

Business Information: Looking Forward by Kevin Lee Elder

Biography: Kevin Lee Elder is an associate professor of information systems at Georgia Southern University. He may be reached by e-mail at kelder@georgiasouthern.edu.

At the beginning of a new year, you always see a number of articles summarizing lists of the top stories from the previous 12 months. This year I am continuing the tradition I started last year with my own version highlighting the top three stories of 2008 and how they will affect information systems (IS) for years to come.

Financial Market Meltdown

In 2007 we saw the worst real estate market in the United States in more than a few decades. In 2008 we saw a similar occurrence in the Financial Markets. What does this have to do with IS, you might ask? Most managers and decision makers in the business world in the United States could not remember when a bank failed. Most failing banks in recent years merged with other banks before they failed. When something you thought was so solid that you did not need to worry about it fails, you have to ask yourself, what else are you counting on without a contingency plan? In IS, you need to have a disaster recovery plan. When a disaster or failure hits your organization it is too late to plan. Every year, at the start of the year, you should look over your plans for disaster recovery and update them. How many organizations have a backup plan for what platform they would run their systems on? The financial market failures of 2008 should remind business managers everywhere that anything is possible, and we need to plan for contingencies.

Who Is Going to Bail You Out?

In 2008, we have seen a number of organizations, industries and even a few states ask the Federal Government for a financial bailout. With the real estate meltdown of 2007 being followed up by the financial market failings of 2008 many organizations are asking to be bailed out before they fail too. What does this have to do with IS, you might again ask? The US economy is intertwined. When the credit market is short, thin or nonexistent it trickles down to almost every other industry out there. Every organization and manager needs to analyze their information systems and ensure that they are getting the best and most accurate snap shot of their business and industry so they can accurately



plan for their cash flows in an uncertain market. The more past data you have access to, the more accurate your forecasting for the future can be. The more accurate your forecasts are, the better you will do financially. When the markets are suppressed there are great opportunities to become the market leader in your industry through a better use of your data. Who is going to bail you out? The best chance is you and your IS.

Change Is Coming

2008 was another big election year. I bet you are as glad as I am that the election year has ended and 2009 will be a slow year for election ads. With the senate runoff here in Georgia we got an extra month of political ads and by the end they all sounded the same. Everyone was running on a platform of change, even if they already had the job they wanted to sound like the new guy with the fresh new ideas. Finally, I have come to a story with a direct tie-in to the Business Information Zone. Information Systems have one constant, they are always changing. Every organization and manager in the business world must ask, what can we do differently? They are all going to be constantly faced with new technology and a convergence of technologies for voice, data and video. All forms of communication have been merging for years, and this convergence has made it easier for one device like the iPhone to provide the user access to all his or her video, data and voice information. Once users get used to this ease of access, they start demanding it for all their data needs. Therefore, every organization and every manager in business must be considering what effect the continual change may have on their product, service or market. Change is coming.

Implications and Conclusions

I could include many other stories here and then explain the effect they will have on business information systems for many years to come. Three stories, however, will have the biggest effect, and the variety of these stories helps illustrate my major point: that business information systems consisting of information technology (hardware, software, telecommunication and data), along with people, policies and procedures can, and will be, affected in some way by every major event that comes along. Business managers need to watch the news daily, along with their financial statements and their competitors, and react to the consequences as soon as possible.