

Information Systems for Business Operations

PMBA 8125 – Week 1

Sources:
Laudon & Laudon (2006)
Straub (2002)



Reasons to Care about IT

- Capital Management
 - Organizations make large investments in IT
- Foundation of Doing Business
 - The goals of a firm can be achieved or hindered by choices made regarding IT
- Productivity
 - Firms using IT *wisely* can achieve productivity gains
- Strategic Opportunity and Advantages
 - IT is helpful to identify opportunities for strategic advantage

Interdependence between Organizations and Information Systems

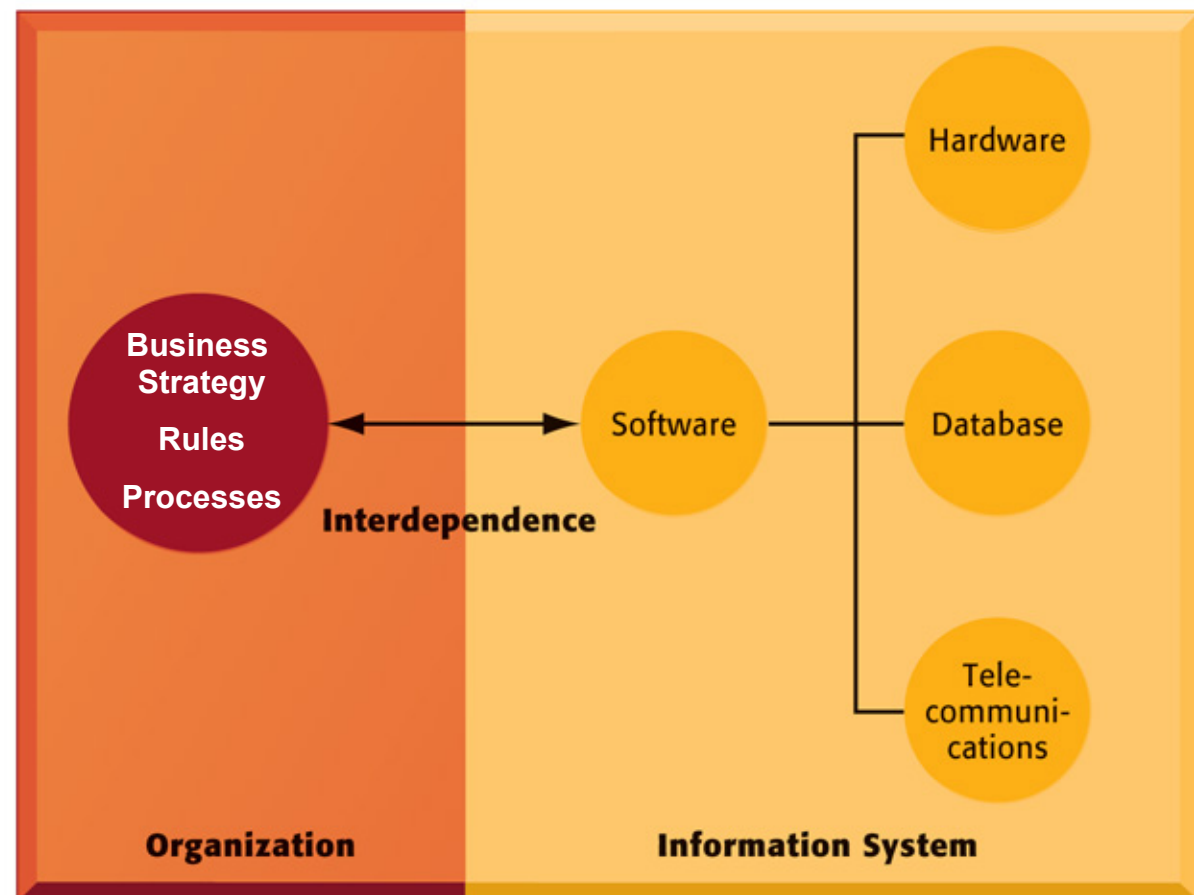
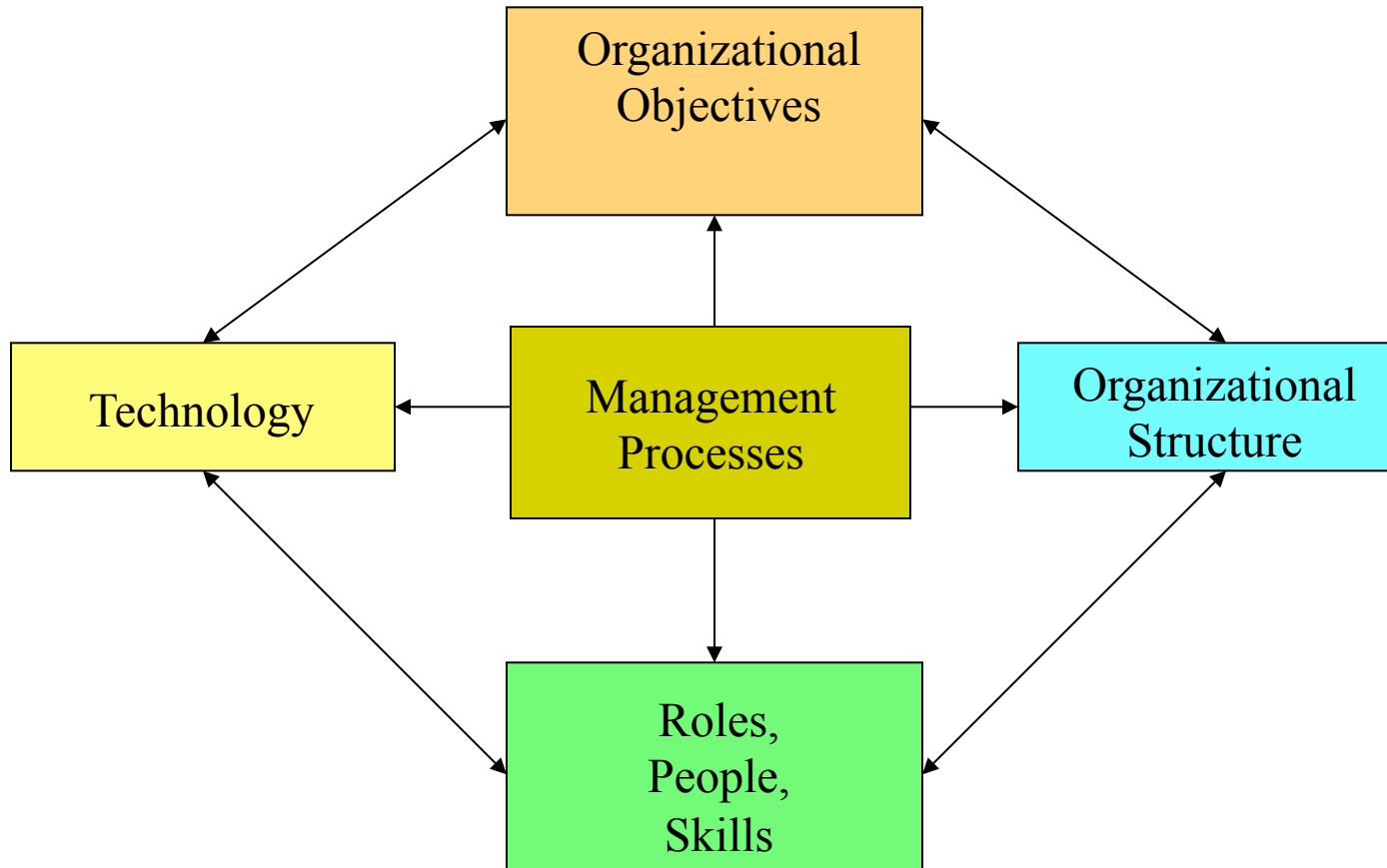


Figure 1.2
(Laudon & Laudon 2006)

Management Tool: The Leavitt Diamond



Functions of an Information System

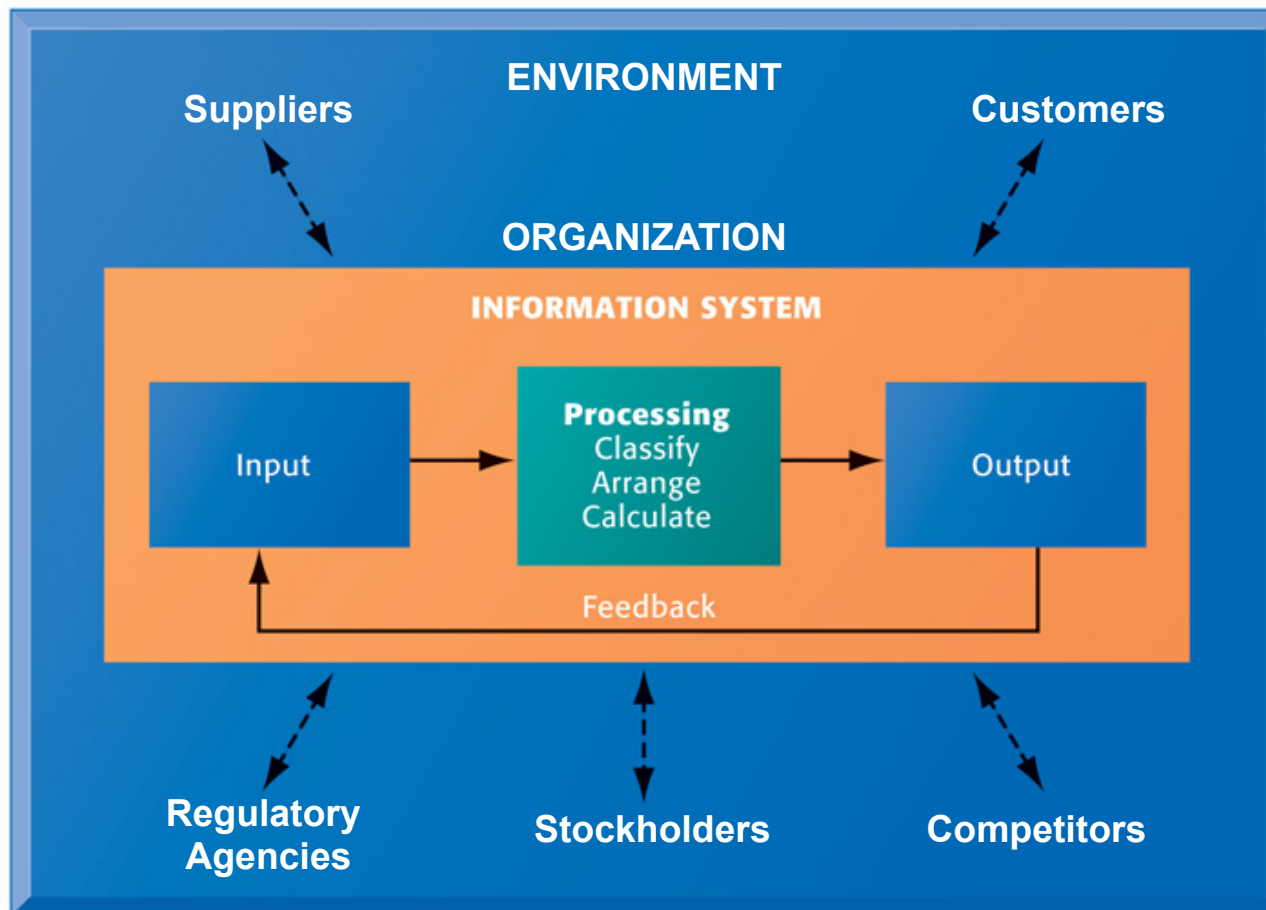


Figure 1.6
(Laudon & Laudon 2006)

Types of Information Systems

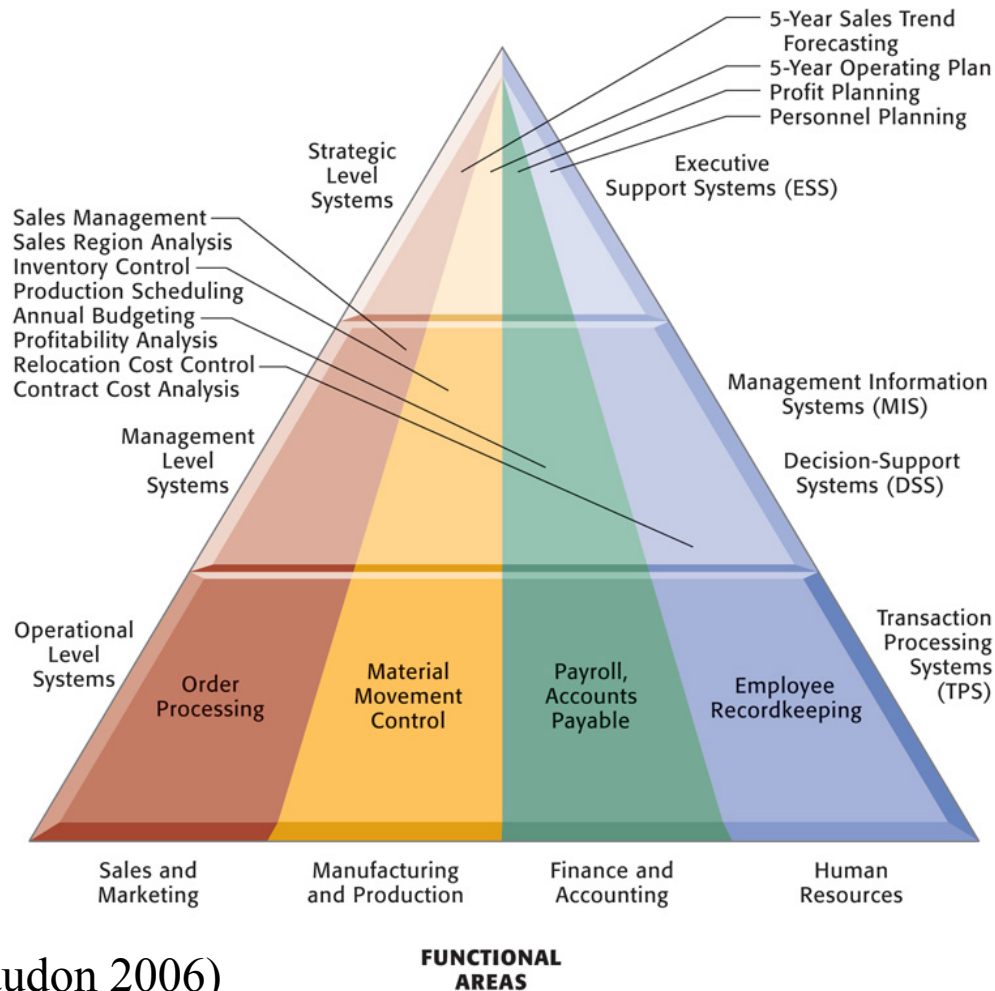
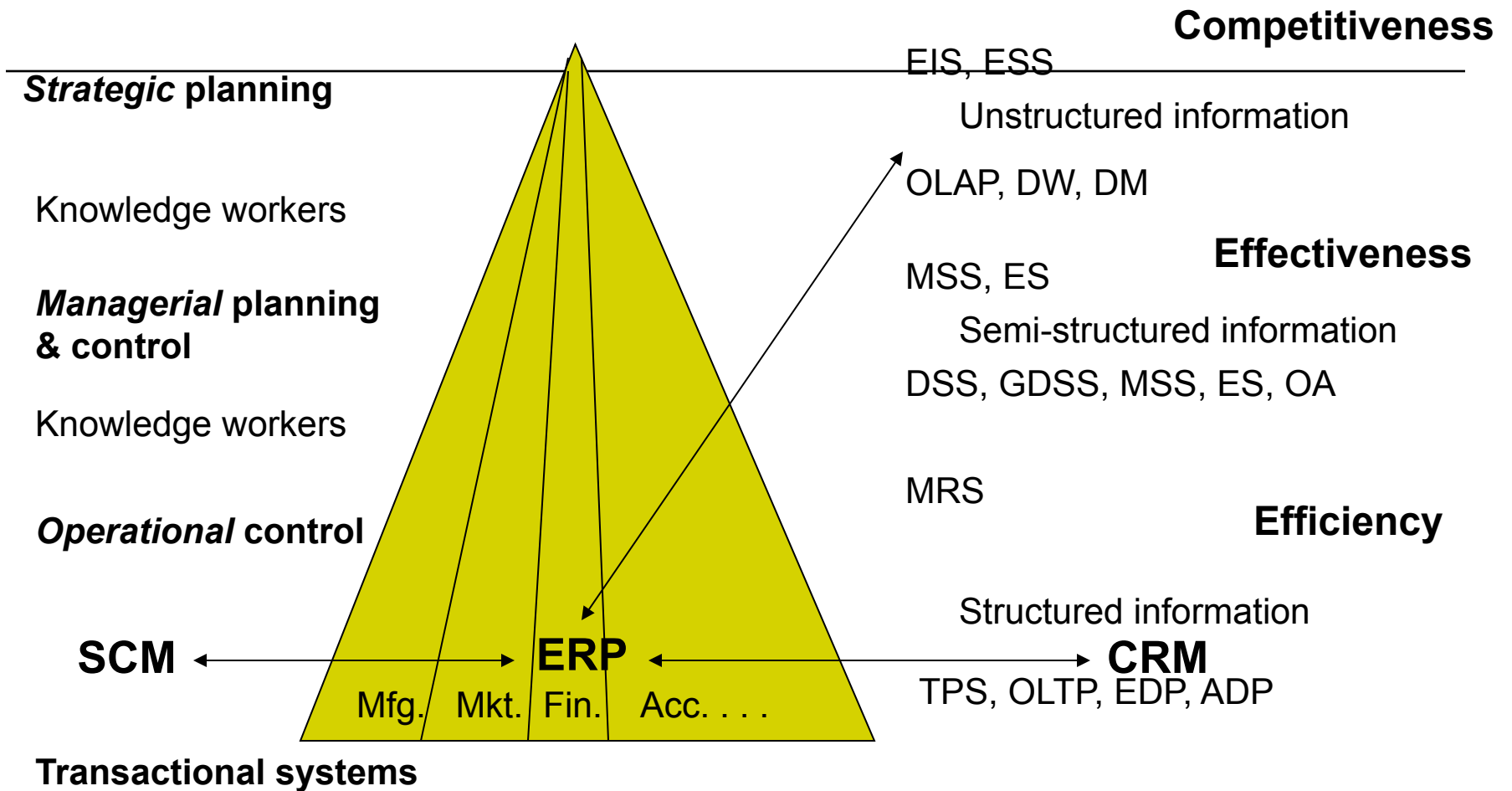


Figure 2.2
(Laudon and Laudon 2006)

Anthony Triangle





Critical Information Systems for Today's Business Practices

- Enterprise Systems (ERP)
 - Coordinates processes of the firm
- Supply Chain Management Systems (SCM)
 - Automates relationships with suppliers for planning, sourcing, manufacturing, and delivery of products and services
- Customer relationship management (CRM)
 - Develops coherent, integrated view of relationships with customers
- Knowledge Management Systems (KMS)
 - Create, capture, store, and disseminate firm expertise and knowledge



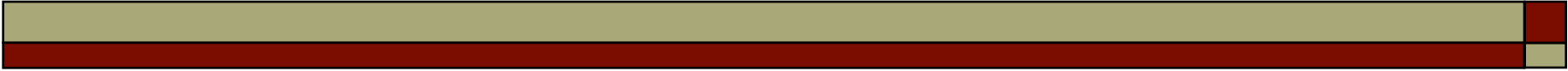
Management Challenges

- Business Environment Challenges
- Technology Challenges



Management Challenges: Business Environment

- Finding a Successful Business Model
- Organizational Change Challenges
- Trust, Security and Privacy



Management Challenges: Information Systems

- ❑ **Investment:** Obtaining Business Value from Information Systems
- ❑ **Strategic Choices:** Determining Necessary Assets to Ensure Effective Use of Technology
- ❑ **Globalization:** Understanding Business and System Requirements of a Global Economic Environment
- ❑ **Infrastructure:** Supporting Goals in Rapidly Changing Environments
- ❑ **Ethics and Security:** Ensuring Systems Are Used in an Ethical and Socially Responsible Manner