

CHAPTER 2 – BIRDY'S VIEW =>

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SYSTEM Is a group of interconnected components working towards the accomplishment of a common goal, by accepting inputs & producing outputs in an orderly transformation process

INFORMATION means processed data. It means data that have been put into meaningful & useful context for the intended recipient. *helps org to achieve long term obj*

INFORMATION SYSTEM

It is a set of interrelated components (People, Hardware, Software, Data, Network) that provides effective info to support decision making & control in an organization.

CLASSIFICATION OF SYSTEM or TYPES OF SYSTEM - (HEBO H HEBO)

1. **Elements**
 - a. Abstract
 - b. Physical
2. **Interactive Behaviour**
 - a. Open
 - b. Closed
3. **Human Intervention**
 - a. Manual
 - b. Automated
4. **Working style/Output**
 - a. Deterministic
 - b. Probabilistic

Characteristics or Attributes of information?

1. Transparency
2. Completeness
3. Availability
4. Reliable
5. Mode
6. Rate
7. Format
8. Valuable.
9. Valid
10. Adequate
11. Quality
12. Updated/current
13. Frequency
14. Purpose/objective

*Transport CAR H MRF
H VVAR H
Tyse fix kone
purpose H H
to Update*

Characteristics of CBIS or Characteristics of System?

1. Small small Subsystems
2. interact with each other
3. to achieve common goals
4. If one subsystem Fails - whole system fails
5. Priority of Overall System Goal than individual subsystem goal

Major Areas of computer based applications

- Finance and Accounting
- Marketing and Sales
- Production or Manufacturing
- Inventory/ stores management
- Human Resource Management-

Components of a CBIS?

- People
- Hardware
- Software
- Data
- Network

computer system

Role of Information in Business

- Top level – Strategic
- Middle level – Tactical
- Lower level – Operational

category of info as per Hgm of diff levels

FUNTIONS of info system or STEPS of Info System Model

- INPUT
- PROCESSING -
- OUTPUT
- Feedback

Categories/Types of Information Systems & Groups served

Strategic Level Systems	Executive Information Systems (EIS)	<i>senior @</i>
Management Level System	Management Information Systems (MIS) Decision Support Systems (DSS)	<i>middle @</i>
Knowledge level Systems	Knowledge management Systems (KMS) Office Automation Systems (OAS)	<i>knowledge & Data workers</i>
Operational Level Systems (OSS)	Transaction Processing Systems (TPS)	<i>operational @</i>
Specialised Systems	- Expert System - Cross Functional Information System - ERP - Core Banking Systems	

capture
create
calculate
Retrieve
Record
distribute.

(C³R²D)

OFFICE AUTOMATION SYSTEM (OAS)		
Types of operations/office activities - Filling, <u>Search</u>, <u>Retrieval</u> & Follow up - Document <u>Capture</u> - Document <u>Creation</u> - Receipts & <u>Distribution</u> <u>Calculations</u> <u>Recording</u> Utilization of Resources	Benefits of OAS- - improve <u>communication</u> ↑ - Reduce the <u>cycle time</u> - ↓ - Reduce <u>costs</u> ↓ - ensure <u>accuracy</u> ↑	Categories / Types/Components - Text Processing Systems (TPS) - - EMCS → email - EDMS → fax - TVCS → voicemail

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KMS - that stores, retrieves & share & uses knowledge to achieve orgn obj. & enhance KM process [collect → store → distribute]	Types of Knowledge - Explicit Knowledge recorded & transferable	Tacit Knowledge Personal know how uncaptured unarticulated
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(CPGP)

TPS		
Activities - eg. Big Bzn Sale counter capture data processing files generate info / Reports processing queries	Components/Elements (IPO's) - Input - process - output - Storage	Features [LABS] - Large Vol. Data - Automation - Benefits measurable - Source of Input for other sys.

MIS		
CHARACTERSTICS of MIS Mt- <u>MANAGER</u> Chalhe Chalhe ja raha tha - <u>Haulo</u> jaise <u>Meduwada</u> <u>Samosa</u> <u>Chocolate</u> <u>Icecream</u> kha raha tha 1. Management oriented - Common data <u>base</u> - Common data <u>flows</u> <u>Heavy</u> Planning Element - Management <u>directed</u> <u>Subsystem</u> concept <u>Computerized</u> <u>Integrated</u>	PRE-REQUISITES of MIS? (past) (CM ko call krna ho to STD pr jao) <u>Control</u> & <u>Maintenance</u> - Qualified <u>Staff</u> ← engineer manager <u>Top</u> Management Support - MIS <u>Database</u>	MISCONCEPTIONS about MIS - Any <u>CBIS</u> is MIS - Any <u>reporting</u> system - Study all about <u>use of computers</u> - Management <u>Technique</u> <u>Bunch</u> of Technologies <u>file structure</u> <u>More data</u> mean more information <u>Accuracy</u> of data is important
	EVALUATION of MIS (future) → flexibility to Δ as per future info require → views of users abt capability & deficiency of system	

(S³E)

CONSTRAINTS in operating MIS - Non availability of <u>Expert</u> - Difficult to select <u>Sub system</u> - Lack of <u>Staff Support</u> <u>Non Standardized Approach</u> for designing MIS start from scratch.	Limitation of MIS - (SID TUM Q Hare) - not <u>Substitute</u> of <u>M</u> <u>Quality</u> of output depends on <u>quantity</u> of <u>input</u> <u>Less</u> useful in Non-Programmed/ <u>Unstructured Decisions</u> <u>Not Tailor</u> made - Lack of flexibility to quickly <u>Update</u> itself with changes in environment - Effectiveness reduces - Frequent <u>changes</u> in <u>Top Management</u> - Ignores <u>Non Quantitative</u> factor - Effective reduces - if culture of <u>Hoarding information</u>
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DSS → eg - 2 Cost / AIC / SFM - Cost A/c sys, Budg. variance, general DSS, Cap Budg.

Components → **Users** (Manager, Staff, GPPL, SPPL), **Planning lang.**, **Database** (implement @ 3 levels), **Model Base** (physical, logical, external)

Characteristics - DM @ all levels, group DM, Flexible, Adaptable, focus on decision, easy to use, structured / unstructured probs, user friendly, extensible, evolve over time, no judgement is imp, interactive, can't be substitute of human, every prob - diff model - custom-ized

EIS

Characteristics of Info used in EIS

High High-FILL high

1. Future Oriented
2. Informal source
3. Lack of structure
4. Low Level of Details
5. High degree of uncertainty

measures / Guidelines / Contents of EIS / principle

- easy to understand
- Reduce top @ burden
- Performance indicator
- Balanced view of org obj
- Share ownership in obj
- Friendly competition
- updated & user friendly
- Not to disclose confidential info

Characteristics of EIS

Top executive ko decision lena tha uske pass time bahot kum tha isiliye vo DSS ke pas gaya wahape jake usne internal aur external data ka summarized form me online analysis kiya

EXPERT SYSTEM

Business application of expert system

1. Accounting and finance
2. Marketing
3. Manufacturing
4. Personnel
5. General business



Need for Expert System → shortage, expensive, few factors

1. Expert is Expensive & scarce
2. Even expert handle only few factors at a time

Benefits of Expert System

MT- Expert thinks they are not emotional they have strategic knowledge

1. Real life expert
2. Assist novices thinking
3. No feelings - no Emotional
4. Strategic tool
5. Preserve knowledge

Properties of Expert System / qualities expert system should posses?

MT- Structure ABCDE

- Structure
- Availability
- Complexity
- Domain
- Expertise

CORE BANKING SYSTEM - Centralised Banking Service - group of Networked Bank Branches - all data stored @ 1 Location - Access from anywhere - ATM, OB, MB, etc.

Elements of Core Banking : A/c open, deposit, withdraw, loan, Intt calc, Intt Rates, payments, cheques, CRM, Record all Ten, Min balance, Max Withdrawals, Manage customer A/c.

CROSS FUNCTIONAL INFORMATION SYSTEMS / ENTERPRISE RESOURCE PLANNING (ERP)

COMPONENTS OF ERP (SPC)

1. Software Component
2. Process Flow
3. Customer Mindset
4. Change Management

BENEFITS OF ERP -

1. Single integrated system
2. Reduce Redundant data entry & Processes (streamline, no duplication)
3. Best Practices - uniform process
4. Improved Workflow & efficiency
5. customer satisfaction
6. Reduced inventory cost
7. Turn collections faster
8. Decrease in Vendor Pricing
9. Track actual cost of activities & perform Activity based costing (ABC)
10. Consolidated Picture of Sales, inventory & Receivables.

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