

## ROLE OF MIS IN DECISION MAKING PROCESS

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### **Abstract:**

The Information System is the heart of an organisation and its play a major role ole in organizational hierarchy and decision making process. In an organisation there are various information systems like MIS, TPS, DSS, and ES. In this article the researcher highlight the role of management information system in the Organization.

Keywords: Information System, MIS, TPS, DSS and ES.

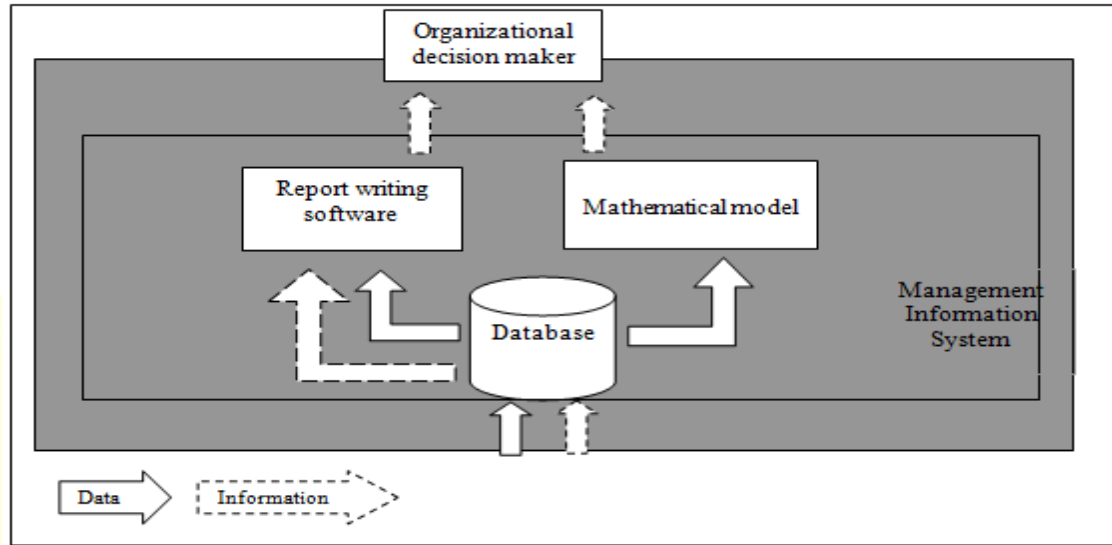
### **Introduction:**

The MIS plays very important role an organization. The MIS is the heart of an organisation. The system ensures that an appropriate data is collected from the various sources, processed and send further to all the needy destinations. It provides information in the form of reports and displays to managers and many business professionals that support their day-to-day decision-making needs. Usually the information has been specified in advance to adequately meet the expectations on operational and tactical levels of the organization, where the decision making situations are more structured and better defined. A management information system is a database of financial data and programmed data. This database is used to produces the reports for the all the levels of management in textile mill. This database is very much useful to produce the special reports also.

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**MIS Model:****Figure 1: An MIS Model (Raymond, 1990)**

An MIS model is illustrated in Figure: 1. the middle database system store all the data provided by all the different department of the textile mill. This database is used by the software to produce the reports for all the levels of management in textile mill. The Software creates the periodic as well as special report for the management. The mathematical model is used to simulate the various aspects of the textile mill operations. After processing of the data the software produces the output which is used by the employees to solve the textile mills problems. Note that some of the decision maker might exist in the firm's environment. The environment will involve once the firm bonds together with other organizations such as suppliers to form an Inter Organizational Information System (IOS). In such case, the MIS supplies information to the other member of the IOS (Raymond, 1990).

**Role of MIS in an Textile mill:**

- The MIS helps the operational level personnel in the transaction processing. It answers their queries on the data pertaining to the transaction, the status of a particular record and references on a variety of documents.

- The MIS helps the middle management in short term planning, target setting and controlling the business functions. It is supported by the use of the management tools of planning and control.
- The MIS plays the role of information generation, communication, problem identification and helps in the process of decision making. The MIS, therefore, plays a vital role in the management, administration and operations of an organization.
- The MIS helps in strategic planning, management control, operational control and transaction processing. The MIS helps in the clerical personal in the transaction processing and answers the queries on the data pertaining to the transaction, the status of a particular record and reference on a variety of documents.
- The MIS helps the junior management personnel by providing the operational data for planning, scheduling and control, and helps them further in decision-making at the operation level to correct an out of control situation.
- The MIS helps the middle management in short term planning, target setting and controlling the business functions. It is supported by the use of the management tools of planning and control.
- The MIS helps the top level management in goal setting, strategic planning and evolving the business plans and their implementation.
- The MIS plays the role of information generation, communication, problem identification and helps in the process of decision-making. The MIS, therefore, plays a vital role in the management, administration and operation of an organization.

#### **The role of MIS in decision making process:**

The Top level Managers need the quick access to information to make decisions about strategic, financial, marketing and operational issues. The Textile Mill collect all the large amounts of information which includes customer records, sales records, market research, financial records, manufacturing and inventory data, and human resource records. That information is stored in separate departmental databases which make it difficult for decision makers to access data quickly. So the role of Management Information System is to simplify the complicated data and speed the information retrieval by storing data in a central location that is accessible via a network. The MIS helps the manager for quick decision and which are more accurate.

### **Data Collection**

Management information systems bring together all the data comes from from inside and outside of the textile mill. By setting up a network that links a central database to retail outlets, distributors and members of a supply chain, companies can collect sales and production data daily, or more frequently, and make decisions based on the latest information.

### **Collaboration**

In situations where decision-making involves groups, as well as individuals, management information systems make it easy for teams to make collaborative decisions. In a project team, for example, management information systems enable all members to access the same essential data, even if they are working in different locations.

### **Interpretation**

Management information systems help decision-makers understand the implications of their decisions. The systems collate raw data into reports in a format that enables decision-makers to quickly identify patterns and trends that would not have been obvious in the raw data. Decision-makers can also use management information systems to understand the potential effect of change. A sales manager, for example, can make predictions about the effect of a price change on sales by running simulations within the system and asking a number of “what if the price was” questions.

### **Presentation**

The reporting tools within management information systems enable decision-makers to tailor reports to the information needs of other parties. If a decision requires approval by a senior executive, the decision-maker can create a brief executive summary for review. If managers want to share the detailed findings of a report with colleagues, they can create full reports and provide different levels of supplementary data.

### **Conclusion**

Management information system is an effective tool for modern business practitioners. It plays very important role in decision-making The MIS produces the information for all levels of

employees which is more accurate, timely, relevant, complete and economical information. Information resources have become of high demand in today organizations and MIS is the only option for the satisfaction of such demands. This study confirms that there is a strong connection between the importances of MIS to correct the decision process during problems.

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