

5 *Information Resources Management*

All types of businesses large and small are using information systems, networks, and Internet technology to conduct more of their business electronically, and achieving new levels of efficiency, competitiveness, and profitability. Information systems are bringing changes to organizations and management.

Information systems knowledge is essential because most organizations need information systems to survive and prosper. Information technology relates to processes and applications that create new methods to solve problems, perform tasks, and manage communications. Information technology's impact on the economy is very powerful, especially with regard to productivity, employment, and working environments.

Four powerful worldwide changes have altered the business environment:

- ❖ The **first change** is the emergence and strengthening of the global economy. Today, information systems provide the communication and analytic power that firms need to conduct trade and manage businesses on a global scale. Operating 24/7 in different national environments and coordinating global work teams is a major business challenge that requires powerful information system responses.
- ❖ The **second change** is the transformation of industrial economies and societies into knowledge- and information-based service economies while manufacturing has moved to lower-wage countries. In a knowledge- and information-based economy, knowledge and information are key ingredients

