

What is MIS?

MIS is the use of information technology, people, and business processes to record, store and process data to produce information that decision makers can use to make day to day decisions. The full form of MIS is **Management Information Systems**. The purpose of MIS is to extract data from varied sources and derive insights that drive business growth.

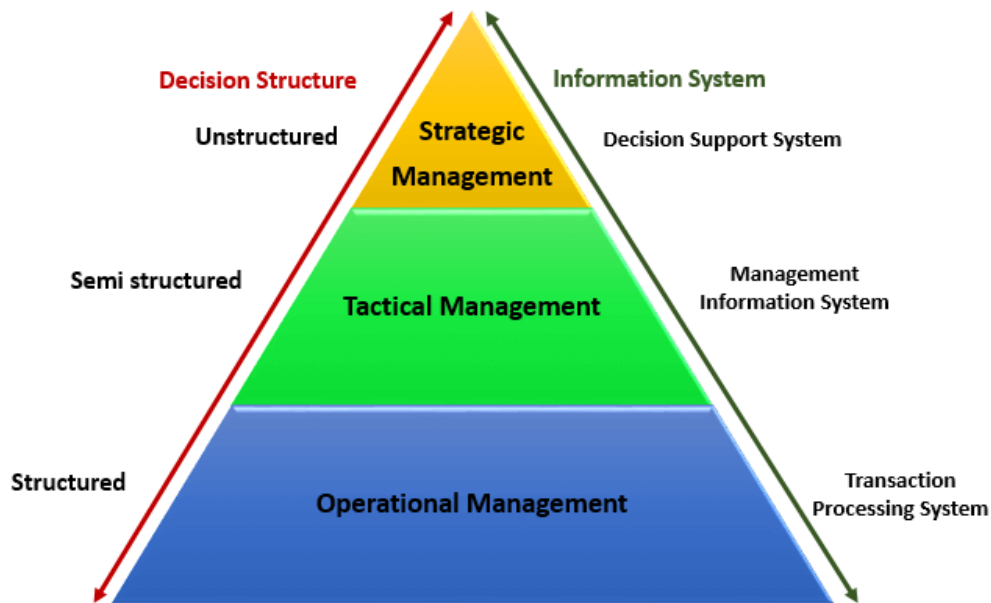
Components of MIS

The major components of a typical MIS long-form (Management Information System) are:

- **People** – people who use the information system
- **Data** – the data that the information system records
- **Business Procedures** – procedures put in place on how to record, store and analyze data
- **Hardware** – these include servers, workstations, networking equipment, printers, etc.
- **Software** – these are programs used to handle the data. These include programs such as spreadsheet programs, database software, etc.

Types of Information Systems

The type of information system that a user uses depends on their level in an organization. The following diagram shows the three major levels of users in an organization and the type of information system that they use.



Transaction Processing Systems (TPS)

This type of information system is used to record the day to day transactions of a business. An example of a Transaction Processing System is a Point of Sale (POS) system. A POS system is used to record the daily sales.

Management Information Systems (MIS)

Management Information Systems abbreviated as MIS, are used to guide tactic managers to make semi-structured decisions. The output from the transaction processing system is used as input to the MIS system.

Decision Support Systems (DSS)

Decision support systems are used by top level managers to make semi-structured decisions. The output from the Management Information System is used as input to the decision support system. DSS systems also get data input from external sources such as current market forces, competition, etc.