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Information Systems Analysis

*Topic 10:
Analysis of Factors Influencing a Business
Problem*

Objectives

- Analyse the economic aspects of a business systems problem
- Evaluate and discuss the economic aspects of a business systems problem in the context of potential solutions
- Analyse and evaluate the social aspects of a business systems problem
- Analyse and evaluate the political aspects of a business systems problem
- Analyse and evaluate the technical aspects of a business systems problem

Factors Influencing a Business Problem

- As discussed in Topic 9, political, economic, social, technological, legal and environmental factors can affect an organisation.
- These factors can be local, regional, global or a combination of local, regional and global.
- An organisation can have any of the following geographic strategies:
 - local strategy
 - regional strategy
 - global strategy
 - local, regional and global strategy

Economic Aspects of a Business Systems Problem

- Economic aspects can influence and affect an organisation and can be local, regional, global or a combination of local, regional and global.
- An analyst needs to be aware of the constraints and limitations that these factors can imposed on an organisation.
- There are many examples of such issues (see next slide).

Economic Factors

- Local economy situation
- Local economy trends
- Global economies and trends
- Taxation issues
- Seasonal trends
- Specific industry factors
- Interest and exchange rates
- International trade/monetary issues
- Recession
- Environmental factors, e.g. the weather

Organisations that May be affected by Economic Factors

- All organisations can be affected by such factors:
 - International
 - National
 - Medium
 - Small
- Consider well-known companies that have recently been affected by economic factors

Potential Solutions to Problems caused by Economic Factors

- A thorough analysis needs to be undertaken to identify issues.
- All issues must be documented.
- A requirements specification should be produced that acknowledges and produces solutions and/or recommendations wherever possible.
- Agreement reached between the analyst and stakeholders that the solutions and recommendations are feasible

Social Aspects of a Business Systems Problem

- Social aspects can also influence and affect organisations be they local, regional, global or a combination of each.
- An analyst needs to be aware of the constraints and limitations that social aspects can impact on an organisation.
- Examples of social issues are given on the next slide.

Social Factors

- Advertising and publicity
- Lifestyle
- Consumer attitudes and opinions
- A brand, company, or technology image
- Consumer buying trends
- Fashion and role models
- Major events
- Cultural factors
- Ethical factors
- Environmental factors

Organisations that May be affected by Social Factors

- Organisations can be affected by such social issues whether they are international, national, medium or small organisations.

Potential Solutions to Problems caused by Social Factors

- The analysts needs to undertake a thorough analysis to identify social issues.
- These issues need to be documented.
- A requirements specification must be produced that acknowledges problems and recommends solutions.
- The analyst and stakeholders should agree that the solutions and recommendations are feasible.

Political Aspects of a Business Systems Problem

- Political aspects can influence and affect an organisation on a local, regional, global level.
- These factors can impose constraints and limitations on an organisation.
- There are a considerable number of examples of political issues (see next slide).

Political Factors

- Environmental issues
- Legal issues
- Government regulations
- Changes of government
- Trade regulations
- Government grants
- Pressure groups
- International pressure groups
- Wars and conflicts

Organisations that May be affected by Political Factors

- International, medium-sized and small-sized organisations can be affected by political factors.
- Several well-known companies have recently been affected by political factors – consider and discuss such examples.

Potential Solutions to Problems caused by Political Factors

- A thorough analysis needs to be undertaken by an analyst to identify political issues.
- These issues need to be documented.
- A requirements specification that acknowledges and produces solutions and/or recommendations should be produced.
- An analyst and stakeholders at the organisation discuss and agree whether the solutions and recommendations are feasible.

Technological Aspects of a Business Systems Problem

- Technological aspects can influence and affect a local, regional or global organisation.
- These factors can impose constraints and limitations on an organisation's development.
- There are several examples of these factors (see next slide).

Technological Factors

- Rapid development
- Non compatibility
- Out-of-date skills
- Out-of-date technology
- Technology laws
- Licences
- Intellectual property issues
- Global communications
- Environmental factors

Organisations that May be affected by Technological Factors

- All organisations, regardless of their size can be affected by such technological factors.
- Consider well-known companies that have recently been affected by economic factors and discuss.

Potential Solutions to Problems caused by Technological Factors

- Such factors need to be identified during a thorough analysis.
- These factors must be documented.
- A requirements specification should acknowledge such issues and produce solutions and/or recommendations.
- The analyst and stakeholders should reach an agreement that the solutions and recommendations are feasible.

Summary

This topic covers:

- Economic, social, political and technical aspects of a business systems problem
- An evaluation of these aspects in the context of potential solutions

References

- Hoffer, J., George, J. and Valaciah, J. (2010). *Modern Systems Analysis and Design*, 6th Edition. Pearson Education Ltd.
- Avison D. and Fitzgerald G. (2002). *Information Systems Development: Methodologies, Techniques and Tools*, 3rd Edition. McGraw-Hill Education