International Journal of Leading Research Publication (IJLRP)
E-ISSN: 2582-8010 ● Website: www.ijlrp.com ● Email: editor@ijlrp.com

# The Impact of AI on Business Analysis: Are Analysts at risk?

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**Abstract**

**Artificial Intelligence (AI) is reshaping industries by automating tasks, enhancing decision-making, and improving efficiency. Business analysis, a critical function in organizations, is also undergoing transformation due to AI advancements. This paper explores the impact of AI on business analysis, its capabilities, limitations, and the future role of business analysts. While AI is revolutionizing data processing and insights generation, it is unlikely to fully replace human analysts due to the need for contextual understanding, stakeholder management, and strategic thinking.**

## 1. Introduction

The rapid advancement of AI technologies has led to significant automation in various business functions. Business analysis, which involves identifying business needs and providing solutions, has traditionally relied on human expertise. With AI's ability to process large datasets, recognize patterns, and generate insights, there is growing concern about whether AI will replace business analysts.The evolution of corporate analysis methods, from traditional manual processes to the environments enhanced by the AI, marks a new chapter on the field. Business analysis is a crucial function in organizations that help to improve processes, systems and overall performance. Business analysts, often indicated as BAS, are professionals who act as a bridge between IT and the interested parties. They focus on understanding business needs and on the search for effective solutions to challenges. According to Popola et al. (2024), there are different skills and key functions that define business analysts.

First of all, one of the key skills of a corporate analyst is communication. BAs must be able to clearly explain complex ideas to a different audience, such as technical teams and non -technical management. Good communication also involves active listening. Analysts must carefully listen to the interested parties to collect the right information on their needs and expectations.

Secondly, critical thinking is essential. Business analysts must analyze data and processes critically to identify problems and opportunities. This requires strong analytical skills, which include the ability to evaluate information and draw reasonable conclusions. Business analysts often work with data, so it is important for them to use various tools and techniques to interpret and view such data effectively.

Subsequently, problems resolution is a fundamental function of business analysts. They have the task of identifying potential problems and proposing effective solutions. This implies not only to understand what the problems are, but also to think creatively on how to deal with them. Business analysts often collaborate with other team members to make brainstorming of solutions and implement improvements.

Business analysts must have a strong knowledge of the sector of their organization and its specific corporate environment. The understanding of the trends, regulations and market dynamics of the sector helps to provide informed insights. This knowledge is essential to ensure that the recommendations they form are relevant and effective.

The management of the project is another important aspect of the role of a corporate analyst. The BAs often participate in main projects aimed at implementing new processes or technologies. They must manage stakeholders expectations, keep track of progress and ensure that the projects align with the company objectives. A good understanding of the project management principles allows business analysts to guide projects to completion successfully.

Adaptability is a crucial competence in the rapidly evolving company landscape. With the technology that constantly evolves, business analysts must be able to quickly learn new tools and methods. This adaptability not only helps them to remain pertinent, but also allows them to exploit new technologies, including artificial intelligence (AI), to improve business analysis processes.

**2. AI Capabilities in Business Analysis** AI has introduced several enhancements to business analysis, including:

- **Data Processing and Pattern Recognition:** AI-powered tools can analyze vast amounts of structured and unstructured data faster and more accurately than humans. IA tools can process large amounts of data quickly and efficiently, allowing a faster analysis of what a human analyst could achieve alone. For example, automatic learning algorithms can identify patterns and correlations in data sets that can go unnoticed by human analysts. This capacity allows companies to make decisions based on data more quickly and precisely.
- **Predictive Analytics:** Machine learning models help forecast trends, risks, and opportunities, aiding decision-making.AI allows real -time data analysis, which is becoming increasingly important in the current accelerated rhythm business environment. Analysts now can access and analyze data in real time, which allows you to quickly respond to changing market conditions or customer needs. This change not only improves the efficiency of commercial operations but also raises the role of the analyst to one that emphasizes strategic thinking and proactive decision making.
- **Natural Language Processing (NLP):** AI can extract insights from documents, emails, and meeting transcripts, reducing manual effort.
- **Process Automation:** Robotic Process Automation (RPA) automates repetitive tasks, allowing analysts to focus on higher-value activities.
- **Decision Support Systems:** AI-driven dashboards and visualization tools provide real-time insights for business decisions.

AI integration in business analysis can also change the skills that are on demand. As IA systems take over repetitive tasks, human analysts will need to develop skills that AI cannot easily replicate, such as critical thinking, communication and creativity. A study by Bessen (2019) emphasizes that future analysts will probably need a combination of technical knowledge and soft skills to work effectively

together with AI. This evolution could lead to new work titles and roles in analysis that we do not see today.

**3. Limitations of AI in Business Analysis**: It is essential to discuss possible concerns about the displacement of work in this changing panorama. Many fear that the emergence of AI can lead to a lower demand from human analysts, since machines take over the tasks traditionally performed by people. While it is true that AI can automate certain functions, it is unlikely to completely replace the role of the analyst. Instead of displacement, a more precise perspective is that AI improves the work of analysts. By automating routine tasks, such as data collection and preliminary analysis, IA releases analysts to concentrate on tasks that require human intuition, creativity and contextual understanding. This change allows them to provide deeper ideas and more innovative solutions than machines alone cannot generate.

George et al. (2023) Provide a broader vision of the problem of job displacement. His research indicates that although some works may be at risk of being replaced by AI, many others will change instead of disappearing. This suggests that, instead of losing jobs, the role of analysts can evolve to include working with AI tools. This evolving role can allow analysts to focus on more complex tasks that require human information, while routine data processing could be largely managed by AI.Despite its capabilities, AI has several limitations that prevent it from completely replacing business analysts:

- **Contextual Understanding:** AI lacks deep contextual awareness and the ability to interpret business nuances.
- **Stakeholder Engagement:** Business analysts facilitate communication among stakeholders, translating business needs into technical requirements—something AI cannot replicate effectively.
- **Strategic Thinking:** AI can provide insights but cannot formulate business strategies that align with organizational goals.
- **Ethical and Compliance Considerations:** AI decisions need human oversight to ensure compliance with regulations and ethical standards.
- **Adaptability to Unstructured Problems:** Business analysis often requires handling ambiguous problems, which AI struggles with.

Many people care about how AI will affect work in the field of analysis. Moradi and Levy (2020) highlight that AI's ability to automate tasks can threaten traditional works. This change means that companies may need to observe new skills and training methods to support their workers. As the works change, there will be a greater need to require strategies and qualify to ensure that employees can still contribute value.

**4. The Evolving Role of Business Analysts:** As organizations continue to adopt technologies Ai, the roles of business analysts are evolving. While some traditional activities can be automated, such as data collection and analysis, this does not necessarily mean that analysts will be displaced. Instead, artificial intelligence can improve their roles allowing them to focus more on the interpretation of data and making strategic decisions based on insights generated by artificial intelligence. This change highlights

the potential future for human-ai collaboration in which analysts can use IA as a support tool, improving their efficiency and effectiveness in the decision-making process led by the data.

Rather than being replaced, business analysts will evolve to work alongside AI, focusing on:

- **AI-Augmented Decision Making:** Using AI-generated insights to enhance strategic planning.
- **Data Interpretation and Validation:** Ensuring AI-driven insights are accurate and actionable.
- **AI Governance and Ethical Considerations:** Implementing frameworks to regulate AI usage in business analysis.
- **Change Management and Digital Transformation:** Leading AI adoption and ensuring smooth organizational transitions.
- **Continuous Learning and Upskilling:** Business analysts must develop AI literacy to remain relevant in an AI-driven landscape.

Tschang and Almirall (2021) discuss how increased automation can change the nature of analysts' responsibilities. They argue that, instead of simply replacing human analysts, AI helps improve their abilities. With the management of AI managing large amounts of data and performing basic analyzes, analysts can concentrate on strategic planning, the interpretation of the results and the construction of narratives around the knowledge of the data. This collaboration between human intuition and AI capacities can ultimately lead to more informed decision making within organizations.

**5. Conclusion** In summary, the introduction of the AI in corporate analysis significantly improves decision -making skills. These tools not only elaborate the data faster, but also provide deeper insights, reduce prejudices, promote collaboration and require analysts to adapt their skills. As companies increasingly incorporate artificial intelligence into their analysis processes, they probably see significant transformations in the way decisions are made and how analysts will fulfill their roles., The role of analysts is experiencing significant changes due to the growing use of artificial intelligence (AI) in business analysis. As Krause (2023) pointed out, the tools of AI, particularly the generative AI, can open creative possibilities for human analysts. Instead of seeing AI as a direct replacement, it should be seen as a partner that helps analysts to think about new ways and develop innovative solutions. This change suggests that analysts will focus more on using data generated by AI to cause their own creativity.

The future will probably require that analysts have a combination of technical and interpersonal skills. Grennan and Michaely (2019) emphasizes this need for a set of diverse skills in their research, which analyzes how highly qualified roles are improved by integrating AI in the workplace. Analysts will not only need to understand the technical aspects of AI tools, but also how to communicate the findings effectively and collaborate with other team members to boost better decision making.

As the use of AI becomes more common, analysts' responsibilities must adapt accordingly. For example, although AI can process large amounts of data more quickly than humans, analysts will continue to play a crucial role in the interpretation of the results and make strategic recommendations. They will be responsible for understanding the ideas that AI provides and transforming them into processable plans for their organizations. This means that the ability to think critically about data is as important as having technical knowledge to operate AI tools.

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