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# The Need and Role of Information Systems (MIS) in the Success of Small and Medium Industrial Enterprises

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# **ABSTRACT**

The use of information technology in the management of small and medium industrial enterprises is increased rapidly due to the efficiency and effectiveness. In the early stages of its development, the main objective of management information systems (MIS) to improve the productivity of small and medium industrial enterprises and was used to store information. Most attention focused on data entry and data collection, data transmission and analyze them.

Management of information was known during the integration. General review of the literature, the positive impact of MIS and management in small and medium industrial enterprises, including better access to information, more efficient management, greater use of company resources, reduced workload, better time management and improving the quality of reports highlighted. Some inhibitors of MIS are in the literature but are sensible. In the meantime, more than anything, the lack of time, lack of confidence and skill, lack of education, lack of support from senior management, and technical support are important. MIS can be informed for managers and professionals the information needed to plan, provide and evaluate policy. MIS has changed small and medium-sized industrial enterprises in the areas of leadership, decision-making, workload management, human resources, communications, risk, and planning. The system help administrator to participate in setting goals, strategic planning, resource distribution, and evaluation of staff performance and organizational success and.

**KEYWORDS:** management information systems, MIS, institutions, small and medium-sized industrial enterprises

# 1. INTRODUCTION

It is seen that the computers have the potential to contribute significantly to the teaching, learning and Management Company. Investment for the introduction of information and communication technologies (ICT) in schools, including hardware, software, networking, and staff development, will be considered valuable, if evidence of its impact on the performance of the institution and its effectiveness is proportional to exist (Condie et al., 2007). The use of information technology increased in managing rapidly due to the efficiency and effectiveness. Managers who spend a lot of their time in solving complex problems, (E.g., staff allocation, resource allocation, scheduling) and monitor the operations of the institution, currently there are better options due to the increase in technology.

MIS plays a vital role in making decisions. Since the disorder itself can monitor the system, a course of action to take control of the system is determined. Also associated with non-programmed decision has since supported through the provision of information search, analysis, evaluation and selection process and the implementation of its decisions (OBI, 2003). This system provides processed information for user, analytic model, updating in the real time and supposed scenario to help decision-making process. This article is an account of some articles which have investigated the impact of MIS in managing enterprises. Some of these articles include factors which inhibits use of MIS in the enterprise management.

Waston et al. (1987) described Management Information System (MIS) as a method of organization for the past, present and projected data on foreign intelligence operations. This issue of planning supports control and operation of the equipment and uniform performance at the right time frame to help decision makers.

Information technology facilitates decentralization of tasks and their coordination in an interactive network of communication in real time (Castells, 1996). They allow greater flexibility and networking that emphasizes interdependence, interaction and constant adaptation to a changing environment (Castells, 2001). Management information systems (MIS) are used by institutions to support a wide range of administrative activities such as monitoring attendance, assessment records, reports, financial management, and allocation of resources and

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personnel.

MIS for managers provide the needed information to efficient and effective administration. These systems are distinct from other information systems to analyze and facilitate strategic and operational activities of the organization and are designed to be used (O'Brien, 1999).

Telem (1999) defined MIS as an information management system designed to match the structure, task management, training and special needs of business processes. O'Brien (1999) defined MIS as a term given to the discipline focused on the integration of computer systems with the organization's goals and objectives. Based on the above definitions, MIS is a system that the information required by the organization at every level of decision-making, operational, tactical and strategic uses. Its main objective is the design and implementation of policies, processes, and procedures that are appropriate reporting accurate manner accurate, consistent, and timely offer.

# 2.REVIEW OF THE LITERATURE

The most basic office applications Computer Institute was begun in the late 1970. In early 1970, many failures, non-integrated office applications were developed. But these programs are limited possibilities for supporting the management of international relations since the data were not examined (Visscher, 1996). The main objective during the early stages of software development, and use it to improve the efficiency of the administrative activities of the Institute. The use of computers and technology in enterprises mainly for students and personnel information was stored information (Carnoy, 2004). Value of Information Management was recognized at the time of the merger. As a result, many projects were initiated by the government in many developed countries are provide incentives to enter into a higher stage.

These projects were conducted to produce better information systems for institutions that are meant to increase the efficiency and effectiveness of the institutions. Focus on developing a standard for many of the institutions with maximum flexibility. Professional approach to designing systems is not widespread at this time (Visscher, 1996). In the 1990s, the emphasis on the use of ICT for improving data collection and management training institutions in developing countries had begun to increase.

#### Small and medium-sized industrial enterprises

Small and medium-sized enterprises are the major industry and to its many advantages; including added value, innovation, job creation and greater flexibility. Small and medium-sized enterprises called the abbreviated SME, translated into Persian literature have also been seen with the following topics:

- Small and medium industries
- Small and medium businesses
- SMEs
- Small and Medium Organizations
- SMBs
- Small and medium units
- Small and medium industrial units
- Small and medium enterprises

In some cases, instead of the little words the little word is used. The definition of small and medium industries in different countries differ and the dominant industrial and economic conditions. Some of the criteria for determining the type of industry (small, medium and large) are used: the number of employees, capital, total assets, sales volume and production capacity. In the meantime most common measure is the number of employees that differ from one country to another set (Nategh, 2006).

# Characteristics of small and medium enterprises in Iran

Definition of small and medium enterprises in the country varies from organization to organization. Different organizations studied each according to its business requirements in terms of the definition and classification of large corporations, small and medium-paid. As defined by the Ministry of Industry, Mine and Trade and the Ministry of Agriculture, SMEs, industrial units and services that are less than 50 employees. Iran Statistical Center, businesses are classified into four groups: businesses with 91 employees, 4,910 employees, 9,950 employees and more than 100 workers. According to the latest definition of small industries and industrial estates, small industries industry is said that the number of employees is between 5 and 50 people and scale industries which are more than 50 people are employed.

The law of development of small businesses and was approved in 2005 to return soon and it was the responsibility of the executive authority of the Small Industries & Industrial Parks to the units of production (goods

and services), less than 50 employees, small business and only the firms are subject to the regulations are defined.

What the Statistics Department of the Central Bank of Iran considers the classification, so that units with fewer than 10 employees "little", 10 to 49 employees "small", 50 to 99 employees "average" and above 100 employees "big" called.

According to the Ministry of Industry, Mine and Trade by the end of 2013 workshops number of less than 50 employees in the industrial exploitation license 82.8 thousand units That share of 91.5 of the total number of units allocated to industrial exploitation license. However, the share of total employment is investment and industrial units of 24.4 and 41.2 respectively. The opposite, workshops and more than 50 employees, despite their low share of the operating licenses, share 75.6 and 58.8, respectively, the percentage share of total employment, investment and industrial units allocated to that workshops higher than 50 people employees.

# Research background

Visscher (1996) argues that managers can MIS managers the information they need to make informed planning, policy and provides assessment. Gurr (2000) Claimed that the MIS management institutes in the areas of leadership, decision-making, workload management, human resources, communications, risk, and planning has changed.

These systems can determine the goals of the institution to institution director, strategic planning, resource distribution, and evaluation of staff performance and organizational success (Telem, 1999 Telem and Buvitski, 1995).

Bober (2001) showed a growing interest in the MIS and the trend toward thinking, Long-term planning for the implementation of MIS in the belief that some institutions such systems allow for better regional management, to empower employees at all levels.

If managers are quick and efficient decision-making institutions are accurate and up to date information can be possible MIS (Christopher, 2003). Several studies in recent years to collect data to the extent that the Company is developing the capacity to use ICT in teaching, learning, and management processes have been performed. Steady increase in the number of computers and technology over time in the literature is clear; many institutions are the goals for the computer to student ratio (Condie et al., 2007).

North et al. (2000) were focused the effect of MIS at the Institute management capabilities. Their study was on the role of supporting the creation of such processes and their implications for the future.

However, it was clear that one of the important features that should be considered, relation to data collection and data collection was to use them, since the founding director of the different forms of analysis for teachers needed in some cases. Visscher, Wilde, and Fong (2001) with a series of studies from a range of countries have found that the most important features of the Institute of Computer Information and management systems, their implementation in a wide range of institutions, the results of the implementation, and the implications for future research were collected.

They have the most extensive studies of ICT and management perspective view of MIS provides institutions. However, it was clear from the survey that more attention was focused on data collection, and not on the transmission of data and analysis.

Zein, ATAN, and Idrus (2004) examined the impact of ICT on the management practices of companies in Malaysia. Analyze some positive changes including cultural enrichment ICT, better access to information, more efficient management and operation of the institution indicated.

Participants were faced challenges that time constraints, higher administrative costs, negative acceptance, support staff untrained, abuse of ICT, and problems related to the procedural requirements imposed rigid.

Reduce workload, beneficial impact on time management, and improving the quality of reports, as a major influence in the management of MIS organization and management are outstanding. Some studies show that, since staff of some institutions to develop skills and confidence in using ICT technologies have earned (. Cunningham et al., 2004 Condie et al., 2007) and experienced reductions in some aspects of their work.

Cunningham et al (2004) claimed that the use of ICT by senior management in the development of enterprise systems management tasks to manage and reduce the value. Granville et al. (2005) found that employees believe that the use of technology, according to accounts, attendance information, and the sharing of confidential information, administrative tasks easier.

In other words, the management of enterprise information systems has increased significantly save time and facilitates the development of alternative solutions to the complex problems (Visscher and Wilde, 1997; Pegler, 1992).

PricewaterhouseCoopers study of teachers' workload (PWC, 2004) showed that, ICT workload issues for some employees, especially those who had confidence in its use. Staff in the handling, storage, and other tasks such as maintaining information and reports received great interest. However, some employees reported having more time to complete some paperwork using your need.

On a personal level, lack of confidence or skills to progress, While at the corporate level, the lack of an ICT strategy of network workload clear and certain negative factors were ineffective.

Positive factors in addressing the issues of workload as good leadership, training, technical support, and effective networks were identified. Demir (2006) examined the 98 directors of the institution in Turkey to explore the perception of MIS and their use in the management of some institutions. This study showed that although some institutions have sufficient infrastructure technology, MIS has made important contributions to the Agency. Demir (2006) suggested that the director of the Institute should be encouraged to make use of information systems and they must believe that they are a valuable source of information for decision-making and the MIS of educational reform backup.

Momtaz (2000) in his review highlighted the positive and negative factors affecting the use of ICT in enterprises outstanding including collaboration among employees using computers, the availability of technical support for the development of more formal computer training institute.

Technical support and commitment of senior management and support, the issues were the same (. NGfL, 2002; Ghalam zani, 1997 Momtaz, 2000). Other issues that have appeared in the literature, such as the personal feelings of the staff, skills, and their general attitude to the information technology (Hruskocy et al, 2000; Kirkman, 2000; Momtaz, 2000).

Similarly, a number of disincentives for the use of ICT in the literature are evident, primarily in the lack of time (NGfL, 2002; Momtaz, 2000; Kirkman, 2000), lack of staff training (Kirkman 2000, Momtaz, 2000), lack of senior management support (Kennewell et al, 2000; Passey, 2002), lack of technical support (Yi, 2000), lack of ICT (Momtaz, 2000), the absence of a supportive culture, and (Kennewell et al., 2000) deficiency staff confidence and motivation (Kirkman, 2000; NGfL, 2002).

Some of the most prominent barriers to the use of ICT in the management of specific research institutes are The lack of data analysis skills among managers, lack of training in the use of management tools based on ICT, and the lack of software that is easy for users to analyze the results of the institution (Carnoy, 2004).

A recent study conducted by Dawam and colleagues. (2009) the use of ICT in organizations is examined in northern Malaysia. The study has identified the ICT resources provided by the university, the type and extent of use of ICT in everyday activities, Skill Level ICT, the staff and the level of integration of ICT in activities focused.

The importance of ICT for society and future prospects in the educational literature is clear. However, the real importance for management is still not fully observed (Passey, 2002). Educational management literature to show that attitudes towards ICT are often significantly is changing.

This is likely to have a major impact on ICT and management of the institution. According to Passey (2002), the role of ICT in support of the management company is the need to clear the area of research. There are a number of gaps in the research literature, for example in the MIS database role has not translated into practice (Passey, 2002).

# 3. CONCLUSION

Passey (2002) stated that one of the key priority areas for future research investigating MIS aid in the effective management of the company. There are Problems in this area with the technologies used and the lack of available methods for users to use information.

Management information systems organizations has improved greatly over the past two decades and many of those organizations have combined the most important elements required by management. However, each institution has its own requirements. Further studies are needed to explore areas of improvement in the MIS. Since many of these systems have been developed based on the needs of the site is required.

These systems are usually passed out and may be based on site management needs to be further increased. Effective leadership training can intensify benefits MIS management institutes and industrial enterprises, especially small and medium.

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