

Enterprise Computing Strategy ISM 5155

Transaction Processing & Enterprise
Resource Planning Systems

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Principles and Learning Objectives

- An organization's TPS must support the routine, day-to-day activities that occur in the normal course of business and help a company add value to its products and services.
 - Identify the basic activities and business objectives common to all transaction processing systems.
 - Describe the inputs, processing, and outputs for the transaction processing systems associated with order, purchasing, and accounting business processes.

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Principles and Learning Objectives

- TPSs help multinational corporations form business links with their business partners, customers, and subsidiaries.
 - Identify the challenges that multinational corporations must face in planning, building, and operating their TPSs.

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Principles and Learning Objectives

- Implementation of an enterprise resource planning system enables a company to achieve numerous business benefits through the creation of a highly integrated set of systems.
 - Define the term enterprise resource planning system and discuss the advantages and disadvantages associated with the implementation of such a system.

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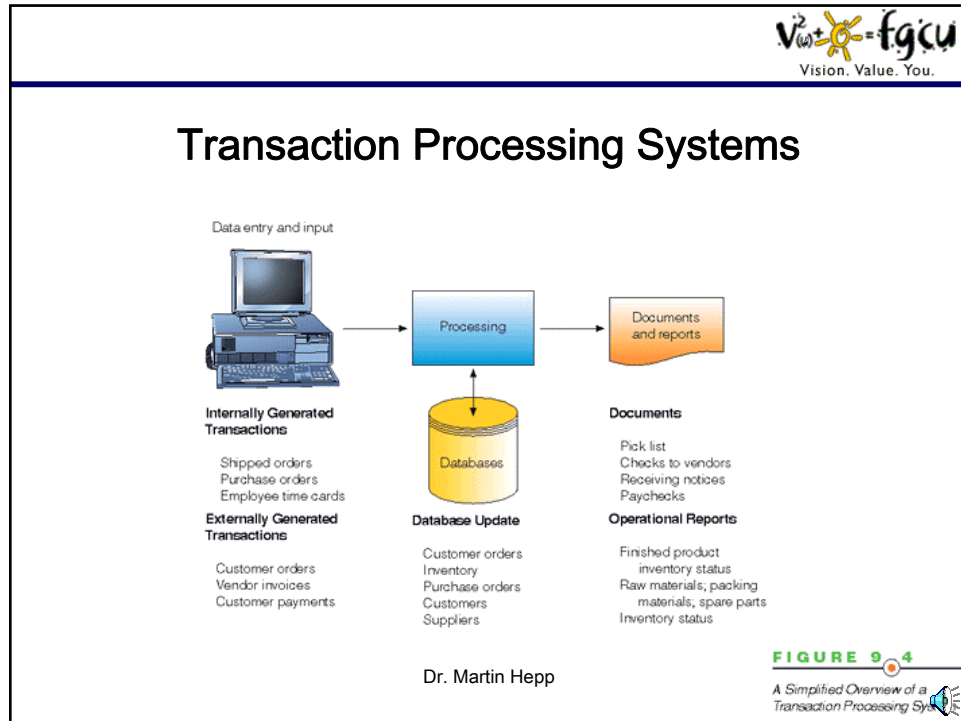
An Overview of Transaction Processing Systems

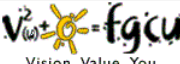


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Vision. Value. You.

Traditional Transaction Processing Methods & Objectives

- Batch processing systems
- On-line transaction processing (OLTP)
- On-line entry with delayed processing
- Process data generated by and about transactions
- Process data generated for and about transactions
- Maintain a high degree of accuracy and integrity
- Produce timely documents & reports

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Traditional Transaction Processing Methods & Objectives

- Increase labor efficiency
- Help provide improved service
- Help build and maintain customer loyalty
- Achieve competitive advantage

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Batch versus On-Line Transaction Processing

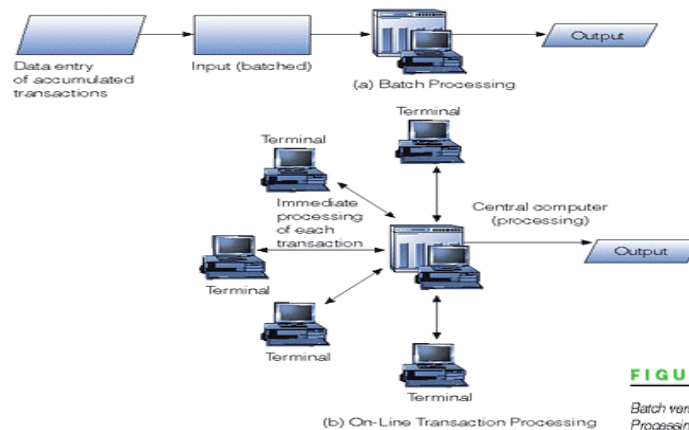
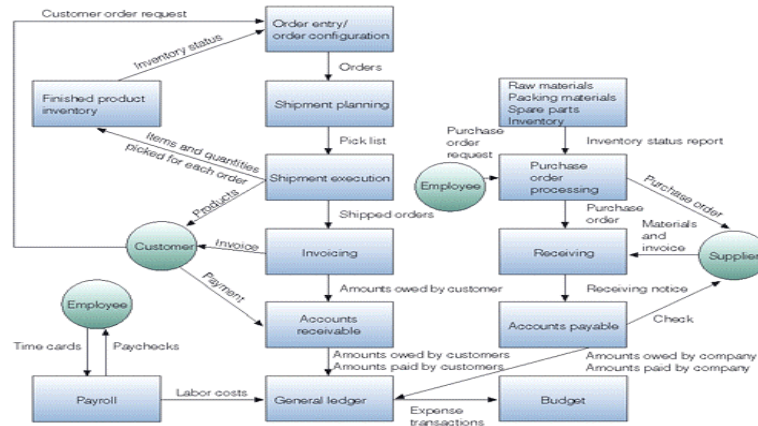


FIGURE 9.2

Batch versus On-Line Transaction Processing
Batch processing (a) inputs and processes data in groups. In on-line processing (b), transactions are completed as they occur.

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Integration of a Firm's TPSs



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Advantages of ERP

- Eliminates costly, inflexible legacy systems
- Improved technology infrastructure
- Improved work processes
- Increased data access for decision making

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Disadvantages of ERP

- Expense & time
- Radical change
- Integrating with other systems
- One vendor risks

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Control & Management Issues

- Business resumption planning
- Disaster recovery & Backups

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Summary

- **Transaction Processing Systems** - consist of all components of a CBIS, including databases, telecommunications, and people
- **Transaction Processing Systems Methods** - batch, on-line, and on-line with delayed processing
- **Enterprise resource planning (ERP) software** - a set of integrated programs that manage a company's vital business operations for an entire multisite, global organization

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Thank you!

Any questions? Please send an e-mail to mhepp@computer.org!

<http://ruby.fgcu.edu/courses/mhepp/>

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