

Impact on Management Information System in Life Insurance Corporation of India

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ABSTRACT

Management information system is the study of people, technology and organizations. The interest and desire for technology improves the life of the people. Everyone who works in business, from someone who pays, the bills to the person who hires and fires, uses information system. For example, a super market could use a computer database to keep track of which products sell best. In LIC this system provides to the customer with quality service. This paper presents the importance of MIS in LIC. Keywords: MIS, LIC, Information.

1. INTRODUCTION

Information is now treated as resource in the light of powerful worldwide changes like the emergence and strengthening of a global economy, the transformation of the structure of business enterprises, these changes in the business environment, now pose a number of new challenges to business firms and their management. Many organizations are presently using Management Information System to reduce their manual work and to ensure quick decision-making. LIC is one of the public sector organizations in India having a large number of branches at several places in the country. It is utilizing the management information system for keeping data files, staff information, letter typing and to produce better customer services. Management Information System The management information system is a network of communication channels and information processing centers collecting information from its sources of origin: Storing, updating, collecting and processing it and supplying the processed information to the various users managing the organizations. The MIS has been described as a pyramid structure in which the bottom layer consists of information for transaction processing, status inquiries etc., The next level consists of information resources in support of day to day operations and control; the third level consists of information system resources to aid in tactical planning and decision making for management control and the top level consists of information resources to support strategic planning and policy taking by higher levels of management. Computerized information system are developed and utilized by two categories of organizations. Firms who have the in house and service bureaus who develop them for use by the outside clients use this MIS.

PROGRESS OF MIS

A beginning in the development of computer based information system in the Indian organization was made in 1960's when second generation computer came into wide commercial use some used these computers for accounting purpose, others developed mechanized reporting systems. The second generation computer technology allowed for centralized information processing in the batch mode on the periodical basis. Organization designed and implemented functional information subsystems in the functional areas of finance, inventory production, marketing, personnel etc;

LIC AND MIS

Life Insurance Corporation of India (LIC) is the largest state-owned insurance group in India, and also the country's largest investor. It is fully owned by the Government of India. The LIC started functioning from September 1956. The LIC transacts business throughout India with its central office at Mumbai. It transacts its business in foreign countries too like the U.K., Mauritius, Fiji and Middle East with main office at Baharin.

Today LIC function with 2048 fully computerized branch offices, 109 divisional offices. 8 zonal offices and the corporate office LIC's wide area network cover 100 divisional offices and connects all the branches through a Metro area network. LIC has tied up with some Banks and service providers to offer on-line premium collection facility in selected cities. LIC's ECS and ATM premium payment facility is an addition to customer convenience. Apart from online Kiosks and IVRS info centers have been commissioned at Mumbai, Ahamedabad, Bangalore, Chennai, Hyderabad, New Delhi, Pune and many other cities. With a vision of providing easy access to its policyholders, LIC has launched its SATELLITE SAMPARK office. The satellite offices are smaller, leaner and closer to the customer. The digitalized records of the satellite offices will facilitate anywhere servicing and many other conveniences in the future. The corporation has already put up a WORLD WIDE WEB page on the INTERNET containing information about LIC and its subsidiaries- LIC mutual fund, LIC housing finance and their products. Efforts are on to upgrade LIC'S web site to make it dynamic and interactive. LIC has also given internet connections to its zonal offices and overseas branches to improve the speed of inter-office communications.

LIC has crossed many milestones and has set unprecedented performance records in various aspects of life insurance business. The same motives which inspired our forefathers to bring insurance into existence in this country inspire us at LIC to take this message of protection to light the lamps of security in as many homes as possible and to help the people in providing security to their families. A comprehensive plan of information technology to be implemented in LIC in the next few years is engaging the corporation attention and will be implemented in phases and will enable further enhance customer service standards. LIC continues to be dominant life insurer even in the liberalized scenario of Indian Insurance and is moving fast on a new growth. LIC has issued over one crore policies during the past years.

2. USES OF MIS

- Companies are able to identify their strengths and weakness due to the presence of revenue reports, performance records etc.
- Giving an overall picture of the company
- Acting as a communication and planning tool
- The availability of customer data feedback can help the company to align its business processes according to the needs of the customers.
- MIS can help a company gain a competitive advantage
- MIS report help to take decision and action on certain object with quick time.
- Applications of MIS at LIC

The following table illustrates the application of MIS

S.NO	DEPARTMENT	APPLICATION OF MIS
1.	Accounts Department	Premium collection, Policy deposits, Loan repayment etc.
2.	Policy savings	Making proposal for loans, granting loans, other functions relating to loan
3.	New Business Department	Entering data of the proposals, underwriting the proposals, checking medical standards etc
4.	Data Processing Department	Granting permission, Deleting permissions for security purpose etc.,

TABLE NO 1

LIC had 5 zonal offices, 33 divisional offices and 212 branch offices apart from its corporate office in the year 1956. Since the insurance contracts are long term contracts and during the currency of the policy it requires variety of services need was felt in later years to expand the operations and place a branch office at each district headquarter. Re-organizations of LIC took place and large numbers of branch offices were opened. Because of re organization, servicing functions were transferred to the branches and branches were made accounting units. It worked wonders with the performance of the corporation.

3. CONCLUSION

For an organization to exist in today's dynamic market, speed, accuracy and effectiveness are of prime importance, which can be achieved only through technology up gradation. Realizing the paramount importance of technology, LIC has adapted technology up gradation as a major area. The corporation has been continuously engaged in modernizing in systems, procedures and practices and the development of front-end packages was initiated as an extension of these efforts. As per the objectives of LIC it has having a wider untapped market both in rural and urban areas. The present MIS has been fulfilling the requirements of both policyholder and employees. The organization has to maintain the same level of competency in view of private insurance players in the market.

4. REFERENCES

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