

Computer and Information Technology

Lecture 4:
Computer in Business

Business Before Computer

Information Technology (IT) has played a very significant role in taking businesses to new heights. Before the advent of computers and relevant technology, business were totally done using manual resources.

That is why back then:

- ☐ The time taken to complete a task **lengthy**
- ☐ Quality of work was **not** up to the mark
- ☐ The procedures also tended to be more **complicated**
- ☐ The target market was **small**
- ☐ New market discovery was not **easy**

The Impact of Computers in Business

The business process is under the IT revolution, which is transforming the way we do the business.

It is making revolutionary changes in:

- ✓ **Business Operations**
- ✓ **Business Decision Making**
- ✓ **Customer Services**
- ✓ **Marketing Strategies**
- ✓ **Financial Management**
- ✓ **Human Resources Management**
- ✓ **Research and Development**

Most of our current day business operations are dependent on computers either partially or entirely.

So Why Use IT in Business?



- Efficient Business Operations
- Better Managerial Decision Making
- Gaining Competitive Advantage.
- Business Process Re-Engineering
- Solving Business Problems
- Globalization of Business
- Spontaneous Activity
- Office Automation
- Communication & Collaboration
- Electronic Commerce
- Interactive Marketing Etc.



Major Fields in Today's Business Where Computers are Largely Used

1. Inventory Control and Management

Inventory control and management is a crucial process, especially in establishments related to retail and production. Computers are used for recording all aspects of the inventory:

- Goods coming in
- Goods going out
- Details of goods and services
- Reservation and distribution of stock
- Storage details

In small retail and production firms, simple computer software are generally used. Whereas in large corporations, Enterprise Resource Planning (ERPs) are employed.

Major Fields in Today's Business Where Computers are Largely Used

2. Accounts and Payroll Management

Accounting and payroll management is also believed to be an important part of the overall system in a company. Be it any kind of industry; computers are largely used for the purpose of managing accounts of administration, sales, purchases, invoices, and also payroll management, which includes recording financial details of employees. These are just some components of the accounts and payroll management system where computing is used.

Tally, On Pay, Quick Books Payroll, Patriot Payroll, Sure Payroll, Gusto, Fresh Books, Sage One, Wave, Bill Quick, etc. are some typical examples of software available in market to serve above mentioned purposes.

Major Fields in Today's Business Where Computers are Largely Used

3. Database Management

Database management is associated with filing and recording, managing, and retrieval of data whenever required. For smooth running of businesses, it is very important that they have all procedures and details stored. This storage of data is done with the help of large databases and servers which have to be maintained on a regular basis. These information databases and servers are controlled by computers by appropriate authorities in a company.

Solar Winds Database Performance Analyzer, Oracle RDBMS, IBM DB2, Altibase, Microsoft SQL Server, SAP Sybase ASE, Teradata, ADABAS, etc. are few examples of popular database management programs to process offline and online data.

Major Fields in Today's Business Where Computers are Largely Used

4. Software Development

It can be said that for every computing need, a software has to be used. Software can only be made using computers for the purpose of helping businesses to combine processes and carry out their work properly. Now these software fall into two broad categories:

- Entertainment/Daily need type software
- Software to be used in business operation

Apart from software discussed already, nowadays ERPs are largely used in business to blend all their processes together and execute the output as expected. And there are many other software and application packages that a business requires to use according to the nature of their work. This new product line of software requires a new field of business we have labelled as Software Development.

Other Phases in Business Where Computer Plays Vital Roles

5. Communication/Networking

The world may have grown smaller in the internet age, but only because the power of communication has grown by leaps and bounds. The top computer uses in business include e-mail communication, and networking such as video and web conferencing, intranet, extranet, social networking, and various other online chat tools. Even faxing has become increasingly obsolete in light of new technologies.

Now a days, having a website is more important than having a physical office space.

Other Phases in Business Where Computer Plays Vital Roles

6. Product Search/ Market Research

Computers have provided us with instant access to a world of information. To stay competitive, businesses must utilize search engines such as Google or yahoo to obtain real time information and news and conduct research to find new line of products or services that may get accepted by their current target market. This product research just does not stop here. Internet is also used to look for new market of consumers where a newly developed product may see satisfactory rate of sales.

Other Phases in Business Where Computer Plays Vital Roles

7. Online Payment

Now that we have computers and internet everywhere, cash less transactions are the most prominent form of money exchange. Bank to Bank, Bank to Customer and Customer to Customer transactions are taking place via online banking. Visa, Mastercard, PayPal, etc. are handling millions of transaction in every minute around the world.

In our country, people with very basic knowledge of banking are using mobile banking services like bKash, Rocket, Ukash, Nagad, etc. every day for retail purchases, online payments and money sending.

Other Phases in Business Where Computer Plays Vital Roles

8. Storage, Archival and Retrieval of Business Documents

Thousands and thousands of manuscripts, files, charts or other documents can be stored on a tiny microchip. In the old days, businesses needed file cabinets or warehouses to store pertinent records and data. Today, data management is easy, thanks to computers and computer products that enable businesses to organize, store, and easily retrieve critical information.

9. Design and Presentation

Just a few short decades ago, artists were still creating business documents by hand. The advent of graphic design, digital photography and printing technology has enabled businesses to display information more clearly and artistically.

Other Phases in Business Where Computer Plays Vital Roles

10. Word Processing

Word Processing, for letters, memo, manuscripts, proposals, etc. has revolutionized the business world. Today, many professionals would actually feel lost without simple editing tools such as spell check.

11. Telecommuting and Remote Business

Portable laptop computers, smart phones, wireless internet, VPN and online meeting tools are the wave of the future when it comes to computer uses in business. Today, business can be conducted remotely from almost anywhere. Employees can work from home when it demands. VPN even allows these employees to use their office intranet.

Other Phases in Business Where Computer Plays Vital Roles

12. Marketing

So much of marketing has gone online. Social media marketing, website development, blogging, vlogging, advertising through commonly accessed websites, e-newsletters have all become swift means of marketing in an increasingly globalized society.

13. E-learning and Web-based Training

Electronically supported training programs are made possible by computers. Educational software, web training programs and virtual classrooms are all highly utilized in the business world, enabling professionals to learn new skills to advance their careers.

Other Phases in Business Where Computer Plays Vital Roles

14. Customer Interaction

Computers now assist human call centers with answering customer questions, taking payments and providing general assistance. The automated voice systems are available with unrestricted hours and are always friendly.


15. Hiring New Employees

Now a days almost every company website has tab where new job openings are posted. Candidates can learn about job requirement and sometimes can directly apply through web portal. Presently companies providing candidates to those in needs and also collecting online resumes of job expecting candidates are not so uncommon who run their operation via web portal and online database.

Impacts of Information Technology

Now that we use IT in every phase of business, let's check its impact on business and in our life.

- ✓ Increased Production
- ✓ Faster Operation
- ✓ Improved Communication
- ✓ Improved Data Storage and Management
- ✓ Improved Financial Management
- ✓ Improved Relationship with Customers
- ✓ Competitive Environment in Business
- Implementation Expenses
- Job Elimination
- Security Breaches



Thank You for Your Patience
Stay Home, Stay Safe
Always put on a mask when
you are in public!

