1/30 4:33:07 ***

Business Intelligence

("BI")

Business Intelligence (BI)

- Comprehensive, cohesive, integrated set of tools and processes
  - Captures, collects, integrates, stores, and analyzes data
- Purpose - Generate and present information to support business decision making
- Allows a business to transform:
  - Data into information
  - Information into knowledge
  - Knowledge into wisdom

4

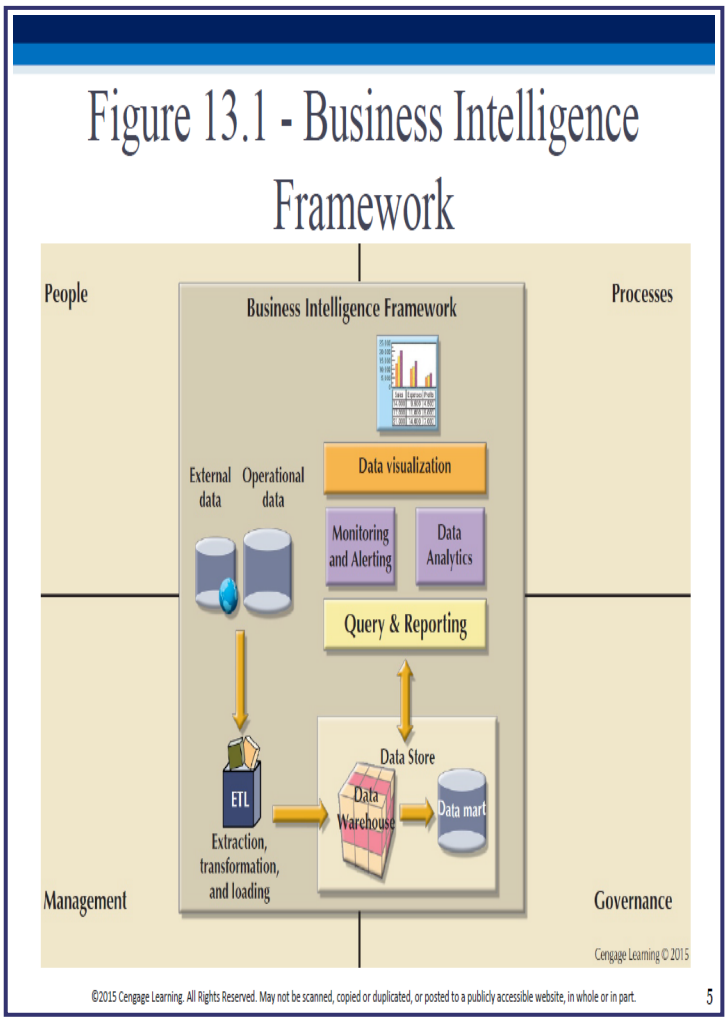
Figure 13.1 - Business Intelligence Framework
People
Processes
Business Intelligence Framework
External data
Operational data
Data visualization
Monitoring and Alerting
Data Analytics
Query & Reporting
Data Store
ETL
Data Warehouse
Data mart
Extraction, transformation, and loading
Management
Governance
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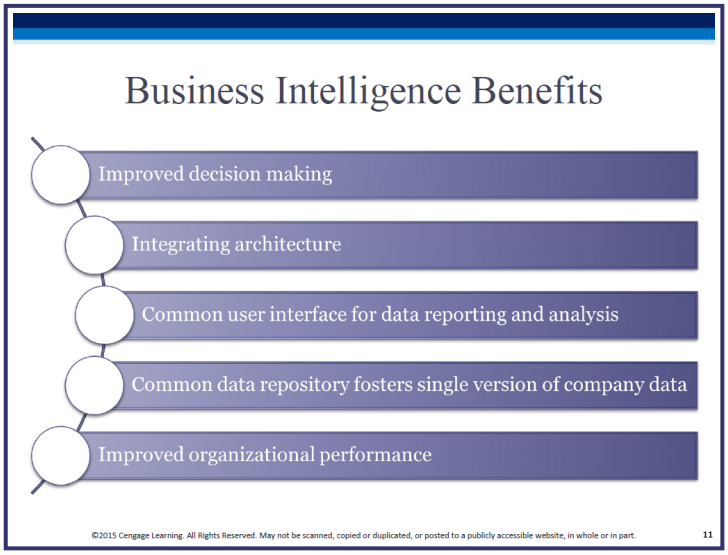
Business Intelligence Benefits
Improved decision making
Integrating architecture
Common user interface for data reporting and analysis
Common data repository fosters single version of company data
Improved organizational performance
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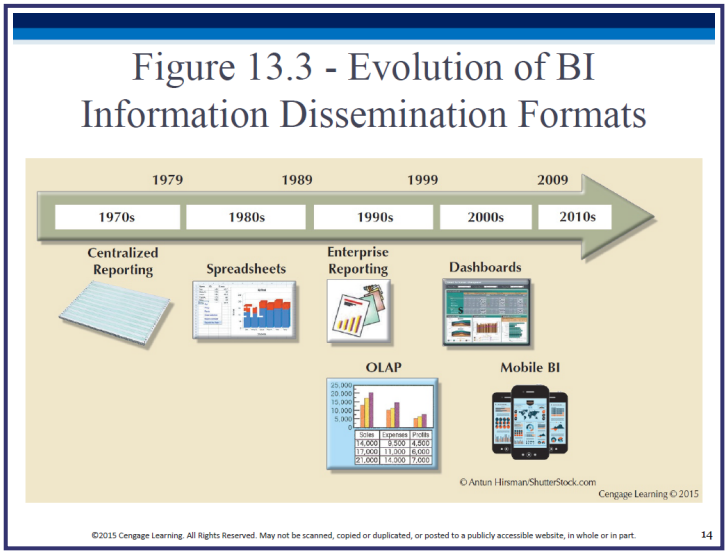
Figure 13.3 - Evolution of BI
Information Dissemination Formats
1979
1989
1999
2009
1970s
1980s
1990s
2000s
2010s
Centralized Reporting
Spreadsheets
Enterprise Reporting
Dashboards
OLAP
Mobile BI
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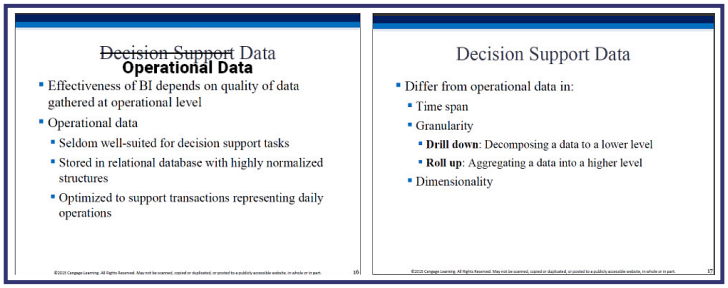

~~Decision Support~~ Data
Operational Data

- Effectiveness of BI depends on quality of data gathered at operational level
- Operational data
  - Seldom well-suited for decision support tasks
  - Stored in relational database with highly normalized structures
  - Optimized to support transactions representing daily operations

10

Decision Support Data

- Differ from operational data in:
  - Time span
  - Granularity
    - **Drill down**: Decomposing a data to a lower level
    - **Roll up**: Aggregating a data into a higher level
  - Dimensionality

11

Transactional, operational data: individual units.

'Analytical', decision-support data: aggregated.

Table 13.5 - Contrasting Operational and Decision Support Data Characteristics

CHARACTERISTIC	OPERATIONAL DATA	DECISION SUPPORT DATA
Data currency	Current operations Real-time data	Historic data Snapshot of company data Time component (week/month/year)
Granularity	Atomic-detailed data	Summarized data
Summarization level	Low; some aggregate yields	High; many aggregation levels
Data model	Highly normalized Mostly relational DBMSs	Non-normalized Complex structures Some relational, but mostly multidimensional DBMSs
Transaction type	Mostly updates	Mostly query
Transaction volumes	High-update volumes	Periodic loads and summary calculations
Transaction speed	Updates are critical	Retrievals are critical
Query activity	Low to medium	High
Query scope	Narrow range	Broad range
Query complexity	Simple to medium	Very complex
Data volumes	Hundreds of gigabytes	Terabytes to petabytes

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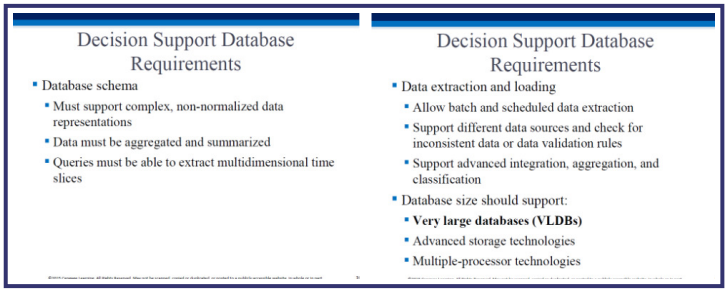
18



Decision Support Database Requirements

- Database schema
  - Must support complex, non-normalized data representations
  - Data must be aggregated and summarized
  - Queries must be able to extract multidimensional time slices

Decision Support Database Requirements

- Data extraction and loading
  - Allow batch and scheduled data extraction
  - Support different data sources and check for inconsistent data or data validation rules
  - Support advanced integration, aggregation, and classification
- Database size should support:
  - **Very large databases (VLDBs)**
  - Advanced storage technologies
  - Multiple-processor technologies

Table 13.8 - Characteristics of Data Warehouse Data and Operational Database Data

CHARACTERISTIC	OPERATIONAL DATABASE DATA	DATA WAREHOUSE DATA
Integrated	Similar data can have different representations or meanings. For example, Social Security numbers may be stored as ###-##-#### or as #########, and a given condition may be labeled as T/F or 0/1 or Y/N. A sales value may be shown in thousands or in millions.	Provide a unified view of all data elements with a common definition and representation for all business units.
Subject-oriented	Data are stored with a functional, or process, orientation. For example, data may be stored for invoices, payments, and credit amounts.	Data are stored with a subject orientation that facilitates multiple views of the data and decision making. For example, sales may be recorded by product, division, manager, or region.
Time-variant	Data are recorded as current transactions. For example, the sales data may be the sale of a product on a given date, such as $342.78 on 12-MAY-2014.	Data are recorded with a historical perspective in mind. Therefore, a time dimension is added to facilitate data analysis and various time comparisons.
Nonvolatile	Data updates are frequent and common. For example, an inventory amount changes with each sale. Therefore, the data environment is fluid.	Data cannot be changed. Data are added only periodically from historical systems. Once the data are properly stored, no changes are allowed. Therefore, the data environment is relatively static.

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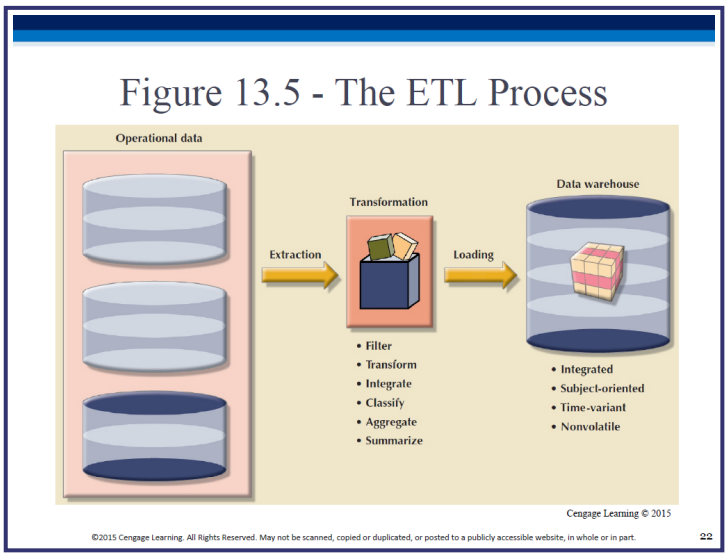
21



An ETL-related job ad:

DATA WAREHOUSE AND ANALYTICS DEVELOPERS (ETL/INFORMATICA)
Ascension Health-IS, Inc. is seeking two Data Warehouse and Analytics Developers (ETL/Informatica) in St. Louis, Missouri to code design and development on the data warehouse/ analytics Extract Transform Load (ETL) toolset, Informatica PowerCenter; support Informatica toolset; integrate and develop other technologies. Research solutions and technology; participate in testing (e.g. user acceptance testing, unit, system, regression, integration testing); develop test plans and documentation; debug code. Contact Jenna Mihm, Vice President Legal Services & Associate General Counsel, Ascension Health, 4600 Edmundson Road, St. Louis, MO 63134, 314-733-8692, Jenna.Mihm@ascensionhealth.org To apply for this position, please reference Job Number 03.

Data Marts

- Small, single-subject data warehouse subset
- Provide decision support to a small group of people
- Benefits over data warehouses
  - Lower cost and shorter implementation time
  - Technologically advanced
  - Inevitable people issues

Table 13.9 - Twelve Rules for a Data Warehouse

RULE NO.	DESCRIPTION
1	The data warehouse and operational environments are separated.
2	The data warehouse data are integrated.
3	The data warehouse contains historical data over a long time.
4	The data warehouse data are snapshot data captured at a given point in time.
5	The data warehouse data are subject oriented.
6	The data warehouse data are mainly read-only with periodic batch updates from operational data. No online updates are allowed.

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Table 13.9 - Twelve Rules for a Data Warehouse

RULE NO.	DESCRIPTION
7	The data warehouse development life cycle differs from classical systems development. Data warehouse development is data-driven; the classical approach is process-driven.
8	The data warehouse contains data with several levels of detail: current detail data, old detail data, lightly summarized data, and highly summarized data.
9	The data warehouse environment is characterized by read-only transactions to very large data sets. The operational environment is characterized by numerous update transactions to a few data entities at a time.
10	The data warehouse environment has a system that traces data sources, transformations, and storage.
11	The data warehouse's metadata are a critical component of this environment. The metadata identify and define all data elements. The metadata provide the source, transformation, integration, storage, usage, relationships, and history of each data element.
12	The data warehouse contains a chargeback mechanism for resource usage that enforces optimal use of the data by end users.

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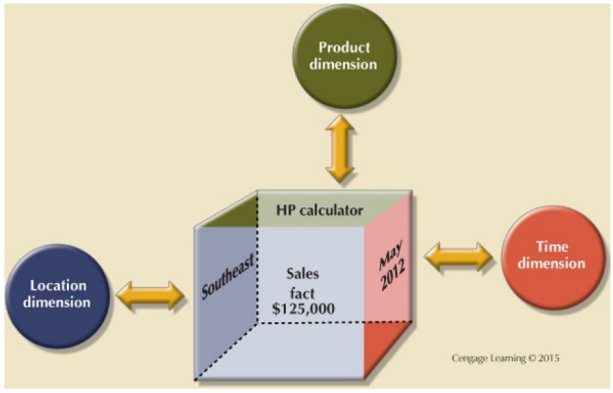
Star Schema

- Data-modeling technique
- Maps multidimensional decision support data into a relational database
- Creates the near equivalent of multidimensional database schema from existing relational database
- Yields an easily implemented model for multidimensional data analysis



Components of Star Schemas

Facts

- Numeric values that represent a specific business aspect

Dimensions

- Qualifying characteristics that provide additional perspectives to a given fact

Attributes

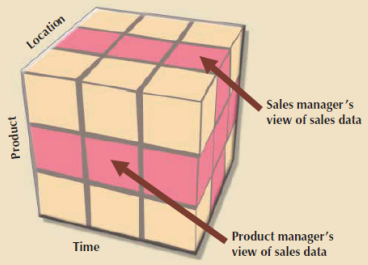
- Used to search, filter, and classify facts
- **Slice and dice**: Ability to focus on slices of the data cube for more detailed analysis

Attribute hierarchy

- Provides a top-down data organization

28

FIGURE 13.8 Slice-and-dice view of sales



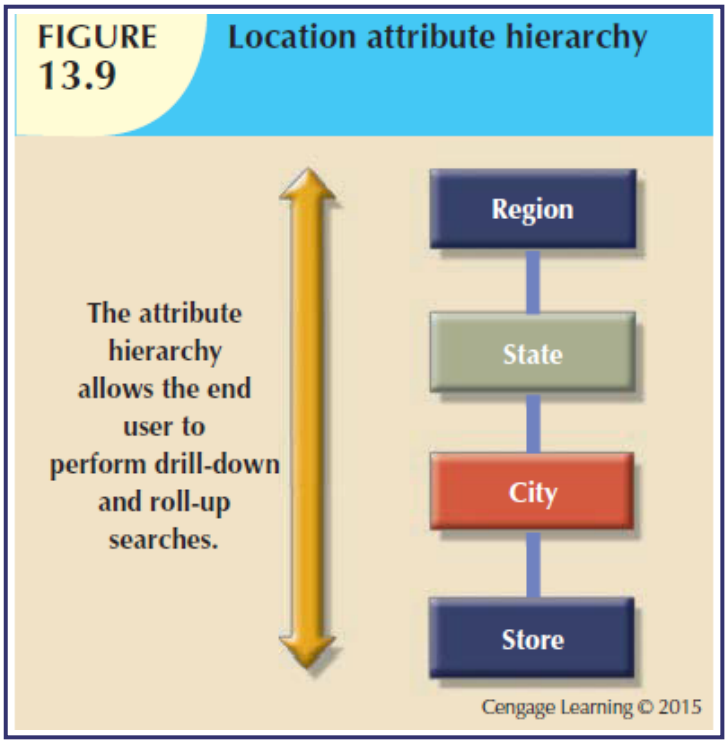


FIGURE 13.9
Location attribute hierarchy
The attribute hierarchy allows the end user to perform drill-down and roll-up searches.
Region
State
City
Store
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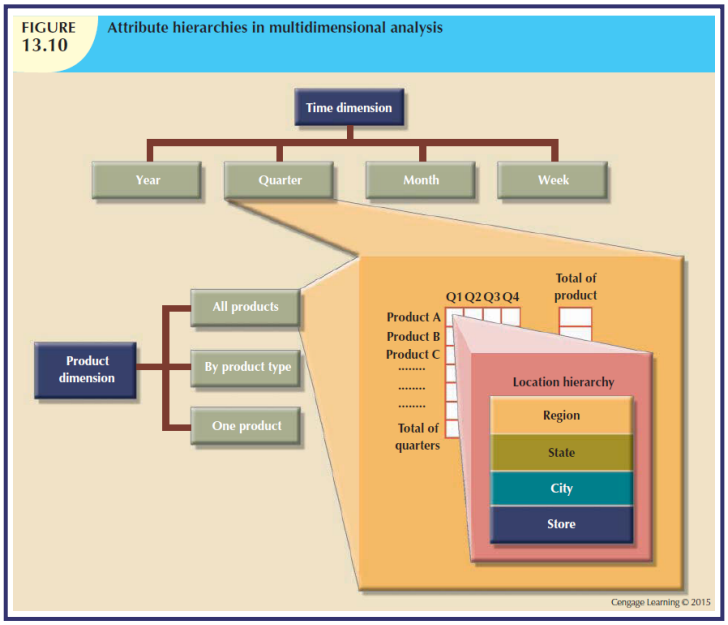
FIGURE 13.10
Attribute hierarchies in multidimensional analysis
Time dimension
Year
Quarter
Month
Week
Product dimension
All products
By product type
One product
Q1 Q2 Q3 Q4
Total of product
Product A
Product B
Product C
Total of quarters
Location hierarchy
Region
State
City
Store
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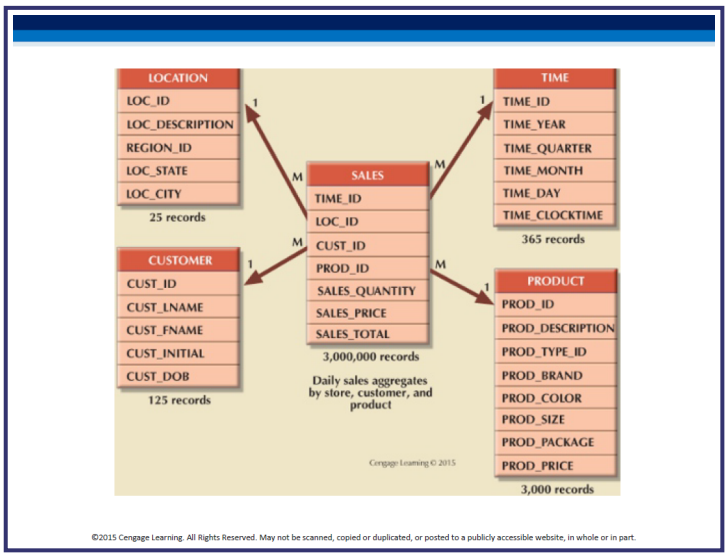
Star Schema Representation

- Facts and dimensions represented by physical tables in data warehouse database
- Many-to-one (M:1) relationship between fact table and each dimension table
- Fact and dimension tables
  - Related by foreign keys
  - Subject to primary and foreign key constraints

Star Schema Representation

- Primary key of a fact table
  - Is a composite primary key because the fact table is related to many dimension tables
  - Always formed by combining the foreign keys pointing to the related dimension tables

A sample star schema

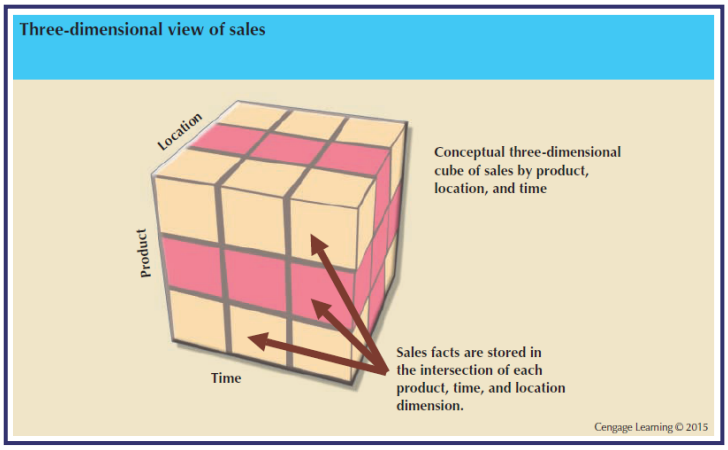


We have the fact table (of transactions) at the center, and denormalized (all-in-one) dimension tables all around.

Here is another representation.

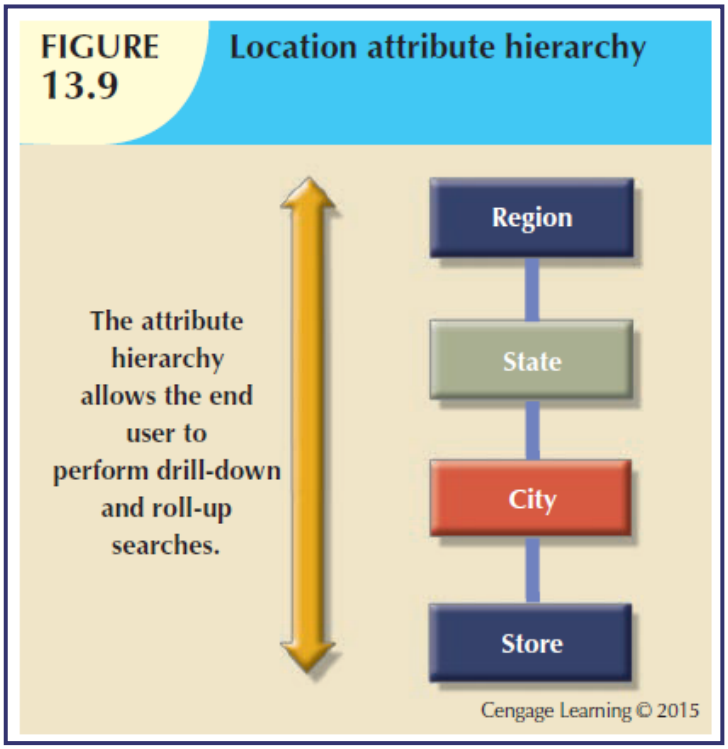
Note: "dimensions are qualifying characteristics that provide additional perspectives to a given fact; dimensions provide descriptive characteristics about the facts through their attributes."

Each fact (transaction) can now pictured to be located in a multi-dimensional cube where the axes are dimensions. Eg. a 3D representation of our data for the above schema would look like this:

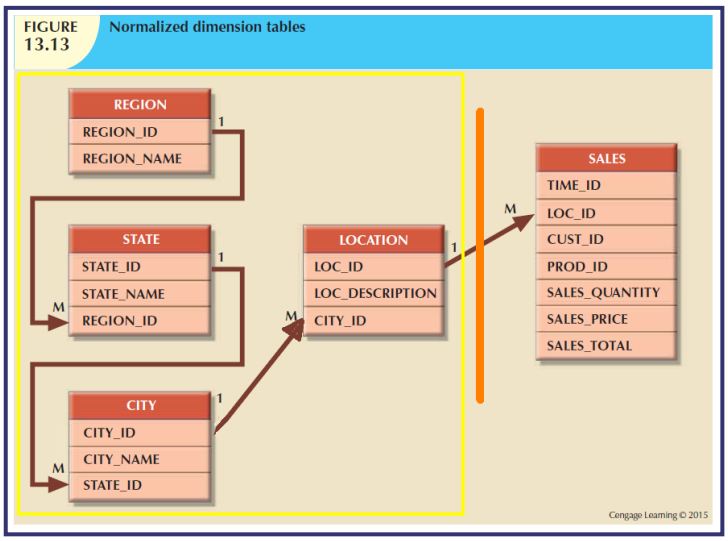


Slicing and dicing the cube provides specific insights..

Additionally, an attribute hierarchy would provide drill-down/roll-up capability as well, eg.

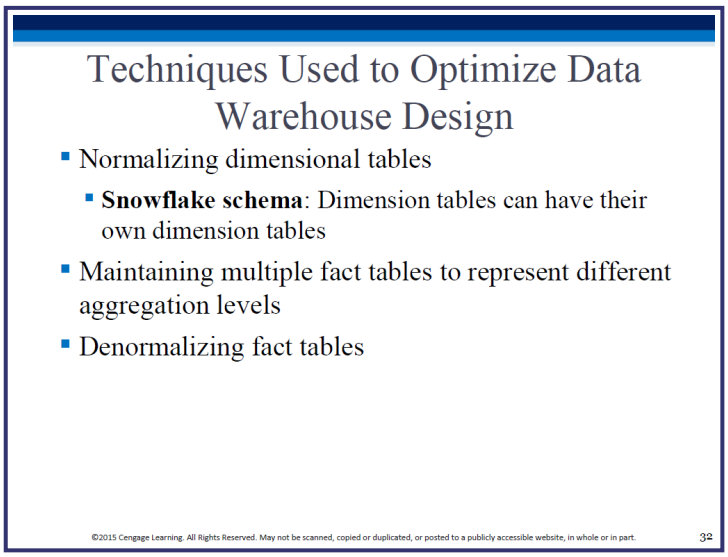


Snowflake schema



Dimensional tables can be normalized so that they have their own dimensional tables - this is done to simplify the design, but requiring navigation across the normalized chains.

Here is another representation.



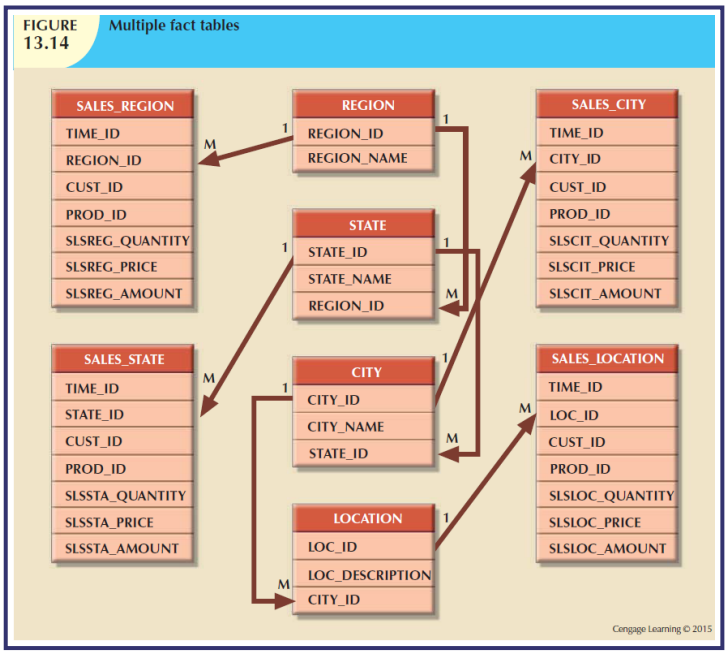
There are four (five!) different ways in which we can organize (structure) a data warehouse:

- 1. star schema: fact table FKs point to a single level of dimension tables (points of a star)
- 2. snowflake schema: each dimension table can be normalized to create a 1:M chain
- 3. the fact table can be supplanted with the columns in the star or snowflake dimensions
- 4. a separate fact table can be created for each attribute in a dimension hierarchy
- 5. ?

To denormalize a fact table (#3 above), we simply add extra 'dimension' columns to it, and fill them with redundant data - this permits fast queries (no joins needed) at the expense of disk space (and cleanliness of design).

Redundant fact tables!

Instead of a denormalized fact table (#3), or a fact table pointing to denormalized star dimensions (#1), or a fact table with lowest attrs pointing to a chain of rolled-up attrs, ie. snowflake schema (#2), we can create multiple fact tables, one for each level in an attr hierarchy (#4) - it is a different form of denormalization, where the redundant data is stored in physically separate tables.



There is also a fifth design option - horizontal fragmentation of tables.

Data Analytics

- Encompasses a wide range of mathematical, statistical, and modeling techniques to extract knowledge from data
  - Subset of BI functionality
- Classification of tools
  - **Explanatory analytics**: Focuses on discovering and explaining data characteristics and relationships based on existing data
  - **Predictive analytics**: Focuses on predicting future outcomes with a high degree of accuracy

Online Analytical Processing

- Advanced data analysis environment that supports decision making, business modeling, and operations research
- Characteristics
  - Multidimensional data analysis techniques
  - Advanced database support
  - Easy-to-use end-user interfaces

35

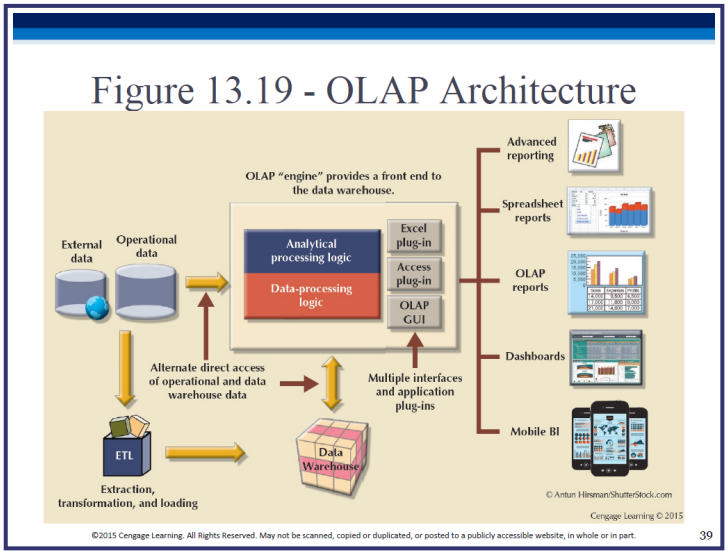


Figure 13.19 - OLAP Architecture
OLAP "engine" provides a front end to the data warehouse.
External data
Operational data
Analytical processing logic
Data-processing logic
Excel plug-in
Access plug-in
OLAP GUI
Advanced reporting
Spreadsheet reports
OLAP reports
Dashboards
Mobile BI
Alternate direct access of operational and data warehouse data
Multiple interfaces and application plug-ins
ETL
Extraction, transformation, and loading
Data Warehouse
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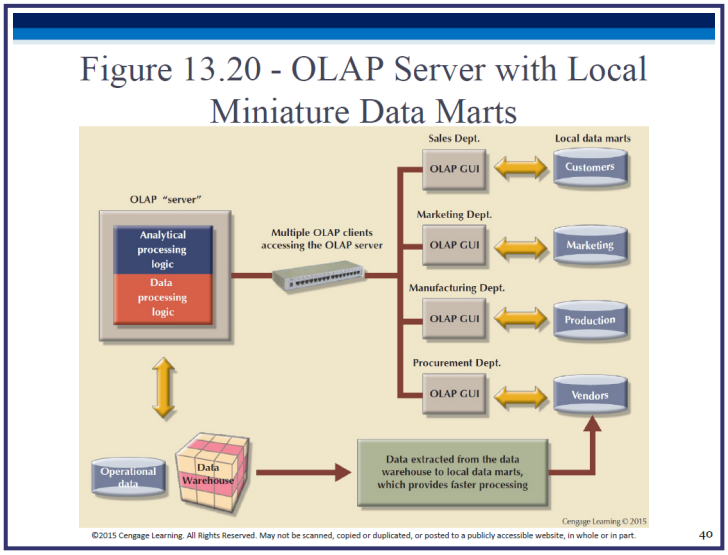
Figure 13.20 - OLAP Server with Local Miniature Data Marts
Sales Dept.
Local data marts
OLAP GUI
Customers
OLAP "server"
Analytical processing logic
Data processing logic
Multiple OLAP clients accessing the OLAP server
Marketing Dept.
OLAP GUI
Marketing
Manufacturing Dept.
OLAP GUI
Production
Procurement Dept.
OLAP GUI
Vendors
Operational data
Data Warehouse
Data extracted from the data warehouse to local data marts, which provides faster processing
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40

Relational Online Analytical Processing (ROLAP)

- Provides OLAP functionality using relational databases and familiar relational tools to store and analyze multidimensional data
- Extensions added to traditional RDBMS technology
  - Multidimensional data schema support within the RDBMS
  - Data access language and query performance optimized for multidimensional data
  - Support for very large databases (VLDBs)

41

Multidimensional Online Analytical Processing (MOLAP)

- Extends OLAP functionality to multidimensional database management systems (MDBMSs)
  - **MDBMS**: Uses proprietary techniques store data in matrix-like n-dimensional arrays
  - End users visualize stored data as a 3D **data cube**
    - Grow to n dimensions, becoming hypercubes
    - Held in memory in a **cube cache** to speed access
- **Sparsity**: Measures the density of the data held in the data cube

Table 13.12 - Relational vs. Multidimensional OLAP

CHARACTERISTIC	ROLAP	MOLAP
Schema	Uses star schema Additional dimensions can be added dynamically	Uses data cubes Multidimensional arrays, row stores, column stores Additional dimensions require re-creation of the data cube
Database size	Medium to large	Large
Architecture	Client/server Standards-based	Client/server Open or proprietary, depending on vendor
Access	Supports ad hoc requests Unlimited dimensions	Limited to predefined dimensions Proprietary access languages
Speed	Good with small data sets; average for medium-sized to large data sets	Faster for large data sets with predefined dimensions

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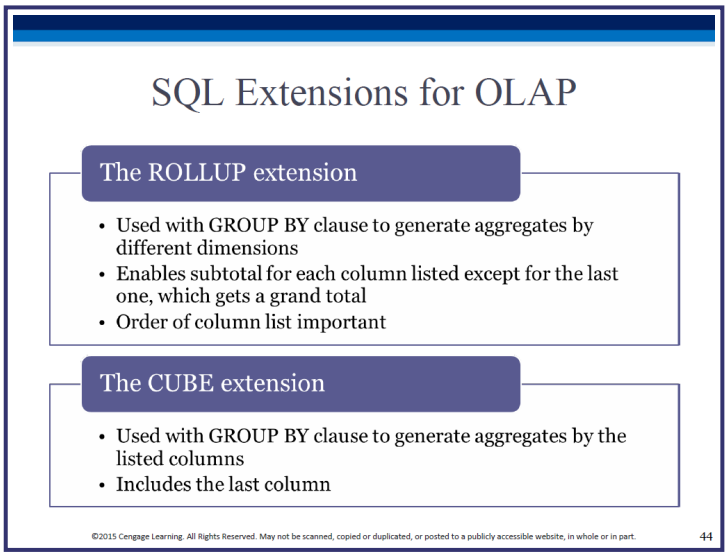
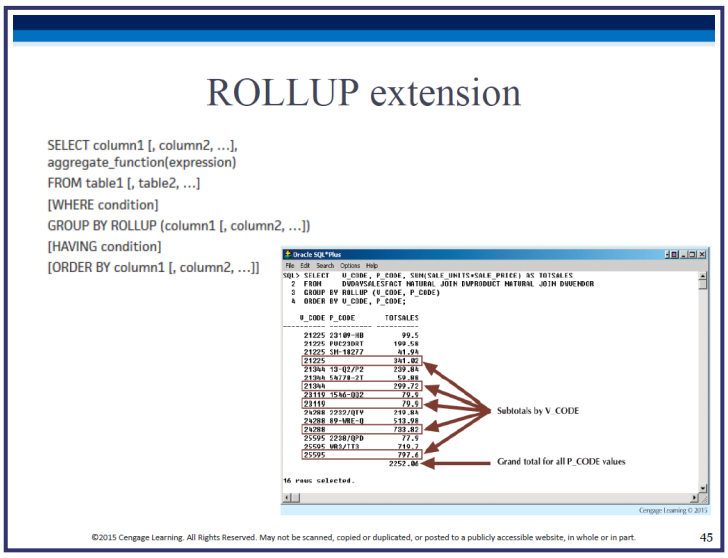
43

BI-oriented SQL extensions

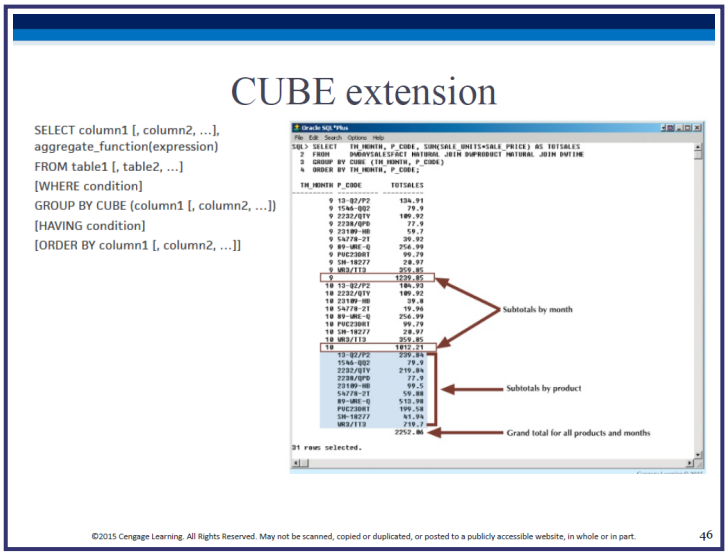
ROLLUP and CUBE are GROUP BY modifiers - they help generate subtotals for a list of specified columns (see examples that follow). Depending on granularity of the columns (eg. US_REGION vs STORE_NUMBER), these subtotals help provide a rolled-up (aggregated) or drilled-down (detailed) analysis of data.



ROLLUP, CUBE: usage examples



"Subtotal for each vendor - all products; sum of (the only set of) subtotals".



"Subtotal for each month - all products; subtotal for each product - all months; sum of (either set of) subtotals".

Data Lakes

A 'traditional' data warehouse is an ETL-based, historical record of transactions - very RDB-like.

A 'modern' alternative is a 'data lake', which offers a more continuous form of analytics, driven by the rise of unstructed data, streaming, cloud storage, etc. In a data lake, data is NOT ETLd, rather, it is stored in its 'raw' ("natural") form [even incomplete, untransformed...].