

objectives

- INFORMATION SYSTEMS introduction.
- Information system functions.
- Global economy.
- Digital economy.
- Electronic commerce.
- Electronic commerce advantages.

INFORMATION SYSTEMS

 An information system in an organization provides processes and information useful to its members and concern its customers, suppliers, products, equipment, procedures.

 Information system in a bank for example might concern the payment of its employees, the operation of its customer accounts, or the efficient running of its branches.

Organization and information systems

- All organization have information systems.
- The organization might be a commercial business, government organization.
- Example: Bank, hospital, university, library....

Comparison

Manual systems	Computer based information system
slower	faster
Unable to deal with large volumes Customers, supplies, transactions	Able to deal with large volumes
Less accurate	More accurate

Information system function

- A pay roll system is one of the first information system.
 Producing the payroll manually become very time consuming as the number of employees grew in an organization.
- 2. An electronic auction house (such as eBay). It is just an information system. It matches buyers with sellers. The electronic house (intermediary) provides all the necessary support services

Global economy

- Competition can come from anywhere in the world.
- There has been a reduction in barriers to trade and competition.
- Number of countries opening up more market orientation.
- Ex: north America free trade agreement, the European union...
- Continuing regulations removal of trading restrictions are features of many economies throughout the world, and are helping to drive more global economy.

Digital economy

- as a result of convergence of computing and telecommunications technologies.
- This has had a significant effect on business and society.
- The impact of the internet and world wide web.
- Organizations have found that their operation, products, services, markets are all affected.
- Ex: banks are attempting to shift their communication and service with customers from interaction at branches to internet.

Electronic commerce

- The digital economy incudes electronic commerce which is conducting of commercial transactions electronically via internet.
- The cost of marketing is higher because of the broader and markets that need to be covered.
- E- commerce has grown dramatically with an estimated US 2
 trillion worth of goods and services currently traded online.

Electronic commerce advantages

- 1. Eases access to global markets.
- 2. Extends business hours to 24 hour 7 days a week.
- 3. Reduces the costs of transacting business.
- 4. Reduces the cost of marketing.
- 5. Customized one to one communication with customers.
- 6. Provides a more perfect market that is easy for customers to find and compare prices.