The simplest explanation I have seen for the term Business Intelligence is the process of collecting and analyzing data to support business decision making.

The two most important aspects of Business Intelligence are the Extraction, Transformation, and Loading phase and the Monitoring and Alerting phase. Without the proper tools and processes involved with both ETL and Monitoring/Alerting, much of the BI life cycle is useless information. Taking collected data and turning it into useful information is the key in the decision-making processes that Business Intelligence enables a company to conduct. Similarly, once these decisions are made, it is vital to monitor their impact on the business and alert anyone as necessary after any changes have been implemented.

Organizations can see other benefits from Business Intelligence as well. These include improved organizational performance through reduced waste, increased efficiency, and reduced turnover; reduced data redundancy by utilization of a common data repository, which promotes a single version of company data; and integration of disparate infrastructure architectures by consolidating multiple data sources into one common data repository.

Some of the drawbacks associated with attempting to implement Business Intelligence include significant technological, financial, and personnel related resource requirements to properly implement; lengthy implementation times, often becoming ongoing operational teams; and increased operational complexity for personnel with decision-making capacities as decisions may now need to be reviewed and analyzed by a secondary team prior to implementation.