


# Information System for Managers

**Asif Rampurawala**

**“WHAT SCULPTURE IS  
TO A BLOCK OF MARBLE,  
EDUCATION IS TO A  
HUMAN SOUL.”**

**JOSEPH ADDISON**

*be UN*

A black and white close-up portrait of Nelson Mandela, showing his face from the nose up. He has a gentle expression with a slight smile. His skin is wrinkled, and his eyes are looking slightly to the side.

“Education is the most  
powerful weapon which  
you can use to change  
the world.”

- Nelson Mandela

Tell me and I forget.

Teach me and I  
remember. Involve  
me and I learn.

- ***Benjamin Franklin***

# PROGRESSIVE OVERLOAD

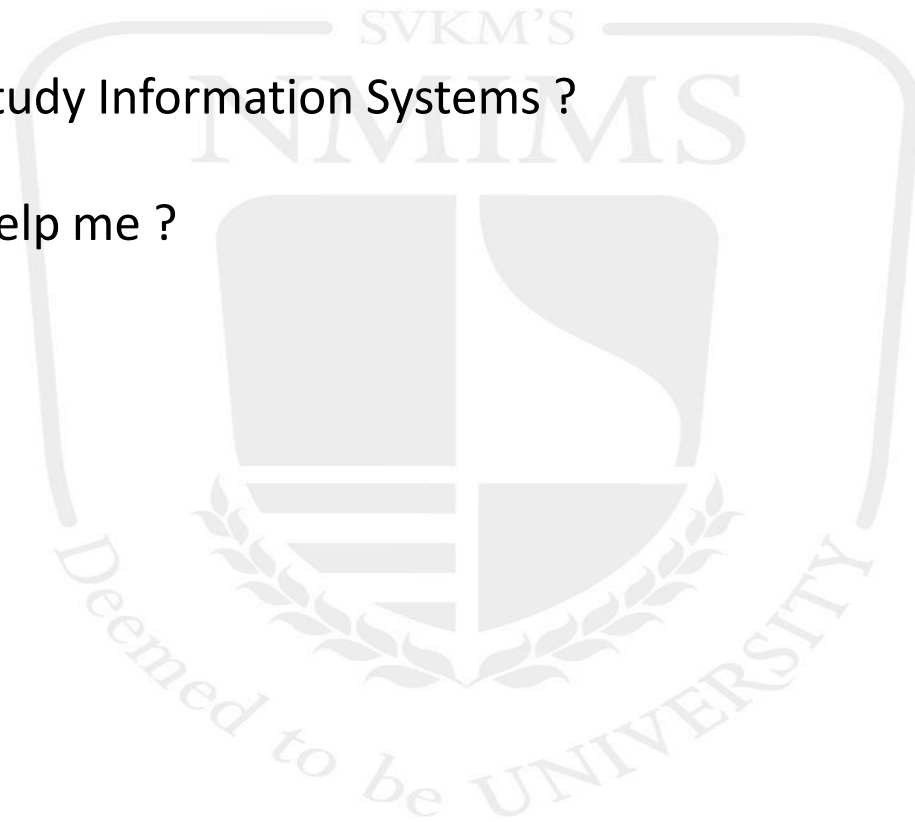


## INCREMENTAL APPROACH

## A few Questions Plaguing your mind

Why do you need to study Information Systems ?

How will this course help me ?




## Topics to be covered



- Organizations and Information Systems




- Concepts of Management Information Systems



- Electronic Commerce, Electronic Business, Electronic Governance




- Managing Green IT and Smart Cities




- Information Technology Infrastructure and Choices



- Cloud Computing and Internet-of-Things




- Information Systems Security and Control



- Information Systems Development and Project Management



- Managing Data Resources



- Business Process Integration and Enterprise Systems

# Organizations and Information Systems

Chapter 1



# Objectives

1

- Overview of the modern organisation

2

- Understand information systems in organisations

3

- Managing information systems in organisations

# CASE STUDY – TATA MOTORS



**NETWORK OF OVER 2,000 VENDORS**

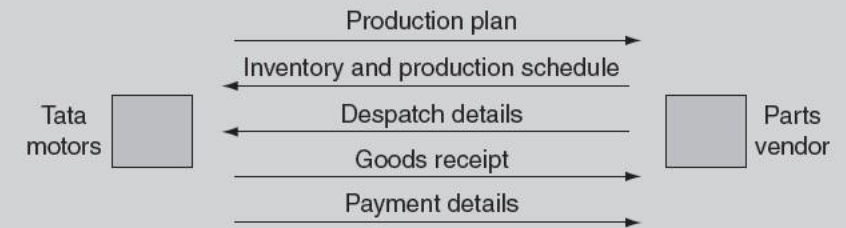
**IS = SUPPLY CHAIN MANAGEMENT SYSTEM**

**HELPED REDUCE PAYMENT PROCESSING TIME FROM 48 HOURS TO 24 HOURS**

**100 PASSENGER CARS**

**DOOR HANDLES**

- 1) **INFORMS PRODUCTION SCHEDULE  
PRODUCTION PLAN (HOW MANY ITEMS  
NEEDED?)**
- 2) **SUPPLIER WILL EVALUATE HIS OWN  
INVENTORY**
- 3) **SUPPLIER DESPATCHES TRUCK (SHIPPING  
INVOICE)**
- 4) **RECEIPT OF TRUCK & CROSS CHECKING**
- 5) **QUALITY CHECK ON RECEIVED PARTS**
- 6) **ALERT TO ACCOUNTING SYSTEM TO RELEASE  
PAYMENT**
- 7) **PAYMENT SYSTEM ALERTS BANKS TO**




**Figure 1.1: Exchange of Information between Tata Motors (TM) and its Parts Vendor. The Diagram only Shows Information Flows and not the Flows of Physical Goods.**

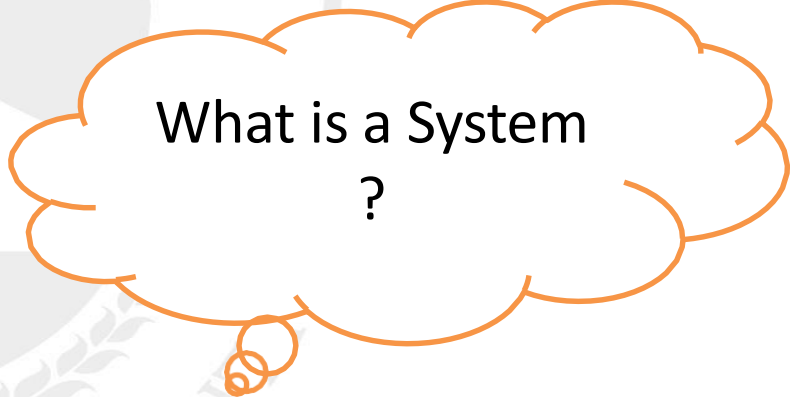


# Introduction

An organized set of seemingly related data  
Method, or process of grouping things together



What is  
Information ?



What is a System  
?

What is an Information System ?

- A set of interrelated components that collect, manipulate, store, and disseminate data and information and provide a feedback mechanism to meet an objective.
- Information Systems (IS) are collections of computers, networks, software and people who create, store, modify and distribute data and information in any organisation.

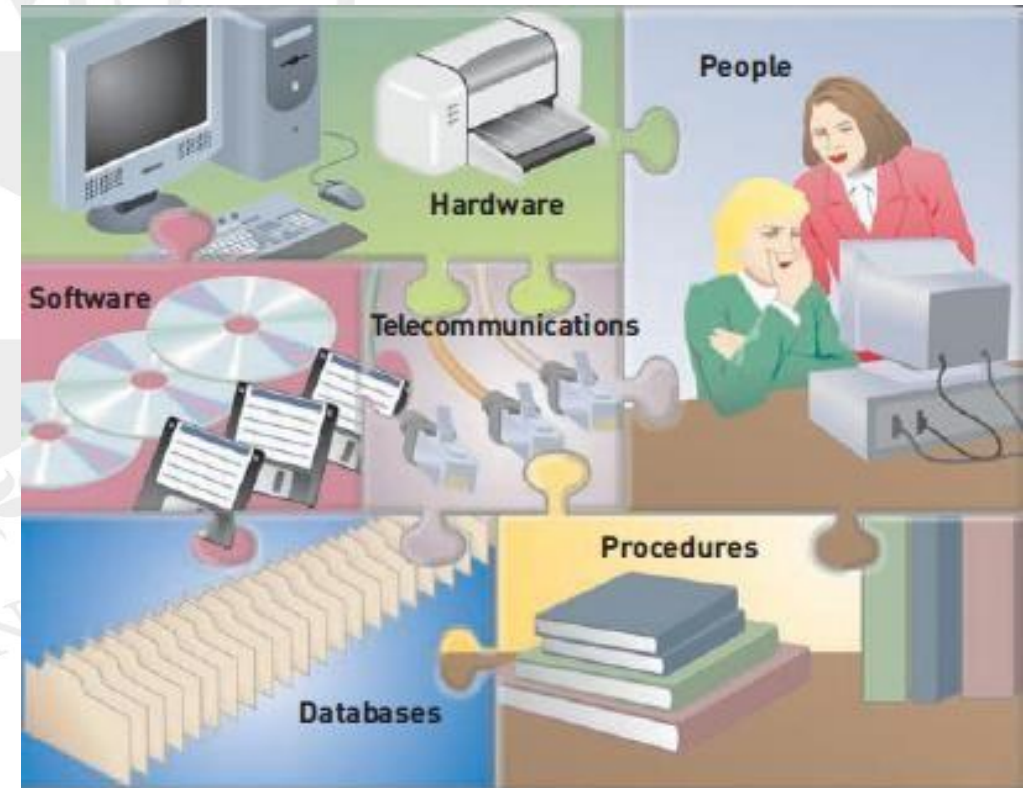
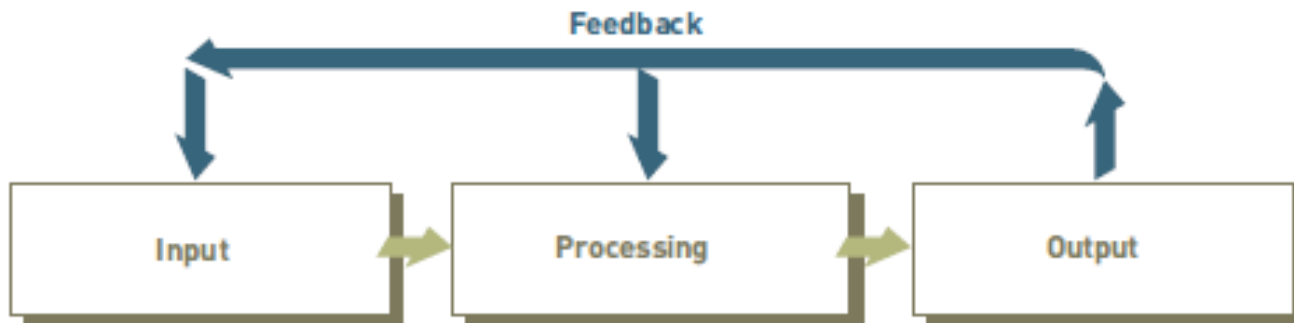
# What is an Information System ?

## Definition :

A computer-based information system (CBIS) is a single set of hardware, software, databases, telecommunications, people, and procedures that are configured to collect, manipulate, store, and process data into information

Information Technology (IT) are the artefacts such as computers, software and networks that constitute the IS.

## Components of a computerized Information system :



## Types of Organizations

1

- IT Enabled Organization

2

- Networked Organization

3

- Dispersed Organization

4

- Knowledge Organization



## IT - Enabled Organizations

Organisations are collections of people with shared goals

Has people or members who are engaged in activities for a common purpose

Organisations have many purposes

- Make cars
- Inform citizens
- Ferry passengers



# Networked Organization

Organisations are collections of people with shared goals

Organisations are on digital networks linking them to others : Internet, Telecommunication

Requires sensing and responding to information flowing on the network

Responding to the continuous flow of information also requires the organisation to adjust to meet the challenge



Source: <https://www.livemint.com/Politics/1P3kQo6cvnIGytjQHsWbWP/Schools-bet-big-on-virtual-classrooms.html>



# Food Delivery Apps

**zomato**

**Uber  
Eats**



## ORDER FREQUENCY IN SMALL TOWNS LIKE PATIALA, KOTA IS HIGH



Total sales by online food delivery players increased from **\$750 million** in 2017 to **\$1.7 billion** in 2018

**AVERAGE  
ORDER VALUE**  
IN TOP 7 METROS

**₹300**

**SMALLER TOWNS**

**₹150-200**

Swiggy is present in **102 cities**. Was adding 1 city every 2 months till early 2018. Now adding 1 city every 2 days



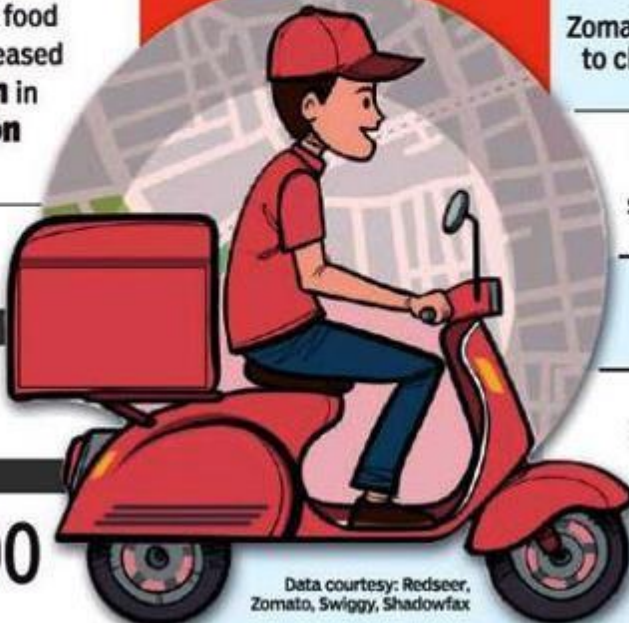
Zomato is in **165 cities** and plans to close March with a presence in **200 cities**

Kota, a town dominated by tech-savvy students, has seen **10%** of population use Swiggy in 2 months

For Zomato, Patiala does as many orders **per lakh** people as Bengaluru

Anand, in Gujarat, does three times orders **per lakh** population as compared to Delhi NCR for Zomato

Snacks more popular in smaller towns as compared to metros



Data courtesy: Redseer, Zomato, Swiggy, Shadowfax

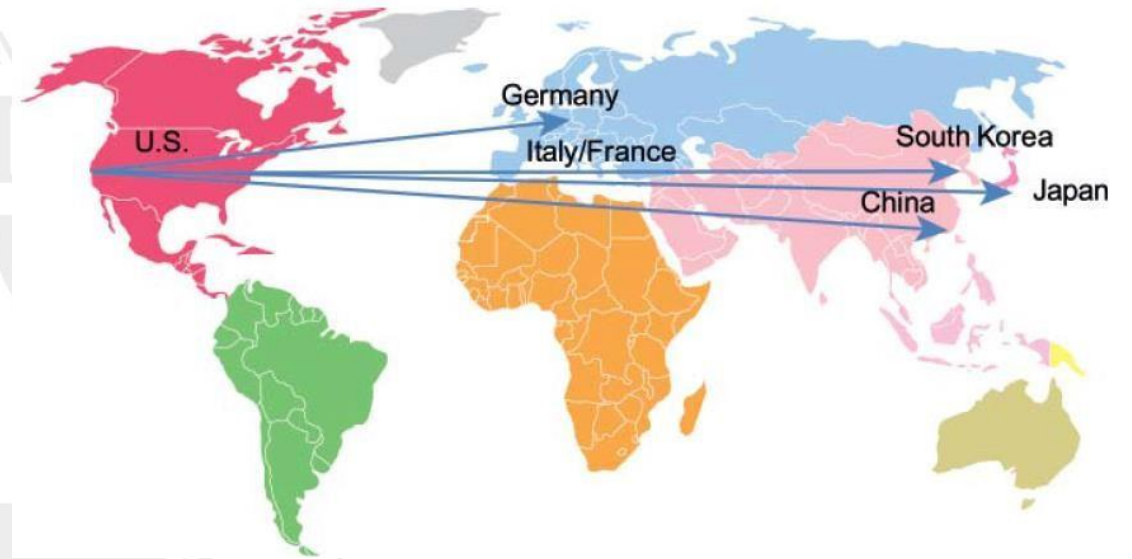




## Dispersed Organization

Organisations are highly dispersed: they have operations and offices in many cities within the same country and also abroad

Firms disperse their operations to best meet customer needs or locate where resources are available



**Apple iPhone's Global Supply Chain**

# Knowledge Organization

Modern organisations consist of **knowledge workers** – whose main job is to access and deal with knowledge and information

A major task of modern organisations is to process information

Knowledge Base :- Information stored, processed and converted in to a form that can be used by organizations



# WHAT ARE INFORMATION SYSTEMS?

Information systems are collections of computers, networks, software and people who create, store, modify, and distribute data and information in any organisation.

Computers and information technology (IT) are key ingredients of modern information systems (IS).

IT v/s IS

Information Technology	VS	Information Systems
IT is the study, design, implementation, support or management of data within an information system.		IS refers to an entire set of information: not only the technology involved, but the people & process as well.

## Managing in the Internet Era

Organisations have to create a presence on the Internet

Challenge for organisations – find and use most relevant and useful data

The Internet presents many security challenges



<https://www.bbc.com/news/business-48905907>

<https://blogs.vmware.com/euc/2017/04/mobile-apps-steal-data-appthority.html>

# The IT Interaction Model

Challenge of managing IS in organisations

Organisations do not remain static; they have to change to respond to the environment

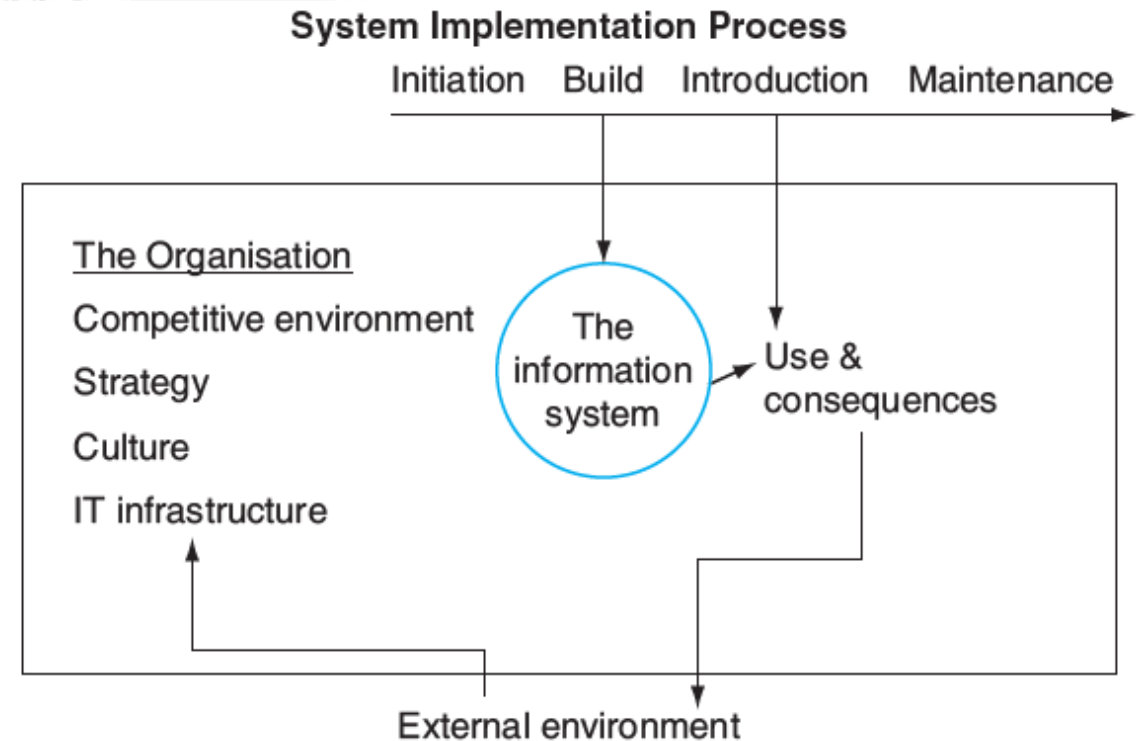
IS too continuously evolves

Important to understand how IS and organisations interact

When an organisation builds an information system, the system may be

Used or not used

Which may lead to positive or negative outcomes  
e.g. payroll system)



## The IT Interaction Model (Contd)

Outcomes will have

First-order effects :

Outcomes that arise as a direct consequence of the introduction of a new IS are known as first order effects

Increased speed in data processing, increased volume of processing, gain the firm incurs on using this IS

Second-order effects :

Outcomes that are not immediately visible as they require years to become visible or measureable are known as second order effects

HR example: hiring new employees is easy, retaining them is easy, new incentive schemes can be planned for the employees

Third-order effects :

Large scale benefits of using an IS



# The IT Interaction Model

Whether an IS is successful is largely dependent on

- The competitive environment of the firm (e-commerce)
- The competitive strategy that the firm follows (DELL)
- The work culture of the firm (Google)

Information systems may impact the organisation by

- Changing work processes and functions
- Automate manual processes
- Eliminate some work processes

Building an IS requires choices to be made : MAKE v/s BUY

- Build the system, if internal skills are available
- Buy the system

Initiation requires understanding the need for the IS

Analysis is required to understand the specifications for the system

A new system has to be introduced and integrated within the organisation



# Challenges for the Manager

A manager who has to manage the IS of an organisation faces many challenges

What systems to build?

New IS or make IS, competitors,

How much to spend on IS?

See what competitors are doing

What level of capabilities should be created with the IS?

Support one department or many departments

Primary partners or all stakeholders

Use internet or intranet

How centralized should the services be?

The systems should be both scalable and flexible

What security levels are required?

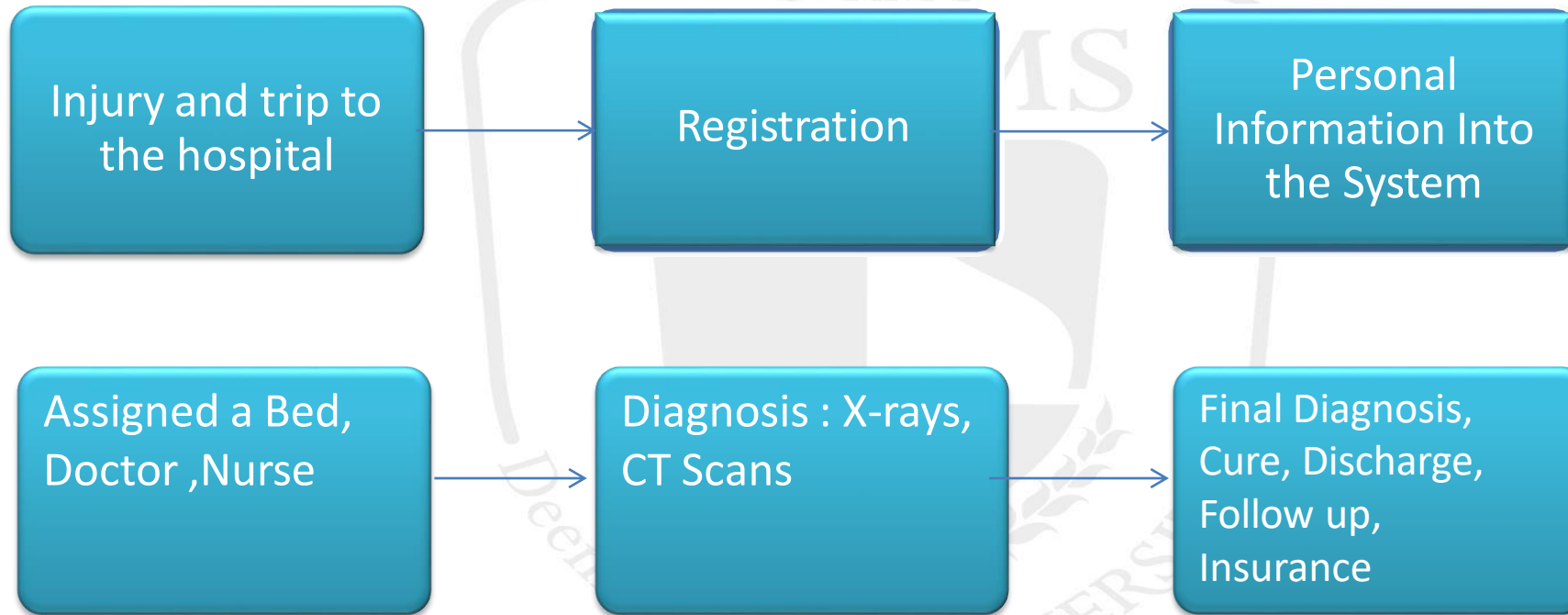
Security has to be adequate without being cumbersome and expensive

What is the technology Road Map for the organisation?





## Smart Hospitals



Smart Hospitals :- <https://www.youtube.com/watch?v=siCDVpmg4Xs>

# Banking Revolution



*Relationships beyond banking.*

## Reason for Revolution :

Faster work, to face competition, secure data transfer, make banking easy, automate all the branches across the country

Team Involved : Finacle of Infosys and Boston consulting group

## Solution :

CORE = “Centralized on-line Real time exchange”

Core banking functions include recording of transactions, passbook maintenance, and interest calculations on loans and deposits, balance of payments and withdrawals

Banks makes these services available across different channels such as ATM , internet banking and branches

## Impact of the project :

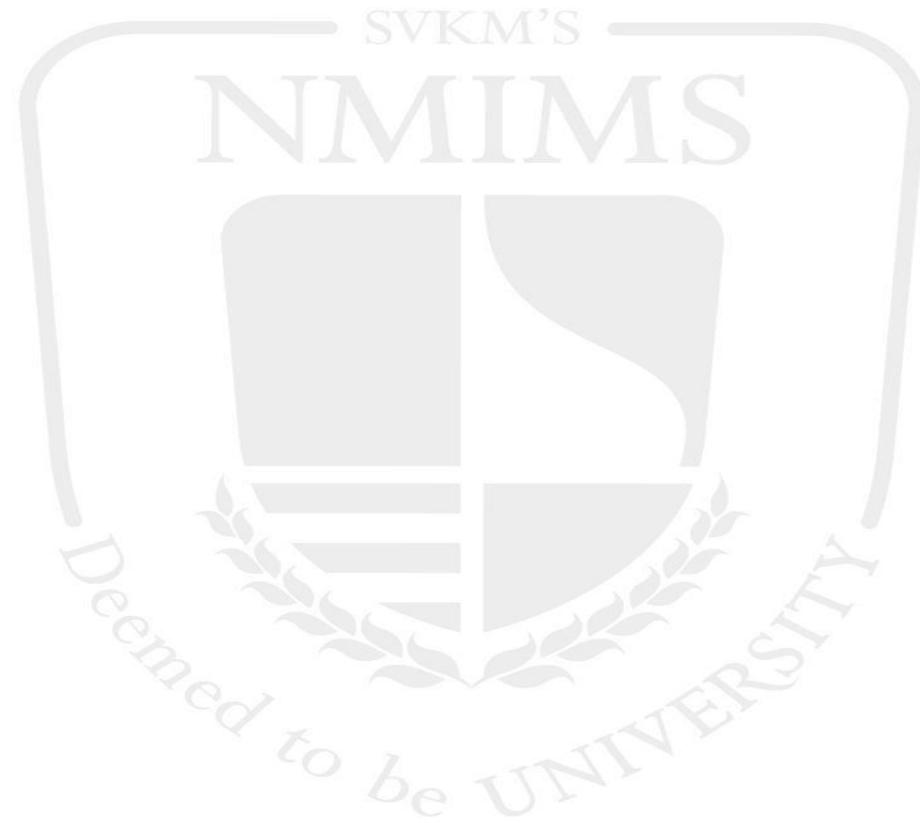
Operations are carried out fast and customers are happy

Operational excellence due to technological advancement

Account opening is done on the same day

SMS banking available

**Test Yourself !**



# Questions !

## Fill in the blanks

1.A(n)\_\_\_\_\_consists of hardware, software, databases, telecommunications, people, and procedures

## True or False

1.A major task of modern organizations is to process information.

2.First term effects of the introduction of information systems in organizations are designed outcomes that are visible or measurable immediately

## Select the right option

- 1.An essential component of modern day organization is an information system.
- a) Which binds the organization
  - b) Which enables its interactions with the world through the Internet
  - c) Both a and b
  - d) only b

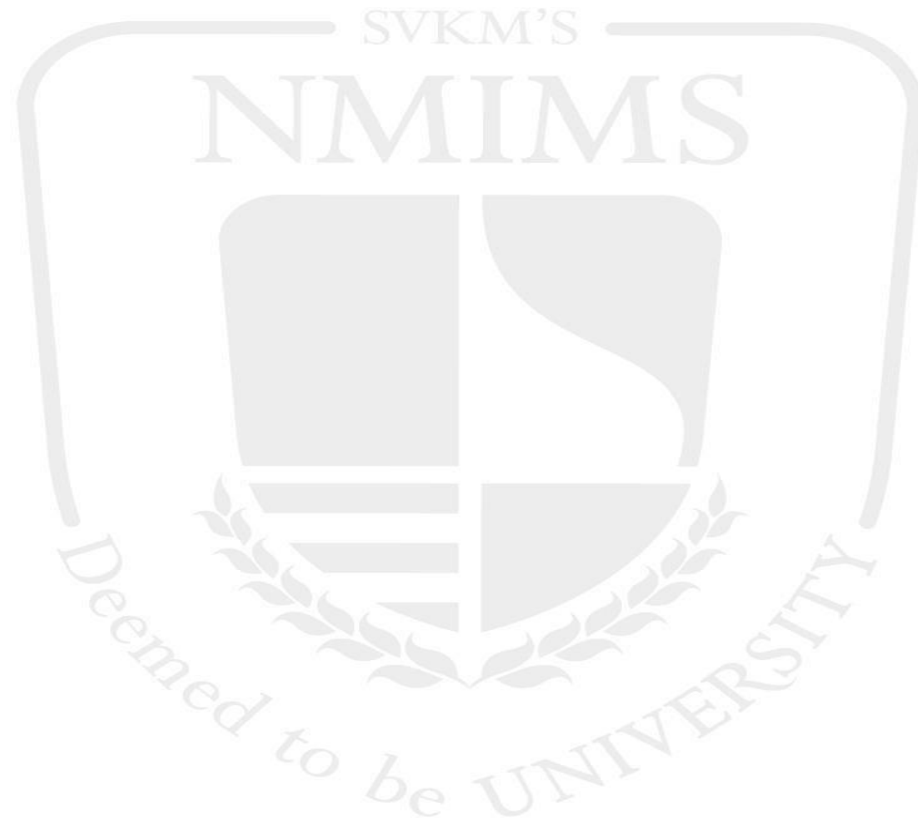
## Answers

1.Information system

2.True

3.True

4.C



## Suggested Reading for Reference

1. Management Information System new approaches to Organization and Technology, 14e, Kenneth C. Laudon , Jane P. Laudon.
2. Essentials of MIS: Jane P . Laudon, Kenneth C Laudon
3. Management Information Systems, 9e, James O'brien, George M Marakas, Ramesh Behl
4. Principles of Information Systems, 10e, Ralph Stair, George Reynolds
5. Management Information Systems, 6e, Effy Oz

## Additional IT related Resources

QR Scan QR code to make cashless payment:

<https://www.youtube.com/watch?v=IPfe7AwNStI>

Stadiums go High-Tech :- <https://www.youtube.com/watch?v=wL0A38O74IU>

The Power of Data:- <https://www.youtube.com/watch?v=xq3DVDyshTc>

The future cars :- <https://www.youtube.com/watch?v=vtgAx11yOzg>

IT in healthcare by SAP :- <https://www.youtube.com/watch?v=LjsvkRJRZZA>

[Smart Taxi Stands :- http://www.attsystemsgroup.com/wp-content/uploads/2014/11/Traffic\\_NewspaperClip-low-res.jpg](http://www.attsystemsgroup.com/wp-content/uploads/2014/11/Traffic_NewspaperClip-low-res.jpg)

**Thank you !**

