

# [Free report on information systems principles](https://assignbuster.com/free-report-on-information-systems-principles/)

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## Introduction

Information systems is a very broad term that houses all technologies applied in information systems and a variety of the types of information systems applied in different perspectives. Management Information Systems on the other hand is a term used to refer to the specific information systems applicable in the business environment. These terms have however been used synonymously but they refer to quite different but related aspects. (Stair & Reynolds, 2012).

How are information systems transforming business and what is their relationship to globalization?

Adoption of information systems in the global economy has had a great influence on how business operations are carried out. Many organizations have embraced technology, both as a communication and operational tool. Decision making processes for instance are no longer made by human beings but by the decision support systems.
Communication in the business sector has also faced a great transition. People nowadays receive information through e-mails or on blog posts. The advertising departments of businesses have also resorted to the use of internet as their main media to reach a large audience at a relatively cheaper cost. Storage of information in the business sector has also been changed by the information systems. For instance the need to keep archives for future use as required by the law calls for storage medium that is economical in terms of space.
Economic and cultural effects of globalization, made possible by the information systems has been felt by businesses. This is evident in the notable global decline of the operation and transaction costs, global struggle for marketplace, jobs and capital, overdependence on imported and exported products and the need for advanced skills and knowledge of foreign markets and business opportunities. (Bocij, Greasley & Hickie, 2008)

Why are information systems so essential for running and managing a business today?

Businesses take up information systems so that they can realize their goals and meet their objectives. It’s the shift to a technological economy that makes information systems essential in achieving these objectives:

Enhanced decision making: This responsibility is mostly vested on the managers who make their decisions based on the information presented to them. Accurate, timely and reliable data is what they need to make this possible. Implementation of information systems therefore helps in the production of real-time information for instance on the feedback from customers on performance and services offered when it’s required.
Getting and retaining customers. Customer maintenance is also a major objective for any business working towards profit generation. Information systems therefore serve in keeping customer records, which can be used to track them. Regular communication as well is made possible, creating a long lasting relationship between the supplier and the consumers. (Bocij, Greasley, & Hickie, 2008)
For a business to survive in the market, it has to have a healthy competitive platform. Since all businesses are going global, it’s therefore necessary for any business to adopt and embrace use of information systems to achieve this. It also helps a business in having an advantage over its competitors if they have not adopted the use of information systems, by having a larger market and forum to advertise its products and services. . (Stair, & Reynolds, 2012)

Information systems and new technologies also have much to do with the creation of new products and services. It also improves the standards of an enterprise by influencing its operations.

What exactly is an information system? How does it work? What are its people, organization, and technology components?

An information system is a set of independent components, brought together and used together towards achieving a common goal. These components carry out major tasks, the collect data, process, and store and finally disseminate information. In itself it’s not a business process but information systems are used to handle business progressions.
The working of an information system is all about putting into application the technologies involved in the system. Though, it’s not all about technologies, information systems has much to do with the people and the how factor. Take a case of facebook as an information system; this system contains many technologies that make its functioning possible; servers, software, handheld device or a laptop. Then there is the user and the main software that manipulates all these components into achieving a common goal (Bocij, Greasley & Hickie, 2008).
In a business context, information systems can be viewed in three perspectives. First there are the people who constitute the software producers, the users and the IT experts who help in maintaining the systems. Then there is the organization, which is basically the business process that is being acted upon. Lastly the technology components include both the software and hardware infrastructure, the networking facilities that include the web and internet connection and finally the platform on which the data is managed.

How will a four-step method for business problem solving help you solve information system-relations problems?

Problems businesses face are complex hence the need to handle them procedurally. A common four-step method is applied in business problem solving:
Problem identification. This involves recognition that a problem exists, writing a problem statement, analysis of the reasons behind the problem and finally analyzing the capability of the organization to handle that problem. This is commonly replicated when dealing with obsolete software or hardware that needs replacement with a recent or updated version.

Solution design. A variety of possible solutions for the problem at hand are presented and documented. (Galliers & Sauer , 2009)

Choice of the most appropriate solution. Factors considered when making such a decision include the cost effectiveness, timeliness and the resources availed to handle this problem. Finally, there is the implementation. The action is taken, subjected to a trial period for testing and a report given of its effectiveness in solving the problem.

Identify and describe the major features of a business that are important for understanding the role of information systems

A business is a recognized union whose aim is to manufacture products and make available services with a sole reason of profit generation. The major features of a business that make it important for adoption of information systems include; manufacturing and production; sales and marketing; human resources; and finance and accounting. An analysis of these features gives a greater understanding of the role of information systems in a business.

## Describe the information systems supporting the major business functions

Sales and marketing systems offer much assistance in carrying out a market research to get the potential customers for the products, help in maintaining high quality of the services, are used in creating awareness of the service to different people and in making sales (Galliers & Sauer , 2009). Manufacturing and production systems offer information for planning, build up of new products and services, stock control and management.

Finance and accounting systems help in following financial assets and cash flow. They include accounts receivable, budgeting, and profit development.

Human resources systems are used to keep employee records; skills, performance records and education. They are used as a standard measure for determining promotions and salary increments.

How will information systems affect business careers and what information systems skills and knowledge are essential?

Business as a body of knowledge is divided into further disciplines, making the different careers of the people that work together for the success of a business organization. Use of information systems will therefore affect each of these careers as follows:
Accounting. Its considered the main discipline related to business and all other careers borrow greatly from it. Accounting is mainly concerned with creation and keeping of transaction records, carrying out financial analysis and the major cash flow projections. Implementation of software that carries out some of these functions, among them record keeping and analysis, auditing and balancing of ledgers calls for at least basic IT skills. Most commonly used software is QuickBooks. (Galliers & Sauer , 2009)

Finance and banking. Use of technology in this field has highly advanced, leading to proposals for an integration of this discipline with information systems management. Financial managers entirely depend on software for financial transactions, generation of reports and statements and for trading. These skills are therefore essential for one to be competent in the job market (Galliers & Sauer , 2009).
Sales and marketing. Advertisement and other marketing strategies have been manipulated by the advent in technology. Online marketing and use of databases in branding and rebranding are some of the effects of information systems experienced in this career.
Managerial positions have also felt the effect since they apply decision makers software and by the use of executive management systems. Managers therefore are required to have both hardware and software manipulation and maintenance skills.
Its therefore evident that adoption of information systems on its own is not enough. Its applicability and the ability of the organization’s staff are key factors surrounding this area of business. The skills needed and the profits realized from its use are also major issues.

## References

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