

## CREATING AND MAINTAINING INFORMATION

It is no longer possible for the Chief Executive to manage every aspect of the business without assistance. He must delegate authority and confine himself to directing and evaluating the achievements of other executives. He must rely upon these executives to manage the details of the business on his behalf. Therefore, the Chief Executive is becoming increasingly dependent on properly presented management information, in order for him to evaluate results and to aid decision making. This is also true at all levels of management, because it has become vitally important to set carefully allotted tasks.

Four important information aspects emerge when one is creating systems of control:

- ❑ Only a proportion of the information which is moving through the organisation is of real management importance. Much of it may be relatively valueless. Some of the information may even tend to confuse the issues. The former must be identified, studied and developed from an overall viewpoint.
- ❑ Both the control system and the organisation structure must be designed so as to use the important information, and discard that which is valueless and concentrate only on that which is meaningful for management purposes. This reasoning applies to each level of management.
- ❑ It is important that the information system provides for the needs of different levels of management, that is, top and middle management, and for supervisors at work level. This includes feedback to the owners/shareholders and provision for certain legal, and government requirements.
- ❑ Decision making may be involved at each management level. Therefore, each level requires information for its own specific needs. Often the information for various levels of management may develop from the same initial sources. Therefore, its value will lie in the manner and form in which it is presented to suit each level concerned.

It is, therefore important before considering how best to provide information needs for decision making, to examine the following key factors:

- ❑ What to measure
- ❑ Interpretation, to aid decision making
- ❑ Selectivity and Accountability and controllability

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