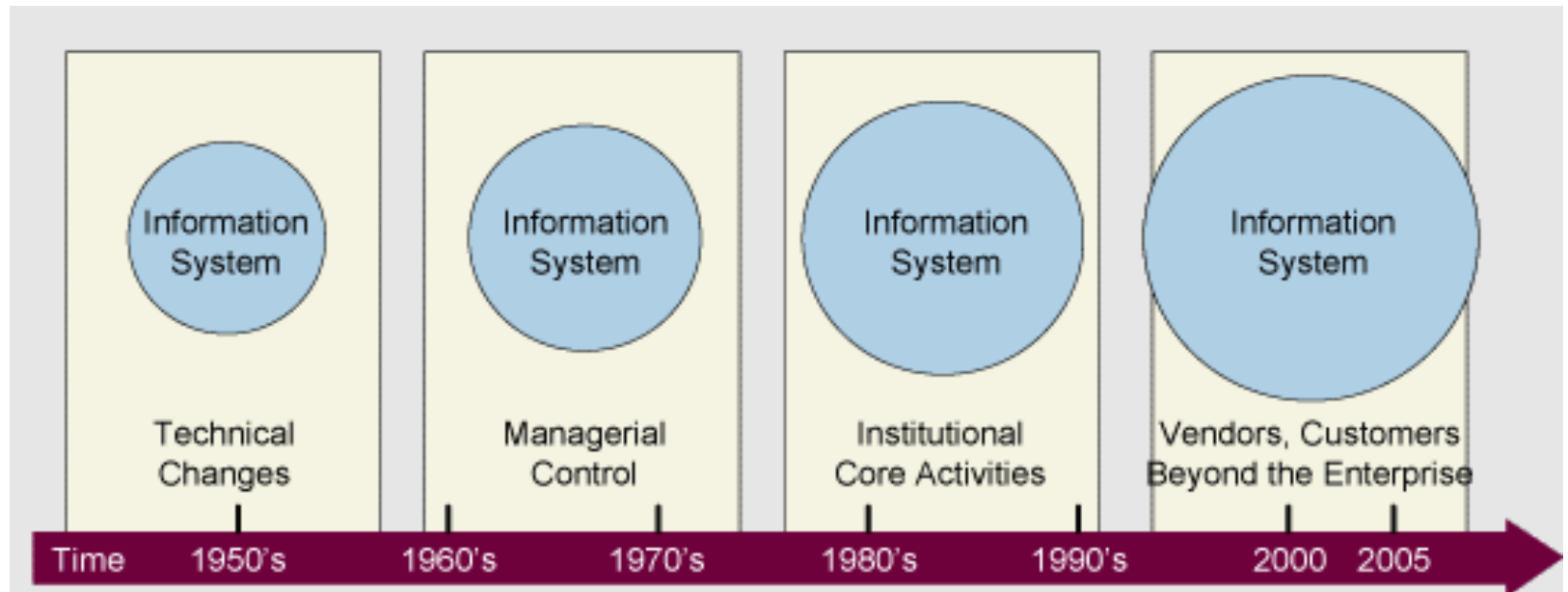**Data and Information**

Data
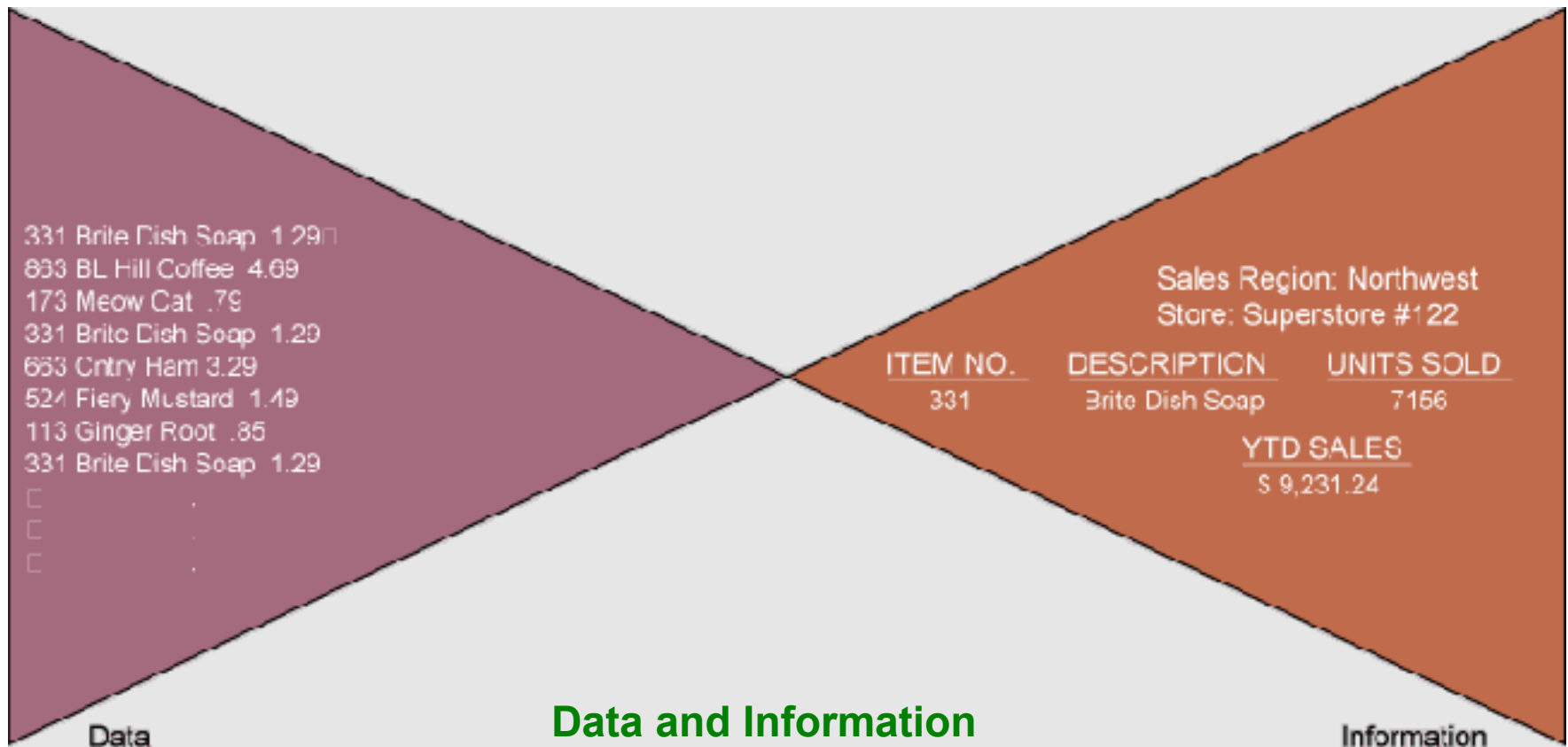
Information

Functions of an Information System
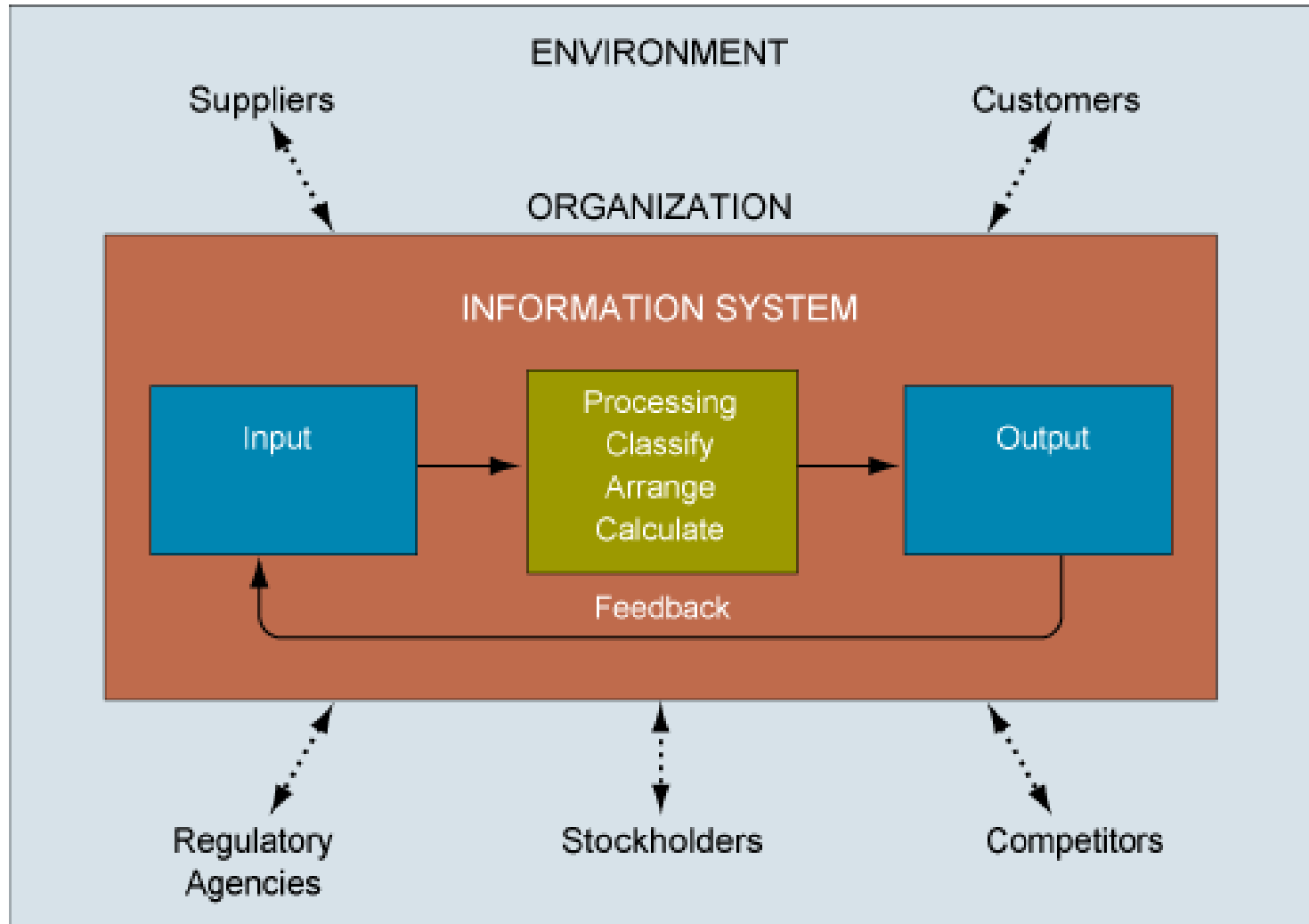
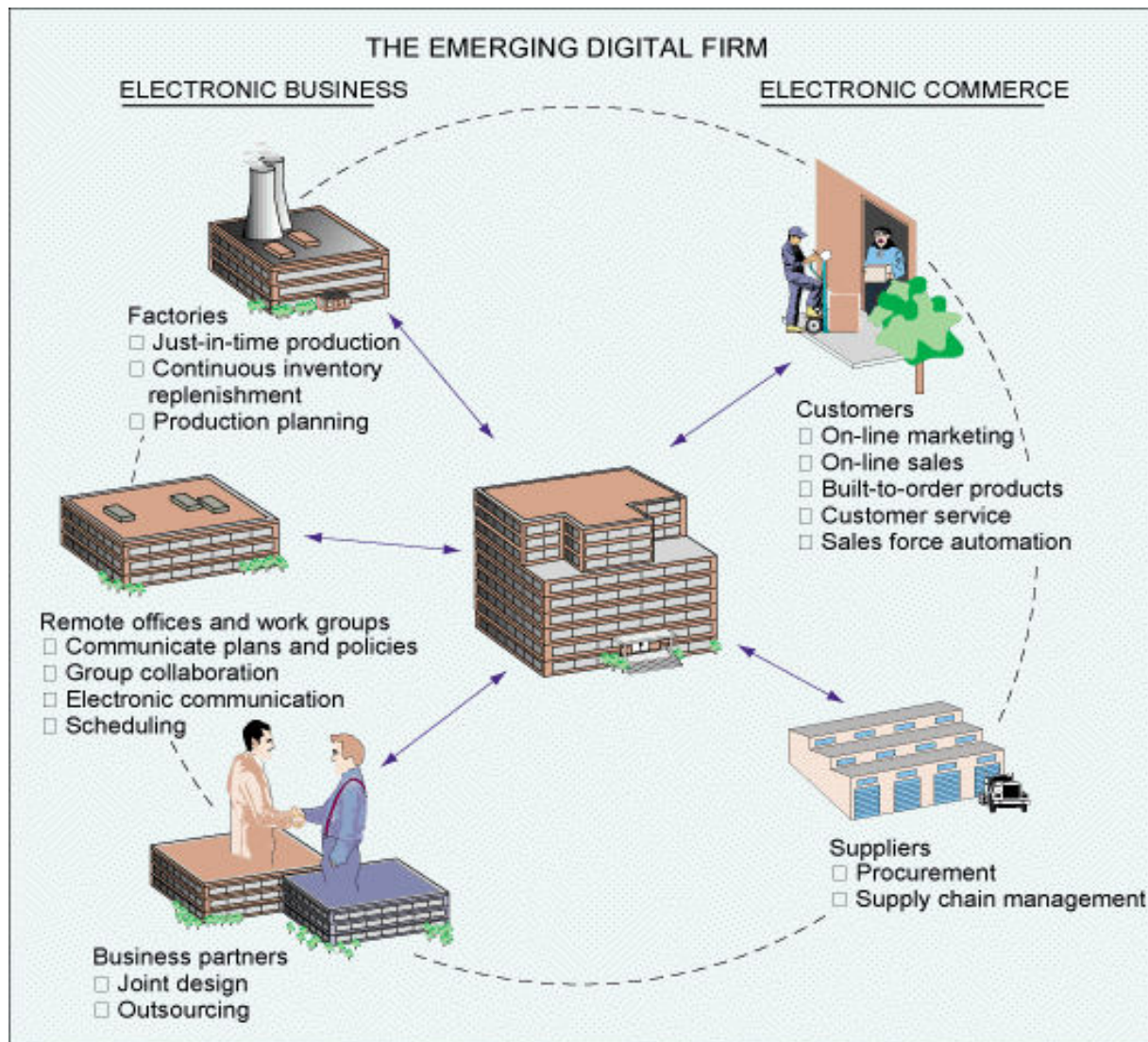# The Widening Scope of Information Systems
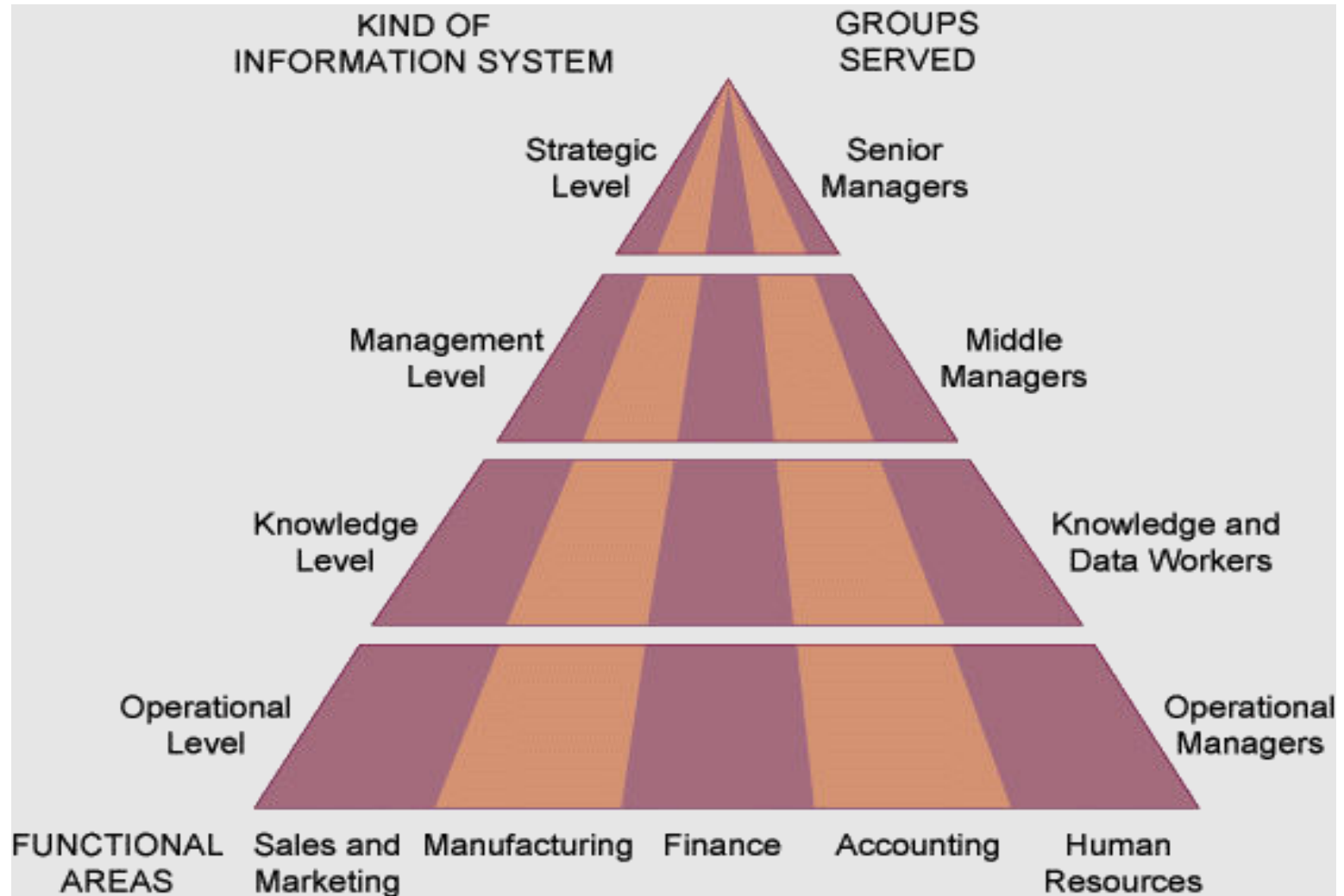
New Options for Organizational Design

- ✓ Flattening organizations

- ✓ Separating work from location

- ✓ Reorganizing work-flows

- ✓ Increasing flexibility

- ✓ Redefining organizational boundaries

What are information system implications?

TOWARD THE DIGITAL FIRM

Types of Information Systems

MAJOR TYPES OF SYSTEMS

- ✓ Transaction Processing Systems (TPS)
- ✓ Office Automation Systems (OAS)
- ✓ Knowledge Work Stations (KWS)
- ✓ Management Information Systems (MIS)
- ✓ Decision Support Systems (DSS)
- ✓ Executive Support Systems (ESS)

STRATEGIC ROLE OF INFORMATION SYSTEMS: TWO VIEWS

✓ Strategic info system can change the environment to gain competitive advantage

✓ Information technology is becoming a commodity ---

  ➢ Advances are easily replicated

  ➢ Nicholas Carr states many firms overspend on information systems and the systems themselves are becoming utilities like electricity or the railroads. Agree??

INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS

- ✓ Change firm structure
  - ➢ Network rather than hierarchical
- ✓ Restructure existing industries
- ✓ Create new industries
- ✓ Examples
  - ➢ Financial services: Information accessibility
  - ➢ Manufacturing: Increased flexibility
  - ➢ Retailing: Quick response

Questions --

How have information technology and information systems changed the nature of human resources?

- ✓ Hiring
- ✓ Retaining
- ✓ Administering
- ✓ Managing
- ✓ Planning

Questions

✓ Why are information systems essential in business today? What trends in the global business environment have made information systems so important.

✓ For your companies, what is the relationship between the organization and its information system? How has this changed over the past ten years? How do you foresee it changing in the future?

✓ How has the web changed your company's information systems applications?

✓ How have the information systems where you work affected management processes? What are some examples?

✓ Will faster and cheaper computers eliminate information system problems? What problems will disappear and what new problems will arise?

Questions

✓ Information systems raise the bar on customer expectations. How can organizations stay competitive yet hold IT investments in check? In the long run, is IT more of a hindrance than help?

✓ What is customer relationship management? Why is it important to a business? How do information systems facilitate customer relationship management?

✓ What are enterprise systems? How do they change the way an organization works?

✓ Information partnership occurs when two or more firms share data for mutual advantage. What are some examples of the benefits of partnering between a company and its suppliers? Its customers? Its competitors?

✓ Can information systems still yield strategic advantage for a firm? Or are information systems now a commodity that anyone can quickly duplicate?