

Effective Business Value of Bal Information System

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Abstract

It has become increasingly difficult to ignore the importance of business value of information system. Over the past few years researchers have highlighted the need of information system in business field. More over individuals, organizations and countries are investing considerably in information system. It is widely observed that IS investment enable firms to achieve competitive advantage and enhance core competencies to improve their performance and gain more profit.

As a result Effective Business Value of Bal Information System (EBVBIS) is at the heart of our consideration in this research paper. This paper seeks to address the following questions. What is meant by business value of information system? How can we measure business value of information system? What is the importance of information system in new e- business era? It has been widely observed that with the passage of time as the quick changes are taking place in information system the above questions are gaining importance in the field of business. As the deliberation lies in proper selection of technology and its proper utilization to enhance the performance of a business in education sector.

Keywords: - Effective Business Value of BAL Information System (EBVBIS), Performance, Competitive Advantage etc.

1. Introduction

Basically IS (Information System) is any combination of information technology and people's

actions using that technology to support operations, administration. It is also called application landscape. Simply information system is commonly used to refer the interaction among people, algorithmic processes, data and technology.^[1]

An information system can also be considered a semi-formal language which supports human decision making and action. An information system is a work system whose actions are dedicated to processing (capturing, transmitting, storing, retrieving, manipulating and displaying) information.^[1]

1.1 Business Value

Now, what is business value! Business value used as middleware in Business goal and Information Technology.

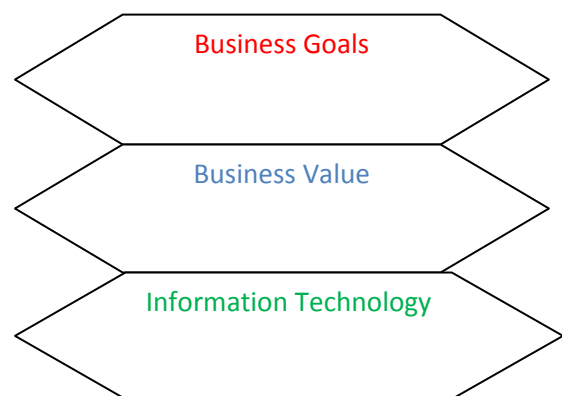


Fig. 1 [3]

1.2 Information System Types

Information System is generally classified in to five categories:-

- ✚ Office Information System (OIS)
- ✚ Transaction Processing System (TPS)
- ✚ Management Information System (MIS)
- ✚ Decision Support System (DSS)
- ✚ Executive System (ES)

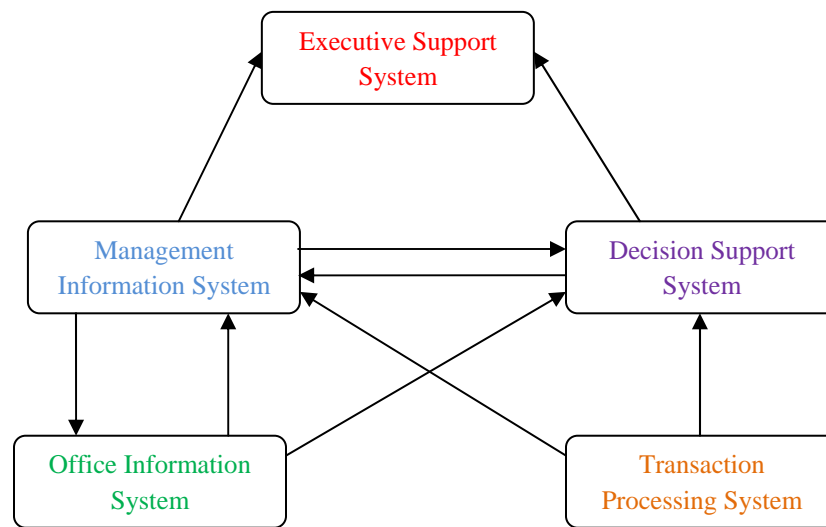


Fig. 2

Office Information System

Office Information System (OIS) is an information system that uses hardware, software and networks to enhance work flow and make easy communication among employees. In an office information system, also described as office automation; employees execute tasks electronically using computers and other electronic devices, instead of manually. With an office information system, for example, a registration department might post the class schedule on the Internet and e-mail students when the schedule is well-run. In a manual system, the registration department would photocopy the schedule and mail it to each student's house. ^[2]

Transaction Processing System

A Transaction Processing System (TPS) is an information system that captures and processes data generated during an organization's everyday transactions. A transaction is a business activity such as a deposit, payment, order or reservation. For example clerical staff typically performs this activity. ^[2]

Management Information System

A Management Information System (MIS) is an information system that generates accurate, timely and organized information so managers and other users can make decisions, solve troubles, administer

activities, and track progress. Because it generates reports on regular basis, a management information system sometimes is called a management reporting system (MRS). MIS generates three basic types of information: detailed, summary and exception. Example of a detail report is Detailed Order Report. Example of a summary report is Inventory Summary Report. Example of an exception report is an Inventory Exception Report.^[2]

Decision Support System

A Decision Support System (DSS) is an information system designed to help users attain a decision when a decision-making situation arises. A variety of DSSs exist to help with a range of decisions. A decision support system uses data from internal and/or external sources. Internal sources of data might include sales, manufacturing, inventory, or financial data from an organization's database. Data from external sources could include interest rates, population trends, and costs of new housing construction or raw material pricing.^[2]

2. Available Solutions

According to available solutions based on business intelligence applications unchain the value of information unseen in enterprise system, including financial management, human resources, supply chain, and customer relationship management (CRM). Systems enabling better decision-making and faster action like Siebel Transportation Solution locate for Real-Time Enterprise Business Intelligence from Oracle empowers trucking, shipping, rail cargo, and third-party logistics companies to manage their business performance quickly and cost-effectively through insight-driven business decisions. Users at all business levels can now be aware of and affect the impact of financial, staffing, supply chain, and customer management decisions.^[4]

Accordingly in this research one of the dilemmas facing today's manager is that on the one hand they seem to be suffering from information overkill, yet on other hand, they often complain about shortage of information needed to make vital decisions.^[5]

Symptoms of overload are a growth of incoming information, including electronic mail, an explosion

Expert System

An Expert System (ES) is an information system that captures and stores the knowledge of human experts and then imitates human reasoning and decision-making processes for those who have less expertise. Expert Systems are composed of two components.

- ✚ knowledge base
- ✚ Inference rules

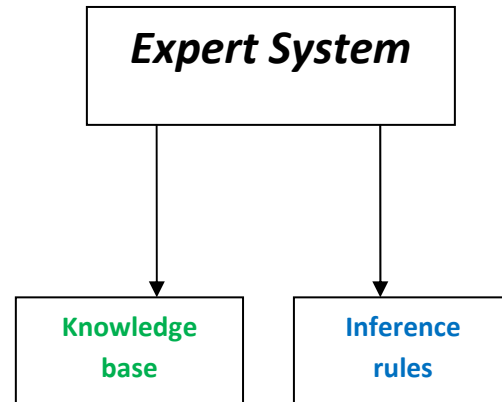


Fig. 3

in the volume of information sources (there are over 10,000 business newsletter titles and a similar number of CD-ROM titles). Symptoms of scarcity are the lack of essential information for decision making, unforeseen competitors move and the -- inability to find the relevant indicator in the haystack.

There is also a crucial problem of exploiting an organization's proprietary information as a strategic asset.^[5]

There are two solutions exist in this research paper one of them is EIS and other one is IRM. In Executive Information Systems (EIS), On-line and CD-ROM data-bases, alerting services. A more encompassing solution is to adopt the principles of Information Resources Management (IRM) (not to be confused with an information management or information system).^[5]

According to this available solution, an information system is a computer system that provides management and other personnel within an

organization with current information regarding the organization's performance. For example, recent inventory and sales. It is usually linked to a computer network, which is created by joining different computers together in order to share data and resources. It is designed to capture, transmit, store, retrieve, manipulate, and or display information used in one or more business processes. These systems output information in a form that is useable at all levels of the organization which deliberates, planned, and operational. MIS supports this type of organization.^[6]

3. Methodologies

There are some problems exist in given available solutions. Effective Business Value of Bal Information System (EBVBIS) will solve these problems.

In Effective Business Value of Bal Information System (EBVBIS), we analyzed that Semester System is better than Annual System in education sector. We proved it with a solid reason. Because our aim is to achieve the effective business value (business value lies in between business goals and information technology) in information system. In EBVBIS Information Technology is used as business partner. In EBVBIS, we focused the information system categories such as

- ✚ Management Information System (MIS)
- ✚ Decision Support System (DSS)
- ✚ Expert System (ES)

3.1 Comparative Analysis & Discursion

We compared the previous available solutions with Effective Business Value of Bal Information System (EBVBIS).

In previous solution (**Unlocking the Value of Information**) hidden information system in enterprise system is due to lacking of decision making and third party finds difficulty to manage the business performance. (Siebel Transportation Solution)

In previous solution of (**Information Resources Management**) burden of incoming information, including electronic mail is a major problem. To handle this problem EIS and IRM is used.

In previous solution of (**MANAGEMENT INFORMATION SYSTEM**) a computer system provides the management within the organization only not surrounded out the organization. MIS is used for this solution.

Effective Business Value of Bal Information System (**EBVBIS**) is comparatively better than the existing solutions. We focused the Annual and Semester systems in three information categories. We explained with the structural diagram. We highlighted the advantages of Semester System as compare to Annual System in this diagram. We used three mention information system categories like MIS, DSS and ES in Semester System. The above mentioned three system categories are lacking in Annual System.

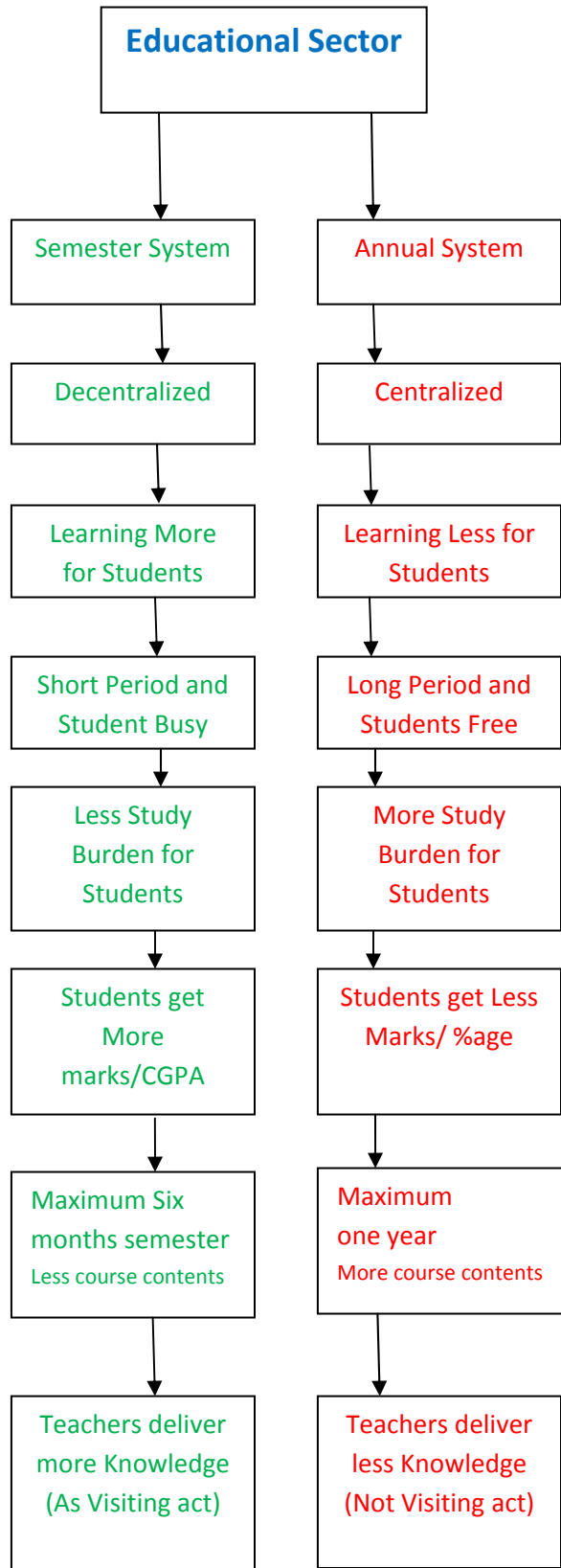


Fig. 4

In the given Fig. 4, we explained that semester system is better than annual system. Because, annual system consists of long time duration for students study but semester system has short time duration for students study. IT is used as business partner in semester system. Investor of the organization will get more benefits as compare to Annual System. So success rate in semester system is more than Annual system. Better decision makes the system successful. My purpose is to achieve the business value successfully, so we did through proper analysis of both systems in education sector.

4. Conclusion

Information Systems are being increasingly used to value businesses. Developed nations are facing greater competitive pressure because of efficient and effective production which is now the norm in many sectors. We concluded that business value is most important in Information Systems.

Well Effective Business Value of Bal Information System (EBVBIS) is better solution for business value of information system.

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