

# Managing in the Digital World

Dr Tomo Popović

Managing Information Technology  
L1-FIST3UIT



# Teachers

- Tomo Popović, PhD, Assistant professor
- Stevan Čakić, MSc, Teaching Assistant
- Zoja Šćekić, Teaching Assistant

# Managing Information Technology

- Semester schedule
- Course description

Naziv predmeta:		Upravljanje Informacionim Tehnologijama			
Sifra predmeta	Status predmeta	Semester	Broj ECTS kredita	Fond časova (predavanja)	
FIST3UIT	Obevezni	Zimski(V)	8	4P+2V	

**Opis i cilj predmeta:**  
Upravljanje informacionim tehnologijama (IT) obuhvata pitanja planiranja, realizacije, nabavke, instalacije, implementacije, eksploatacije, održavanja i unapređivanja, kao i analize efikasnosti i efektivnosti informacionih sistema. Ovaj predmet suštinski adresira veoma aktuelnu tematiku Digitalne transformacije koje se bavi uključivanjem digitalnih tehnologija u sve aspekte biznisa čime se stvara mogućnost za razvoj novih usluga i poslovnih modela na kojima se razvijaju nove vrijednosti i isporučuju prema krajnjim korisnicima. Razmatraju se IT procesi u kontekstu savremenih IT tehnologija. Predmet daje osnovu za razumijevanje upravljanja informacionim tehnologijama u kontekstu kreiranja komparativne prednosti. Kroz prizmu upravljanja informacionim tehnologijama, u predmetu se razmatraju elementi IT infrastrukture, upravljanje IT infrastrukture, usaglašenje unutarnjih i vanjskih predavača, elektroničke poslovne, poslovne komunikacije i kolaboracije, kao i razvoj, nabavku i nadogradnju informacionih sistema. Posetilo se razmatraju izazovi i strategije vezane za upravljanje i korištenje informacionih tehnologija u poslovnom okruženju.

Student koristi iskustva stekena u predmetima Upravljanje projekta, Poslovni informacioni sistemi i Analiza i dizajn informacionih sistema.

**Metod izvođenja nastave:** Predavanja i vježbe.

**Literatura:**

1. *Information systems today: managing in the digital world* by J. Velachic and C. Schneider, 8<sup>th</sup> ed., Pearson, 2017
2. *Information technology for managers* by G.W. Reynolds, 2<sup>nd</sup> ed., Cengage Learning, 2015
3. *Management information systems: managing the digital firm* by K.C. Laudon and J.P. Laudon, McGraw-Hill, 2019
4. *Information technology for management: advancing sustainable, profitable business growth* by E. Turban, L. Volonino, and G. Wood, Wiley, 2013

**Ocenjivanje:**  
Ocjena će biti formirana na sljedeći način:  
Aktivnost, domaći zadaci, testiranje na času – 30 %  
Kolokvij, 30 %  
Završni ispit, 40 %

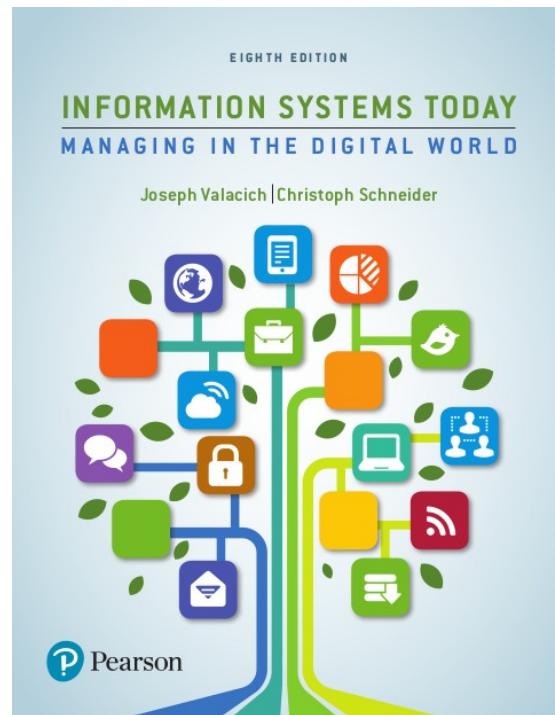
**NAPOMENA:** Ukoliko epidemiološka situacija ne bude dozvolila održavanje Kolokvijuma u prostorijama Univerziteta, postoji mogućnost da će se Kolokvijum i Završni ispit polagati integralno, odnosno kao ispltna aktivnost koja nosi 10% poena.

Aktivnost, domaći zadaci, testiranje na časovima:  
Od studenata se očekuje da ne samo pružajuće časopisna, već i da na njima aktivno učeštvoje postavljajući pitanja, rešavajući zadatke na tabli, odgovarajući na pitanja predavača i sl. Od studenata se očekuje da redovno rade zadatke za, ne samo zbog procjena ocjene koju ovi

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<b>PLAN RADA</b>					
	Nedelja:	Naziv metodološke jedinice za predavanja (P), vježbe (V) i ostale nastavne sadržaje (O): Planiranje i provjera znanja i vještina			
I 14.09.-20.09.	PV	Prezentacija predavača. Uvod u Upravljanje, prijemni i upis semestra.			
II 21.09.-27.09.	PV	Uvod u Upravljanje informacionim tehnologijama (IT). Dijelovi svijet i upravljanje.			
III 05.10.-29.09.	PV	Pregled tehnologija koje čine infrastrukuru informacionih sistema.			
IV 12.10.-18.10.	PV	Informacione tehnologije i konkurenca predmeta. Postovni modeli i inovacije na bazi informacionih tehnologija.			
V 19.10.-25.10.	PV	Upravljanje informacionih i uskogama na bazu informacionih sistema. Cloud tehnologije.			
VI 26.10.-01.11.	PV	Ekonomsko razvijavanje (e-commerce, e-government). Novi pravci i paradigme.			
VII 02.11.-08.11.	-	<b>SLOBODNA SEMESTRA</b>			
VIII 09.11.-15.11.	PV	Postavljajući ciljevi, uz primjenu velikih i kompleksnih skupova podataka (Big data). Analitička predavačica.			
IX 16.11.-22.11.	PV	Postovni informacioni sistemi. Unapređivanje postosnih procesa.			
X 23.11.-29.11.	PV	Projekti na zadatak.			
XI 30.11.-06.12.	PV	Uloga lica snabdijevanja i upravljanje odosaima sa misterijama u jačanju poslovnih odosa.			
XII 07.12.-13.12.	PV	Recepcija novih informacionih sistema.			
XIII 14.12.-20.12.	PV/OVD	Recenzija novih informacionih sistema i sigurnost podataka.			
XIV 21.12.-27.12.	PV/OVD	Prezentacija projekata.			
XV 28.12.-03.01.	Pz	<b>Završni ispit (ZB, ZB+12)</b>			
XVI	medijer	Ocjena semestra i listi ocjena			
XVII	medijer	Popravni ispitni rok			
XVIII	nedelja				

# Textbook

- Information systems today: managing in the digital world by J. Velacich and C. Schneider, 8 th ed., Pearson, 2017



# Additional Literature

- Information technology for managers by G.W. Reynolds, 2nd ed., Cengage Learning, 2015
- Management information systems: managing the digital firm by K.C. Laudon and J.P. Laudon, Pearson, 2017
- Information technology for management: advancing sustainable, profitable business growth by E. Turban, L. Volonino, and G. Wood, Wiley, 2013

# Additional Literature

- Scientific and technical **conference proceedings**
- Scientific and technical **journals**
- **Online courses** (respectable sources)
- Other **Internet sources**



# Testing and Grading

- Activities in class, testing, homework **30%**
- Midterm exam **30%**
- Final exam, project **40%**
- Midterm/Final exams require **75% attendance**

# Testing and Grading

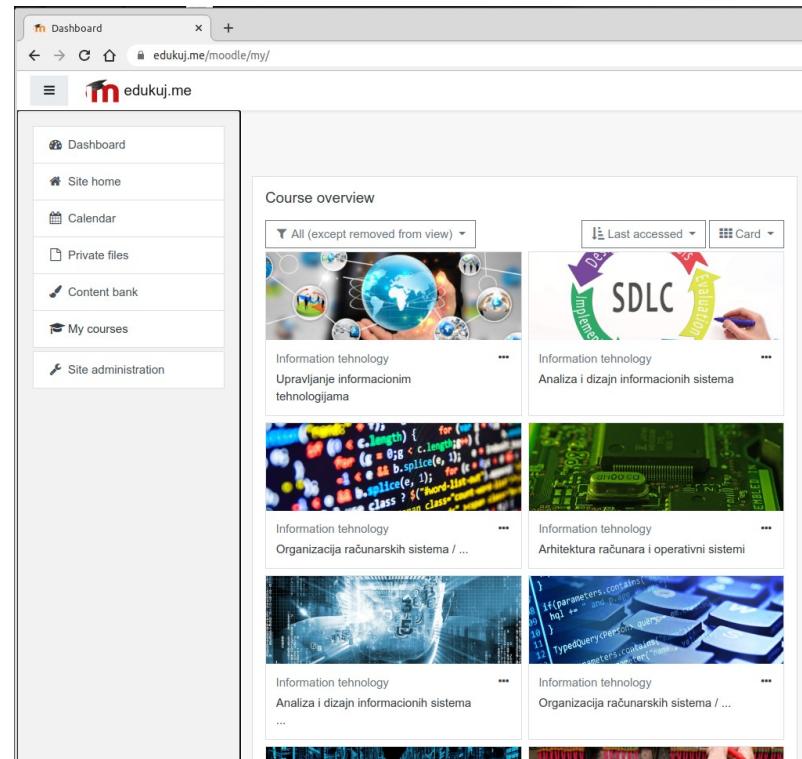
- 50-59 points » 6
- 60-69 points » 7
- 70-79 points » 8
- 80-89 points » 9
- 90-100 points » 10

# Homework assignments

- Essays
- Mini projects
- Final project

# LMS Platform - Moodle

- Online <https://edukuj.me>
- Possible use of Zoom, MS Teams, Google Meet



# Digital Transformation

- Integration of digital technology in all aspects of a business operation
- Changing the way how to operate business
- New perspective on delivering value to end users (customers)



source: <https://enterprisersproject.com/>

# Digital Transformation

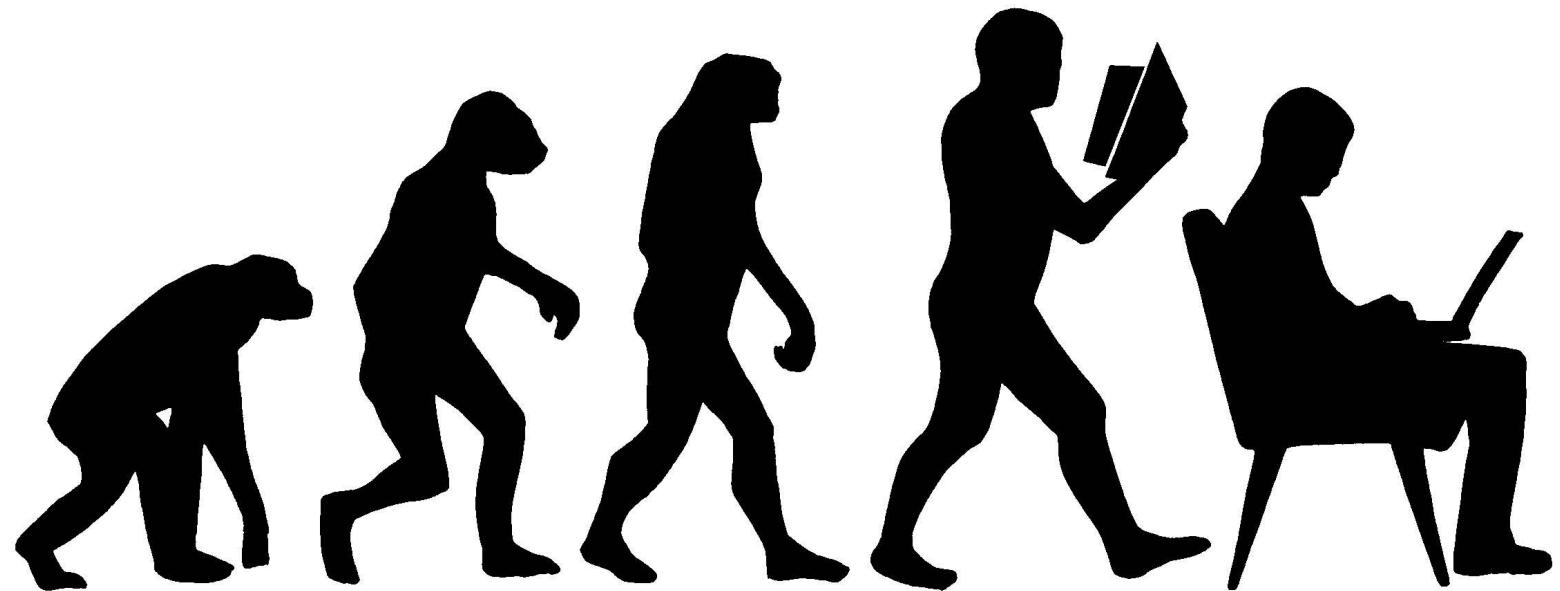
- You need to develop a deep understanding of this **process**.
- Your **course project** needs to address a challenge of digital transformation with a **concrete example**.
- **COVID19** as a driver for digital transformation.
- Several **ongoing projects** at UDG and in Montenegro.

# Course Project

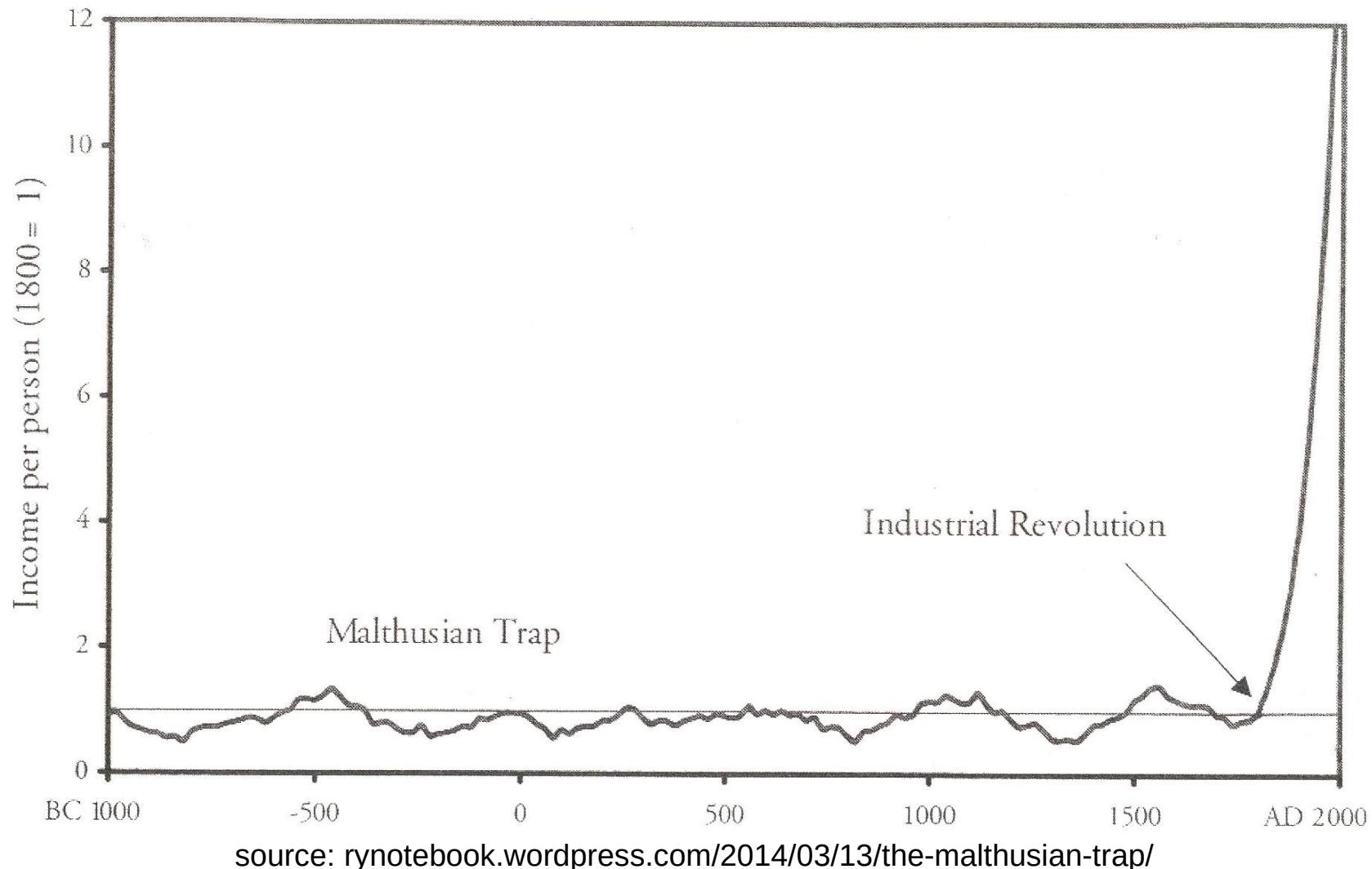
- High-performance computing (HPC)
- Artificial intelligence/ Machine learning (AI/ML)
- Questions:
  - Why is this important to us?
  - Technical aspects
  - Business aspects / Digital transformation

# Digital Transformation

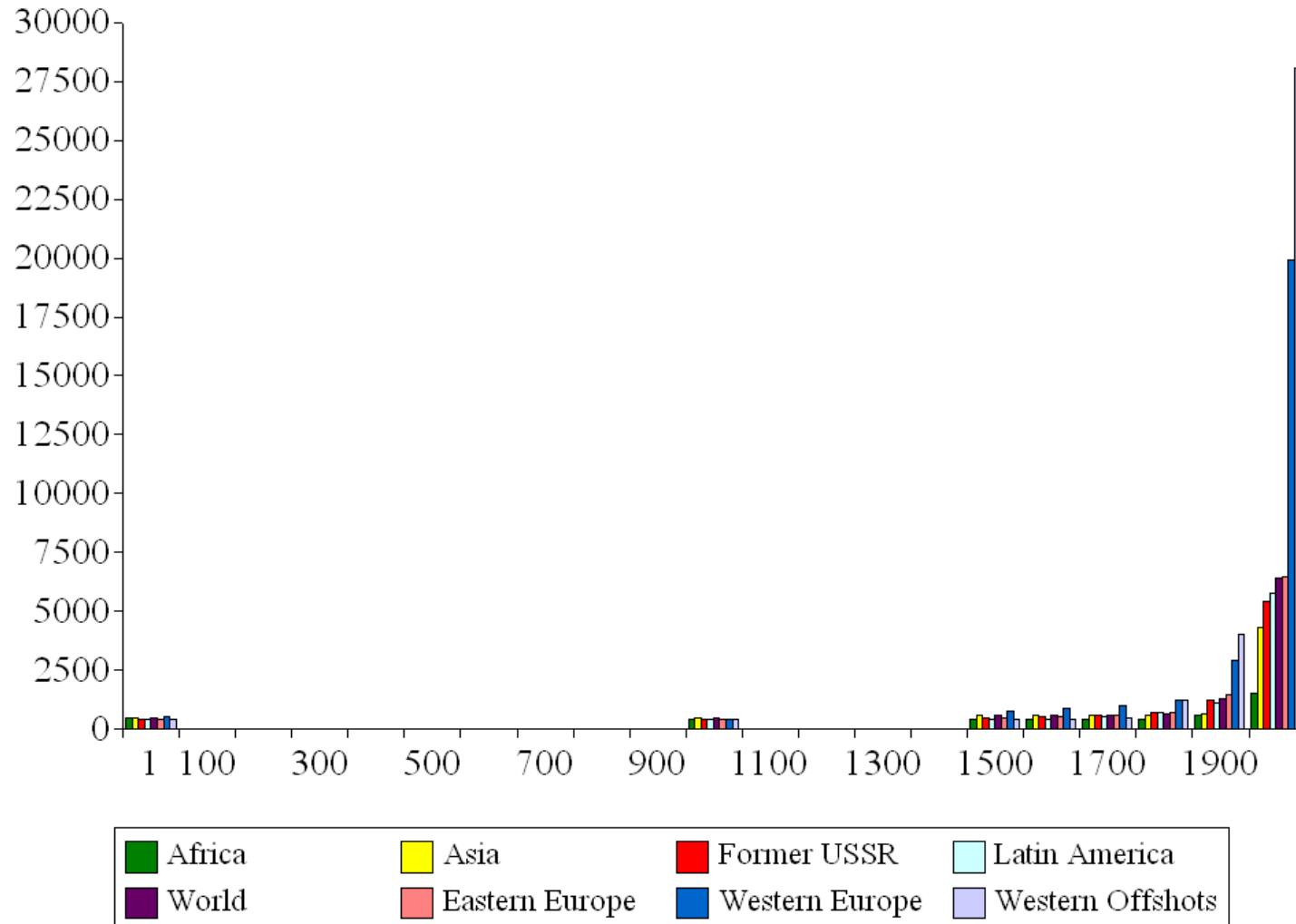
# Technology evolution



# Mathusian Trap



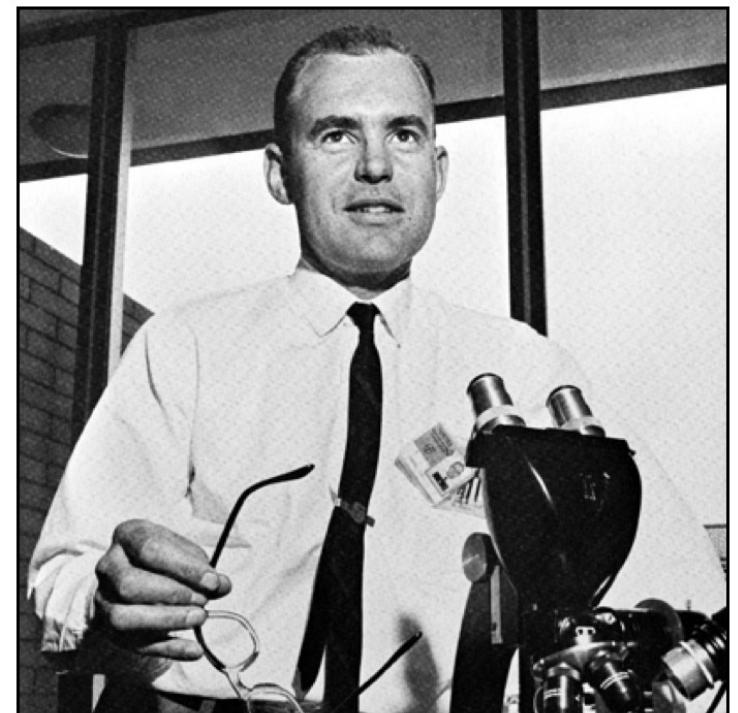
# Gross Domestic Product (0-2000)



# Moore's Law

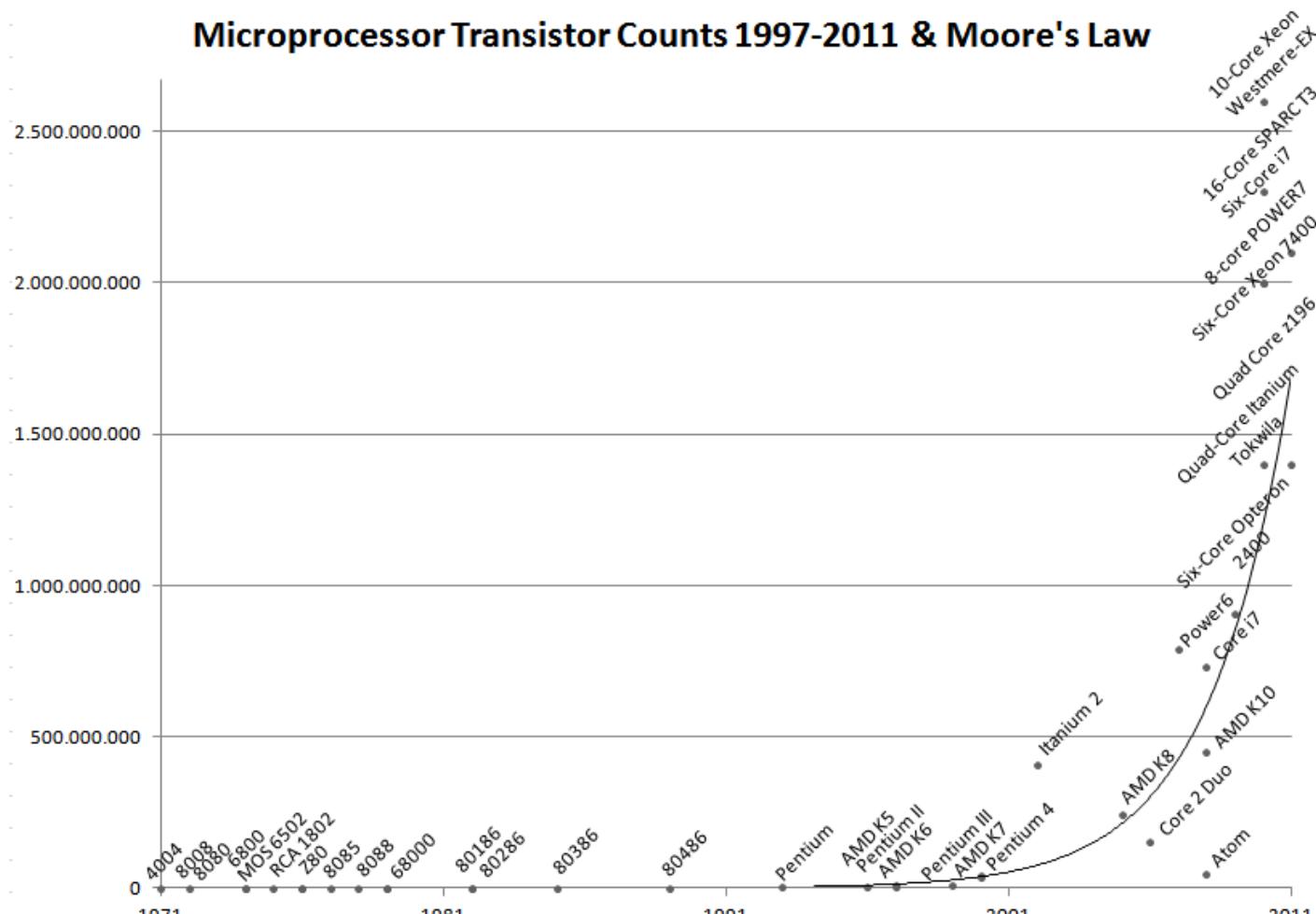
- the number of transistors in a dense integrated circuit **doubles about every two years**

Moore, Gordon E. (1965) "Cramming more components onto integrated circuits", *Electronics*, April 19, 1965, pp 114-117



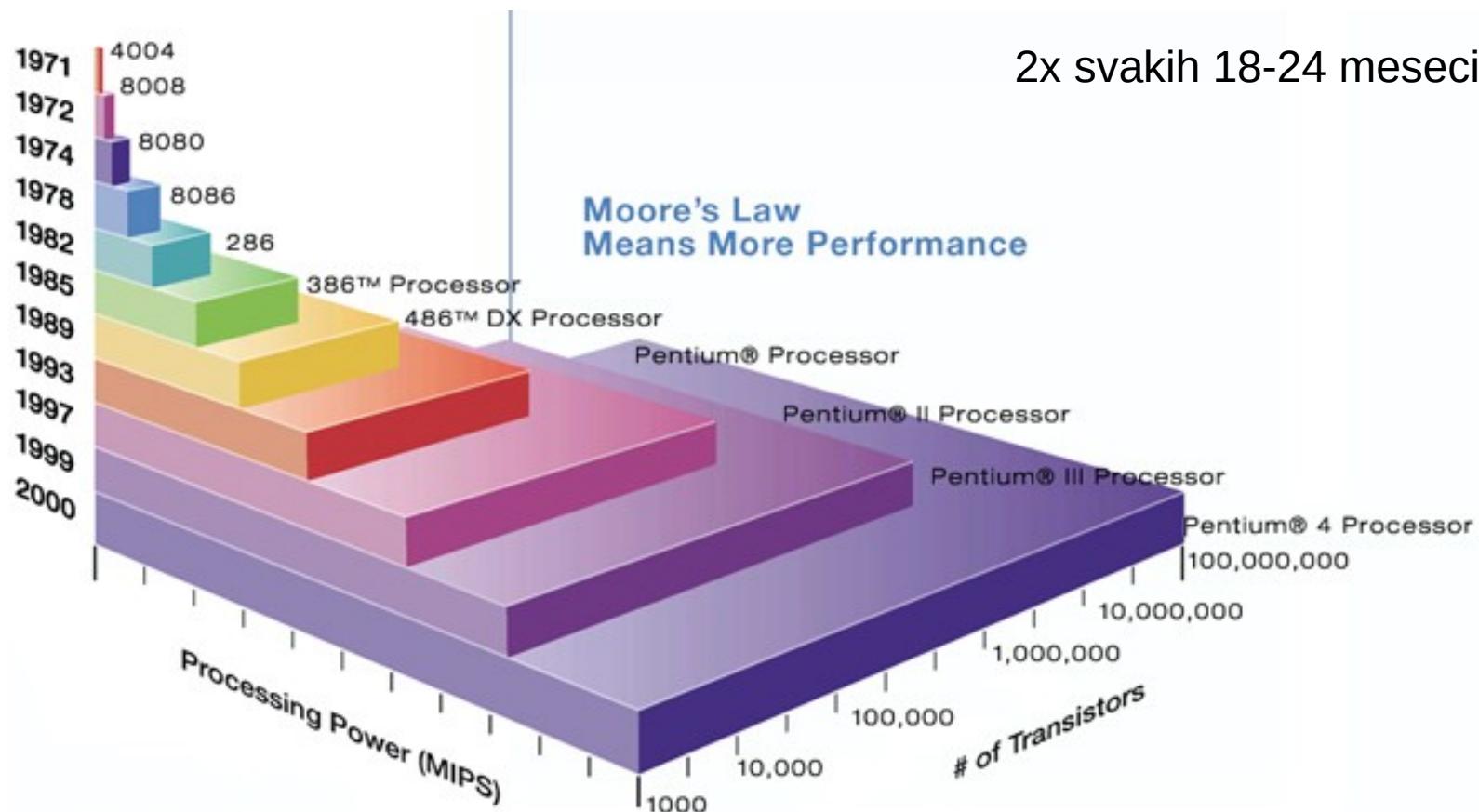
source: [www.computerhistory.org](http://www.computerhistory.org)

# Moore's Law



source: [www.hymax.co.za/the-power-of-moores-law/](http://www.hymax.co.za/the-power-of-moores-law/)

# Moore's Law vs. Performance



# Memory Capacity/Performance



1956, 3MB, 1t



2005

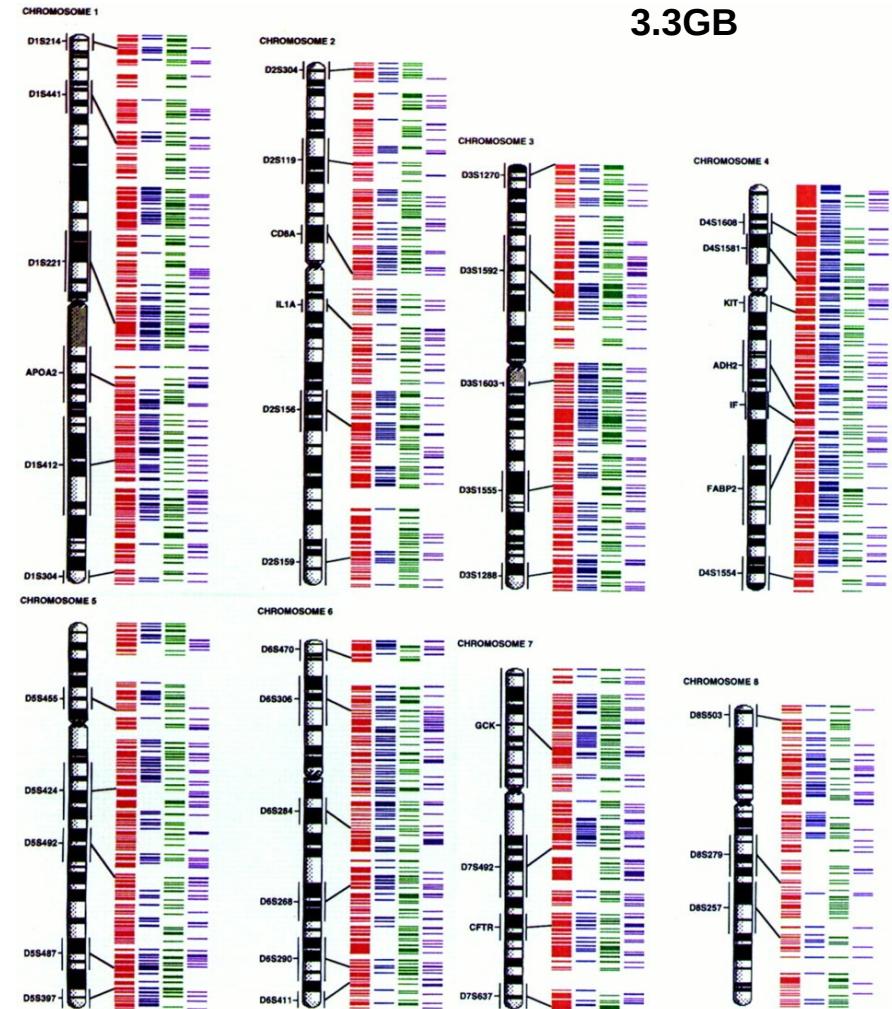
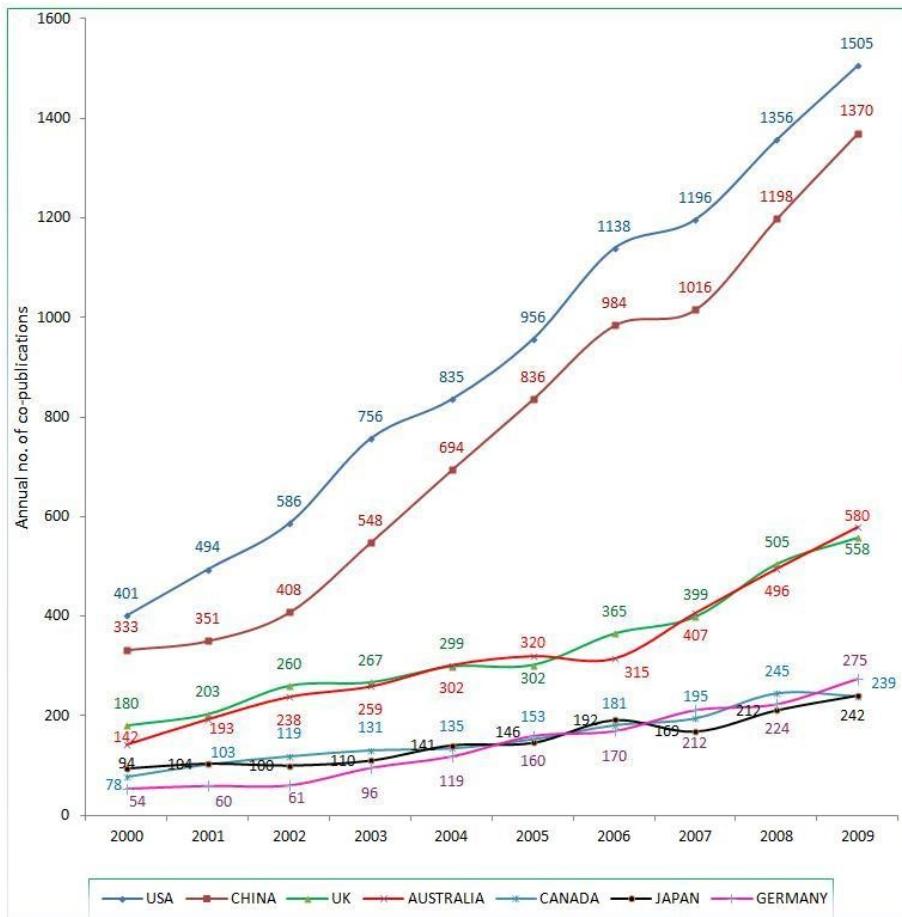


2014

# Personal Computers



# Science Development



3.3GB

source: genome.cshlp.org

# Linear vs. exponential

- 5 years, 32 times
- 10 years, 1000 times
- 20 years, 1000000 times
- 30 years, 1000000000 times
- **Singularity 2029-2045**



source: Time Magazine

# What Happens in an Internet Minute?



## And Future Growth is Staggering



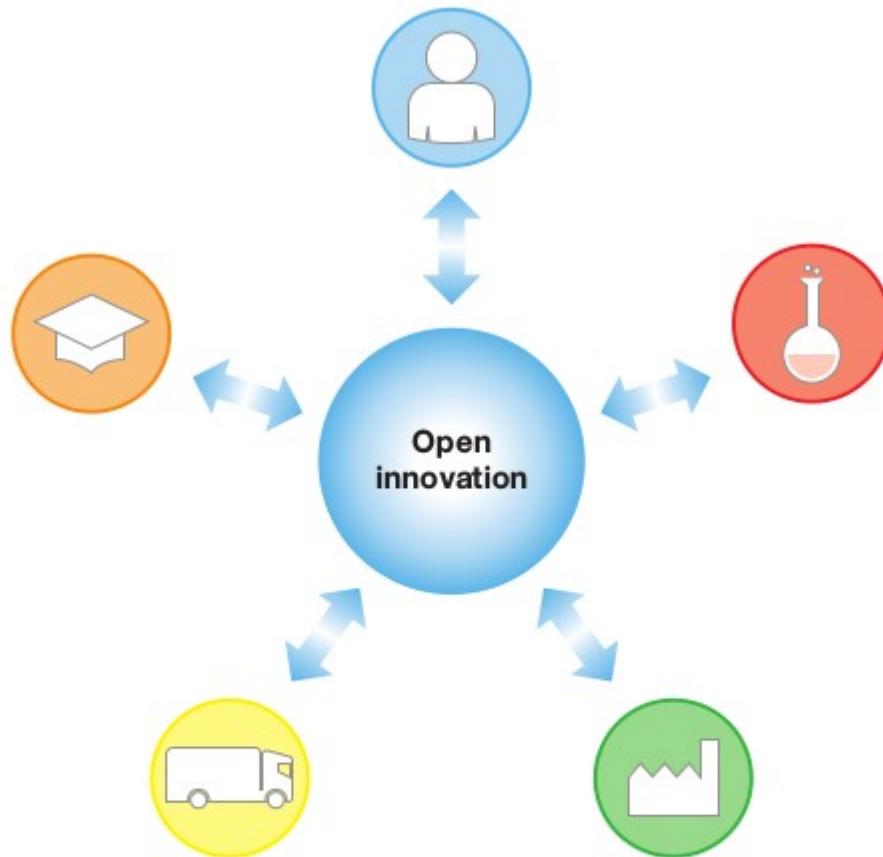
source: intel

# Open Source

- Internet and globalization, in 1990s
  - Linux operating system, development tools, applications, scientific computing
  - Wide presence in academia and industry



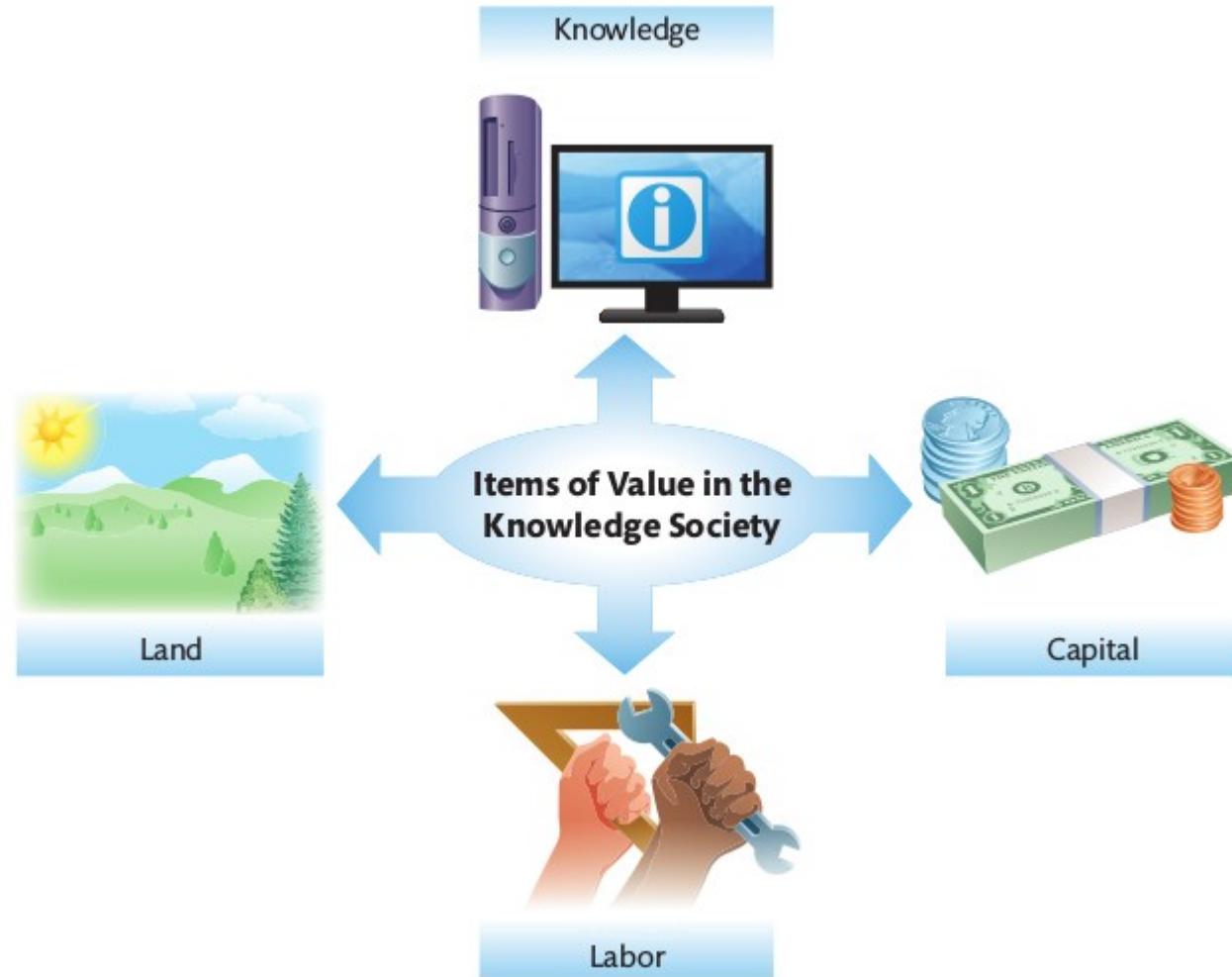
# Open Innovation



**FIGURE 1.1**

Open innovation entails opening up the innovation process to outside entities, including academia, individual innovators, research labs, other companies, or suppliers.

# Knowledge Workers/Society

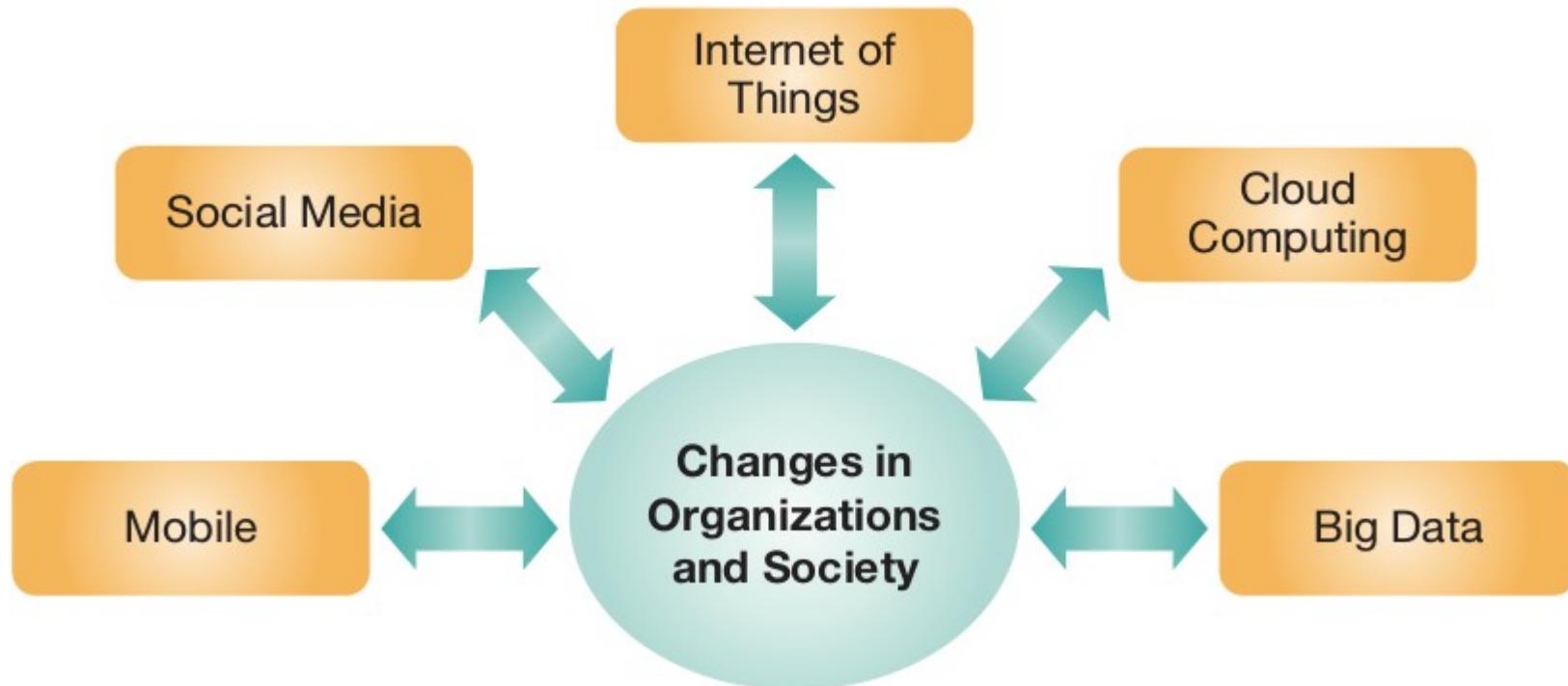


# Societal Issues in Digital World

- Demographics changes
- Urbanization
- Shift in economic power
- Resource scarcity
- Climate change



# Five IT Megatrends



# Megatrend 1- Mobile

- Real time
- Anywhere
- BYOD



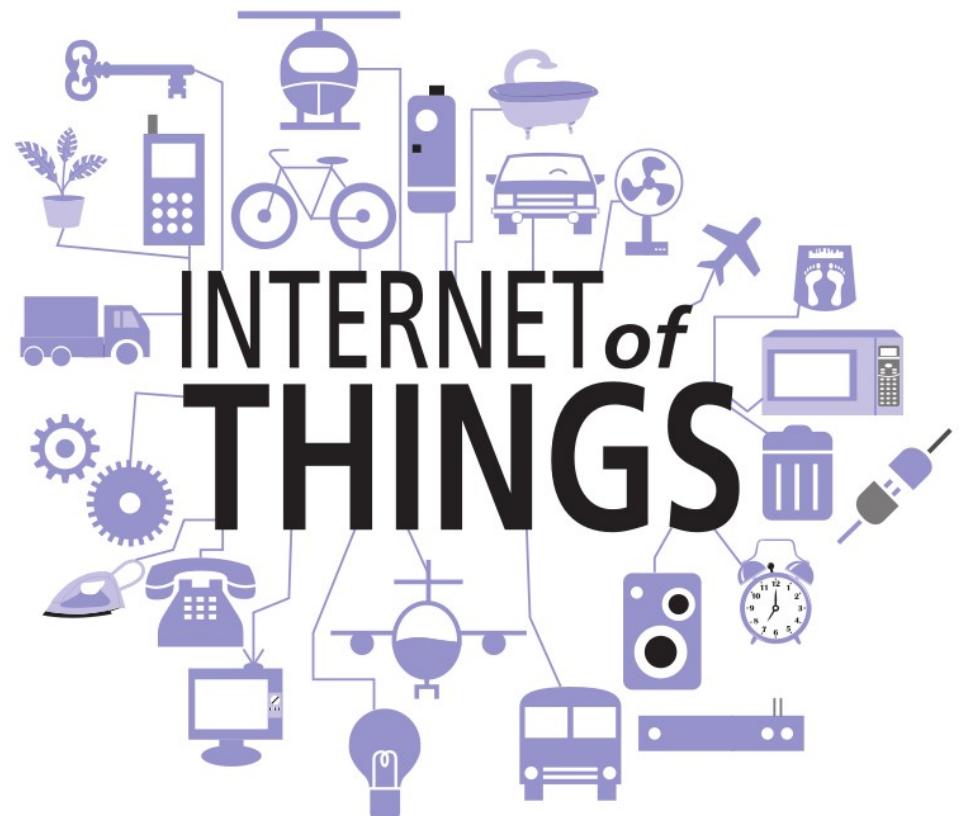
# Megatrend 2 - Social Media

- Network effect
- Used as platforms
- Shift in roles



# Megatrend 3 - Internet of Things

- Network of physical things
- Sensors
- Smart homes
- Industry IOT IIoT



# Megatrend 4 - Cloud Computing

- IaaS
- PaaS
- SaaS

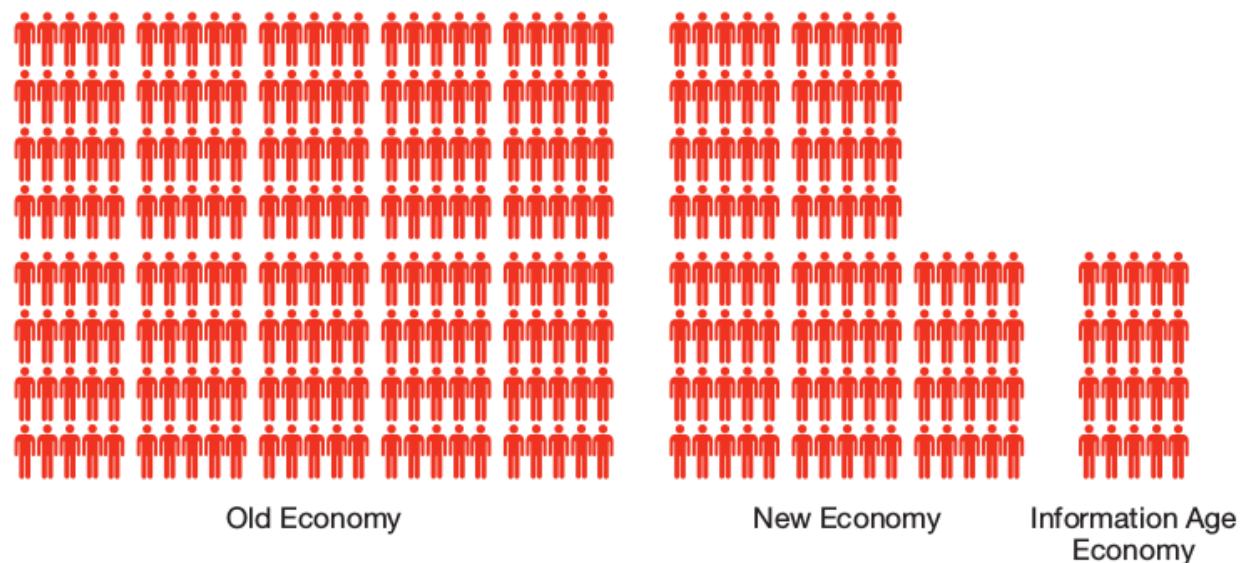


# Megatrend 5 - Big Data

- 24/7 connectivity
- Large and complex data sets
- High volume, variety, velocity

**FIGURE 1.11**

Companies in the Information Age economy are creating value not from people but from data.



# Information Systems



**FIGURE 1.12**

An information system is the combination of people and information technology that create, collect, process, store, and distribute useful data.

# Data, Information, Knowledge

Data	Information	Knowledge
465889727	465-88-9727	465-88-9727 → John Doe
Raw Symbols	Formatted Data	Data Relationships
Meaning: ----- ???	Meaning: ----- SSN	Meaning: ----- SSN → Unique Person

# Best Jobs in America (2015)

**TABLE 1.1** Best Jobs in America (2015)

Rank	Career	Job Growth (10-year forecast)	Median Pay (in US\$)
1	Software architect	23%	124,000
2	Video game designer	19%	79,900
3	Landman	13%	103,000
4	Patent agent	13%	126,000
5	Hospital administrator	23%	114,000
6	Continuous improvement manager	12%	96,600
7	Clinical nurse specialist	19%	89,300
8	Database developer	23%	88,200
9	Information assurance analyst	37%	96,400
10	Yoga instructor	13%	62,400

Source: Based on 100 Best Jobs in America, published by CNN Money, © 2016.

**TABLE 1.2** Some IS Management Job Titles and Brief Job Descriptions

IS Activity	Job Title	Job Description	Salary Range, in US\$, in Percentiles (25%–75%)
Develop	Systems analyst	Analyze business requirements and select information systems that meet those needs	63,000–80,000
	Software developer	Code, test, debug, and install programs	71,000–91,000
	Software architect	Create customized software for large corporations	98,000–130,000
	IT consultant	Provide IT knowledge to external clients	57,000–93,000
	Database developer	Develop, modernize, and streamline databases	57,000–68,000
Maintain	IT auditor	Audit information systems and operating procedures for compliance with internal and external standards	64,000–83,000
	Database administrator	Manage database and database management software use	75,000–99,000
	Webmaster	Manage a firm's website	59,000–80,000
Manage	IT manager	Manage existing information systems	95,000–126,000
	IS security manager	Manage security measures and disaster recovery	102,000–125,000
	Information assurance analyst	Ensure availability and security of information stored on networks and in the cloud	60,000–93,000
	E-commerce manager	Manage development, maintenance, and strategy related to e-commerce systems	97,000–126,000
	Chief information officer (CIO)	Highest-ranking IS manager; oversee strategic planning and IS use throughout the firm	213,000–316,000
	Chief digital officer (CDO)	Executive focused on converting traditional "analog" businesses to digital; oversee operations in rapidly changing digital sectors like mobile apps and social media	150,000–200,000
Study	University professor	Teach undergraduate and graduate students; study the use of information systems in organizations and society	70,000–180,000
	Government scientist	Perform research and development of information systems for homeland security, intelligence, and other related applications	60,000–200,000

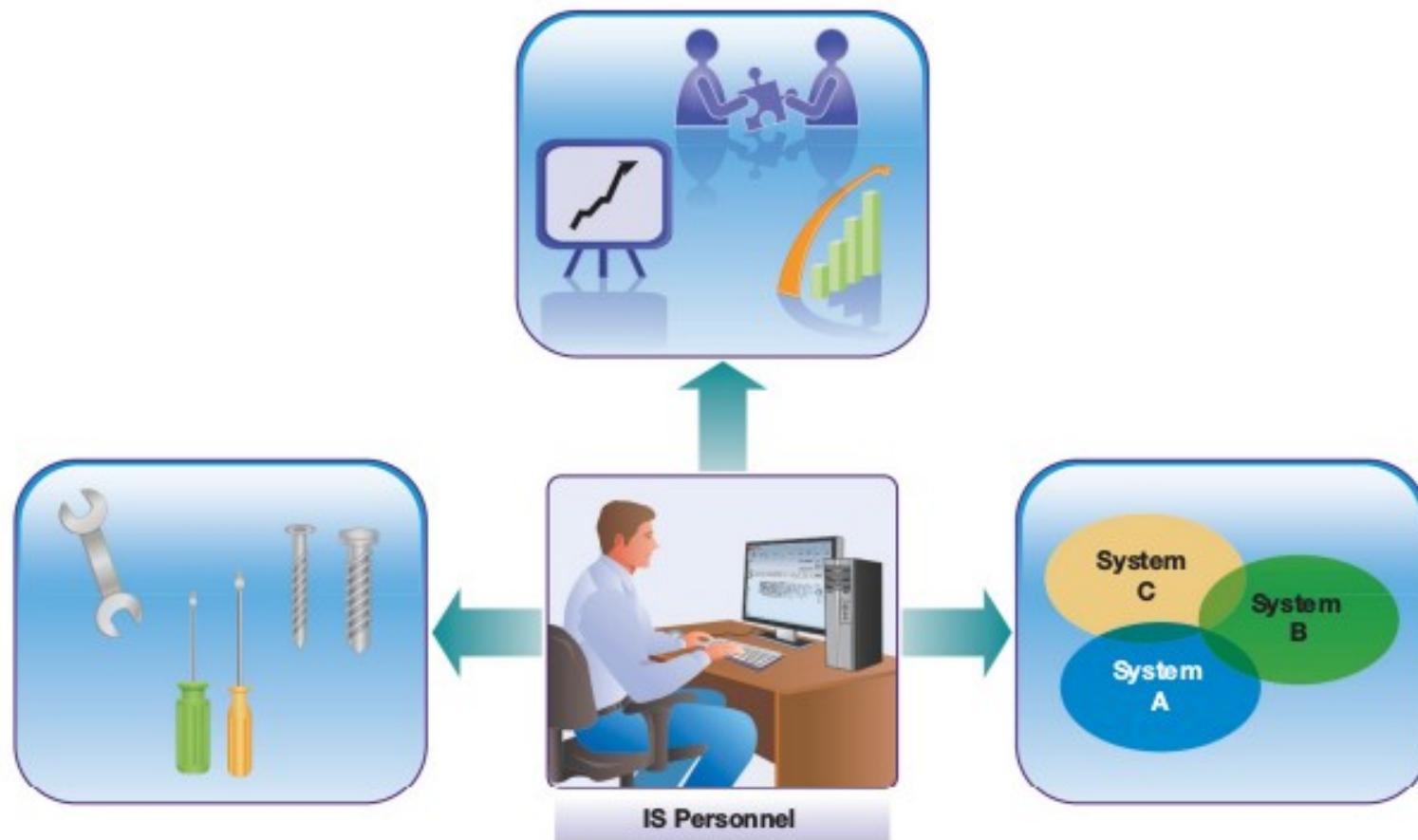
Source: Based on <http://www.salary.com>, <http://www.payscale.com>.

# IT Core Competencies

**TABLE 1.3** IS Professional Core Competencies

Domain	Description
<b>Technical Knowledge and Skills</b>	
Hardware	Hardware platforms, infrastructure, cloud computing, virtualization, peripherals, mobile devices
Software	Operating systems, application software, mobile apps
Networking	Network administration, cabling and network interface cards, wireless, Internet, security
<b>Business Knowledge and Skills</b>	
Business integration, industry	Business processes, functional areas of businesses and their integration, industry characteristics
Managing people and projects	Planning, organizing, leading, controlling, managing people and projects
Social	Interpersonal, group dynamics, political
Communication	Verbal, written, and technological communication and presentation
<b>Systems Knowledge and Skills</b>	
Systems integration	Connectivity, compatibility, integrating subsystems and systems
Development methodologies	Steps in systems analysis and design, systems development life cycle, alternative development methodologies
Critical thinking	Challenging one's and others' assumptions and ideas
Problem solving	Information gathering and synthesis, problem identification, solution formulation, comparison, choice

# Good IS Personnel



**FIGURE 1.14**

Good IS personnel possess valuable, integrated knowledge and skills in three areas—technical, business, and systems.

# Hot Skills (Near Future)

**TABLE 1.4** Hot Skills for the Next Decade

Domain	Hot Skills
Business	Business–IT alignment; business analysis; enterprise solutions; business process modeling; project management; third-party provider management; enterprise-oriented social media
Technology infrastructure and services	Virtualization; cloud computing/infrastructure as a service; cloud integration; serverless computing; systems analysis and design; network design; systems auditing; wireless; telecommunications/VoIP (Voice over Internet Protocol); database administration; data centers
Security	IT security planning and management; BYOD; governance, risk, and compliance; cybersecurity
Applications	Customer-facing application development; mobile app development; web development; open source; portal technologies; cloud computing; user experience; legacy systems integration; interface design; content management systems
Internet	Social media; customer-facing web applications; mobile apps; search engine optimization; artificial intelligence; web mining; Internet of Things
Business analytics/ data science	Business intelligence; advanced analytics; data warehousing; data mining; unstructured data analysis; Big Data

*Source:* Based on Broom (2016), Florentine (2015), Pratt (2015), Leung (2009).

**TABLE 1.5** Categories of Information Systems Used in Organizations

Category of System	Purpose	Sample Application(s)
Transaction processing system	Process day-to-day business event data at the operational level of the organization	Grocery store checkout cash register with connection to network, student registration system
Management information system	Produce detailed information to help manage a firm or part of a firm	Inventory management and planning system, student enrollment management
Decision support system	Provide analysis tools and access to databases in order to support quantitative decision making	Product demand forecasting system, loan and investment analysis
Intelligent system	Emulate or enhance human capabilities	Automated system for analyzing bank loan applications, self-driving car
Business intelligence system	Analyze Big Data to better understand various aspects of a business	Online analytical processing (OLAP) system
Office automation system (personal productivity software)	Support a wide range of predefined day-to-day work activities of individuals and small groups	Word processor, spreadsheet, presentation software, e-mail client
Collaboration system	Enable people to communicate, collaborate, and coordinate with each other	E-mail system with automated, shared calendar
Knowledge management system	Enable the generation, storage, sharing, and management of knowledge assets	Knowledge portal for finding answers to common questions
Social software	Facilitate collaboration and knowledge sharing	Social network, connecting colleagues and friends
Geographic information system	Create, store, analyze, and manage geographically referenced data	Site selection for new shopping mall
Functional area information system	Support the activities within a specific functional area of the firm	Planning system for personnel training and work assignments
Customer relationship management system	Support interaction between the firm and its customers	Sales force automation, lead generation
Enterprise resource planning system	Support and integrate all facets of the business, including planning, manufacturing, sales, marketing, and so on	Financial, operations, and human resource management
Supply chain management system	Support the coordination of suppliers, product or service production, and distribution	Procurement planning
Electronic commerce system	Enable customers to buy goods and services from a firm's website	Amazon.com, eBay.com, Nordstrom.com
Mobile app	Perform a particular, well-defined function, typically on a mobile device	Instagram, Snapchat, WhatsApp, Facebook app

# Dual Nature of Information Systems



# IS Ethics

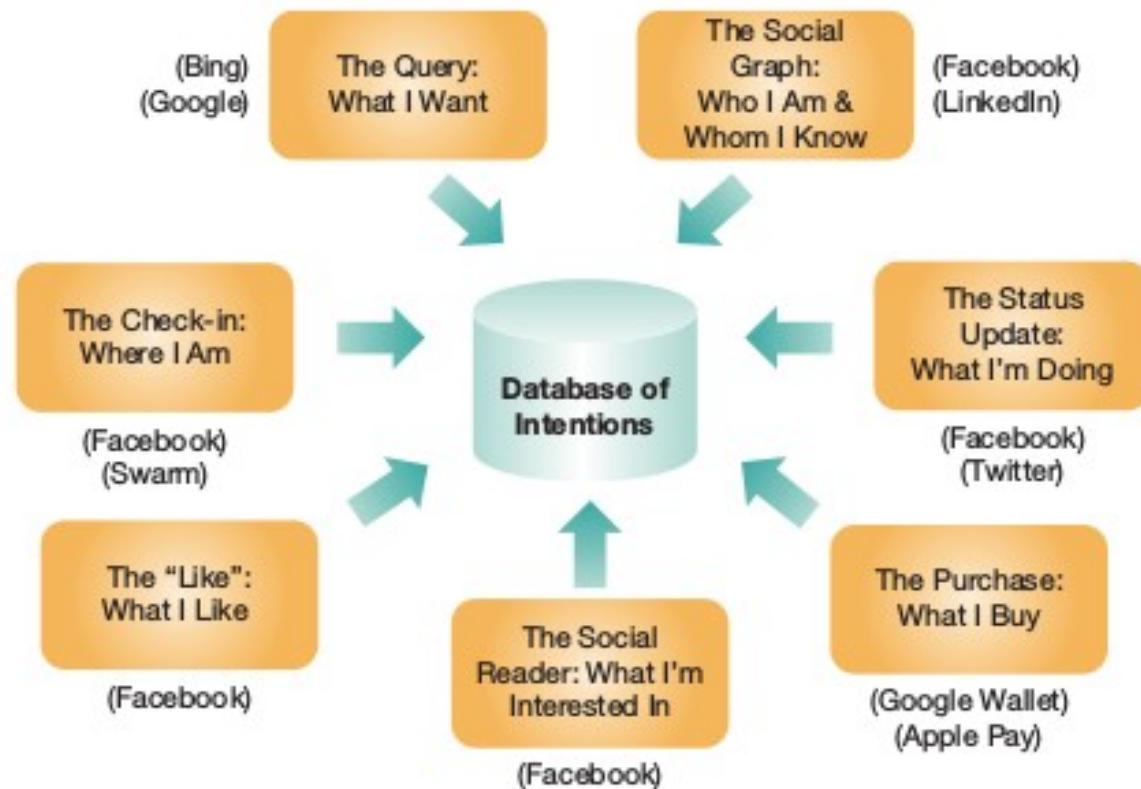
- Information privacy
- Intellectual Property
- The Need for a Code of Ethical Conduct

# Information Privacy

**FIGURE 1.19**

The database of intentions.

Source: Based on *The Database of Intentions is Far Larger than Thought* by John Battelle, published by John Battelle.



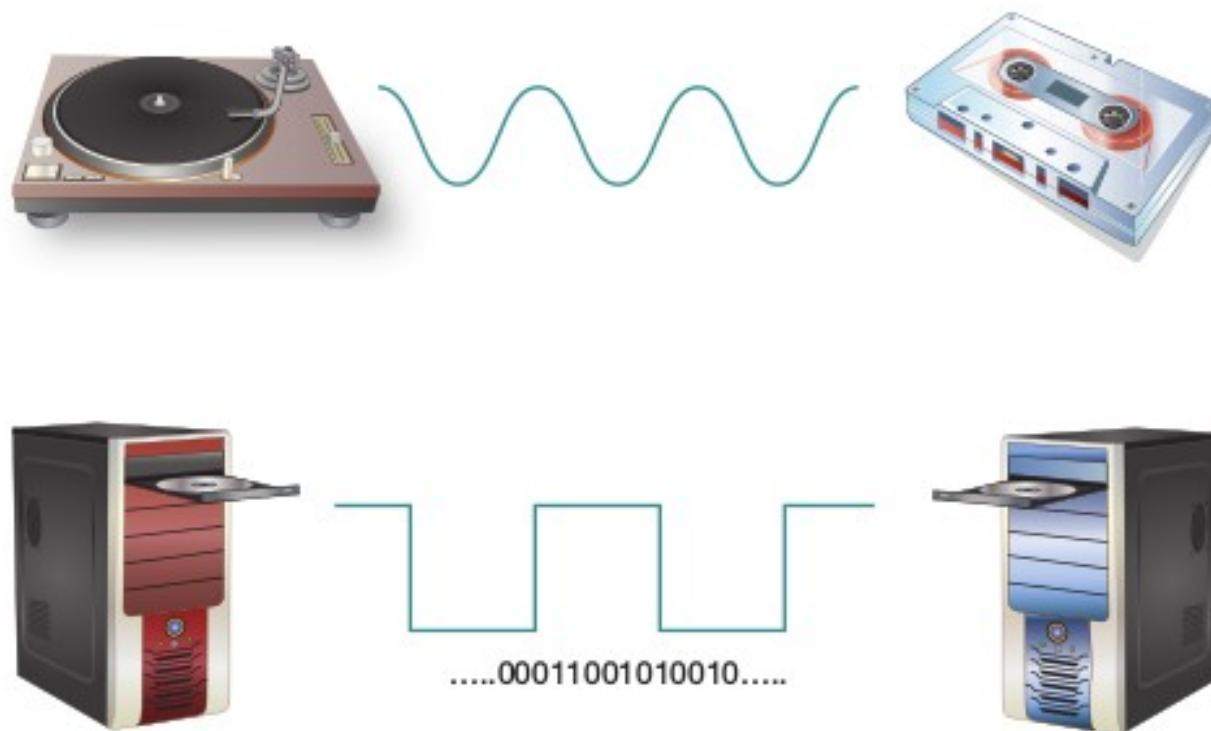
# Information Privacy Principles



# Intellectual Property

**FIGURE 1.21**

Digital media allows for lossless duplication.



# Responsible Computer Use

- Using a computer to harm others
- Interfering with other people's computer work
- Snooping in other people's files
- Using a computer to steal
- Using a computer to bear false witness
- Copying or using proprietary software without paying for it
- Using other people's computer resources without authorization or compensation
- Appropriating other people's intellectual output

In addition, the guidelines recommend the following:

- Thinking about social consequences of programs you write and systems you design
- Using a computer in ways that show consideration and respect for others

# Key Points

- Digital world, societal issues, IT megatrends
- Information system, data, technology, people, and organizational components
- Dual nature of information systems in the success and failure of modern organizations
- Computer ethics and ethical concerns, information privacy, intellectual property

# Project: HPC and AI/ML

- Why is this important?
  - **Philosophic** view, Industrial **revolution**
  - **Ethics**, Responsible use of technology
- Technical aspects
  - Do I have understanding and skills for this?
  - What can I **learn**, **apply**, **do** with this?
- Business aspects / Digital transformation
  - HPC/AI/ML and **Digital transformation**
  - **Radical innovation**

# References/Acknowledgements

- Information systems today: managing in the digital world by J. Velacich and C. Schneider, 8th ed., Pearson, 2017
- Information technology for managers by G.W. Reynolds, 2nd ed., Cengage Learning, 2015
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# Riječi

- Transformacija
- Migracija
- Digitalan

# Riječi

- Transformacija
  - ženski rod, pretvaranje, preobražavanje, preinačavanje, preobličavanje; preuobičenje, preuobičenost;
- Migracija
  - ženski rod, seoba, seljenje; seoba životinja, npr. ptica selica. (lat.)
  - ženski rod (računarstvo, biznis), prelazak sa jednog načina realizacije nekog poslovnog procesa na drugi, prelazak sa jedne verzije softvera ili hardvera na drugi (ili noviji).
- Digitalan
  - pridev, prstni, koji se tiče prstiju (noge i ruke)
  - pridev (računari), način za predstavljanje stanja objekata pomoću dva različita stanja, kao što su uključeno-isključeno, visoko-nisko ili dobro-loše; svi računari su digitalni pošto sadrže milione prekidača koji mogu biti u uključenom ili isključenom stanju