Unit 1

Introduction to Information Systems

Discussion Forum – Example of Information System Failure

In 2016, Worldpay, a UK-based payment processing service, was inoperational for almost twenty-one days. They process around thirty-six million payments each day, which equates to roughly 750 million payments unable to complete. Such an outage had a massive impact on retailers and gamblers who rely on the service.

Worldpay identified the reason for this outage to be a software update to one of their payment gateways that raised numerous error messages, causing settlement delays and eventual overload of error messages. The overload leads to an eventual service shutdown. Worldpay then reconciled payments manually until the issue was resolved.

Resorting to a manual process could be seen as embarrassing for the company, especially as it undertook to revamp the system, spending over four hundred million pounds on the upgrade—a significant investment brought to its knees by a failed software update. The management of WorldPay chose to downplay the impact of the outage, stating that only one per cent of their customers were affected (FinExtra, 2021). However, as Mannes (2016) states, "When you have 15,000 frustrated posts from your customer's customer, and you're the one causing the problem, you cannot continue to call the problem small. One percent, Five percent or Ten percent, it's all a massive amount of money."

One would think the software-related issue of 2016 allowed the company to improve its reliability as a trusted payments processor. However, four years from the original incident, it once again experienced payment processing issues (Clark, 2020). This time, students and businesses felt the effect, such as The Carphone Warehouse, The Nautical Company and The Courtyard Dairy. The underlying cause? Hardware. Suspicious considering that in 2016, hardware was the alleged cause of the outage, which later became a software problem.

So, information systems have massive benefits (and negative consequences) on our daily lives. Each business' unique trait expresses itself through its business processes which transform static data into vibrant information. Processes are (often) driven by software, and,

using the Worldpay example, when those processes fail, the impact is costly. Reading through the failures listed by Tricentis (2018), it is abundantly clear software failures are a common occurrence and will be with us as long as our society manifests complex requirements to manage our daily data.

References

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