



The Role of Management Information Systems in Improving Company Performance (Literature Review)

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Abstract

Management Information Systems (MIS) have become an essential component in modern organizations. This study is a qualitative study, and aims to explore the role of Management Information Systems in improving organizational performance. Data collection was taken from various literature and previous studies that have been published in various national journals. The data analysis method and discussion were carried out using a comparative method, namely comparing several previous literature and studies with the same theme, then reviewing various literature and various previous studies that have been conducted in various corporate organizations. The results of previous studies indicate that Management Information Systems have a significant impact on improving operational efficiency, better decision-making, and the ability to adapt to changes in the dynamic business environment. Management Information Systems enable organizations to collect, process, and analyze data in real-time, providing valuable insights for making the right decisions. In addition, Management Information Systems supports better collaboration and communication between departments and stakeholders.

Keywords: Performance, Employees, Company, Management Information Systems

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Introduction

The use of information in today's era of reform and globalization is crucial for every organization and company. Organizations must go through various stages of change, and each change and established regulation must be understood and implemented to achieve their shared goals. These stages serve as guidelines for how competition must be addressed. To be competitive, organizations must prepare themselves to face current conditions, particularly through the development of reliable human resources. Achieving this goal requires accurate and relevant data and information, which are then processed through a system, namely a management information system, as this system plays a crucial role in the organization's existence and implementation of its programs.

Information systems are a crucial component in increasing company productivity because they contain complex tools responsible for collecting, obtaining, processing, storing, and distributing data and information. Companies possess various information systems, including management information systems. This system is a collection of interconnected components that facilitate management's functions, such as planning, supervising, and directing the work of all departments under its coordination. This system, in turn, facilitates the determination of company strategy.

For companies, the availability of quality human resources is crucial, as a company's competitive advantage is inextricably linked to the abilities, talents, energy, and creativity of its human resources. Therefore, companies need to manage their human resources effectively, which will impact productivity. This improvement must be achieved through effective performance, which can be achieved in various ways, including



strengthening information systems and monitoring their use. Monitoring, as a management function, is crucial because it compares or measures current or past implementation against predetermined criteria, standard norms, or plans (Feryanto and Shynta, 2015:63).

Employees, as human resources, are a key asset in every organization. Optimal employee performance can improve service quality, and with employee performance management, employees can optimize their abilities to perform their jobs. Employee performance is the work results achieved by someone in carrying out assigned tasks. Improving employee performance can be achieved through the implementation of a management information system. Overall, the implementation of a management information system can have a positive impact on employee performance. A management information system can help employees work more effectively, productively, and with satisfaction. This can contribute to improving overall organizational performance.

Employee performance is the work results in terms of quality and quantity achieved by a person in carrying out his duties in accordance with the responsibilities assigned to him (Mangkunegara P. Anwar, 2016). To obtain quality work results is certainly influenced by various factors, one of which is the implementation of a management information system, the availability of a management information system can support management functions, starting from the formulation of goals and objectives to evaluations conducted by the company for evaluating programs to support improving employee performance, the information system provides information for both managerial needs and operational needs, of course the information is useful to support employees in carrying out their duties so that it will affect performance towards the company.

Employees play a crucial role in the progress of a business because having reliable human resources can help achieve company goals. Based on the considerations outlined above, it is interesting to conduct a study on the role of management information systems in improving organizational/company performance.

Theoretical Review

The role of management information systems in improving employee performance in various organizations has been extensively studied, both through quantitative and descriptive qualitative research. Based on the literature and previous research published in various research journals, we



will review the role of management information systems in improving company performance.

1. Research conducted by Putra and Suputra (2023), who conducted quantitative research, found that management information systems demonstrated a positive and significant impact on employee performance at the Bangli Regency Tourism and Culture Office. This demonstrates their relevance to improving employee performance because a good management information system facilitates employees in gathering the information needed to complete their work. A good information system also facilitates decision-making.
2. The results of research by Ali, Fitian et.al (2023) stated that the Management Information System has an effect on Employee Performance at PT. Bank SulutGo, Gorontalo Branch. This means that the Management Information System used contributes positively to employees, so that the better the management information system used at PT. Bank SulutGo, Gorontalo Branch, the better the employee performance. The information system implemented at PT Bank SulutGo, Gorontalo Branch is an application system called BSGtouch which can help and facilitate employees in conducting transactions with users or customers. So with the available information system, it is expected to improve employee performance which will later bring progress to the company. The management information system is very important to support overall employee performance as well as individual employee performance. Performance is a real behavior displayed by each person as a work achievement produced by employees according to their role in the agency. Performance is something desired by both employers and workers. Employers want their employees' performance to improve work results and company profits. On the other hand, workers are interested in self-development and job promotion. In general, it can be said that good employee performance aims to increase productivity.
3. The results of Maswari et al.'s (2023) research on the role of management information systems at PT. Atlantic Biruraya, a company engaged in the production and distribution of bottled drinking water (AMDK), Pandaan, East Java. The company's operational processes, PT. Atlantic Biruraya uses the DOS operational system. Although still simple, it is very useful for the smooth running of employee work on the transaction processes they have. It is stated that the benefits of using a management information system at PT. Atlantic Biruraya are:
 - a. Get data and information faster
 - b. Facilitates coordination of team work division



- c. Customer service is getting better.
4. The results of a study by Year and Siahaan (2024), who conducted qualitative research at Quality University, stated that the role of management information systems at Quality University can improve employee performance. The implementation of a management information system is a computer-based system that provides information to all employees. The information obtained can be one of the main systems to explain what has happened in the past, what is happening now, and what might happen in the future. This information is available in the form of periodic reports, special reports, and information outputs. Information outputs are used by leaders or employees in the organization when they make decisions to solve problems. A good management information system will be able to improve employee performance in carrying out their main tasks and functions. The implementation of a management information system is very important in supporting daily management operations, which consists of information system resources to assist tactical planning and decision-making, to support planning and policy formulation at the management level. A management information system is an information system that can enable an organizational leader to obtain quantity and quality, as well as the right time to be used in order to improve employee performance. A management information system also enables leaders to solve problems that could not be solved previously. In addition, a management information system can reduce waste or inefficiency and can increase the effectiveness of employee work.
 5. Simatupang's (2024) research results state that the management information system at the Tarutung State Christian Institute (IAKN) is already computer-based, even the preparation of financial reports uses a computer called a financial management information system. Therefore, it can be said that the implemented management information system is in accordance with technological developments. Based on the results of data processing regarding the management information system, it was found that the management information system has support for financial performance, where financial reports are always submitted to managers on time because the system used in preparing the financial reports can be used by the employees concerned.

Research Method

This research is a literature review. Therefore, it is qualitative in nature. Data sources come from various literature sources. Previous



studies published in various national journals, in accordance with the research theme, namely the role of management information systems in improving company performance. Data analysis was conducted using comparative analysis, namely comparing several literature and previous research results on the same topic to identify similarities and differences.

Results and Discussion

Based on the results of previous research presented above, it is very clear that Management Information Systems have a significant role in improving organizational performance by providing accurate and timely information, supporting decision-making, and facilitating coordination and collaboration between departments. The role of Management Information Systems in improving organizational performance includes:

1. Increase Efficiency and Effectiveness.

Management Information Systems provide accurate and timely information needed to facilitate decision-making, enabling planning, control, and operational functions to be carried out effectively. Thus, Management Information Systems enhance a company's competitiveness and trigger fast, accurate decisions that align with best practices within the organization effectively and efficiently.

2. Improving Coordination and Collaboration.

Management Information Systems facilitate the exchange of accurate information between departments, establish healthy relationships within the organization, and make it easier for management to delegate tasks and coordinate between departments quickly without having to meet face to face.

3. Supporting Decision Making.

Management Information Systems provide accurate, timely, and relevant information to support decision-making within an organization. With a Management Information System, management can analyze organizational performance from year to year, compare results with planned performance, and make decisions that consider the overall impact.

4. Improving the Quality and Productivity of Human Resources.

Management Information Systems assist in managing Human Resources data, such as personal data, work history, absences, and employee performance. Introducing Human Resources to Management Information



Systems indirectly improves their performance, especially if they are unfamiliar with how the system works.

5. Improve Supervision and Planning.

Management Information Systems facilitate the supervision, planning, direction, and delegation of performance across all coordinating departments. With Management Information Systems, management can monitor organizational performance more effectively and identify areas for improvement or enhancement.

Conclusion

Based on the discussion of various previous research results regarding the role of management information systems to improve company performance, it can be concluded that information systems have a positive role, characterized by systems that are able to present accurate, relevant, timely data/information, as well as quality information in the decision-making process so that system user satisfaction is met, effectiveness in carrying out work so that it helps provide quality services, and provides efficient benefits in terms of cost savings.

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