

The Study of MIS on Improving Organizational Performance

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Introduction:

MIS refers to the study of organizations, people, and technology, and how the three elements are interconnected. Information and technology are the two important apparatus of any organization. It is universal organizational practices that the manager has to ensure that the effectiveness of information systems is optimized in order to boost the overall levels of efficiency and organizational productivity. The main role played by MIS is not only revolves around the implications of technology but also on the performance of the employees (Grant, 2010) which turned out to be the excellent platform that serves as a mechanism for decision making.

Over the years, many companies have employed distinctive approaches for the execution and incorporation of MIS within their respective operational frameworks (Sungjune, 2015). While some have effectively implemented MIS and encountered abundant problems (Alec Cram, 2016). This streamlines the need to effectively analyze the distinctive organizational needs prior to implementation of MIS. Moreover, the relevant technology should be employed in the enhancement of the overall effectiveness of the MIS within the organizations (Kayworth, 2008) Based on these requisites, it is evident that there are numerous factors that contribute towards the overall implications of MIS within the organization.

Modern firms have been significantly impacted by this MIS integration in a number of important ways. The capacity to effortlessly translate and share crucial information between all levels and business divisions is provided by MIS in the first place. In addition, it gives management the opportunity to make the organization as a whole more profitable by giving staff more responsibility for serving customers. Third, information is easier to use, more accessible, and more accurate. Finally, contemporary MIS avoids needless duplication and redundancy of effort. Enterprise-wide systems like enterprise resource planning (ERP), customer relationship management (CRM), and supply chain management are replacing functional/departmental systems in many businesses (SCM). This resolves the issues brought on by having various, incompatible systems. Modernizing and streamlining data collection is the goal, but the role of a technical business analyst, whose responsibility it is to "collaborate with business stakeholders to build a strong relationship between the business and the technical communities when implementing a new IT-enabled business solution," is crucial to using a company's systems to increase efficiency. Today, the chief financial officer is typically the one in charge of the technical business analyst's duties.

This study evaluates the importance of MIS from different angles to the organizations like

- Cost reduction
- Decision Making
- Innovation
- Increasing flexibility of the organization
- Enhancement of Corporate efficiency
- Assimilation of new records management systems

Cost reduction:

One of the most pertinent aspects that exemplify the importance of MIS is the reduction of operational costs. Cost efficiency is an integral part of the organization. Companies cannot attain their stipulated targets if they do not have relevant frameworks for the mitigation of costs (Gibson, 2010). On the other hand, the operational competency of companies in the business world is immensely enhanced when the frameworks of cost reduction is implemented. This accentuated the importance of ensuring that high standards of cost efficiency are attained in the organization, including MIS implementation. Numerous researchers have evaluated the distinctive ways in which MIS enhance the framework of cost efficiency.

It is impossible to exaggerate the value of cost-cutting initiatives within a corporation. Cutting costs is essential for the success of businesses that are losing money, need to boost earnings, or need to become more competitive.

The success of a corporation may depend on its ability to deploy efficient cost-cutting measures.

A cost-reduction plan is one that prioritizes reducing costs across all business operations. Although the operations change depending on the type of business, the idea of cost reduction does not. The significance of cost reduction programs is connected to the most prevalent causes of expense reduction in businesses.

- Demand for higher profits
- Increased competitiveness

- Keep firm resources in tact
- Decrease waste
- Increased output
- Competing is difficult

Nowadays, it is difficult to compete in the market. Cost control has become a dynamic target as a result of price increases, fluctuating fuel prices, international competitiveness, diverse labor rates, and skyrocketing health insurance expenses. Sometimes it seems like a business controls one set of costs, but in the interim, another department starts to incur cost overruns. Maintaining business profitability is a never-ending struggle.

Decision Making:

By delivering accurate and current information and carrying out analytical tasks, management information systems can assist you in making sensible decisions. Make sure the management information system you select has the capabilities you require and can work with the information formats utilized by your business. In order to provide you with assistance for your decisions, suitable management information systems can organize the essential data from your company's operations and records into reports.

1. Data from Business Operations

Your decisions will reflect information from your company's activities when you base them on data from management information systems. Data produced at the working level is organized into useful formats by management information systems. Sales, expense, investment, and personnel data are usually included in management information systems. Management information systems can produce precise reports that give you the data you need if you need to know how much money your firm has made annually for the previous five years in order to make a choice.

2. Being able to run scenarios

A crucial tool for making decisions is the capacity to run scenarios. Some management information systems include this functionality, while others can supply the data needed to run scenarios on different programs, such as spreadsheets. What occurs if you make a particular choice has an impact on your decision. What-if scenarios demonstrate how certain parameters change as a result of your choice.

Organization can enter budgets for higher promotions or reduced staff levels to observe what happens to income, costs, and profit at various degrees of cuts or raises. Realistic situations are only conceivable thanks to management information system systems.

3. Making Decisions with Projections

Any choices you make affect the anticipated company results and can need adjusting your business plan and long-term objectives. The ability to perform trend analysis is either built into management information systems or is available through the provision of information. Projections for all essential operating results are typically included in corporate strategy.

Companies may demonstrate these results in the current situation and how they will alter once they have put their decisions into practice using a trend analysis. Company's future strategic approach is built on the new values.

4. Evaluation and Implementation

Organization must monitor company results to make sure things proceed as expected, even while they make decisions with defined goals in mind and have the evidence from management information systems and trend analysis to back their expectations. The data provided by management information systems allows organization to assess if their actions have had the desired impact or whether they need to make adjustments in order to achieve their objectives. They can utilize management information systems to assess the issue and decide whether to take extra measures if necessary if some results are not as expected.

Assimilation of new record management systems:

A good MIS easily provides reliable data that can easily help in adopting new information management technologies. Before organization used to enter manual data but with MIS computerized system of data entry can be done. By this organization can able to accrue the benefits of new technologies, can organized their data and analyze it time to time

Innovation:

Companies place a high focus on innovation since it has a good relationship with both corporate profitability and competitiveness. Not just at an organizational level, but also at the sectoral and national levels, this connection exists. Additionally, innovation has been acknowledged in the literature as a tactical tool for resolving both organizational and global problems.

Corporate efficiency:

Analyzing the impact on results will help the management information systems succeed. Many authors agree with this idea and explicitly state that the purpose of management information systems should be to improve and enhance the financial performance of the company. For instance, according to authors, management information systems should help businesses make better decisions or improve their overall financial performance (Dopuch, 1993); Cooper and Kaplan and Kaplan and Kaplan (1992) argue that the goal of management information systems is to improve overall financial performance, not to reduce costs; and (Ranganathan and Kannabiran, 2004). These conclusions, when combined with the conceptual model, have major managerial and research ramifications.

The main goal of management information systems is to strengthen and expand the system's potential contribution to enhancing the company's overall financial performance (Ranganathan and Kannabiran, 2004). These conclusions, when combined with the conceptual model, have major managerial and research ramifications.

Increasing flexibility of the organization:

Information technology enables businesses to structure themselves in more adaptable ways, enhancing their capacity to detect and react to market changes as well as seize new possibilities. Information systems may increase the flexibility of both large and small businesses, allowing them to get around some of the constraints imposed by their size.

Information technology can help smaller companies gain some of the power and reach of larger ones. With a minimum of managers, clerks, or production employees, they can complete numerous industrial operations as well as coordinating functions like processing bids or managing inventory.

Information technology enables large businesses to mimic some of the flexibility and reactivity of small ones. Mass customization, or the ability to offer personally personalized goods or services utilizing the same production resources as mass production, is one element of this phenomena. Information systems can increase manufacturing process flexibility so that products can be customized to meet the specific needs of each customer (Zipkin, 2001). The plant floor can be linked closely to orders, designs, and purchases using software and computer networks, and manufacturing machinery can be finely controlled so that a wider variety of items can be created and quickly customized at no extra cost for short production runs.

Conclusion:

The growth of a firm depends on the management information system, which might have several advantages. The use of information systems by business owners can result in these advantages. A secure and trustworthy management information system is necessary to remain competitive. MIS is a concept that involves people, technology, marketing, and techniques for gathering data from internal and external sources and evaluating it to speed up the business's decision-making process. The success of information systems will improve the performance of organizations, (DeLone and McLean's 2003). This is the rationale for the significant investments that many businesses have made in information technology in an effort to outperform rivals. Business only crave for improved operational efficiency and flexibility.

Companies also embrace innovative management approaches as a means of increasing overall decision-making processes, improving results, and ultimately lowering costs. This helps to increase corporate operations and boost overall effectiveness. AlMaryani and Sadik (2012); Henry (2001); Although integrating information technology into businesses has many advantages, there are also downsides with MIS (Liang et al., 2007). As such a system typically involves integration with the current technology, it is highly expensive to install and implement for businesses. The upkeep of management information systems is another issue. It also costs money to have a skilled crew that can handle MIS upkeep. Due to the provision of irrelevant or unimportant information, management information systems may also become ineffective (Gray, 2000).

When individuals who previously carried out the functions that the MIS now does become obsolete, an implementation may also result in the loss of jobs (Pfeffer and Sutton, 2000). Systems using information technology can also experience security lapses, particularly when using the Internet (Gray, 2000). Future research may concentrate on negative research as well as the empirical study of MIS benefits, which have a significant impact and role in delivering efficiency, effectiveness, and management at every level of an organization in making operational, tactical, and strategic decisions. The aforementioned studies and earlier research extract several patterns that explain how management information systems play a role in business by examining similarities and differences across various variations of management information systems.

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