

More Information Does NOT Always Mean Better Business Decisions

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By Stephen Chung BS BBLdg(HKU) MS in Real Estate Development(MIT) ARICS AHKIS MAACE MHKIREA PQS RPS-QS

Zeppelin Property Consultants Limited - Phone (852) 24016388 / 6602 Fax (852) 2401 3084

Real Estate Development Planning, Investment Analysis, Asset Management, Joint Ventures and Marketing Strategies

Thanks to modern computer and communication technologies, we can now obtain information and data from a variety of sources less expensively. While the problem years ago might have been insufficient data, now it is more likely to be an issue of data assembly, compilation, selection, systematic assimilation, retrieval or even elimination. This increased availability of information and data, while in itself is a technical improvement, has led to the following :

(1) **The Blurring of the Difference between “Information” and “Knowledge”** : Information is NOT equal to knowledge. Knowing the prices of real estate does not instantly make one an enlightened real estate investor. Nonetheless, this does make many feel “knowledgeable” yet successful investment requires more than that. An understanding of economics, law, financing, social and policy issues and the like forms part of the required knowledge.

(2) **More Time on “Information” and Less Time on “Analysis”** : Analyzed information can be very useful and powerful yet in many instances there is not sufficient time to analyze them properly or thoroughly. Here’s why - although the speed of data collection has improved, there can now be so many sources that actually more time is spent on collecting them and yet, the total time allowed typically for any such assignment will only have been less. This implies the analytical part, especially the portion which requires human thought, judgment and reasoning (i.e. our brains = while being still more powerful than the most powerful computers have not changed much during recorded history = an 1-hour thought 5000 years ago still requires that 1 hour today), will suffer though computers are efficient for running routine mechanical number crunching processes.

(3) **A “Heading - Reading” Tendency** : Executives today typically have to deal with more issues and more information than their counterparts of yesteryear. Hence, there is an actual need for them to get to the core of the problem quickly to find solutions. Over time, this may lead some of them to over-simplify all issues presented though some of these issues may actually require much time, effort and patience on their part even for a better grasp, i.e. not all issues can be summarized into 1 page for easy reading.