
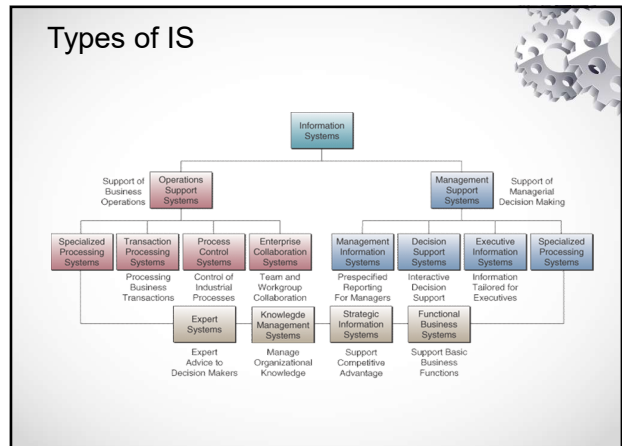


IT-Certificate Level
Lecture-4

Chapter One


Md. Nazmul Hussain Siddique FCA

Chapter-1
Information Systems in Business


Operations support systems

- What does it do?
 - Efficiently process business transactions
 - Control industrial processes
 - Support communications and collaboration
 - Update corporate databases




Types of Operations Support Systems

- **Transaction Processing Systems**
 - Record and process data from business transactions
 - Examples: sales processing, inventory systems, accounting systems
- **Process Control Systems**
 - Monitor and control physical processes
 - Example: in a petroleum refinery use sensors to monitor chemical processes
- **Enterprise Collaboration Systems**
 - Enhance team and work group communications
 - Examples: e-mail, videoconferencing




Two ways to process transactions

- **Batch Processing:**
 - Accumulate transactions over time and process periodically
 - Example: a bank processes all checks received in a batch at night
- **Online Processing:**
 - Process transactions immediately
 - Example: a bank processes an ATM withdrawal immediately



Management Support Systems

- What does it do?
 - Provide information and support for effective decision making by managers



Types of Management Support Systems

- **Management Information Systems (MIS)**
 - Provide reports and displays to managers
 - Example: daily sales analysis reports
- **Decision Support Systems (DSS)**
 - Provide interactive ad hoc support for decision making
 - Example: A what-if-analysis to determine where to spend advertising dollars
- **Executive Information Systems (EIS)**
 - Provide critical information for executives and managers
 - Example: easy access to actions of competitors

Operational or Management Systems

- **Expert Systems**
 - Provide expert advice
 - Example: credit application advisor
- **Knowledge Management Systems**
 - Support creation, organization and dissemination of business knowledge throughout company
 - Example: Intranet access to best business practices

Classifications of IS by scope

- **Functional business systems**
 - Focus on operational and managerial applications of basic business functions
 - Examples: support accounting, finance or marketing
- **Strategic information systems**
 - Help get a strategic advantage over its customers
 - Examples: shipment tracking, e-commerce web systems
- **Cross-functional information systems**
 - Systems that are combinations of several types of information systems
 - Provide support for many functions

Measuring success of an IS

- **Efficiency**
 - Minimize cost, time and use of information resources
- **Effectiveness**
 - Support business strategies
 - Enable business processes
 - Enhance organizational structure and culture
 - Increase the customer and business value
- What's the difference between Efficiency and Effectiveness?

End of Lecture -4