A Model for Interpreting information

We have suggested a number of factors that influence the interpretation of information.

How are all these factors combined? What is their net impact on the interpretation of information? Figure 2-2 summarizes all the variables described above. The figure portrays one representation of how a user of information systems develops a model to interpret information and how he or she would constantly execute and revise the model.

In the model, **to interpret data a decision maker draws on current data and a history of past decisions and their results.** The interpretation turns data into information, and the decision maker takes some action. He or she **observes the results and stores them for future reference.**

We expect the model to be **formed inductively** by the decision maker and to be **heavily influenced by beliefs.** For example, a decision maker may observe data on sales and production over time and find that these data seem to predict customers' reactions to a product. The decision maker **is building an interpretational model based on his or her beliefs and analysis of historical data and observations.** After testing the interpretational model and developing confidence in it, the decision maker uses the model deductively. He or she **observes data and uses the model to interpret them.**

Now, the decision maker perceives data on sales and production as constituting information on product acceptance; **he or she may even ignore other information conveyed by these data.** After an interpretational model has been formed, further experiences are fed back to modify the model. **Past decisions, problems, and experiences all influence the future interpretation of information.** These experiences are based on actions taken on the basis of information and the results of those actions. If changes in a new product based on sales and production data increase sales, **the interpretational model described above will be reinforced.**