

Use prediction for better collaboration

In this program, you have been learning all about the role business intelligence professionals fill in an organization, how they build systems to store and move data where it needs to go, and how they create visualization and dashboard tools to share insights. You've also been learning about how monitoring can be used to provide stakeholders with updated information to inform decisions. Monitoring can also be used for predictive analytics. Normally this is not part of a BI professional's role, but the tools they create can be used by data scientists to make predictions. In this reading, you'll be introduced to predictive analytics and how BI professionals are sometimes involved.

Predictive analytics

Predictive analytics is a branch of data analytics that uses historical data to identify patterns to forecast future outcomes that can guide decision-making. The goal of predictive analytics is to anticipate upcoming events and preemptively make decisions according to those predictions. The predictions can focus on any point in the future—from weekly measurements to revenue predictions for the next year.

By feeding historical data into a predictive model, stakeholders can make decisions that aren't just based on what has already happened in the past—they can make decisions that take into account likely future events, too!

One example would be a hotel using predictive analytics to determine staffing needs for major holidays. In the hospitality industry, there are many variables that might affect staffing decisions:

- the number of guests
- what services they're using the most
- how much it costs to pay employees to be there

Being able to predict needs and schedule employees appropriately is key. So, a hotel might use a predictive model to consider all of these factors to inform staffing decisions.

Another example could be a marketing team using predictive analysis to time their advertising campaigns. Based on the successes of previous years, the marketing team can assess what trends are likely to follow in the coming year and plan accordingly.

Presenting dashboards

As a BI professional, you might not be performing predictive analytics as part of your role. However, the tools you build to monitor or update data might be helpful for data scientists on your team who *will* perform this kind of analysis. By presenting dashboards effectively, you can properly communicate to stakeholders or data scientists what the next step will be in the data pipeline, and set them up to take the tools you create to the next level.

Key takeaways

BI professionals collaborate with a variety of different teams and experts to support the business needs of their organization. Predictive analytics likely will not be a task you perform on the job, but

you may work with teams who do. Understanding the basics will help you consider their needs as you design tools to support all of the teams who rely on your work!