

Chapter 9



Interorganizational and Global Information Systems

Information Technology For Management 6th Edition

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Learning Objectives



- Define and Classify Interorganizational and virtual organizations information systems
- Describe interorganizational activities, particularly order fulfillment
- Define and classify global information systems
- Present the major issues surrounding global information systems

Learning Objectives (Continued)

- Describe Demand-driven networks and RFID as supply chain factors
- Describe B2B exchanges, hubs, and directories
- Describe Interorganizational integration issues
- Describe EDI and EDI/Internet
- Describe extranets, XML and Web services

InterOrganizational Systems (IOS)

Functions:

- Involves 2 or more organizations
- Cooperative information flows
- Facilitates efficient processing of transactions

Types of IOS



- B2B trading
- B2B support systems
- Global Systems
- EFT
- Groupware/Shared Databases

IOS activities



- On-demand enterprise
- On-Demand/Real-time

Activities

- Buying and Selling
- Joint Ventures
- Collaboration
- Other

IOS and Order Fulfillment

- Step 1: Making sure the customer will pay
- Step 2: Checking for availability
- Step 3: Arranging Shipments
- Step 4: Insurance
- Step 5: Replenishment
- Step 6: In-house production
- Step 7: Use suppliers
- Step 8: Customer contacts
- Step 9: Returns

IOS Problems



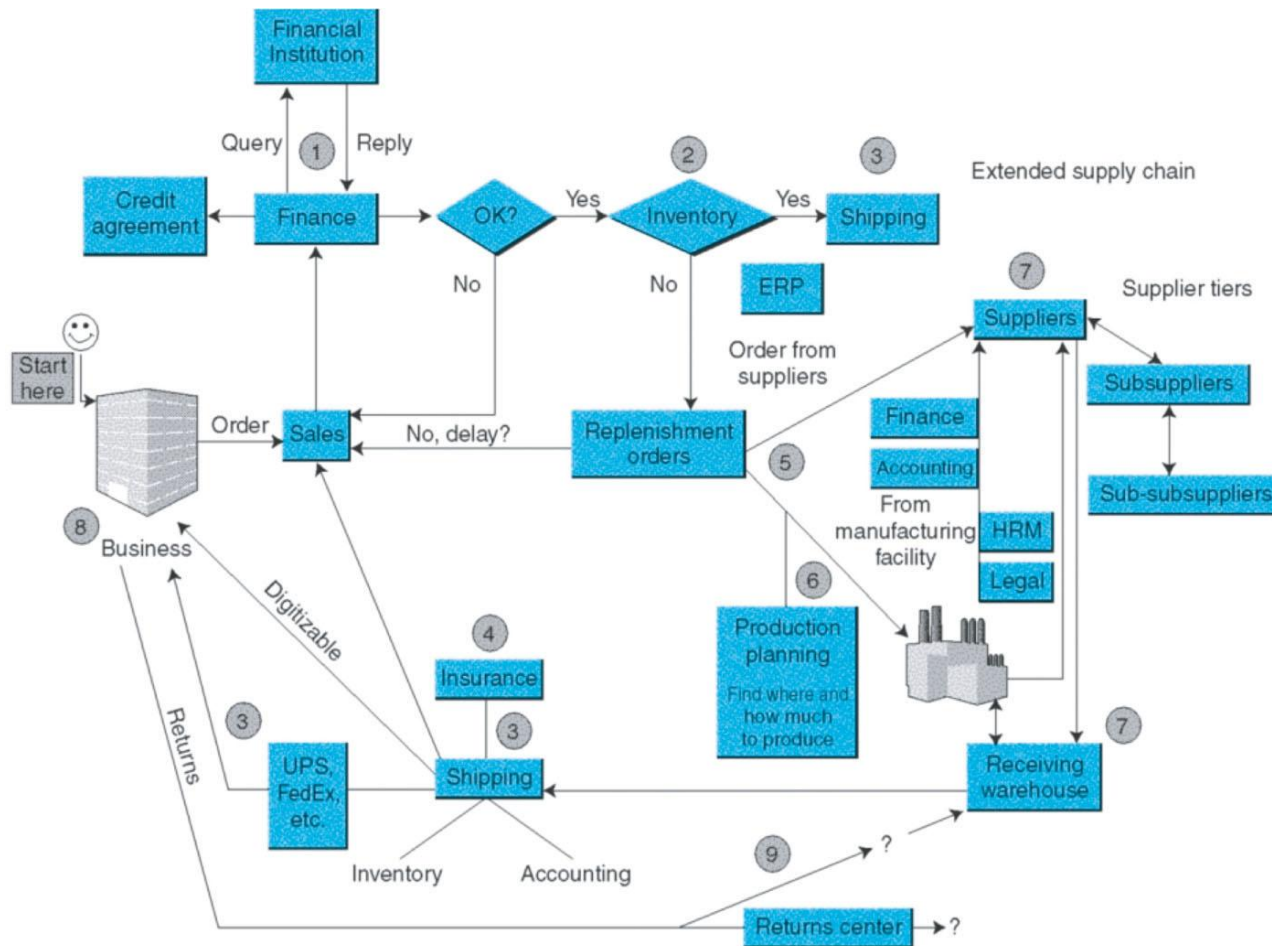
- Delays and transportation
- Human errors / misunderstanding
- Over / Under Inventories
- Misdirected Shipments
- Late / Incorrect delivery reporting

IOS Problems (Continued)



- Slow / Incorrect Billing
- Difficult / Complex Production
- Incompatibility of systems (communication)
- High cost of expenditures / shipments

Order Fulfillment and Logistics



Note: Demand forecasts and accounting are conducted at various points throughout the process.

Benefits of Global IS

- Effective Communication at reasonable cost
- Collaboration: overcoming distance, time, language
- Access to larger volumes of data

Localization



- Branding and Formats
- Merchandise and Pricing
- Promotions
- Vendor, Operating, and Management Policies
- Store and Vendor Service levels

IOS and the Global audience

- Personal and Personnel issues
- Language and Culture
- Law, Politics, and Convention
- Offshoring/Outsourcing and the organization

IOS: Demand Driven



- Drive the products to market
- The bullwhip effect - shifts and information
- Demand-driven supply (networks)
 - The DDSN

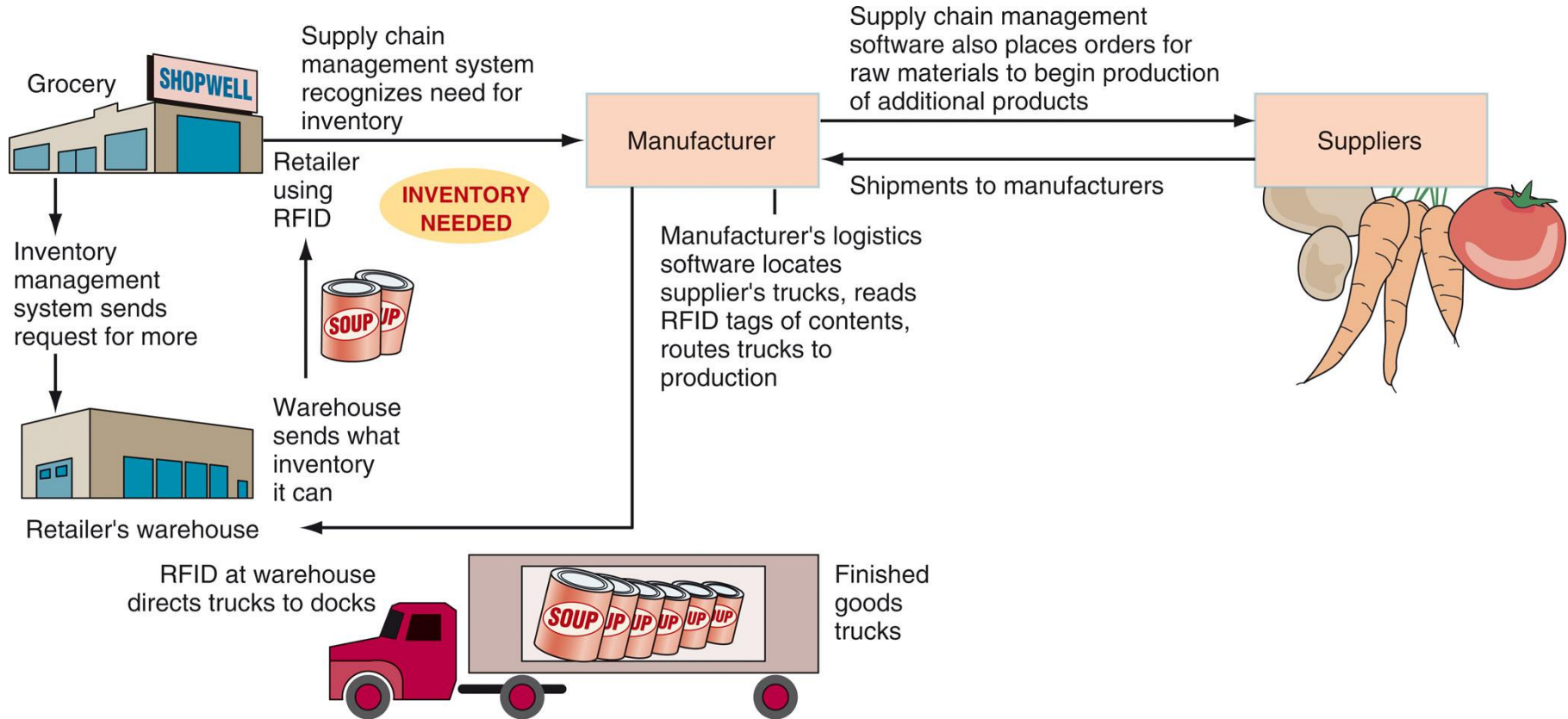
IOS: Demand and DDSN



Benefits

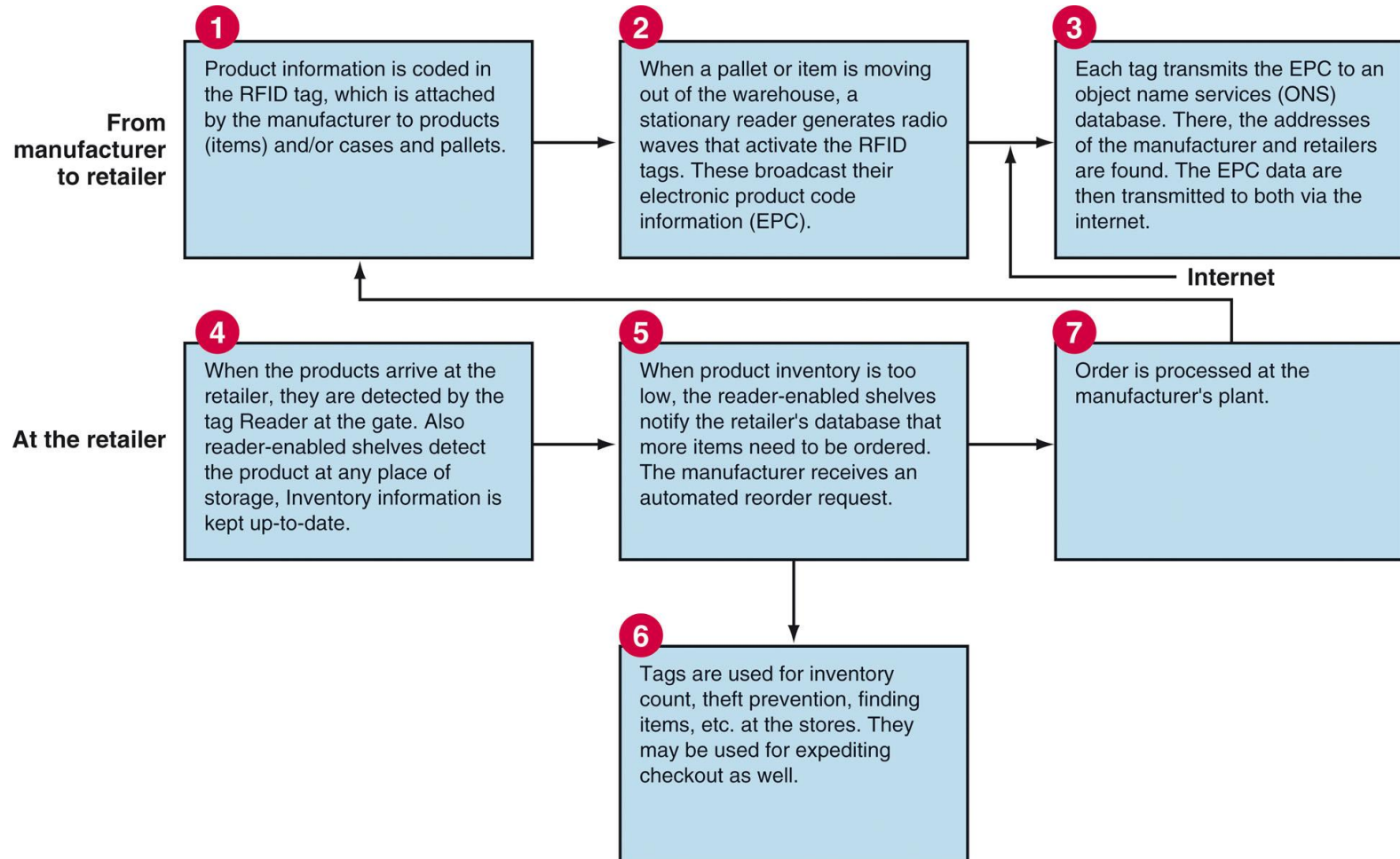
- Agility
- Adaptability
- Alignment

IOS: Using the RFID Advantage



IOS: Using the RFID Advantage

(Continued)



Integrating Information



- Establish IT leadership
- Lowest integration risk possible
- Customer facing - a priority over back-office
- Retain personnel (\$\$\$)
- Keep morale high (\$\$\$)
- Maintain as rich communication as possible

Managerial Issues



- Selecting a system
- Partners Collaboration
- New infrastructure
- Globalization
- Using Exchanges, hubs, and other services
- Partner and supplier relationship management



Chapter 9

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