

SUB. NAME: MANAGEMENT INFORMATION SYSTEM

SUB.CODE: 205

UNIT 4

1. Information:

Data: Data can be described as unprocessed facts and figures. Plain collected data as raw facts cannot help in decision-making. However, data is the raw material that is organized, structured, and interpreted to create useful information systems.

Data is defined as 'groups of non-random symbols in the form of text, images and voice representing quantities, action and objects'.

Information: Information is interpreted data; created from organized, structured, and processed data in a particular context.

"Information can be recorded as signs, or transmitted as signals. Information is any kind of event that affects the state of a dynamic system that can interpret the information.

Conceptually, information is the message (utterance or expression) being conveyed. Therefore, in a general sense, information is "Knowledge communicated or received, concerning a particular fact or circumstance". Information cannot be predicted and resolves uncertainty."

According to **Davis and Olson** –

"Information is a data that has been processed into a form that is meaningful to recipient and is of real or perceived value in the current or the prospective action or decision of recipient."



Features of information:

(i) **Timeliness:** Timeliness means that information must reach the recipients within the prescribed timeframes. For effective decision making, information must reach the decision-maker at the right time, i.e. recipients must get information when they need it. Delays destroy the value of information. The characteristic of timeliness, to be effective, should also include up-to-date, i.e. current information.

ii) **Accuracy:** Information should be accurate. It means that information should be free from mistakes, errors & clear. Accuracy also means that the information is free from bias. Wrong information given to management would result in wrong decisions. As managers decisions are based on the information supplied in MIS reports, all managers need accurate information.

iii) **Relevance:** Information is said to be relevant if it answers especially for the recipient what, why, where, when, who and why? In other words, the MIS should serve reports to managers which are useful and the information helps them to make decisions.

iv) **Adequacy:** Adequacy means information must be sufficient in quantity, i.e. MIS must provide reports containing information which is required in the deciding processes of decision-making. The report should not give inadequate or for that matter, more than adequate information, which may create a difficult situation for the decision-maker. Whereas inadequacy of information leads to crises, information overload results in chaos.

v) **Completeness:** The information which is given to a manager must be complete and should meet all his needs. Incomplete information may result in wrong decisions and thus may prove costly to the organization.

vi) **Explicitness:** A report is said to be of good quality if it does not require further analysis by the recipients for decision making.

vii) **Impartiality:** Impartial information contains no bias and has been collected without any distorted view of the situation.

Need and Importance of information:

- Information is an aid in decision making, policy making needed for the policy makers, decision makers, managers etc.
- Information will have a reinforcing/ transforming effect on human beings on receiving it. A great deal for change can be perceived in the human minds/ attitudes on obtaining the information, as it increases the ability of personal knowledge for the recipient.

- Information generates new information. This is the existing knowledge/ information helps in generating new information; new knowledge; new theories, etc.
- Information supports research in order to obtain effective and fruitful results.
- Information helps in better management of manpower, materials, production, finance, marketing etc.
- State-of-art kind of information of a subject helps in identifying the gaps/ shortcomings in the subject field and to identify the research problems to be explored or undertaken.
- Information helps in avoiding the duplication of research.
- Information stimulates the thought process of the users, particularly the scholars.
- Information helps the scientists, engineers, scholars, etc. to get well informed with the current advancements in their subjects, and to keep them up-to-date.