

# **UNDERSTANDING MIS**

**To understand MIS in detail, you need to understand the following three words in detail :-**

**Management**

**Information**

**System**

## **Management**

**The term management is defined as the art of getting things done through people by dividing the people into organized groups and assigning each group a different activity.**

**The various functions performed  
by a manger are as follows:**

**Planning**

**Organising**

**Staffing**

**Directing**

**Controlling**

## **Information**

**Information is a very valuable resource that is required by the management of an organization to run the business. Information is the processed data that is presented to the decision-makers to aid them in their project.**

The information is of four types:

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### **Structured**

: This information is well defined and thus the processing of the structured information is not difficult. For example, the proper monthly production schedule for a particular product.

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### **Unstructured**

: This information is not well defined and thus processing the information becomes difficult. For example, determining the share of the company's product into the market.

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### **External**

: This is the information whose source is outside the operations of the company. The top management of the organization requires the external information to carry out their future plans and policies.

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### **Internal**

: This is the information that is the resultant or the left over product of the normal operations of a business. The operation management of the organization required the internal information to carry out their plans.

## **System**

**The system in MIS is defined as a set of elements that are joined together to achieve a common objective. These elements are inter-related and interdependent. A system is made up of various sub-systems, which in turn are composed of other sub-systems**

## **Various types of systems are:**



### **Open system:**

**Interacts with its environment and exchanges input and output with the external environment.**



### **Closed system:**

**Does not interact and exchange input and output with its environment**

**MIS is defined as a system that consists of people, machines, procedures, data models and databases as the elements of the system. The system performs the following actions:1.**

**Gathers data from the internal and external sources of an organisation**

**2.Processes the data**

**3.Supplies the processed data or management information to the managers to assist them in the procedure of decision-making**



**MIS is an important part of an organisation as it helps in gathering information required for planning and decision-making. It also helps in performing other functions of an organisation such as staffing, directing and controlling. MIS performs various functions in an organisation such as collection and processing data for information. It also helps in storing information and retrieving it as and when required**

## **NATURE OF MIS**

**MIS is supposed to have borrowed the management concepts from various disciplines such as accounting, computing, organizations, management and operations.**