

How Business Use Information Systems?

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Abstract: The development of the business world that continues to increase causes the need for information technology to be increasingly instrumental in supporting daily business activities. The role of Information Systems as a tool in carrying out business activities becomes very necessary. When the stages of this process do not go well and correctly it will cause delays or irregularities and inefficiencies. To improve the processes that are already running, business process reengineering can be used. With this re-engineering, a new innovation can be done in a business where old habits can be abandoned and start with a new, better process. The use of information systems that will be reviewed in this discussion is related to the use of information technology in the renovation of global innovation. The rapid development of information technology has triggered new innovations that can help facilitate information. And this encourages companies to carry out renovations and innovations in the processes of production, sales, marketing, and distribution by involving the role of information technology. The use of information technology in business facilitates every business person and creates efficiency and effectiveness for the company so that by using information technology the company is able to create competitive advantages and be able to compete in the global market.

Index Terms: Business, Use Information System, Information Systems, Business Process, Management Information Systems, Decision Support System, Executive Support Systems

1 INTRODUCTION

Every business company generally uses information systems to facilitate the process of business activities, shorten business processes and to increase effectiveness in business processes. Information systems also play an important role in helping every business company to maintain and provide good service satisfaction for customers. Peran teknologi informasi dan sistem informasi yang handal tidak lagi diragukan dalam menunjang kemampuan setiap perusahaan untuk memenangkan persaingan usaha. Di zaman sekarang yang ketat dalam hal persaingan bisnis, daya saing yang merupakan tujuan utama perusahaan sangat dipengaruhi oleh dukungan sistem informasi. Dengan sistem informasi yang memadai terbukti dapat mendukung perbaikan kinerja perusahaan dan peningkatan kualitas pelayanan kepada konsumen dapat disediakan dengan sebaik-baiknya sehingga sistem yang ditunjang oleh jaringan teknologi ini dapat meningkatkan produktivitas perusahaan. Companies that want to develop are required to continue to innovate both in terms of quantity quality and information systems used so that in order to operate properly and correctly, businesses must deal with many different parts of information about suppliers, customers, employees, taighan and payments, of course and their services, they must manage the overall work activities of the company. In business organizations, information systems play a very broad role in all aspects of business that occur in companies such as sales and marketing systems that function to increase sales, see opportunities and market segments that are targeted by sales and increase customer satisfaction with products and services. To operate, businesses must deal with many different parts, from information about suppliers, customers, employees, and payment invoices, and of course their products and services. They must organize work activities that use this information to operate efficiently and improve the overall performance of the company. Information systems make it possible for companies to manage all their information, make better decisions, and improve their business processes.

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2 LITERATURE REVIEW

TYPES OF BUSINESS INFORMATION SYSTEMS

A business company has a system to support different groups or levels of management. This system includes transaction processing systems, management information systems, decision support systems, and systems for business intelligence.

Transaction Processing System

Operational managers need a system that tracks basic activities and organizational transactions, such as sales, receipts, cash deposits, payroll, credit decisions, and flow materials at the factory. Transaction processing system (TPS) provides information like this. Transaction processing systems are computerized systems that carry out and record daily routine transactions needed to conduct business, such as orders, sales, hotel reservations, payroll, employee records, and shipping. The main purpose of the system at this level is to answer routine questions and to track the flow of transactions through the organization.

Business Intelligence System for decision support

Middle level management requires a system to assist in terms of monitoring, control, decision making, and administrative activities. Management of the term information system (MIS) also designates certain categories of information systems that serve middle management. MIS provides middle managers with reports on current organizational performance. This information is used to monitor and control the business and predict future performance. MIS summarizes and reports on the company's basic operations using data provided by transaction processing systems. Basic transaction data from TPS are compressed and are usually presented in reports generated on a routine schedule. At present, many reports are submitted online. This system is generally inflexible and has small analytical capabilities. Most MIS use simple routines, such as summaries and comparisons, as opposed to sophisticated mathematical models or statistical techniques. Instead, decision support systems (DSS) support more non-routine decision making. Although DSS uses internal information from TPS and MIS, they often carry information from external sources, such as current stock prices or competitor price products. This system uses various models to analyze data and is designed so that users can work with them

directly. The executive support system (ESS) helps senior management make decisions. They discuss non-routine decisions that require assessment, evaluation, and insight because there is no agreed procedure to reach a solution. ESSs are designed to combine data about external events, such as new legal taxes or competitors, but they also draw information summarized from internal MIS and DSS.

Company Application

Corporate applications help businesses become more flexible and productive by coordinating business processes more closely and integrating process groups so that they focus on efficient resource management and customer service. There are four main enterprise applications: enterprise systems, supply chain management systems, customer relationship management systems, and knowledge management systems. Each company application integrates a set of related functions in business processes to improve overall organizational performance.

Intranet and Extranet

Reasonable intranet and extranet mentioned here as an alternative tool to improve integration and accelerate information flow within the company, and with advertising supplier customers. Intranet is only an internal website company that can be accessed only by employees. The term "intranet" refers to the fact that it is an internal network, different from the Internet, which is a public network that connects organizations and other external networks. Intranet uses the same technology and techniques as a larger Internet, and only often in the larger private access area of its corporate Web site. So is the extranet. Extranet is a company website that can be accessed by authorized vendors and suppliers, and is often used to coordinate supply movements to the company's production apparatus.

E-business, E-commerce, E-government

So many businesses are now activated based on digital networks, which we use in terms of "business electronics" and "commerce". Electronic business, or e-business, refers to the use of digital technology and the Internet to carry out key business processes within the company. E-business includes activities for the company's internal management and for coordination with suppliers and other business partners. This also includes electronic commerce, or e-commerce. E-commerce is a part of e-business that deals with the purchase and sale of goods and services through the internet. This also includes activities.

3 DISCUSSION

Department information systems consist of specialists, such as programmers, system analysts, project leaders, and information system managers. Programmers of technical specialists are highly trained in writing instruction software for computers. System analysts are the main link between information systems groups and the entire organization. Also, external specialists, such as hardware vendors and manufacturers, software companies, and consultants, often participate in daily operations and long-term information systems planning. In many companies, the information system department is headed by the chief information officer (CIO). CIOs are senior managers who oversee the use of information technology in companies. Today's CIO is expected to have a

strong business background and expertise in information systems and play a leadership role in integrating technology into the company's business strategy. Large companies now also have positions for chief security officers, chief knowledge officers, and chief privacy officers, all of whom work with CIOs. There are many types of business companies, and there are many ways in which IT functions are held in companies. A very small company will not have an official group of information systems. Maybe this has one employee who is responsible for maintaining the network and applications that are running, or maybe using a consultant for this service. Large companies will have separate departmental information systems, which can be held together several different lines, depending on the nature and interests of the company. The following are examples of the application of information systems in doing business:

Enterprise Resource Planning (ERP)

ERP basically has a concept for planning and managing company resources that includes the company's master data. ERP is usually used by companies in regulating and carrying out supervision that is mutually integrated with the existing work units within the company.

Decision Support System (DSS)

DSS is an information system that uses decision models and specialized databases to assist decision making for managerial end users.

Informatics Management System (IMS)

IMS is a system that is utilized in analyzing decision making.

Executive Information System (EIS)

EIS is a system that is used to provide easy and fast access in providing selective information from key factors in implementing the company's strategic goals.

Transaction Processing System (TPS)

TPS is a system that is utilized in managing transactions that occur during business. Information technology has been widely used in business. Where can be seen from the many systems provided to facilitate business services is an example. This arises because the need for time and cost efficiency causes business people to utilize information technology in the work environment. Thus, along with the development of technology, the work will be more dominated by utilizing information technology. So from this article, hopefully it can be useful and be your inspiration to be better in the future.

4 CONCLUSION

Enterprise applications, such as enterprise systems, supply chain management systems, customer relationship management systems, and knowledge management systems, are designed to support the coordination and integration of the entire organization's processes so that organizations can operate efficiently. This application covers various functions and business processes and can be related to the business processes of other organizations. The company system integrates the company's internal business processes into a software system so that information can flow throughout the organization, improve coordination, efficiency and decision making. The supply chain management system helps companies manage their relationships with suppliers to

optimize the planning, procurement, production and delivery of goods and services. Customer relationship management uses information systems to coordinate all business processes around the company's interactions with customers to optimize company revenue and customer satisfaction. Knowledge management systems enable companies to optimize the creation, distribution and distribution of knowledge to improve business processes and management decisions. Information systems improve business processes there are ways, namely: improving the efficiency of existing processes and enabling the whole new process that allows changing business. Information systems automate many stages of business processes that were previously done manually, and check client credibility, or get a lot more bills.

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