Business Intelligence

- Business intelligence (BI) is a broad category of applications, technologies, and processes for gathering, storing, accessing, and analyzing data to help **business users make better decisions.** BI applications enable decision makers to quickly ascertain the status of a business enterprise by examining key information

- # The Scope of Business Intelligence

- The use of BI in organizations varies considerably. In smaller organizations, BI may be limited to Excel spreadsheets. In larger ones, BI often is enterprise wide, and it includes applications such as data mining/predictive analytics, dashboards, and data visualization. It is important to recognize that the importance of BI to organizations continues to grow. It is not an exaggeration to say that for many fi rms, BI is now a requirement for competing in the marketplace.

- Not all organizations use BI in the same way.

 For example, some organizations employ only one or a few applications, whereas others utilize enterprise wide BI. In this section you will examine three specific BI targets that represent different levels of change:
 • The development of one or a few related BI applications • The development of infrastructure to support enterprise wide BI

 • Support for organizational transformation These targets differ in terms of their focus; scope; level of sponsorship, commitment, and required resources;

technical architecture; impact on personnel and business processes; and benefits. The Development of One or a Few Related BI Applications. This BI target often is a point solution for a departmental need, such as campaign management in marketing. Sponsorship, approval, funding, impacts, and benefits typically occur at the departmental level. For this target, organizations usually create a data mart to store the necessary data. Organizations must be careful that the data mart—an "independent" application—does not become a "data silo" that stores data that are inconsistent with, and cannot be integrated with, data used elsewhere in the organization. The Development of Infrastructure to Support Enterprisewide BI. This BI target supports both current and future BI needs. A crucial component of BI at this level is an enterprise data warehouse. Because it is an enterprisewide initiative, senior management often provides sponsorship, approval, and funding. In addition, the impacts and benefits are felt throughout the organization

Support for Organizational Transformation.

With this target, BI is used to fundamentally transform the ways in which a company competes in the marketplace. BI supports a new business model, and it enables the business strategy. Because of the scope and importance of these changes, critical elements such as sponsorship, approval, and funding originate at the highest organizational levels. The impact on personnel and processes can be significant, and the benefits are organization wide.