

DECISIONS AND PROCESSES

VALUE DRIVEN BUSINESS

2

CHAPTER

This guide provides a number of classroom activities, videos, and debates to accompany Business Driven Information Systems Fourth Edition. A few course suggestions:

- Create one or two test questions based on the classroom activity to help reward students who attend lectures.
- Many professors have found that assigning an activity and then lecturing on the material helps students gain a deeper understanding of the core MIS concepts as they have already struggled with applying the material to a real-world situation.
- Asking a small group of students to explain their answer to the activity to the entire class after completion ensures students come to class prepared. I select a different group each activity to explain their answer and they do not want to look unprepared in front of their fellow classmates. It is a powerful motivator to get my students reading prior to class. After the activity and student's presentations then I lecture – keeps my students engaged and helps to achieve a higher level of learning outcomes as they are constantly tasked with applying the concepts during class.
- Create an Ask the Professor Discussion board that runs the entire course where students can ask course and content related questions. I typically promise to respond within 24 hours and I always encourage my students to check the discussion board before sending an email. Many times if one student asks questions so do other students.
- ****Three Before Me Rule!** This is something I have found that saves a great deal of time answering email. I state the Three Before Me rule in my syllabus. Before a student comes to me with a question they must provide three sources they used to answer the question themselves. This significantly cuts down on emails as many times students can find the answer to their questions but it seems easier just to email the professor. Sources can include the syllabus, the Ask The Professor Q&A Discussion Board, classmates, the textbook, etc. If I ask the student for the three sources and they do not have them I dock participation points. Works great on significantly cutting down my emails and helps to prepare my students for the real world!
- The core chapter material is covered in detail in the PowerPoint slides. Each slide contains detailed teaching notes including exercises, class activities, questions, and examples. Please review the PowerPoint slides for detailed notes on how to teach and enhance the core chapter material.

Enjoy your course and best of luck!
Paige Baltzan

Decision making and problem solving encompass large-scale, opportunity-oriented, strategically focused solutions. Students today must possess decision-making and problem-solving abilities to compete in the ebusiness world. Organizations today can no longer use a "cook book" approach to decision making. This chapter focuses on technology to help make decisions, solve problems, and find new innovative opportunities including:

- Transaction processing system

- Decision support systems
- Executive information systems
- Artificial intelligence (AI)
- Business process modeling
- Business process management
- Business process improvement
- Business process reengineering

SECTION 2.1 – DECISION SUPPORT SYSTEMS

- Making Organizational Business Decisions
- Measuring Organization Business Decisions
- Using MIS to Make Business Decisions
- Using AI to Make Business Decisions

SECTION 2.2 – BUSINESS PROCESSES

- Managing Business Processes
- Using MIS to Improve Business Processes

SECTION 2.1

DECISION SUPPORT SYSTEMS

What is the value of information? The answer to this important question varies depending on how the information is used. Two people looking at the exact same pieces of information could extract completely different value from the information depending on the tools they are using to look at the information. This chapter discusses technologies that people can use to help make decisions and solve problems.

LEARNING OUTCOMES

Learning Outcome 2.1: Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.

Decision-making skills are essential for all business professionals, at every company level, who make decisions that run the business. At the operational level, employees develop, control, and maintain core business activities required to run the day-to-day operations. Operational decisions are considered structured decisions, which arise in situations where established processes offer potential solutions. Structured decisions are made frequently and are almost repetitive in nature; they affect short-term business strategies.

At the managerial level, employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change. Managerial decisions cover short- and medium-range plans, schedules, and budgets along with policies, procedures, and business objectives for the firm. These types of decisions are considered semistructured decisions; they occur in situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision.

At the strategic level, managers develop overall business strategies, goals, and objectives as part of the company's strategic plan. They also monitor the strategic performance of the organization and its overall direction in the political, economic, and competitive business environment. Strategic decisions are highly unstructured decisions, occurring in situations in which no procedures or rules exist to guide decision makers toward the correct choice. They are infrequent, extremely important, and typically related to long-term business strategy.

Learning Outcome 2.2: Define critical success factors (CSFs) and key performance indicators (KPIs), and explain how managers use them to measure the success of MIS projects.

Metrics are measurements that evaluate results to determine whether a project is meeting its goals. Two core metrics are critical success factors and key performance indicators. CSFs are the crucial steps companies perform to achieve their goals and objectives and implement their strategies and include creating high-quality products, retaining competitive advantages, and reducing product costs. KPIs are the quantifiable metrics a company uses to evaluate progress toward critical success factors. KPIs are far more specific than CSFs; examples include turnover rates of employees, percentage of help-desk calls answered in the first minute, and number of products returned.

It is important to understand the relationship between critical success factors and key performance indicators. CSFs are elements crucial for a business strategy's success. KPIs measure the progress of CSFs with quantifiable measurements, and one CSF can have several KPIs. Of course, both categories will vary by company and industry. Imagine improved graduation rates as a CSF for a college.

Learning Outcome 2.3: Classify the different operational support systems, managerial support systems, and strategic support systems, and explain how managers can use these systems to make decisions and gain competitive advantages.

Being able to sort, calculate, analyze, and slice-and-dice information is critical to an organization's success.

Without knowing what is occurring throughout the organization there is no way that managers and executives can make solid decisions to support the business. The different operational, managerial, and strategic support systems include:

- Operational: A transaction processing system (TPS) is the basic business system that serves the operational level (analysts) in an organization. The most common example of a TPS is an operational accounting system such as a payroll system or an order-entry system.
- Managerial: A decision support system (DSS) models information to support managers and business professionals during the decision-making process.
- Strategic: An executive information system (EIS) is a specialized DSS that supports senior level executives within the organization.

Learning Outcome 2.4: Describe artificial intelligence and identify its five main types.

Artificial intelligence (AI) simulates human thinking and behavior, such as the ability to reason and learn. The five most common categories of AI are:

1. Expert systems—computerized advisory programs that imitate the reasoning processes of experts in solving difficult problems.
2. Neural networks—attempts to emulate the way the human brain works.
3. Genetic algorithm—a system that mimics the evolutionary, survival-of-the-fittest process to generate increasingly better solutions to a problem.
4. Intelligent agents—a special-purpose knowledge-based information system that accomplishes specific tasks on behalf of its users.
5. Virtual reality—a computer-simulated environment that can be a simulation of the real world or an imaginary world.

CLASSROOM OPENER

GREAT BUSINESS DECISIONS – Walt Disney Decides to Call His Mouse Cartoon Character Mickey, not Mortimer

Sunday, November 18, 1928, is a historic moment in time since it is the day that the premier of *Steamboat Willie* debuted, a cinematic epic of seven minutes in length. This was the first cartoon that synchronized sound and action.

Like all great inventions, Mickey Mouse began his life in a garage. After going bankrupt with the failure of his Laugh O Gram Company, Walt Disney decided to rent a camera, assemble an animation stand, and set up a studio in his uncle's garage. At the age of 21, Walt and his older brother Roy launched the Disney Company in 1923. The company had a rocky start. Its first film, *Alice*, hardly made enough money to keep the company in business. His second film, *Oswald the Rabbit*, was released in 1927 with small fanfare. Then Disney's luck changed and in 1928 he released his seven minute film about a small mouse named Mickey. Disney never looked back.

The truth is Mickey Mouse began life as Mortimer Mouse. Walt Disney's wife, Lilly, did not like the name and suggested Mickey instead. Walt Disney has often been heard to say, "I hope we never lose sight of one fact – that this was all started by a mouse."

Would Mortimer have been as successful as Mickey? Would Mortimer have been more successful than Mickey? How could Walt Disney have used technology to help support his all-important decision to name his primary character? There are many new technologies helping to drive decision support systems, however it is important to note that some decisions, such as the name of a mouse, are made by the most complex decision support system available - the human brain.

CLASSROOM EXERCISE

Building Artificial Intelligence

The idea of robots and artificial intelligence is something that has captured people's attention for years. From the robots in Star Wars to the surreal computer world in the Matrix, everyone seems to be fascinated with the idea of robots.

Break your students into groups and challenge them to build a robot. The robot can perform any function or activity they choose. The robot must contain a digital dashboard and enable decision support capabilities for its owner. Have the students draw a prototype of their robot and present their robot to the class. Have your entire class vote on which robot they would invest in if they were a venture capital firm.

CLASSROOM EXERCISE

Great Example of DSS

The Analyst™ is a diagnostic tool, now accessible online, that fills the gap between what you need and what busy, human doctors can offer. With less and less time to address a patient's individual needs and yet more and more research and other information to digest, incorrect and incomplete diagnoses are frequently made. On this site they have a great diagram that compares The Analyst to a Doctor.

<http://www.diagnose-me.com/?page=dizz&qclid=ClbdzaP785ECFQwcawodfCXpxA>

CLASSROOM EXERCISE

Hod Lipson Demonstrates Cool Little Robots

Hod Lipson demonstrates a few of his cool little robots, which have the ability to learn, understand themselves and even self-replicate. At the root of this uncanny demo is a deep inquiry into the nature of how humans and living beings learn and evolve, and how we might harness these processes to make things that learn and evolve.

Hod Lipson works at the intersection of engineering and biology, studying robots and the way they "behave" and evolve. His work has exciting implications for design and manufacturing -- and serves as a window to understand our own behavior and evolution.

<http://www.ted.com/index.php/talks/view/id/165>

CLASSROOM EXERCISE

Building AI – Facebook Founders Fund AI Start-Up

The idea of robots and artificial intelligence is something that has captured people's attention for years. From the robots in Star Wars to the surreal computer world in the Matrix, everyone seems to be fascinated with the idea of robots.

Artificial intelligence research start-up Vicarious announced today that it has received a \$15 million Series A round led by Good Ventures. The funding values the company at more than \$100 million.

<http://www.inc.com/john-mcdermott/facebook-founders-fund-artificial-intelligence-start-up.html>

Break your students into groups and challenge them to build a robot to compete for a \$15 million grant from Facebook. The robot can perform any function or activity they choose. The robot must contain a digital dashboard

and enable decision support capabilities for its owner. Have the students draw a prototype of their robot and present their robot to the class. Have your entire class vote on which robot they would invest in if they were a venture capital firm.

***Best Videos for Class – show them in order to see the advances in technology!

- Nao Robot Example (3 mins)
<http://www.youtube.com/watch?v=2STTNYNF4lk>
- NAO Next Generation (3 mins)
<http://www.youtube.com/watch?v=nNbj2G3GmAo&feature=related>
- NAO Robots – All The Single Ladies Dance (Students will LOVE this!!)
<http://www.youtube.com/watch?v=vqEFC8Eb6i4&feature=related>

CLASSROOM VIDEO

Something to Get Their Attention

Sheena Lyengar did her thesis work on “how people make decisions.” Great Ted.com to show your students.

http://www.ted.com/talks/sheena_lyengar_on_the_art_of_choosing.html

CLASSROOM VIDEO

Take a Walk or a Drive – Virtually!

This is an interesting website where you can view yourself walking or driving down streets in different cities. I use this as a decision support tool to use to map a tour if I was planning a trip to one of these cities. There is an excellent video on the website that demonstrates the amazing capabilities of Streetside.

<http://www.microsoft.com/maps/en-GB/streetside.aspx>

- How can you use Streetside to improve business decisions?
- How can you use Streetside to uncover business intelligence?
- How can you use Streetside to develop a new business idea?
- How can you use Streetside to revamp a business process

CLASSROOM EXERCISE

DSS Everywhere!

- Break your students into groups and ask them to compare sensitivity analysis, what-if analysis, and goal-seeking analysis and to provide a business example of when they would use each type?
 - Sensitivity analysis – studies the impact on a single change in a current model. For example – if we continually change the amount of inventory we carry, how low can our inventories go before issues start occurring in other parts of the supply chain? This would require changing the inventory level and watching the model to see “how sensitive” it is to inventory levels.
 - What-if analysis – determines the impact of change on an assumption or an input. For example – if the economic condition improves, how will it affect our sales?
 - Goal-seeking analysis – solves for a desired goal. For example – we want to improve revenues by 30 percent, how much does sales have to increase and costs have to decrease to meet this goal?
- Can you name a few different situations when you would use consolidation, drill-down, and slice-and-dice?
 - Consolidation would occur when grouping multiple store sales together to get a total for the company
 - Drill-down would occur when digging into the numbers on the balance sheet or income statement, such as revenues broken down into individual product revenues for each store during different dates and times

- Slice-and-dice would occur when users begin looking at information with different dimensions, similar to the cubes of information

CLASSROOM EXERCISE

Measuring Efficiency and Effectiveness

Break your students into groups and ask them to create a plan to measure the efficiency and effectiveness of this course and recommendations on how they would improve the course to make it more efficient and more effective. Student answers to this exercise will vary. They will need to determine ways to benchmark current efficiency and effectiveness and ways to continuously monitor and measure against the benchmarks to determine if the course is becoming more or less efficient and effective (class quizzes and exams are the most obvious benchmarks). Ask your students to present their plan and recommendations to the entire class. Be sure students' plans and recommendations address the following:

- Design of the classroom
- Room temperature
- Lighting and electronic capabilities of the classroom
- Technology available in the classroom
- Length of class
- Email and instant messaging
- Students' attendance
- Students' preparation
- Students' arrival time
- Quizzes and exams (frequency, length, grades)

TEN WORST DRIVING DECISION ON VIDEO

Great way to kick off a discussion on how decisions impact business. People have accidents. That's not what this post is about. People also do stupid, reckless things. But we're not focusing on that now either. This is about people that obviously lack the requisite skills to operate a motor vehicle – who were also unfortunate enough to have the evidence caught on film.

<http://onemansblog.com/2007/02/07/10-worst-drivers-ever-caught-on-video/>

ROBOT VIDEOS – GREAT AI

Robot Violinist - Video

<http://www.youtube.com/watch?v=EzjkBwZtxp4>

Robot Emotions

The emotional robot Science correspondent Alok Jha visits the University of Hertfordshire to meet an android developed to show emotions

<http://www.guardian.co.uk/technology/video/2010/aug/09/emotional-robot-university-hertfordshire>

Robot Babies

The State Department readies new Internet freedom policies, the FAA may lift the ban on cell phones during air travel, and Japanese researchers are working on robot babies.

http://news.cnet.com/1606-2_3-50100306.html

BUSINESS DRIVEN START-UP – DIGITAL DASHBOARD FOR TRACKING JUNK

This is a great video to get your students thinking about how they can use Excel to create a digital dashboard. Ask your students if they could setup a digital dashboard for their courses what would it look like and how would it measure their progress. How to Setup a Digital Dashboard in Microsoft Excel

<http://www.youtube.com/watch?v=V9GMCS-WjyI>

Business Dashboards

<http://www.microstrategy.com/dashboards/>

CORE MATERIAL

The core chapter material is covered in detail in the PowerPoint slides. Each slide contains detailed teaching notes including exercises, class activities, questions, and examples. Please review the PowerPoint slides for detailed notes on how to teach and enhance the core chapter material.

SECTION 2.2

BUSINESS PROCESSES

LEARNING OUTCOMES

Learning Outcome 2.5: Explain the value of business processes for a company, and differentiate between customer-facing and business-facing process.

A business process is a standardized set of activities that accomplish a specific task, such as processing a customer's order. Business processes transform a set of inputs into a set of outputs (goods or services) for another person or process by using people and tools. Without processes, organizations would not be able to complete activities. Customer-facing processes result in a product or service that is received by an organization's external customer. Business-facing processes are invisible to the external customer but essential to the effective management of the business.

Learning Outcome 2.6: Demonstrate the value of business process modeling, and compare As-Is and To-Be models.

Business process modeling (or mapping) is the activity of creating a detailed flowchart or process map of a work process showing its inputs, tasks, and activities, in a structured sequence. A business process model is a graphic description of a process, showing the sequence of process tasks, which is developed for a specific purpose and from a selected viewpoint.

Business process modeling usually begins with a functional process representation of what the process problem is, or an As-Is process model. As-Is process models represent the current state of the operation that has been mapped, without any specific improvements or changes to existing processes. The next step is to build a To-Be process model that displays how the process problem will be solved or implemented. To-Be process models show the results of applying change improvement opportunities to the current (As-Is) process model. This approach ensures that the process is fully and clearly understood before the details of a process solution are decided upon.

Learning Outcome 2.7: Differentiate among automation, streamlining, and reengineering.

Business process improvement attempts to understand and measure the current process and make performance improvements accordingly. Automation is the process of computerizing manual tasks, making them more efficient and effective, and dramatically lowering operational costs. Streamlining improves business process efficiencies by simplifying or eliminating unnecessary steps. Bottlenecks occur when resources reach full capacity and cannot handle any additional demands; they limit throughput and impede operations. Streamlining removes bottlenecks, an important step if the efficiency and capacity of a business process are being increased. Business process reengineering (BPR) is the analysis and redesign of workflow within and between enterprises and occurs at the systems level or companywide level and is the end-to-end view of a process.

CLASSROOM OPENER

Cable Ready

A current cable subscriber calls up to change the date for activating the service at a new address from Feb. 22 to March 1. The subscriber is successful and hangs up the phone happy. However, on February 22nd the cable at the current home is disconnected and the customer is no longer happy. The customer service representative forgot to change the date of the disconnection and only changed the date of the activation.

Practically speaking, these two events will almost always be linked - and the system probably should have prompted the customer service representative to ask if they were. The point: In focusing on business process, it is important to facilitate real-world tasks that are, by nature, "integrated."

CLASSROOM EXERCISE

Examining And Reengineering A College Business Process

Ask your students to discuss issues they have encountered around the college due to an inefficient or ineffective process. Choose one of the processes, break your students into groups, and ask them to reengineer the process. How would they change it to make it more effective or more efficient? Would they add a new technology device to help with the process such as a scanner, PDA, or RFID? Be sure to have them diagram the As-Is process and the To-Be process. Have them present their reengineered processes to the class.

CLASSROOM EXERCISE

Reengineering a Process

There is nothing more frustrated than a broken process. Ask your students to break into groups and discuss examples of broken processes that are currently causing them pain. The process can be a university process, mail-order process, Internet-order process, return merchandise process, etc. Ask your students to agree on one of the broken processes and to reengineer the process. Students should diagram the "As-Is" process and then diagram their "To-Be" process. Bring in a large roll of brown package wrapping paper and masking tape. Give each group two large pieces of the paper and ask them to tape the paper to the wall. These make for great "As-Is" and "To-Be" process maps.

BUSINESS PROCESS OUTSOURCING ACCENTURE - VIDEO

Excellent video to help students understand the processes involved in outsourcing.

<http://www.accenture.com/us-en/Pages/success-bpo-learning-telstra-video-summary.aspx>

Oracle Business Process Management - Video

<http://www.oracle.com/us/technologies/bpm/index.html>

CLASSROOM EXERCISE

Videos on BPM

Microsoft's business and industry offers a surprisingly good introduction to people driving business success through business process.

<http://msdn.microsoft.com/en-us/library/aa559473.aspx>

Funny video to kick-off your process modeling lecture – Finding Love is a Process

<http://www.youtube.com/watch?v=S-Mbr31f2dg>

CLASSROOM EXERCISE

How's My Driving – Just Ask My Car?

Using gadgets while you're driving can be a very bad thing, but an expert on automotive distractions says using a gadget that watches you while you're driving can be a very good thing. More than 40,000 people die every year in motor vehicle crashes, and research indicates that failures of attention - including distractions or drowsiness - probably played a role in most of those crashes.

Meiji Zhang tries to use a cell phone while she's behind the wheel in a driving simulator that's designed to work like a Chevy Malibu. The University of Iowa's National Advanced Driving Simulator was used to study the effects of driving distractions.

In one case he studied, a driver looked away from the road for 6 seconds to tap out a text message on her phone, slipped out of her lane and came to attention only when the tires hit the curb. "When she actually saw the video from the perspective of the camera, she was shocked to learn that she almost hit a telephone pole at 40 miles per hour," Lee said.

How many of your student's text, dial cell phones, etc. while driving?
Would this type of technology benefit your student drivers?

Break your students into groups and ask them to create a product that could help drivers pay greater attention to driving and less attention to gadgets.

CLASSROOM EXERCISE

Honda Develops Brain Interface for Robot Control

The research wing of Honda Motor has co-developed a brain machine interface (BMI) system that allows a person to control a robot through thought alone.

Ask your students to read the following article

<http://www.networkworld.com/news/2009/033109-honda-develops-brain-interface-for.html>

Break your students into groups and have them develop two businesses uses for this type of technology that includes a DSS or EIS

Ask your students to discuss AI and what other types of inventions could they build that could benefit business

CLASSROOM EXERCISE

Defense Advanced Research Projects Agency (DARPA) Grand Challenge

Ask your student to review the DARPA website to become familiar with the competition.

http://www.darpa.mil/Our_Work/TTO/Programs/DARPA_Robotics_Challenge.aspx

<http://www.darpa.mil/NewsEvents/Releases/2012/04/10.aspx>

- **How is the DoD using AI to improve its operations and save lives?**

The DARPA Grand Challenge was designed to leverage American ingenuity to develop autonomous vehicle technologies that can be used by the military. Using AI driven vehicles the DOD will be able to send vehicles into dangerous situations without endangering any soldiers.

- **Why would the DoD use an event, such as the DARPA Grand Challenge, to further technological innovation?**

By offering a generous prize, along with notoriety the DOD is able to get many of the greatest minds in the country working on creating autonomous vehicles. It is a win-win. The DOD receives the technology and the winning team receives a prize and notoriety.

- **Describe how autonomous vehicles could be used by organizations around the world to improve business efficiency and effectiveness.**

There are numerous ways that autonomous vehicles could be used around by businesses from making deliveries, transporting goods and services to taking employees to and from the airport. The uses are limitless.

- **The Ansari X is another technological innovation competition focusing on spacecraft. To win the \$10 million Ansari X Prize, a private spacecraft had to be the first to carry the weight equivalent of three people to an altitude of 62.14 miles twice within two weeks. SpaceShipOne, a privately built spacecraft, won the \$10 million Ansari X Prize on October 4, 2004. Describe the potential business impacts of the Ansari X competition.**

Space travel is the next exciting frontier. Business impacts could range from vacation trips to the moon to picking up space materials for the production of goods and services. The competition could also inspire other types of competition such as underwater houses and personal flying machines.

DARPA Videos

The DARPA challenge is an excellent topic when discussing AI. Here is the latest article on this year's DARPA challenge.

- Robots And Their Masters Ready For DARPA 'War Zone' Race
<http://www.informationweek.com/showArticle.jhtml;jsessionId=THMMTXP1BKGDIQSNDLRCKH0CJUNN2JVN?articleID=193401499&queryText=aug+14>
- DARPA Grand Challenge Stanford Winning Team
http://reviews.cnet.com/4660-11443_7-6358785.html?tag=vid.1
- DARPA Challenge - 2005 Overview
http://reviews.cnet.com/4660-11443_7-6353439.html?tag=vid.2
- Special Features: Inside the DARPA Challenge
http://reviews.cnet.com/4660-11443_7-6358769.html?tag=vid.3

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CHAPTER TWO

CLOSING MATERIAL

OPENING CASE TWO QUESTIONS

BUSINESS IS BOOMING FOR WEARABLE TECHNOLOGIES

1. **Knowledge:** Define the three primary types of decision-making systems and how wearable technologies in the workplace could affect each.
 - a. Decision-making skills are essential for all business professionals, at every company level, who make decisions that run the business. At the operational level, employees develop, control, and maintain core business activities required to run the day-to-day operations. Operational decisions are considered structured decisions, which arise in situations where established processes offer potential solutions. Structured decisions are made frequently and are almost repetitive in nature; they affect short-term business strategies. Wearable technologies can be used to:
 - Track employees
 - Sales patterns on the floor to tell if there are lines
 - Temperature control to indicate if correct temperatures are maintained
 - b. At the managerial level, employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change. Managerial decisions cover short- and medium-range plans, schedules, and budgets along with policies, procedures, and business objectives for the firm. These types of decisions are considered semistructured decisions; they occur in situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision. Wearable technologies can be used to:
 - Tracking where individuals are in the warehouse and strategically locating them nearest potential issues or malfunctions of equipment
 - Tracking doctors in hospitals and being able to locate the nearest doctor during a problem or issue
 - c. At the strategic level, managers develop overall business strategies, goals, and objectives as part of the company's strategic plan. They also monitor the strategic performance of the organization and its overall direction in the political, economic, and competitive business environment. Strategic decisions are highly unstructured decisions, occurring in situations in which no procedures or rules exist to guide decision makers toward the correct choice. They are infrequent, extremely important, and typically related to long-term business strategy.
 - This is the most difficult area to determine how wearable technology can help with decisions due to the infrequent nature of the decisions.
2. **Comprehension:** Describe the difference between transactional and analytical information, and determine how wearable technology could affect each for a grocery store.

Transactional information encompasses all of the information contained within a single business process or unit of work, and its primary purpose is to support the performing of daily operational tasks. Analytical information encompasses all organizational information, and its primary purpose is to support the performing of managerial analysis tasks. Grocery stores use transactional information to make analytical decisions. The transactional information includes customer's names, account number, quantity purchased, date purchased,

brands purchased, coupons used, and other types of product purchasing data. The analytical decisions that are made from this information includes:

- Which types of products did the consumers buy together
- Which types of products are purchased daily, weekly, monthly
- When is the busiest time of day for the express lane
- How many customers typically prefer self-checkout

3. **Application:** Illustrate the business process model used by a customer service repair technician using wearable technology glasses to fix a broken computer.

Student answers to this question will vary. Be sure they included the following in their business process model

- Gather data by scanning computer with glasses
- Identify issues with computer and log issues with glasses
- Pull up computer manuals in glasses to determine how to correct issues
- Complete computer fix
- Ensure computer works
- Scan computer with glasses to log task complete

4. **Analysis:** Explain business process reengineering and how wearable technology might dramatically change the current sales process.

Business process improvement attempts to understand and measure the current process and make performance improvements accordingly. Streamlining improves business process efficiencies by simplifying or eliminating unnecessary steps. Bottlenecks occur when resources reach full capacity and cannot handle any additional demands; they limit throughput and impede operations. Streamlining removes bottlenecks, an important step if the efficiency and capacity of a business process are being increased. Business process reengineering (BPR) is the analysis and redesign of workflow within and between enterprises and occurs at the systems level or companywide level and the end-to-end view of a process.

A wearable technology device could be used by a customer to evaluate products in a store and select the products they wish to purchase by scanning them. The store could then pack the items in a box in the warehouse and when the customer leaves the building they could locate the customer's car and carry the box to the car. The customer would then use the wearable device to pay for the items and accept the items right from the comfort of their car.

5. **Synthesis:** Formulate different metrics that a wearable technology for fitness could provide a customer.

Potential metrics include:

- Number of calories burned
- Number of steps taken
- Heart rate
- Distance of run
- Distance of bike ride
- Suggest run route

6. **Evaluation:** Argue for or against the following statement: Wearable devices invade consumer privacy.

Student answer to this question will vary. This statement makes for a great classroom debate!

REVIEW QUESTIONS

1. Why must business professionals understand how MIS supports decision making and problem solving?

Decision making is one of the most important and challenging aspects of management. Decisions range from routine choices, such as how many items to order or how many people to hire, to unexpected ones such as what to do if a key employee suddenly quits or needed materials do not arrive. Today, with massive volumes of information available, managers are challenged to make highly complex decisions—some involving far more information than the human brain can comprehend, in increasingly shorter time frames.

2. What is the relationship between critical success factors and key performance indicators? How can a manager use them to understand business operations?

Critical success factors (CSFs) are the crucial steps companies perform to achieve their goals and objectives and implement their strategies. Key performance indicators (KPIs) are the quantifiable metrics a company uses to evaluate progress toward critical success factors. KPIs are far more specific than CSFs. It is important to understand the relationship between critical success factors and key performance indicators. CSFs are elements crucial for a business strategy's success. KPIs measure the progress of CSFs with quantifiable measurements, and one CSF can have several KPIs. Of course, both categories will vary by company and industry. Imagine improve graduation rates as a CSF for a college.

3. What are the three different levels found in a company? What types of decisions are made at each level?

A few key concepts about organizational structure will help our discussion of MIS decision-making tools. The structure of a typical organization is similar to a pyramid, and the different levels require different types of information to assist in decision making, problem solving, and opportunity capturing. The operational level supports transactional information, the managerial level supports analytical information and the strategic level supports executive information systems.

4. Define transaction processing systems and describe the role they play in a business.

Transactional information encompasses all the information contained within a single business process or unit of work, and its primary purpose is to support the performance of daily operational or structured decisions. Transactional information is created, for example, when customers are purchasing stocks, making an airline reservation, or withdrawing cash from an ATM. Managers use transactional information when making structured decisions at the operational level, such as when analyzing daily sales reports to determine how much inventory to carry.

5. Define decision support systems and describe the role they play in a business.

Decision support systems (DSSs) model information using OLAP, which provides assistance in evaluating and choosing among different courses of action. DSSs enable high-level managers to examine and manipulate large amounts of detailed data from different internal and external sources. Analyzing complex relationships among thousands or even millions of data items to discover patterns, trends, and exception conditions is one of the key uses associated with a DSS.

6. Define expert systems and describe the role they play in a business.

Expert systems are computerized advisory programs that imitate the reasoning processes of experts in solving difficult problems. Typically, they include a knowledge base containing various accumulated

experience and a set of rules for applying the knowledge base to each particular situation. Expert systems are the most common form of AI in the business arena because they fill the gap when human experts are difficult to find or retain or are too expensive. The best-known systems play chess and assist in medical diagnosis.

7. What are the capabilities associated with digital dashboards?

Executive information systems use visualization to deliver specific key information to top managers at a glance, with little or no interaction with the system. A common tool that supports visualization is a digital dashboard, which tracks KPIs and CSFs by compiling information from multiple sources and tailoring it to meet user needs.

8. What are the common DSS analysis techniques?

Consolidation is the aggregation of data from simple roll-ups to complex groupings of interrelated information. For example, data for different sales representatives can then be rolled up to an office level, then a state level, then a regional sales level. Drill-down enables users to view details, and details of details, of information. This is the reverse of consolidation; a user can view regional sales data and then drill down all the way to each sales representative's data at each office. Drill-down capability lets managers view monthly, weekly, daily, or even hourly information. Slice-and-dice is the ability to look at information from different perspectives. One slice of information could display all product sales during a given promotion. Another slice could display a single product's sales for all promotions. Slicing and dicing is often performed along a time axis to analyze trends and find time-based patterns in the information.

9. How does an electronic spreadsheet program, such as Excel, provide decision support capabilities?

Excel can create DSS that can logically answer difficult optimization questions. Goal seek, scenario manager, and solver are all DSS tools included in Excel.

10. What is the difference between the ability of a manager to retrieve information instantly on demand using an MIS and the capabilities provided by a DSS?

Managers can retrieve information from an MIS system however they will have to analyze the information using a DSS for what-if analysis, sensitivity analysis, and goal-seeking analysis.

11. What is artificial intelligence? What are the five types of AI systems? What applications of AI offer the greatest business value?

Artificial intelligence (AI) simulates human thinking and behavior, such as the ability to reason and learn. Its ultimate goal is to build a system that can mimic human intelligence. AI systems increase the speed and consistency of decision making, solve problems with incomplete information, and resolve complicated issues that cannot be solved by conventional computing. There are many categories of AI systems; five of the most familiar are (1) expert systems, (2) neural networks, (3) genetic algorithms, (4) intelligent agents, and (5) virtual reality.

12. What is a business process and what role does it play in an organization?

A business process is a standardized set of activities that accomplish a specific task, such as processing a customer's order. Business processes transform a set of inputs into a set of outputs—goods or services—for another person or process by using people and tools. Understanding business processes helps a manager envision how the entire company operates.

13. Why do managers need to understand business processes? Can you make a correlation between systems thinking and business processes?

Some processes, such as a programming process, may be contained wholly within a single department. However, most, such as ordering a product, are cross-functional or cross-departmental processes and span the entire organization. The process of “order to delivery” focuses on the entire customer order process across functional departments. Another example is “product realization,” which includes not only the way a product is developed, but also the way it is marketed and serviced. Some other cross-functional business processes are taking a product from concept to market, acquiring customers, loan processing, providing post-sales service, claim processing, and reservation handling. Understanding cross-functional business process is the same as understanding systems thinking!

14. Why would a manager need to review an As-Is and To-Be process model?

As-Is process models represent the current state of the operation that has been mapped, without any specific improvements or changes to existing processes. The next step is to build a To-Be process model that displays how the process problem will be solved or implemented. To-Be process models show the results of applying change improvement opportunities to the current (As-Is) process model. This approach ensures that the process is fully and clearly understood before the details of a process solution are decided upon. The To-Be process model shows how the what is to be realized.

15. How can a manager use automation, streamlining, and business process reengineering to gain operational efficiency and effectiveness?

Automation is the process of computerizing manual tasks, making them more efficient and effective and dramatically lowering operational costs. Streamlining improves business process efficiencies by simplifying or eliminating unnecessary steps. As the rate of change increases, companies looking for rapid change and dramatic improvement are turning to business process reengineering (BPR), the analysis and redesign of workflow within and between enterprises. A business process reengineering effort begins with defining the scope and objectives of the reengineering project and then takes the process designers through a learning process with customers, employees, competitors, and new technology. Given this knowledge base, the designers can create a plan of action based on the gap between current processes, technologies, and structures and their vision of the processes of the future. It is then top management’s job to implement the chosen solution.

16. Explain the difference between customer-facing processes and business-facing processes. Which one is more important to an organization?

Customer-facing processes, also called front-office processes, result in a product or service received by an organization’s external customer. They include fulfilling orders, communicating with customers, and sending out bills and marketing information. Business-facing processes, also called back-office processes, are invisible to the external customer but essential to the effective management of the business; they include goal setting, day-to-day planning, giving performance feedback and rewards, and allocating resources.

17. Explain how finding different ways to travel the same road relates to automation, streamlining, and business process reengineering.

Better, faster, cheaper is the path taken by automation, streamlining, and business process reengineering. Automation and streamlining are typically better, faster, and cheaper. Business process reengineering can change the entire process in a way that changes the entire industry standards making everything better, faster, and cheaper.

CLOSING CASE ONE QUESTION

POLITICAL MICRO-TARGETING

1. Define the three primary types of decision-making systems, and explain how Obama's campaign team used them to win votes.

- a. Decision-making skills are essential for all business professionals, at every company level, who make decisions that run the business. At the operational level, employees develop, control, and maintain core business activities required to run the day-to-day operations. Operational decisions are considered structured decisions, which arise in situations where established processes offer potential solutions. Structured decisions are made frequently and are almost repetitive in nature; they affect short-term business strategies.
- b. At the managerial level, employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change. Managerial decisions cover short- and medium-range plans, schedules, and budgets along with policies, procedures, and business objectives for the firm. These types of decisions are considered semistructured decisions; they occur in situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision.
- c. At the strategic level, managers develop overall business strategies, goals, and objectives as part of the company's strategic plan. They also monitor the strategic performance of the organization and its overall direction in the political, economic, and competitive business environment. Strategic decisions are highly unstructured decisions, occurring in situations in which no procedures or rules exist to guide decision makers toward the correct choice. They are infrequent, extremely important, and typically related to long-term business strategy.

2. Describe the difference between transactional and analytical information, and determine which types Spotlight Analysis used to identify its 10 tribes.

Transactional information encompasses all of the information contained within a single business process or unit of work, and its primary purpose is to support the performing of daily operational tasks. Analytical information encompasses all organizational information, and its primary purpose is to support the performing of managerial analysis tasks. Spotlight is using transactional information to make analytical decisions. The transactional information includes individual's names, neighborhood details, family sizes, and spending patterns to categorize every American of voting age—175 million of us—into 10 "values" tribes. The analytical decisions that are made from this information include determining swing voters and important areas for Obama to campaign.

3. Illustrate the business process model used to identify the 10 tribes.

Student answers to this question will vary. Be sure they included the following in their business process model

- Gather data – neighborhood details, family sizes, spending patterns
- Identify persons of voting age – 175 million people
- Identify common mindsets – God, community, responsibility, opportunity
- Identify Barn Raisers – 14 million
- Target with political campaign

4. Explain business process reengineering and how Obama's team used it to develop political micro-targeting.

Business process improvement attempts to understand and measure the current process and make performance improvements accordingly. Streamlining improves business process efficiencies by simplifying or eliminating unnecessary steps. Bottlenecks occur when resources reach full capacity and cannot handle any

additional demands; they limit throughput and impede operations. Streamlining removes bottlenecks, an important step if the efficiency and capacity of a business process are being increased. Business process reengineering (BPR) is the analysis and redesign of workflow within and between enterprises and occurs at the systems level or companywide level and the end-to-end view of a process. Obama's team analyzed the current voting data and strategically organized it into 10 "values" or tribes. By specifically identifying potential swing voter's Obama's team knew exactly who to target with their campaign.

5. Formulate different metrics the Obama team used to measure the success of political micro-targeting.

Analyzing data was at the core of the Obama campaign and without metrics the campaign would not have been able to tell if they were on track or not. Potential metrics include:

- Number of democratic voters targeted to vote democratic
- Number of republican voters targeted to vote republican
- Number of democratic voters targeted as undecided
- Number of republican voters targeted as undecided
- Percentage of voters for Obama
- Percentage of voters against Obama

6. Argue for or against the following statement: Political micro-targeting signals the dehumanization of politics.

Student answer to this question will vary. Some of the students will feel that by specifically targeting swing voters the Presidential candidate is "fixing" the vote. Some will also feel that so much data on American citizens is a violation of privacy. This statement makes for a great classroom debate!

OPENING CASE TWO QUESTIONS ACTIONLY

1. Define the three primary types of decision-making systems, and explain how a customer of Actionly might use them to find business intelligence.

- a. Decision-making skills are essential for all business professionals, at every company level, who make decisions that run the business. At the operational level, employees develop, control, and maintain core business activities required to run the day-to-day operations. Operational decisions are considered structured decisions, which arise in situations where established processes offer potential solutions. Structured decisions are made frequently and are almost repetitive in nature; they affect short-term business strategies.
- b. At the managerial level, employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change. Managerial decisions cover short- and medium-range plans, schedules, and budgets along with policies, procedures, and business objectives for the firm. These types of decisions are considered semistructured decisions; they occur in situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision.
- c. At the strategic level, managers develop overall business strategies, goals, and objectives as part of the company's strategic plan. They also monitor the strategic performance of the organization and its overall direction in the political, economic, and competitive business environment. Strategic decisions are highly unstructured decisions, occurring in situations in which no procedures or rules exist to guide decision makers toward the correct choice. They are infrequent, extremely important, and typically related to long-term business strategy.

2. **Describe the difference between transactional and analytical information, and determine which types Actionly uses to create a customer's digital dashboard.**

Transactional information encompasses all of the information contained within a single business process or unit of work, and its primary purpose is to support the performing of daily operational tasks. Analytical information encompasses all organizational information, and its primary purpose is to support the performing of managerial analysis tasks. Actionly is using transactional information to make analytical decisions. The transactional information includes customer's names, brands purchased, thoughts, friends, social status, and other types of social networking data. The analytical decisions that are made from this information include determining product success to service success.

3. **Illustrate the business process model used by a customer of Actionly following Twitter tweets.**

Student answers to this question will vary. Be sure they included the following in their business process model

- Gather data
- Identify followers
- Identify Tweets – posting, time, content
- Correlate Tweets to action including purchases, services, or returns

4. **Explain business process reengineering and how Actionly used it to create its unique business model.**

Business process improvement attempts to understand and measure the current process and make performance improvements accordingly. Streamlining improves business process efficiencies by simplifying or eliminating unnecessary steps. Bottlenecks occur when resources reach full capacity and cannot handle any additional demands; they limit throughput and impede operations. Streamlining removes bottlenecks, an important step if the efficiency and capacity of a business process are being increased. Business process reengineering (BPR) is the analysis and redesign of workflow within and between enterprises and occurs at the systems level or companywide level and the end-to-end view of a process.

5. **Formulate different metrics Actionly uses to measure the success of a customer's marketing campaign.**

Analyzing data is at the core of Actionly's business model and without metrics the company would not have function. Potential metrics include:

- Number of followers
- Number of Tweets
- Number of posts
- Number of friends
- Number of recommendations
- Number of sales
- Number of customers

6. **Argue for or against the following statement: Actionly invades customer privacy by taking data from different websites such as Twitter and Flickr without the consent of the customer that posed the information.**

Student answer to this question will vary. This statement makes for a great classroom debate!

CRITICAL BUSINESS THINKING

Instructor Note: There are few right or wrong answers in the business world. There are really only efficient and inefficient, and effective and ineffective business decisions. If there were always right answers businesses would never fail. These questions were created to challenge your students to apply the materials they have learned to

real business situations. For this reason, the authors cannot provide you with one version of a correct answer. When grading your students' answers, be sure to focus on their justification or support for their specific answers. A good way to grade these questions is to compare your student's answers against each other.

1. MODELING A BUSINESS PROCESS

Project Purpose: To revamp a process

Potential Solution: Student answers to this question will vary depending on the process they have chosen to fix. Review the chapter for an example of an improved burger ordering process. Students can choose any process from reorganizing a sock drawer, making coffee, to revamping the way gas is purchased for an automobile.

2. REVAMPING ACCOUNTS

Project Purpose: To revamp an accounting department using BPM.

Potential Solution: A key advantage of technology is its ability to improve business processes. Working faster and smarter has become a necessity for companies. Initial emphasis was given to areas such as production, accounting, procurement, and logistics. The next big areas to discover technology's value in business process were sales and marketing automation, customer relationship management, and supplier relationship management. Some of these processes involve several departments of the company and some are the result of real-time interaction of the company with its suppliers, customers, and other business partners. The latest area to discover the power of technology in automating and reengineering business process is business process management. Business process management (BPM) integrates all of an organization's business process to make individual processes more efficient. BPM can be used to solve a single glitch or to create one unifying system to consolidate a myriad of processes.

Many organizations are unhappy with their current mix of software applications and dealing with business processes that are subject to constant change. These organizations are turning to BPM systems that can flexibly automate their processes and glue their enterprise applications together. BPM technologies effectively track and orchestrate the business process. BPM can automate tasks involving information from multiple systems, with rules to define the sequence in which the tasks are performed as well as responsibilities, conditions, and other aspects of the process. BPM not only allows a business process to be executed more efficiently, but it also provides the tools to measure performance and identify opportunities for improvement - as well as to easily make changes in processes to act upon those opportunities such as:

- Bringing processes, people, and information together
- Identifying the business processes is relatively easy. Breaking down the barriers between business areas and finding owners for the processes are difficult
- Managing business processes within the enterprise and outside the enterprise with suppliers, business partners, and customers
- Looking at automation horizontally instead of vertically

3. What Type of System Would You Use?

Project Purpose: To differentiate between the different types of systems

Potential Solution:

- You need to analyze daily sales transactions for each region. (TPS)
- You need to analyze staffing requirements for each plant. (MIS)
- You need to determine which customers are at risk of defaulting on their bills. (Transaction Processing System)
- You need to analyze your competition including prices, discounts, goods, and services. (MIS)
- You need to analyze critical success factors and key performance indicators for status on operations. (EIS)

- You need to produce a graphical display of patterns and complex relationships for large amounts of data. (EIS)

4. Unstructured Communications

Project Purpose: To identify challenges associated with email as a communication tool

Potential Solution: Using email as a primary communication tool has several disadvantages such as issues tracking who received the email, who read the email, and who forwarded the email. If an employee's email is over its limit they will be unable to receive the email. A spam filter could accidentally delete the email before the employee had a chance to read the important information. There are numerous issues when communicating with email. Your students can diagram how a professor could communicate with their class using email. Then ask your students to reengineer the process using alternative, and better, forms of communication.

5. iGoogle Digital Dashboard

Project Purpose: To practice using a digital dashboard.

Potential Solution: iGoogle is a fantastic website and your students will gain a tremendous amount of value from configuring their own personal digital dashboards. Ask your students to create an iGoogle digital dashboard in a team and present their dashboard to the class.

6. Bot Shopping

Project Purpose: To use a shopping bot.

Potential Solution: Student answers to this question will vary depending on the product they were considering purchasing. You can assign all of your students the same product such as an iPhone or iPad to generate consistent answers to this question.

7. Networking Neural

Project Purpose: To understand neural networks.

Potential Solution: A neural network, also called an artificial neural network, is a category of AI that attempts to emulate the way the human brain works. Neural networks analyze large quantities of information to establish patterns and characteristics in situations where the logic or rules are unknown. Neural networks' many features include:

- Learning and adjusting to new circumstances on their own.
- Lending themselves to massive parallel processing.
- Functioning without complete or well-structured information.
- Coping with huge volumes of information with many dependent variables.

Analyzing nonlinear relationships in information (they have been called fancy regression analysis systems).

The finance industry is a veteran in the use of neural network technology and has been relying on various forms for over two decades. It uses neural networks to review loan applications and create patterns or profiles of applications that fall into two categories—approved or denied.

8. Driving Your Business

Project Purpose: To understand how MIS supports a business

Potential Solution: Student answer will vary depending on the type of business they choose to study.

If you want to generate consistent answers then provide your students with a business type such as:

- Extreme sports store
- Grocery store
- Clothing store
- Online movie or music provider
- Custom t-shirts
- Electronic devices

APPLY YOUR KNOWLEDGE BUSINESS PROJECTS

Instructor Note: There are few right or wrong answers in the business world. There are really only efficient and inefficient, and effective and ineffective business decisions. If there were always right answers businesses would never fail. These questions were created to challenge your students to apply the materials they have learned to real business situations. For this reason, the authors cannot provide you with one version of a correct answer. When grading your students' answers, be sure to focus on their justification or support for their specific answers. A good way to grade these questions is to compare your student's answers against each other.

AYK I: Making Business Decisions

Porter's strategies outlined in Chapter 1 suggest entering markets with a competitive advantage in either overall cost leadership, differentiation, or focus. To achieve these results, managers must be able to make decisions and forecast future business needs and requirements. The most important and most challenging question confronting managers today is how to lay the foundation for tomorrow's success while competing to win in today's business environment. A company will not have a future if it is not cultivating strategies for tomorrow. The goal of this section is to expand on Porter's Five Forces Model, three generic strategies, and value chain analysis to demonstrate how managers can learn the concepts and practices of business decision making to add value. It will also highlight how companies heading into the 21st century are taking advantage of advanced MIS capable of generating significant competitive advantages across the value chain. As we discussed in Chapter 1, decision making is one of the most important and challenging aspects of management. Decisions range from routine choices, such as how many items to order or how many people to hire, to unexpected ones such as what to do if a key employee suddenly quits or needed materials do not arrive. Today, with massive volumes of information available, managers are challenged to make highly complex decisions—some involving far more information than the human brain can comprehend—in increasingly shorter time frames.

AYK II: DSS and EIS

Dr. Rosen can use DSS systems to model all of the organizational information to support or reject his purchase decision. Dr. Rosen can use sensitivity analysis to study of the impact that changes in buying the new business will have on his current business. He can use what-if analysis to understand how economic conditions, professional reputation, and other competitors might affect his business in the future. He can use goal-seeking analysis to determine how much revenues will have to increase to offset the cost of the purchase.

AYK III: Finding Information on Decision Support Systems

Student answers to this question will vary depending on which systems they research on the Internet. In general, their presentation should focus on how a DSS can help grow a small to medium sized business. Be sure your students answer what types of DSS systems are available for a small business, how they can be used in a small business, and the cost associated with the different DSS systems.

AYK IV: Discovering Reengineering Opportunities

This assignment will change depending on how each school performs tuition payments and registering for classes. Just ensure each student presents As Is and To Be process diagrams clearly demonstrating how the new process will increase efficiency and effectiveness in the process. Broken, redundant, and antiquated processes can cause tremendous business inefficiencies. Your students should be able to easily identify which processes in your class registration system are broken, redundant, and antiquated since they are intimately familiar with this system. Since

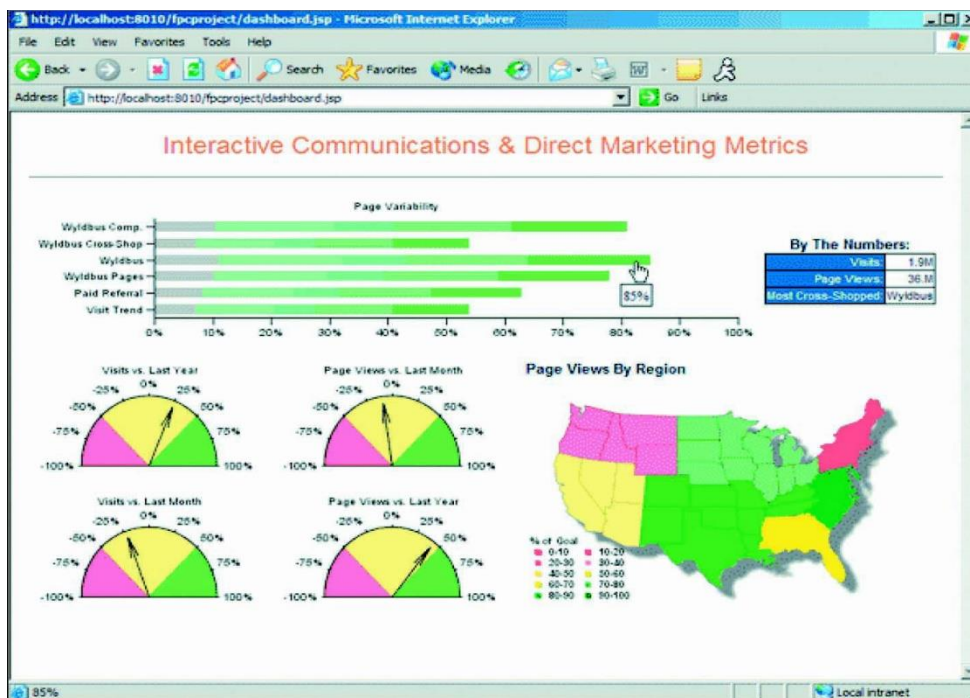
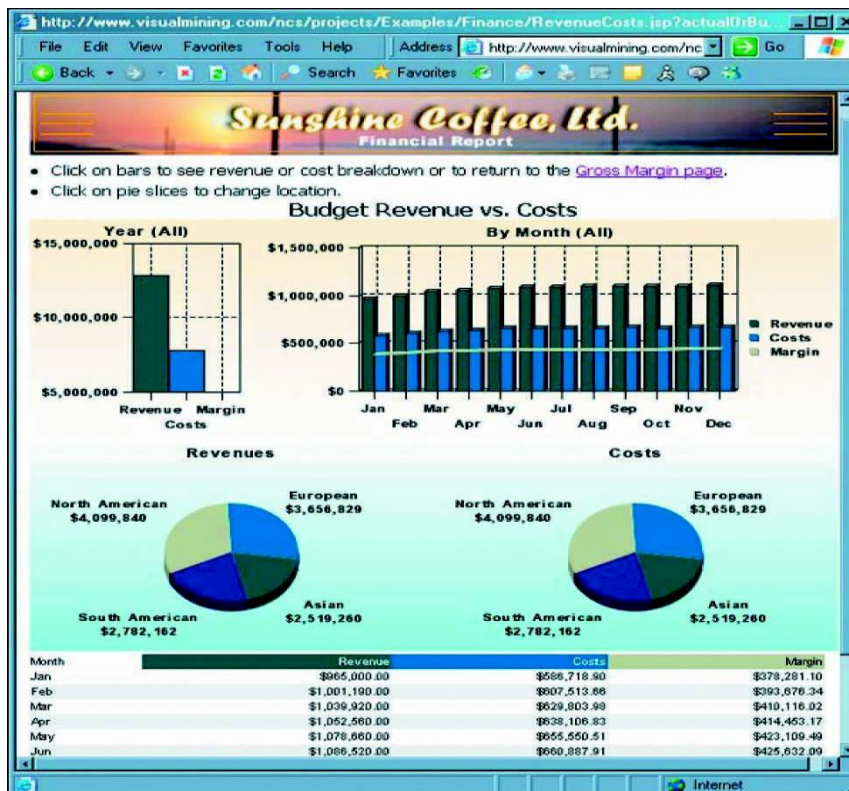
all colleges use different class registration systems the answer to this question will vary. The important part is to ensure they are identifying the issues along with suggestions for new ways to improve the process and fix the broken, redundant, and antiquated processes.

AYK V: Dashboard Design

The importance of this activity is to get your students thinking about each category and its importance to the company. Each category should be displayed with metrics to measure the indicator such as Green, Yellow, and Red status indicators or percentages or levels. This is the critical part of the activity - displaying how the dashboard is going to measure each indicator. For example:

- Customers: satisfaction levels (red, green, yellow), number of customers, number of lost customers, number of new customers, order level per customers
- Marketing: campaign success, coupon success, new product launch success
- Sales: total sales, sales per quarter, sales comparatives, competitor sales comparatives, sales quota levels, sales representatives, sales per customer, sales per region
- Customer service: satisfaction, average time to resolve issues, metrics on call center, metrics on customer service representatives
- Billing: average collection period, outstanding bills, time to generate bills, customers in arrears
- Accounting: Total assets, total liabilities, net income
- Finance: ROI, ROA, IRR, NPV
- Logistics: Time for delivery, cost per delivery, lost orders due to failure to deliver, supplier metrics
- Human resources: Average days absent, average days sick, average days vacation, turnover

A common feature of an executive information system is a digital dashboard. Digital dashboards integrate information from multiple components and tailor the information to individual preferences. Digital dashboards commonly use indicators to help executives quickly identify the status of key information or critical success factors. Digital dashboards, whether basic or comprehensive, deliver results quickly. As digital dashboards become easier to use, more executives can perform their own analysis without inundating IT personnel with questions and requests for reports. According to an independent study by Nucleus Research, there is a direct correlation between use of digital dashboards and companies' return on investment (ROI).



AYK VI: DARPA Grand Challenge

Ask your student to review the DARPA website to become familiar with the competition.

http://www.darpa.mil/Our_Work/TTO/Programs/DARPA_Robotics_Challenge.aspx

<http://www.darpa.mil/NewsEvents/Releases/2012/04/10.aspx>

- **How is the DoD using AI to improve its operations and save lives?**

The DARPA Grand Challenge was designed to leverage American ingenuity to develop autonomous vehicle technologies that can be used by the military. Using AI driven vehicles the DOD will be able to send vehicles into dangerous situations without endangering any soldiers.

- **Why would the DoD use an event, such as the DARPA Grand Challenge, to further technological innovation?**

By offering a generous prize, along with notoriety the DOD is able to get many of the greatest minds in the country working on creating autonomous vehicles. It is a win-win. The DOD receives the technology and the winning team receives a prize and notoriety.

- **Describe how autonomous vehicles could be used by organizations around the world to improve business efficiency and effectiveness.**

There are numerous ways that autonomous vehicles could be used around by businesses from making deliveries, transporting goods and services to taking employees to and from the airport. The uses are limitless.

- **The Ansari X is another technological innovation competition focusing on spacecraft. To win the \$10 million Ansari X Prize, a private spacecraft had to be the first to carry the weight equivalent of three people to an altitude of 62.14 miles twice within two weeks. SpaceShipOne, a privately built spacecraft, won the \$10 million Ansari X Prize on October 4, 2004. Describe the potential business impacts of the Ansari X competition.**

Space travel is the next exciting frontier. Business impacts could range from vacation trips to the moon to picking up space materials for the production of goods and services. The competition could also inspire other types of competition such as underwater houses and personal flying machines.

DARPA Videos

The DARPA challenge is an excellent topic when discussing AI. Here is the latest article on this year's DARPA challenge.

- Robots And Their Masters Ready For DARPA 'War Zone' Race
<http://www.informationweek.com/showArticle.jhtml;jsessionid=THMMTXP1BKGD IQSNDLRCKH0CJUNN2JVN?articleID=193401499&queryText=aug+14>
- DARPA Grand Challenge Stanford Winning Team
http://reviews.cnet.com/4660-11443_7-6358785.html?tag=vid.1
- DARPA Challenge - 2005 Overview
http://reviews.cnet.com/4660-11443_7-6353439.html?tag=vid.2
- Special Features: Inside the DARPA Challenge
http://reviews.cnet.com/4660-11443_7-6358769.html?tag=vid.3

AYK VII: Driving Decisions

Great way to kick off a discussion on how decisions impact business. People have accidents. That's not what this post is about. People also do stupid, reckless things. But we're not focusing on that now either. This is about people that obviously lack the requisite skills to operate a motor vehicle – who were also unfortunate enough to have the evidence caught on film.

<http://onemansblog.com/2007/02/07/10-worst-drivers-ever-caught-on-video/>

AYK VIII: IYogi Help Desk Support

Help Desks are critical for any business and measuring the success of a help desk is far more difficult than it sounds. For example, if you track how long it takes to close an issues the staff might focus on getting through the issues quickly and not on the quality of the work completed. Here are a few examples of CSFs and KPIs:

- Time to resolution
- Number of issues resolved
- Type of computer causing majority of issues
- The average time a customer waits for their call to be answered.
- The % of customer calls presented to the Service Desk that are answered by the Service Desk (conversely the % of customers that abandon prior to being answered).
- The % of customer calls answered by the Service Desk within an agreed time threshold (here, % answered within 20 seconds).
- The % of customer calls that are resolved by the Service Desk at the first point of contact.
- Customer satisfaction with the Service Desk service.

AYK IX: Dashboard for Tracking Junk

Student's answers can include the following:

- Location
- Amount collected
- Number of stops
- Employee on truck
- Day of collection
- Months of most collection/least collection
- Truck maintenance
- Truck mileage

How to Setup a Digital Dashboard in Microsoft Excel

<http://www.youtube.com/watch?v=V9GMCS-WjyI>

Business Dashboards

<http://www.microstrategy.com/dashboards/>

AYK X: Building Robots

Your students robots will vary – ask them to include data tracking devices or wearables. Have fun with this exercise!!

Here are a few videos to give your students some ideas

Robot Violinist - Video

<http://www.youtube.com/watch?v=EzjkBwZtxp4>

Robot Emotions

The emotional robotScience correspondent Alok Jha visits the University of Hertfordshire to meet an android developed to show emotions

<http://www.guardian.co.uk/technology/video/2010/aug/09/emotional-robot-university-hertfordshire>

Robot Babies

The State Department readies new Internet freedom policies, the FAA may lift the ban on cell phones during air travel, and Japanese researchers are working on robot babies.

http://news.cnet.com/1606-2_3-50100306.html

AYK XI: Educational Processes

Student analysis of this project will depend on how your school operates. Just be sure that the To-Be process includes updates to the current As-Is process. Here is a great video to share on how the 5 minute university could give a new perspective to the traditional college processes.

<https://www.youtube.com/watch?v=kO8x8eoU3L4>