DESIGNING MIS

As a company grows, Management Information System (MIS) reports keep increasing. Rarely are old reports pruned. So a typical scenario is that IT or Operations or Central MIS department keeps sending several reports and data dumps (either on email or available on portal). Business users ignore some of the reports due to the sheer volume and in many cases have their internal person working on Excel to churn out reports as needed from the data dumps. Some companies will definitely be mature in terms of MIS and its usage. But overabundance of data, overlap, and lack of user-friendliness in reporting do seem to be common in many companies still.

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Based on the consulting assignments done by us, have listed a few principles which could help in MIS revamp to create better user-friendly MIS in any company. Many of these points are obvious but disciplined planned execution along these lines will definitely make the MIS lucid and actionable

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1 — User driven Not Source driven

In many cases, the user receives reports from multiple departments. Various reports/data dumps are sent by IT, Operations, Marketing, Business MIS team. The formats, hierarchy levels, periods could differ. Further since the files come separately and at different times, it is difficult to compile them.

Instead if the MIS is designed based on the user and all relevant data is compiled into a single dashboard, correlation and analysis becomes much easier. For example, a Zonal Head of an insurer would prefer one single dashboard (with maybe multiple tables/sheets, graphs) with data on sales, new business status, renewals, claims, branch performance, hiring and exit rather than separate files coming from MIS, Operations, Renewals and Claims teams.

This means that departments sending MIS have to co-operate and co-ordinate between themselves till there is formal Central MIS team formed at company level.

2 — Level of Details

It is difficult to decide the extent of information to be provided in a report. Sometimes the need is for a telescopic view to see the big picture whereas sometimes it is for a microscopic view to explore the details.

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One solution is to provide flexibility to the user in terms of what to look at. However, this still does not obviate the need for standard reports.

There can be two approaches to this issue. One is to create different MIS for different user roles and for different periods. So there can be a daily and monthly MIS for sales field force, sales managers and business head. The contents of each can be decided suitably.

The other approach is to provide a summary sheet and detailed MIS which would allow the user to use whichever view is convenient and relevant at that point of time.

3   Tabular v/s Graphical

Some people have a definite preference for data to be shown in numbers in tabular form. They are comfortable understanding the trend and finding patterns from it. Some people like to view graphical reports. They can comprehend data better with bar charts, pie charts or trend lines. At the risk of sounding biased, have noticed that people with finance background typically like tabular form whereas people from sales prefer graphical. It is important to have the right mix of both in MIS so as to appeal to the relevant set of users.

A lot of information becomes comparable when translated into ratios. For example, if we are told that Team A processed 52 loan applications while Team B processed 72 loan applications, it might be not be possible to judge the performance. If Team A had 4 members and Team B had 6 members, the applications processed per member for Team A are 13 and for Team B 12. It is now possible to meaningfully compare the performance (at least in terms of speed).

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However, while using ratios, it is important to look at the base. For example, say, Region A gets a quality score of 100% and Region B gets a quality score of 90%. If Region A is a small region where only, say, 2 insurance applications were input and both were input without any mistakes, the quality score would be 100%. But that should not be compared with the quality score of Region B where 100 applications were input and 90 were error-free. It might be a good idea to create bands or groups of Regions based on absolute values (no. of applications in this case) and then compare the ratio (quality score) within the band or group. Like in this case, could be low volume and high volume Regions and comparison is within.

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5   Highlighting Exceptions

Since there is a lot of data getting presented to the user, it is useful to highlight exceptions both good and bad. The user should be able to view the details conveniently so as to take suitable action.
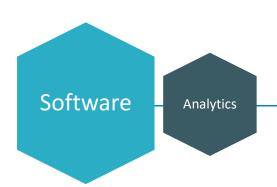
6   Linkage of Performance Drivers

When MIS is presented, a lot of data is shown but it is left to the user to decide what to make of it. Instead if there is some guidance provided by showing the performance drivers along with the output, it will be easier for the user to see the pattern. To arrive at this linkage, discussion with business people would be needed as also corroboration from past data.

To conclude, when everyone is talking of the more glamorous predictive data analytics, it still makes business sense to look at the traditional MIS and check whether it needs a recast. Any improvement in this area will definitely lead to better decision making in the company.

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