



THE DECISION MODEL: FOR BUSINESS PEOPLE, ANALYSTS, AND ENTERPRISE ARCHITECTS

About The Decision Model

The introduction of The Decision Model, a technology independent model for the logic of business rules, has made a significant impact on business and technology management in major corporations.

The ability to relate management objectives directly to business decisions and to manage those business decisions against performance over time has created a new discipline of Business Decision Management (BDM).

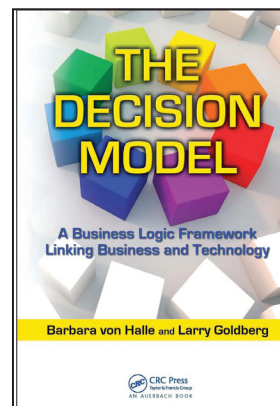
This new discipline promises dramatic opportunities for increased business agility and active business governance.

For IT, The Decision Model provides the missing link – a model of business logic. This is the one remaining aspect of business application systems for which IT has not had a universally accepted model. Currently business and systems analysts bury the business logic in various models such as process models, use cases, activity models, requirements, and repositories. Or, they list what they consider to be the business rules in catalogs of rule statements using various proprietary or random methods of expression and grouping. The result is that there is no rigor, leaving the designer and ultimately the programmer of systems to determine the correct logic. This results in overrun costs, higher error rates, failures in projects, and sub-optimal agility-adverse application systems.



The Decision Model delivers the logic of business rules that is:

- ◆ Replicable
- ◆ Understandable for Business
- ◆ Consumable for IT
- ◆ Consistent all the time



"...one of the classic books of a new era in computing..."

-Opher Etzion, IBM Haifa Research Laboratory

"...a new approach to improve the elicitation and quality of functional requirements and corresponding test cases in the development of systems."

-William D. Miller, Stevens Institute of Technology

"This is an important book: it has important things to say about an especially important set of real-world problems..."

-Ken Orr

What is Business Logic?

Business Logic is simply a set of business rules represented as atomic elements of conditions leading to conclusions. It is the hidden asset that represents business thinking about the way important business decisions are made. As such, it is the underpinning of your organization's identity, integrity, innovation, and intelligence and it operates thousands of times a day in servicing your customers.

Business logic is the detail behind a Business Decision, the latter being the conclusion that a business arrives at through business logic and which the business is interested in managing.

The Decision Model is an intellectual template for perceiving, organizing, and managing the business logic behind a business decision, from business authoring to testing to business-governed automation.



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In practice to date The Decision Model provides the following benefits, it

Reduces the Time and Cost of Change

- ◆ Makes possible a 30% to 70% reduction in time (as estimated by KPI clients) to create, manage, and deploy business logic
- ◆ Eliminates time-consuming translation of business statements into natural language rules, templates, or specific grammar
- ◆ Avoids misinterpretation of business rules and rework
- ◆ Reduces testing efforts through new testing strategies (some clients reveal 50% reduction in testing time)
- ◆ Minimizes the need for programming to accommodate changes in a deployed decision model (an example is a client who compressed policy changes to automation from weeks into days)

Simplifies Business Processes

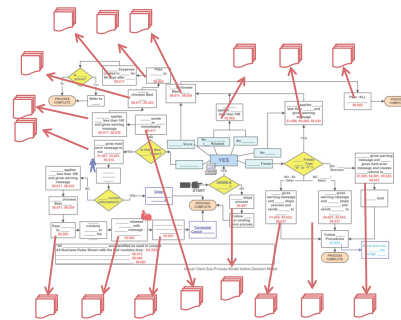
- ◆ Provides drastic simplification of business processes by separating decision models from process (it is not unusual for a business process model of 40+ pages to reduce to one page)
- ◆ Improves the ability to optimize business processes and value chains due to process simplification
- ◆ Delivers shared decision services
- ◆ Improves transaction throughput due to process simplification (one client reduced batch throughput from tens of hours to minutes with The Decision Model)

Promotes Shared Understanding by Business and IT Stakeholders as follows:

- ◆ Eliminates ambiguity due to the Decision Model's 15 principles and three normal forms
- ◆ Makes it easy for everyone in an enterprise to understand because The Decision Model is simple and intuitive
- ◆ Promotes creative business thinking at all organizational levels because of broader level of shared understanding
- ◆ Facilitates and uses an enterprise federated glossary and sophisticated business-specific decision model views

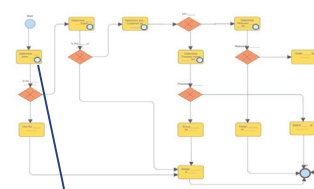
Accelerates Business Agility (Decreased Time to Market) in the following ways:

- ◆ Exceeds productivity of traditional business rules methods because decision models (and their business logic) are created and updated rapidly
- ◆ Reduces time to market and increases competitiveness because creation, maintenance, and deployment of business logic does not require time consuming, costly development cycles
- ◆ Improves quality of business logic through validation of integrity principles prior to testing
- ◆ Enables testing of all business logic prior to automation
- ◆ Supports robust impact analysis from a business change to automation
- ◆ Includes BDMS alternatives consistent with BDMM level and Decision Model standards



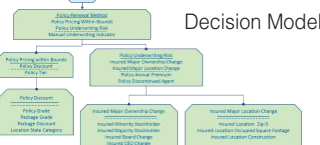
Expressing procedural (How) and declarative (What) elements in one model leads to increasingly complex and unmaintainable artifacts with a declining value for Business and Technology stakeholders.

Process Flow Diagram

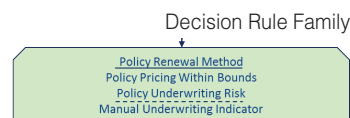


How

By separating the procedural from declarative elements The Decision Model simplifies Business Process Models.



Decision Model



Decision Rule Family

Rule Family Table

| Conditions | | | | | | Conclusion | |
|---------------------------|---------------------------|---------------------------------------|------|----|------|------------|--------|
| Person Employment History | Person Mortgage Situation | Person Miscellaneous Loans Assessment | | | | | |
| Is | Poor | Is | Poor | Is | High | Is | High |
| Is | Good | | | | | Is | Low |
| Is | Poor | Is | Poor | Is | Low | Is | Medium |

What

All the logic is contained in a model that more accurately reflects logic, and enables the logic to be more easily and accurately maintained.

Atomic Logic Statement



Condition

Conclusion

