



## Final- Term Examination

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**Subject** : **Information System And  
Data Processing**

**Degree** : **BS (SE) 6<sup>th</sup> Semester**

**Date** : **27/06/2020**

**Q.1: What are systems? Explain in detail. Take a daily life example of system (any organization or company) and explain its component one by one in detail.**

**ANS: System:** A system is a group of elements that are integrated with the common purpose of achieving an objective. Organization having common goal for the achievement are functionality units. All systems have inputs, outputs, and feedback, and maintain a basic level of equilibrium. For example, in the human body the heart functions to support the circulatory system, which is vital to the survival of the entire body.

**Types of Systems:**

- **Open System**
- **Closed System**
- **Open loop System**
- **Closed loop system.**

- **Example:-** Purchase & Sales System.
- **Explain:-**
- The basic purpose behind setting up systems is to make available information when required. A system is a group of elements that are integrated with the common purpose of achieving an objective. Organization having common goal for the achievement are functionally interactive units. All systems have inputs, outputs, and feedback, and maintain a basic level of equilibrium. For example, in the human body the heart functions to support the circulatory system, which is vital to the survival of the entire body.
- Every system that is constructed is expected to generate some sort of output based upon the information fed into it. The output is expected to be used to evaluate system performance – whether the output complies with stated objectives of the system and generate instruction to change input to improve/change output.
- A system is described by its spatial and temporal boundaries, surrounded and influenced by its environment, described by its structure and purpose and expressed in its functioning. Systems are the subjects of study of systems theory.
- □I have taken the example from daily life is **Purchase system** now I am explaining it in detail with its components.
- **Following are the main components of any system**
- input element
- Process
- output elements
- control mechanism
- feedback system
- Objectives

**(1)Input elements of purchase system:-** The information entered into a system the input elements of purchase system include Orders for the purchase of **various** materials that someone wants to purchase it. for example purchasing a mobile from any online selling website.

**(2)Process/processing of purchase system:-** Processing include all the detail that how you can receive your purchasing mobile from the online website you purchase such that Status of deliveries received against specific orders. Any specific treatment defined in the system to be performed on the data entered into the system, for instance, computation, analysis, application of any product for purchasing.

**(3)Output elements of purchase system:-** the output elements is the changes that you wants in the delivery of the things that you have purchase as change in order quantity, changing the time , changing the day or some other information that you wants to change in the system. And the given by the system after the process has been performed on the data being input to the system.

**(4)control mechanism of purchase system:-**control mechanism of a system describe the inspection in the quality that the quality is good or bad that you have purchase. And also control mechanism of the system includes the communication among the seller and the purchaser about the quality inspection of the purchase product. This comparison of actual with expected output is done with the help of control mechanism.

**(5)feedback system purchase system:-** The feedback is very important for any system and also for selling and purchase system because in the result of feedback the purchasing product status can easily updated. And after the control mechanism has been devised, it needs to a reporting mechanism, which should respond with a corrective action, if required.

**(6)Objectives of purchase system:-** The main objectives of a system is Ensuring that what you buy has high value for the company is a key purchasing function, buy what constitutes value depends on your strategic business goals. For example improving in quality of the product etc

**Q.2 what is Management information system? Take an example of MIS of any organization and elaborate in your own words.**

**ANS: Management Information System:** A management information system(MIS) is a computer system consisting of hardware and software that serves as the backbone of an organization’s operation.MIRS makes information available to relevant users by producing pre-determined and pre-designed reports required by the management. Management information system helps middle level management planning, controlling and decision making. The data stored can be used or manipulated to produce differently defined reports from pre-defined reports. It can be presented graphically or pictorially. The reports generated by the MIS are used for analytical decision making by the management. The application software can construct projections, build scenarios, do what if analysis to enable better decision making.

**Example:**

I have selected online banking management information system and their explanation is given below.

A bank is understood as a place where the financial services such as checking/savings and providing credit to the customers are offered. The scope of this service in today’s world is expanded to a “Financial Services Super Shoppe” where the banks have become an instrument in providing financial assistance to some activities as a policy or by regulation or for meeting sociology-economic obligations. In banking also, the concept of the financial product has come in.

The customers choose a bank mainly on the following three factors

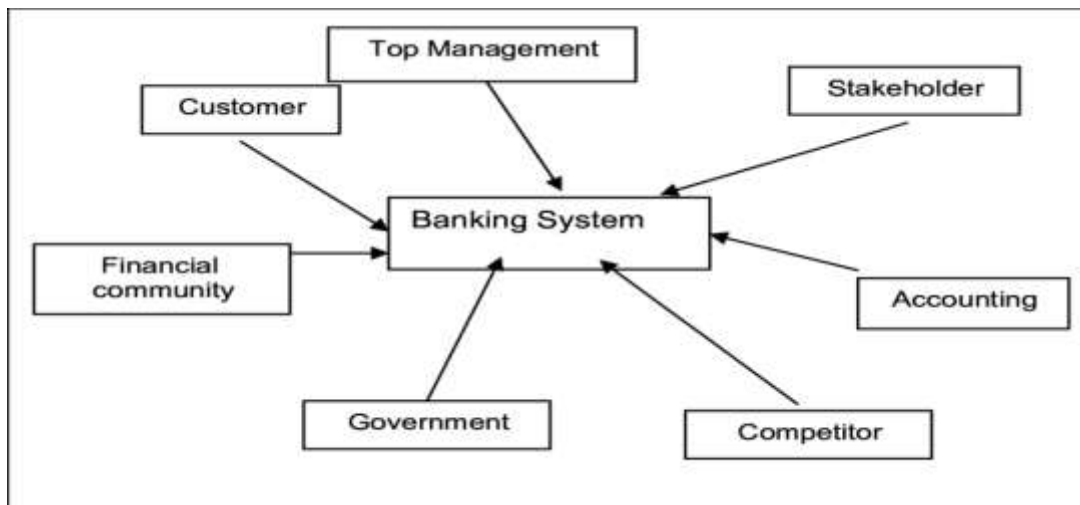
**I. The ease of doing business.**

**II. The quality of personnel and service.**

**III. The range of the financial services.**

□ The factors outrank the factors such as the location, interest rates, layout, banking hours, etc. The bank has a broad range of customers like individuals, institutions, trusts, business organizations, Government, and local bodies. The banks deal with some transactions, which also vary widely regarding length and complexity. The bank customer, like any other service industry, is interested in getting final results quickly.

□ Management Information Systems are very useful tools for the purpose of reviewing and controlling company’s operations. The main goal of these systems is to organize all data collected from every level of the company, summarize it, and present it in a way that facilitates and improve the quality of the decisions being made to increase the company’s profitability and productivity.



The following points should be taken care of while designing an **management information system (MIS)** for a bank:

(1) Customer database

- customer — individuals, company, institutions, etc.
- Operator — housewife, employee, the officer of the organization. The range of service — savings, credit checking and payment, other financial services.
- Class of customers — income group, corporate bodies, etc.
- Working hours — morning, afternoon, evening, etc.

The management of the bank should create a customer database and analyze the needs of the customers from time to time to create suitable service package

(2) Service to the account holders the customers (account holders) need constant advice on the status and its operations. Most of the customers use their account for routine payments affecting the balance. Many times the account holds a large amount and it is not transacted for any purpose.

(3) Service for business promotions The bank finances can be utilized in some ways to increase the banking operations by offering credit to the right kind of customers.

(4) The index monitoring system One more feature of the MIS is to monitor the variety of indices and ratios related to banking operations.

(5) Human resource upgrade there is a lot of human aspect in the banking operations. With computerization, the service may become faster or quicker, but still, it requires a human touch and skills.

### **Q.3 Explain Marketing Information system and its types in detail.**

**Note: You should make your answer understandable by taking a proper example.**

**ANS: Marketing Information Systems (MKIS):** A MKIS is a software programs that provides information about marketing research. It allows users to compile and analyze data in a very easy, organized fashion. The more sophisticated the management information system, the more information it can provide. The **Marketing Information System** refers to the systematic collection, analysis, interpretation, storage and dissemination of the market information, from both the internal and external sources, to the marketers on a regular, continuous basis

MKIS is a type of Information System that helps the firm to achieve following objectives:

- o Identification of customers for firm's products and services.
- o Development of those products and services to meet customers' needs
- o Promotion of the products and services, and
- o Provision of after sale customer support.

**Example :** Have you ever used a consumer loyalty card or scanned the little card on your car keys when you checked out at the grocery store? Each time you use your card, companies are compiling information for their MkIS systems. They are learning about the types of products you purchase, including sale items, and the items you purchase together. By combining your data with information collected from thousands of other consumers, the store develops a profile that reflects the purchasing habits of their customers. This type of information would be virtually impossible to gather manually. However, through the use of a marketing information system, the store is able to quickly and easily analyze the data from many different aspects.

### **Types of Marketing Information:**

Every information system is designed to capture some sort of information. Information requirements need to be defined before the systems are made. While designing marketing information system, following types of information should be designed.

- **Marketing Intelligence** – information flowing from environment into the environment. The second kind of information which will be needed is the business **environment** or in other words **market intelligence**. The **Market** intelligence pertains to overall **demand** in the market, the potential of the market, competitors in the market etc. Generally a lot of **marketing intelligence** is gathered from internal sources itself such as customers, suppliers and distributors. Marketing intelligence from these sources is important to grasp any day to day changes happening in the **business environment**. For example – A television company will expect lots of sales in a festive environment and your distributors will probably inform you that they will be needing discount in this time. Thus during a festive environment you have to use Price discounts as a **sales promotion** tactic and at the same time ensure having a higher inventory of televisions. Furthermore, industry information can also be found by **professional organizations** such as ORG MARG and others.
- **Internal Information** – gathered within the firm. It would be the strength and capability of the organization to expand. **Planning** an expansion without having the capacity of it is a waste of time. Thus marketing managers need to have an internal analysis to determine where their own company stands. For these they need regular sales reports, purchase reports, margin reports, costing, **customer service** expenses etc. All these can be obtained through MIS and it is the first type of information a **marketing manager** looks for
- **Marketing Communication** – Info flowing from firm to external environment. While internal information and market intelligence is important, the most important information which a **marketing manager** can receive is “What a customer **wants**”. Thus time to time market and **consumer** research is needed for new **product** ideas as well as expected improvement in processes. This kind of information can be expensive to gather but is worth the expense. Major changes in industries happen mainly because they are in touch with their end customers and they know what their customer wants. Furthermore, predicting how a market will respond to any changes being made in the **marketing plan** can be answered by your end customers only and not by your distributors and suppliers. This is why a lot of organizations conduct trial runs.

### **Q.4: Why Decision Making is an important factor to run an organization. Explain your answer with the help of a proper example**

**ANS: Decision making:** Decision Making is an important part of maximizing your effectiveness at work. Decision making is important factor to achieve the organizational goals/objectives within given time and budget. It searches the best alternative, utilizes the resources properly and satisfies the employees at the workplace. As a result, organizational goals or objectives can be achieved as per the desired result.

Decision making and problem solving are ongoing processes of evaluating situations or problems, considering alternatives, making choices, and following them up with the necessary actions. Sometimes the decision-making process is extremely short, and mental reflection is essentially instantaneous. In other situations, the process can drag on for weeks or even months. The entire decision-making process is dependent upon the right information being available to the right people at the right times.

Such examples are as follow.

- ❖ Problem-solving.
- ❖ Leadership.
- ❖ Reasoning.
- ❖ Intuition.
- ❖ Teamwork.
- ❖ Emotional Intelligence.
- ❖ Creativity.
- ❖ Time management.

**Proper example**

When choosing a place to establish a new business, the criteria might include rental costs, availability of skilled labor, access to transportation and means of distribution, and proximity to customers. Based on the relative importance of these factors, a business owner makes a decision that best meets the criteria.