CHASING THE HORIZON

Thoughts on information logistics
and continuous improvement

Henk-Jelle Reitsma

'A good thing is unfortunately not a good forever, for otherwise there would be nothing better. If better is to come, good must stand aside. Therefore Meister Eckhart says, "God is not good, or else he could be better.'
C.G. Jung, The development of Personality

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'By three methods we may learn wisdom: First, by reflection, which is noblest; Second, by imitation, which is easiest; and third by experience, which is the bitterest.'
Confucius

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'When the student is ready, the teacher will come.'
Theosophical/Buddhist saying

FOREWORD

May 2015 saw the presentation of my first book called, in Dutch, 'Het Ikea-effect' on psychological pitfalls in decision-making. Almost immediately after its publication, I conceived of the book you are now holding. Months of research were followed by months of writing. When working on the final chapter I tried to explain the topic of the book to a friend. She remarked that it seemed to reflect my background in usability engineering, the same way 'Het Ikea-effect' seemed to echo my background in psychology. I had never thought of it that way, but I think there is truth in her words.

Much thanks to my colleagues at Solid Professionals, especially Jeroen Kriele, who contributed to the chapter on data quality, and Marcel van Wersch. Also to my brother Oege Reitsma, who combines criticism with enthusiasm. Lastly, but most importantly, I thank my darling wife Fleur Stigter and our children Hiske, Ottilie and Gilles.

In memory of Gustaf Dirk Klein Wassink (1905-2002), a traveller along various horizons in his own life and times.

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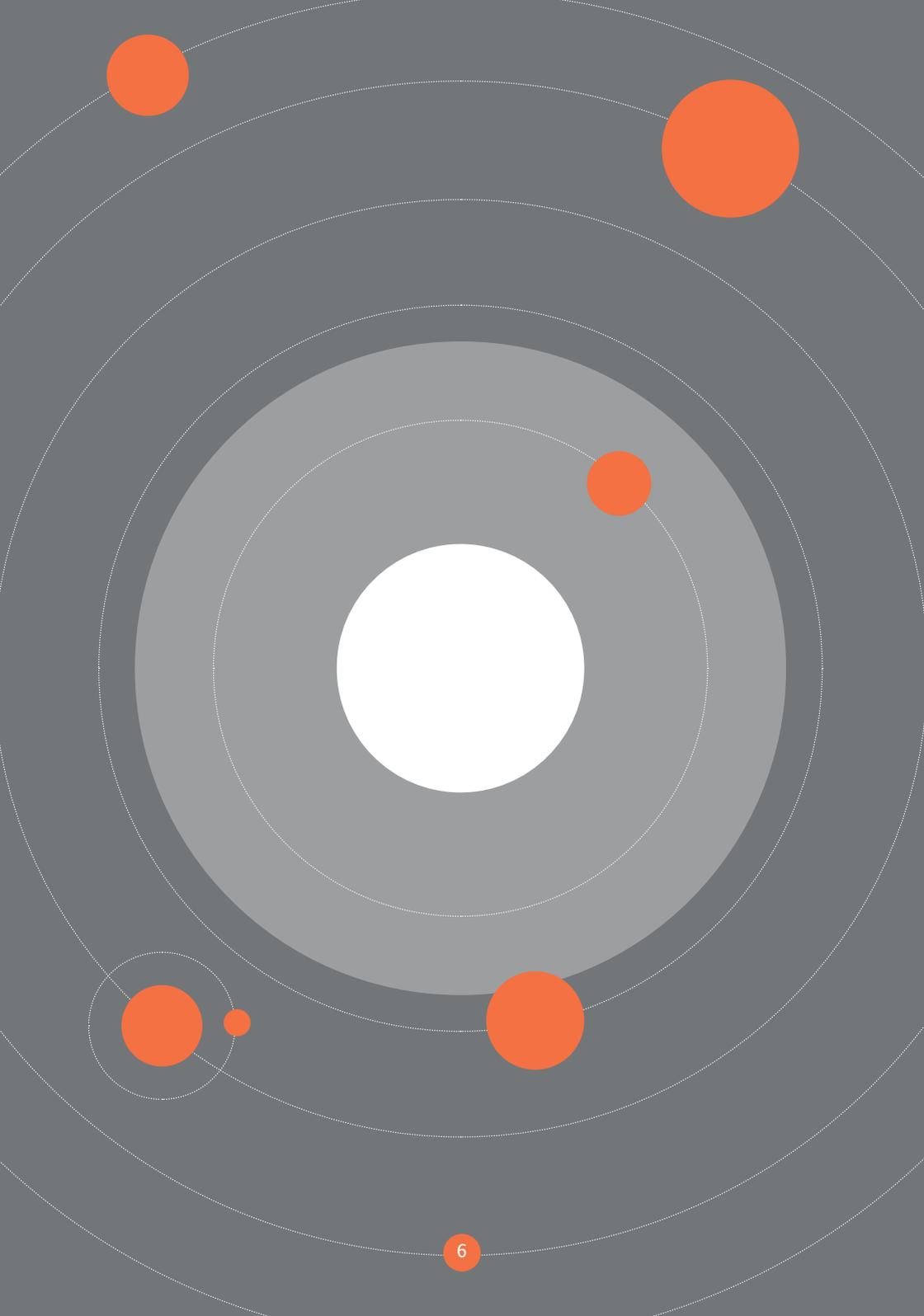
INTRODUCTION

The past is a foreign country; they do things differently there.
L.P. Hartley, *'The Go-Between'*

We cannot begin to imagine how the world in which we live today differs from that of our ancestors. This holds true for almost every aspect of human existence. It is, for example, almost impossible to overestimate our wealth in terms of knowledge and information, surrounded as we are by such unbelievable quantities of it.

Some years ago, I read the memoirs of Imke Klaver. His notes, describing his experiences as a Dutch – or rather, Frisian – farmhand around 1890-1920, were found, edited and published as a book after his death (in 1967). One passage sprung to mind as I was preparing this book. As a young man, while he was working in Germany, Klaver and some friends took a long walk towards another village in order to read some old newspapers and browse through a few books. All of this in order to satisfy their craving for information and knowledge in the scarce amount of free time available to them.

An alternative illustration of limited access to information in earlier times can be found in Umberto Eco's 'The Name of the Rose'. William of Baskerville's delight over the labyrinthine medieval library and the manuscripts in it is telling.

Today, we are in a fundamentally different situation. Now, there is an abundance of data – from a sheer infinite number of sources and media – and one can make a very good career by being able to distil information from this overwhelming abundance[1].

Also fundamentally different is the fact that virtually all knowledge is easily available to a large number of global citizens. There is less need to remember facts and figures, as long as you are able to contextualize and interpret them correctly. Wikipedia, online books, and blogs are at our disposal 24/7. This, together with an increasingly faster changing environment, has a significant impact on (lifelong) learning and performance assessment. As we will see, this is true for individuals as well as organizations.

In a previous book on behavioural risk management, I claimed that as long as one doesn't have any goals, one doesn't need to manage risks. An echo of that statement is the basis for this book: if someone has goals and wants to reach them, he will need to monitor performance and progress. The key to this is turning data into information, and information into knowledge – and then to take informed management decisions.

This book investigates how data and information can be used by organizations in order to improve their performance and reach their goals. It deals with the origination and aggregation of data, its transformation into information, the art of information management, and the ways in which acquired information can be presented in such a way as to optimize decision making by management. For the combined efforts of managing and reporting information, I use the term 'information logistics'.

In this book, the term 'organization' is loosely defined and used in its broadest sense. Under 'organization', I understand any entity that has a certain purpose and that uses information to manage its performance. It is related to my interpretation of organizations in the light of the business model. A business model canvas can

as easily be filled in for a hedge fund as for the Salvation Army. Both organizations have a similar structure, a similar skeleton – it's the flesh on the bones that is different.

The following chapters form a kaleidoscopic whole, in the sense that, together, they provide a consistent yet diverse picture. They do so by providing a broad choice of opinions, thoughts, statements and – yes – pieces of information.

This is not a book on information technology. The term information management is to be understood as the art of 'managing information', and not as the, undeniably often very useful, discipline of linking business requirements and IT delivery.

This point may be made more clearly by means of a personal anecdote. I was once in a client meeting at a bank. During the meeting, some very clever strategy consultants presented their findings on regulatory compliance with regard to reporting. They had been working for weeks on end analysing data deriving from various interviews with experts within the bank, as well as from desk research. Their deliverables were meant to chart the status quo and provide solutions for cases in which the current situation did not yet suffice. When the lead consultant presented one of the team's solutions, we tried to follow his line of thought, but were immediately taken aback – their solution was clearly and blatantly impossible in terms of the bank's technology. When we said as much, the consultant made the, for me now legendary, statement: "we crafted our solutions agnostic as to the reality of the underlying systems".

An infeasible solution is no solution at all, so we could relegate most of their hard work in the trash can. However, the statement

was well worth the money (which is easy for me to say, since I didn't have to pay the bill).

As much as I disagreed with their approach in the setting just described, I do want to employ it in the context of this book. When discussing information management and data aggregation and reporting, I do so while being 'agnostic as to the reality of the underlying systems'. Here it means that I am not interested in cloud solutions, data mining, or the like. Instead, I focus on how the efficient and effective management and presentation of information may help human beings in making decisions.

This book may, in a sense, be considered a sequel to my book on behavioural risk management. In it, I dealt with psychological pitfalls in decision making. In this book, I focus on another aspect of decision making. This book presents my thoughts on appropriate and continuous improvement by means of proper information management. My findings will turn out to be fascinating, extraordinary and, when you think hard about it, completely obvious.

1 In accordance with Douglas Adams (in 'The Salmon of Doubt'): "I've come up with a set of rules that describe our reactions to technologies: Anything that is in the world when you're born is normal and ordinary and is just a natural part of the way the world works. Anything that's invented between when you're fifteen and thirty-five is new and exciting and revolutionary and you can probably get a career in it. Anything invented after you're thirty-five is against the natural order of things."

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This book investigates how data and information can be used by organizations in order to improve decision making, to enable continuous improvement and to reach goals.

It deals with the origination and aggregation of data and its transformation into information and the art of information management. Furthermore, the book deals with the presentation of information in such a way as to optimize decision making by management.

The key to more effective and efficient information management presented in this book is fascinating, extraordinary and, when you think hard about it, completely obvious.

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