Chapter Three

Basics of Management Information System

Basics of MIS

- The MIS is an idea which is associated with man, machine and
- Methods for collecting information's from the internal and external source and processing this information
- For the purpose of facilitating the process of decision-making of the business.

- MIS is not new, only the computerization is new,
- Before computers MIS techniques existed to supply managers with the information that would permit them to plan and control business operations.
- Add on more dimensions such as speed, accuracy and increased volume of data that permit the consideration of more alternatives in decision-making process.

- The actual MIS process relates to:
 - Collection
 - Organization
 - Distribution
 - Storage of wide information
- Therefore MIS focuses on:
 - Organization-wide information
 - Decision-making process
 - Managerial control and analysis

Information

- Information: Data must be distinguished from information and the distinction is clear and important for the purpose it intends.
- Data are facts and figures that are not currently being used in a decision-making process
- Knowledge that one derives from facts for effective functioning of systems

Information Quality

- Information consists of data that have been retrieved, processed or
- Used for information or interference purpose, argument or as a basis forecasting or decisionmaking regarding any business unit.
- Good information is good business
- > what constitutes "good," or "quality," information?
- information quality (IQ) is understood to be a multidimensional concept that encompasses critical relationships among multiple attributes, such as timeliness, accuracy, relevancy, and others

Massachusetts Institute of Technology IQ Dimensions

- Accessibility: The extent to which data is available or easily and quickly retrievable.
- Appropriate Amount of Data: The extent to which the volume of data is appropriate for the task at hand.
- Believability: The extent to which data is regarded as true and credible.
- Completeness: The extent to which data is not missing and is of sufficient breadth and depth for the task at hand.
- Concise Representation: The extent to which data is compactly represented.
- Consistent Representation: The extent to which data is presented in the same format.
- Ease of Manipulation: The extent to which data is easy to manipulate and apply to different tasks.

IQ Dimensions Cont.

- Free of Error: The extent to which data is correct and reliable.
- Interpretability: The extent to which data is in appropriate languages, symbols, and units and the definitions are clear.
- Objectivity: The extent to which data is unbiased, unprejudiced, and impartial.
- Relevancy: The extent to which data is applicable and helpful for the task at hand.
- Reputation: The extent to which data is highly regarded in terms of its source or content.
- Security: The extent to which access to data is restricted appropriately to maintain its security.
- **Timeliness:** The extent to which information is available in time to perform the task at hand.
- Understandability: The extent to which data is easily comprehended.
- Value-Added The extent to which data is beneficial and provides advantages from its use.

Factors to be considered to maintain IQ

I. Make information quality a priority

- Make it clear that you and your organization are committed to improving and controlling information quality.
- Create awareness among personnel by measuring the costs, missed opportunities, and decreased agency effectiveness caused by poor IQ
- Educate leaders regarding their role in implementing policies, communicating their commitment to information quality, and providing resources to make it happen

2. Establish information quality as a program

- Commitment to IQ should be reflected in your organization's vision, mission statements, and strategic plans.
- Achieving high-quality information is the result of a strategic and intentional process an information quality program.
- Establishing an IQ program helps to ensure on a continuous basis that information is accurate, timely, complete, and secure

3.Assess the level of information quality in your organization

- proactively conduct self-assessments to measure information quality and identify and address areas that need improvement
- Such assessments should be part of a continuous process.

4. Move from "need to know" to "write to shares

- ➤ You and the employees in your organization understand and acknowledge that any information that is written or entered into your system has the potential to be accessed or shared in an internal or external agencies information sharing environment.
- You and your employees should write or enter the information according to the rule "write to share."

- 5. Hold the entire organization accountable for information quality
- Build accountability mechanisms and processes into your routine business practices
- So that every person in the organization knows his or her responsibility and is held accountable for ensuring information quality

Information overload

- Information overload represents a state of affairs where an individual's efficiency in using information in their work is mired by the amount of relevant and potentially useful information available to them.
- exposure to or provision of too much information or data.
- Occurs when information received becomes
 a hindrance rather than a help given that the
 information is potentially useful.

Information Overload cont.

- Different meanings are given to the term information overload by different writers that include:
 - Loss of control over information /inability to use information effectively
 - An information pollution
 - A cause for information anxiety (a feeling of being overwhelmed)

Historical Development

- Overload was acknowledged explicitly as a problem in 1948 (at the Royal Society's Influential Scientific Information Conference)
- There was an expressed fear that scientists will be overwhelmed by the vast amounts of potentially relevant materials that required having a technique of controlled selectiveness.

- Late 1950's & 1960's was characterized by:
- Exponential growth of publications (especially in science & Technology)
 - Increased computer based information handling. 1970s & 1980s – characterized by: -
 - Increase in the volume of primary literature (overload in the areas of academic & professional publications) ...
 research outputs, journals, books, etc.
 - 1990s Information overload became a major problem in business world especially due to the new technology: e-mail, Internet and digitization of everything.
 - The problems created include:
 - On individuals: (i.e. business managers)- affected their efficiency and health.
 - On organizations: resulted in a decrease in efficiency and productivity

Causes of information overload

I. Availability of information

- (a) Too Much Information (TMI)
 - If there is too much information it is so difficult to find useful and relevant information.
 - Too much information, if badly organized, impedes knowledge.
 - Too much information no longer adds to our quality of life rather causes stress, confusion, and even ignorance

• (b) Diversity of Information

- I. from the nature of the information itself
- Information on a given topic may come from varying perspectives.
- II. from the **format** aspect: the same information can be presented using different **media**:

- 2. Information & Communication Technologies
- ICT provides rapid and convenient access to information.
- Information overload is mainly caused by technologies related to information sharing: -
 - e-mail
 - Internet \Intranet\ Extranet
 - Group ware Technologies
 - Push Technologies

- 3. Changing Nature of work
 - >Interdisciplinary work
 - **Collaborative** work →
 - Trends in working environment
 - increased globalization
 - increased competition

4. Dis-intermediation

A greater proportion of information searching is done by **end-users** rather than **information professionals**

Users feel more overloaded since they are unable to identify core of valuable material

Effects of Information Overload

I. Cost

- Time: wasting substantial amount of time by looking for information.
 - Scientists claim that it takes less time to an experiment than to find out whether or not it has been done before.
 - In western countries an average worker spends more than ½ day by processing a document.
 - Office workers spend hours of reading & answering mail.
 - Additional efforts and resources need also be committed

2. Delayed decision

- developed countries most managers delay decision as a result of too much information
 - according to the Reuter's survey of 1996 ½ of the managers surveyed believed that important decisions were delayed and adversely affected as a result of having too much information (TMI)
 - Due to the large # of choices managers could be confused

- 3.Health Problem: It has a damaging effect on health (e.g. mental stress)
- 4.Loss of job satisfaction: due to the stress 5.Information anxiety
- A feeling of being overwhelmed by TMI.
 Resulted from: -
 - Gap between what we understand and what we think and we should understand.
 - Discrepancy between what is available and what is needed.
 - Inability to extract a meaning from the available too much information.

6. Dependence on others

- To have pre-packaged information (Reduced into manageable size)
- Accepting the opinion of others

Solution to overcome Information overload

- Managerial
- Technical

I. Managerial Side

Control

- As the loss of control over information is the single major symptom of overload,
- restoring control is the major stem towards its remedy.
- It can be exercised at both individual and organizational levels.

At the individual level

I.Time management

- An explicit prioritization of information seeking related to work goals and objectives, as opposed to surfing randomly among peripherally relevant material on the web & reading of all incoming e-mails.
- Joining news groups and mailing lists very selectively
- Deleting many messages unread and only keeping materials that would be very difficult to find again.

2. Information Literacy

- Developing information handling skills that include the ability to access, evaluate, organize and use of information from a variety of source
 - Recognizing the need for information
 - Identifying what information would address a particular problem
 - Finding the needed information
 - Evaluating the information found
 - Organizing the information

3. Personal information management training

 Some training in classification and indexing is necessary for those who need to keep large amounts of information

4. Knowledge Organization

- Reduces overload by providing relevant information
 - the traditional intellectual tools of classification and thesaurus,
 - automatically generated term lists

2. The Technical Side

- New ICT is responsible for a large part of information overload. It also provides a solution to the problem in two ways:-
 - Intelligent search agents
 - Intelligent interfaces.