Edo University Iyamho, Nigeria.

Course Title: Management Information System

Course Code: ACC 314

Credit Units: 3 units

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PART 1: Fundamentals of MIS

OBJECTIVES

At the end of this unit, you should be able to:

• Explain the meaning of MIS

• State the goal of MIS

• Enumerates the characteristics of MIS

• State the types of MIS in organisations

State the advantages of MIS

•Identify the challenges associated with MIS

• Discuss the levels of management as well as their relationship with the information system in organisations.

INTRODUCTION TO MIS

Management is the act of planning organizing, controlling and directing resources so as to achieve the objectives of an organization.

Information is data useful to a decision maker.

A **system** is a regularly interacting or interdependent group of items forming a unified whole. Every system is delineated by its spatial and temporal boundaries, surrounded and influenced by its environment, described by its structure and purpose and expressed in its functioning.

Information system (**IS**) is an organized system for the collection, organization, storage and communication of information. More specifically, it is the study of complementary networks that people and organizations use to collect, filter, process, create and distribute data.

"An information system (IS) is a group of components that interact to produce information. It focuses on the internal rather than the external."

WHY MIS?

As level of information needed for day to day activities increases, more data are being stored and linked; man began to analyze this information bringing further detail, creating entire management reports from the raw, stored data.

What is MIS?

❖ MIS is acronym for Management Information Systems, and pronounced as separate letters, MIS refers broadly to a computer-based system that provides managers with the tools for organizing, evaluating and efficiently running their departments.

❖ MIS is an analytical tool that enables the integration of data from different business applications, Internet, different modules and business functions. It converts data from internal and external sources into information. This information is communicated in an appropriate form to managers at different levels in a business to enable them to make effective decisions.

❖ A management information system (MIS) is a process that provides information needed to manage organizations effectively. It is regarded to be a subset of the overall internal procedures in a business, which cover the application of people, documents, technologies, and procedures used by management personnel to solve business problems such as costing a product, service or a business-wide strategy.

Advantages of MIS

A MIS provides the following advantages.

1. It Facilitates planning: MIS improves the quality of plants by providing relevant information for sound decision - making. Due to increase in the size and complexity of organizations, managers have lost personal contact with the scene of operations.

2. In Minimizes information overload: MIS change the larger amount of data in to summarize form and there by avoids the confusion which may arise when managers are flooded with detailed facts.

3. MIS Encourages Decentralization: Decentralization of authority is possibly when there is a system for monitoring operations at lower levels. MIS is successfully used for measuring performance and making necessary change in the organizational plans and procedures.

4. It brings Co-ordination: MIS facilities integration of specialized activities by keeping each department aware of the problem and requirements of other departments. It connects all decision centers in the organization.

5. It makes control easier: MIS serves as a link between managerial planning and control. It improves the ability of management to evaluate and improve performance. The use of computers has increased the data processing and storage capabilities and reduced the cost.

6. MIS assembles, process, stores, Retrieves, evaluates and disseminates the information.

Problems associated with MIS

The challenges associated with MIS in organisations include the following:

1. It lacks flexibility as it cannot update itself.

It is highly sensitive, thus requires constant monitoring.

2. Budgeting of MIS is extremely difficult.

3. Quality of outputs is determined by the quality of inputs.

4. Effectiveness is usually affected due to frequent changes in top management

6. It takes recognisas only quantitative factors and ignores non quantitative factors like morale of worker, attitude of worker etc...