

# Module 2 Introduction to Databases and DBMSs

Lesson 6: Overview of Data Warehouse Processing



# Lesson Objectives

- List three levels of decision making and at least one decision on each level
- Define data warehouse
- Explain at least one characteristic different for transaction processing versus business intelligence processing





# Decision Making Hierarchy

### Decision making hierarchy

# Top (strategic) Middle (tactical) Lower (operational)

### Typical decisions

Identify new markets, choose store locations

Choose suppliers, forecast sales

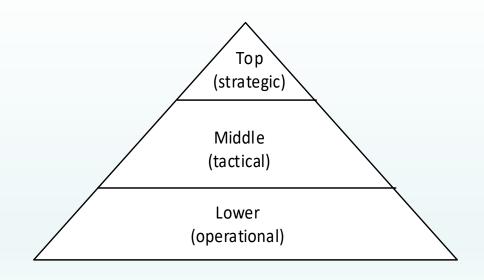
Resolve order delays, schedule employees





# Database Support

### Decision making hierarchy



### Database support

External data sources and summarized, tactical databases

Integrated operational databases

Individual operational databases







### Data Warehouse Characteristics

- Essential part of infrastructure for business intelligence
- Logically centralized repository for decision making
  - Populated from operational databases and external data sources
  - Integrated and transformed data
  - Optimized for reporting





## Comparison of Environments

- Transaction processing
  - Primary data in operational databases
  - Large volumes of transactions with relatively small amounts of data per transaction
  - Some reporting requirements for operations
- Business intelligence processing
  - Secondary data from operational databases
  - Substantial processing for transformations and integration
  - Large volumes of data for reporting





# Summary

- Data warehouse processing supports tactical and strategic decision making
- Business intelligence processing evolution since mid 1990s
- Different DBMS features for business intelligence support



