

Integrated Study on Reviewing Decision Making Process and Management Information System

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Abstract

The role of Management Information Systems (MIS) is depicted and dissected in light of its capacity for basic leadership. Basic leadership process and its effect on top dimension the board in a business association is clarified with an accentuation on mechanised basic leadership. Restrictions and difficulties of MIS are talked about and an arrangement of six proposals proposed for expanding the adequacy of MIS in the basic leadership process.

Keywords: *Decision Making, Management Information System*

1. Introduction

In the contemporary business world, Management Information System remains a key consideration among the majority of companies. Particularly, Management Information System is a means through which workforces create, view, assess, and think about the future of companies that they serve – as well as themselves as members of the team. Through Management Information System, strategic objectives are developed towards the accomplishment of the mission and vision of companies. As affirmed by Alsaaty (2006), strategic objectives refer to long-term firm goals that aid in converting broad visions into more specific projects and plans. Therefore, it can be inferred that there is a direct relationship between successful implementation of strategic objectives and the achievement of the goals of an organization. This paper proposes a strategic objective for a decision-making process and provides a critical analysis of some of the challenges that smaller enterprises face within the activity sector. It is also worth noting that the paper proposes solutions to these challenges via a critical evaluation of strategic tools; with the implications for growth analyzed.

2. primary discussion—role of MIS in improving basic leadership

According to Graetz (2002), the core challenges facing the activity sector range from human resource to performance or skill-related and leadership issues. Particularly, the study mentioned above highlighted that the core challenges facing the activity sector are more pronounced for small and medium enterprises (SMEs). One of the specific challenges that have been documented concerns financial constraint. Indeed, most of the current literature holds that the majority of SMEs are not only constrained due to the lack of adequate resources but also face the critical challenge securing effective means through which they could gain access to additional and promising sources of capital. The aspect of time has also been acknowledged to hamper profitability within the activity sector. According to Kalali, Momeni and Heydari (2015), time becomes a challenge due to the issue of ineffective or a lack of adequate planning. As concurred by Monnavarian, Farmani and Yajam (2011), the eventuality is that most of the SMEs fail to predict future dynamics of the activity sector or industry; suggesting further that their operations are fragile and unlikely to survive risks and uncertainties in the near and far future.

An additional challenge facing SMEs in the activity sector concerns the lack of adequate knowledge and skills. In the study by Nuntamanop, Kauran and Igel (2013), it was documented that some of the players in the activity sector lack knowledge about features of the industry into which they enter. Particularly, it was noted that some SMEs and their senior leaders and managers do not have adequate knowledge about industry issues such as financial know-how, advertising and marketing techniques, current trends, the target market, and competitors. As such, the lack of adequate knowledge and skills accounts for some of the activity sector's SMEs' experience of massive losses. In a similar observation, Steptoe-Warren, Howat and Hume (2011) documented that some SMEs in the activity sector lack adequate planning and direction. Specifically, the study contended that the problem or challenge becomes evident when the industry players fail to set up detailed and thorough business plans. Tovstiga (2010) affirmed that this adversity makes the industry players fail to focus on the intended mission and goal of their businesses; yet Alsaaty (2006) cautioned that planning and direction are important because they determine financial situations of business activities (including the analysis of the competition, market research, and the provision of a roadmap that is worth following).

In another study, Casey and Goldman (2010) sought to determine the relationship between business partnership and success in the activity sector; with particular emphasis on SMEs. In the findings, it was observed that when firms try it alone, they experience success in the initial stages because of the low-cost with which the approach is associated. However, it was noted that SMEs that do it alone experience a decline in service quality when the work grows gradually; with the predicted adversity being a significant loss of customer bases. Therefore, it was concluded that some SMEs, which go it alone in the activity sector, experience the challenge of sustainability

and, in most cases, the initial profits experienced tend to be short-term (Fleury, Belyea & Harrell 2000). Lastly, Goldman (2008) documented that the ability to secure adequate customer bases forms a dominant challenge facing SMEs in the activity sector. This challenge was linked to the attribute of financial constraint in which a small advertising and marketing budget proves detrimental in such a way that it hampers the ability of the firms to retain customers while attracting prospects. Lastly, some of the past scholarly studies avow that some SMEs in the activity sector struggle to work in the business at the expense of working on the business. For instance, Goldman (2012) indicated that much concentration tends to be on customer satisfaction and other operations that support the running of the business, yet the companies fail to embrace adequate business analysis of areas requiring attention (such as employee benefits and cash flow reviews). Overall, the core challenges facing SMEs in the activity sector fall into broad categories of connectedness in the workplace, poor strategic planning, and ineffective leadership and management.

Sola and Couturier (2013) documented some of the skills and characteristics or qualities expected of Management Information System. For instance, the Roundabout Model suggests that strategic thinkers exhibit a big or global picture perspective. According to Graetz (2002), this attribute implies that strategic thinkers ought to analyze issues such as business activities beyond what is at face value or right in front of them. The latter study affirmed that strategic thinkers could mentally pull back from short-term and immediate facts to see and face consequences, outcomes, or relationships that are deeper in complexity, broader, and farther out in time. From this documentation, it can be inferred that strategic thinkers are futuristic and open-minded. The implication for senior executives and their decision-making processes is that the solution to a challenge such as that which involves the lack of adequate planning and direction could be to exhibit a sense of “these” are the core issues that might take the company from “here” to “there,” “there” is where we plan to be, and “here” is where the company is.

In the study by Kalali, Momeni and Heydari (2015), it was acknowledged that the aspect of connectivity perception defines Management Information System. As concurred by Monnavarian, Farmani and Yajam (2011), connectivity as a business attribute constitutes the ability to establish relationships with other industry players. Additionally, connectivity has been documented to constitute the ability to determine how a company might influence the activities of other industry players and vice versa (Nuntamanop, Kauranen and Igel 2013). Therefore, most of the literature indicates that the connectivity perception as a feature of Management Information System allows individuals and companies to understand the manner in which business systems or activities can connect with the right sets of paths; including business partners, human resources, and even product suppliers. Based on these observations, the connectivity perception as an attribute advocated by the Roundabout Model can be applied to the case of decision-making among senior executives in large organizations and other smaller businesses in various ways. For example, the connectivity perception could be exploited as an avenue for addressing the strategic challenge of doing alone, which poses the danger of declining service quality that might, in turn, lead to a significant loss of customer bases in the activity sector. Additional documentation suggests that the connectivity perception as a feature of strategic business thinking could be used via the exchange programs and regular conferences with other industry players to achieve complementarity and learn what others do to achieve competitive advantages (Steptoe-Warren, Howat and Hume 2011). By achieving this objective, it is predicted that a company is likely to be characterized by regular or frequent interaction with other industry beneficial firms and even remain responsive to the changing needs of service users and industry demands; having gained these insights via connectivity platforms such as business seminars and conferences.

According to the Roundabout Model, forecasting or foresight also characterizes business Management Information System. As asserted by Tovstiga (2010), forecasting as an attribute of Management Information System implies that the business operator understands the demographic characteristics of the customer bases being served and knows about the engagement patterns of these groups. For small companies such, the implication is that forecasting is key to the realization of the intended goals and objectives within the activity sector. Furthermore, forecasting is seen to reflect adequate Management Information System in such a way that it paves the way for company adjustment of practices to accommodate what the target customers or service users understand and demand. Forecasting has also been observed to play a key role in addressing the challenge of inability to secure adequate customer bases because it enables senior leaders and other managers to predict some of the challenges that might face business arenas such as the activity sector, as well as how a firm could prepare for the perceived challenges.

Regarding the challenge of inadequate skills and resources as drawbacks to the successful implementation of strategic objectives in small enterprises, the model presented by Sola and Couturier (2013) advocates for the need for organizational leaders to remain open to discussion. Particularly, it is observed that most of the players in industries such as the activity sector are reluctant to listen to ideas or opinions that contradict their traditional ideologies and thoughts. For such leaders, the Roundabout Model states that they are likely to be entrapped by their ideas and only be surrounded by individuals or groups that hold similar points of view. Alsaaty (2006) documented that such a scenario accounts for knowledge and skill inadequacy whereby the business leaders are rigid and unwilling to exchange ideas and learn from other organizations' experiences. Hence, being open to discussion implies that Management Information System is likely to be realized in a company via the broadening of the understanding of business scenarios from varying viewpoints.

Regarding the core challenge of adequate planning and direction, the Roundabout Model suggests that successful businesses and strategic thinkers embracing learning. In particular, the model advocates for businesses to learn more from failures. Indeed, this observation implies that there is a need to analyze some of the factors responsible for failed experiences and how the adversities could be avoided in future (Casey & Goldman 2010). In so doing, Goldman (2012) avowed that businesses end up building long-term improvement plans capable of handling situations while learning from previous experiences of failure. In relation to the case of business firms, the implication is that successful Management Information System and strategic objective implementation might be realized via reflection and the analysis of previous failures (if any), as well as the factors responsible for those negative trends. Indeed, it is projected that such a step could pave the way for the formulation of additional improvement plans capable of accommodating new demands in the activity sector – and even assure future survival. Apart from the Roundabout Model, other models have been proposed and play a key role in guiding Management Information System in businesses; inclusive of small enterprises. For instance, the Portfolio Theory of Management Information System proposes that resource allocation decisions are likely to be achieved when businesses disaggregate their markets, products, and services. Notably, this theory's proposition is important because it provides room for the efficient distribution of resources while ensuring that the personal goals of various employees are aligned to the central mission and vision of the organization being served.

Based on the solutions to core strategic challenges highlighted above, various implications are evident in relation to the future of businesses. For instance, the results suggest that the company needs to embrace regular seminars and conferences to understand the viewpoints of other industry players. By holding these sessions as a reflection of Management Information System, companies might be better placed to unearth the current and even predict future trends in the activity sector; ensuring further that it is well prepared to handle any risks and uncertainties that might emerge. The theoretical insights about solutions to the core challenges facing Management

Information System imply further that the management in small enterprises ought to conduct needs analysis and the cost-effectiveness of various marketing and promotion strategies to determine those that are promising and worth implementing. Particularly, the results indicate that human resources are key to the success of business firms. As such, decision-making needs to steer employee motivation and engagement programs that might offer a foundation for the optimal exploitation of talents that the workforces from different social backgrounds bring to the organization. It is also worth noting that the results above point to the need for companies to enhance an interactive, positive, and supportive workplace that promises to reduce conflicts among members of the team. However, it remains notable that learning from past failures is paramount and needs to be used as a steppingstone towards the realignment of the goals of employees to the objectives of organizations.

Another lesson learned from the theoretical tools documenting core challenges, features, and solutions to Management Information System in small businesses is that the connectivity perception is important because it reduces the communication barrier between leaders or decision makers of an organization and those of other industry players. Indeed, the attribute is important because it guides a business firm in understanding its position when compared to other companies while ensuring that any challenges that are identified are transformed into opportunities for improvement (while maintaining business strengths with which the firms are associated).

3. Conclusion and Recommendation

In summary, Management Information System is an important aspect of the business sector because it guides senior leaders and other managers towards understanding what might have been intended to be achieved and the position at which the company stands. This paper has examined some of the core challenges that face small enterprises and proceeded to analyze strategic tools that document major solutions to the perceived challenges; drawing valid inferences in relation to the future implications of these challenges and solutions for organizations. Imperative to highlight is that the proposed strategic objective for companies and their decision makers is to capitalize on physical facilities towards developing and implementing a promotional plan that drives not only increased business but also establishes new alliances capable of improving the relationship between the company and its customer bases. From the scholarly findings documented, some of the core challenges facing Management Information System in organizations include ineffective or lack of adequate planning, financial constraint, lack of adequate knowledge and skills, and the decision to do it along, rather than embrace a connectivity and partnership perception. In response, strategic tools such as the Roundabout Model and the Portfolio Theory of Management Information System have proposed solutions that are worth embracing; with business firms unexceptional. Some of these solutions include embracing a global picture perspective, enhancing partnerships, learning from the past failures, remaining open to discussion, and holding regular conferences to collect feedback or the viewpoints of other industry players. Overall, it is projected that the decision by SMEs and other organizations in the activity sector to adopt the aforementioned solutions might prove important in terms of responsiveness and preparedness for any future business uncertainties and risks.

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