

IMT-65

MANAGEMENT INFORMATION SYSTEMS

Notes:

- Write answers in your own words as far as possible and refrain from copying from the text books/handouts.
- Answers of Ist Set (Part-A), IInd Set (Part-B), IIIrd Set (Part – C) and Set-IVth (Case Study) must be sent together.
- Submit the assignments in IMT CDL H.O. along with the assignments Question Papers for evaluation .
- Only hand written assignments shall be accepted.

<u>A. First Set of Assignments</u>	5 Questions, each question carries 1.5 marks.
<u>B. Second Set of Assignments</u>	5 Questions, each question carries 1.5 marks.
<u>C. Third Set of Assignments</u>	5 Questions, each question carries 1.5 marks. Confine your answers to 150 to 200 Words.
<u>D. Forth Set of Assignments</u>	Two Case Studies : 7.5 Marks. Each case study carries 3.75 marks.

SECTION - A

- What are basic features of modern organization?
- What is the difference between Information Systems and Information Technology?
- What is the difference between data and information? Give some examples.
- Why information is considered as resource for organizations?
- Give three examples of versions of software products that you are aware off?

SECTION - B

- Why did e-commerce become so popular all over the world?
- What is e-governance? How is it different from e-commerce?
- What are the first, second and third order effect of Information systems when introduced in modern organizations?
- How does workplace monitoring effect workers?
- How can e-waste be managed in organizations?

SECTION - C

- What is the difference between application software's and system software's?
- What is the difference between viruses and worms?
- What is cracking? Explain with suitable examples.
- Identify the stages of the waterfall model and describe their main goals.
- What is the need for data management? Why is it difficult to manage data?

CASE STUDY - 1

Morgan Stanley was established in 1935, and in 1997 merged with retail brokerage firm Dean Witter Discover and Co to become a global financial services organisation that employed more than 53,000 people in over 600 countries including Australia. Institutional Securities, Asset management, Retail Brokerage and Discover were the four segments of Morgan Stanley. The merger altered the working environment of Morgan Stanley and created a divide in employee acceptance of the Retail brokerage segment. It did not integrate well with the firm partly due to the information systems being different to the rest of the company.

Under CEO Philip Purcell's management, Morgan Stanley's infrastructure and systems did not grow with the needs of employees and customers, nor did it apply future technologies to their current systems, it's focus was reducing overheads to maximize profits in the short term. Many brokers resigned, taking with them valuable portfolios and profits. In June 2005 Purcell resigned, and John Mack provided new leadership. The firm then began to change its information systems and provide better services for clients, which saw stronger ethos and integrity within the employees.

The new leadership at Morgan Stanley instigated change, and the realization that the Company must grow to keep up with the competition in the financial services industry. Not only did technology need overhauling within all the segments, but management and organizational changes were also required. Some of these changes were the renaming the Retail Brokerage division to Global Wealth Management Group and hiring James Gorman with a budget in 2006 to invest over \$500 million. It was also forced to make a significant upgrade to its website.

Prior to 2005 Morgan Stanley had no economic advantage, now with changes implemented in a competitive industry such as this Morgan Stanley's strength of employees, global product range and leading market share for Institutional Securities, Global Wealth Management and Asset Management has the firm making strong profits.

Questions:

1. Evaluate Morgan Stanley's business using the Competitive Forces Model.
2. why did Morgan Stanley underinvest in Information Technology?

CASE STUDY - 2

Amazon.com made Internet history as one of the first large-scale retail companies to sell over the Web: in 2004 it hit \$4 billion in online revenues, and by 2006 its sales guidance estimates \$10 billion in revenue. It has grown to become one of the largest Internet retailers on earth. But the real significance of Amazon for this chapter is Amazon's continuous innovation in business strategy and information systems. In fact, the two are closely connected at Amazon: its business innovations are all driven by huge investments in information systems. In 1995, former investment banker Jeff Bezos took advantage of new business opportunities created by the Internet by setting up a Web site to sell books directly to customers online. There were three million titles in print, and any one physical bookstore could only stock a fraction of them. A "virtual" bookstore offers a much larger selection of titles. Bezos believed consumers did not need to actually "touch and feel" a book before buying it, and Amazon.com provided online synopses, tables of contents, and reviews to help with selection. Amazon.com was able to charge lower prices than physical bookstores because it maintained very little of its own inventory (relying instead on distributors) and did not have to pay for maintaining physical storefronts or a large retail sales staff. Amazon tried to provide superior customer service through e-mail and telephone customer support, automated order confirmation, online tracking and shipping information, and the ability to pay for purchases with a single click of the mouse using credit card and personal information a customer had provided during a previous purchase. This was called "1-Click" express shopping, and it made the shopping experience even

more convenient. In 1998, Amazon started selling music, CDs, videos, and DVDs, revising its business strategy “to become the best place to buy, find, and discover any product or service available online”—the online Wal-Mart. Its offerings grew to include electronics, toys, home improvement products, video games, apparel, gourmet food, travel services, personal care, and jewelry. It also introduced Amazon.com Auctions (similar to those offered by eBay), and zShops (online storefronts for small retailers). To service these new product lines, Amazon significantly expanded its warehouse and distribution capabilities and hired large numbers of employees. These moves strained its ability to adhere to its original vision of being a “virtual” retailer with lean inventories, low head count, and significant cost savings over traditional bookstores. In 2001 and 2002, Amazon tried to increase revenue by cutting prices, offering free shipping, and leveraging its technology infrastructure to provide e-commerce services to other businesses. Amazon’s Merchants@ and Amazon Marketplace allow other businesses to fully integrate their Web sites into Amazon’s site to sell their branded goods using Amazon’s fulfillment and payment systems. Nordstrom, The Gap, and Target stores use Amazon to sell their goods and then pay Amazon commissions and fees. In the Amazon Marketplace program, individuals are encouraged to sell their used or new goods on Amazon’s Web site even when they compete directly with Amazon’s sales of the same goods. Sales by third parties now represent 25 percent of Amazon’s revenues. Amazon refined its business model further to focus more on efficient operations while maintaining a steady commitment to keeping its 49 million customers satisfied. In early 2001, Amazon closed two of its eight warehouses, laid off 15 percent of its workforce, and consolidated orders from around the country prior to shipping to reduce shipping costs. Amazon used six sigma quality measures to reduce errors in fulfillment. These measures reduced fulfillment costs from 15 percent of revenue in 2000 to 10 percent by 2003. Amazon finally became profitable in 2003 and remains an online retailing powerhouse growing at over 60 percent a year! It continues to innovate with IT-enabled services: free unlimited two-day shipping for \$79 a year (Amazon Prime). Amazon entered the dry goods grocery business in 2006. These innovations increased its costs and reduced its profits, much to the disappointment of the stock market, which has depressed Amazon’s stock from a high of \$100 in 2000 down to the mid-\$20 range in 2006. But Amazon faces powerful online retail competitors such as eBay and Yahoo! who also are very adept at using information systems to develop new products and services. Google is emerging as a competitor because so many consumers use its search engine.

Questions:

1. Do SWOT analysis of Amazon.com?
2. What are the competitive business strategies of amazon.com?
3. What is the future of Amazon?