

USE OF INFORMATION TECHNOLOGY IN DECISION MAKING: AN ORGANIZATIONAL STUDY OF JORHAT CITY

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ABSTRACT

In the present world, which is dynamic and knowledge based, organizations have much wider role to play in creating, preserving, organizing, transmitting and applying knowledge. The physical locations and facilities have been less important in defining an organization due to the easy on-line access of the resources. The report aims to identify the IT infrastructure and the software used in decision making. The study is related to the IT infrastructure of organizations in Jorhat city. The responses were obtained by in-depth interviews with the employees of different organizations in Jorhat city. Results from in-depth survey indicate about the use of hardware, application software, operating systems, database and backup devices in the organization. The study brings forth that information systems (IS) application like payroll, accounting, billing, invoicing, inventory management and MIS report are the main resource of running an organization in decision making. The research concludes that the use of company's IT infrastructure and IS applications smoothens the top level management's decision making process because it provides information on mottled format and structure.

Keywords: Ethics, Electronic, Security, On-line, Transferred, Damage, Hacking, Viruses.

I. INTRODUCTION

Information Technology (IT), as defined by the Information Technology Association of America (ITAA) is “the study, design, development, implementation, support or management of computer-based information systems, particularly software applications and computer hardware.” IT deals with the use of electronic computers and computer software to convert, store, protect, process, transmit and securely retrieve information. Today, the term information technology has ballooned to encompass many aspects of computing and technology, and the term is more recognizable than ever before. The information technology

umbrella can quite large, covering many fields. IT professionals perform a variety of duties that range from installing applications to designing complex computer networks and information databases. A few of the duties that IT professionals perform may include data management, networking, engineering computer hardware, database and software design, as well as the management and administration of entire systems. When computer and communications technologies are combined, the result is information technology, or “InforTech”. Information Technology (IT) is a general term that describes any technology that helps to produce, manipulate, store, communicate, and/or disseminate

information. Presumably, when speaking of information technology (IT) as a whole, it is noted that the use of computers and information are associated.

(a) Use of Information Technology in organizations
IT offers many benefits to organizations, customers and society and these are as follows:

(i) IT expands a company's market place to national and international markets. With minimal capital outlay, a company can quickly locate more customers, the best suppliers and the most suitable business partners worldwide.

(ii) IT decreases the cost of creating, processing, distributing, storing and retrieving information by digitizing the process.

(iii) IT lowers telecommunications costs because the internet is cheaper.

(iv) IT helps small businesses compete against large companies.

(v) IT delivers relevant and detailed information in a second.

(b) Need for Information Technology in organizations

Organizations need to be involved in information technology (IT) – the amalgamation of hardware, software, data, people and procedures – because:

(i) The sheer magnitude of the dollars spent on IT must be managed to ensure business value.

(ii) Research has consistently shown that when managers are involved in IT, IT enables a number of business initiatives, such as gaining a competitive advantage, improving business processes,

expanding globally, and even starting new businesses. Senior managers must also understand how IT innovations may alter industry structures, such as IT's impact on the music industry.

(iii) Research has consistently shown that when managers are not involved in IT, systems fail, dollars are wasted – or at the extreme, companies can fail as a result of poorly managed IT.

Thus, IT enables or inhibits business objectives depending on management's involvement in IT. The big challenge IT managers are facing is: how do we get general managers involved?

Research has shown that involvement is highly correlated with personal experience with IT and with IT education, including university classes and IT executive seminars. Once general managers understand IT through experience and education, they are more likely to be involved in IT, and more likely to lead their organizations in achieving business success through IT.

(c) Effect of IT in a society

The information technology becomes boosted in today's generation from the field of business, educational institution down to the field of entertainment. Though IT work performance are boosted with less effort and greater productivity by using various operations. Learning has minimized because of different media that are being developed which are all interactive which brings learning experiences to the next level. Business have grown and expanded because of breakthroughs in advertising. Communication has been brought also to the next level because it can find new ways to be able to communicate

with love ones here and abroad from the internet. The information technology has become a widespread in today's generation. It lessens the productivity performance of the workers because of the modern technology uses.

II. OBJECTIVES

The key objective of the study is to identify the use of Information Technology in different organizations. The study also aims to identify several issues such as organizational management decision making using Information Technology, Information Technology infrastructure, Information Systems and Use of E-Commerce to increase the customer base are the major ones.

III. METHODOLOGY

Data collection is the process of obtaining valuable, reliable and relevant information from past and present serving as basis for study as well as analysis. The present study is based on 15 in-depth interviews of 10 organizations of Jorhat town. Initially, researcher has chosen the organizations randomly by dividing the city in to five areas. Sample size for interview was identified conveniently in the company based on the availability of the executives. All the peoples were interviewed with the help of a structured discussion guide. The survey was conducted in Jorhat city during the months of September to October 2012.

In the secondary research data was collected through newspapers, annual reports and websites of those selected organization. People interviewed in the organizations are from different levels of

hierarchy includes managerial levels (6 employees) and executives' levels (9 employees). The respondents were between the age of 20 to 50 years.

(a) Organizations Visited

Name of the organizations visited were listed below:

- (i) Adidas AG, Adidas Showroom, Jorhat, Assam
- Reliance life insurance company limited, Regional office RLIC – Jorhat
- (ii) Epitome- institute of Vocational and Professional Studies, J.B.Road, Jorhat, Assam.- 785001
- (iii) SBI Main Branch, Jorhat – 785001
- (iv) Retailed Asset Small & Medium City Credit Centre (RASMECCC) and Stressed Account Resolution Centre (SARC), Jorhat
- (v) Bharti Infratel Limited, Jorhat
- (vi) Paramount Services, A franchisee of **TATA SKY Limited** (main authorised TATA SKY Distributor), Jorhat
- (vii) Cox and Kings Ltd. Jorhat, Pragati tours and travels, Jorhat
- (viii) United Colors of Benetton, Jorhat
- (ix) Bee Honda is a Honda Motorcycle, Jorhat

IV. FINDINGS OF THE STUDY

Research has revealed that the IT division in the organization is performing its various functions with different kinds of hardware and software available in the branches of the organizations. The research has indicated about different types of IT infrastructure in the organizations and are follows

(a) Hardware: Desktops, Laptops, Scanners and Printers. Majority systems of the organizations are from HP and Lenovo.

(b) Operating systems: Windows XP, Windows 2000 are used because it is compatible with the application software and easy to use. Service pack 3 licensed versions is used by the many organization.

(c) Application Software: Shoper 9, Microsoft office 2003, SIBEL are the different software used by the organizations for their operations. Bancs24 is an Information System is used in the State Bank of India bank branch to do different accounting and MIS activities of the banks.

(d) Networks: LAN, WAN and different types of cable is used to organize the network connectivity.

(e) Databases: Oracle Database is used by the organizations in their offices and branches. Oracle database is used to store and retrieve various kinds of information.

(f) Backup Software: Data backup in the organization is done by using external hard drives.

V. INFORMATION SYSTEM APPLICATIONS IN ORGANIZATIONS

In today's scenario information systems are the main source of business transaction in any organization. Information systems (IS) application like payroll, accounting, billing, invoicing, inventory management and MIS report are mainly controlled by classic information technology (CIT) in the organizations. Research has identified about various information systems as follows:

(a) Payroll: Payroll system is used to process the monthly salary of the employees based on their attendance during the entire month.

(b) Billing: The billing option captures varied information like customer details, sales person details, payment options, add-ons/deductions, etc. It supports the selection of offers/discount schemes for billing. Features required by your retail business for suspending and recalling bills, recording sales returns and exchanges are also available. Other features available are the options to record customer walk-ins, changing payment modes in bills, etc. The billing option is integrated with inventory data to communicate stock status.

(c) Accounting & Billing:

In many organizations billing of the organization is entirely done in Tally.ERP 9. The institute also provides courses related to accounting which is entirely done in tally. 'Perfect Accounting' includes introduction to DBMS and MS-Access, Tally.Net, E-TDS, payroll, point of sales, Fringe Benefit Tax (FBT), Data Synchronization, advance configuration, inventory ageing analysis.

(d) Invoicing: Bills are generated in two copies for customer and the retail outlet each along with Head Office updating after the sell takes place.

(e) Inventory Management: Shoper 9 is designed to handle a high volume of SKUs (items) and transactions. Organizations can use the effective and flexible inventory options in Shoper 9 to ensure the smooth functioning of your retail business.

**Shoper 9 uses SIS (Shoper Integration Server)
for MIS reporting**

SIS is used to extract data from Shoper 9 without the hassles of understanding the database structure or writing time-consuming extract programs etc. Organization do analysis, reporting, printing, interface to other applications and other needs are easily handled using SIS.

What is Shoper Integration Server (SIS)?

SIS is a simple and user-friendly data extraction server provided by Tally which simplifies extraction of data from Shoper 9 database.

Benefits of Shoper Integration Server (SIS):

User can write any type of application to extend the functionality of Shoper 9 or integrate to other applications

- Simple and user-friendly
- Easy and faster extraction
- Enhanced performance
- Minimal training and technical knowledge
- Reduced cost of customization

E-Commerce Site

Research has indicated that many organizations have e-commerce site available.

Excerpts from In-depth Interviews

The process of study has highlighted some factual details during the time of interview with individual employees of the organizations those have visited by the interviewer for the research purpose at the time of data collection.

Organization (Tata Sky)

Is the company benefited due to online trading

All the respondents agreed that online trading has helped the company gain more revenue.

Respondents inform that the customer base is increasing in great proportion because of online trading.

Is the outlet losing out customers due to the gaining popularity of the Company's online websites.

67% of the respondent told that online trading has not affected their business at the outlet. They informed that the more and more customers are availing the services and the outlet is gaining more loyal customers. 33% of the interviewed employee was not sure about its effects.

Is the SIBEL software user-friendly

All the respondents told that they have been trained properly by the company on the use of the SIBEL software. They informed that it's a bit complex but with daily usage, now they are comfortable operating it.

From the above information provided by the employees of the Paramount Services, it can be concluded that TATA SKY online trading website is only acting a booster in increasing the customer base and not drying up the business of the retailers and distributors. The employee satisfaction was also found.

Organizations (Cox and Kings Ltd. Jorhat,

Pragati tours and travels)

How IS/IT have benefitted the Organization?

Pragati Tours and Travels have different tour packages that are released on the website and have facilities for travelers:

(a) Ticketing is totally online.

(b) Whole business is based on IT

(c) Local suppliers give the quotations of their packages through e-mails and

(d) MS Office platform is used for coordination with suppliers

How do they do the decision making including the sales figure estimation?

Organizations get targets of packages to sell in a particular year which they need to sell. Since tourism has now become an affordable luxury. The reasons for such a buoyant rise are many, from disposable income of the middle class to healthy senior citizens opting to travel and also high adrenaline travelers. It can be safely said that finally the industry has come of an age.

VI. CONCLUSION

The application of the information technology in the organization has an indisputable impact on and priority among other processes such as decision making, production, collection and control of information; and in the increased effectiveness of operations, the enhanced quality of services for clients, and the increased control of all its activities. The information technology plays a crucial role in the institution whose activity is generally oriented towards information. The technology of information helps ensure maximum use of this means of communication and contributes to the integration of the internal functions of the institutions, while the internal sources are being adjusted to bring about improvements in the technological infrastructure.

The company's IT infrastructure and IS applications functioning smoothens the top level strategic

management's decision making process as it provides information on varied format and structure.

SIS provides the basis of MIS. The Application software (Shoper 9) is feasible and has flexibility. The Application software (Shoper 9) presents differentiated reports for decision making. The data of the application software is compatible with universally used generic application software Tally ERP 9. The online website has immensely added new dimensions to their business's growth in recent past. The online system shows every detail about all the policy holders as well as different insurance plans available. The Shoper9 software helps them to take various management decisions. They have made most of the use of the latest technology, which has enabled them to run the retail very efficiently.

VII. LIMITATION OF THE STUDY

(a) Study conducted on a small franchisee and not on a large corporate office of organizations itself, where findings could have been more reliable.

(b) Respondents are not willing to give information.

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