THE MANAGEMENT'S ROLE IN THE SUCCESS OF THE INTRODUCTION OF MANAGEMENT INFORMATION SYSTEMS

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─**Abstract**─

The study deals with the company leaders' attitude in connection with the company information systems, which has a huge impact on the company innovation. It examines the target company's human and leadership side as users, furthermore also the sales company. The examinations happened with deep interviews and case studies. My aim is to raise awareness for the responsibility, that reside in the activity of companies, which develop corporate governance and decision support systems. Because in these days has become evident that there is great innovation potential in companies in the sphere of corporate governance programmes. The backwardness of these can result in uncompetitiveness, because they can not respond to the market changes in time. Even if they manage to react, it is not sure that they are in the possession of the sufficient information, and they

reach the expected effect. I think of the consequence of their decisions, which react to the company. The study introduce via case studies the unsuccessful, on the short run operating and for a long time operating company information systems' introduction and operating projects and experience, and it values their edifications.

Key Words: *management, success, introduction, information, systems,*
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1. INTRODUCTION

1.1. The aim of the study

Our aim is to draw attention to the responsibility, which resides in the activity of companies dealing with developing corporate governance and decision support systems. Because in our days has became evident there is a great innovative opportunity in companies in connection with corporate governance programs. The underdevelopment of these can result in uncompetitiveness, because they can't respond to the market changes in time. Even if they manage it, it is not sure they do this in the aware of the adequate information and they reach the desired effect. We think of the consequence of their decisions, which react the company.

Beside the well known resources such as material, energy, labor and capital exists for decades a new resource, the information. The up-to-date devices and methods of informatics enable the data collection, data storage and data transfer in bulk. But the efficient utilization of information we have to solve its global collection, processing, access and its (for every user) equal interpretation. This way we will have the opportunity to reveal, interpret and analyze the connection between the stored data, and retrieve the appropriate trends from them. The received information can be used in the business, in the corporate governance, in the leadership of organizations and in decision situations. The different computer based decision support systems make it easier. The present information system technology enables that the decision makers with the help of international (internet) and organizational (intranet) networks reach the necessary data and information in real time irrespectively of their geographical position. [SÁNDORNÉ, 2008]

The innovation is offered by opportunities can't be hindered, it must be promoted as much as possible. My experience, I gained during the preparation of the study, differ from this approach, which place the innovation in the centre. It could have been experienced in most cases, that instead of innovation, the immediate gain was in the centre. This is typical for the companies that sales systems, but not for those that taking services.

The goal of the study is to explore the problem in connection with the introduction of corporate governance and ERP systems. The examination extended to the sales and processing companies.
1.2. Material and method

The study is based on in-depth interviews which were carried out with industrial, agricultural and commercial companies. It made examinations with the help of numerous case studies. It asked the opinion of 10 leaders and 30 employees, whose scope of activities were accounting, finance, human resource and administration. It investigates the unsuccessful, only on the short run operable and on the long run effectively operating corporate governance systems. It attends to during their introduction, usage arose questions, happenings, examines the exerted effects and the outcome of the decisions.

2. INNOVATION BY MEANS OF MANAGEMENT INFORMATION SYSTEMS

The ERP systems are such „information system packages, that integrate the information and the information based processes within the company functions and beyond them." (KUMAR 2000). The introduction and usage of the ERP systems means radical change compared with the previous systems, because the business functions interconnect in an integrated way in the automation of the work process, in one authentic database. The ERP systems spread widely because of their possible advantages. (O'LEARY 2000; BRADFORD 2001; WINTERS 2004). Former accounting researches verified the positive market expectations, because the market responded positively to the news of the introduction of the ERP, and improved the operational performance of the companies for the impact of the introduction of the ERP. (HAYES et al. 2001; HUNTON et al. 2003).

The frame of the study is a model, which is adaptable to the introduction of the management information systems.
- emergence of executive's demands
- formulation of goals
- position survey, position analysis
- cognition if software
- decision making
- introduction
- operation
- development

2.1. Emergence of executive's demands, formulation of goals

The causes of the establishment of management information system
- The lack of information because of the complexity of the corporate structure
- Cost cutting, efficiency enhancing, profit increasing
- Change management
- Planning, and the monitoring of their fulfillment

It can be advantageous handle the emergence of demands and the phrasing of the aims together, because it is the best if both of them are thought out at once.
Generally the most emphasized and one of the most important goal is being up-to-date in companies. It contains managing data and preparing analysis instantly.
During the examinations of BENDOLY (2005) the result was, that companies which use management information systems achieve bigger savings in point of the average income through B2B procurement than companies without MIS systems.
With the development of the company and leadership approaches emerges the need of the wider and more special information. These are necessary for the governance, the support of the daily activity of the leader and furthermore making important, strategic and long run decisions. The suitability of owner's demands has a great significance.
The development and expansion of the company makes its structural construction more and more difficult, and its operating becomes less transparent. This case the adequate management information system is indispensable to reach a wise, right and major decision. BRADFORD (2003) constituted his theory about the spread

of the success of the innovation and the information systems. He determined, that the qualification level of the employees working with the management information system and the system's introduction urging press of the market influence positively the effectiveness of the introduction.

We divide the information, based on its source, into two parts: information inside and outside of the company. The internal information provides data about certain company positions and processes (for example: cost, capacity, level of stock, production, sociological features). The outside information contains data about the environment (for example: position of the market, prices of the market, laws, decrees). The manager is a person, who uses the available resources with responsibility in order to achieve the aim of the company. Resources include people, material, money and information according to our interpretation. WEILL (1998) draw attention to the infrastructural building as one of the most fundamental management objective during the IT investments.

The most frequent aims of organizations are the cost cutting, income boosting and the increasing of profit. The manager works to achieve these goals, while realizes four functions: planning, organization, governance and controlling. (SZYMANSKI et al., 1988)

The planning is a process, when we compile the possible activities to realize the short run and long run goals of the organization. During the organization we collect the available people, devices, capital and create a structure, which enable the efficient work. Playing the leading role, control the employees through communication and motivation: this is the governance. The controlling checks if the organization reaches the desired aim. The manager evaluates the performance of the organization, and if it is needed he plans and realizes the changes. (SZYMANSKI et al., 1988)

2.2. Position survey

During the position survey we determine the areas that don't meet the requirements. It is practical to analyze the processes of the company based on its organizational structure from top to bottom, from the general aspect to the concrete tasks. The position analysis demands careful organizational work and in favour of the successful introduction it is beneficial if it is carried out by a team. The following people have to take part in the team: leaders, who are the end-users,

the key-users, who know the best the operating of the system, and the simple user, who record the data electronically.

The position analysis can mean document analysis, during this documents are controlled, that influence the operation of the company (Organization and operating regulations, Warrant regulation, Document handling). The another possibility is the questioning. It means the questioning of the employees with the help of interview or questionnaire. The third possibility is the workday recording. This case a description is made about processes and activities, so in chronology is recorded who, when, how long and what did.

To get an accurate and clear picture with the examination, it is worth investigating the development opportunities, but not exploring the problems, because the leaders and employees don't acknowledge easily the defaults of the existing systems, so they are in a self-defense role. They protect the image of the „perfect company", that here is everything all right. This way they try to seclude from the novelty and avoid the extra work, but it can happen, that this kind of strategy causes the most overwork, because they spend more time solving and correcting the existing errors and shortcomings, then if they would eliminate the problems with a bigger change. They insist on the well-known programs, the habitual daily tasks and work schedule, which are not sure that ensure the most efficient operation, if we put the interest of the company in the foreground.

The fragmentation of the company's programs and decision support systems could have experienced during the examinations of the study. The companies used different programs for every task, which had diverse manufacturers, so it hindered them to cooperate as a complex system. Its cause was the not continuous, not simultaneous and not conscious system creation. The most important aim of the procurement was the changing of the old program or the solving of the current task, problem.

Often lacks during the procurement and development of the systems and programs the basic economic approach, which would examine the extra-profit coming from the further extra-expenditure.

2.3. Cognition of software's

During the process the systems were mapped, with which the executive's information needs can be satisfied, or the preliminary formulated goals can be reached.

We have to take into account a lot of aspects in the choice apart from the price of the system and the operating costs. We have to pay attention to the functional aspects: what kind of modules contains the system, in what proportion it can cover the corporate structure. Furthermore it can be important what kind of references have the supplier of the system, how many installations does it have, how many is its market share, is there any reference in the same branch. The third relevant viewpoint, that influence the decision is the technical background, that includes software and hardware demand of the client-server architecture. Other aspects can come into question in case of choice: what covers the support activity of the supplier, what is the deadline of averting in case of failure, what kind of other services does it offer.

During the making of the study one part of the companies claimed insight into their operational processes and the consultation with the help of the reference companies before the introduction of the new system. This way they could make sure the suggested system would be appropriate for them. As an other alternative the companies could try out the system, which meant they installed the wanted system for a defined time. Before this decision the study would call the attention to the careful circumspection because this trying use up a lot of resources, and the leaders can lost their interest in the introduction of executive decision support systems in case of not proper or frequent changes.

2.4. Introduction, operation and development of the system

After the selection of the software that satisfy the needs of the leader the introduction of the system has to be provided. The adequate documentation can contribute to the success of the introduction. The selection of the most appropriate change method and the preparation of the employees can be essential. To operate the newly introduced system with the maximal functionality the appropriate toolkit and system-surveillance is needed.

After the introduction of the system it is important to utilize its opportunities totally and the changes, that occurred in the internal processes, have to appear in the operation of the executive information system.

The chosen system has to cooperate entirely with the so far used and the further also necessary programs or its functions have to be integrated entirely. The more fortunate case is if the system can supersede the old ones because the later changes can be monitored easier, because we can talk about a complex system, which is based on the same language system.

Furthermore an essential viewpoint is that the new system possesses a logical and user-friendly interface so it can make the switch easier, because if the system makes the everyday work simpler, the user will accept the changes more favorably.

The availability is very important mainly at the beginning because the arising problems have to be solved urgently. It is also essential later, because the occurring problems have to be tackled and the newly arose demands have to be satisfied. The cost-efficiency has to be taken into account during the actions are carried out.

The examinations, that made during the study was conducted, disclosed that a lot of companies went through structural change more times, that introduced executive information system. Its cause can be the changing of the owner or the changing in the economic environment. The satisfaction of the owners and the success of the system influenced how quickly could adapt the existing information system to the occurred changes. It could be experienced that most times this happened successfully because of the exhaustively considered decisions. It is an essential viewpoint that the system follows the laws and regulations.

3. CONCLUSION, SUGGESTIONS

It is important to mention the responsibility of the trading company considering the management information systems. They play a key role in the success of the introduction, and its failure can hinder the improvement of the company. The

referred sense of responsibility has to be expanded to the developers because their not enough cooperative or perhaps not professional activities can cause serious problems in the operation of the companies. Also the users can't be forgotten because they have to accept the achievements of the era, have to improve together with the company, have to respond to the occurred changes, have to suggest great critics and support the success of the company with the help of the continuous innovation. They will also share in the effects of the co achieved results.

We finish our study with a motto which is worth keeping in mind particularly in the system supplier companies.
Long run cooperation instead of the short run profit generating.

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