

Vision. Value. You.

Information Systems ISM 3011

Spring 2004
Unit 2A


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Information Systems in Organizations

Principles of Information Systems
Sixth Edition - Chapter 2


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Principles and Learning Objectives

- The use of information systems to add value to the organization is strongly influenced by organizational structure, culture, and change.
 - Identify the value-added processes in the supply chain and describe the role of information systems within them.
 - Provide a clear definition of the terms organizational structure, culture, and change and discuss how they affect the implementation of information systems.


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Principles and Learning Objectives

- Because information systems are so important, businesses need to be sure that improvements or completely new systems help lower costs, increase profits, improve service, or achieve a competitive advantage.
 - Identify some of the strategies employed to lower costs or improve service.
 - Define the term competitive advantage and discuss how organizations are using information systems to gain such an advantage.
 - Discuss how organizations justify the need for information systems.


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Principles and Learning Objectives

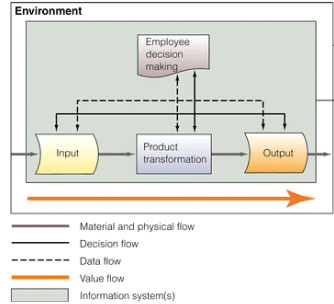
- Information systems personnel are the key to unlocking the potential of any new or modified system.
 - Define the types of roles, functions, and careers available in information systems.

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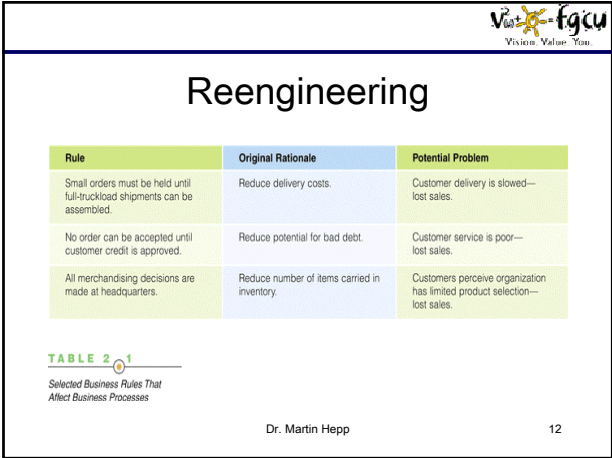
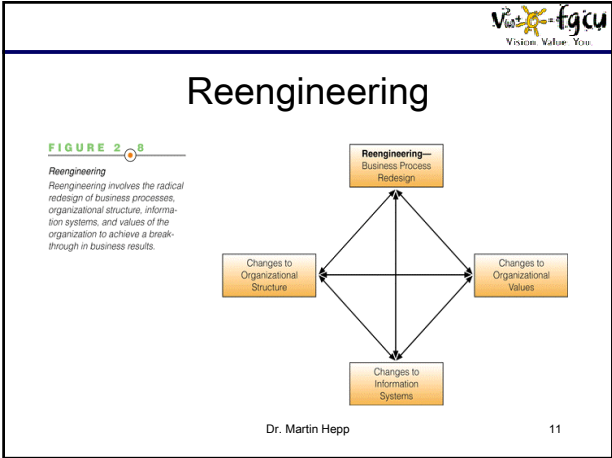
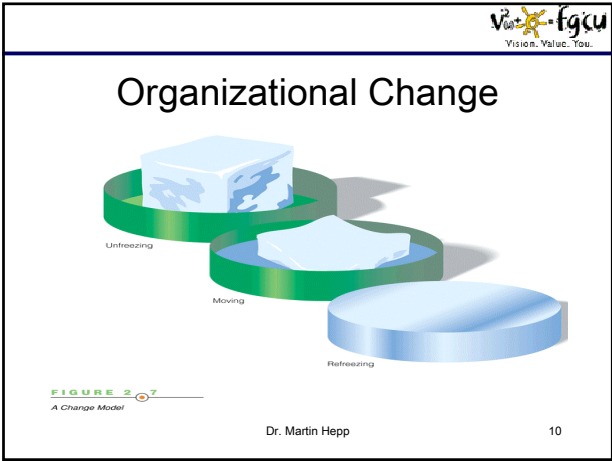
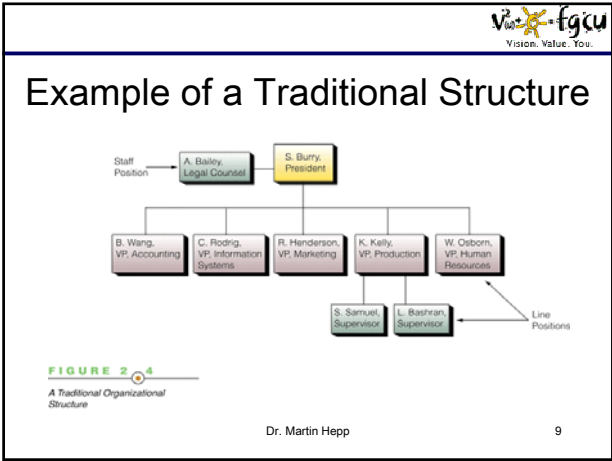
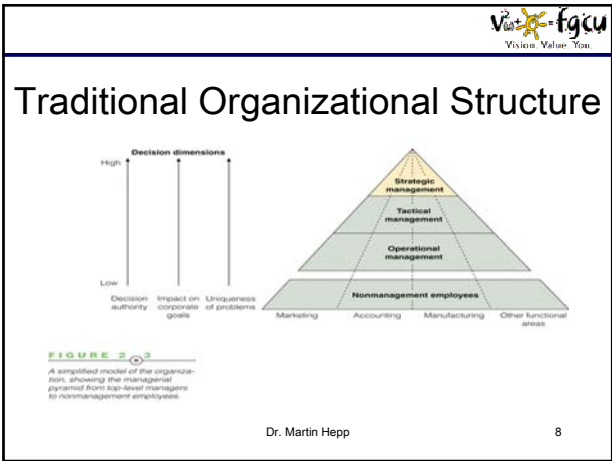
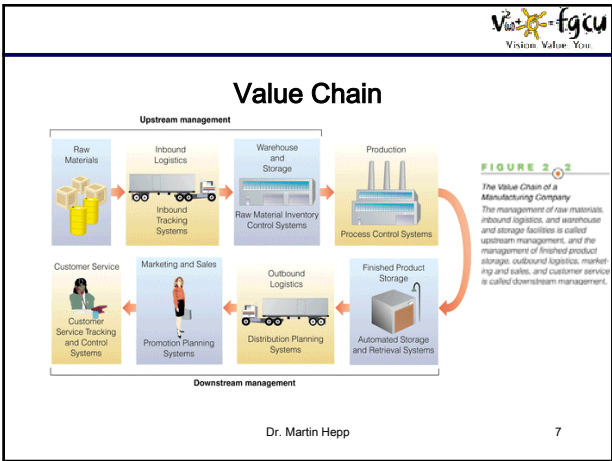

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Organizations & Information Systems

FIGURE 2.1
A General Model of an Organization
Information systems support and work within all parts of an organizational process. Although not shown in this simple model, input to the process subsystem can come from internal and external sources. Just prior to entering the subsystem, data is external. Once it enters the subsystem, it becomes internal. Likewise, goods and services can be output to either internal or external systems.



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Continuous Improvement

- Constantly seeking ways to improve business processes
- Benefits:
 - Increased customer loyalty
 - Reduction in customer dissatisfaction
 - Reduced opportunity for competitive inroads

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Continuous Improvement vs. Reengineering

Business Process Reengineering	Continuous Improvement
Strong action taken to solve serious problem	Routine action taken to make minor improvements
Top-down driven by senior executives	Worker driven
Broad in scope: cuts across departments	Narrow in scope; focus is on tasks in a given area
Goal is to achieve a major breakthrough	Goal is continuous, gradual improvements
Often led by outsiders	Usually led by workers close to the business
Information system integral to the solution	Information systems provide data to guide improvement team

TABLE 2.2
Comparing Business Process Reengineering and Continuous Improvement

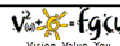
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Technology Diffusion, Infusion, and Acceptance

- Technology diffusion - measure of widespread use of technology
- Technology infusion - extent to which technology permeates a department

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Total Quality Management (TQM)

- Quality: ability of a product or service to meet or exceed customer expectations
- TQM: approaches and techniques used to achieve quality throughout the organization

→ Feedback ←

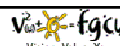
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Assignment for Next Class


- Read chapter 3 (p. 84 - 123)
- Self-Assessment test (p. 123 - 124)
- Check that you know the key terms listed on p. 124
- Prepare review questions
- Read and prepare the case studies 1, 2, and 3.

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Break – 10 min

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Thank you!

The slides will be available on the internet at
<http://ruby.fgcu.edu/courses/mhepp/>
(-> CRN10033)

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