

2. An information quality research draft program

We could assume that an information being possessed and kept as a value of strategic dimension should be purposeful, e. i. it represents a necessary condition for some goal to be reached. Thus, apart from traditional viewing the quality of an information, which admits it as a set of attributes, like quantity of information (due to Shannon, 1953), precision and reliability of information (Sackman, 1967; Morris, 1971; Hellerman and Smith, 1975), age of an information (Davis, 1974) and a set of properties which a given (input) information displays within its being processed (like response time, compilation time, ect.). We dare to think about these ingredients of a quality of information as necessary part of a definition of quality of information, since we proclaimed any information to be purposeful. After reviewing such a traditional part of items which pretend to be a description of quality of an information we feel strongly tempted to name this set as "personal" quality image of an information which so far has too often pretended to be a self-contained category, not aiming to its "service".

After gathering some set of information for a given business system we behave subconsciously to ask ourselves : what to do with them ? In the context of research program hereby proposed we shall pursue a max-principle of data base creation rather than a min-principle which looks for minimum input information set needed in order to serve as a basis to a given set of output information. Our research is aimed to creation of secondary or sufficient part of definition of quality of an information which appears as input to the given business system.

To this part we propose to explore a family of functional models of business systems at first. They contain output information; ~~not~~ cardinality, scope and other rather standard attributes of the corresponding output spaces are very important components of a quality of information since they codetermine a large portion of implementational issues to the business system model. A rather intuitive temptation is also included: a number of output information pieces could be a part or measure of quality of a given input information.

Furthermore, as <sup>the</sup> nature of output components of information is likely to influence an information technology in broader sense of meaning, we also propose to study key properties of transformations (algorithms) of input into output information. Thus, for example, a given input information could be more desirable (or it has higher score within its multidimensional quality image) if it requires less sophisticated software in order to produce the same output information.

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When switching to control models of business system, a new part of the sufficient-condition-like part of quality definition for a given input information accrues. Each input information being purposeful, induces a finite set of goals business system wants to achieve, at a given control horizon. A number of goals, the level of their consistency and other properties modern control theory deals with, could be considered as a part of quality of input information.

In addition to that, output information does not in general serve as a domain of goal functionals. Instead, criteria are being sought as intermediate link between them so as to find some pragmatic ways of control and management of business system. Again, number and all other standard system theory categories pertaining criteria could be the components of quality definition for given input information.

Following the analogy for the case of output information we propose to include transformations of output information into criteria as well as transformations of criteria into goals with respect to their fundamental properties as components of information quality description.

Since a systems approach may have many different mathematical structures involved, an examination as proposed above can take place in some preselected manner. This project, in its first stage would amount to linear short run models which enable us to formulate a tool for non-terminal control over a business system of an arbitrary type as much as possible. Following a general systems theory we are to find structural properties of business system so that results would enable someone to give a diagnostic cross-section over the set of chains "input information-output information-criteria-goals" which are rolling through a business system in general.

The quality of information thus consists of input information as primary set of quality components (in the classical sense). Starting from this primary set we intend to generate and optimise a secondary set of quality components, where this set consists of output information, criteria and goals belonging to the same business system as input information. Transformations which interconnect these four sets could sometimes be variable; in such a case we can suggest the optimised transformations (if they exist) in order to improve the three sets of the secondary part of quality. It may give an additional boost to business system measured by levels of goals and at the same time increasing the quality of input information. It is worth to notice that we would like to maintain the quality definition even in a case where transformations are not capable of formal presentation.

3. An information evaluation <sup>research</sup> ~~project~~ draft program

An information gets an increasing importance in today's world, since it represents a link between the reality and decision makers' existence. So far, it has been thought that the success in developing and improving a particular decision maker's decision mostly depends on the quantity (or volume) of information available; a good example of this is given by MIS Copenhagen Conference (1970). The enthusiasm of senethies soon showed the dangers of being a straightforward advocate of extensive MIS apart from the shocking costs occurred within these projects. Thus, MIS have studied from additional aspects, like W. E. Morris (NCC, 1971), Langefors (1977) and Chrysler (1980).

Thus, gradually a concept of information economics has stepped forward, although Frielink (1965) could be considered as a pioneer of the concept of economics in information processing. Evaluation of information systems was treated as an analogy of production system (see Morris) and later on, a concept of rate of investment principle <sup>(ROI)</sup> started to appear as a tool of measuring the goodness of information systems with respect to business system supported by such an information system. Increasing complexity of business systems led to an increasing complexity of information system and thus ROI principle primarily based on cost-benefit analysis (CBA) started losing its analytical power. The ROI principle, apart from CBA, adopted new concepts like value linking, value acceleration, value restructuring, innovation and investment valuation (Parker and Benson, see Datamation, Dec 1, 1987). All of these extensions rest upon a value as an economic category, mostly in an indirect way. Thus, we are forced to face a set of financial terms and financial techniques in order to evaluate information system. There are two problems which make us concerned with information economics:

- a) since an information system can be reduced to a set of information processes (with corresponding set of induced "non-information" processes) and, furthermore, an information process can be decomposed into "stage" information set, we can <sup>not</sup> avoid such evaluation components of information which do not possess a financial term as a means of evaluation;
- b) due to Parker and Benson, for example, the increasing level of "pragmatism" has made us to expand the classical term of value towards items, like enhanced views of return on investment, strategic match, competitive advantage, management ~~marketing~~ information, competitive response and strategic IS architecture, all of which embrace the elements which are not measurable in

classical economic sense;

In both cases we therefore come to the crucial point we propose to investigate within the research study scheduled: how to define a generalised value of information? (Research item I)

In addition to that

c) information technology has to be judged either within the context of so called alignment -oriented application to business (where standard software packages support MIS bodies, for example) or within the impact oriented application (like taylor-made software is applied to prototypes of MIS projects). In order to compare the two of them, after transformations as applied in a) above, we see that a unified approach to information evaluation is needed (Research item II).

d) Following the ROI principle evolution, we finally get stuck as to the task of summing up the evaluations of all the components of extended ROI components which in general are not allowed to be aggregable or, at least, co-measurable without limitations. Furthermore, such a sum, in turn, is very unlikely to act as a "means of ranking alternative information system projects" (see Parker and Benson as well). This arguing brings us to Research item III: how to construct an acceptable and efficient information evaluation algebra?

e) as a dual to d) we have to find some generalised cost attributes to any information (which, in turn, enables us to afford a generalised cost description of information process as well as information system), since recent development tends to involve different classes of risk and uncertainty as "full dimension of cost" categories (see Parker and Benson again) as ontological counterparts to "values". This phenomenon is a challenge to us to formulate Research item IV: to put information evaluation algebra into a multidimensional space.

From the four research tasks formulated above we could derive ~~some~~ a unified approach information evaluation in such a way that

- different investment programs for a given information systems are unambiguously comparable,
- the impact a given information system has or may have on a particular business system is described in the same space as the information system itself,
- the two systems introduced, e. i. business system and its satellite information system (as well as management information system) have ~~x~~ conform performance "identification" card,
- an information system can be treated within the same (informational) space as its "master" system, e. i. business system.

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SUMMARISED CURRICULUM VITAE

Born: May 21st 1933

Birthplace: Ljubljana, Yugoslavia

Present Affiliation: University of Ljubljana, Faculty of Economics

Status: full professor of mathematics

Basic background: degree in theoretical and applied mathematics (1956)  
degree in economics (1961)

Academic carrier: PhD in mathematics (1978)  
PhD in economics (1962)  
PhD in technical sciences (1986)

Past professional experiences:

- research fellow of Prof. R.L. Ackoff OR group (Univ. of Pennsylvania, Wharton School, 1964)
- research associate to Prof. R. Bellman (UCLA, 1965, Los Angeles)
- president of Yugoslav IFIP ADP group (1969 -1975)
- head of Research Center of Faculty of Economics (1971-73)
- regular member of Yugoslav academy of sciences and arts Section of oil economics
- part time consultant to International center for public enterprises in developing countries (UN agency) in Ljubljana (1982-85)
- about 200 industrial projects and expertises since 1956 within the country
- formation of 6 OR consulting groups
- having been an adviser and consultant to 5 research institutes since 1969 over our country
- 5 books and 120 papers and articles (24 of them abroad) in the field of OR and systems theory.

Teaching experiences :

- linear algebra
- advanced calculus I, II and III
- business mathematics (for graduate students)
- network programming
- linear programming
- mathematical programming I and II
- general system theory (for post-graduate students)
- deterministic systems
- system oriented production theory
- system modelling of open national economies

Research experiences:

- a methodology of optimal economic fusion and optimal design of business organisation
- a concept of multidimensional data base architecture
- a continuously adaptive on-line management and control of micro-economic systems
- a fluid modelling in business
- a generalised theory of economics in informatics
- as a head of postgraduate course in economic informatics supervising and producing 15 PhD 's and 29 MD 's from the field of OR , system theory and mathematical programming.

Ljubljana, Nov. 7, 1987.

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### Professional Employment

Consultant at the Institute for Productivity (1957-61), Researcher  
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### Creative Works (Books)

Organizational Objectives in Enterprise (1973), Personnel Policy in Enterprise (1974), Psychology and Sociology in Marketing (1975), Planning for Personnel Development (1977), Innovations in Organizations (1978), Information for Selfmanagement (1979), Training for Managers in Public Enterprises (1980), Job and Roles of Managers (1981), Japan: From Imitation to New Ideas (1982), Marketing of Organization for Export (1983), Personal, Group and Organizational Development (1984), Creative Communications (1985), Management of Organization (1986), Leadership in Enterprise (1990). More than 300 bibliographical units (articles, books, monographs etc.).

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Association of Sociology of Organization, Association of Applied Psychology, Association of Business (Economists), Association of Personnel Managers in Yugoslavia and abroad.