
  
Vision. Value. You.

# Information Systems

## ISM 3011

Spring 2004  
Unit 4B

Dr. Martin Hepp1

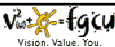
  
Vision. Value. You.

## Case 1: Offshore Outsourcing

### Question 1

- Reason 1:
  - Savings due to lower wages (cost of hiring programmers 1/7)
- Reason 2:
  - Shortage of U.S. programmers
- Reason 3:
  - Work can be done around the clock (-> time-zone differences)

Dr. Martin Hepp2


  
Vision. Value. You.

## Case 1: Offshore Outsourcing

### Question 2

- Lack of Control
  - Need for strong project management, budget and quality control
- Communications
  - Language, cultural, and social barriers
  - U.S. everyday tasks and requirements must be specified in detail (SSN format,...)

Dr. Martin Hepp3


  
Vision. Value. You.

## Case 1: Offshore Outsourcing

### Question 3

- Knowledge must be revealed
  - internal procedures etc.
- Possible Project Failure
  - The results cannot be used as planned.
  - Serious Delays
- Loss of Skills

Dr. Martin Hepp4

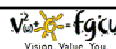
  
Vision. Value. You.

## Case 1: Offshore Outsourcing

### Question 4

- Send U.S. Project Management Team to Offshore Site
- Establish Short Feedback Cycles
  - Compile prototype daily

Dr. Martin Hepp5


  
Vision. Value. You.

## Case 2: Crystal Flash, ASP

### Question 1

- Crystal Flash Can Focus on Its Competitive Advantages.
- Free Human Resources


Dr. Martin Hepp6

  
Vision. Value. You.

## Case 2: Crystal Flash, ASP Question 2

- Flexibility
  - Crystal Flash can define its own sales processes.
- Less Paperwork
  - Sales staff saves time
- Real-time Information/Reports

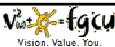
Dr. Martin Hepp7

  
Vision. Value. You.

## Case 2: Crystal Flash, ASP Question 3

- Check [www.salesnet.com](http://www.salesnet.com)

Dr. Martin Hepp8


  
Vision. Value. You.

## Case 2: Crystal Flash, ASP Question 4

- Customer Data, Sales Processes, etc. Contain Extremely Sensitive Information
  - Nobody else should have access
- Sales Processes Tolerate No Outages
  - Internet outages, technical problems, and the risk of bankruptcy are serious dangers.

**Summary: Sales Processes Are Not Suited for Outsourcing/ASP**  
(please feel free to disagree: [mhepp@computer.org](mailto:mhepp@computer.org) ☺)

Dr. Martin Hepp9


  
Vision. Value. You.

## Case 3: Microsoft Question 1

- Think of lost work, missed deadlines, nightshifts, unsatisfying grades,...

...Always make and keep backup copies of important work,  
at least once a day, in the very final stage several times a day.

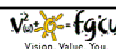
Dr. Martin Hepp10

  
Vision. Value. You.

## Case 3: Microsoft Question 2

- Bug-fixes Can Be Delivered Easily Via The Internet
  - Compare that to product recalls in the automotive industry...
- Market Share Is Extremely Important for Success in the Software Industry


Dr. Martin Hepp11

  
Vision. Value. You.

## Case 3: Microsoft Question 3

- Long History of Bugs in MS Software
- Programming Style and Company Culture
- Focus on Innovation and Speed
- Consumer Software: Trade-off between Quality and Price


Dr. Martin Hepp12



### Case 3: Microsoft Question 4

- Change Release Procedures
- Modify Software Architecture

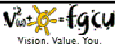
Dr. Martin Hepp 13



### Assignment for Next Class

- Read chapters 5 + 6
- Self-Assessment test chapters 5 + 6
- Check that you know the key terms listed on p. 218 / p. 266
- Prepare review questions:
  - Chapter 5: 1, 4, 5, 8, 11
  - Chapter 6: 1, 3, 6, 13, 14, 17

Dr. Martin Hepp 14



### Thank you!

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

Dr. Martin Hepp 15