Business Intelligence tools critical to an organization's survival
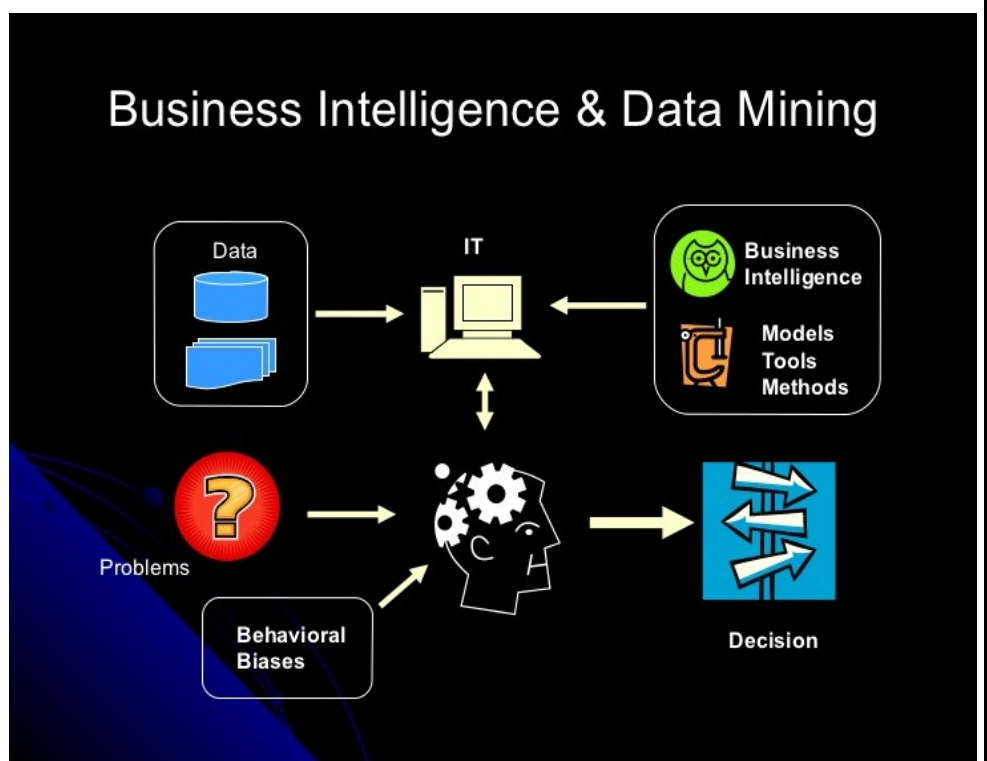
Sharon D'Souza, Reporter

Even though extremely helpful, an abacus cannot run leagues with the computing power of a computer. Is the case the same when speaking of reporting tools and the complex capabilities of Business Intelligence tools? Has Business Intelligence become all necessary for organizations to gain a competitive edge? Let's explore how one can assess the readiness of one's company to adoption of Business Intelligence.

Business Intelligence tools for operations and data mining: -

While the spreadsheet tools are person dependant, Business Intelligence tools may make a person-dependant process redundant. However, there cannot be a clear demarcation, as Business Intelligence tools have foundation in reporting and take it to the next level.

Business Intelligence tools are used in two different areas: operations and data mining. Operational BI is used to run the business more efficiently and get the right return on investments. Business Intelligence tools also help utilize assets efficiently, cut costs, and make use of all business opportunities. In data mining, BI tools help leverage huge quantities of data for achieving the key performance areas or out-of-the-box analyses. The solution can be simple or complex, based on the BI tool required.

Business Intelligence & Data Mining

When is a Business Intelligence tool needed?

What does your data tell you?

A BI project should be initiated by business and should ideally come from a C-level executive.

Business Intelligence tools gain an upper hand due to their dashboard capabilities. But an organization needs to understand that BI is not merely a charting or visual display of data. The BI tools are useful when you have to integrate data from multiple sources.

BI tools can only be deployed if the volume of data is large; for instance, if an organization has an enterprise resource planning system and thus has a large amount of data. Such historical data should be available at the time of deploying a BI tool.

Similarly, BI tools may not help if an organization launches a new product but has no past data about it or lacks a similar offering to make predictions.

Another major fear for an organization is incurring a big capital expenditure for a BI tool and then realizing that it doesn't actually need one.

"If the queries generated cannot be sufficed by operational reports, they do not make any sense to the business user. The users will then need a BI tool," reasons Harshal Sulakhe, manager - business applications at Marico. The information technology team has to put in place multiple sequel queries to generate reports according to the business user's demand. The senior management wants a more interactive analysis of data.
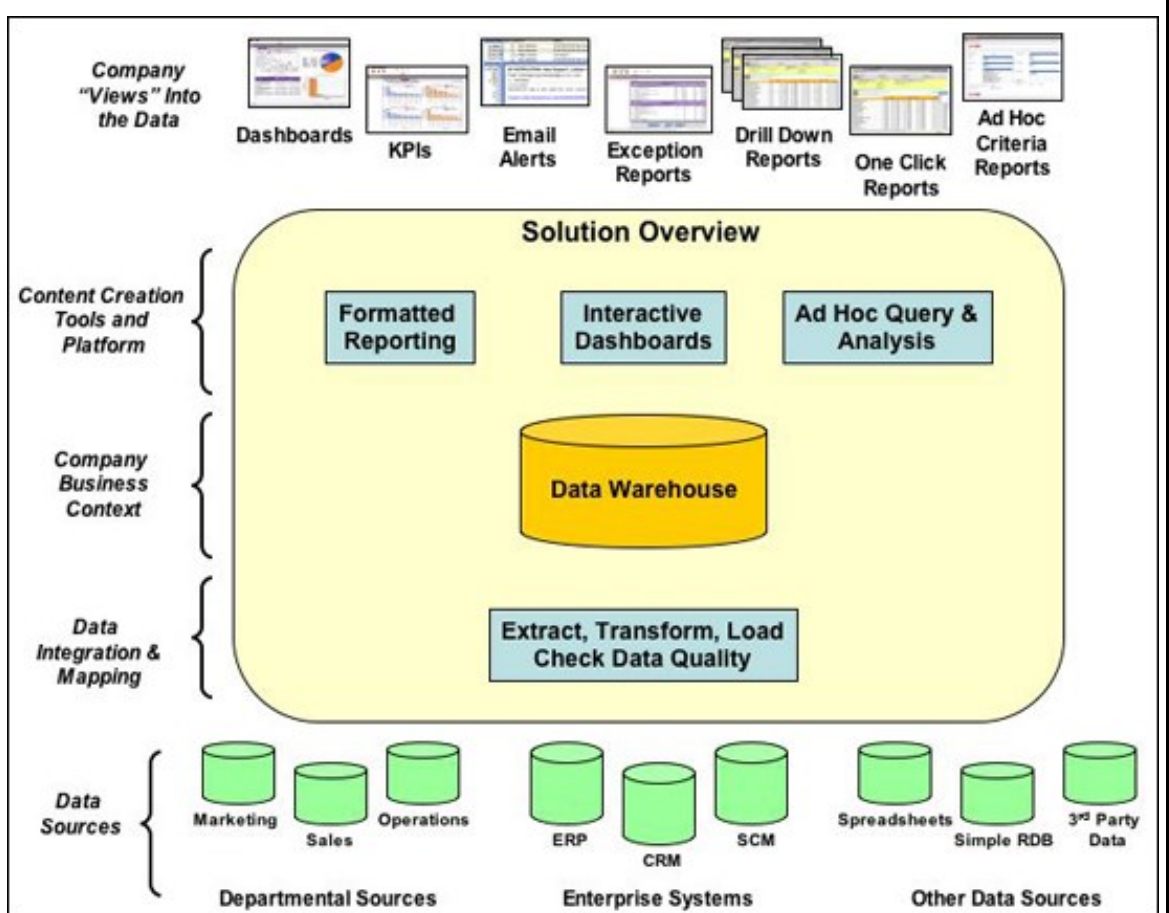
All these efforts should be equated with the profitability that BI tools can generate. A BI tool will solve all problems is a case of concept selling.

Multi-functionality of Business Intelligence tools

As an organization grows, its reporting needs increase. Although an organization captures the most granular transactions, the reports may not be at the same level. The reports may only mention about the total revenue of an organization, but not sales made at the regional levels or varied customer details. Someone will have to manually churn out the data. This is where an organization might feel a strong need for a Business Intelligence tool. BI tools help an organization minimize its time, cost, and effort while generating such reports.

"An organization will require a data warehouse, irrespective of its size. A Business Intelligence tool should be considered not only for its analytical capabilities but also due to its data warehousing practice. BI tools can then sit on any transactional system for analysis at any point in time," says at top CIO. Various kinds of BI tools are now available at different rates in the market. As the vendors realize the growing need for BI tools, they are also trying to cater to the small and medium-sized businesses (SMBs). The BI tools today are far sleeker and easier to operate and enables decision making support to all rungs of business.
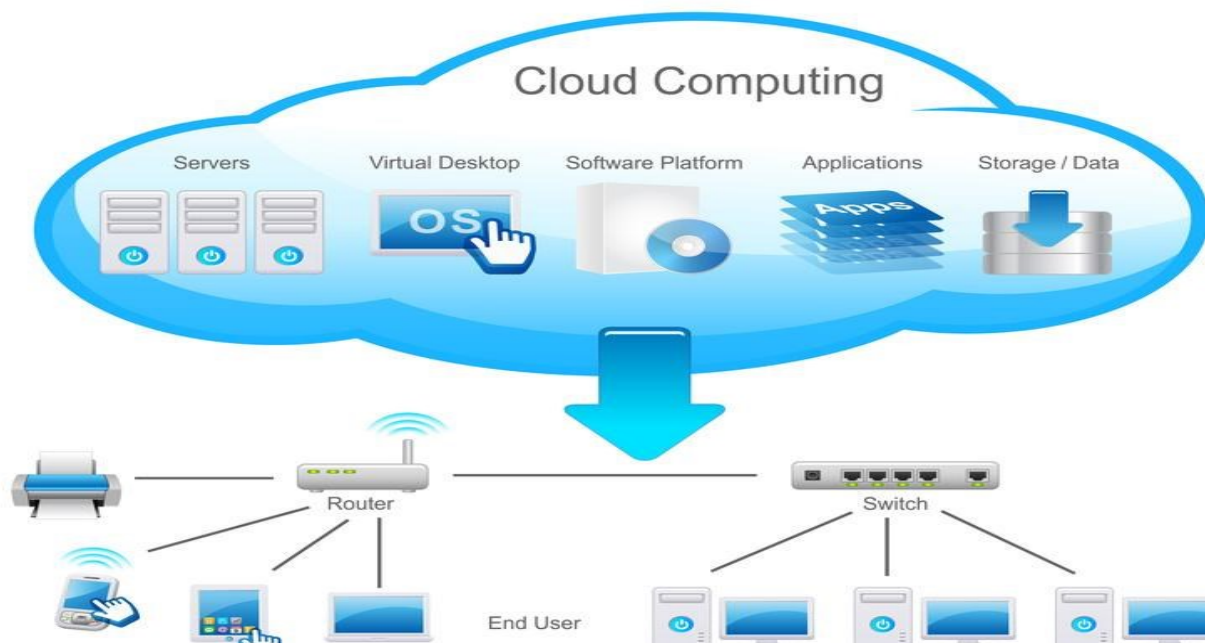

In SMBs, the data is readily available and they know exactly what is happening; hence, a BI tool may not be required. However, BI is not just about analytical tools but also comprises other functionalities from data warehousing to data quality and management. SMBs may opt for BI tools, as not having BI may could prove to be a disadvantage and they will not know the next level they can take this to.

Outsourcing may be a good option

BI can be easily outsourced and vendors are trying to come up with various delivery models. The cloud is a very viable option for them, as it does not require huge investment. In a knowledge processing outsourcing scenario, a set of standard reports are churned out. Flexibility of this report generation is the key here.

For an organization with business growth as the motto, BI would have to be one of the key drivers.

Cloud Computing

Contact Information