

Section 1

Foundation Concepts: Information Systems and Technologies

Why Information Systems Are Important

Information technology is reshaping the basics of business. Customer service, operations, product and marketing strategies, and distribution are heavily, or sometimes even entirely, dependent on IT. Information technology, and its expense, have become an everyday part of business life [8].

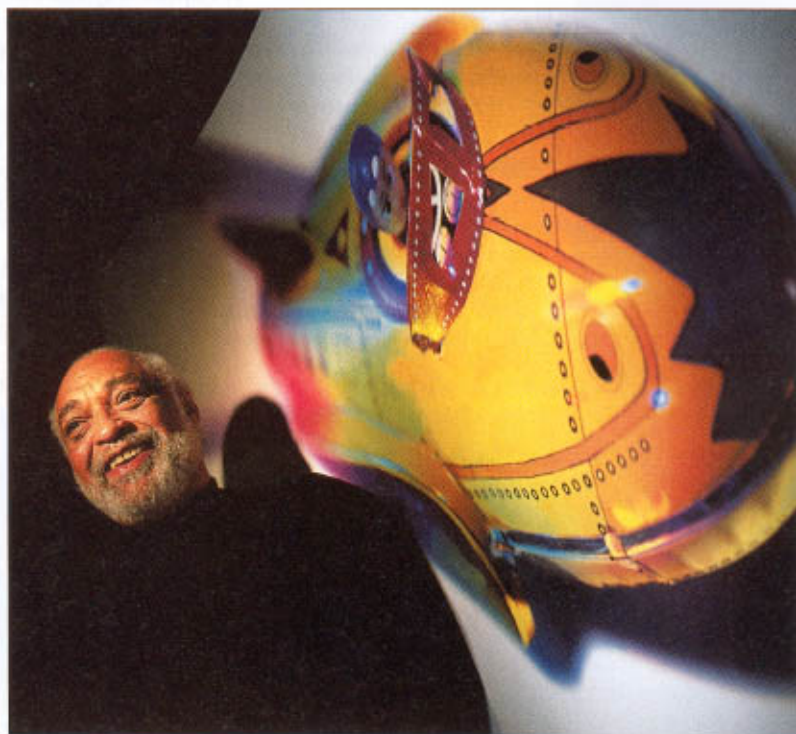
Why study information systems and information technology? That's the same as asking why anyone should study accounting, finance, operations management, marketing, human resource management, or any other major business function. Information systems and technologies have become a vital component of successful businesses and organizations. They thus constitute an essential field of study in business administration and management. That's why most business majors must take a course in information systems. Since you probably intend to be a manager, entrepreneur, or business professional, it is just as important to have a basic understanding of information systems as it is to understand any other functional area in business.

The Real World of Information Systems

Let's take a moment to bring the real world into our discussion of the importance of information systems and information technology. Read the Real World Case of Alreon WebSystems on the next page. Then let's analyze it together. See Figure 1.1.

Figure 1.1

Chief operating officer Joe Booker is leading Alreon's drive to expand its use of IT to help manage their fast growing business.



Olivier Laude.

Foundations of Information

Systems in Business

Chapter Highlights

Section I

Foundation Concepts: Information Systems and Technologies

Why Information Systems Are Important

The Real World of Information Systems

Real World Case: Alteon WebSystems: Managing Business Success with Information Technology

What You Need to Know

An IS Framework for Business Professionals

System Concepts: A Foundation

Components of an Information System

Information System Resources

Information System Activities

Recognizing Information Systems

Section II

Foundation Concepts: Business Applications, Development, and Management

The Fundamental Roles of IS Applications in Business

Real World Case: Lands' End: Customer Service in E-Commerce

Trends in Information Systems

The Internetworked E-Business Enterprise

Types of Information Systems

Developing Business/IT Solutions

Managerial Challenges of Information Technology

Success and Failure with IT

Ethics and IT

Challenges of IT Careers

Learning Objectives

After reading and studying this chapter, you should be able to:

1. Explain why knowledge of information systems is important for business professionals and identify five areas of information systems knowledge they need.
2. Give examples to illustrate how E-business, electronic commerce, or enterprise collaboration systems could support a firm's business operations, managerial decision making, and strategic advantage.
3. Provide examples of the components of real world information systems. Illustrate that in an information system, people use hardware, software, data, and networks as resources to perform input, processing, output, storage, and control activities that transform data resources into information products.
4. Provide examples of several major types of information systems from your experiences with business organizations in the real world.
5. Identify several challenges that a business manager might face in managing the successful and ethical development and use of information technology in a business.