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(Recognized by UGC, Approved by AICTE, New Delhi and
Affiliated to Bharathiar University, Coimbatore)

DEPARTMENT OF COMMERCE (IT)

COURSE NAME : 21UCI508 - Business Intelligence

III YEAR / V SEMESTER

Unit III

Business Models and Information Flow

Difference between information processing and information flow

Unit 3

Difference between information processing and information flow

| S.No | Basis | Information Processing | Information Flow |
|------|------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| 1. | Definition | It is the transformation of raw data into meaningful information. | It is the transmission or movement of information within or between systems or people. |
| 2. | Function | Performs operations like collecting, organizing, analyzing, and interpreting data. | Transfers processed or unprocessed data from one point to another. |
| 3. | Nature | Active and cognitive process. | Passive or directional process. |
| 4. | Purpose | To support decision-making by deriving insights from data. | To ensure the right information reaches the right place or person. |
| 5. | Focus Area | Data transformation, enrichment, and analysis. | Communication and dissemination of information. |
| 6. | Sequence | Happens before the information flow. | Happens after processing to deliver results. |
| 7. | Role in BI | Enables decision-making by producing insights. | Enables coordination and collaboration using insights. |

Information Processing vs. Information Flow

| Characteristic | Information Processing | Information Flow |
|-------------------|---------------------------------|-----------------------------------|
| Definition | Transformation of raw data | Transmission of information |
| Function | Collect, organize, analyze data | Transfers processed/raw data |
| Nature | Active and cognitive | Passive or directional |
| Purpose | Support decision-making | Reach the right person |
| Focus Area | Data transformation, analysis | Communication and dissemination |
| Sequence | Happens before flow | Delivers results after processing |
| Role in BI | Produces insights | Enables coordination |

Unit 3

Difference between information processing and information flow

| | | | |
|-----|-----------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------|
| 8. | Involves | ETL (Extract, Transform, Load), Data Mining, OLAP, and Reporting. | Messaging systems, Email, Dashboards, APIs, and Reports distribution. |
| 9. | User Interaction | Often automated with limited user interaction. | Involves active user communication and system integration. |
| 10. | Examples | Analyzing customer sales data to identify trends. | Sending sales reports to the marketing department. |
| 11. | Systems Used | Data warehouses, BI tools (e.g., Power BI, Tableau). | Communication tools, email, dashboards, or ERP systems. |
| 12. | Output Type | Insight, pattern, report, or dashboard. | Notification, message, file, or report sharing. |
| 13. | Dependencies | Depends on raw data quality and system logic. | Depends on network, communication channels, or system connectivity. |
| 14. | Data Handling | Manipulates, transforms, and interprets data. | Moves or transmits data without altering its content. |
| 15. | Importance in BI Life Cycle | Crucial for insight generation. | Crucial for decision implementation and coordination. |

Comparison of Data Analysis and Communication

| Characteristic | Data Analysis | Communication |
|------------------|--------------------------------------|------------------------------------------|
| Involves | ETL, Data Mining, OLAP, Reporting | Messaging, Email, Dashboards, APIs |
| User Interaction | Often automated, limited interaction | Active communication, system integration |
| Examples | Analyzing sales data for trends | Sending sales reports to marketing |
| Systems Used | Data warehouses, BI tools | Communication tools, email, ERP |
| Output Type | Insight, pattern, report, dashboard | Notification, message, file, report |
| Dependencies | Raw data quality, system logic | Network, channels, system connectivity |
| Data Handling | Manipulates, transforms, interprets | Moves or transmits data unaltered |
| Importance | Crucial for insight generation | Crucial for decision implementation |

