

Package ‘nonparaeff’

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Title Nonparametric Methods for Measuring Efficiency and Productivity

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Suggests gtools

Description This package contains functions for measuring efficiency and productivity of decision making units (DMUs) under the framework of Data Envelopment Analysis (DEA) and its variations.

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additive	<i>Linear Programming for the Additive Model</i>
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Description

Solve the Additive Model under the VRS assumption

Usage

```
additive(base = NULL, frontier = NULL, noutput = 1)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with J1*(M+N) dimension, where J1 is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with J2*(M+N) dimension, where J2 is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).

Details

The additive model under the VRS assumption is as follows:

$$\theta_{ADD}^{k*} = \max_{\lambda, s^+, s^-} \left(\sum_{m=1}^M s_m^- + \sum_{n=1}^N s_n^+ \right)$$

$$s.t. \tilde{x}_m^k = \sum_{j=1}^J x_m^j \lambda^j + s_m^- \quad (m = 1, 2, \dots, M);$$

$$\tilde{y}_n^k = \sum_{j=1}^J y_n^j \lambda^j + s_n^- \quad (n = 1, 2, \dots, N);$$

$$\sum_{j=1}^J \lambda^j = 1; \quad \tilde{\lambda}^j \geq 0 \quad (j = 1, 2, \dots, J); \quad \tilde{s}_m^- \geq 0 \quad (m = 1, 2, \dots, M); \quad \tilde{s}_n^+ \geq 0 \quad (n = 1, 2, \dots, N).$$

Value

A data frame with J1*(J1+M+N), which has efficiency scores, optimal weightes and optimal slacks. Take a look at the example below.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[sbm.tone](#), [sbm.vrs](#)

Examples

```
## Simple Example
my.dat <- data.frame(y = c(1, 2, 4, 6, 7, 9, 9),
                    x = c(3, 2, 6, 4, 8, 8, 10))
(re <- additive(my.dat, noutput = 1))

## Property of the Additive Model
dat1 <- data.frame(y = c(1, 1, 1, 1, 1, 1),
                  x1 = c(2, 3, 6, 3, 6, 6),
                  x2 = c(5, 3, 1, 8, 4, 2))

dat2 <- dat1
dat2$x1 <- dat2$x1 * 10
dat3 <- dat1
dat3$x1 <- dat3$x1 + 10
(re1 <- additive(dat1, noutput = 1))
(re2 <- additive(dat2, noutput = 1))
(re3 <- additive(dat3, noutput = 1))
```

ar.dual.dea

Assurance Region Data Envelopment Analysis (AR-DEA)

Description

Solve the AR-DEA

Usage

```
ar.dual.dea(base = NULL, frontier = NULL,
            noutput = 1, orientation=1, rts = 1, ar.l = NULL,
            ar.r = NULL, ar.dir = NULL, dual = FALSE)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).
orientation	Orientation of measurement. 1 for the input-oriented measure, and 2 for the output-oriented measure.
rts	Returns to scale. 1 for the CRS assumption, and 2 for the VRS assumption.
ar.l	A data frame for the assurance region of which is the left-hand.
ar.r	A vector for the assurance region of which is the right-hand.
ar.dir	A vector for the assurance region of which is the direction.
dual	Logical.

Details

The AR model under the CRS assumption is calculated. For model specification, take a look at Cooper et al. (2007).

Value

A data frame with $J1*(M+N)$, which has efficiency scores, optimal virtual prices. Take a look at the example below.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[dea, dual.dea](#)

Examples

```
## AR constraint of  $0.25 \leq v_2/v_1 \leq 1$ .
library(Hmisc)
library(lpSolve)
ar.dat <- data.frame(y = c(1, 1, 1, 1, 1, 1),
                    x1 = c(2, 3, 6, 3, 6, 6),
                    x2 = c(5, 3, 1, 8, 4, 2))

(re <-
 ar.dual.dea(ar.dat, noutput = 1, orientation = 1, rts = 1, ar.l =
 matrix(c(0, 0, 0.25, -1, -1, 1), nrow = 2, ncol = 3), ar.r = c(0, 0),
 ar.dir = c("<=", "<=")))
```

cost.dea

Linear Programming for Cost Minimization

Description

Solve the Cost Minimization Problem with Given Input Prices

Usage

```
cost.dea(base = NULL, frontier = NULL, noutput = 1, input.price = NULL)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (M).
input.price	A vector for market prices of input factors.

Details

The cost minimization problem under the CRS assumption is calculated. For model specification, take a look at Cooper et al. (2007).

Value

A data frame with $J1*(M+6)$, which has optimal M input factors, minimized cost when overallly efficient, minimized cost when technically-efficient, revealed cost, overall efficiency, allocative efficiency, and technical efficiency.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[revenue.dea](#)

Examples

```
dat.io <- data.frame(y = c(1, 1, 1, 1, 1, 1, 1),
                    x1 = c(2, 3, 5, 9, 6, 3, 8),
                    x2 = c(8, 6, 3, 2, 7, 9, 4))
dat.wm<- c(w1 = 1, w2 = 2)      ## market prices of input factors
(re <- cost.dea(base = dat.io, noutput = 1, input.price = dat.wm))
```

 ddf

Linear Programming for the Directional Distance Function

Description

Solve the Additive Model under the VRS assumption

Usage

```
ddf(base = NULL, frontier = NULL, noutput = 1, direction = NULL)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).
direction	A directional vector for inputs and outputs.

Details

The DDF under the VRS assumption is calculated. For model specification, take a look at Cooper et al. (2007).

Value

A data frame with $J1*(J1+M+N)$, of which has efficiency scores, optimal weightes and optimal slacks. Take a look at the example below.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[direc.dea](#)

Examples

```
## Simple Example of one input and one output.
my.dat <- data.frame(y = c(1, 2, 4, 6, 7, 9, 9),
                    x = c(3, 2, 6, 4, 8, 8, 10))
(re <- ddf(my.dat, noutput = 1, direction = c(1, 1)))
```

dea

Linear Programming for the Data Envelopment Analysis

Description

Solve input(output)-oriented DEA under the CRS (VRS)

Usage

```
dea(base = NULL, frontier = NULL, noutput = 1, orientation=1, rts = 1, onlytheta = FALSE)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).
orientation	Orientation of measurement. 1 for the input-oriented measure, and 2 for the output-oriented measure.
rts	Returns to scale. 1 for the CRS assumption, and 2 for the VRS assumption.
onlytheta	Logical. If onlytheta is TRUE, then only efficiency scores are obtained. If it is FALSE, then optimal lambda's and slacks are also obtained.

Details

The input (output) -oriented DEA under the CRS (VRS) assumption are calculated. For model specification, take a look at Cooper et al. (2007).

Value

If onlytheta is TRUE, then a $(J1*1)$ data.frame is obtained. If onlytheta if FALSE, then a data frame with a $J1*(J1+M+N)$ dimension is obtained, in which optimal weights, input slacks and output slacks are presented.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean)

See Also

[dual.dea](#)

Examples

```
## input-oriented DEA under the CRS assumption (1 input and 1 output)
tab3.1.dat <- data.frame(y = c(1, 2, 4, 6, 7, 9, 9),
                        x = c(3, 2, 6, 4, 8, 8, 10))
(re <- dea(base = tab3.1.dat, noutput = 1, orientation = 1, rts = 1,
onlytheta = FALSE))
```



```

## input-oriented DEA under the CRS assumption (2 inputs and 1 output)
tab3.3.dat <- data.frame(y = c(1, 1, 1, 1, 1, 1),
                        x1 = c(1, 3, 6, 2, 5, 9),
                        x2 = c(4, 1, 1, 8, 5, 2))
re <- dea(base=tab3.3.dat, noutput = 1, orientation = 1, rts = 1)
## finding references points
(ref <- data.frame(y = c(tab3.3.dat$y + re$slack.y1),
                  x1 = c(tab3.3.dat$x1 * re$eff - re$slack.x1),
                  x2 = c(tab3.3.dat$x2 * re$eff - re$slack.x2)))

## output-oriented DEA under the CRS assumption (1 input and 2 outputs)
tab5.1.dat <- data.frame(y1 = c(4, 8, 8, 4, 3, 1),
                        y2 = c(9, 6, 4, 3, 5, 6),
                        x = c(1, 1, 1, 1, 1, 1))
(re <- dea(tab5.1.dat, noutput = 2, orientation = 2, rts = 1))

## input-oriented DEA under the VRS assumption (1 input and 1 output)
tab6.1.dat <- data.frame(y = c(1, 2, 4, 6, 7, 9, 9),
                        x = c(3, 2, 6, 4, 8, 8, 10))
(re <- dea(tab6.1.dat, noutput = 1, orientation = 1, rts = 2))

## output-oriented DEA under the VRS assumption (1 input and 1 output)
(re <- dea(tab6.1.dat, noutput = 1, orientation = 2, rts = 2))

## scale efficiency
re.crs <-
  dea(tab6.1.dat, noutput = 1, orientation = 1, rts = 1, onlytheta = TRUE)
re.vrs <-
  dea(tab6.1.dat, noutput = 1, orientation = 1, rts = 2,
      onlytheta = TRUE)
scale.eff <- re.crs/re.vrs

## finding DRS, IRS, CRS
dat6.1 <- data.frame(y = c(1, 2, 4, 6, 7, 9, 9),
                    x = c(3, 2, 6, 4, 8, 8, 10))
re <- dea(dat6.1, noutput = 1, rts = 1)
lambdas <- re[, 2:8]
apply(lambdas, 1, sum)

```

direc.dea

Linear Programming for the Directional Distance Function with Undesirable Outputs

Description

Solve the DDF with undesirable outputs. The directional vector is (y's, b's).

Usage

```
direc.dea(base = NULL, frontier = NULL, ngood = 1, nbad = 1)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+P+Q)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, P for the number of good outputs, and Q for the undesirable outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2*(M+P+Q)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, P for the number of good outputs, and Q for the undesirable outputs
ngood	The number of good outputs (P).
nbad	The number of bad outputs (Q).

Details

The DDF with undesirable outputs under the CRS assumption is calculated. For model specification, take a look at Chung et al. (1997).

Value

A $J1$ vector of which is inefficiency score.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Chung, Y. Fare, R. and Grosskopf, S. (1997). Productivity and undesirable outputs: A directional distance function approach. *Journal of Environmental Management* 51(3):229-240.

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[ddf](#)

Examples

```
## Simple Example of one input, one good output, and one bad output.
my.dat <- data.frame(yg = c(2, 5, 7, 8, 3, 4, 6),
                    yb = c(1, 2, 4, 7, 4, 5, 6),
                    x = c(1, 1, 1, 1, 1, 1, 1))
direc.dea(my.dat, ngood = 1, nbad = 1)
```

dual.dea

*Linear Programming for the Dual Data Envelopment Analysis***Description**

Solve the Dual DEA

Usage

```
dual.dea(base = NULL, frontier = NULL, noutput = 1, orientation=1, rts = 1)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).
orientation	Orientation of measurement. 1 for the input-oriented measure, and 2 for the output-oriented measure.
rts	Returns to scale. 1 for the CRS assumption, and 2 for the VRS assumption.

Details

The input-oriented dual DEA under the CRS assumption is calculated. For model specification, take a look at Cooper et al. (2007).

Value

A data frame with $J1*(1+M+N)$ dimension, of which has efficiency scores, optimal virtual prices for inputs and outputs.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

- Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.
- Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[dea](#), [ar.dual.dea](#)

Examples

```
## An output-oriented primal problem with 1 input and 2 outputs
tab5.1.dat <- data.frame(y1 = c(4, 8, 8, 4, 3, 1),
                        y2 = c(9, 6, 4, 3, 5, 6),
                        x = c(1, 1, 1, 1, 1, 1))
(re <- dea(tab5.1.dat, noutput = 2, orientation = 2, rts = 1))

## An output-oriented dual problem with 1 input and 2 outputs
re <- dual.dea(tab5.1.dat, noutput = 2, orientation = 2, rts = 1)
```

effdea.b.f

Linear Programming for the Data Envelopment Analysis

Description

Solve input(output)-oriented DEA under the CRS (VRS) with convexhull. Do not use when the total number of inputs and outputs are greater than eight. If used, it may take more than hundreds day to get results.

Usage

```
effdea.b.f(base = NULL, frontier = NULL, noutput = 1,
           orientation=1, rts = 1, convhull = TRUE)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).
orientation	Orientation of measurement. 1 for the input-oriented measure, and 2 for the output-oriented measure.
rts	Returns to scale. 1 for the CRS assumption, and 2 for the VRS assumption.
convhull	Logical. If this is TRUE, very efficient calculation of efficiency score is used. However, when the total number of inputs and outputs is larger than eight, it is very slow for this option. In cases when the total number of inputs and outputs is larger than eight, use FALSE for this argument.

Details

This function uses the `convhull` function in `geometry` package. After finding convex hull of *frontier* by using the `convhull` function. points on the convex hull are used in constructing the second production possibility set (PPS). Then efficiency scores in *base* are calculated based on the second PPS.

Value

A data frame with $J1*1$ dimension, which shows efficiency scores.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean)

See Also

[dual.dea](#)

Examples

```
## input-oriented DEA under the CRS assumption (1 input and 1 output)
tab3.1.dat <- data.frame(y = c(1, 2, 4, 6, 7, 9, 9),
                        x = c(3, 2, 6, 4, 8, 8, 10))
(re <- effdea.b.f(base = tab3.1.dat, noutput = 1, orientation = 1, rts =
1, convhull = TRUE))
```

Description

Calculate productivity growth index under the DEA framework.

Usage

```
farealm2(dat = NULL, noutput = 1, id = "id", year = "year")
```

Arguments

dat	A data frame to be evaluated. The format of this data frame is data.frame(id, year, outputs, inputs). This data frame should have a balanced panel data form.
noutput	The number of outputs.
id	A column name for the producer index.
year	A column name for the time index.

Details

The Malmquist productivity growth index is calculated. For model specification, take a look at Fare et al. (1994).

Value

A data frame with (id: the id index of the original data. time: the time index of the original data. y's: original outputs x's: original inputs Dt2t2: $D^{t+1}(x^{t+1}, y^{t+1})$ Dtt2: $D^t(x^{t+1}, y^{t+1})$ Dt2t: $D^{t+1}(x^t, y^t)$ ec: efficiency change tc: technical change pc: productivity change

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

- Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.
- Fare, R., Grosskopf, S., Norris, M. and Zhang, Z. (1994). Productivity growth, technical progress and efficiency change in industrialized countries. *American Economic Review*, 84(1):66-83.
- Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[dea](#)

Examples

```
malm.dat <- data.frame(id = rep(LETTERS[1:3], 3),
  time = rep(1:3, each = 3),
  y = c(1, 2, 2, 3, 2, 8, 3, 2, 5),
  x = c(2, 3, 7, 3, 5, 6, 8, 9, 6))

malm.re1 <- faremalm2(malm.dat, noutput = 1, id = "id", year = "time")

## Malmquist productivity growth index of OECD countries
library(pwt)      ## Use Penn World Table
my.dat <- pwt5.6
head(my.dat)
```

```

my.oecd.ctry <- c("AUS", "AUT", "BEL", "CAN", "CHE", "DNK", "ESP",
                 "FIN", "FRA", "GBR", "GER", "GRC", "IRL", "ISL",
                 "ITA", "JPN", "KOR", "LUX", "MEX", "NLD", "NOR",
                 "NZL", "PRT", "SWE", "TUR", "USA", "DEU")
my.dat <- my.dat[my.dat$wbcode %in% my.oecd.ctry,]
my.dat <- my.dat[my.dat$year %in% 1980:1990,]
my.dat$rgdpl <- as.numeric(my.dat$rgdpl) ## GDP per capita
my.dat$pop <- as.numeric(my.dat$pop) ## total population (1000)
my.dat$rgdpwok <- as.numeric(my.dat$rgdpwok) ## GDP per labor
my.dat$kapw <- as.numeric(my.dat$kapw) ## Capital stock per labor
my.dat$gdp <- my.dat$rgdpl * my.dat$pop ## Total GDP of a country
my.dat$labor <- with(my.dat, gdp/rgdpwok) ## Total labor force
my.dat$capital <- with(my.dat, kapw * labor) ## Toal capital stock
oecd <- my.dat[, c("wbcode", "year", "gdp", "labor", "capital")]
re.oecd <- farealm2(dat = oecd, noutput = 1, id = "wbcode", year =
"year")
## productivity growth for each country
pc.c <- tapply(re.oecd$pc, re.oecd$wbcode, geometric.mean)
## a trend of productivity growth of OECD countries
pc.y <- tapply(re.oecd$pc, re.oecd$year, geometric.mean)
## efficiency change for each country
ec.c <- tapply(re.oecd$ec, re.oecd$wbcode, geometric.mean)
## a trend of efficiency change of OECD countries
ec.y <- tapply(re.oecd$ec, re.oecd$year, geometric.mean)

```

Description

Solve input(output)-oriented FDH

Usage

```
fdh(base = NULL, frontier = NULL, noutput = 1, orientation=1)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1 \cdot (M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2 \cdot (M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).
orientation	Orientation of measurement. 1 for the input-oriented measure, and 2 for the output-oriented measure.

Details

The input (output) -oriented FDH is calculated.

Value

A data frame of J1*1 dimension which shows efficiency scores.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[dea](#), [orderm](#)

Examples

```
## input-oriented FDH with 1 input and 1 output.
tab7.1.dat <- data.frame(y = c(1, 2, 4, 6, 7, 9, 9),
                        x = c(3, 2, 6, 4, 8, 8, 10))
(re <- fdh(tab7.1.dat, noutput = 1, orientation = 1))
```

```
## input-oriented FDH with 2 input and 1 output.
tab7.10.dat <- data.frame(y = c(1, 1, 1, 1, 1, 1),
                         x1 = c(2, 3, 6, 3, 6, 6),
                         x2 = c(5, 3, 1, 8, 4, 2))
(re <- fdh(tab7.10.dat, noutput = 1, orientation = 1))
```

int.dea

Linear Programming for the Data Envelopment Analysis with Integer-valued Inputs.

Description

Solve input-oriented DEA under the CRS

Usage

```
int.dea(base = NULL, frontier = NULL, noutput = 1, intinput = 1,
orientation=1, epsilon = 1e-06)
```


Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).
intinput	The number of integer inputs.
orientation	Orientation of measurement. 1 for the input-oriented measure, and 2 for the output-oriented measure. This argument is ignored.
epsilon	Non-Armechidean number. Use the default value.

Details

The input-oriented IDEA under the CRS assumption is calculated. See Kuosmanen and Matin (2009).

Value

A data frame of $J1*(1+J1+N+M+Q+Q)$, which shows efficiency scores, optimal weightes, optimal slacks for outputs and inputs, optimal slacks for integer-valued inputs, and optimal integer inputs.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Kuomanen, T. and Matin, R. (2009). Theory of integer-valued data envelopment analysis. *European Journal of Operational Research* 192(2):658-667

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[dea](#)

Examples

```
int.dat <- data.frame(y = c(1, 1, 1, 1, 1),
                    x1 = c(2, 7, 3, 7, 9),
                    x2 = c(4, 1, 4, 2, 4))
int.dea(int.dat, noutput = 1, intinput = 1)
```

Description

Solve LP with free variables

Usage

```
lp2(direction = "min", objective.in, const.mat, const.dir,  
     const.rhs, free.var = NULL)
```

Arguments

<code>direction</code>	Character string giving direction of optimization: "min" (default) or "max."
<code>objective.in</code>	Numeric vector of coefficients of objective function
<code>const.mat</code>	Matrix of numeric constraint coefficients, one row per constraint, one column per variable (unless <code>transpose.constraints = FALSE</code> ; see below).
<code>const.dir</code>	Vector of character strings giving the direction of the constraint: each value should be one of "<," "<=," "=", "==" ">," or ">=". (In each pair the two values are identical.)
<code>const.rhs</code>	Vector of numeric values for the right-hand sides of the constraints.
<code>free.var</code>	Vector of numeric values for indicating free variables. If this argument is <code>NULL</code> , no free variables is included.

Details

lp2 extends `lpSolve::lp()` to incorporate free variables easily.

Value

An `lp` object. See 'lp.object' for details.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

See Also

[lp](#)

Examples

```

# Set up problem: maximize
# x1 + 9 x2 + x3 subject to
# x1 + 2 x2 + 3 x3 <= 9
# 3 x1 + 2 x2 + 2 x3 <= 15
#
f.obj <- c(1, 9, 3)
f.con <- matrix(c(1, 2, 3, 3, 2, 2), nrow=2, byrow=TRUE)
f.dir <- c("<=", "<=")
f.rhs <- c(9, 15)
#
# Now run.
#
lp2("max", f.obj, f.con, f.dir, f.rhs)
lp2("max", f.obj, f.con, f.dir, f.rhs, free.var = c(0, 1, 0))

```

orderm

Efficiency Measures with the order-m Method.

Description

Calculate order-m efficiency scores

Usage

```
orderm(base = NULL, frontier = NULL, noutput = 1, orientation=1, M = 25, B = 500)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).
orientation	Orientation of measurement. 1 for the input-oriented measure, and 2 for the output-oriented measure.
M	The number of elements in each of the bootstrapped samples.
B	The number of bootstrap replicates

Details

See Simar (2003).

Value

A data frame with $J1 \times 1$ dimension, which shows efficiency scores.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

Simar, L. (2003). Detecting outliers in frontier models: A simple approach. *Journal of Productivity Analysis*, 20(3):391-424.

See Also

[fdh](#)

Examples

```
x <- abs(runif(200, min = 0.1, max = 4))
y <- 3*x*abs(rnorm(200))
dat.orderm <- data.frame(y = y, x = x)
dat.orderm.out <- rbind(dat.orderm, c(4, 0.1)) ## add one outlier.
(eff <- orderm(dat.orderm.out, noutput = 1, M = 25, B = 20))
```

revenue.dea

Linear Programming for Revenue Maximization

Description

Solve the Revenue Maximization Problem with Given Output Prices

Usage

```
revenue.dea(base = NULL, frontier = NULL, noutput = 1, output.price = NULL)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1 \times (M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to be used in constructing a production possibility set (PPS). A data frame with $J2 \times (M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (M).
output.price	A vector for market prices of outputs.

Details

The revenue maximization problem under the CRS assumption is calculated. See Cooper et al. (2007).

Value

A data frame with $J1*(N+6)$, which has optimal N output factors, maximized revenue when overall efficient, maximized revenue when technically-efficient, revealed revenue, overall efficiency, allocative efficiency, and technical efficiency.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

See Also

[cost.dea](#)

Examples

```
tab8.3 <- data.frame(y1 = c(1, 3, 6, 6, 3, 9),
                    y2 = c(6, 6, 3, 5, 4, 1),
                    x = c(1, 1, 1, 1, 1, 1))
tab8.3.ps.f <- c(p1 = 2, p2 = 2)
(ex8.3 <- revenue.dea(base = tab8.3,
                    noutput = 2, output.price = tab8.3.ps.f))
```

Description

Solve Slacks-based Model under the CRS (Tone, 2001)

Usage

```
sbm.tone(base= NULL, frontier = NULL, noutput = 1)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to construct a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).

Details

The SBM under the CRS assumption is calculated. See Tone (2001).

Value

A data frame with $(1+J1+M+N)$, which shows efficiency scores, optimal weights, and optimal input and output slacks.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

- Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.
- Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).
- Tone, K. (2001). A slacks-based measure of efficiency in data envelopment analysis. *European Journal of Operational Research*, 130(3):498-509.

See Also

[sbm.vrs](#)

Examples

```
tab7.6.dat <- data.frame(y = c(1, 1, 1, 1, 1, 1),
                        x1 = c(1, 3, 6, 2, 5, 9),
                        x2 = c(4, 1, 1, 8, 5, 2))
(re <- sbm.tone(tab7.6.dat, noutput = 1))
```

sbm.vrs

Linear Programming for the Slacks-based Model under the VRS

Description

Solve Slacks-based Model under the VRS (Tone, 2001)

Usage

```
sbm.vrs(base= NULL, frontier = NULL, noutput = 1)
```

Arguments

base	A data set for DMUs to be evaluated. A data frame with $J1*(M+N)$ dimension, where $J1$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
frontier	A data set for DMUs to construct a production possibility set (PPS). A data frame with $J2*(M+N)$ dimension, where $J2$ is the number of DMUs, M for the number of inputs, and N for the number of outputs.
noutput	The number of outputs (N).

Details

The SBM under the VRS assumption is calculated. See Tone (2001).

Value

A data frame with $(1+J1+M+N)$, which shows efficiency scores, optimal weights, and optimal input and output slacks.

Author(s)

Dong-hyun Oh, <oh.donghyun77@gmail.com>

References

Cooper, W., Seiford, L. and Tone, K. (2007). *Data envelopment analysis: a comprehensive text with models, applications, references and DEA-solver software* (2nd ed.). Springer Verlag, New York.

Lee, J. and Oh, D. (forthcoming). *Efficiency Analysis: Data Envelopment Analysis*. Press (in Korean).

Tone, K. (2001). A slacks-based measure of efficiency in data envelopment analysis. *European Journal of Operational Research*, 130(3):498-509.

See Also

[sbm.tone](#)

Examples

```
tab7.6.dat <- data.frame(y = c(1, 1, 1, 1, 1, 1),  
                        x1 = c(1, 3, 6, 2, 5, 9),  
                        x2 = c(4, 1, 1, 8, 5, 2))  
(re <- sbm.vrs(tab7.6.dat, noutput = 1))
```


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