

UNIT-5



DEFINITION

According to Institute of Management accounts

- " MIS is a system in which define data are collected, proceed and communicated to assist those responsible for the use of resources".

According to Allen S . Lee

- " Management information system is a planned system of collecting, processing, storing and disseminating data in the form of information needed to carry out the function of management".

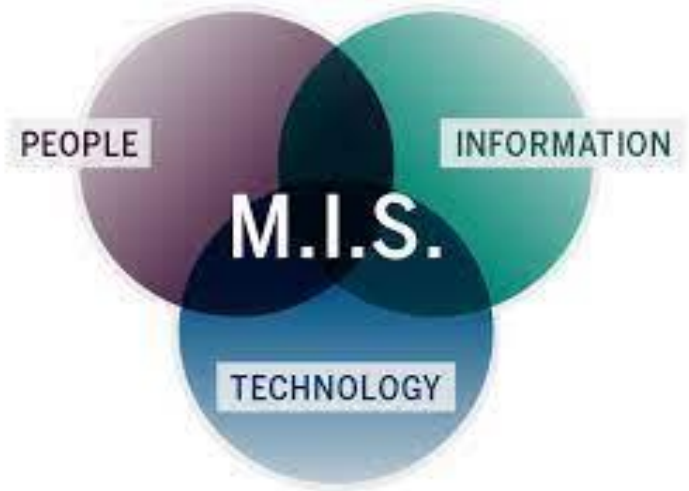
MEANING

- Management Information Systems (MIS) is the study of people, technology, organizations, and the relationships among them.
- MIS professionals help firms realize maximum benefit from investment in personnel, equipment, and business processes.
- MIS is a people-oriented field with an emphasis on service through technology.

Examples of software used in MIS

- Transaction Processing System. (Example: Payroll System, Order Processing System, Stock Control System)
- Management Information System. (Example: Management Reporting Systems, Sales management System, Inventory control System)
- Decision Support System. (Example: Logistics Systems, Financial Planning Systems)

UNDERSTANDING MIS



Example:

- Most retail stores use computer based information systems to help them record customer purchase, keep track of inventory, pay employees, buy new merchandise & evaluate sales trends.
- It also helps the management to take decisions on issues such as on what product to continue or discontinue

OBJECTIVES OF MIS

1) Data Capturing :

MIS gathers information from various internal and external either manually or electronically with the use of computer terminals.

2) Processing of Data :

The collected data goes through a number of process like calculation , sorting, classification and summary for its conversion information.

3) Storage of information :

The processed or the unprocessed data stored in the MIS for future use by saving it as an organization record. The data may also be used immediately.

OBJECTIVES OF MIS

4) Retrieval Of Information :

As per the request of different users, retrieval of information is done by MIS from its stores.

5) Dissemination of information:

Information is the final product of MIS which is equally accessible by all users in the organization. It may be periodic or online with the use of computer terminal.

ROLE OF MIS

DECISION MAKING

COORDINATION

COMPARISON OF PERFORMANCE

FINDING OUT PROBLEMS

STRATEGIES



ROLE OF MIS



1. **Decision Making**

- MIS plays a significant role in decision-making process of any organization.
- Because in any organization decision is made on the basis of relevant information which can be obtained through MIS.

ROLE OF MIS



2. Helps in Co-ordination

- MIS helps in establishing a sound relationship among every person in all the departments in an organization.
- This coordination is achieved through accurate exchange of information amongst each other.

ROLE OF MIS



comparison

3. **Comparison of Performance**
 - MIS helps in comparing the performance of the business over the number of years.
 - MIS helps the business to compare the Past Profits with the Current Profits.
 - Any deviations that leads to Downfall can be corrected by implementing strategies based on past data.

ROLE OF MIS



4. Finding out Problems

- Since MIS is collection of data made regularly by the organization, anything wrong with the data can be easily identified.
- MIS helps the Organization to find out the problem as early as possible.

ROLE OF MIS



5. Strategies

- MIS not only helps to detect the problem in the system but also provides data to devise strategies to identify the solution for the same.

ADVANTAGES OF MIS

1. Data can be easily accessed & analysed without wastage of time.

- Since the data is easily available in the system at all times, it becomes easier to access the data as & when required.

2. Quick Decisions

- MIS helps in taking quick decisions based on the proper analysis of the accurate data available in the system.

3. Proper storage of Information

- Information can be kept in categories that are meaningful for operations, which can be easily accessed by the one who needs it.

ADVANTAGES OF MIS

4. Helps in reducing Operational costs

- MIS helps in reducing the number of errors which can occur due to non-availability of data & thereby reducing the losses that could have been occurred otherwise.
- MIS helps in smooth functioning of an organization which in turn helps to control the wasteful expenditure.

5. Improves communication for both internal & external stakeholders.

- Easy availability of data leads to clarity in communication with the people inside the organization & also with the people outside the organization.

DISADVANTAGES

1) Highly sensitive, requires constant monitoring:

MIS content highly sensitive information about an organization which can be used for fraudulent activities. Constant monitoring and filtering is required to avoid manipulation of data by fraudster causing harm to business.

2) Budgeting of MIS is Extremely Difficult :

MIS cannot be budgeted like activities of all other department. Hence, its expense is unpredictable. Even though it forms a very sensitive and important function of organization but it is not possible to predict its expense.

DISADVANTAGES

3) Lack of Flexibility to Update Itself :

MIS Cannot update itself automatically like many other application. Updating has to be done manually by obtaining raw data and feeding it into the system for processing and updating pre existing data.

4) Effectiveness Decrease Due to Frequent Changes in Top Management :

Frequent changes in middle or top management levels reduces the effectiveness of information produced through MIS. Change in management results in changed information requirement because new team of management will require information on their own format.



ETHICS IN BUSINESS COMMUNICATION

MEANING

Ethical issues of business communication is the way by which individuals or groups of people exchange information between them from end-to-end. The effective communicators try as clearly and accurately to pass on their ideas, intentions and, objectives to their receiver.

CHARACTERISTICS OF ETHICAL COMMUNICATION



1. Conveying the point without offending the audience

- One of the most important point that should be kept in mind while communicating with the audience is that, the point should be put across in an effective manner.
- It means being polite & pleasant with the audience & not being rude.

CHARACTERISTICS OF ETHICAL COMMUNICATION



2. Maintaining & Sustaining a relationship with your audience.

- It is very important for a communicator to maintain the same wavelength with the target audience, to make the target audience feel comfortable.
- Master communicators strike a chord with the audience immediately and develop a relationship which based on trust.

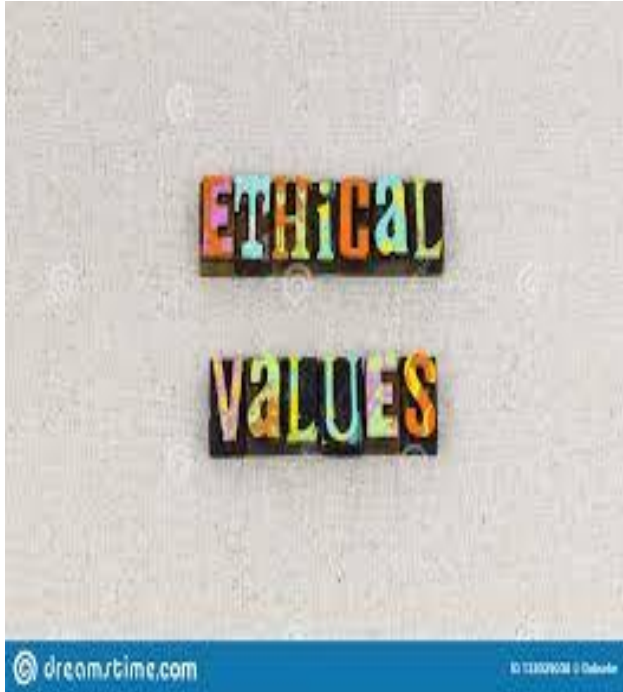
CHARACTERISTICS OF ETHICAL COMMUNICATION



3. Presenting all the vital information

- In today's world it is very important that all the vital information is presented in a clear & complete manner.
- Professional Organizations are practising “Corporate Governance” by sharing each & every piece of information which could be important to the investors or Community at large.

CHARACTERISTICS OF ETHICAL COMMUNICATION



4. Ethics are related to values & may differ for the audience

- It is very important that every organization believe in certain ethical values.
- A strong & robust value system imbibed in the corporate culture is a guarantee for ethical employees & ethical communication.

CHARACTERISTICS OF ETHICAL COMMUNICATION



5. Making sure all information is accurate & researched

- Information passed on during any kind of communication not only has to be complete but also correct & true, that is valid.
- It is not right to share the information that is false or based upon premises that are not tested.

Ethical Issues involved in Business Communication

- Business communications can either be among organizations & people within an organization, or among an organization & people outside the organization.
- Communication should always reflect the ethics of the organization.
- Ethical Issues relates to the following areas:
 - Honesty
 - Respect
 - Sensitivity to Cultural Differences

Ethical Issues involved in Business Communication



1. Honesty

- Communications can convey the truth or create impressions that are misleading & disguise reality.
- Organizations that value their reputations should avoid communications that contains false or incorrect data.

Ethical Issues involved in Business Communication



2. Respect

- Business Communication whether are directive, comparative, explanatory or promotional need to be respectful of the readers intelligence & their desire for accurate & useful information.
- Providing a clear data of what needs to be done, how it should be done & why it should be done helps in avoiding ethical pitfalls & also helps in showing respect towards the receiver.

Ethical Issues involved in Business Communication



3. Cultural Sensitivity

- It begins with a recognition that there are differences between cultures.
- These differences are communicated in a way that different groups communicate & relate to one another.
- Cultural sensitivity is more than an awareness that there are differences in culture in order to interact effectively.
- A culturally competent person views all people as unique individuals & realizes that their experiences, beliefs, values and language affect their perceptions.

Ethical issues faced by a Managers



1. Unethical leadership

- This may come in an obvious form, like manipulating numbers in a report or spending company money on inappropriate activities
- It can also occur more in the form of bullying, accepting inappropriate gifts from suppliers, or asking a subordinate to skip a standard procedure *just once*.

Ethical issues faced by a Managers

2. Discrimination

- It applies to any action that causes an employee to receive unequal treatment.
- Discrimination is not just unethical; in many cases, it is also illegal.
- Discrimination is done on the basis of age, gender, race, religion, disability, and more.
- Other common instances of discrimination include firing employees when they reach a certain age or giving fewer promotions to people of ethnic minorities.



Ethical issues faced by a Managers



3. Harassment

- One of a main ethical issues any businesses face is harassment, which is often related to racism or sexism.
- This can come in the form of verbal abuse, sexual abuse, teasing, racial slurs, or bullying.
- Harassment can cause employees to leave the company.
- Harassment can have a long-term impact on employees psychologically, in terms of earnings, and even impacting a person's entire career path.

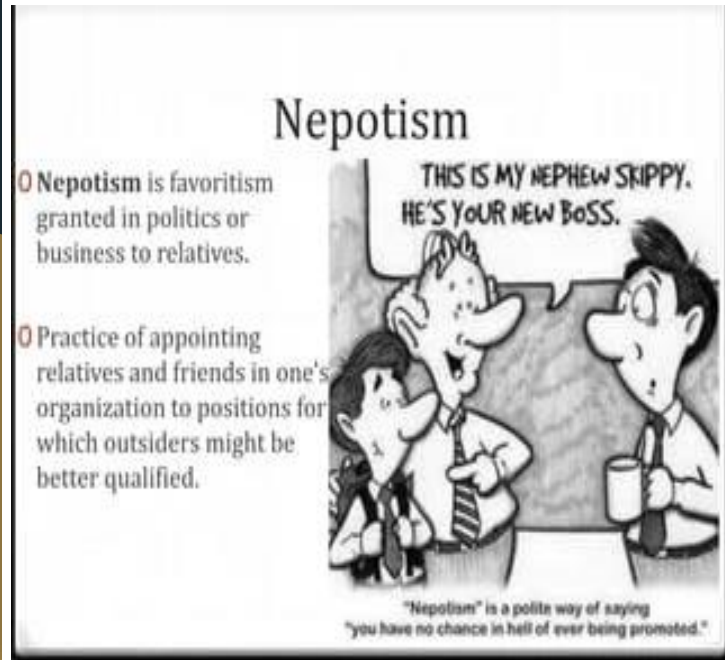
Ethical issues faced by a Managers



4. Corporate Espionage

- Unethical behavior can be displayed by workers too by misusing company data.
- An employee may steal intellectual property or provide a competitor with information about a client.
- Usually, this is for monetary purposes, but it can also help an employee secure a position at another firm.

Ethical issues faced by a Managers



5. Nepotism

- Nepotism is when a company hires someone for being a family member.
- Nepotism is unfair, they are also disheartening to employees. Workers often find they have to work much harder to receive a promotion or other rewards.



MEANING

- Financial Communication is all about conveying all financially sensitive information & data of the previous year including the company's overall performance, major capital expenditures undertaken, profitability performance, stock market performance etc. to financial stakeholders, such as shareholders, financial institutions & financial analysts.

Constituents of Financial Communication



1. **Company at Glance**

- This talks about the Board of Directors, including the chairman- their tenure, their compensation, other benefits.
- It includes The Vision and Mission Statement of the company.
- It also includes the present & proposed line of business, major brands & products, world wide locations, major campaigns, innovations, corporate social responsibility etc.

Constituents of Financial Communication



2. Chairman's Message

- It is through this that the chairman addresses the shareholders directly & gives a brief snapshot of the company's performance in the last financial year including the sales, profits & other details.
- The chairman also talks about other major achievements of the company such as any tie ups, mergers & also about the proposed dividend.



On the product front, the company showcased several impressive new products at the Auto Expo '14, with a lineup that included Tata Bolt and Tata Zest, due to be launched in the coming months. Both the products have created high levels of excitement among the potential customers.

Chris P. Massey
Chairman

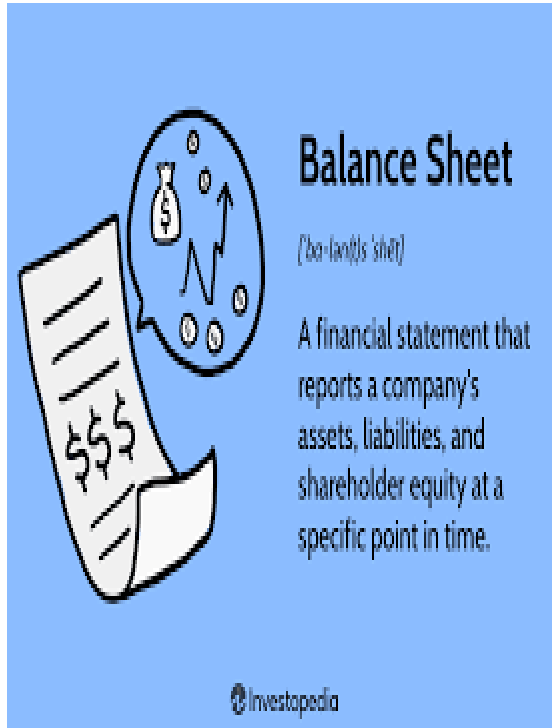
Constituents of Financial Communication



3. Share Price Information

- This provides all the stock market data related to the company's stock including price, volume, daily close and open positions, highs and lows & other technical analysis data.
- It also has some chart analysis done for the investor community.

Constituents of Financial Communication

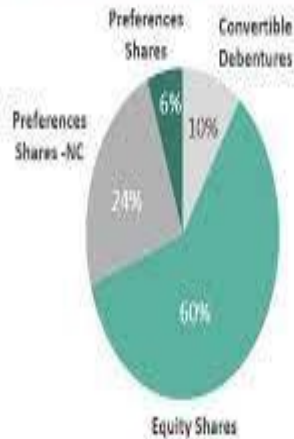


4. Balance Sheet & income statement

- This is the backbone of all financial information, whereby the company puts in the total financial statements for the investor community including the income statement & the balance sheet in a standard format for easy understanding.

Constituents of Financial Communication

Shareholder Structure



5. Shareholder structure

- This provides the break-up of the share holding patterns, both geographical region wise and investor group wise.
- This data is normally presented in percentage terms.
- It is a very important piece of information for the shareholders as they come to know about the major shareholders & also holding patterns of other big players like financial institutions, mutual funds, investment banks etc.

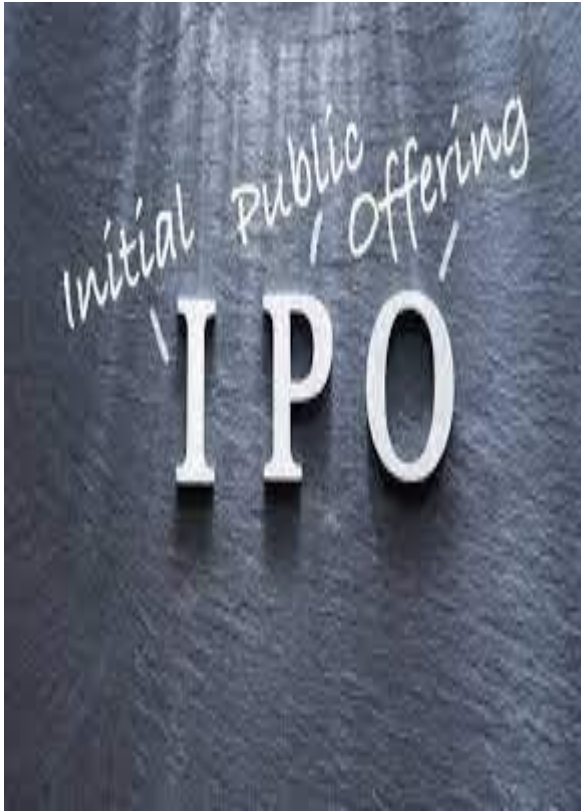
Constituents of Financial Communication



6. Mergers & Acquisitions

- Any news about any Merger or Acquisition that has taken place during a given period of time is an important communication that comes from the company.
- A merger normally brings with it a new company in the fold, a new capital structure & maybe a new business philosophy all together.
- It is a very strategic landmark in the life of any organization & hence any information about the same must be completely disclosed.

Constituents of Financial Communication



7. Initial Public Offering (IPO)

- When a company comes out with an IPO, many changes take place & existing shareholders expect complete transparency in the Pre- IPO and Post- IPO scenario.
- IPO does not only bring in fresh capital but it also affects Earning per share, Capital structure etc.
- Hence it is important to disclose all the information about the same.





**May Success
be with you,
always.**

All The Best.

