**Lecture #3**

**How information System Works?**



**Why Information is Necessary?**

The value of information is directly linked to how it helps decision makers achieve their

organization’s goals. Valuable information can help people and their organizations perform

tasks more efficiently and effectively.

**Characteristics of Valuable Information?**

**Accessible:**

Information should be easily accessible by authorized users so they can obtain it in the right format

and at the right time to meet their needs.

**Accurate:**

Accurate information is error free. In some cases, inaccurate information is generated because

inaccurate data is fed into the transformation process.

**Complete:**

Complete information contains all the important facts. For example, an investment report that does

not include all important costs is not complete.

**Flexible:**

Flexible information can be used for a variety of purposes. For example, information on how much

inventory is on hand for a particular part can be used by a sales representative in closing a sale,

by a production manager to determine whether more inventory is needed, and by a financial

executive to determine the total value the company has invested in inventory.