

It - business intelligence

Technology, Information Technology



Business Intelligence Business Intelligence Understanding business intelligence and the role it plays in the running and management of a business is the subject of this study. Factors determining its effectiveness will also be unveiled, as well as the necessary considerations prior to the implementation of such a system. Introduction Business Intelligence refers to the ability of an organization to take its capabilities and convert them into knowledge, which can be retrieved easily for use by the right people, at the right time and using the right channels (Campbell, 2009). The purpose of Business intelligence is to incorporate the information generated into developing ideas and opportunities, which can eventually see the organization develop new products and services, or come up with new ways of doing things, thus reduce the costs incurred in its operations, while obtaining a competitive advantage (Nigel, 2008). The purpose of Business intelligence is to look through the stored information, generate historical, present, and even predict future events of a business, thus helping an organization to operate based on reliable information, thus planning effectively for its activities to enhance business growth and success. Where a business has an effective Business intelligence system in place, then decision making for such a business becomes an easy task, since the information generated serves to aid an organization in the decision making process, by incorporating information already generated by the intelligence system. It supports decision-making, regarding the internal structures of a business entity as well competitive intelligence, which entails the generation of information relevant for a business to be able to compete effectively with others, which are serving the same market segment (Negash, 2004). Thus,

Business intelligence transforms raw data into meaningful information, which can be applied by a business to strategize and tactically place its operations in a more productive and competitive front. Business intelligence entails data warehousing, management, integration and analysis, through the application of methodologies, technologies and process to enhance business performance (Nigel, 2008). Business intelligence is applied in various ways, to assist an organization in its operations. Performance measurement is one of such uses, where the Business intelligence system analyses the data belonging to the organization, in a bid to evaluate how well the business has been pursuing its vision and objectives. Through such data analysis, the performance of the business is measured against the set goals, eventually determining whether the business is on track towards goals achievement (Campbell, 2009). Reporting is the other aspect of Business intelligence, where it utilizes the information stored in a business warehouse to generate information relevant for strategic management of the business, normally reported through the executive information systems for business strategic decision-making (Nigel, 2008). Additionally, it enhances data gathering from within and externally of a business, sharing such data to different areas of a business, which requires such information. In so doing, Business intelligence enhances the collaboration of different departments of an organization, thus facilitating informed participation of all departments in developing effective strategies to move the business operations and competitiveness higher. Creation of knowledge and its management is the other use that Business intelligence is put to, in an organization. The system identifies, creates, distributes and adopts business insights that are relevant for strategies

formulation (Negash, 2004). Through such strategies, a business develops policies that grant it a competitive edge, while at the same time enhancing the compliance of the business to the relevant regulations. However, the success of Business intelligence within any organization is dependent on several factors. The commitment and sponsorship of the intelligence systems by the senior management of any organization is a factor that determines the likelihood of the system to succeed. Without sufficient commitment and support from the top management, then a Business intelligence system cannot be productive (Campbell, 2009). The amount and the quality of data available is yet another factor that determines how useful a business intelligence system can be for a business entity. Without a variety of data that is relevant and valid, then, a business intelligence system will be of no use, in that the information generated by such a system will not be relevant for business strategy formulation. Enterprise manager is a database product, which is an example of a Business intelligence system. It provides comprehensive business knowledge and reporting system, which encompasses performance management, change automation and configuration management (Negash, 2004). All these components serve to enhance the knowledge generation and utilization in business decision making and strategy formulation. Oracle, IBM and Microsoft are examples of companies that are involved in the production of Enterprise Manager Database product. While Oracle is the leading company in database product provision in the market, followed by IBM and Microsoft as its major competitors, while some small software companies Novell and Cognos follows (Campbell, 2009). Conclusion The implementation of a business

intelligence system should be driven by the needs of such an entity. This is because, the needs of a business determine the nature and types of information that such a business requires. Therefore, before the implementation of such a system, there should be an actual determination of whether the system is needed. The benefits that the business stands to gain should also be evaluated prior to the adoption of a Business intelligence system. References Campbell, D. (2009). 10 Red Hot Business Intelligence Trends. Information Management. Negash, S. (2004). Business Intelligence. Communications of the Association of Information Systems. Nigel, P. (2008). Consolidations in the BI industry. The OLAP Report.