Management Information System in Business Decision-Making

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Abstract

Management Information System can be defined, described and analyzed in its likelihood for takingdecisions. Management Information System (MIS) is in its heart concerned through data processing into viable information which is then disseminated to the variety of Departments in an involvement for taking right decisions. There is a provision in MIS also for administration of informationproficiently and efficiently. It occupies three mainvitalelements: Management, Information and System. Management Information System features are used to inspect systems approach, top down approach, common data flows and other resources also in the business organization. Realistically, the expression is normallyreferred to the set of information management to support decision making. E.g. Decision support system, Expert system, and Executive information system. Business Organizations still wantunlikeroles of MISwhich serve the objectives of business development. These roles bring into beinglike opportunities and challenges. In this study, an endeavorhas been made to find out the accountability of MIS in business association.

Keywords : Data, Information, System, MIS

Introduction

The design of MIS is a logical and systematic approach to collectall types of information whether internal or external information. MIScannot be designed in one day in any business organization. It is not only computerization of the respective departments and the conversion of manual into computerized form rather it's preparation is altogether new one. Before utilization of computers start, MISpractices were in subsistence to bring inexecutives with the information that would authorize them to plan and manage their business acts. MIS can work without a computer also but the use of computer increases the effectiveness of the system. Therefore, the computer systemmust have fixed supplementary or more aspects, such as speed,accurateness and improveddegrees of facts that authorize the reflection of more useful alternatives in decision making.

Information System is a blended technology whichaccumulate,organize, and giving out information to tolerate decision making and control. This arrangementencircles information about imperativepublic, places and equipmentsinside the business or the locationnearbyit.Information system suppliesprocessed data which affectsvalideconomiccost to several industries. Organizing computer system would be biggeroutlay asoutlay in edifice,

equipments, ground and supplementaryassets. It is associatedto giving outraw facts to actual facts. Information system could be additionallyexplained as accumulation, analysis or giving outunprocessed factsto functional facts and the processing of same to the concerned stakeholder in appropriate requirement. Factsaccumulation occupies deployment of support system consisting, computer and telecommunications.

It is considered as an information system which supplies summarized processed facts that is functional to administerassociationskillfully and practically. Efficiency,operation and control; the above are three most imperativesupplies in which support system is organized. This help outs organization to determine the difficultyassociating to making decisions for business. Information systems Managementfocus isexperimentallikeseparating by and largecentral control practices in an association that wraps upassessment of decision makers,official files,systems and practicesconsidered through management administrators to answerorganizational difficulties likefigure a product, service or a broadassessment approach.

It uses extremely betterapproaches for generation of statistical reports for capturing judgmentfor anoutcome. Information Systems Management organizes all the arrangement from standard information arrangement which encloses auxiliary information system useful in setactions in an integrated manner.

MIS was speedilypresumed by the industry but even if there has been wide-rangingincongruities about what it trulyimplies. Initially, the term was limited to system producing information for business manager. Now a days, the term is not only used to depict the firm's overall computer system but also regard business organization as a support system in which the flow of business information is logicallyplanned.

Literature Review

In essence, before making a choice about which MIS policy is to utilize, it is imperativeto guarantee that the selectionendedis well-suitedthrough your existingarrangement. This will not only rally round in shunninginconsistentselection but it also includes time and wealth (Rhodes, 2010; Jahangir, 2005). In addition tothat MIS policyimplemented should be in consistent with the conclusions that will be inferred. In other expressions, there shouldbe aninvolving point connecting the conclusion to be ended and the MISto be used by entities (Jarboe,2005). As an outstandingwide-rangingstudy, a first-class MISguarantees good conclusion making just in the same way dreadful MIS forcethe making of bad decisions.
Judging from these reasons, several points of convergence are inbuilt. However,

• It includes datagrouping

• Accessible to those who needs it at the truepoint and righttime.

• Important for decision making process.

The hit of MIS in any alliance has a lot to do through its aim. Developing a resourceful MIS occupies the endeavours of executives and specialists. Lucey (2005:11) claimed about no customised definition of MIS and those that exist imitates the emphasis and injustice of the exactingintellectual that suggests it.

Kumar (2006) and Gabriel, (2012)touched in ideas that innerMISoriginallyinhabitopening the focus into 3elements ofMIS respectively. Then, Kumar, classified management as the development through which management actions of taking actions is passed out(2006). In continuance, information refers to flow of piece of evidences that have been developed to the appearance that it appears logic to its clients. Concisely put, information is orderlyfacts that has significance. On the other hand, system is an assembly of dissimilar but solid and mutually supportingbuilding blocks that purposes as a entirety to attainfrequentconcern(Gabriel, 2013); a set of building blocks connected mutually for a generalaim (Kumar, 2006). Judging from these outlooks, it is dubious that each system contains fundamentals, are united and unified; develops into one entity and thushuntsfrequentend. Depicting from the foregoing, it presents the impression that defining.MIS is now anuncomplicatedduty, but that is not directly so.

MIS is mostly related to the development of collection, processes, storage and sending outnoteworthy information to allow decision making in any associations (Laudon and Laudon, 2007); anarrangement to adaptfacts from internal and exteriorbasis into valuable info; and to communicate that info in an apt form to competent authority and to authorize them,produce timely and thrivingconclusions for managing the activities for which they are liable (Bee and Bee, 1999).

.**Concept of management information system**

MISappears implicit in differentendeavours. This is the most popular andwell-knowninformation system which states that data are simply noteworthy information that are not currently being used in a decision-making process. It has to be processed, interpreted, organized, structured so as to make them more meaningful.

MIS has differentexplanations some of which are given below:

MIS is undoubtedly anarrangementwhich supplies orderly facts for makingdecision in the organization.

MIS is classified as anincorporatedarrangement of intellect and appliance for supporting the information to abideact and the decision making process in the association.

Information Systems Management is clear as a model judged on the dataof the associationoccupied for the idea of providing information to the public in the business organization.

Information requirement for modern business

Management Information system generate information to give suretyto both the management and operation sub systems.This information imitates the surrounded bythe tricks of the association, ruthless action, environmentalconcern,biased and financial trend. It must correspond to what took place, what is taking place and maybe most crucial of all what will take place. This information prerequisitesubsists with correspondentheaviness in private institutions, government institutions and other miscellaneous institutions.
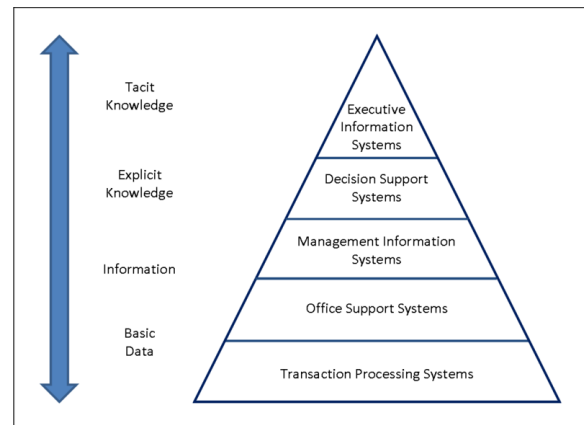
Objectives of MIS

The following are the objective of MIS:

- To provide surety to both management and operation sub systems.
- To examine the responsibility of top level reliance on information.
- To converseaccountability of data extraction in the organizational process.

Different categories of Information Management System

There are numerouscategories of these methodsin the originations that bring in anfullassortment for corporations:

Transaction processing system:It gathers and trace the dailybreathing of a business.This array is frequently used at lower level of management information system. It is helpful in producingunchangingscheduled reportson a standardrootwhich are based on data extraction and summarized from the forms and arrange in a line different transactions in the system.It helps setback office executives to supply answer key to planned decision problems.
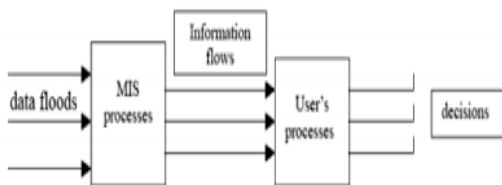
Decision support system:It is chieflysysteminstructions submissionextracted by middle management to compile information from anampleseries of sources to reactdifficulties and conclusions are taken by the top level administrationmanager.

Executive support system: It is a reporting piece of equipment that supplies speedyright to use to review report approaching from all levels of the association and partitions such as accounting, human resource and action. This arrangementsupplies decisive information in an easiest way to demonstrateit to executives

Knowledge management system:It is knowledge based information system to carry on the conception ofassociation and disseminating industryfacts to human resources and executivesright from beginning to end in the business.

Strategy information system: It applies IT with firms product, service and big businessdevelopment to support the association to put on a strategic lead over antagonism.

Role of MIS in improving decision making:-

Decision making has an important role to play in a business. Business survives in dynamic environment which keep on throwing opportunity and threats. In order to handle and to have an edge over its competitors an organization need to have an ongoing decision making process. In order to consider effective decisions, it is essential to have fine MIS because for decision making, information should be provided and it is provided by the good available MIS. The effectiveness of good MIS is judged by the content and timely information provided by it. The need for MIS arises when the manager is in the need to do decision making which requires timely information. Thus, good MIS helps in making effective decisions and that too on time but on the other hand if the MIS is not effective then it would lead to bad decision

making. Thus, it is mandatory for business units to maintain and have good MIS because inaccurate and not available data turned into information can lead to losses.

Opportunities: Management information system:

In todayscompetitive world a business u it cannot survive and compete without the good MIS asset. The subsystem of business units like Finance, Human Resource, Production, Marketing, Research and Development, Marketing etc. requires effective and updated management information system. Good and effective information management system helps these sub system of business to take appropriate decision making as and when required. Therefore, the job of designing and developing effective management information system is of serious concern for every organization. Therefore, management information system has a strategic role to play in business units through the amalgamation of human resource, process and IT.Thus, this creates opportunities for MIS and a business units can get following benefits from it..

➢ Economy of scale: It occurs when the total cost of various combined operation is lesser than the total cost of individual operation. With the installation of the software the business functions are integrated together and the information is readily from one sub system to another.

➢ Provide Information: The aim objective of the software is to process the data into information. MIS is to turn data into information from the unstructured form. Through this process the data collected get

converted into information which is required by the competent authority to do the decision making. The management information system manages the data in such a way that the processed form is valuable to the competent authority and plays an important role in doing decision making.

➢ Sharing of data: With the implementation of MIS, database is easily accessible by the user who has the authority to use it. It allows several users at the same time to access the same piece of data. It also accommodate addition of new data in the older database and henceintegrated result can be set upwithout problems.

➢ Control redundancy: Data used to be recorded and stored in separate files whereas MIS eradicates this demerit as it maintains a single database which is accessible at any time by any sub system. Thus, there is no longer want to maintain many files for alike data. Hence, MIS controls redundancy by removing the repetition of the data.

➢ Integrity: The biggest advantage of MIS is it integrates the data related to different departments and stores it at one place. This single database is available to the whole organization so necessary information can be extracted from it as and when required.

➢ Consistency: MIS integrates the whole organization data and ensures that the data holds its characteristics of accuracy and consistency. MIS software does not get confused by the data mistakes like same alphabets and in fact senses these kind of mistakes when feeding the data

Hence, it helps in maintaining the
Security of information: MIS provided security to the database. It only allows authorized user to use/ extract data. It defines the authorization procedure to ensure that only authorized user's access the data.

Challenges of using management information system

Business units need Information Systems which caters various demand of information required at organizational level, functions and business processes and also required at the enterprise level also. Thus, this poses opportunities and challenges which an organization faces:-

➢ Advancement of information system is the difficulty for the business due to the price it carries. As there is some change then it has to be updated and the employees also need to get updated about all the amendments.

➢ Employees should also have the flexible attitude towards the updates and its learning. As the businesssurvives in the competitive environment and technological factor gets affected. Hence, if employees are resisted to learning then it would be a problem for the business unit.

➢ Sometimes the challenges incorporates when the server gets crashed or the website get crashed. As it would lead to loss of data and it becomes difficult or would take lot of time to gather such bid data.

➢ The life of the information system is also a problem for the association. Technology needs improvement/ advancement from time to time and

this change brings cost to the organization.

Conclusion

From the analysis is it concluded that the MIS plays a vital role in the business. It supplies timely and perfect information to a business manager to take appropriate decision in this competitive environment. With the rapid advancement in the technology management, more advanced software are implemented which helps in processing the data and providing the timely information to the required department.But MIS has somechallenges also in front of it like cost involved in its implementation cost, resistance from the employees to adapt to change, server crash problem and coping up with the new system etc. For the successful implementation of information system emphasis should be on proper planning because without proper planning effective output cannot be achieved or obtained.

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