

Week 1 ----- Chapter 1 AIS

- Describe the relationship between AIS and IS
- Recognise key concepts fundamental to AIS

How is the accounting system related to the Enterprise System?

An **enterprise system** supports people conducting business activities throughout the enterprise.

Three basic functions of an enterprise system involve the following:

- Input: Capturing information to store in the system (*I.E. your salary data*)
- Processing: Storing and storing information (*I.E. calculating the amount of your paycheck 薪水*)
- Output: Summarising information to generate documents and reports used by executives, managers and employees (*I.E. your paycheck*)

An **accounting system** captures accounting information about transactions, processes the accounting information captured, and generates financial reports, such as I/S and sales reports.

Additional modules or subsystems (unique software may be required to meet their specific needs, *i.e. accountants use an accounting system*) of an enterprise system might include the following:

- Supply chain management (SCM): supports the business process of purchasing items from **vendor**.
- Operations/production system (OPS): provides the resources to support tracking and coordinating operations of the business to make the service, products, or experience.
- Human resource management (HRM) -----Employee & salary
- Customer relationship management (CRM): supports marketing and sales activities.
- Accounting system: spans the value chain, tracking transaction information from the purchase of items from vendors through the sale to customers.

An **integrated enterprise system** shares data across functional areas within the enterprise. The same information is often used by different departments. *I.E. Human resources enters your personal salary data into the system, the accounting department could access that data to create your paycheck.*

Enterprise system users:

Internal: employees, accountants, directors, and executives

External: vendors and customers

Business processes are related activities performed by an enterprise to create value by transforming input into output (a product or service sold to customers). Apple Inc., for example, buys input (components such as Intel processors, memory chips, copper wire, transformers, etc.) to transform into output (MacBook Air laptops).

The **enterprise value chain** is an organising framework for business processes.

The **value chain** is useful in coordinating activities with suppliers and customers, begins with purchasing items from vendors and ends with selling items to customers.

The **enterprise system** supports these business processes.

The supply chain management (SCM) system supports the business process of purchasing items from vendors.

The operations/production system (OPS) provides the resources to support tracking and coordinating