

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