CONTENTS

PREFACE xi

Part I INTRODUCTION TO DECISION SUPPORT SYSTEMS 1

1 INTRODUCTION 3
   What is a DSS? 13
   Uses of a Decision Support System 17
   The Book 19
   Suggested Readings 19
   Questions 21
   On the Web 22

2 DECISION MAKING 23
   Rational Decisions 25
      Bounded Rationality and Muddling Through 29
   Nature of Managers 31
   Appropriate Decision Support 33
      Electronic Memory 33
      Bias in Decision Making 33
   Appropriate Data Support 36
      Information Processing Models 37
      Tracking Experience 45
   Group Decision Making 46
   Intuition, Qualitative Data, and Decision Making 47
      How Do We Support Intuition? 48
      Virtual Experience 51
   Business Intelligence and Decision Making 53
   Analytics 57
   Competitive Business Intelligence 58
   Conclusion 60
   Suggested Readings 60
   Questions 65
   On the Web 66
Part II  DSS COMPONENTS  67

3 DATA COMPONENT  69

Specific View Toward Included Data  72
Characteristics of Information  73
  Timeliness  73
  Sufficiency  74
  Level of Detail  75
  Understandability  76
  Freedom from Bias  77
  Decision Relevance  78
  Comparability  78
  Reliability  80
  Redundancy  80
  Cost Efficiency  80
  Quantifiability  81
  Appropriateness of Format  82
  More Is Never Better!  83
Databases  85
Database Management Systems  86
Data Warehouses  87
  Data Scrubbing  93
  Data Adjustment  96
  Architecture  97
Car Example  101
  Possible Criteria  101
  Data Warehouse  102
  Information Uses  102
  “How To”  107
Discussion  118
Suggested Readings  121
Questions  123
On the Web  124

4 MODEL COMPONENT  125

Models and Analytics  125
Options for Models  129
  Representation  130
  Time Dimension  132
  Linearity of the Relationship  134
  Deterministic Versus Stochastic  135
  Descriptive Versus Normative  136
  Causality Versus Correlation  137
  Methodology Dimension  138
Problems of Models  147
Part III  ISSUES OF DESIGN  277

6 INTERNATIONAL DECISION SUPPORT SYSTEMS  279
  Information Availability Standards  289
      Data Privacy  290
      Data Availability  295
      Data Flow  296
  Cross-Cultural Modeling  297
  Effects of Culture on Decision Support System  303
  Discussion  310
  Suggested Readings  310
  Questions  312
  On the Web  313

7 DESIGNING A DECISION SUPPORT SYSTEM  315
  Planning for Decision Support Systems  319
      Designing a Specific DSS  320
      Design Approaches  329
      The Design Team  340
  DSS Design and Reengineering  341
  Discussion  344
  Suggested Readings  344
  Questions  346
  On the Web  347

8 OBJECT-ORIENTED TECHNOLOGIES AND DSS DESIGN  349
  Kinds of Development Tools  350
      Non-Object-Oriented Tools  350
      Object-Oriented Tools  352
  Benefits of Object-Oriented Technologies for DSS  365
  Suggested Readings  366
  Questions  367
  On the Web  367

9 IMPLEMENTATION AND EVALUATION  369
  Implementation Strategy  369
      Ensure System Does What It Is Supposed To Do the Way It Is Supposed To Do It  372
      Keep Solution Simple  375
      Develop Satisfactory Support Base  375
      Institutionalize System  380
  Implementation and System Evaluation  382
      Technical Appropriateness  382
CONTENTS

Overall Usefulness 385  
Implementation Success 386  
Organizational Appropriateness 391  
Discussion 392  
Suggested Readings 392  
Questions 394  
On the Web 395

Part IV  EXTENSIONS OF DECISION SUPPORT SYSTEMS 397

10  EXECUTIVE INFORMATION AND DASHBOARDS 399  
   KPIs and Balanced Scoreboards 400  
   Dashboards 401  
   Dashboard as Driver to EIS 408  
   Design Requirements for Dashboard 410  
   Dashboard Appliances 417  
   Value of Dashboard and EIS 418  
   Discussion 423  
   Suggested Readings 423  
   Questions 425  
   On the Web 426

11  GROUP DECISION SUPPORT SYSTEMS 427  
   Groupware 429  
   GDSS Definitions 432  
   Features of Support 434  
      Decision-Making Support 434  
      Process Support 438  
      GDSS and Reengineering 439  
   Discussion 440  
   Suggested Readings 440  
   Questions 442  
   On the Web 443

INDEX 445