Business intelligence?

Information systems that support decision makers
- Management information systems
- Decision support systems
- Group support systems
- Executive information systems
- Data warehousing
- Data mining
- Business intelligence
What is a business intelligence system?

• Really a marketing term as “MIS” and “EIS” are old fashioned.
  – Everything old is new again!
  – Sometimes used interchangeably with “data warehouse”
  – Sometimes used interchangeably with “OLAP”
  – Sometimes used interchangeably with “decision support”
• Intelligence is meant in the way Herbert Simon uses the term.
  – Intelligence, design and choice as decision making phases.
  – Intelligence is the phase of decision making associated with recognizing that a decision has to be made and with understanding the nature of that decision.

Two classes of BI definition

• BI systems are focused on gathering and presenting data
• BI systems are about supporting the decision making of managers

The BI challenge

“How you gather, manage, and use information will determine whether you will or lose”

Bill Gates (1998)
Difference between BI & OLTP

- Users
- Tasks, problems
- Information to support tasks
- Personal impact
- Organizational impact
- IT approach

Marc LeFrançois, President and Chief Executive Officer, VIA Rail Canada Inc.

Born in Québec in 1939, Marc LeFrançois was appointed Chairman of the Board of VIA Rail Canada in 1993. On 1 September 2001, he assumed the position of President and Chief Executive Officer of the Corporation. Mr. LeFrançois attended Université Laval before pursuing further studies in the United States at Ohio State University, in France at Institut Geographique National de Paris, and in Italy at the Milan Polytechnic Institute. He has taught land surveying, civil engineering and architecture at Université Laval, Université de Montréal and Université de Sherbrooke.

BI user/client characteristics

- Managers (middle - top) and analysts
- Discretionary and demanding clients
- Bright & talented
- Chauffeured
- Fragmentation, brevity and variety
- Urgency
- Organisational power
What information channels will managers use?

- Face-to-face meetings
- Tele-conferencing
- Telephone
- Paper documents
  - Memos
  - Reports
  - Printed computer output
- Email
- Operational information systems
- DSS, EIS, DW, BI
- Web

The BI environment

- Individual Differences
- Situation
- Organization Structure & Processes
- Education & Training
- Decision Making
- Technology

What we know about BI: The business side

- The major benefits of BI we have noted are:
  - Better data management,
  - Better access to data,
  - Better decision making, and,
  - A reduction in the costs associated with the production of ad hoc reports.
- Managers need to be strongly involved in the development process
- Managers need to understand the logic and structure of the system
What we know about BI: The IT side

- Organizations are using existing technologies for their data warehouse
- Most organizations have multiple delivery tools
- The majority of projects are not enterprise-wide in scale
- A small number of systems cost many millions of dollars but around $500,000 is a typical cost
- A small number of users (around 10) is common
- The development team usually consists of between 2 to 4 people
- Experience of the development team is a very important factor
- Evolutionary development is essential

The Decision Support Chain

Why IMS5028 Customer Relationship Management?

- Report of a Review of DSS Graduate Teaching (May 2002)
  - "In terms of the specifics of our program virtually all industry people were critical of the relatively low presence of customer relationship management (CRM) in our program. As CRM is the major growth area in business intelligence this was seen as a major shortcoming of the Monash program."
“Analytical customer relationship management may be defined as a decision support system that is targeted to helping senior executives, marketing, sales and customer support personnel to better understand and capitalize upon their customer needs, the company’s interactions with the customer, and the customer buying cycle.”


crmtoolbox.com

Where does CRM fit?

IMSS028 CRM

- CRM concepts
- Analytical CRM
- Technology & the CRM data warehouse (2 weeks)
- CRM analytics
- Data mining apps for CRM (3 weeks)
- CRM in organizations
- CRM case studies & product review, Student presentations (2 weeks)
- Unit summary