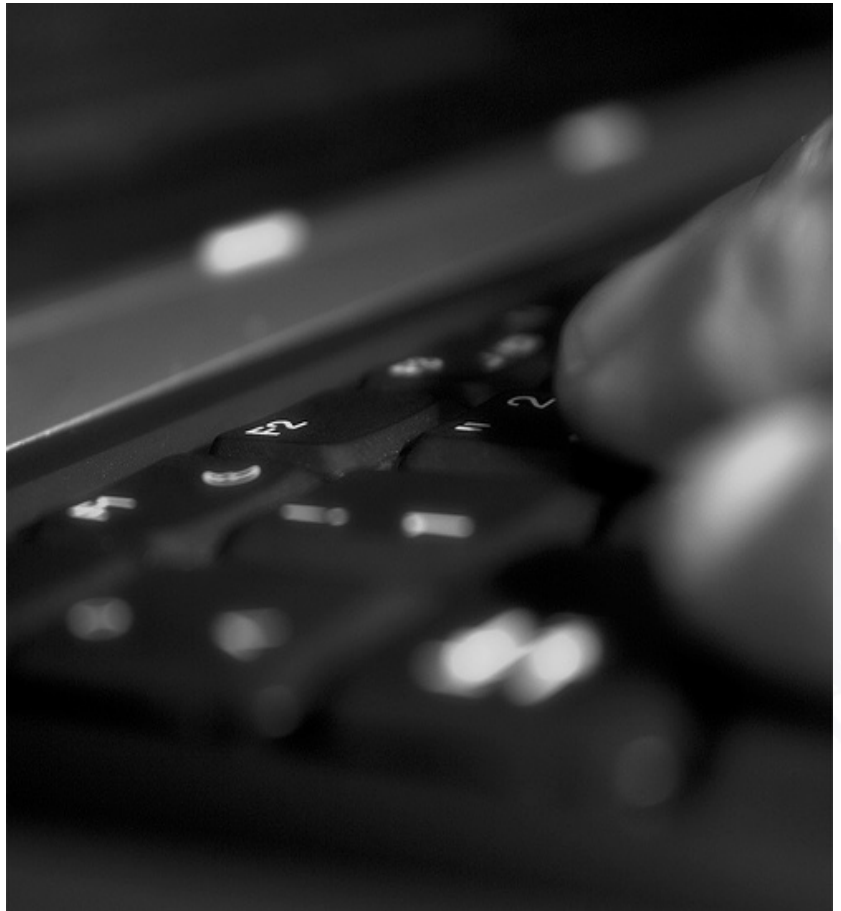


Lecture 2 Business Informatics 2 (PWIN)

Information Systems I IS Basics

WS 2015/2016

Prof. Dr. Kai Rannenberg
www.m-chair.de



Jenser (Flickr.com)

- Information Systems in a Nutshell
- Examples of Information Systems
- Introduction to Enterprise Modelling
- Excursus: Research on Information Systems



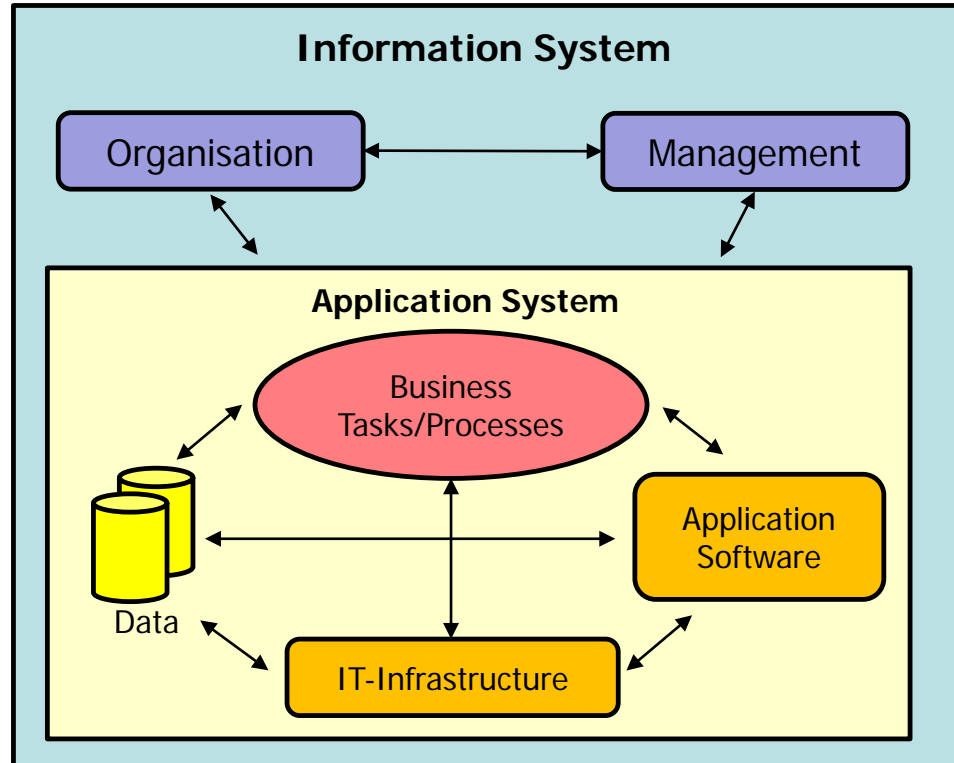
- **Information System (IS):**

A system which was built to be used in a part of an enterprise. It contains all relevant application systems and is embedded into the organisation and management of an enterprise.

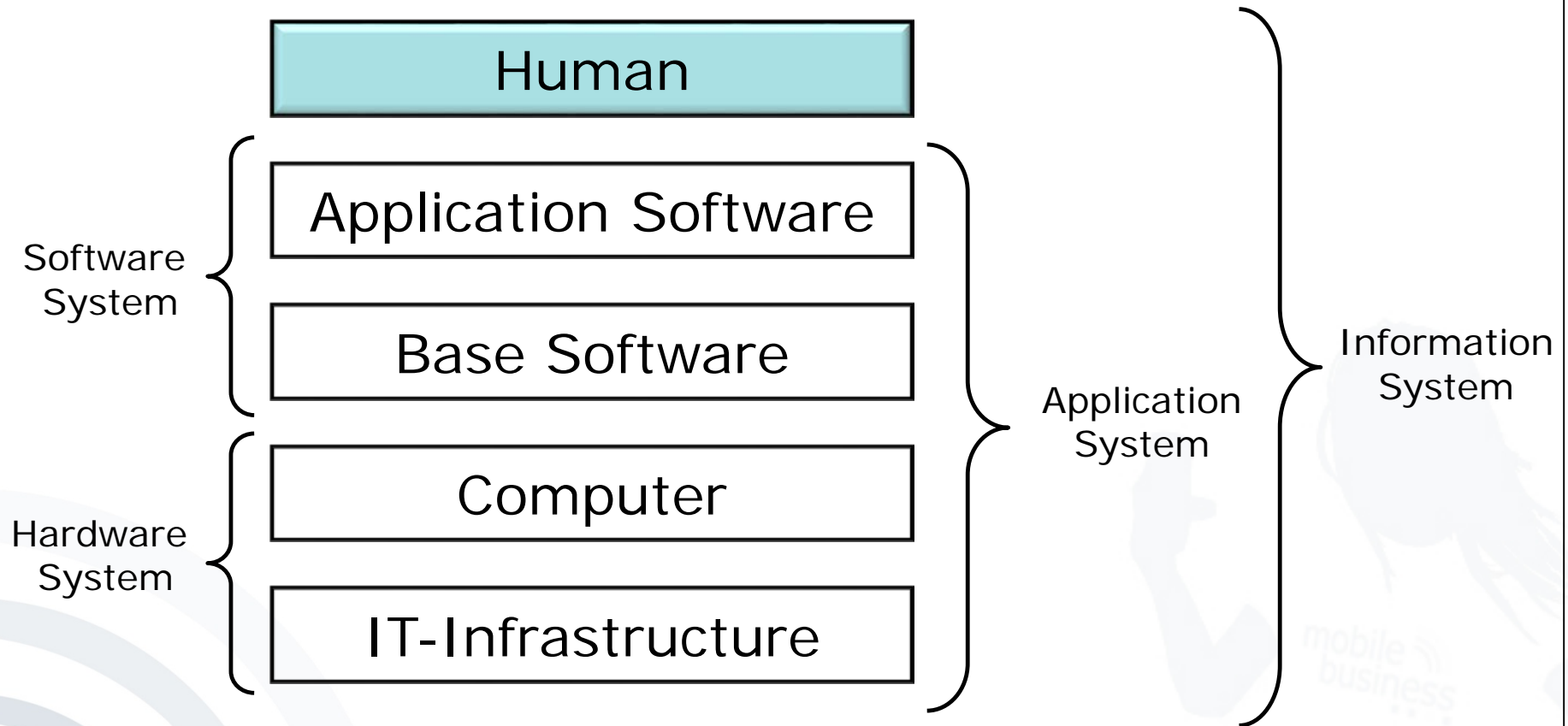
- **Application System (AS):**

A system, which consists of business tasks and processes it supports, the underlying IT-infrastructure, the application software and the data it required in order to accomplish its objectives.

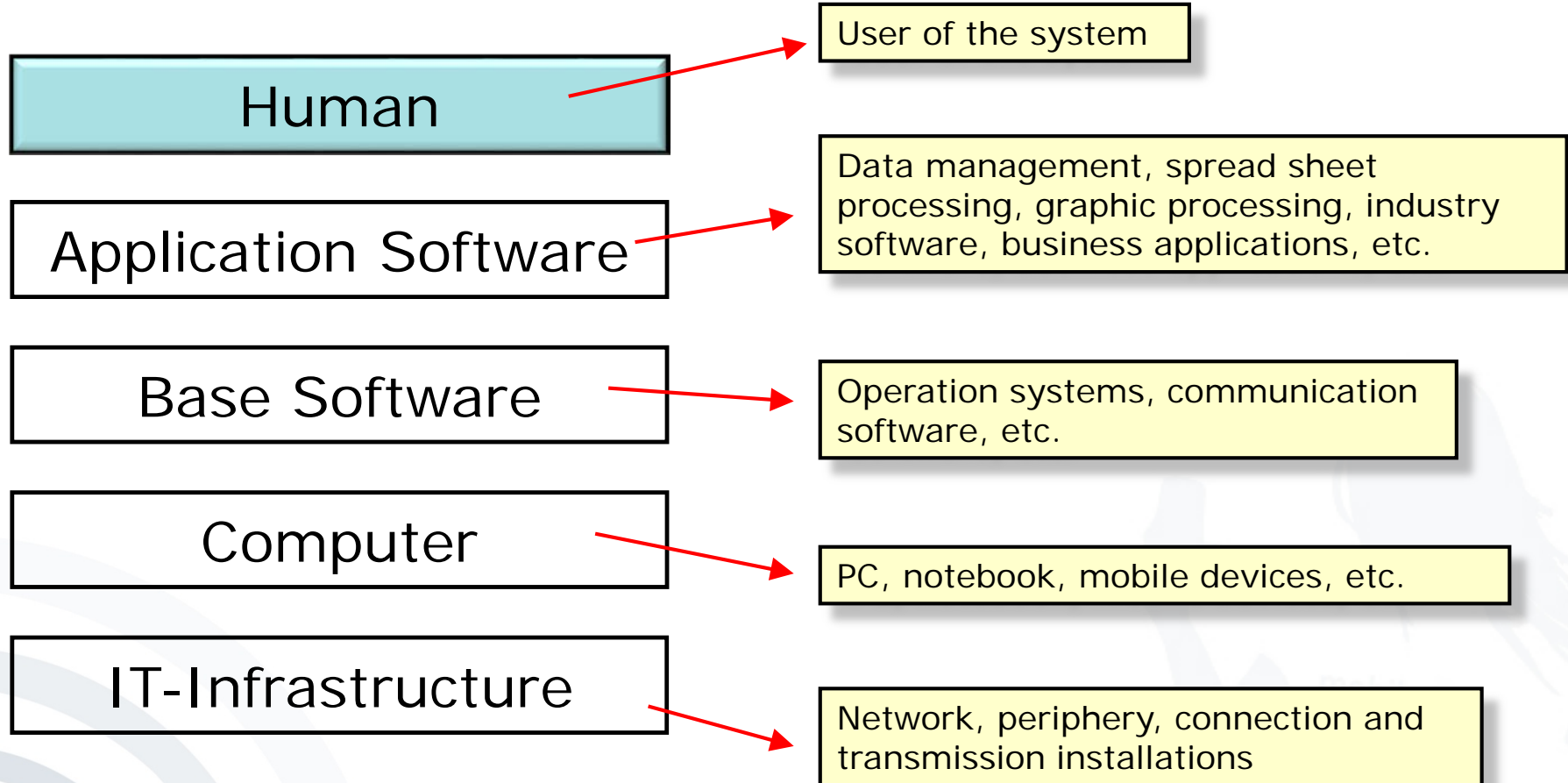
Source: Laudon, K.C., Laudon, J.P., Schoder, D. (2010), p. 18.



Information and Application Systems (different perspective)



Source: Teubner (1999)



Source: Teubner (1999)

- **Data:** Characters (symbols), which are based on mutual agreements, represent information in an electronically processable manner.
- **Knowledge:** Contents containing the beliefs about the truth of statements (Wittmann, 1959).
- **Information:** Explicit (in the form of language expressed) knowledge, which is used by humans in order to accomplish business objectives → purposeful knowledge (Wittmann, 1959).
- **Communication:** Exchange of information between humans as well as the exchange of data between machines.

Source: Wittmann (1959); Holten (1999), p. 71ff.; Teubner (1999), p. 16 ff.
(translated into English)

Data

	- MINUS -	Die großen Preise..	
	Adalbertstr. 44		Region
	60486 Frankfurt		
	Pos.	MwSt. EUR	
Item No	1 3,5% Milch 1L	E 0,55	
	2 Maultaschen	E 1,19	
	3 Maultaschen	E 1,19	Price
	4 Korkenzieher	V 4,99	
	5 Gerieb. Käse	E 0,99	
	Summe EUR	8,91	
Payment Method	BAR EUR	10,00	
	Rueckgeld EUR	1,09	
	MwSt 7% (E) von 3,92	0,26	
	MwSt 16% (V) von 4,99	0,69	
	NETTO-UMSATZ	7,96	
Cashier ID	Kasse: 002/0018	Bon: 0639PE01Z	Invoice No
Time & Date	Datum: 08.03.2006	Zeit: 14:25:00	Time & Date
	1 Monat Rückgaberecht gegen Vorlage des Kassenbons!		



Information for „Distribution Controlling“

Distribution Section:
Frankfurt West

Market:
Supermarket -MINUS-

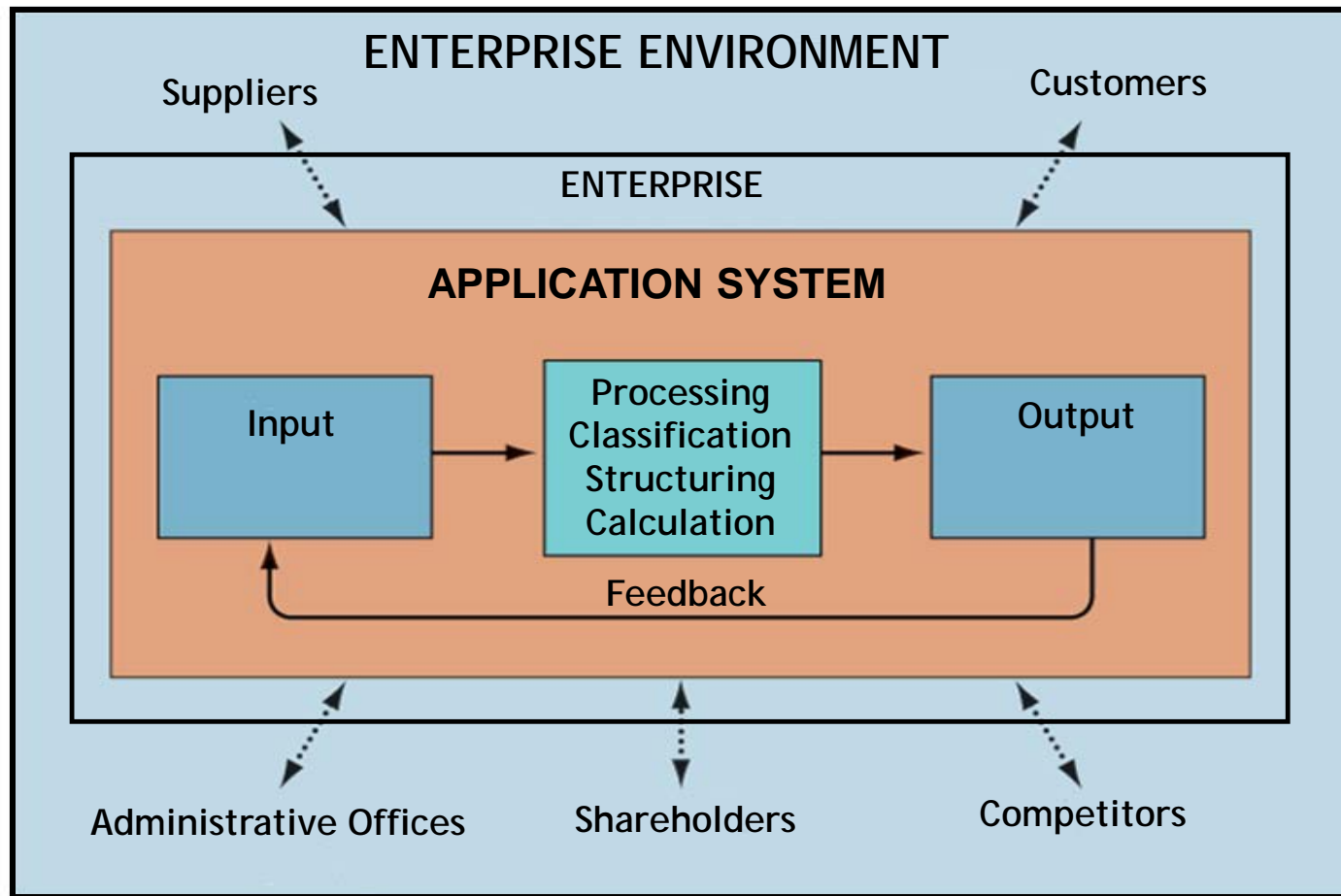
Item No.:
12223

Description: Pasta Squares

Sold Quantity: 7.156

Total Revenue:
€ 8515,64

- **Input:** Entering or gathering of raw data → E.g. item ids for shirts, sold units, code for department store
- **Processing:** Transformation of data into a form comprehensible for humans → E.g. which shirts have to be produced? For which department stores? Which department stores generate the highest revenue? ...
- **Output:** Distribution of processed information to the respective persons in charge → E.g. transmission to TAL, J.C. Penney, shirt producer ...
- **Feedback:** Output is sent back to persons in charge for the purpose of evaluation / correction



Source: Laudon, Laudon, Schoder (2010), p. 20.

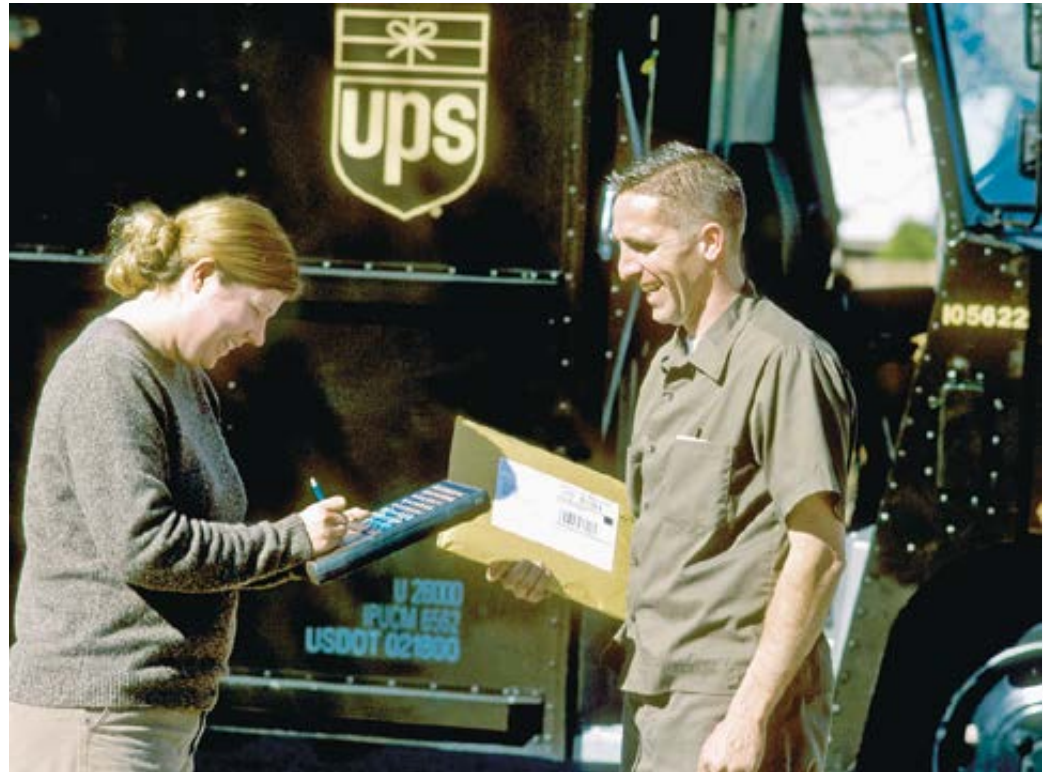
- **Formal System:** A system which is based on accepted and fixed definitions for data and processes and works based on predefined rules.
- **Program:** A processing specification (algorithm) consisting of a series of commands, expressed in the machine code of the respective executing computer.
- **Software:** One in a programming language written program
- **Hardware:** Physical devices used for the purpose of input, processing and output in information systems.

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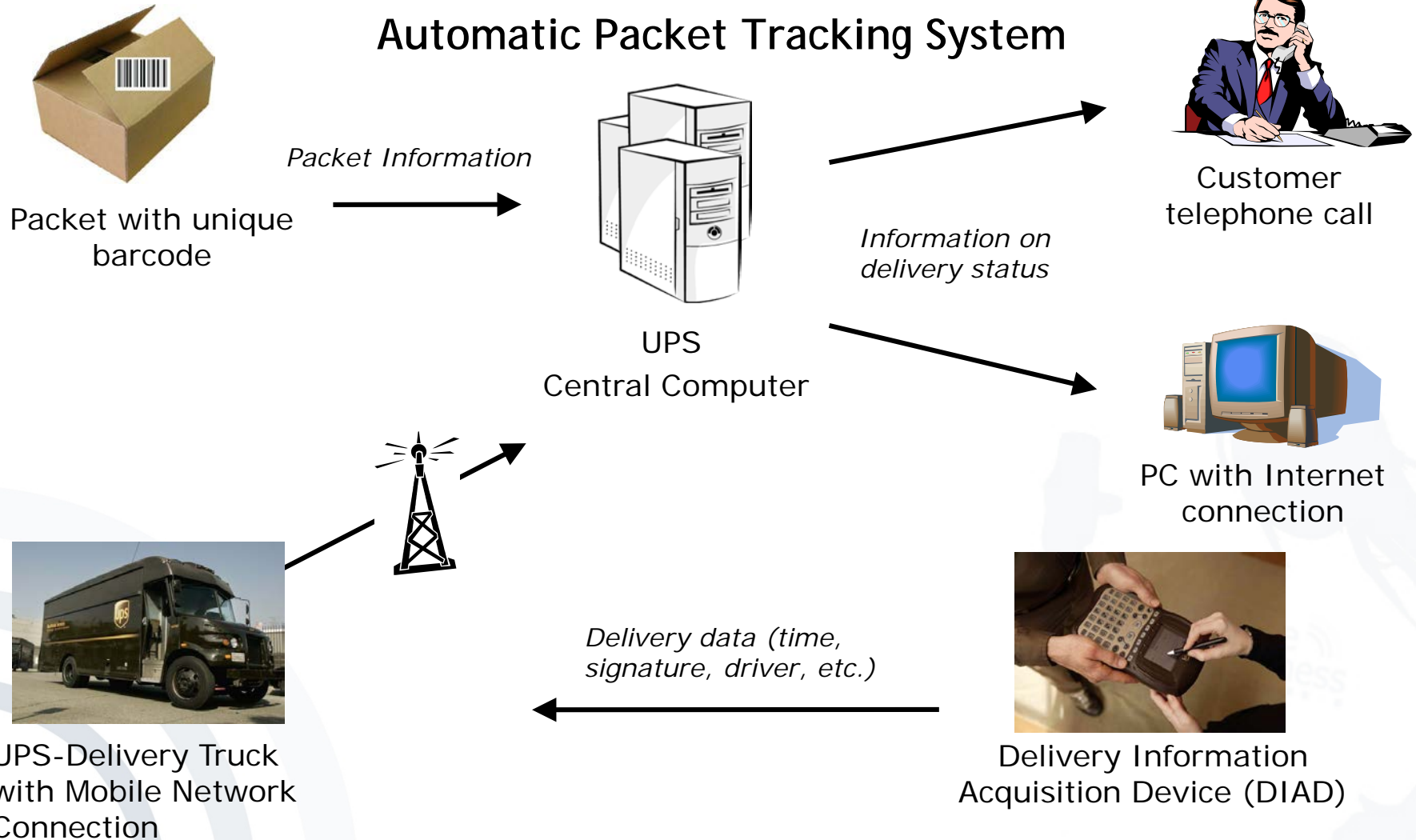


State-of-the-Art IS: UPS Packet Tracking System

Using a handheld computer called a Delivery Information Acquisition Device (DIAD), UPS drivers automatically capture customers' signatures along with pickup, delivery, and time card information. UPS information systems use these data to track packages while they are being transported.



Automatic Packet Tracking System



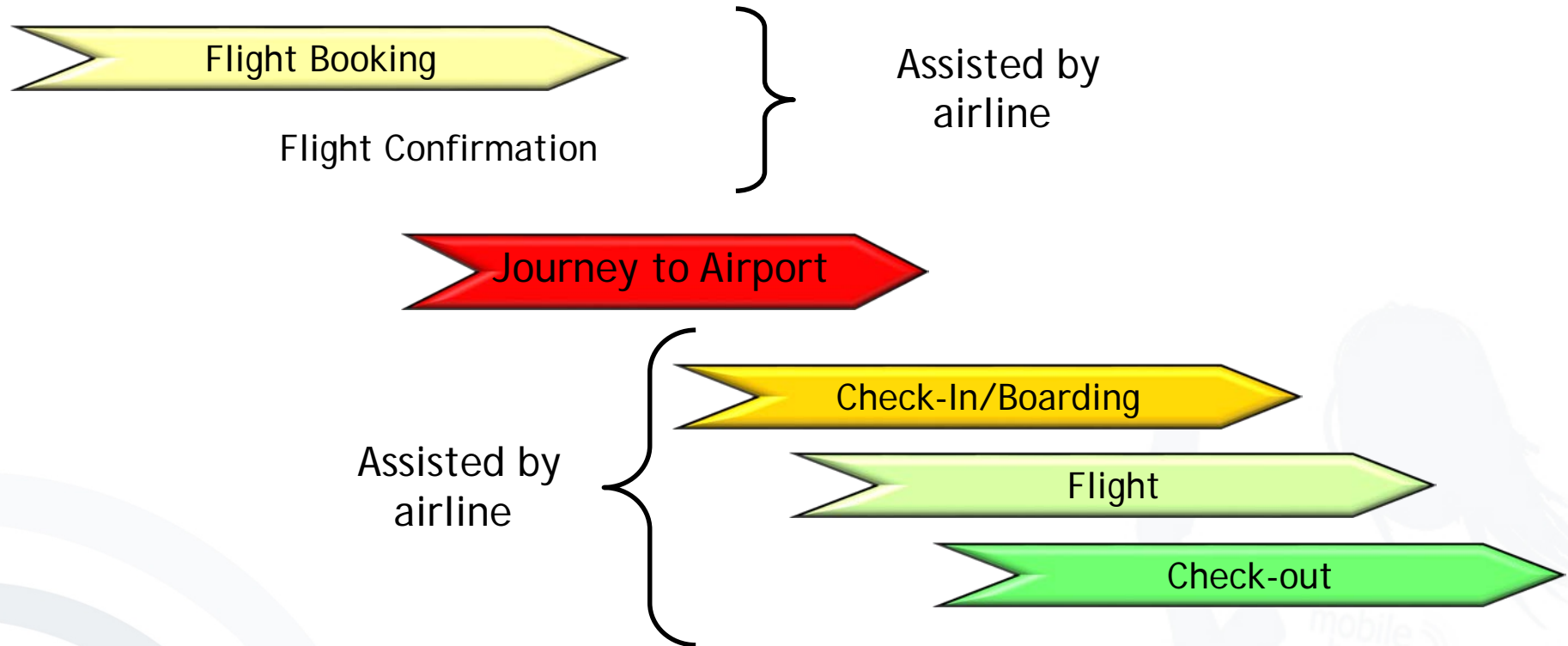
- Organisational:
 - Procedures for tracking packages and managing inventory and provide information
- Management:
 - Monitor service levels and costs
- Application System
 - Handheld computers, bar-code scanners, networks, desktop computers, etc. (Hardware)
 - Bar-code scanner firmware, desktop operating systems, Delivery Status software, etc. (Software)

Mobile Customer Relationship Management System

- Passengers get assistance during their journey (e.g. by car) to the airport from their airline.
- If delays for the journey are detected (e.g. caused by traffic jam), the passengers are contacted by the airline.
- The passengers will be offered personalised services via their mobile device. (e.g. parking service at the airport)
- Depending on the delay, these services can reduce the risk of passengers actually missing their flight.



mobile business Assistance for Frequent Flyers

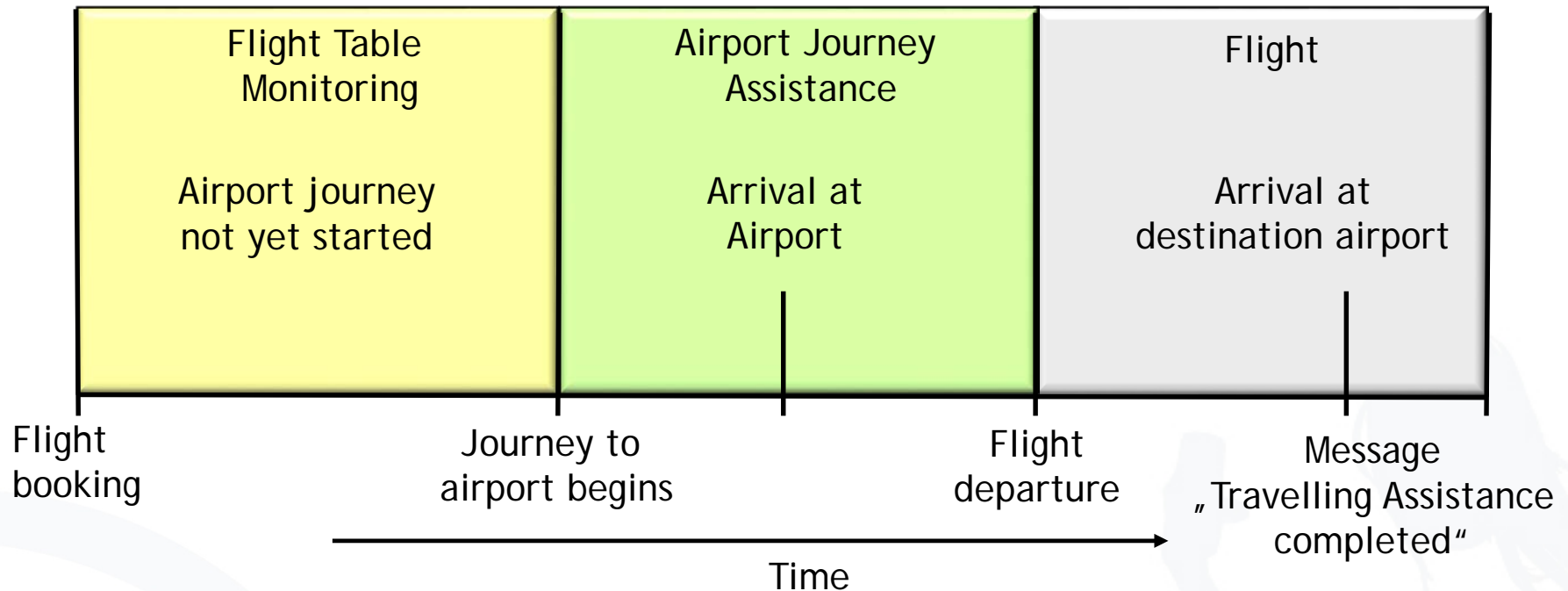


Disruption in Flight Travelling Service Chain

Why Frequent Flyers?

- High-profit customers of an airline
 - Customer loyalty through service provision
- Frequent Flyers are typically business people
 - Reaching flight = reaching business appointment
 - Costs for service are not relevant
- Preferences of target group are well-known
 - High personalisation of services possible

Phases of Travelling Assistance

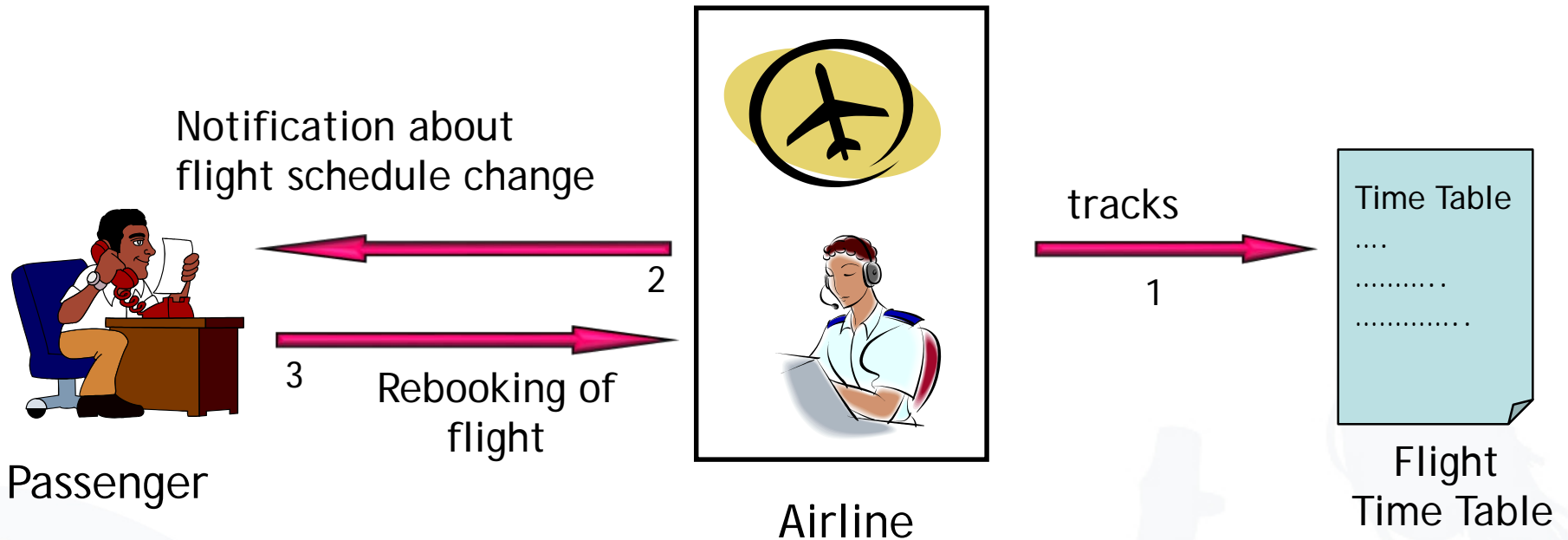


The Travelling Assistance can be divided into 3 phases:

- Flight time table monitoring until departure to the airport
- Assistance during journey to the airport
- Flight to till arrival at destination airport

- Travelling Assistance is offered subsequently to the flight booking.
- Passenger has to submit their prospective luggage type (travel or carry-on luggage) and their means of transport (e.g. by car or train).
- Passenger provides airline with preferred communication channel in case of delays (Voice, SMS, etc.).
- Passenger books support services in advance:
 - Parking service at the airport
 - Transfer from parking garage to gate
 - Live traffic and travel information

Flight Time Table Monitoring



Airline tracks flight time table changes until passenger begins journey to the airport.



Begin of Journey to the Airport

Passenger

- Check of current service configuration
- Check of current traffic situation
- Check of status journey status (e.g. delayed, on time, etc.)



Passenger



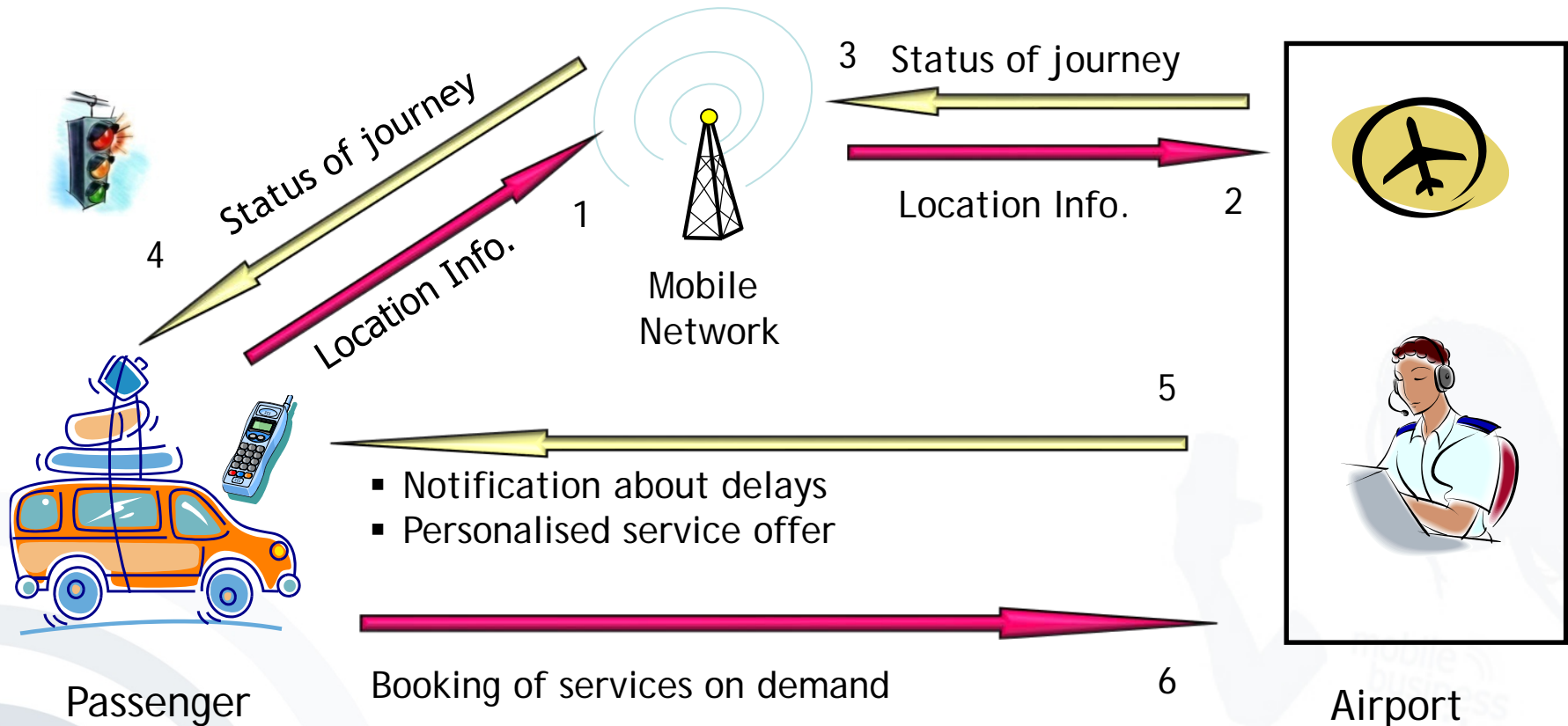
Explicit activation of assistance for
the journey to the airport



Airline

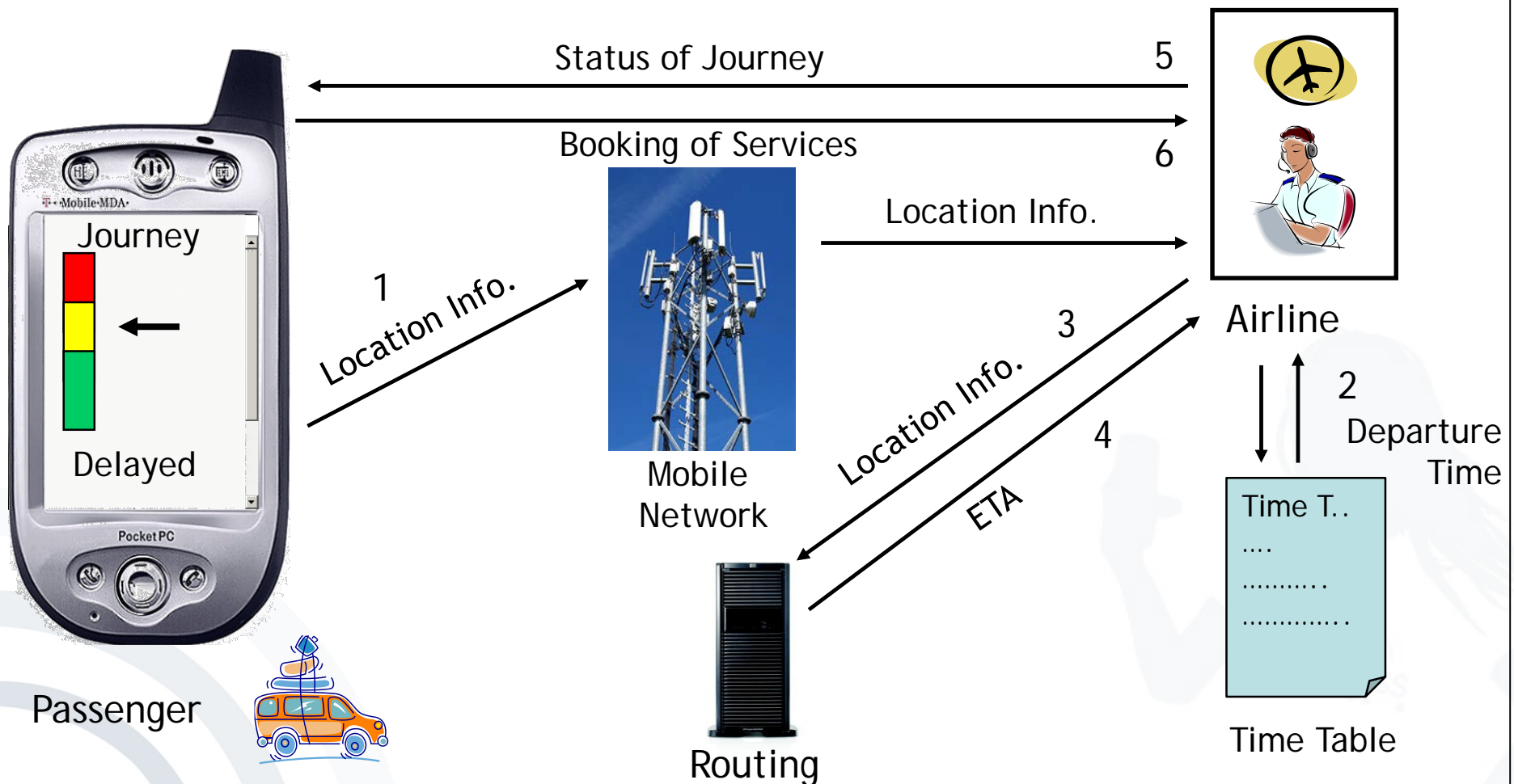
Shortly before a passenger leaves for the airport, they activate the assistance.

During the Journey to the Airport



The airline monitors the location of the passenger's mobile device and thereby calculates their ETA.

mobile business Underlying technological Concept of the Travelling Assistance



Arrival at the Airport

Execution of booked services by airline

- Parking Service
- Transfer to Gate
- Priority Check-In
- Accelerated luggage transportation
- ...



Compensation of delay during journey to the airport allows passenger to reach their flight.

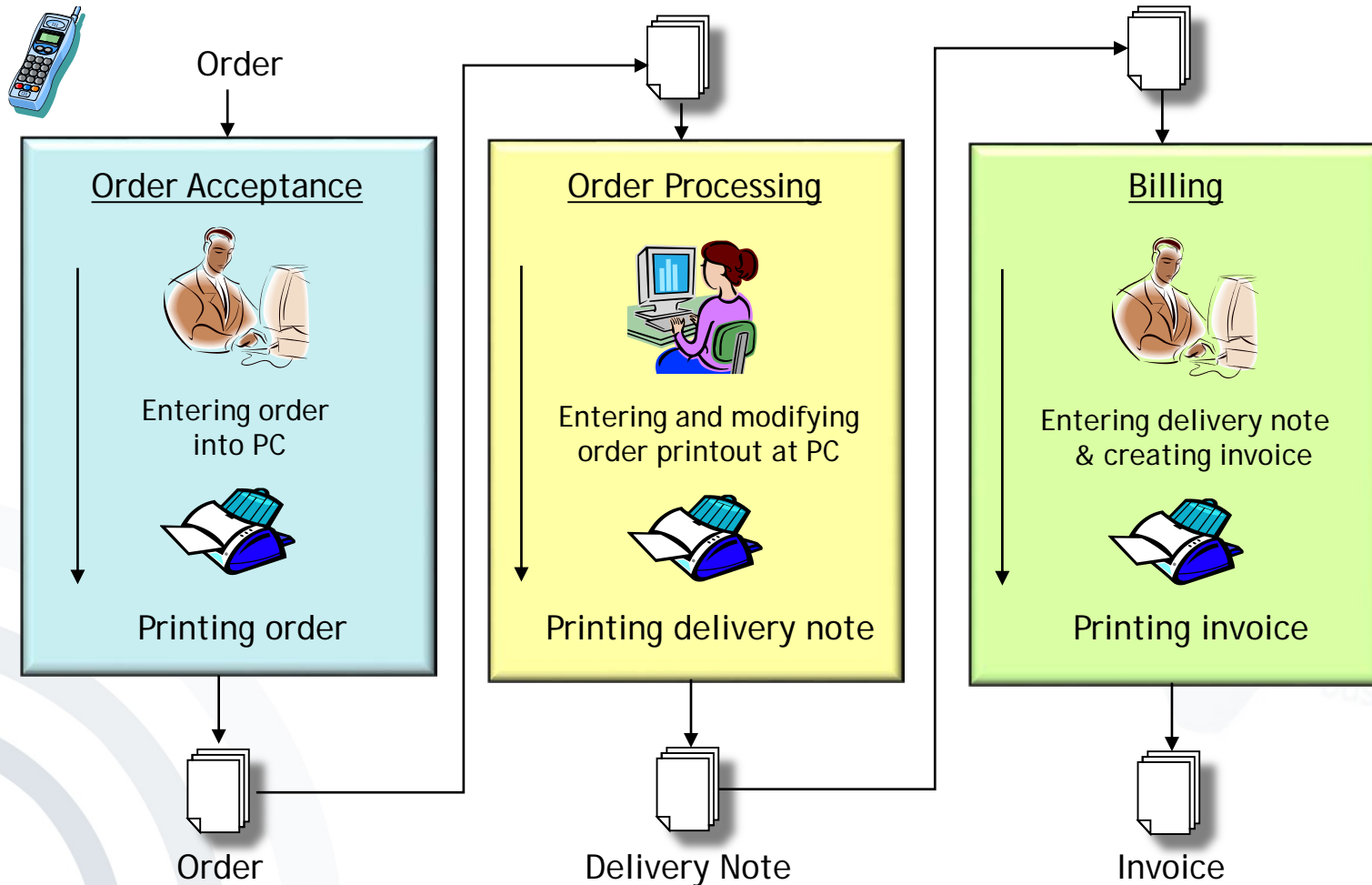
After the arrival at the destination airport, the passenger receives the notification that travelling assistance is completed.

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Isolated Information Systems

Business process in an enterprise (example)



Source: Based on Schwickert, 2015

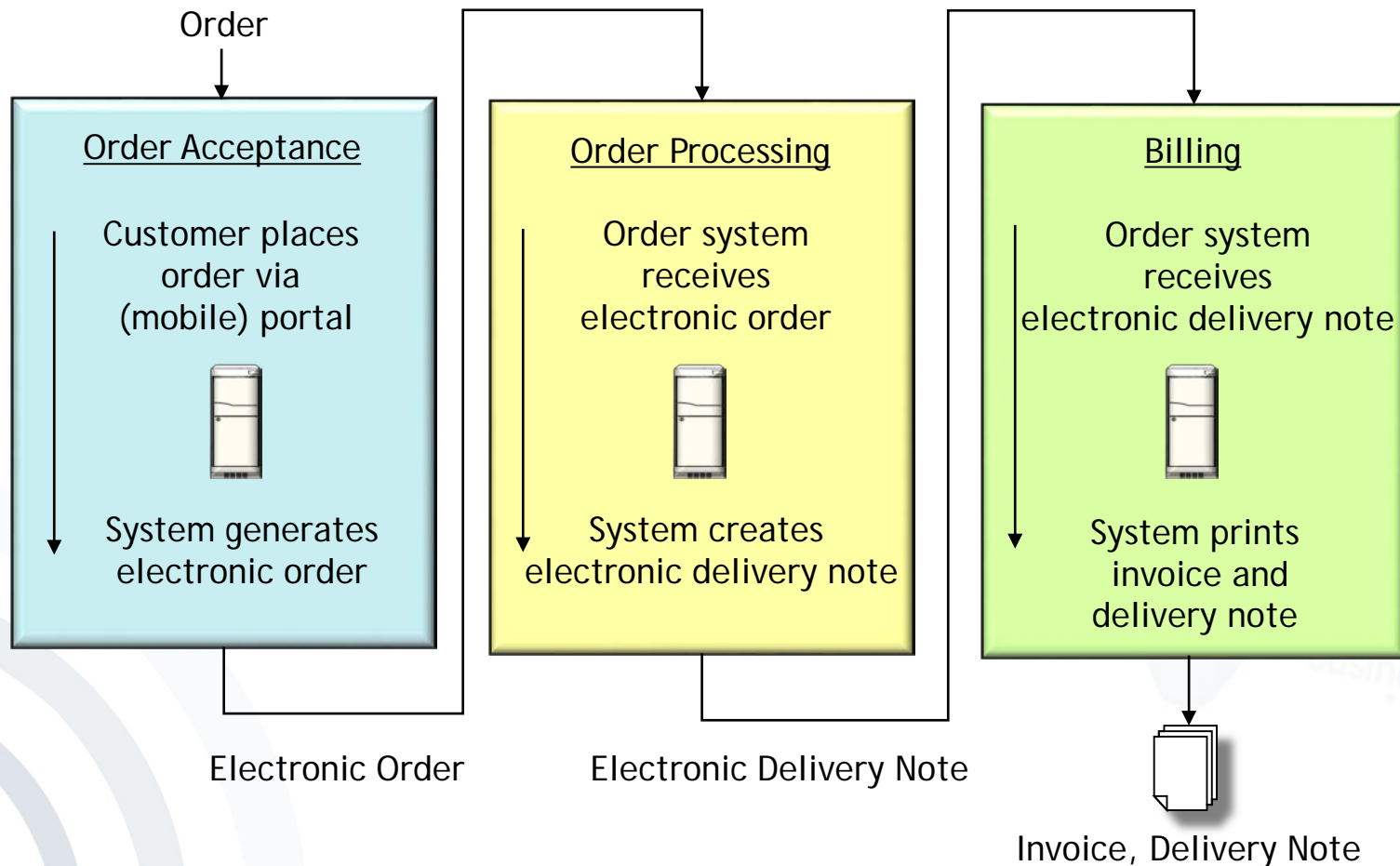
Due to media disruptions between Information Systems, isolated Information Systems are

- prone to errors,
- personnel-intensive,
- cost-intensive,
- and inflexible (e.g. regarding order modifications).

Further, media disruptions also lead to

- long processing times and
- complex controlling due to lack of common data basis.

Business process in an enterprise (example)



- Requirements for the development of connected Information Systems



- Holistic view on an enterprise and its organisation, management, business processes, resources, etc.



- Enterprise Modelling as approach

- Enterprise Modelling

- Enterprise modelling is the abstract representation, description and definition of the structure, processes, information and resources of an identifiable business, government body, or other large organization.

(Source: Leondes and Frymuth Jackson 1992)

- Enterprise Model

- An enterprise model is a representation of the structure, activities, processes, information, resources, people, behaviour, goals, and constraints of a business, government, or other enterprises.

(Source: F.B. Vernadat 1997)

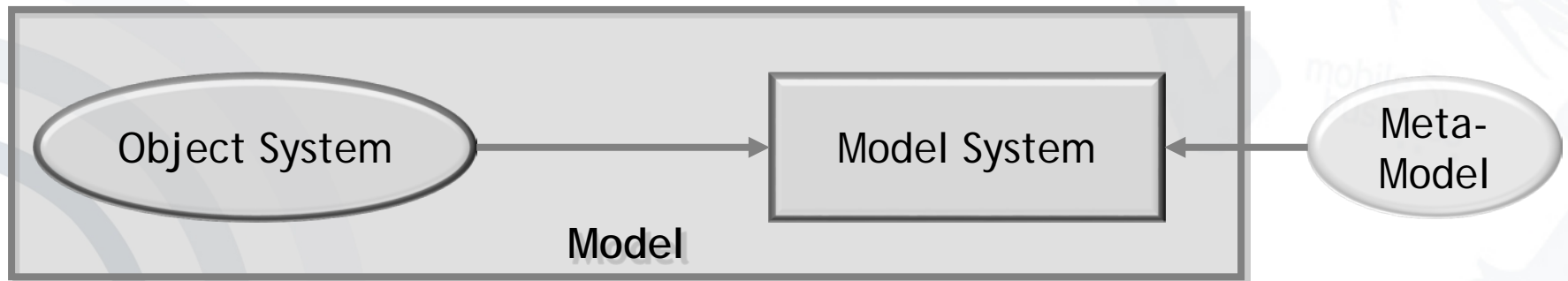
What is a Model?

- A model is a representation of a the real world with the following properties
 - **Representation:** A model is always representation of natural or artificial objects, which themselves can be models.
 - **Abstraction:** Models are typically an excerpt of reality.
 - **Pragmatism:** The contents of a model are relativized through the following questions: For whom? Why? For what?

- *Example:*
 - Building vs. Build Plan



- Consistent correspondence of structure and behaviour between model and original required
- Consequently, the modelling function has to be a **homomorph** transformation
- The “language” for the definition of a model system is provided by a meta-model.



- Models are built for the purpose of **simplification and complexity reduction**
- Abstracting mechanisms for modelling are:
 - *Aggregation* (vs. Disaggregation): Several different objects are combined to a new object.
 - *Generalisation* (vs. Specialisation): Similar objects are abstracted to become a new high-level object.
- Example
 - *Aggregation*: Keyboard, Display, Antenna, Case
→ Mobile Device
 - *Generalisation*: Mobile Phone, Smart Phone, Notebook →
Mobile Device

There are several techniques for modelling the enterprise such as

- Active Knowledge Modelling,
- Enterprise Modelling Methodology/Open Distributed Processing (EMM/ODP)
- Design & Engineering Methodology for Organizations (DEMO)
- Dynamic Enterprise Modelling
- ...

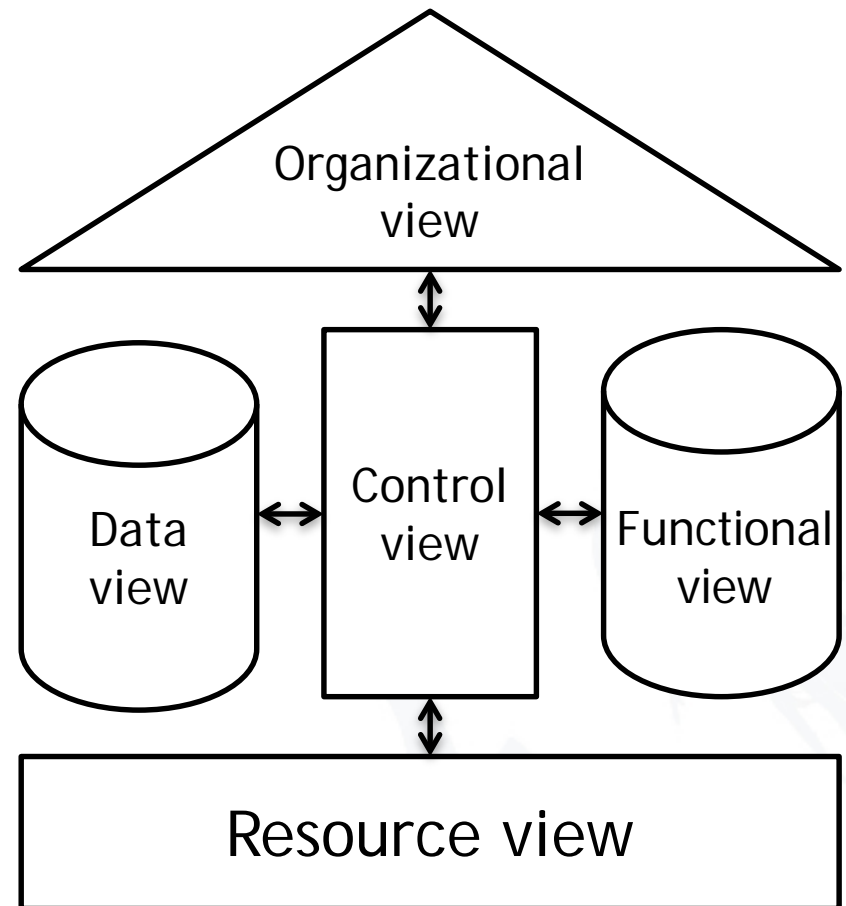
More enterprise modelling techniques are developed into Enterprise Architecture framework such as

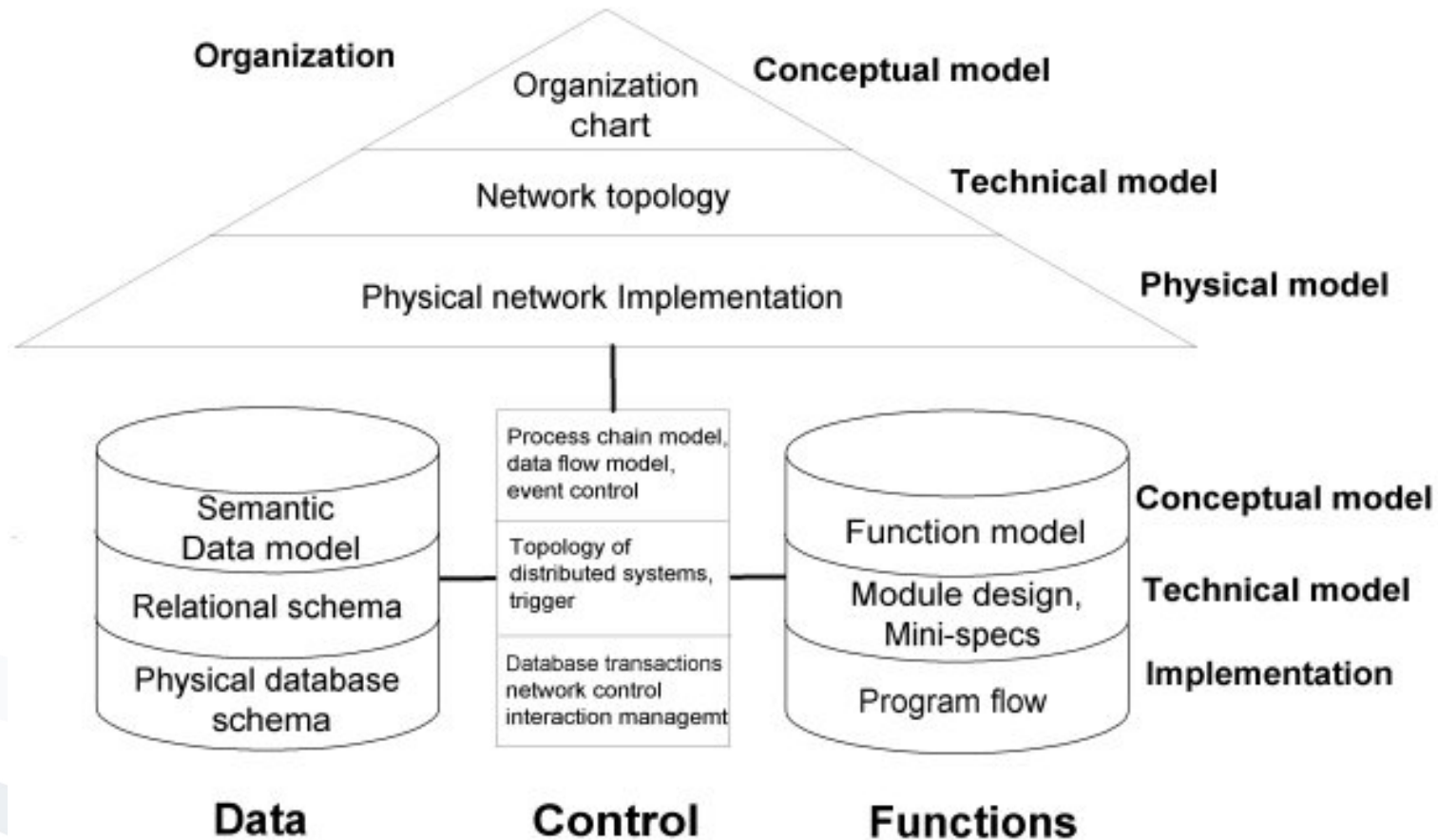
- ARIS - ARchitecture of Integrated Information Systems
- DoDAF - the US Department of Defense Architecture Framework
- OBASHI The OBASHI Business & IT methodology and framework
- ...

- Enterprise Modelling Framework
- Offers methods for analysing (business) processes
- Provides a holistic view of process design, management, work flow and application processing
- Originally developed by Prof. Dr. August-Wilhelm Scheer in the 1990es

ARIS Views on the Enterprise

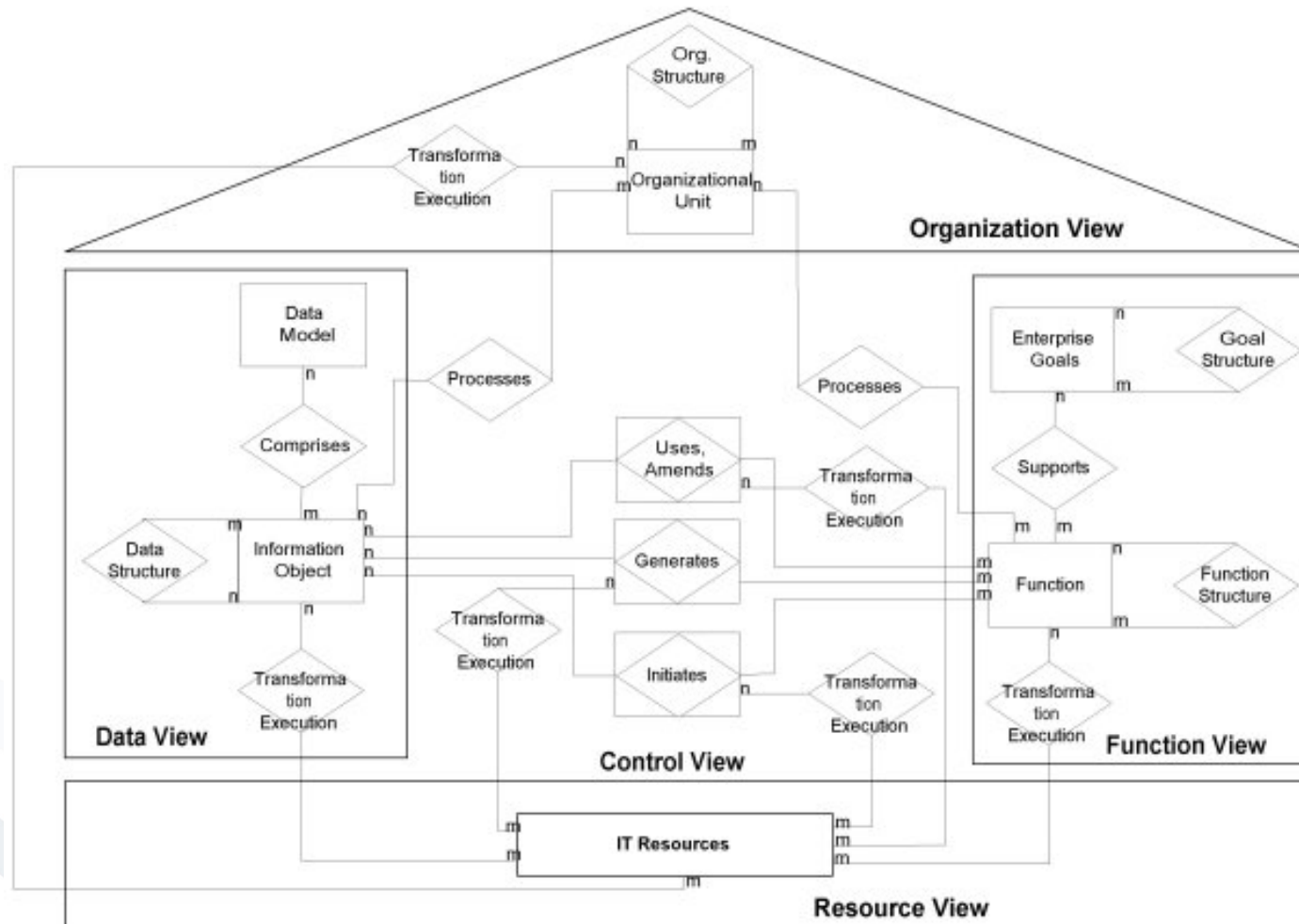
- **Organisational View**
 - Resources (humans, machines, hardware, etc.)
 - Organisational Chart
- **Functional View**
 - All processes generating output as well as their relation to each other
 - Function Tree
- **Data View**
 - All events generating data (e.g. documents, e-mails, etc.)
 - Entity-Relationship Model
- **Control View**
 - Integration of all other views into a logic process
 - Event-driven Process Chains
- **Resource View**
 - Services, Products and Financial Assets
 - Product Tree





ARIS Architecture

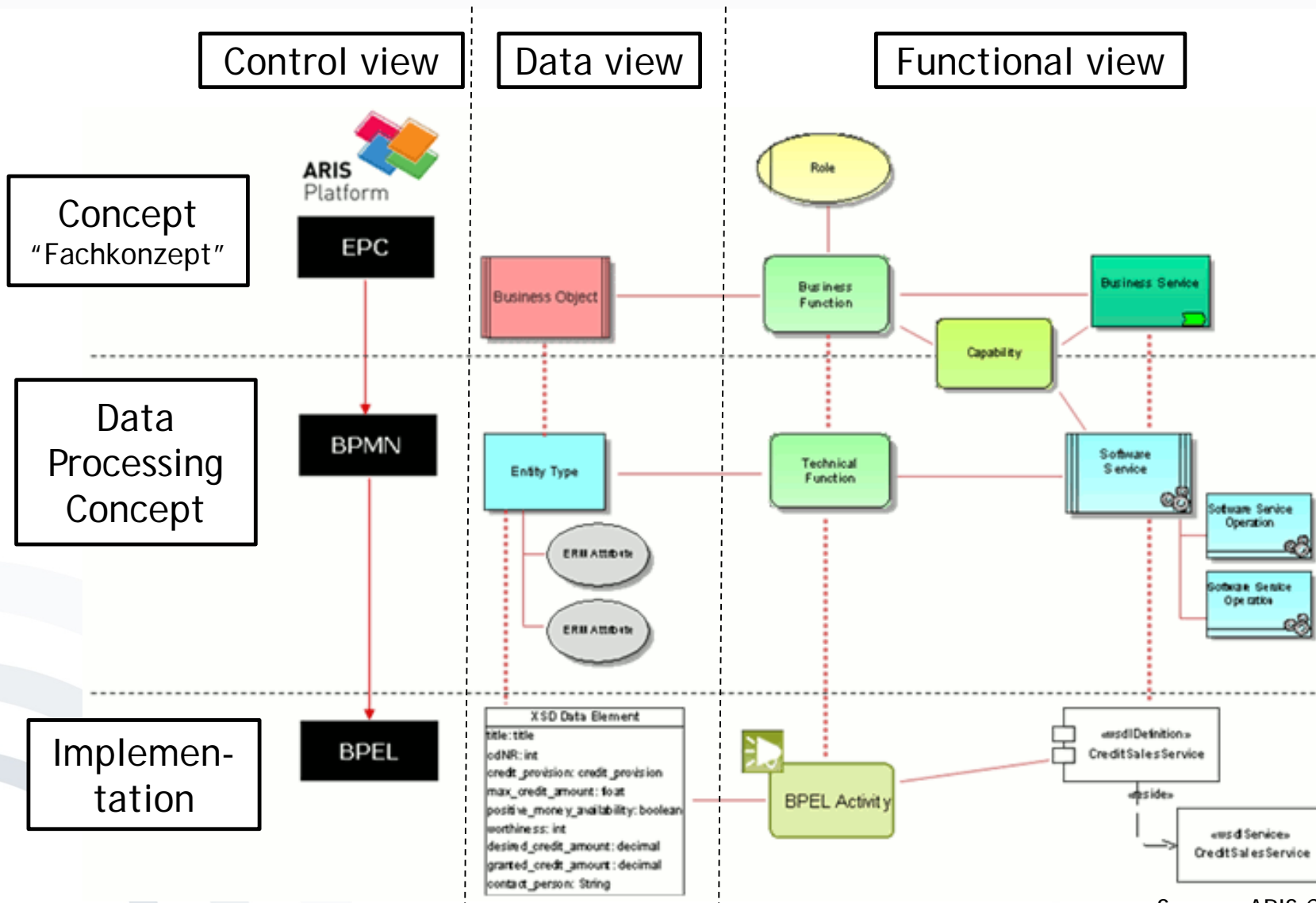
ARIS - Information Model Example



Information model of the ARIS architecture

Source: pera.net, 2011

ARIS Layer Example

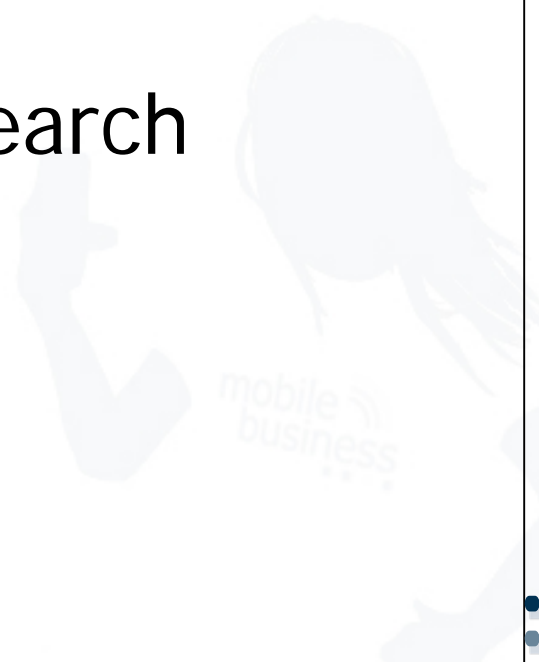


Source: ARIS Community

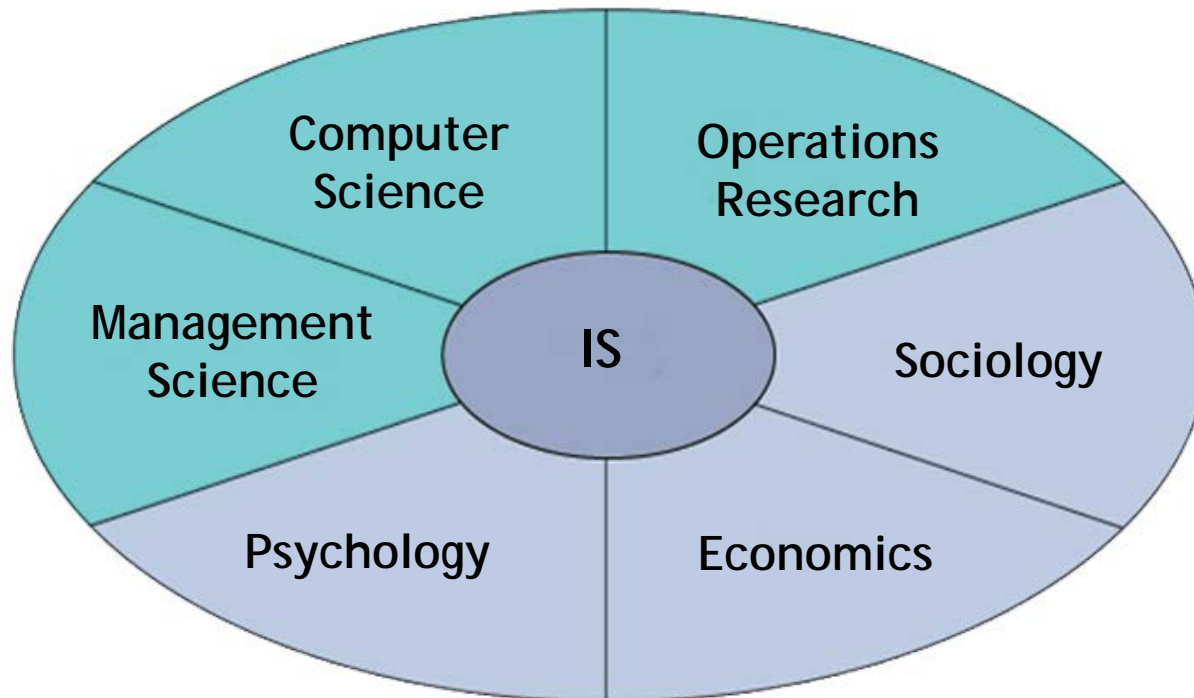
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IS Research vs. Business Informatics Research



Technical Approaches

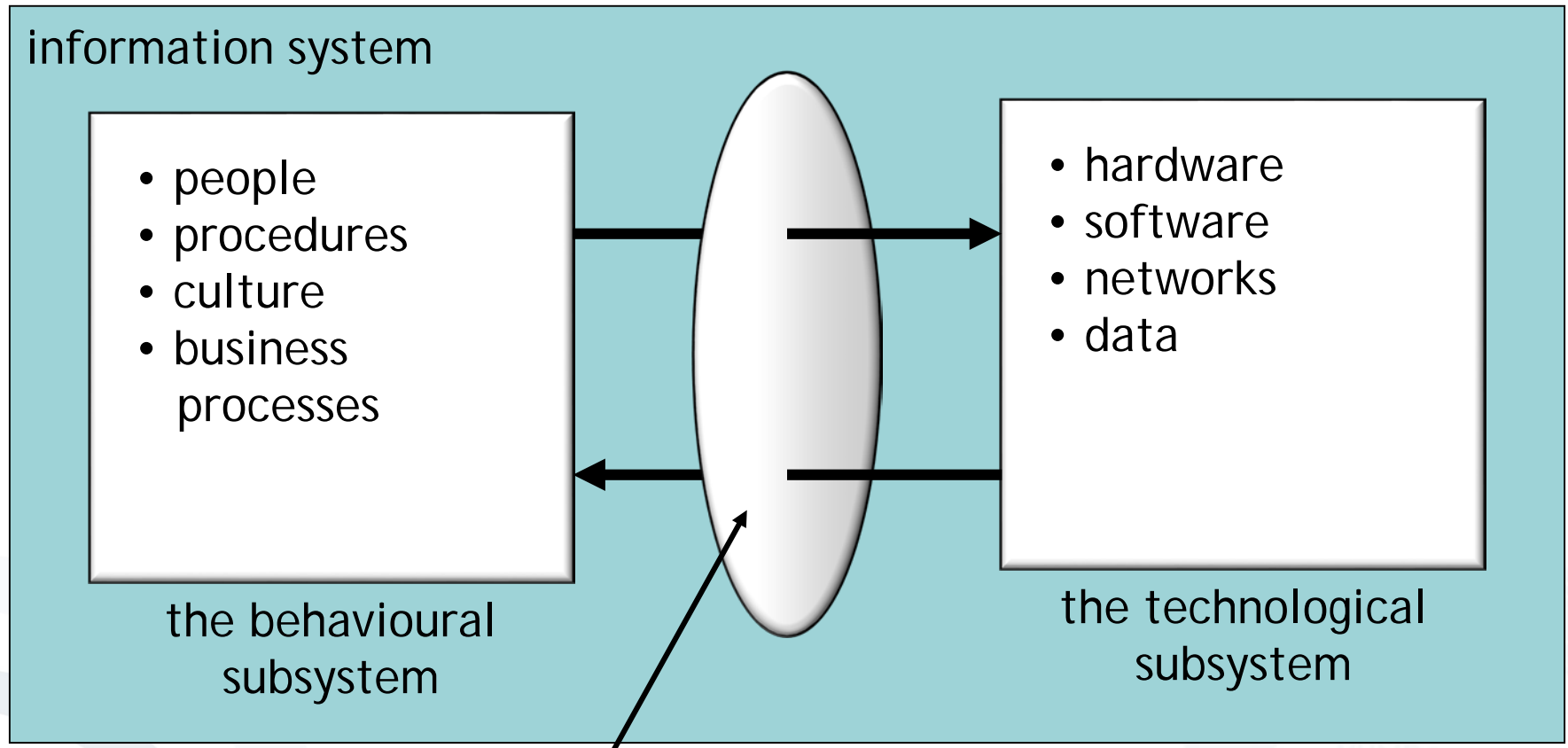


Behavioural
Approaches

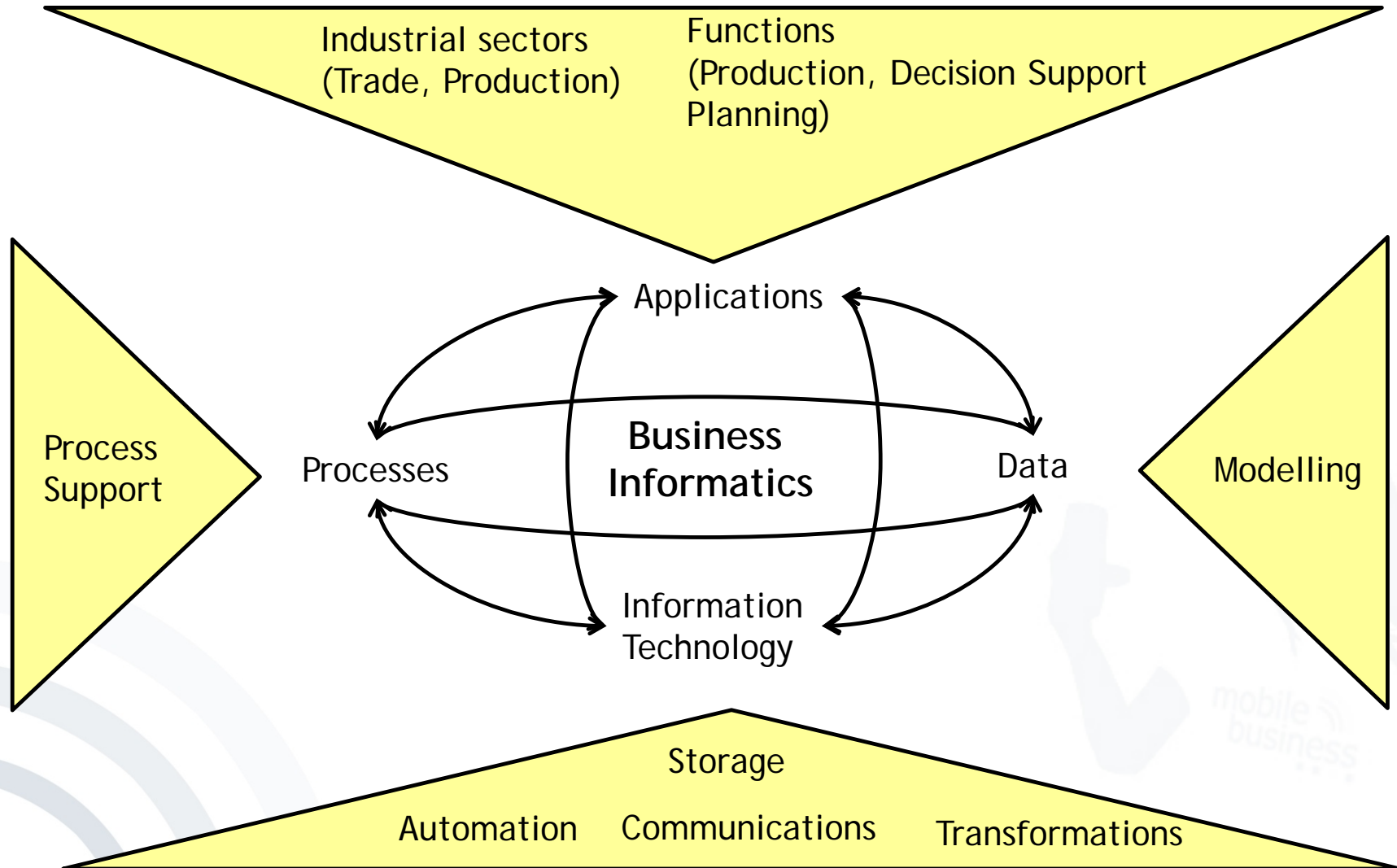
Source: Based on Laudon, Laudon (2013), p. 37



"Systems thinking" in IS Research



the emergent interactions between the behavioural subsystem and the technological subsystem



Source: Based on Hars (2002)



	Knowledge Objective	Design Objective
Methodological Task	Comprehension of methods and techniques of information systems design	Development of methods and techniques of information systems design
Content & function-driven Task	Comprehension of information systems and their application fields	Provision of IS reference models for enterprises and industries

Source: Becker et al. (2001), S. 11; Laudon, Laudon, Schoder (2010), p. 63.

- Becker et al. (2001) „Konstruktion von Methodiken“, Institut für Wirtschaftsinformatik. Universität Münster. 2001
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<http://www.pera.net/Methodologies/ARIS/ARIS.html>
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