Data Quality: Why Should You Care?
by Frank Dravis

How can data quality affect you or your organization? Here are some examples:

Example 1: In a white paper submitted to MIT’s IQ (Information Quality) 2000 conference, the United Health Group reported: “Internal queries revealed more than 1000 members who were 1000 years old. This data was used to understand differing health care needs by age and to provide special services to senior citizens.”


Example 3: A New Jersey man admitted in November 1999 to circumventing computer fraud detection programs at two music-by-mail clubs. He used 1630 aliases to buy CDs at special introductory rates, which he subsequently sold at flea markets at a 400-percent markup. Some of the culprit’s methods included adding fictitious apartment numbers, unneeded direction abbreviations and extra punctuation marks in his names and addresses. By exploiting the companies’ inability to filter out bad data, he was able to bilk them for more than $250,000.

These examples offer vivid illustration that data quality, good or bad, has a direct and substantial impact on your business. Data quality knows no bounds; it transcends every human occupation, organization or enterprise. The importance of data quality, emerging into information quality, has been growing in proportion to society’s evolution from the industrial age to the information age. After all, in this age, what is information if you cannot trust it?

The point is that physical assets are increasingly becoming less important in determining the success and valuation of companies. Instead, intellectual capital, including the value of information and knowledge assets, is becoming the critical determinant of perceived worth of future profitability.
Erratum
The following attributions were omitted from the article, Data Quality: Why Should You Care?, published in the February 2001 newsletter: