



Management Information System in Commerce

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Abstract:

Management Information System (MIS) should be designed viewing the organization as discussed earlier. MIS plays a very important role in creating organization behavior which in turn sets the goals for achievement. Technology & people decide the organization structure and style of the management. The role of MIS is an organization that can be compared to the role of heart in the body. In this article, the role of MIS and management has been defined.

Keywords: *Commerce, Information System, MIS, Management, Role, User*

1. MIS: Definition

MIS is prevalently demystified as the Information System, the Information and Decision System, the Computer-based Information System.

The MIS has more than one definition, some of which are given below:

- The MIS is defined as the system that provides information support for decision making in the organization.
- The MIS is defined as an integrated system of man and machine for providing the information to support the operations, the management and the decision making function in the organization.
- The MIS is defines as the system based on the data base of the organization evolved for the purpose of providing information to the people in the organization.
- The MIS is defines as a Computer-based Information System.

2. Role of Management Information System

The role of MIS is an organization that can be compared to the role of heart in the body.

1. The system ensures that an appropriate data is collected from various sources processed, and then further sent to individuals, group of individuals or the management functionaries: the managers and the top management.
2. It satisfies diverse needs through a variety of systems such as Query Systems, Analysis Systems, Modeling Systems and Decision Support System. MIS contributes to Strategic Planning, Management Control, Operational Control and Transaction Processing.
3. It helps Clerical personnel in the transaction processing and answers the queries on the data pertaining to the transaction, the status of a particular record and references on a variety of documents.
4. It helps Junior management personnel by providing the operational data for planning, scheduling and control, and helps in decision making at an operational level to correct an out of control situation.
5. It helps Middle-Level management in short term planning, target setting and controlling the business functions.
6. It helps Top management in goal setting, strategic planning and evolving the business plans and their implementation.
7. It plays an important role in information generation, communication, problem identification and helps in the process of decision making

Thus, MIS plays a vital role in the management, administration and operations of an organization.

3. Impact of Management Information System

3.1 Management Functions

MIS facilitates effective management of marketing, finance, production and personnel. It eases the tracking and monitoring of the functional targets. The functional management is informed about the progress, achievements and shortfalls in the activity and the targets. It helps in forecasting and long-term perspective planning. The manager's attention is brought to a situation that is in exception in nature, inducing him/her to take an action or a decision in the matter.

3.2 Understanding Business

MIS uses the dictionary of data, entity and attributes. Respectively, designed for information generation in the organization. Since all Information Systems use the dictionary, there is common understanding terms and terminology in the organization delivering clarity in the communication and a similar understanding of an event in the organization.

3.3 Systemization of business operations

MIS leads to streamlining the operations, which complicate the system design. It improves the administration of business by bringing a discipline in its operations, as everybody is required to follow and use systems and procedures. This brings a high notch of professionalism in the business operation.

3.4 Directing towards goals

It helps indirectly to pull the organization in one direction towards the corporate goals and objectives by providing relevant information to the people in the organization.

3.5 Management Efficiency

The fund of information motivates an enlightened manager to use a variety of tools of the management. It helps him to resort to such exercises as experimentation and modeling.

3.6 Reduction of manpower overhead

Since MIS works on the basic systems such as transaction processing and databases, the drudgery of clerical work is transferred to the computerized system, relieving the human mind for better work.

4. MIS and the User

Every person in the organization is the user of MIS. The people in the organization operate at all levels in the hierarchy. MIS caters to the needs of all.

4.1 Clerk

The main task of a clerk is to search the data, make a statement and submit it to the higher level. A clerk can use the MIS for quick search and reporting the same to the higher level.

4.2 Assistant

Assistant has the task of collecting and organizing data, and conducting a rudimentary analysis of it. MIS offers user tools to perform such tasks.

4.3 Officer

Officer has a role of integrating the data in different systems and disciplines to analyze it and make a critical comment if necessary.

4.4 Executive

Executive plays the role of decision-maker and a planner. He is responsible for achievement of targets and goals of an organization. MIS provides facility to analyze the data and offers the

decision support system to perform the task of execution. MIS provides action-oriented information.

4.5 Manager

Manager has the responsibility and accountability for business results. He/She is a strategist and a long-term planner, a person of foresight and analytical. MIS provides information in a structured or unstructured format to take actions. MIS caters to his changing needs of information. Through MIS, the information can be implemented as a strategic weapons to ledge the threats to business, making business more competitive, bringing about the organizational transformation through integration. A good MIS also erects an organization seamless by removing communication barriers.

5. Conclusion

A management information system (MIS) provides information that organizations require to manage themselves efficiently and effectively. Management information systems are typically computer systems used for managing. The five primary components: 1. Hardware 2. Software 3. *Data (information for decision making)*, 4. Procedures (design, development and documentation), and 5. People (individuals, groups, or organizations). Management information systems are distinct from other information because they are used to analyze and facilitate strategic and operational activities.

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