Agenda
01/09/07

1. IS650 Course Introduction
   - Syllabus
2. Concept/Key terminologies – Ch 1 & 2
3. Getting to Know
4. COB Dean’s Survey – 5 min
5. 5 Case Study Presenting Teams

Professor Sock H. Chung, PhD,
FLMI
Telephone (734)487-1215
Email address schung1@emich.edu
Web page EMU WebCT
http://people.emich.edu/schung1
Office hours: 9am-noon on Monday
& Wednesday, or other
times by appointment
For further info, refer to your handout

Syllabus & Class Schedule
IS650 Course Objectives

1. Understand the functions and capabilities of general ERP resources and its IT infrastructure in organizational settings
2. Understand the implications of workflows and business transactions in organizations
3. Know how ERP systems represent an integrated strategy for the management of information among an organization, its suppliers and its customers
4. Understand the concepts of manufacturing resource planning, just in time, and supply chain management
5. Know how to implement and evaluate ERP systems in organizations
6. Know the impact of ERP implementations on business processes
7. Be familiar with the basic functionality of SAP R/3 system

Assignments, Exams & Project

- Mid-term Exam 250
- Final Exam 250
- Hands-on Exercises (7 labs) 140
- 5 Cases (36 points each) 180
- Project 180
  - Report 140
  - Presentation 40

Total 1000 Points

Organization, Business Functions, Processes, IT/IS, Enterprise Systems and IT Department/Function
Objectives

- Definition of organization and roles of an organization
- Define of key terms

Key Terms

- Organization
- Business functions
- Business processes
- IS/IT
- Integration

Organization is

- A group of people engaged in some form of purposeful activity that extend over time
- A tool used by people to coordinate their actions in order to obtain something they value - that is to achieve their goals
How an Organization Creates Values

Organization

- People
- Process
- Structure
  - Coordination and control mechanisms
- Organization and environment
  - Stakeholders, competitors, other influences

Organization & Environment

Investors
Regulators
Partners
Suppliers
Customers
Why Organize?

Division of labor
- Manage complexity
- Achieve mastery
- Reduce switching costs
- Reduce training costs
- Increase scalability of workforces

Specialization & Control
(Taylor, 1911; Weber, 1958)

A single, unified task...

and increased need for control

Resulting in task specialization

Coordinating Mechanisms
- Mutual adjustment
- Direct supervision
- Standardization of tasks
- Standardization of outputs
- Standardization of skills

Mintzberg, 1979
3 PEOPLE = 3 CHANNELS
6 PEOPLE = 6 CHANNELS??
6 PEOPLE = 15 CHANNELS
12 PEOPLE = ??? (p. 17)

Functional Organization

Divisionalized Form
An Organizational Mess

Failure to Integrate

- Focus on task and individual over process and team
- Grouping by function discourages
- Lacks built-in mechanism for coordinating process flows
  - Coordination problems rise to level to far from origin
- Loss of big picture; overall performance hard to track

Failure to Communicate

- Connectivity is more than technical issue
- Organizational inertia and legacy systems
- Standards cut both ways
- Responsiveness is remote
Connectivity / Responsiveness

IS Management Eras

- Era I – The glass house; regulated monopoly; focus on efficiency & productivity
- Era II – Proliferation of PCs; free market; focus on individual & group effectiveness
- Era III – Network is computer; ubiquity; focus on integration & value creation

Applegate et al, 1999

Classification of IS

- Executive IS
- Decision support
- Geographic IS
- Artificial intelligence
- Factory automation (CIM)
- Transaction processing
Failure to Allocate IS

- Imbalance in distribution: centralize/decentralize
- Duplication of data in functional IS
- Technical divide

Information Technology

- Computers (maybe...)
- Hardware versus software
- Resources:
  - computer hardware, software, networks, databases
- Internal and external

Information System

An information system is a unique configuration of IT resources and organizational processes whereby the IT resources (and the information they provide) are applied to support specific organizational processes
Example: HRIS

- Payroll programs;
- Personnel files;
- Training videos;
- Health plan documents;
- Recruiting presentations;
- Servers & networks, etc.

Information Systems in Organizations
Integration

- Making whole or complete
- Overcoming isolation of information systems
- Enterprise systems
  - Technical and organizational solution

Theme of Enterprise Systems

- Reflects a series of assumptions about the way companies operate in general
- Provides the seamless integration of all the information flowing through a company
  - Financial & accounting information
  - Human resource information
  - Supply chain information
  - Customer information

Enterprise Systems within an Organization

- A chronicle of information systems in organizations
- The challenge of integration
A New Environment for Enterprise Systems

- A process view of organization
- The relentless distribution of IT resources
- Data at the core of the enterprise
- Architecture of an enterprise system

Building Enterprise Systems

- Planning for enterprise systems
- Modeling the enterprise
- Realizing enterprise systems
- People in enterprise systems

Extending Enterprise Systems

- Decision Support & Analytic Processing
- Global Systems
- Extended Supply Chain
- Customer Systems & e-Commerce
IT Department within an Organization

- IT department, “an organization within an organization”
- Evolution of IT functions
- Every business depends on IT (Boar, 1997)
- Huge IT & enterprise systems investments
- The value questioned
  - Inadequate evaluation practices
  - IT department/function, “center of IT issues”

Summary

- Developed sense of context for:
  - Organization
  - Information technology
  - Information systems
  - Enterprise Systems
  - IT department/function

COB Dean’s Survey
Introduction
1. Your Name
2. Your Home Town
3. Your Major/Minor/Specialty
4. Your Learning Objective(s)
5. Hobbies
6. Your aspiration in 10 years

Email Request

Please email me “your introduction to the class” by 5pm, Friday, 01/12/07

5 Case Study Presenting Teams