



KnowFuture 2004 The Business Rules Approach: Beyond MDA

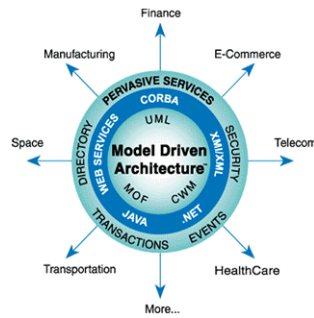


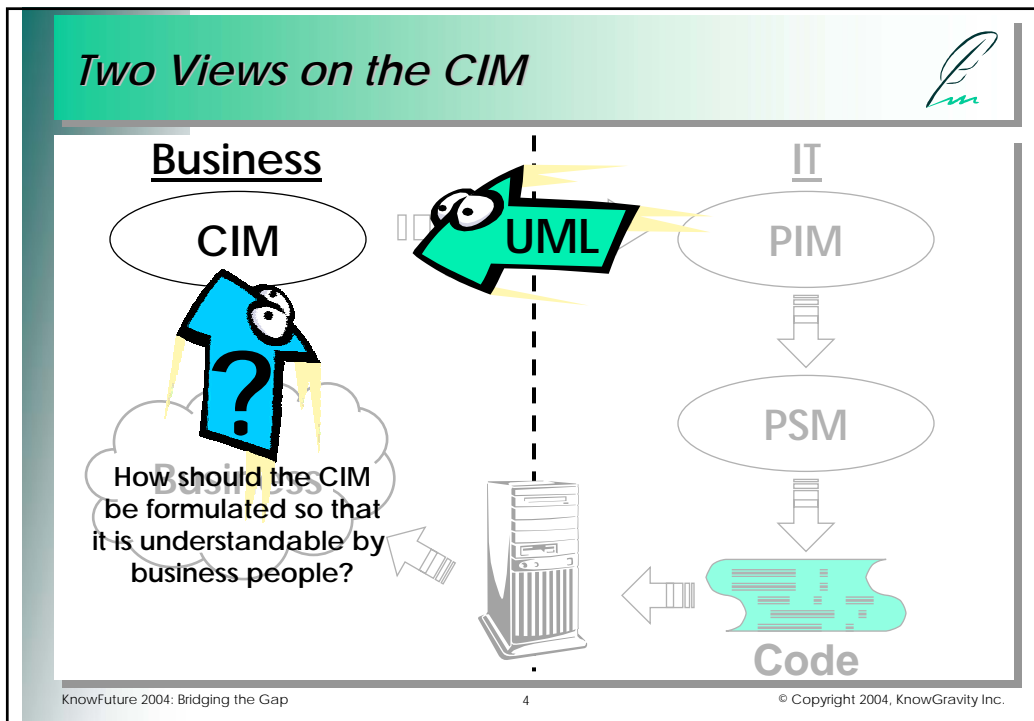
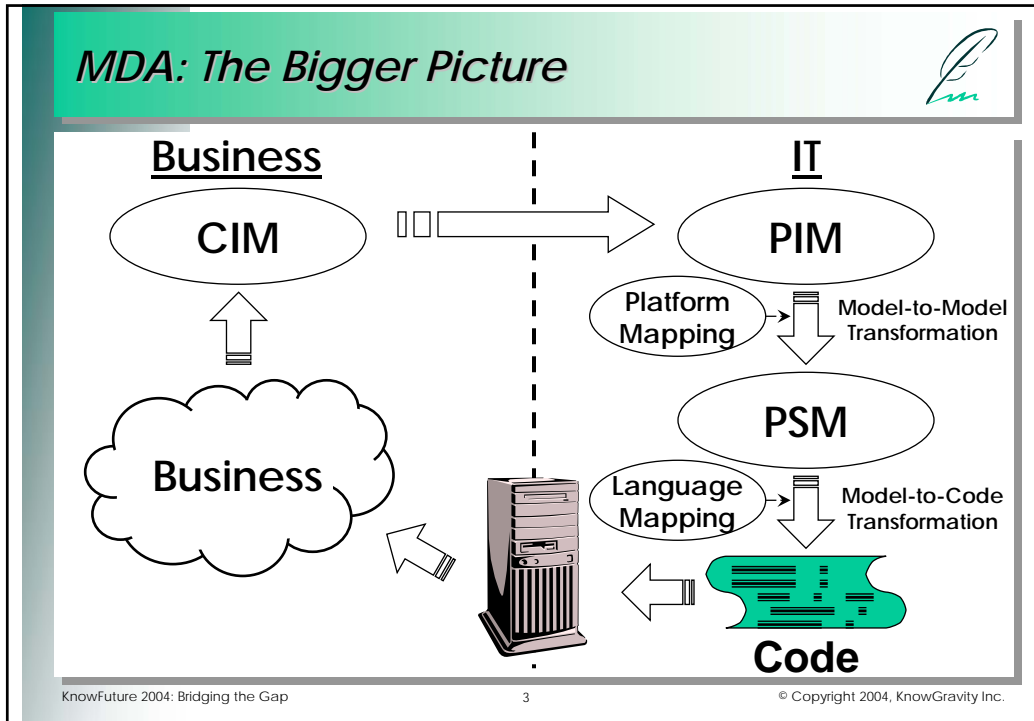
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OMG/MDA: Bridging the gap between Specification and Implementation






 KNOW GRAVITY

Business Rules: The Need for Change



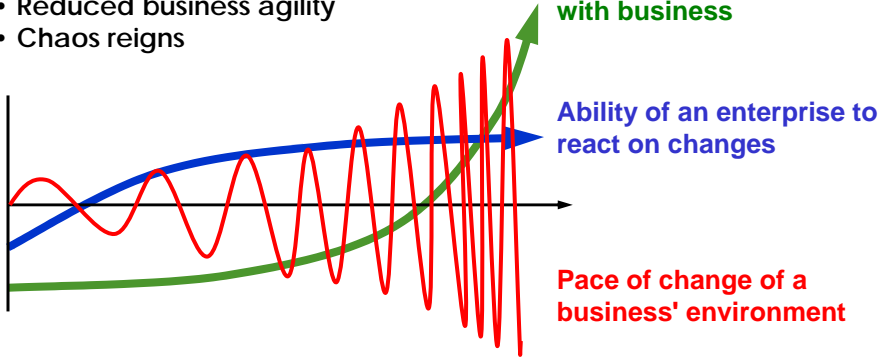
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What is the Problem?



Results:

- Increased IT costs
- Reduced business agility
- Chaos reigns



Gartner Group: The amount of business change will double by 2007 (0.7 probability)

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BRA - Key Propositions



- The business, not technology must be the driving force for IT development.
- Business rules are extremely valuable assets of an enterprise.
- Business rules must be applied consistently throughout (large parts) of an enterprise.
- Business activities should be automated as far as possible, i.e. they should be carried out by an IT system.
- It must be simple (i.e. without specific IT knowledge) to “teach the business to a computer”. **remember MDA?**

BRA - Key Solutions



- Business rules must be identified by the business people of an enterprise. **remember MDA?**
- Business rules must be located in one logical place within an enterprise.
- Declarative instead of procedural description of the business by means of business rules (What not How). **remember MDA?**
- Specification style of business rules must be close to natural language ⇒ **textual requirements that are executable (!)** **remember MDA?**
- Changes in business policies must be deployable instantly. **remember MDA?**
- Integration into an existing IT environment is a must (and thus the possibility for stepwise migration). **remember MDA?**

Business Rule Examples



Derivation Rules

- „A person is a preferred customer, if its current turnover is greater than 200\$ and if it is not on the black list.“
- „A person is on the black list, if there is an delivered order that has not been paid within 30 days.“



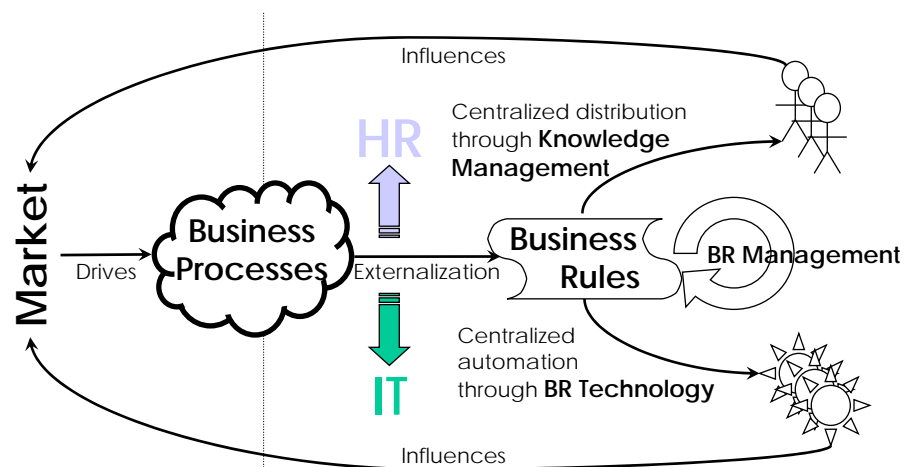
Constraints

- „Ensure that a customer never exceeds its credit limit.“
- „Any active order must contain only items that are also active.“

Action Rules

- „When a new customer places an order, check its credit worthiness.“
- „Promote Guinness, if Heineken is ordered.“

BRA: The Big Picture



Rule-controlled Business Processes



The **Business Rules Legislative** (Business Designers)

- elaborates the business vision
- derives business policies and rules from vision and external legislation
- defines business activities

Business Actors (Employees, Customers, Suppliers, and IT Systems)

- perform business activities
- are guided by business policies and rules
- operate highly autonomous and learn changes by doing

The **Business Rules Executive** (Individuals, Mgmt, and BR Technology)


- monitors of compliance with business policies and rules
- takes corrective actions, if necessary
- identifies needs for new business policies and rules


Typical Rule-intensive Areas




- Customer interaction and CRM
- Product design and configuration
- Product and service pricing/billing
- Purchasing and stock replenishment
- Contracting and underwriting
- Business Activity Monitoring (BAM)
- Risk evaluation and decision making
- Tax rating
- Workflow/process automation
- Simulation/diagnostics/prediction
- Learning and coaching
- ...


Gartner Group: The use of flexible rule technology will increase from 20 percent organizational penetration to 80 percent penetration through 2007 (0.7 probability)











Business Rules Technology









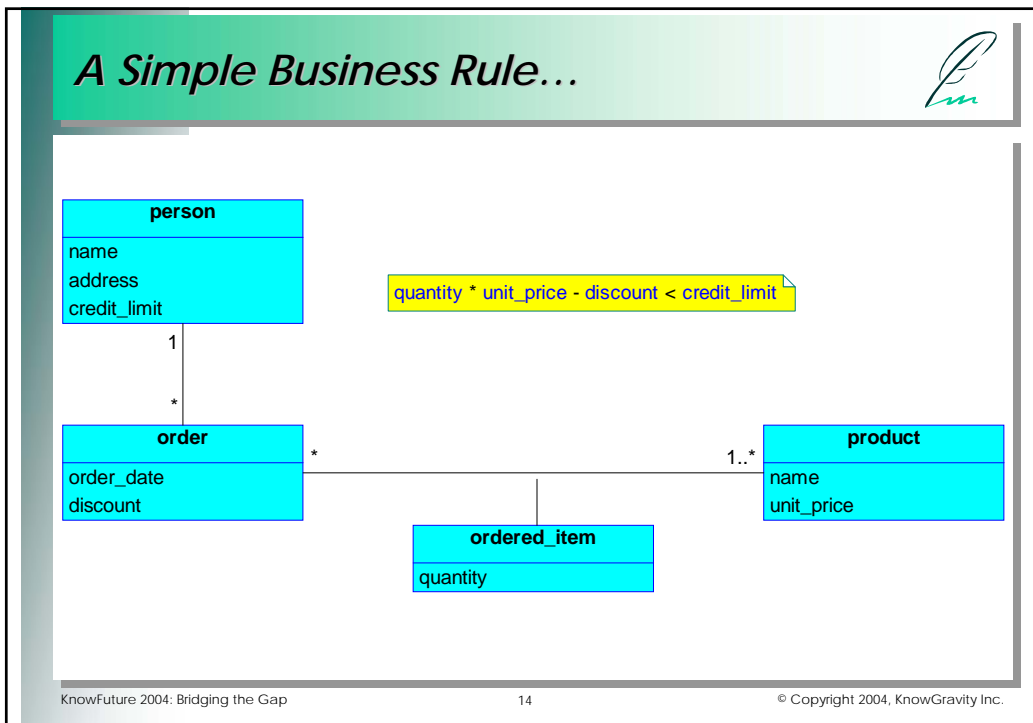


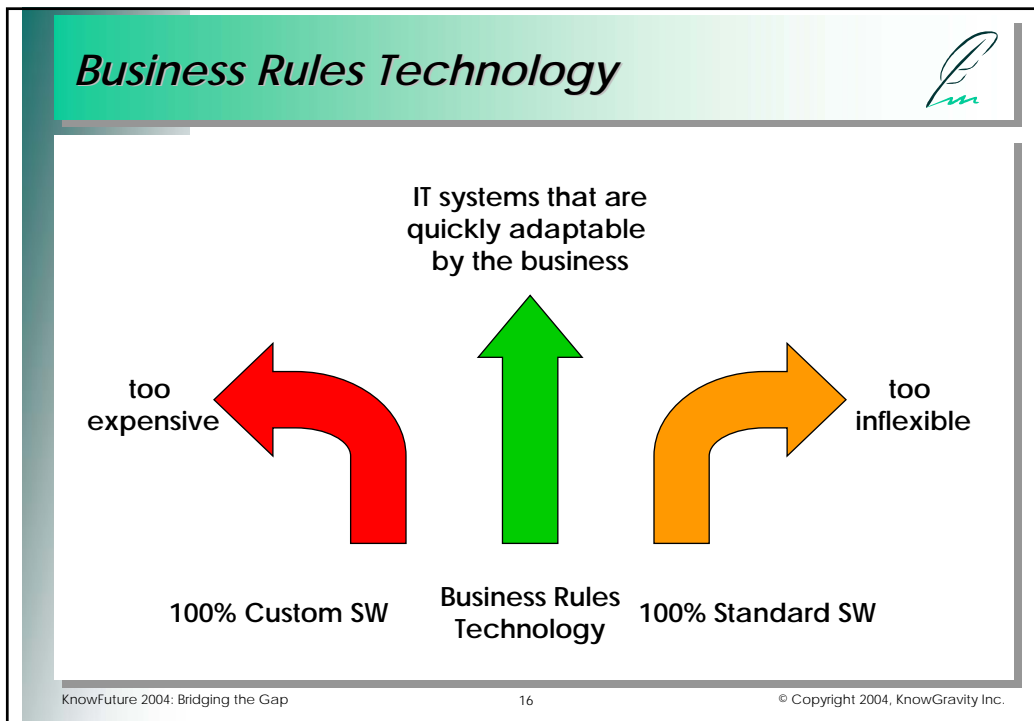
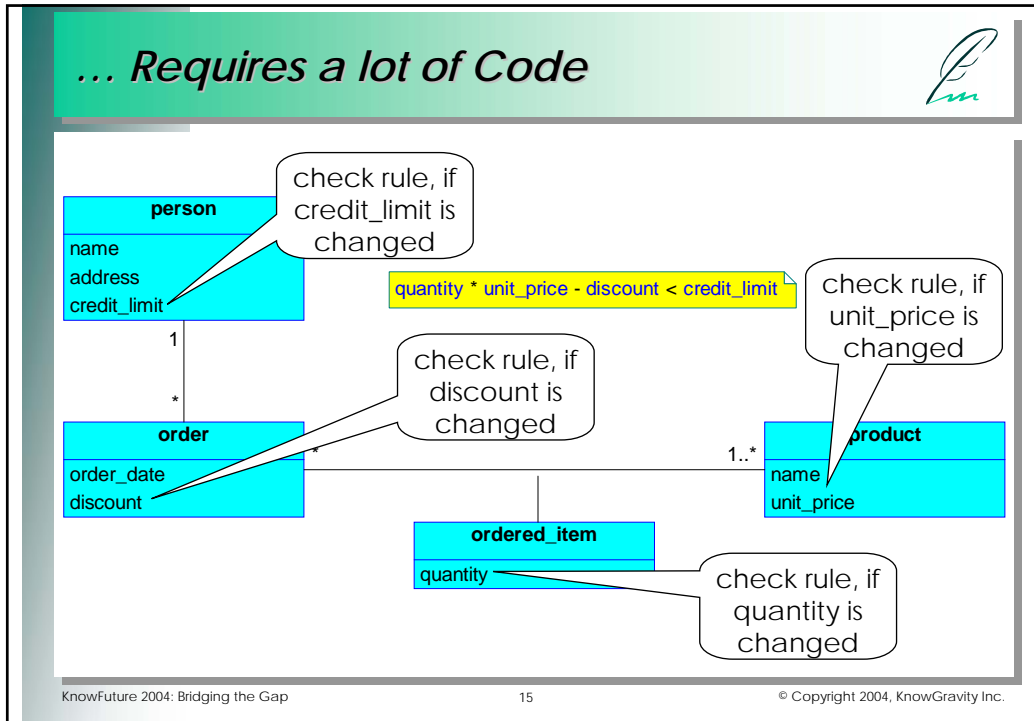


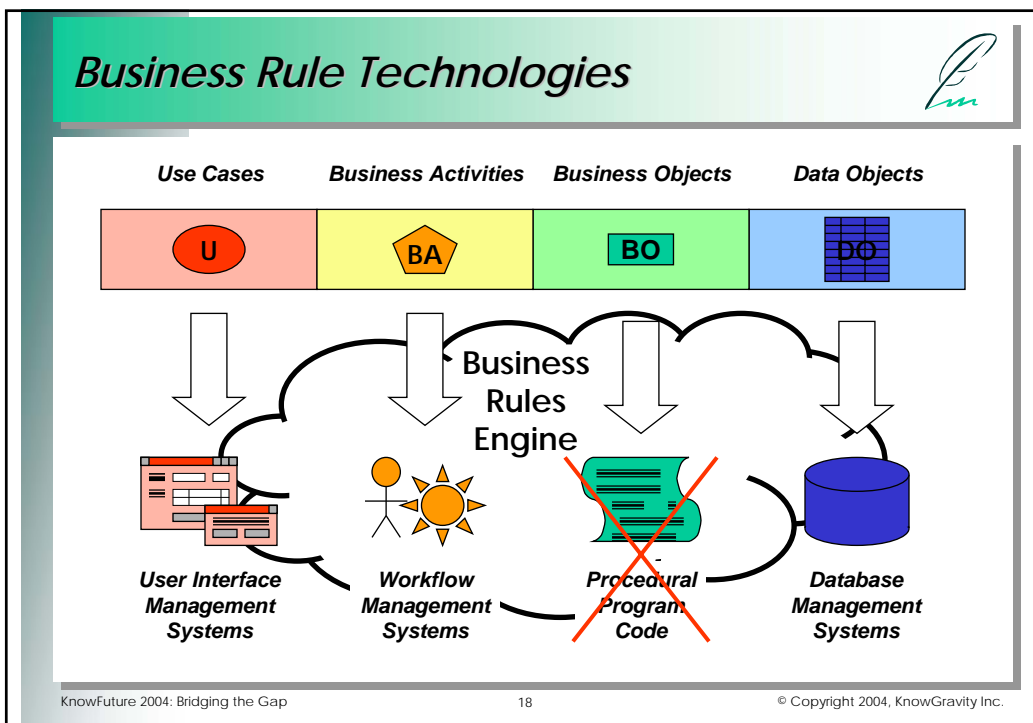
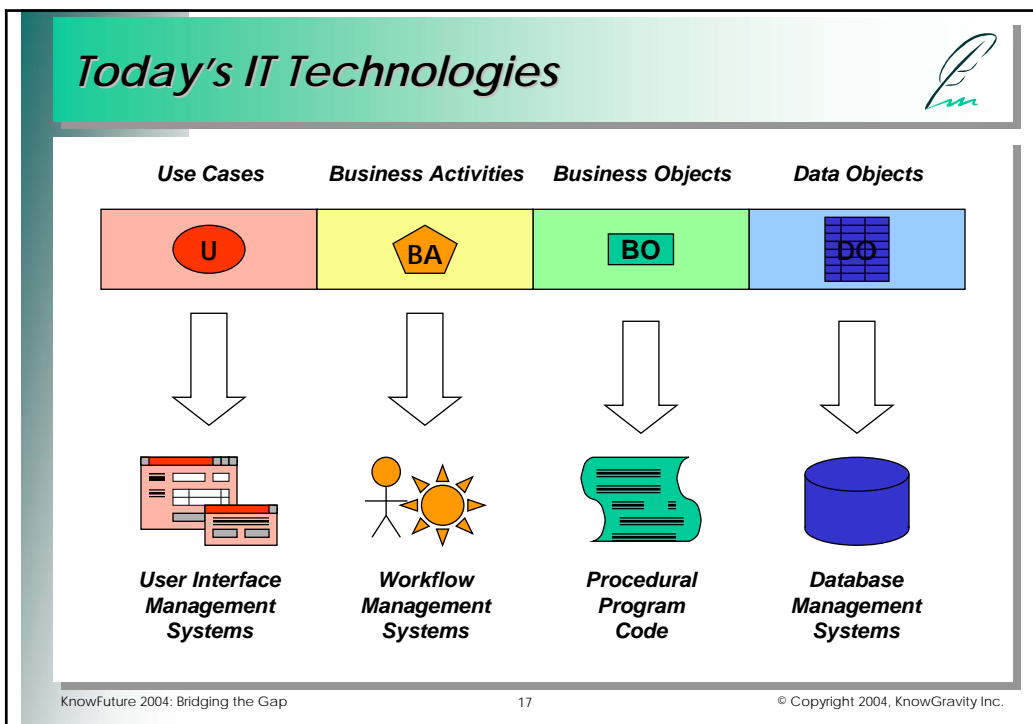


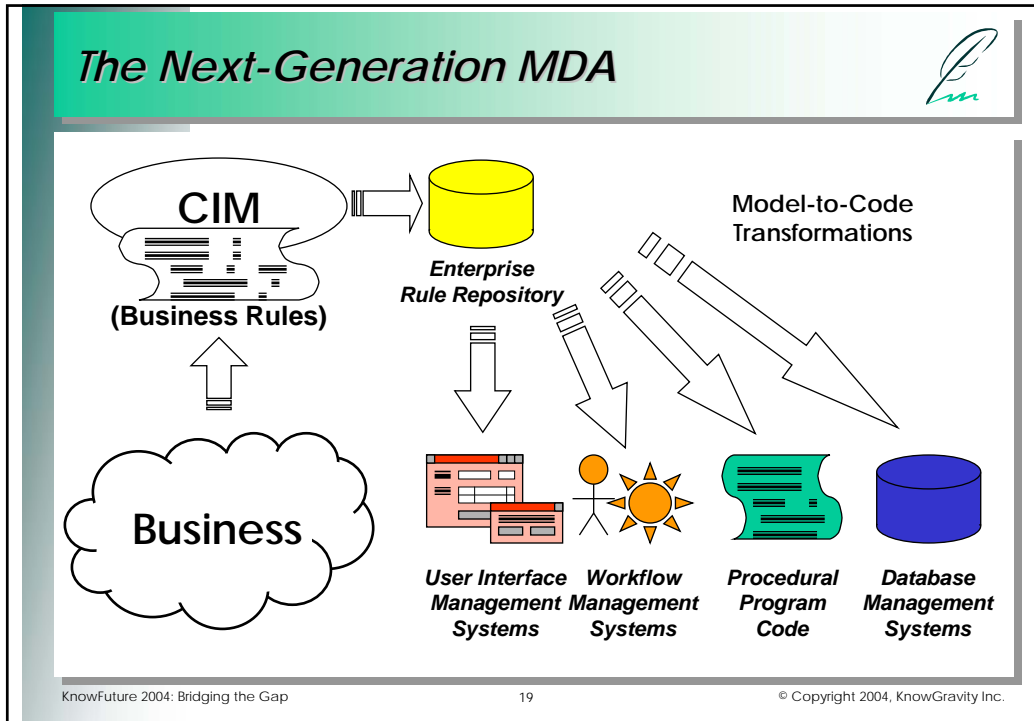


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MDA & Business Rules: Summary

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Gartner Group: The number of business applications that employ variable business rules will increase from 15 percent in 2002 to 35 percent by 2007 (0.7 probability)

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Summary



Business Rules Approach:

- Business drives IT (not vice versa)
- Make business rules explicit
- Concentrate business rules in one place
- Manage business rules

Business Rules Engine ~ "Enterprise EXCEL":

- Power to the power (i.e. business) user
- Domain specific (declarative) language
- Instant deployment

Heuristics:

- Automate as many business activities as possible
- Look for decisions and changing rules
- Manage the rule base as any other valuable asset of the enterprise
- Do it!

KnowGravity's Business Rules Starter Kit



Why?

- You need to flexibly change functionalities
- Your business people need to control the functionalities
- You don't believe in Business Rules (yet)

What?

- You get a simple Business Rules application in your domain
- You will learn how to follow the Business Rules Approach
- You get a (demo) license of a Business Rules Engine

How?

- Teamwork between you and a KnowBody
- Price: CHF 9000, including 8 days consultancy
- Available now from KnowGravity



Visit us at the EBRC 2004!



***... and thanks
for your attention!
Questions?***

The Third European Business Rules Conference

16-18 June 2004, Amsterdam

www.eurobizrules.org