

Chapter 1

Introduction

In the present world, communication has become one of the most essential parts. Millions and millions of people are communicating and sharing their information. In business, information is one of the most important sources needed. The more information in hands, the greater the business grows. This mean that in a business, if we could get the information we need at any time as fast as possible, then that particular job can be done in a short time and result in the progress of that business. To reach this point, there need to be an information system management to manage the information and its flow through any part of the business, which need it.

As information is the life-blood of organization, information system aims to have the right information in the right place at the right time. For any organization, to make the best use out of information system is that it must address both business and technical issues. Hence, management of information system is to improve the business effectiveness by satisfying the information needs of managers and professionals to improve decision making of the firm.

As the agriculture and industrial employment sectors are declining while the service sectors are growing, the information systems have also grown. But the perception of the importance of information system among senior industrial managers is quite low. Although, people still has little interest and recognition about information system and what it really can contribute in a firm but many leading companies in the world have proved how the information system could increase the efficiency, effectiveness and potentials in their firms. In return, those firms will become more competitive in this aggressive world market.

1.1 Background

The company in this case study is facing problems that occurred in many departments, which is, they do not have a proper information system. The businesses that do not have proper information system will waste a lot of their time in managing their data and that causes more workloads and costs. Even worse, they cannot operate their business effectively and efficiently. For this company, in any activities, the information is mostly handled by persons with paper. This results in many errors and also waste of resources. Besides that, the information system that are being used are not capable enough to provide recent information which would results in slow responses towards problems and decision making at the present situation. In addition, the decision-makings may not be appropriate and compatible due to the delayed information, which will cause the company to loose their chances to expand the business and cause the business not to become competitive enough both locally and internationally.

The sales and marketing department is one of the most important departments. A lot information and data are needed in this department. The inappropriate information system causes a lot of problem as mention above and results in delays of delivering the merchandise.

The information in this department consists of many subsystems, which support the whole department. One of the most important subsystems that causes the major problem to the department is sales order processing. In this case study, the focus will be on the development of a sales ordering processing system, which is under the sales and marketing department. The improvement of the sales order processing for this department is urgent and will certainly benefit the whole company.

1.2 Objective

To develop a conceptual design of the sales order processing system for the Sales and Marketing department in the case study.

1.3 Scope of Research

This research will cover:

1. The methodologies that are used in the case study.
2. The background of the company and its present condition, focusing on sales order processing subsystem.
3. The conceptual design of the information system and database for the ordering process that will cover the following information:
 - 3.1) Marketing analysis
 - 3.2) Production plan
 - 3.3) Master Plan Scheduling
 - 3.4) Distribution
 - 3.5) Feedback information from sales representatives
 - 3.6) Customer information and credit authorization
4. Further suggestions for development.

1.4 Expected Results

The expectation of this thesis is to have the conceptual design information system for the sales order processing in the department of the sales and marketing.

The expected results consist of the conceptual design of:

- 1) Work flows in the sales order processing activities
- 2) Information flows that support the sales order processing activities
- 3) Database that supports the information
- 4) Procedures in handling data that supports the database

1.5 Expected Benefits

- 1) Work flow and information flow that support the activities of the sales order processing, which could be further developed in future.
- 2) Database design that supports the activities of the sales order processing system.
- 3) Saving in time and human resources which would lower the entire costs of the company.
- 4) Gain of competitive advantage through the more effective and efficient ways of handling information within the company
- 5) Support of decision-makings and the strategic planning for the company.

1.6 Research procedure

1. Study the problems in the organization
2. Study the related Literature
3. Study the requirements of the user
4. Create a conceptual design for information flow and database
5. Document the results

1.7 RESEARCH SCHEDULE

Procedure	1998			1999											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Study the problems in the organization	↔														
Study the related Literature	↔														
Study the requirements of the user				↔											
Create a conceptual design for information flow and database					↔										
Documentation the results										↔					