ANALYSIS AND DESIGN OF INFORMATION SYSTEMS

THIRD EDITION

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Contents

Preface xiii

1. Information and Management 1–12

Learning Goals 1

1.1 Types of Information 2
1.2 Why do We Need a Computer-Based Information System? 4
1.3 Management Structure 5
1.4 Management and Information Requirements 6
  1.4.1 Human Resource Management 6
  1.4.2 Production Management 7
  1.4.3 Materials Management 7
  1.4.4 Finance Management 8
  1.4.5 Marketing Management 9
  1.4.6 Research, Design and Development Management 9
1.5 Qualities of Information 10

Summary 11
Exercises 12

2. Examples of Information Systems 13–25

Learning Goals 13

2.1 Various Functions in Organizations 13
2.2 Computer Infrastructure in Organizations 16
2.3 Information Processing for a Store—An Overview 18
2.4 Varieties of Information Systems 22

Summary 24
Exercises 25

3. Information Systems Analysis Overview 26–38

Learning Goals 26

3.1 Overview of Design of an Information System 26
  3.1.1 Requirements Determination 26
  3.1.2 Requirements Specification 27
  3.1.3 Feasibility Analysis 27
## Contents

3.1.4 Final Specifications 28  
3.1.5 Hardware and Software Study 28  
3.1.6 System Design 28  
3.1.7 System Implementation 28  
3.1.8 System Evaluation 29  
3.1.9 System Modification 30  

3.2 The Role and Tasks of a Systems Analyst 31  
3.2.1 Defining Requirements 31  
3.2.2 Prioritizing Requirements by Consensus 31  
3.2.3 Gathering Data, Facts and Opinions of Users 32  
3.2.4 Analysis and Evaluation 32  
3.2.5 Solving Problems 32  
3.2.6 Drawing up Specifications 32  
3.2.7 Designing Systems 32  
3.2.8 Evaluating Systems 33  

3.3 Attributes of a Systems Analyst 33  
3.3.1 Knowledge of Organizations 33  
3.3.2 Knowledge of Computer Systems and Software 33  
3.3.3 Good Inter-personal Relations 33  
3.3.4 Ability to Communicate 34  
3.3.5 An Analytical Mind 34  
3.3.6 Breadth of Knowledge 34  

3.4 Tools Used by Systems Analyst 34  
3.5 Approaches to Systems Development 35  
3.5.1 Joint Application Design (JAD) 35  
3.5.2 Rapid Application Development 36  

**Summary** 36  
**Exercises** 37  

4. Information Gathering 39–50  

**Learning Goals** 39  
4.1 Strategy to Gather Information 39  
4.2 Information Sources 39  
4.3 Methods of Searching for Information 40  
4.4 Interviewing Technique 41  
4.5 Questionnaires 41  
4.6 Other Methods of Information Search 41  
4.7 Case Example—Hostel Information System 42  

**Summary** 49  
**Exercises** 49  

5. System Requirements Specification 51–64  

**Learning Goals** 51  
5.1 System Requirements Specification: Example 52  
5.2 Data Requirements 54  
5.3 Steps in Systems Analysis 57  

**Summary** 57  
**Exercises** 57
5.4 Modularizing Requirements Specifications 57
  5.4.1 Operational Requirements 59
  5.4.2 Tactical Information Requirements 60
  5.4.3 Strategic Requirements 60
5.5 Conclusions 62
Summary 63
Exercises 63

6. Feasibility Analysis 65–82
Learning Goals 65
  6.1 Deciding on Project Goals 66
  6.2 Examining Alternative Solutions 68
  6.3 Evaluating Proposed Solution 72
  6.4 Cost-benefit Analysis 72
  6.5 Payback Period 74
  6.6 Feasibility Report 75
  6.7 System Proposal 77
  6.8 Conclusions 80
Summary 80
Exercises 80

7. Data Flow Diagrams 83–97
Learning Goals 83
  7.1 Symbols Used in DFDs 83
  7.2 Describing a System with a DFD 85
  7.3 Good Conventions in Developing DFDs 87
  7.4 Levelling of DFDs 89
    7.4.1 Levelling Examples 89
    7.4.2 Levelling Rules 89
  7.5 Logical and Physical DFDs 92
    7.5.1 Case Tools to Draw DFD 94
Summary 94
Exercises 95

Learning Goals 98
  8.1 Process Specification Methods 98
  8.2 Structured English 101
  8.3 Some Examples of Process Specification 106
Summary 108
Exercises 109

9. Decision Tables 110–135
Learning Goals 110
  9.1 Decision Table Terminology and Development 110
  9.2 Extended Entry Decision Tables 115
9.3 Establishing the Logical Correctness of Decision Tables 118
  9.3.1 Incomplete Decision Table 120
9.4 Use of Karnaugh Maps to Detect Logical Errors in Decision Tables 121
  9.4.1 Incomplete Specification 124
  9.4.2 Logical Contradiction in Specification 124
9.5 Eliminating Redundant Specifications 125
Summary 133
Exercises 134

10. Use Case Method 136–157

Learning Goals 136
  10.1 What is a Use Case? 136
  10.2 Use Case Examples 139
  10.3 Use Case Diagrams 146
  10.4 Use Case Example—Automated Teller Machine (ATM) 147
  10.5 Stick Diagrams for ATM 152
  10.6 Testing with Use Cases 154
  10.7 Conclusions 154
Summary 155
Exercises 156

11. Logical Database Design 158–183

Learning Goals 158
  11.1 Entity Relationship Model 158
  11.2 Relationship Cardinality and Participation 162
  11.3 Relations 165
  11.4 Normalizing Relations 166
  11.5 Why do we Normalize a Relation? 169
  11.6 Second Normal Form Relation 170
  11.7 Third Normal Form 171
  11.8 Boyce-Codd Normal Form (BCNF) 173
  11.9 Fourth and Fifth Normal Forms 175
  11.10 Some Examples of Database Design 177
Summary 181
Exercises 182

12. Database Management Systems (DBMS) 184–194

Learning Goals 184
  12.1 Problem with File-based Systems 184
  12.2 Database and Database Management Systems 185
  12.3 Objectives of Database Management 186
  12.4 Overview of Database Management Systems 187
  12.4.1 Transaction Processing 189
  12.5 Query Language 190
  12.6 Database Administrator 191
12.7 Database Design 191
12.8 Conclusions 192
Summary 192
Exercises 193

13. Object-Oriented System Modelling 195–216
Learning Goals 195
13.1 Objects and Their Properties 196
13.2 Implementation of Classes 200
   13.2.1 Inheritance 200
   13.2.2 Polymorphism 202
   13.2.3 Containment and Association 202
13.3 Identifying Objects in an Application 203
13.4 Modelling Systems with Objects 210
13.5 Conclusions 214
Summary 214
Exercises 215

14. Data Input Methods 217–235
Learning Goals 217
14.1 Data Input 217
14.2 Coding Techniques 220
   14.2.1 Requirements of a Coding Scheme 221
   14.2.2 Types of Codes 221
14.3 Detection of Error in Codes 222
   14.3.1 Constructing Modulus-11 Codes 223
   14.3.2 Error Detection 224
   14.3.3 Theory of Modulus-N Coding 224
   14.3.4 Modulus 10 Check Digit Codes 226
14.4 Validating Input Data 227
   14.4.1 Controls during Input Preparation 227
14.5 Interactive Data Input 229
   14.5.1 Menus 230
   14.5.2 Template 230
   14.5.3 Commands 231
Summary 232
Exercises 234

15. Designing Outputs 236–247
Learning Goals 236
15.1 Output Devices 236
15.2 Objectives of Output Design 237
15.3 Design of Output Reports 238
15.4 Design of Screens 242
15.5 Use of Business Graphics 243
Summary 246
Exercises 247
16. Control, Audit and Security of Information Systems  

**Learning Goals**  
16.1 Control in Information Systems  
   16.1.1 The Objectives of Control  
   16.1.2 Control Techniques  
16.2 Audit of Information Systems  
   16.2.1 Auditing around the Computer  
   16.2.2 Auditing through the Computer  
   16.2.3 Auditing with the Computer  
16.3 Testing of Information Systems  
16.4 Security of Information Systems  

**Summary** 256  

**Exercises** 257  

17. Electronic Commerce  

**Learning Goals**  
17.1 What Is e-Commerce?  
17.2 Advantages and Disadvantages of e-Commerce  
17.3 e-Commerce System Architecture  
   17.3.1 Physical Network  
   17.3.2 Logical Network  
   17.3.3 World Wide Web Services  
17.4 Electronic Data Interchange  
   17.4.1 EDI Standard  
   17.4.2 e-Mail based Exchange of EDI  
17.5 Security in e-Commerce  
   17.5.1 Network Security using a Firewall  
   17.5.2 Data Encryption with Secret Keys  
   17.5.3 Advanced Encryption Standard (AES)  
   17.5.4 Data Encryption with Public Key  
   17.5.5 Digital Signature  
17.6 Electronic Payment Systems  
   17.6.1 Credit Card Payment  
   17.6.2 Electronic Payment in B2B e-Commerce  
17.7 Conclusions  

**Summary** 287  

**Exercises** 290  

18. System Design Example  

**Learning Goals**  
18.1 A System for Journal Acquisition  
18.2 Document and Data Flow Diagrams  
18.3 Feasibility of the System  
18.4 System Specification  
18.5 Database Design  

**Summary**  

**Exercises** 290
18.6 Control, Audit and Test Plan 301
18.7 Implementation Plan 303
18.8 Conclusions 304

**SYSTEM DESIGN EXERCISES**
18.1 Book Publisher’s Assistant 304
18.2 Passenger Reservation System 305
18.3 Electricity Billing 306
18.4 Fixed Deposits, Shares, Debentures 308
18.5 Hostel Information System 309
18.6 Hotel Room Booking 310
18.7 Book Acquisition and Cataloguing 311
18.8 Library Issues and Receipts 313
18.9 Insurance 314
18.10 Hospital Automation 316

*Appendix* 319–321
*References* 323–324
*Index* 325–328
Preface

One of the most important uses of computers is to provide up-to-date information to managers to efficiently run their organizations. Of the total number of computers installed in the world today, over eighty percent are used in organizations for management information systems. It is thus very important for all students of Computer Science to know how to design computer-based information systems to aid management. This introductory text gives a lucid, self-contained presentation to students on how to analyze and design information systems for use by managers.

The subject, Information Systems Analysis and Design, also known as Systems Analysis and Design, is a compulsory subject for MCA, BCA, B.Com and BE students of Computer Science and Information Technology. This book covers the syllabi of these courses and the syllabus of the DOEACC (Level A) conducted by the DOEACC Society.

I developed and taught a course on Information Systems Design to Computer Science students for twenty years, first at the Indian Institute of Technology Kanpur, and later at the Indian Institute of Science, Bangalore. This book has evolved from the class notes used in this course and has been thoroughly classroom tested. Real examples are very important to explain ideas used in designing information systems and this text uses many examples taken from the Indian context. The book also includes a large number of exercises.

I used this book to prepare learning material consisting of PPTs, solutions to all the exercises and over 500 multiple choice questions with answers. This material was prepared for a course titled "Systems Analysis and Design" and was funded by the National Programme for Technology Enhanced Learning (NPTEL) of the Ministry of Human Resource Development, Government of India. I also gave 40 lectures based on this book for the NPTEL project phase 1. Both these materials are available on the NPTEL website. The lectures are also available on YouTube.

Chapter 1 shows the distinction between data and information and classifies information as strategic, tactical and operational. It also shows how to divide management functionally and hierarchically and what type of information is required by each of these functions and levels of management. The chapter concludes by pointing out the desirable attributes of information. Chapter 2 describes various functions of organizations, their computer infrastructure needs and the variety of information systems they require. Chapter 3 describes what is meant by systems life cycle and the significance
of the life cycle, and brings out the importance of user participation in arriving at requirements specification. It also analyzes the tasks of a systems analyst, the desirable attributes of an analyst, and the tools of the trade. Chapter 4 demonstrates how to gather information, the need for interviewing, and the method of consensus for formulating information requirements of an organization.

Chapter 5 discusses the use of document and data flow diagram in specifying and documenting users’ information requirements. How users’ requirements can be divided into operational, tactical and strategic needs is also described. Chapter 6 shows how the users’ specifications are quantified and analyzes the feasibility of each alternate solution—the need for cost-benefit analysis and how it is carried out are clearly explained. Finally, the chapter shows how to document a feasibility report.

Starting from Chapter 7 the various tools used in designing information systems are dealt with. This chapter describes how data flow diagrams are developed using good style conventions. It also discusses the idea of levelling of data flow diagrams. The methods used to specify processing of information using structured English and decision tables are introduced in Chapter 8. Chapter 9 gives a detailed presentation on decision tables. I feel strongly that the use of decision tables is an excellent specification technique as it is non-procedural. Further, precise methods of detecting incompleteness, ambiguity, contradictions and redundancies in decision tables exist, which are described in this chapter.

I have introduced in this third edition of the book a new chapter (Chapter 10) on Use Case Method. This method is very useful in specifying users’ requirements and has gained popularity in industry. Use Case method is also part of object modeling.

Chapters 11 and 12 deal with data and their organization. Chapter 11 presents the entity-relationship modelling technique to develop a conceptual model of data. It also describes the use of relations and their normalization to develop relational database for applications. Chapter 12 brings out the need for an integrated database in organizations. It also brings out the need for database management systems, their objectives and organization.

Chapter 13 discusses Object-Oriented System Modelling, as object orientation has become very important. In this chapter both the method to identify objects and the way they are used to model information systems are described. The objective here is not to discuss at length object-oriented analysis and design but to give a broad overview of this topic and compare it with structured analysis and design.

Chapter 14 shows how to input data. The topics include the design of forms and screens for data entry, data encoding, error detection and input data controls to ensure correct data entry.

Chapter 15 describes how to present processed data as information to the users of a system and presents the design of output reports, screens and graphics. It is very important to ensure that the results obtained from an information system are correct and reliable. To ensure this, systematic control and audit procedures are required. Chapter 16 discusses how to introduce controls in an information system, how to audit the system, how to test the system, and how to ensure security of the system.

Chapter 17 is on electronic commerce (or e-Commerce) which is becoming extremely important. This chapter gives a broad overview of e-Commerce so that the student can design information systems keeping this development in view.
Various tools and techniques learnt by the students are used to design a small information system in the last chapter (Chapter 18). At the end of this chapter I have given ten realistic cases which are described in reasonable detail so that a student can use the data to design a system for each of these cases.

A book of this type naturally gained a lot of ideas from the books written by many authors. I thank all of them. Mr. S. Thirumalai assisted me in teaching a course on information systems design. He read all the chapters critically and gave numerous suggestions which considerably improved the book. He also evolved the case study problems given at the end of Chapter 18. I am extremely thankful to him for his assistance. Chapters 11, 12 and 13 were reviewed by Prof. Jayant Haritsa and he gave me several valuable suggestions which helped me to update these chapters. I thank NPTEL project and its coordinator at IISc, Bangalore, Prof. N.J. Rao, for funding the preparation of the web material and video graphing the lectures based on this book. I thank Prof. R. Govindarajan, Chairman, Supercomputer Education and Research Centre, and Prof. P. Balaram, Director Indian Institute of Science, Bangalore, for the facilities provided which enabled me to write this edition of the book. The manuscript of this edition was entered on a word processor by Ms. T. Mallika. I thank her for an excellent job.

Finally, I thank my wife Dharma for proofreading the manuscript and giving numerous suggestions. Without her cheerful cooperation and assistance this book would not have been written.

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LEARNING GOALS

After reading this chapter a student should be able to:

1. Distinguish between data and information.
2. Identify information needs of an organization and distinguish between operational, tactical and strategic information.
3. Divide an organization based on its functions and determine information needs of each of the functional areas.
4. Identify the desirable attributes of information.

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eyone in his or her day-to-day work gathers and processes data. For example, when a housewife buys milk every morning, she writes in a notebook the number of litres she bought. At the end of the month she adds the data (litres of milk bought per day) in the notebook and multiplies it by the price per litre. The result is the information she uses to pay the milkman. The data on milk purchased each day may be processed in other ways too to obtain different information. For example, if the total milk bought in a month is divided by the number of members in the family, it gives information on average milk consumption per head. If the total monthly expense on milk is divided by the monthly income of the family, it gives information on proportion of income spent on milk. The main point is that data and information are not the same. Data is the raw material with which we start. Information is processed data which is used to trigger certain actions or gain better understanding of what the data implies. In this example the knowledge of percentage of family income spent on milk may be used by the family to manage their family budget in a more efficient manner.

As is seen above, data is the raw material with which we begin. Information is the finished product. Collecting data costs money. For example, if we want to survey the preferences of consumers regarding some products, then someone has to go out, interview prospective customers and collect data. As the number of people interviewed increases, the cost of data collected increases. This data by itself is useless unless it is processed to obtain information which can be used to arrive at marketing decisions. This