

## The Internet and availability of information

### Introduction

Information technology has changed the very face of organizations from their traditional time-consuming internal and external settings to robust applications of Information Systems. In fact, the structure of an organization is represented in any industry through its Information Systems, be it retailing companies, military establishments or b2b solutions. For example, in medium and big retailing companies, there are multi-tier structures, which include industrial production, wholesalers, retailers and consumers as well along with intermediate stores, which require an integrated information system.

Information is one of the assets of an organization. Raw data until processed has no value in a business structure to be used in the best interests of the organization. With the advent of information technologies that raw data is gathered, stored, processed and disseminated to become an integral part of the organizations' processes. An information system links together data inputs, processes, and information outputs in a systematic, structured way. With the use of technology, information processes are used to further the operations and management of an organization (Ward 1995).

With the help of internet and usage of technology, information can be accessed and made available with the click of the mouse. By using the electronic means like the Internet, the email and other electronic means of communication, right information becomes available at the right time. Electronic mail has become the standard and dependable source of communicating information. Other than emails, there are company

websites, online bulletin boards, and message boards through which anybody can gather reliable, relevant and important information. A simple searching and researching on the internet about a company's systems can be availed any time. Information sharing has become as easy as can be dreamt of (Kairab 2004, p. 10).

Information systems work on the principles as the value of information is crucial in taking important decisions by the management. Information system is a set of interdependent parts that gather, use and provide information, and feedback to meet a business goal. These parts are input, processing, output, and feedback. We see day-to-day examples of information systems at work in ATMs, airline reservation systems, course reservation systems etc. Efficiency, effectiveness, and system performance standard makes an information system reliable; these are the three important ingredients that generate output, which is received in the format of documents and reports when raw data is captured to transform it into beneficial outputs. Important feedback from the output is recycled back to input or processing activities for getting further future output. In a computerized information system, inputs used are hardware, software, databases, internet, people, and methods are utilized to gather, use, save, and process data into information, as seen in the figure1 (Stair & Reynolds 2009).

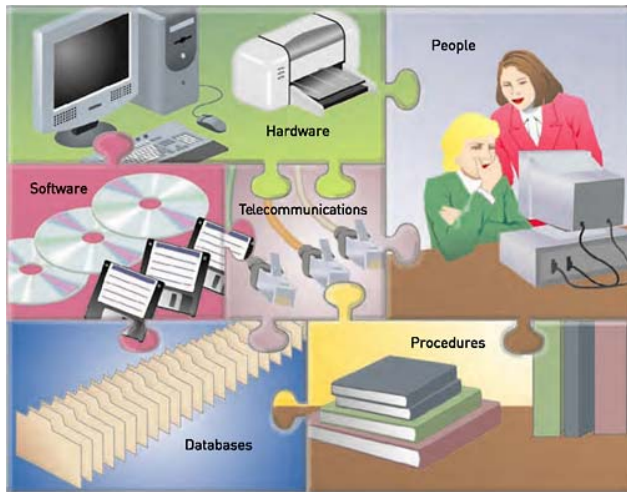


Figure 1: The parts of a Computer-based Information System

The figure above depicts the components of transaction processing system (TPS), which include human capital, procedures, software, databases, and hardware equipment used in recording a foolproof business function (Stair & Reynolds 2009).

There are a number of information systems used in business organizations like electronic and mobile commerce systems, transactions processing systems, management information systems, and decision support systems. These information systems can be used in any industry like airlines industry, investment firms, banks, logistic industry, publishing companies and many others.

To elaborate how the capabilities of information systems impact the working and conduct of a business for the benefit of all stakeholders, let's take the example of banking sector that employs transactions processing systems. The world over, banks are providing online financial services. We see that banks are able to cut costs by 60% via internet banking over traditional banking (Johnson et al. 1995). New players have emerged in banking sector. Banks are providing information systems aided services either in-house

or via outsourcing their IT functions to software companies. All products and services of banks have been IT-enabled to facilitate internet banking, ATMs functioning, online payment of utility bills, and online processing of all financial transactions. Banks are providing services 24 hours a day, 365 days a year without any holiday. This revolution has been embarked upon through information systems based on information technology, and the internet.

The information technology companies are providing such revolutionary banking solutions to the industry that encourage usage of online medium while generating instant earning opportunities on bill payment, account transfer, and money management. New standards for online banking have come into practice by IT companies the like of Fiserv. It's not limited to just drawing money from the ATMs, accessing your account information online, viewing details of all banking products and services with the usage of internet, and the comfort of going cashless by swiping the plastic debit and credit cards; it has got advanced with the latest add-ons by information technologies companies the like of Microsoft and Fiserv. By taking the latest add-on as an example to elaborate the new features of IT in the banking industry, let's analyse the offerings by Fiserv. Its online Advantage™ solution to be launched in the market by 2009 for banking sector has been recognized and awarded for generating revenue and providing good customer experience. This financial solution – Online Advantage™ presents all information related to customer account that may include anything from electronic bills and payments, account balances, transfers, and account-holders' funds managing tools on to a single web page that the customer can access through the self-generated login and password. The whole

experience of the customer has been personalized to win customer loyalty and appreciation (ABA Banking Journal 2009).

Fiserv has leveraged the online advantage solution with the best of the industry major fundamentals of Corillian's online banking and check less utility bill payment services to enable banks increase the horizon of online transactions and create an impression on customers to build strong customer relationships. All this has become possible due to internet banking -- internet being the medium of all transactions. In return, banks get more earning capabilities as ease of participating in online experience helps in adding to the clients' list, introducing new income generating services. Banks can attract customers through online cross-sell and up-sell campaigns, an online marketing and sales initiative (ABA Banking Journal 2009).

By introducing the state-of-art internet capability that provides ease of use to the customers with self servicing features, the whole customer experience of interacting with their banks adds to the customer relationship, getting closer. Information technology is at the root of providing total online services available to the customers from account transferring to bill payment, e-bills, budget forecasting, personal money management on their home page only through Web 2.0 functionality and Microsoft Silverlight™ Rich Internet application technology – an ASP solution(ABA Banking Journal 2009).

New features of information technology would enable customers to manage their accounts through monthly, weekly, and daily calendar view to aim and follow their financial targets with the help of spending charts. In near future, customers could scan-deposit their checks from home to enable transfer of money in speed mode into their bank accounts. Customers would be able to apply entitlement rules by tailor-made levels of

access for a number of users. Banks would be able to leverage the customer data from the core customer banking and bill payment activities, offering the relevant services the same moment the customer is processing a transaction (ABA Banking Journal 2009).

Thus, information technology is at the center of providing online banking services through internet. We see that this interference of technology into our lives is benefiting us in a number of ways in all spheres of life, in all businesses, banking being one of them.

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