MASTER OF SCIENCE IN INFORMATION TECHNOLOGY

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MIT3103 ADVANCED MANAGEMENT INFORMATION SYSTEM: Assignment

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a) **Explain why selecting a systems development approach is an important business decision. Who should participate in the selection process?**

System development methodology- refers to the framework that is used to structure, plan, and control the process of developing an information system.

Selecting a system development approach is an important and in other instances a critical business decision as it can have a big impact on the time, cost, and end product of the systems development. Depending on the willingness and capability of the organizational change that can be involved in system development different level of risk and return should be taken into consideration.

In the modern market environment, businesses or companies or organizations are required to build and implement applications rapidly to stay competitive (earn a competitive advantage). This involves a lot of different departments in requirements gathering and most of cases produces the need of business processes change during identification of action points and deciding which way to go on resolving each of the identified problems.

Managers (or organization/company/business decision makers) should be aware of the different approaches, evaluate and choose the right one depending on the type of organization, its own resources and desired controls over the process. All stakeholders should participate in the selection process.

This approaches brings about business process reengineering which is a radical redesign of business processes, combining steps to cut waste and eliminating repetitive tasks in order to

improve cost, quality of service and maximizing the benefits of information technology. During the Business Process Reengineering (BPR), the first step of identifying which business processes need improvement and which have a highest priority requires a strategic analysis and critical action point's determination by Senior Management. Identifying and describing existing processes, understanding the process costs and process duration bring to the next step of decision, how to improve these processes can involve different layers of organization and even multiple companies if they are part of the shared processes.

b) **Discuss the importance of understanding how a business process works when trying to develop a new information system.**

Information systems are designed to improve business processes in a particular way. However, it is critical to understand the current business process before making any improvement in the new information system. Currently, modern companies/businesses employ a strategic information system as entry on to the market and to become a leader in the market. Therefore, companies/organizations need to create an information system which has an expectation to support effective strategy to make profit and competitive advantage.

Implementation of information system can be separated from the integration of information technology, in that, a computer is one of the information system, used to support the achievement of the company has made. Organization culture refers to terms of which the organization structure is formed, plays a big role as a strategic necessity, thus this requires in-depth understanding before trying to develop a new information system. This requires that, first run businesses as of the organization of society and culture that it applies, then a new information system with information technology online and organization culture that support incumbent wants.

In business information system, it is useful in all areas of business management. Therefore there are some of the reasons why businesses use information system which need to be understood well and in context to the business to support new information system, this includes the following:

- **Operational Excellence**: Business improves the efficiency of their operations in order to achieve higher profitability.

- **New Products, Services, and Business Models**: Information system is a major tool for firms to create new products and services, and also an entirely new business models.

- **Improved Decision Making**: Many managers operate in an information bank, never having the right information at the right time to make an informed decision. These poor outcomes raise costs and lose customers. Information system made it possible for the managers to use real time data from the marketplace when making decision.

- **Competitive Advantage**: When firms achieve one or more of these business objectives operational excellence, new products, services, and business models, and improved decision making chances are they have already achieved a competitive advantage.