Research Paper **Management**

The Challenges to Develop and Implementing MIS in an Organization

| Rinoj P. K. | Faculty Member, Centre For Management Studies, Kannur University Main Campus, Mangattuparamba, Kannur-Kerala 670567. |

ABSTRACT This paper reviews about Management Information System and the challenges to implement it in organization To facilitate the management decision making at all levels of company, the MIS must be integrated.. MIS is available for the Top management. The top management of company should play an active role in designing, modifying and maintenance of the total organization wide management information system. Efforts have been made for collection and retrieval of information, however, challenges still remain in the selection analysis and interpretation of the information that will further improve decision making and productivity.

KEYWORDS : Management Information System(MIS),Decision Making ,Strategy, Business process

Introduction

Management information system is a set of systems which helps management at different levels to take better decisions by providing the necessary information to managers. Management information system is not a monolithic entity but a collection of systems which provide the user with a monolithic feel as far as information delivery, transmission and storage is concerned.

Business and business environment have changed dramatically in the last one and a half decades. The transformation has been nothing short of being radical. Concepts and issues that were centre stage a decade back are now irrelevant and have been replaced by new ones.

Information has always been important but it has never been so available, so current and so overwhelming. Efforts have been made for collection and retrieval of information, However, challenges still remain in the selection analysis and interpretation of the information that will further improve decision making and productivity.

Development of MIS

Factors Responsible for the development of MIS are numerous and have been a prime concern for many Researchers and Practitioners. Both Inter and external factors must be taken into account when trying to understand and organization's criteria for deciding about technology. The following are the factors which are responsible for development of MIS :

External Factors : External Factors are conditions that exist in organization's external environment. The factors can be found at the industry level or in national policies.

(a) **Industry level :** At the industry level, we are looking at characteristics as degree of diffusion of certain technologies, the availability of external know-how, for example, technology suppliers, the degree of innovativeness of the industry, the requirements imposed by major customers and external markets and overall levels of competition and technology sophistication in the industry.

(b) **National Policies :** For the external factors the national policies also affect the organization that indirectly affects the subsystems of the organization.

Internal Factors : Internal factors internal of the firm that may affect the development of MIS can be grouped into three categories:

i) **Past Experience with Technology :** The organizations past experience about the technology in terms of exposure and organizational learning ultimately affects its future in developing technology.

ii) **Organizational Characteristics :** An organization's characteristic like size, influence the adoption of MIS application in organization. The adoption of certain technologies may appear more appropriate for the larger firms because of the large capital investments and the

skilled human resources involve in the implementation and operation of such technologies. Smaller firms are less affected by organizational inertia and they show a greater degree of involvement of organizational member's especially top management during implementation. Ready to use software and less expensive equipments of MIS application are more attractive to smaller firms.

iii) **Organizational Pursued strategy :** Internal factors deal with the organizations pursued strategy on both orientation and technology policy. An organization's strategy reflects its action with market and technology, which ultimately modify its experience and consequently its overall characteristics and capabilities. The need for a strong technology has been advocated by a number of authors and investments in MIS should therefore be closely aligned with overall corporate strategy.

Customer Satisfaction : Development of MIS is affected by customer satisfaction. Customer of the services should be satisfied by the presented system.

Effectiveness : Development should be effective in terms of organizational benefit & user satisfaction.

MIS for a Business Organization :

Support the Business Process : Treats inputs as a request from the customer and outputs as services to customer. Supports current operations and use the system to influence further way of working.

Support Operation of a Business Organization : MIS supports operations of a business organization by giving timely information, maintenance and enhancement which provides flexibility in the operation of an organizations.

To Support Decision Making : MIS supports the decision making by employee in their daily operations. MIS also supports managers in decision making to meet the goals and objectives of the organization. Different mathematical models and IT tools are used for the purpose evolving strategies to meet competitive needs.

Strategies for an Organization : Today each business is running in a competitive market. MIS supports the organization to evolve appropriate strategies for the business to assented in a competitive environment.

Challenges in Implementation of MIS

Resistance to change is a normal human tendency. MIS when implemented, changes a lot of things within the organization. It ushers in a new way of working in the organization. It changes power structures, the way people view their work, changes skill requirements of employees, processes and also the entire organizational culture.

This change can cause problems in the implementation process, as there may be resistance to this change from employees. Moreover,

the implementation of MIS involves migration of an information system from a controlled environment of design and development to a 'real' environment of an organization. Sometimes, information systems that work fine in a controlled environment fail to deliver in the 'real' environment. This may require some tailoring and customization of the system. The management should ensure that such minor glitches should not be used as an excuse by rumormongers to malign the new system.

Management should have a mature view that such problems are not expected in the implementation process, ensuring such technical issue remains a technical issue only and are not blown up into an organizational issue. A strong message from the top management favoring the new system thwarts such attempts at maligning the new system and hence is advocated. However, in spite of the best efforts some factors cause problems in the implementation process. The major factors that determine the degree of resistance that organizations face in implementing MIS are,

1. The degree of MIS driven change in departmental boundaries-any major change that changes the functioning of departments drastically is likely to be challenged or resisted by the department functionaries as it changes their way of working. This resistance should be anticipated at the design stage. Typically, if a BPR exercise is conducted along with the requirement analysis of the system then such exercises result in recommendations of change in business processes which result in changes in the organization structure or functioning of departments. Thus, the fact that such a change is on its way is known to the management well in advance. Hence, they should prepare the workforce for it.

2. Lack of organization culture supporting MIS-some organizations does not have a culture of information based decision-making. Implementation of MIS is such organizations are always a challenge, as the employees have to be trained to appreciate the importance of information. They become so used to judgment based decision-making that such training has very little impact. In some cases, it has been noted that even after implementation of MIS the organization culture has not changed and that managers continue to resist changes brought on by installation of MIS.

3. The degree of employee involvement in the MIS creation-this is a major issue in implementation of MIS. If employee participation is good then resistance to MIS is less.

4. The degree of employee involvement in the implementation of change along with MIS is a major issue. If the management uses a participatory approach towards MIS implementation then resistance to MIS is less.

The degree of MIS driven change in the informal system-if MIS changes the informal communication system completely then resistance is more. This informal communication channel is a source of power for some individuals. They resent their loss of power due to emergence of MIS as the sole authority for communication

Conclusion

All the organization in the competitive environment in the modern world requires MIS in all the functional areas and their integration is required to assure the performance. But so many factors are challenging for its implementation .so to manage it ,educate the employees by the way of training and participatory approach then they can reduce the resistance factor to implementation to some extent.

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