Data flow diagrams (DFDs) can be used to provide a clear representation of any computer system and business process. DFDs reveal relationships among and between the various components in a system. DFDs are an important technique for modeling a system’s high-level detail by showing how input data is transformed to output results through a sequence of functional transformations. When building a data flow diagram, the following items should be considered: where does the data that passes through the system come from and where does it go and what happens to the data once it enters the system (i.e., the inputs) and before it leaves the system (i.e., the outputs).

**STEPS TO DRAW A DATA FLOW DIAGRAM**

- Identify the parent process and the external entities with their net inputs and outputs.
- Place the external entities on the diagram. Draw the boundary.
- Identify the data flows needed to generate the net inputs and outputs to the external entities.
- Identify the business processes to perform the work needed to generate the input and output data flows.
- Connect the data flows from the external entities to the processes.
- Identify the data stores.
- Connect the processes and data stores with data flows.