

# Information systems in organizations - case study

Technology, Information Technology



Information Systems and People of Question1. NASDAQ has embraced the use of information system which has helped them increase their trading speed. This technology can handle up to 1million messages per second, providing an alternative for heavy traders who can use this to detect delays and give an option in case of any problem. The system also contributes to very high annual net sales of up to \$3billion as stated in the study and an approximate of two billion shares daily.

Information systems can also create a link to private groups who have its members trading among themselves. This can act as a cheap pool enabling traders to make sales and purchase of stocks at a much reduced rate. Also, this system can act as a getaway to financial costs by exposing the organization to other sources of revenue to help them maintain flawless exchanges.

Question2.

Algorithm is fast assuming popularity in the trading world and it is common for any other client to ask for it. It brings with it many benefits including cutting down transaction costs and giving freedom to managers conducting any transactions to be fully responsible for the respective trading processes. These trading features allow for analysis of all quotes and trade in the stock markets. However, it also poses great risks. In case a trader fails to choose the appropriate feature then there will a lack of visibility and transparency during execution of orders (Avison, 2003). Use of programmed trade as from the case study can be linked to a resultant flush crash.

Question3.

The system handles a very large amount of information including trading

information such as algo-trading which includes the use of an electronic platform to enter trading orders, with an algorithm in place that determines the features of the order. It also has the ability to handle huge volumes of data from messages. It is capable of handling up to a million messages per second which is highly beneficial. With this ability to handle such amount of information, the customers are able to get efficient services and this gives credit to the company and opening up a way of increasing their profits. Also the ability to handle one million messages per minute allows the system to give attention to countless users and ensures that there are no communication delays. This in the long term results to satisfied and loyal customers.

#### Question4.

The main functions of an information system include assembling, processing, retrieval and dissemination of information. In using this kind of system, there will be minimized overload since it has very high processing speed as compared to physical operations that may result to lack of co-ordination or mix ups and delays in disseminating information (Zahir, 2012). With this high speed system there leads facilitation of planning. For example as stated in the study, there is an immediate detection in any communication delays and the system is able to automatically check other exchanges to see if trade can be rerouted. In physical operations there are usually no buck up plans and incase of any problem then it would require a lot of time for a fix up and thus causing delays in the delivery of services.

#### Bibliography

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