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TITLE AS YOU WANT IT LISTED: The Management Information Systems Organization

DATE 1/22/03 ____________________ FALL

INSTRUCTOR M.L. Mains

COURSE NUMBER Mgmt 386 ____________________ SPRING

COURSE NAME Systems & Info Mgmt

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Author ____________________ Year ____________________

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Article Title or Chapter chapter 8

Author Pearson, K.E

Edition/Date of Publication 2001 Publisher NY: John Wiley + Sons

Pages 111 - 180
Until January 1993, Cisco Systems, Inc. maintained a traditional information systems (IS) department. Considered a cost center, it reported through the finance department. However, in an effort to increase information technology’s (IT’s) contribution to the bottom line, Cisco made three organizational changes: IS began reporting to Customer Advocacy; it introduced client-funding, charging project costs to the client department and reducing the portion charged to general and administrative expenses; and IT investment decisions that had been made by an IS steering committee were now made by line organizations. Cisco’s new budgeting method made each of the business executives think seriously about IT expenses and how they should be allocated.¹

Cisco still manages IT centrally, and even client-funded projects are managed by the central IT organization. The chief information officer (CIO) has authority over all IT staff and contractors. Cisco management believes that its organizational strategy helped stabilize the company during a period of fast growth.

IS organizations come in all shapes and sizes. Each is built around processes that it performs or supports. These processes fulfill specific needs of internal customers. For instance, a telecommunications company with a large technology infrastructure may require distributed processing capabilities, whereas a regional manufacturing plant may require only back-office support.

Although each IS organization is unique in many ways, all have elements in common. The focus of this chapter is to introduce managers to the typical activities of an IS organization in order to facilitate interaction with management information systems (MIS) professionals. Managers will be a more effective consumer

¹ The author wishes to acknowledge and thank David M. Zahn, MBA ’99 for his help in researching and writing early drafts of this chapter.

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Understanding the MIS Organization

The section discusses some of the most common roles.

In addition to the CIO role, MIS organizational are home to many different roles.

Other Information Systems Organizational Roles

These supporting positions can help further organizational goals.

Chief Knowledge Officer and Other Similar Roles

The CIO is often described as the chief information officer, responsible for the overall information technology strategy of the organization. However, other roles may also hold similar responsibilities, such as the chief knowledge officer (CKO) or chief data officer (CDO). These roles focus on leveraging data and knowledge to drive business outcomes. The CKO, for example, is responsible for ensuring that the organization has a robust knowledge management system. The CDO, on the other hand, is focused on ensuring that the organization has a robust data management system.

 Gordian Knot: Building the Right Information Architecture

The section discusses the importance of building the right information architecture for the organization to succeed. This involves understanding the current state of the organization's information systems, identifying gaps, and developing a plan to address them. The section also highlights the role of the CIO in leading this initiative.

Strategic Vision for the Enterprise: What's Next for Management Information Systems?

The section provides a strategic vision for the enterprise's future, including the role of management information systems in driving business outcomes. It discusses the importance of investing in technology and talent to stay ahead of the curve.

Advantages and Disadvantages of a Multilingual IT Staff

The section explores the advantages and disadvantages of having a multilingual IT staff. It highlights the benefits of having a diverse team, such as increased cultural awareness and improved communication, as well as potential challenges, such as language barriers.

Understanding the Role of the CIO

The section provides an overview of the CIO's role and responsibilities, including setting the organization's technology strategy, managing the IT department, and ensuring that technology aligns with business goals.

The section concludes with a summary of key takeaways, emphasizing the importance of collaboration, communication, and continuous improvement in the management of information systems.
Developers

Providing product support to business users is our primary concern. We understand the needs of our users and work closely with them to provide a seamless experience. This includes working on system integration, trouble-shooting, and maintenance. Our goal is to ensure that our users are satisfied with the products we provide.

Support Personnel

Support personnel are responsible for ensuring that the systems and processes are running smoothly. They monitor system performance and address any issues that arise. Their focus is on maintaining the integrity and efficiency of the systems they support.

Operations

Operations is responsible for the day-to-day management of the organization. This includes overseeing the development and maintenance of systems, as well as ensuring that the business is running smoothly. The goal is to provide a reliable and effective service to the business.

Data Administration

Data administration is responsible for ensuring that the data used in the organization is accurate, complete, and secure. They work closely with the development team to ensure that the data is well-managed and that it meets the needs of the business.

Business Analysis

Business analysis is responsible for understanding the needs of the business and developing solutions to meet those needs. This includes working with stakeholders to identify requirements, developing business cases, and creating business models. The goal is to ensure that the solutions we develop are aligned with the business objectives.

Strategy

The strategy team is responsible for developing the long-term vision for the organization. They work with the leadership team to set direction and ensure that the organization is moving in the right direction. This includes working with stakeholders to identify opportunities and challenges, and developing strategies to address them.

IT Managers

IT managers are responsible for the day-to-day operations of the IT department. They work closely with the leadership team to ensure that the IT strategy is aligned with the business objectives. They also work closely with the development team to ensure that the systems are well-managed and that they meet the needs of the business.

The change in the management information systems organization.

The change in the management information systems organization is a response to the changing needs of the business. The goal is to ensure that the systems are well-managed and that they meet the needs of the business. This includes working closely with stakeholders to identify requirements, developing business cases, and creating business models. The goal is to ensure that the solutions we develop are aligned with the business objectives.
Data Center Operations

Many organizations with IT services are faced with the challenge of managing data center operations. This includes managing infrastructure, business processes, and ensuring data privacy and security. The process involves monitoring and managing the data center environment, including hardware, software, and network infrastructure. It requires coordination between the different teams and stakeholders involved in the data center operations. The goal is to ensure that the data center is running smoothly and efficiently, providing high-quality services to end-users.

Systems Maintenance

Systems maintenance involves the ongoing management of IT systems to ensure they continue to function smoothly. This includes routine checks, updates, and repairs to keep the systems up to date and running efficiently. It is crucial for organizations to have a robust systems maintenance plan in place to prevent any downtime or data loss. This process involves monitoring system performance, identifying issues, and implementing solutions to keep the systems running smoothly.

Systems Development

Systems development is the process of creating new software applications or updating existing ones. It involves planning, designing, coding, testing, and implementing new systems or modifying existing ones to meet the needs of the organization. The goal is to develop systems that are efficient, reliable, and user-friendly. This process requires a team of skilled developers, designers, and testers to ensure that the developed systems meet the requirements and expectations of the organization.

Information Systems Organization Processes

The management of information systems processes is critical for the success of any organization. It involves the development, implementation, and maintenance of processes that ensure the effective use of technology and data. The process needs to understand the processes involved in the following sections:

- Data Center Operations
- Systems Maintenance
- Systems Development
### Resource Management

Implementing resource management and project team members to addresses the need of the project. A manager will coordinate with the project leaders, developers, and resources to ensure that the project is completed on time and within budget. The manager will also communicate with team members to ensure that they are aware of the project progress and are working effectively.

### Special Projects

Special projects often require specific skills and expertise that are not typically available within the organization. These projects may be initiated by senior management or as a result of an opportunity that arises. The scope of these projects can vary widely, from developing a new product to implementing a major change in a business process.

### New Technology Introduction

Introducing new technology can be a complex endeavor. It requires careful planning and execution to ensure that the technology is fully integrated into the organization's operations. The process of introducing new technology should be managed in a way that minimizes disruption and maximizes benefits.

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#### Table: Managing Problem-Project-Cause

<table>
<thead>
<tr>
<th>Problem</th>
<th>Project</th>
<th>Cause</th>
</tr>
</thead>
<tbody>
<tr>
<td>User error</td>
<td>Bug fix</td>
<td>Bad code</td>
</tr>
<tr>
<td>Hardware failure</td>
<td>System upgrade</td>
<td>Outdated hardware</td>
</tr>
<tr>
<td>Network congestion</td>
<td>Bandwidth optimization</td>
<td>Over-subscription</td>
</tr>
</tbody>
</table>

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### Internal and Networking Services

Although these reports are sometimes made electronically, they are often printed and distributed within the organization to provide a record of any issues or problems that have been encountered.

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What to Expect from Information Systems Organization

Adapting New Technologies

Process Orientation

Strategic Direction

General Support
WHAT THE INFORMATION SYSTEMS ORGANIZATION DOES NOT DO

In Figure 8.4, the information systems organization does not do the following:

- Human Resource Management
  - Does not manage human resources.

Supplier Management
  - Does not manage suppliers.

Acquirers and Standards
  - Does not manage acquisitions or standards.

Business Concerns
  - Does not concern itself with business concerns.
17.2 Outsource and Decentralization

This section discusses two key issues: outsourcing and decentralization. Outsourcing involves delegating business functions to external service providers, while decentralization allows decision-making authority to be distributed among lower-level managers. Both strategies are used to reduce costs, increase efficiency, and improve responsiveness. However, they also raise questions about control, quality, and accountability. Understanding the benefits and drawbacks of outsourcing and decentralization is crucial for effective management.
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Discussing and Decentralization

Loss of control
• Lack of hierarchical innovation
• High extramoral costs
• Administrative control

Steps to avoid pitfalls:

1. Identify your company’s information management and control structure.
2. Ensure that the structure is flexible and adaptable.
3. Make sure that the structure is aligned with your company’s strategic goals.
4. Establish clear communication channels.
5. Foster a culture of innovation.
6. Encourage team collaboration.
7. Provide adequate resources.
8. Regularly review and adjust the structure as needed.

In conclusion, the management information systems organization is a critical component of any business. By implementing an effective structure, companies can enhance their decision-making capabilities and drive business success.

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contract management worries and the ability to develop long-term relationships. BP encouraged the outsourcers to work together to provide high-quality services.

What were the results of BP's approach? The company saw its IT costs fall from $360 million in 1989 to $132 million in 1994. At the same time, it gained more flexible IT systems and higher-quality service. BP saw its IT staff shrink by 80 percent. The remaining staff became internal consultants throughout the company. In fact, BP is considering outsourcing its internal consultants to other companies. Not all outsourcing arrangements are so successful, but BP illustrates the best case scenario.

What is the future of outsourcing? Every enterprise faces different competitive pressures. These factors shape how it will view IT and how it will decide to leverage IT for the future. Most will need to outsource at least some IT functions. How each enterprise chooses to manage its outsourced functions will be crucial to its success.