

6 Eylül 2012 Rixos Pera İstanbul

# Impact2012 Comes To You

Real-time, intelligent decision automation with WebSphere Operational Decision Management 8.0

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- Decision Management: What It Is and Why It's Important?
- ► Introducing IBM Operational Decision Management
  - Nine Day-to-Day Decisions you Can Make Better with Operational Decision Management
- ► IBM Operational Decision Management: Deep Dive
- ► Why IBM?

## Transformation and Growth Require Better Decisions

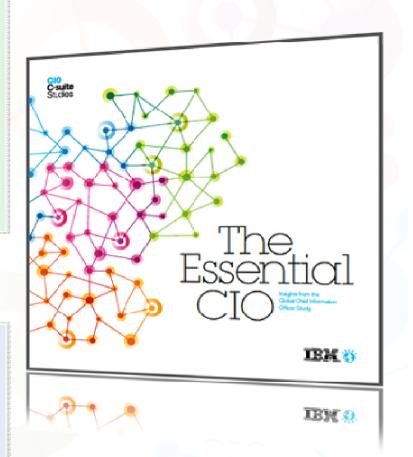
CIOs recognize that effective decision automation is key to success



of CIOs with mandates to T50/0 transform the business looking to "drive better" transform the business are real time decisions."

72%

of CIOs with mandates to expand cross-enterprise growth are leading the charge to "drive *better* real time decisions."



Source: IBM Global CIO Study 2011

# Key Challenges Addressed by Decision Management





How can we ensure the right decision is being made at the right time?

**ÚVisibility** 



How can we rapidly respond to evolving market demands, competitive actions and regulatory requirements?

# **Ú**Collaboration



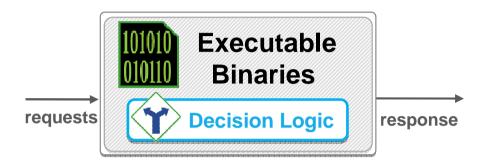
How can we ensure that business decisions are managed in a controlled environment?

**Ú**Governance

#### Decision Externalization with Business Rules

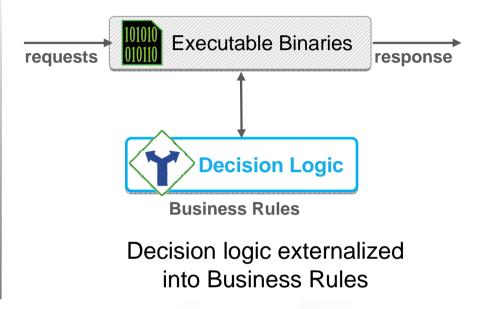
Liberating decision logic from application code

### **Before**



Decision logic embedded in code

#### After





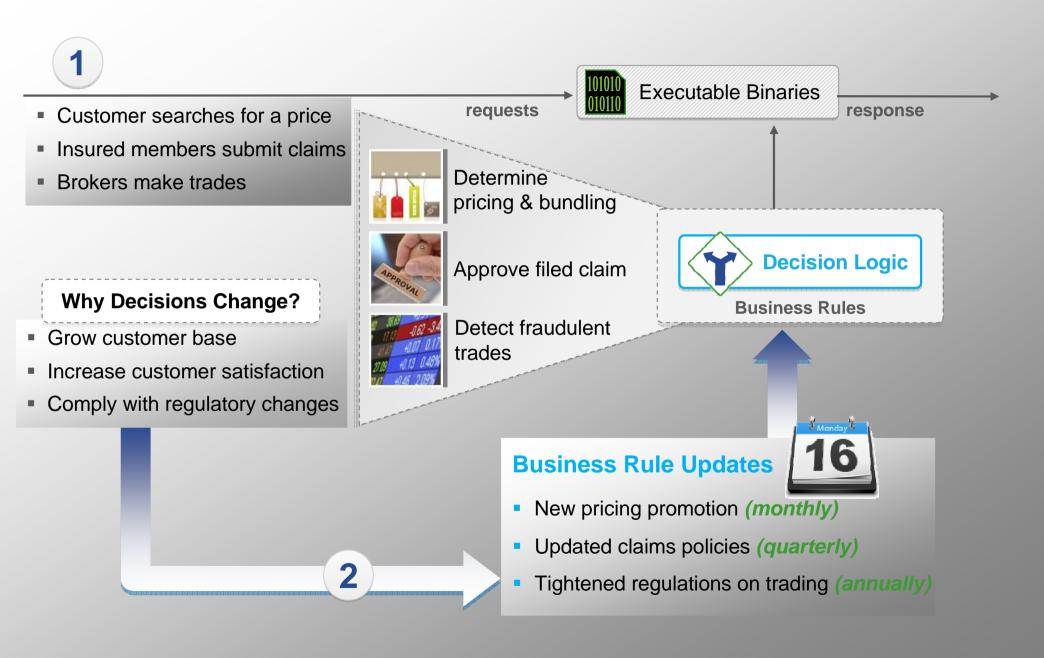
- Natural language rules can be easily read
- Externalized rules are easy to change
- Centralized rules enable reuse and consistency



### Manage Decisions at the Speed of Business

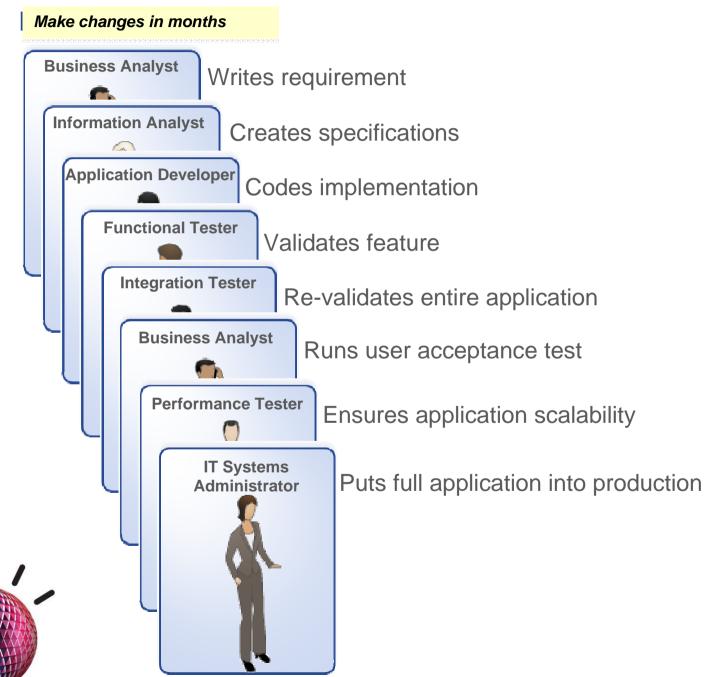






## Harness the Strengths of Business Users & IT Experts

#### **Without Business**



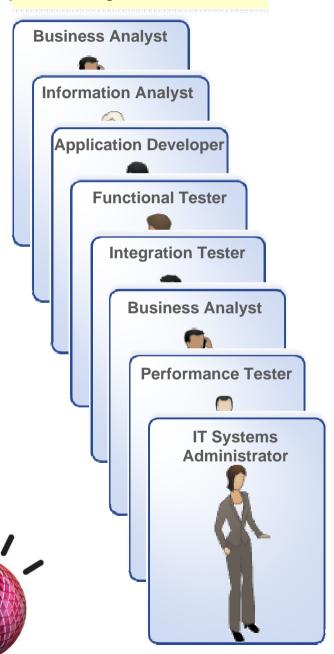


# Harness the Strengths of Business Users & IT Experts



#### **Without Business**

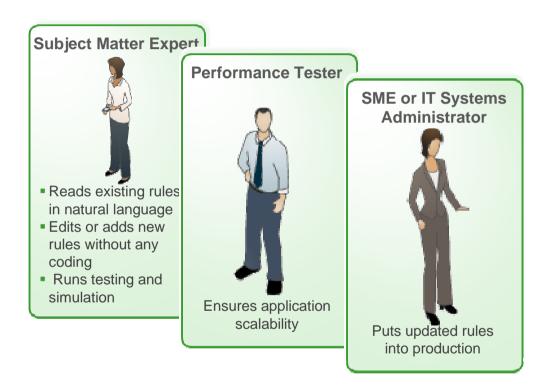
Make changes in months



#### With Business Rules

Make changes in weeks or days

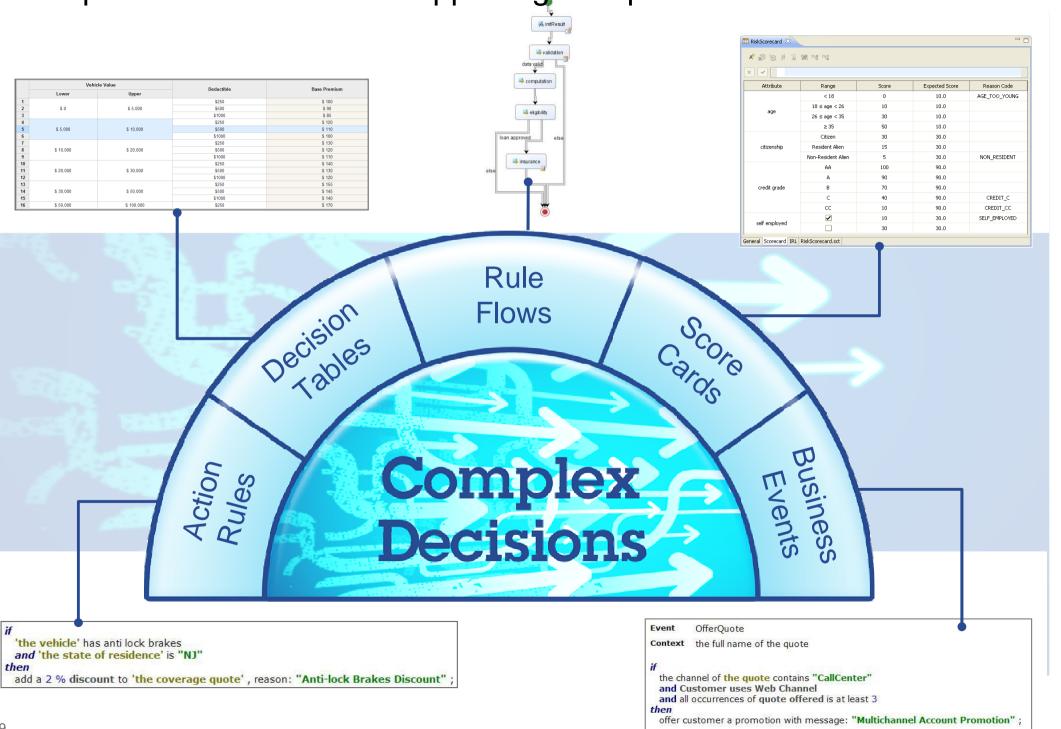
- Eliminate rework from misinterpreted requirements
- Speed up rule changes



Business users (SMEs) take control of the decision logic & minor rule updates

IT experts ensure application availability, reliability & new application development

Simple Decision Artifacts Supporting Complex Decisions



# Business Policies Built for Change vs. Built to Last

The Consumerization of Change through Visibility, Collaboration and Governance



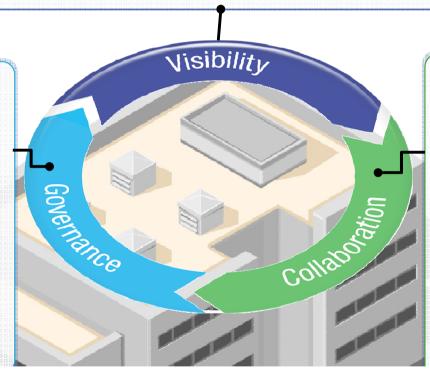
#### **VISIBILITY** Achieve clearer line-of-sight to business operations

- Easily readable business rules in natural language
- Testing and simulation to assess impact of rule changes

#### **GOVERNANCE**

Align business operations with strategic intent in the face of change

- Rule versioning and snapshots to safely and reliably change rules
- Auditability of changes to ensure traceability



#### **COLLABORATION**

Foster cross-functional and cross-divisional outcomes

- Social media style UI to tap into organizational business expertise
- Single repository for business and IT users to collaborate

Enabling regular business people to easily and safely make changes to their business operations

# Analyst View of Operational Decision Management



At the core of Decision Management is a focus on *Operational Decisions*.

These decisions are *those required to make day to day operations run effectively*. They ensure that customers are treated consistently, that the right price is offered, that the most effective offer is made.

While the value of each individual decision is small, the cumulative effect is very large because organizations make these decisions often.





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# IBM Operational Decision Management v8

# **Next Generation Business Rules**

- Manage business policies at scale
- Capture, automate and operationalize your business expertise
- Enable social collaboration to manage and govern business change

# Apply Operational Decision Management...

- To flexibly and reliably manage repeatable, automated decisions
- When decisions change frequently
- To increase straight-through processing

- When decision services can be shared across systems
- To manage and govern large numbers of rules
- When real-time events require immediate actions

## IBM Operational Decision Management v8

Designed to meet decision management challenges



# Ú Visibility

 New business interface to bring more visibility on how decisions are being changes across the team

# **Ú** Collaboration

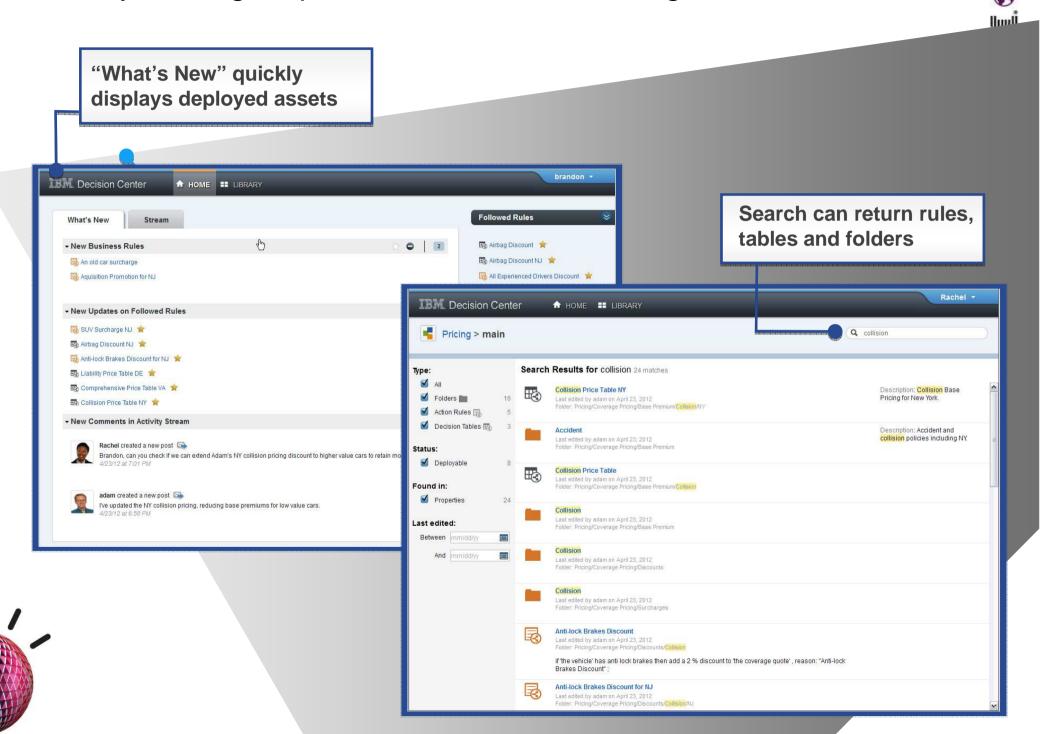
 New social based communication capabilities to improve interactions across the business team

# **Ú** Governance

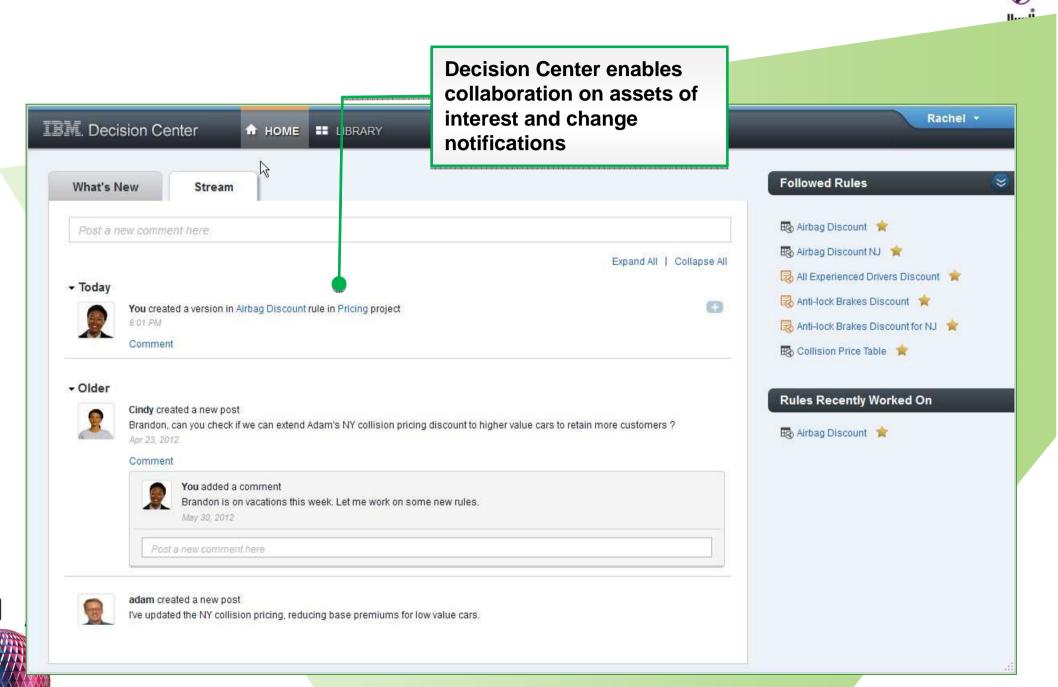
 Enriched controls and governance capabilities simplifying version management at the rules and project level



## Visibility Through Operational Decision Management v8

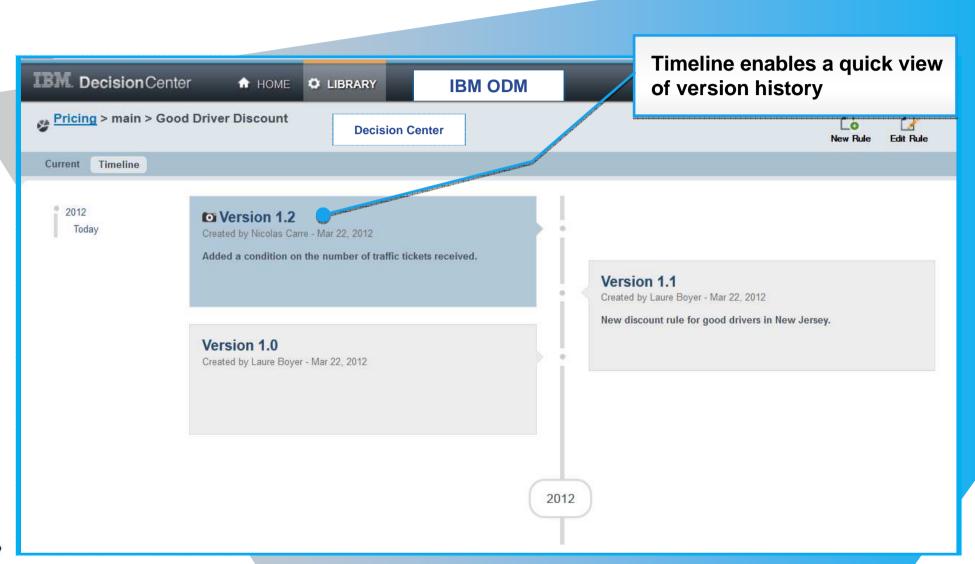


# Collaboration Through Operational Decision Management v8



# Governance Through Operational Decision Management v8





Details on the Timeline in the 'New Features' section

## **IBM Operational Decision Management**

Key features enabling intelligent decision automation and governance



# **Visibility**

- What's New view to allow business users to monitor decision updates
- Simplified Line-of-business
   empowerment to manage
   and improve decisions
- Common business language to define business rules and events
- Performing large data set
   testing and simulation
   allowing prediction of impact of change

## **Collaboration**

- Activity Stream to monitordecision updates
- Social media style communication to allow day-to-day team collaboration
- Centralized repository
   enables cross-functional
   collaboration for enterprise
   decisions
- Extended decision language
   to improve rules and event
   collaboration

#### Governance

- Access controlled and role based restricted Business
  Console
- Visual Timeline to access a rule history at a glance
- Snapshot allowing point-intime project restore
- Multiple release
   management ensures
   reliable change governance

## Why Operational Decision Management?



#### Agility

- Operationalize policy changes in days versus months
- Decrease cost of implementing business practices, policies & regulations

# Efficiency and Productivity

- Improve straight-through-processing
- Involve business users for change requests with built-in governance

# Decision Quality and Precision

- Implement more fine-grained, targeted decisions
- Perform what-if and impact analyses prior to deployment

#### Consistency

- Automate and consistently enforce decision policies
- Ensure policies and associated semantics are consistent across channels

# Transparency, Auditability, Compliance

- Track what decisions were made and why (runtime)
- Track what policies were changed and by whom (rule management)



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# Operational Decision Management Helps Solve Many Common Business Problems

# Identify opportunities to increase profitability



Personalized Product Recommendations

**Promotions & Loyalty Programs** 

**Automated Sales Commissioning** 

# E..... Compliance



Claims Validation

**Payment Authorization** 

**Eligibility Determination** 

# Levelage information to manage risk



**Underwriting and Credit** 

**Border Control** 

**Physical Infrastructure Monitoring** 

### **Decision Management Customer Scenarios:**

Identify Opportunities to Increase Profitability

- 20% revenue increase from loyalty programs
- Increased customer retention rate to 92%
- Weeks to days improvement in time to market for offers





#### Personalized Product Recommendations

BNP Paribas creates product recommendations based on customers' individual attributes - Read the case study!

#### **Promotion & Loyalty Programs**

EMT Telecom helps dealers make the best offer to each client - Read the case study!

#### **Automated Sales Commissioning**

Magazine Luiza, a large Brazilian retailer, improves sales with an intelligent commissioning system - <u>Listen to the</u> podcast!

#### BNP Paribas Provides Personalized Offers to Customers

Rapidly adapts product recommendations to customers' individual attributes

### Challenge:

- Construct grouped offers, such as providing home insurance with mortgage
- Personalize fees based on specific customer profile
- Provide incentive to customers to use multiple company products

#### Benefits:

- Reduce time-to-market from weeks to days
- Integrate offers across different lines of business
- Enable business users to generate, change and manage offers

# Decision Management Solution

- •Allows the bank to precisely define highly variable decision logic
- •Flexible solution that can be deployed in multiple countries, easily adaptable for differing financial rules and regulations



"We needed a platform that could be reused regardless of the country or the types of products... the products which are distributed in Ukraine, for example, are not the same as the products in Italy."

~ Vladimir Milojkovic, Project Manager, BNP Paribas



## **Decision Management Customer Scenarios:**

#### Enforce Consistency to Ensure Compliance

- 3x faster claims processing
- Support for 500 transaction types in 36 diverse markets
- 50% increased speed to market in heath care enrollment





#### Claims Validation

WorkSafe Victoria processes claims invoices faster and pays its providers more accurately - See the video!

#### Payment Authorization

Visa Europe simplifies cross-country credit card use with a a unified payment authorization system - See the video!

#### Eligibility Determination

HealthNow automates enrollment to manage eligibility with clarity and consistency - Read the case study!

## Visa Europe Unifies Payments Across 36 Countries



Scalable, automated payment authorization and settlement system

#### Challenge:

- Complex European market with multiple currencies
- Payment authorization & settlement across 36 countries
- Regulatory requirement to unify payments across countries

#### Benefits:

- 3x faster time-to-market
- 25% cost reduction to maintain business logic
- Increased flexibility and responsiveness with business users managing the rules

# Decision Management Solution

- •Financial payments authorization & settlement system
- ■System handles 30,000 rules and 500 transaction types for 4,000 institutions

"Within 13 months we've made 60 rule changes... What [the system] gives us is tools that can put key capabilities into the hands of users. They become an integral part of the process, rather than mere consumers of it. That's a tremendously powerful concept..."

~ Justin Snoxall, VP, Head of Development Services, Visa Europe



#### **Decision Management Customer Scenarios:**

#### Leverage Information to Manage Risk

- 300% improvement in staff productivity issuing credit cards
- Over 96% straight through processing of customs declarations
- Increased visibility into physical infrastructure





#### **Underwriting and Credit**

A Large Asian Bank automates risk assessment of issuing credit cards - Read the case study!

#### **Border Control**

Swiss Customs automates the processing of customs tariffs prior to shipment - Read the case study!

#### **Physical Infrastructure Monitoring**

Case Western Reserve University gets real-time assessments of bridge safety - <u>Listen to the podcast!</u>

#### Swiss Customs Streamlines Border Control

Increases the speed and precision of tariff processing

#### Challenge:

- Facilitate trade while reducing threat of illegal goods
- Enforce customs regulations consistently
- Increase effectiveness of 2,500 customs officers

#### Benefits:

- Faster, yet better border checks with pre-validated customs declarations
- 96% of declarations are processed automatically
- Revenue of 23B Swiss Francs annually through tariffs

# Decision Management Solution

- Scalable system that validates 200,000 customs declarations daily
- •Customs officers update the rules to keep pace with changing regulations



"The quick and accurate validation of customs declarations with the IBM rules platform enables straight-through processing without human intervention, saving significant time and resources for both government and business."

~ Stefan Huesemann, Principal Consultant at Innovation Process Technology AG





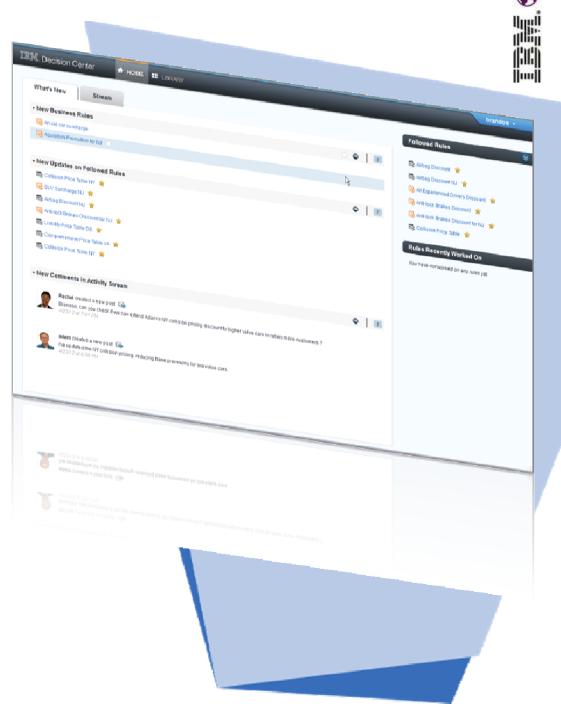
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#### **IBM Operational Decision Management** Manage Social Rule **Decision Center Business Console Solutions** for Business Space for Office **Enterprise Console** Repository **Decision Artifacts Access and Control Decision Center** Versioned **Assets Update Define Visibility** Collaboration Governance **Deploy** Measure **Rule Execution Decision Monitoring Connectors Event Execution Decision Server** Web Services - API - GUI **Decision Server Rule Designer** Console **Event Designer** Design **Monitor Enterprise** POS **BPM** CRM **Devices Application**

Social Medial Style Collaboration

Decision Center - Business Console

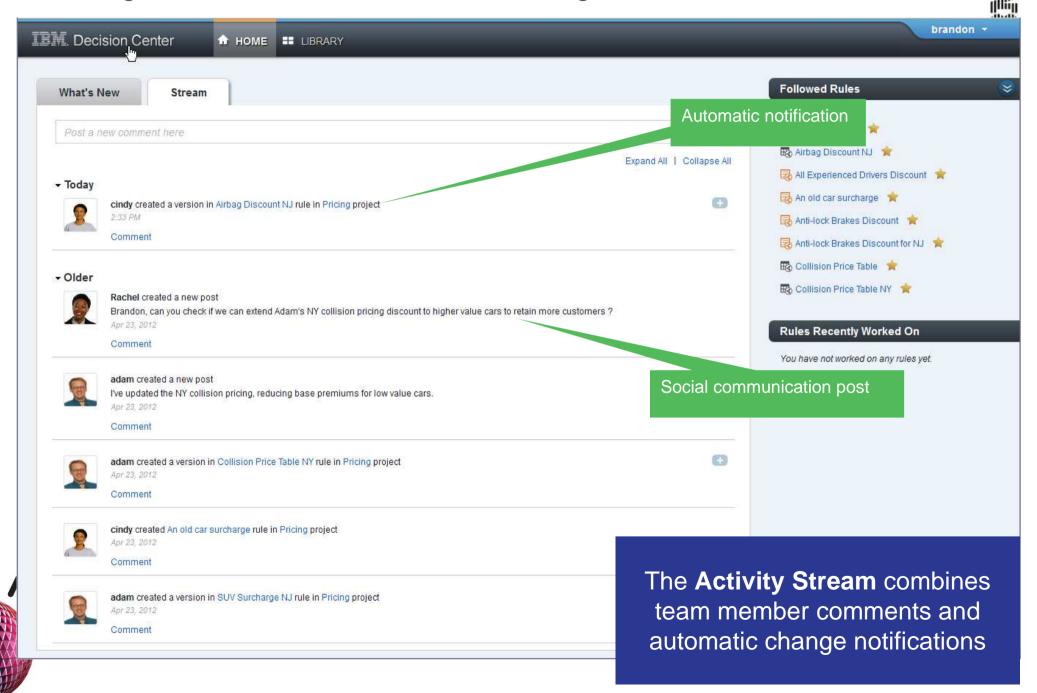
- Maintain awareness across the team
- Ensure automatic notifications of changes
- Ensure team collaboration





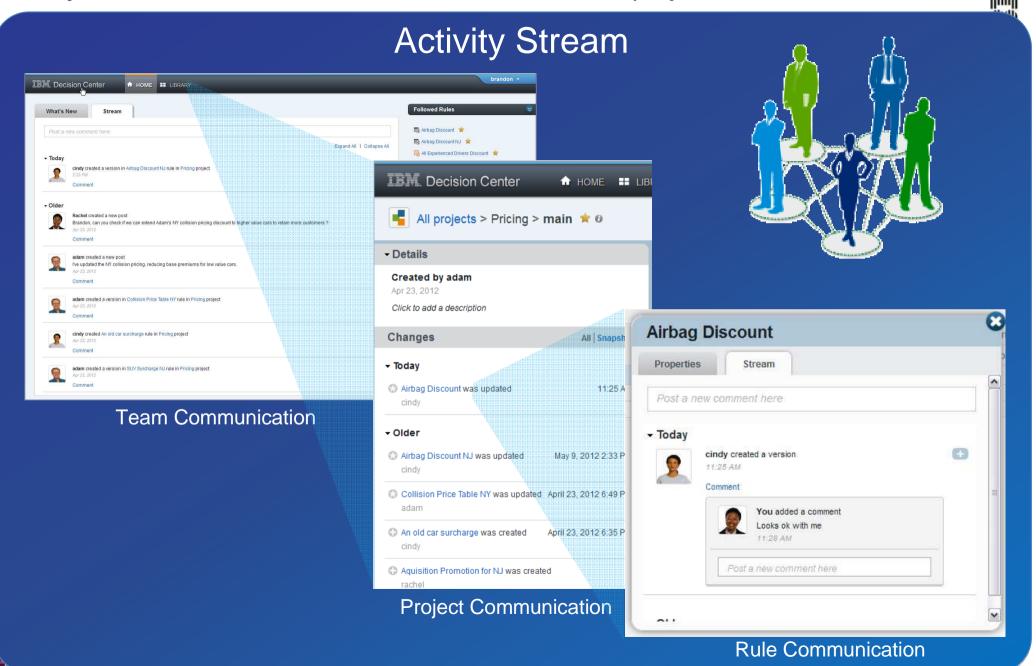
## The Business Console Activity Stream

Enabling social communication and maintaining awareness



## Communicating with Different Sub-groups

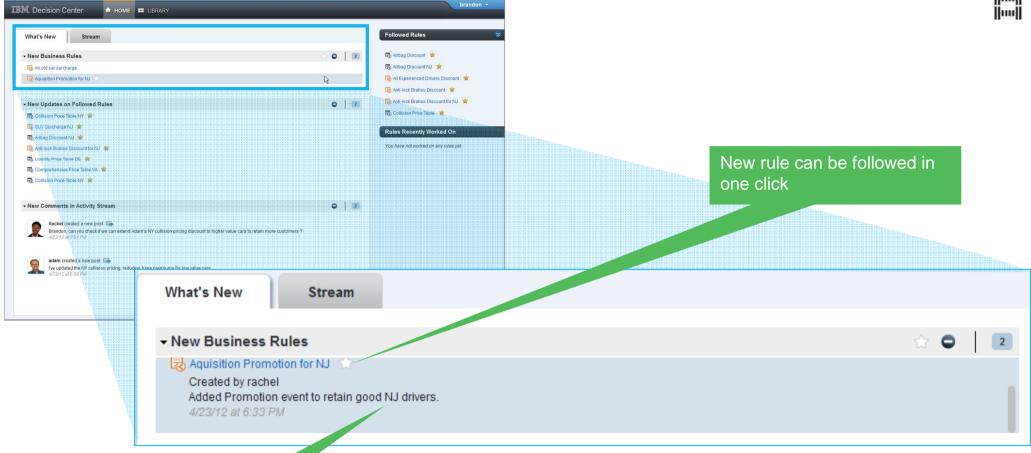
Any team members can communicate at the team, project and rule level



## Viewing New Rules at a Glance

Automatic notification of new rules in a project

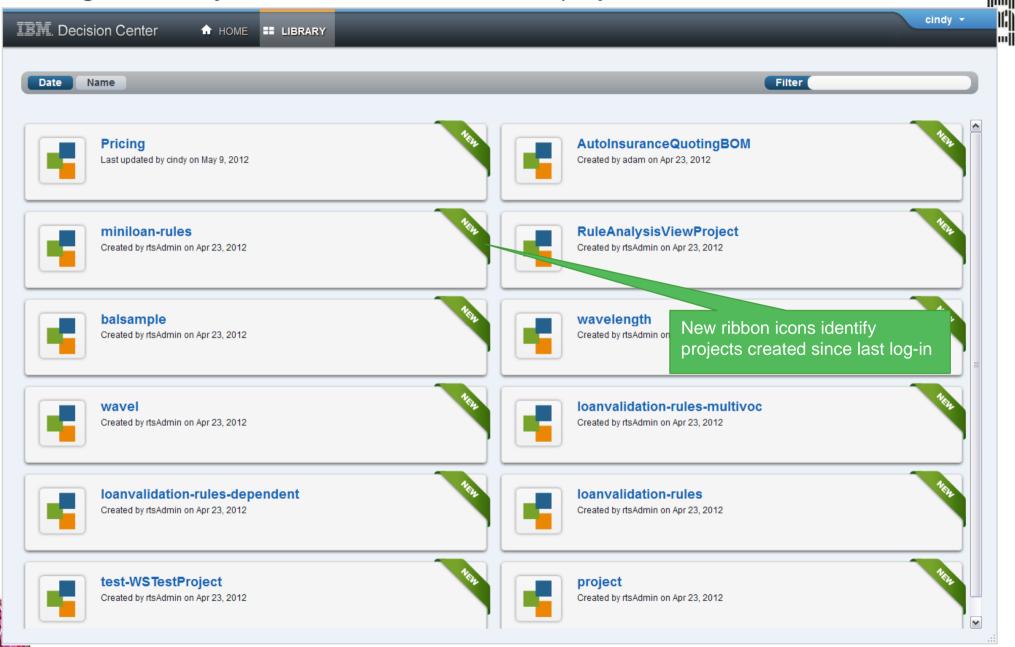




New rule description accessible by Web 2.0– Style hovering "What's New" list of new business rules, with detailed information by hovering

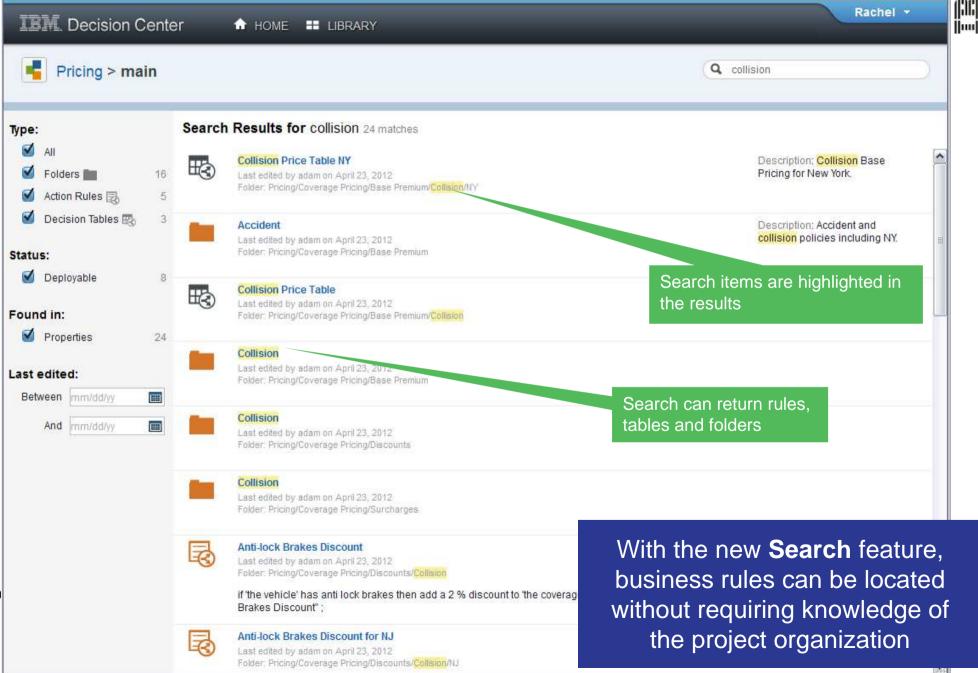
### Simpler Access to the Decision Repository

Using the Library to access the business rule projects



### **New Search Capability**

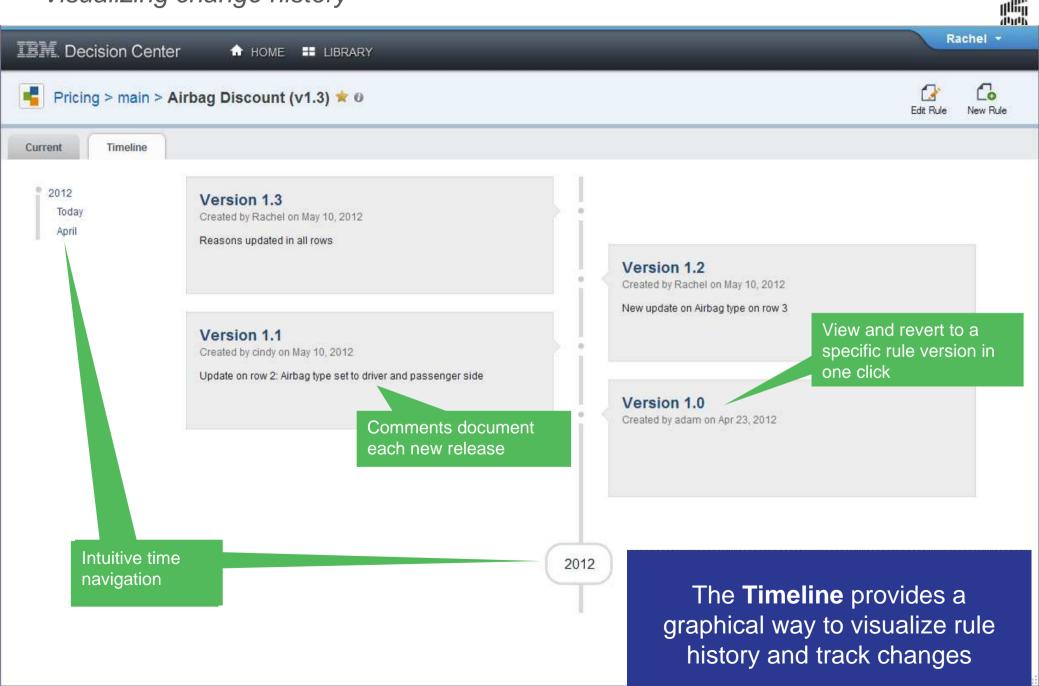
Rapidly locate a business artifact in a project

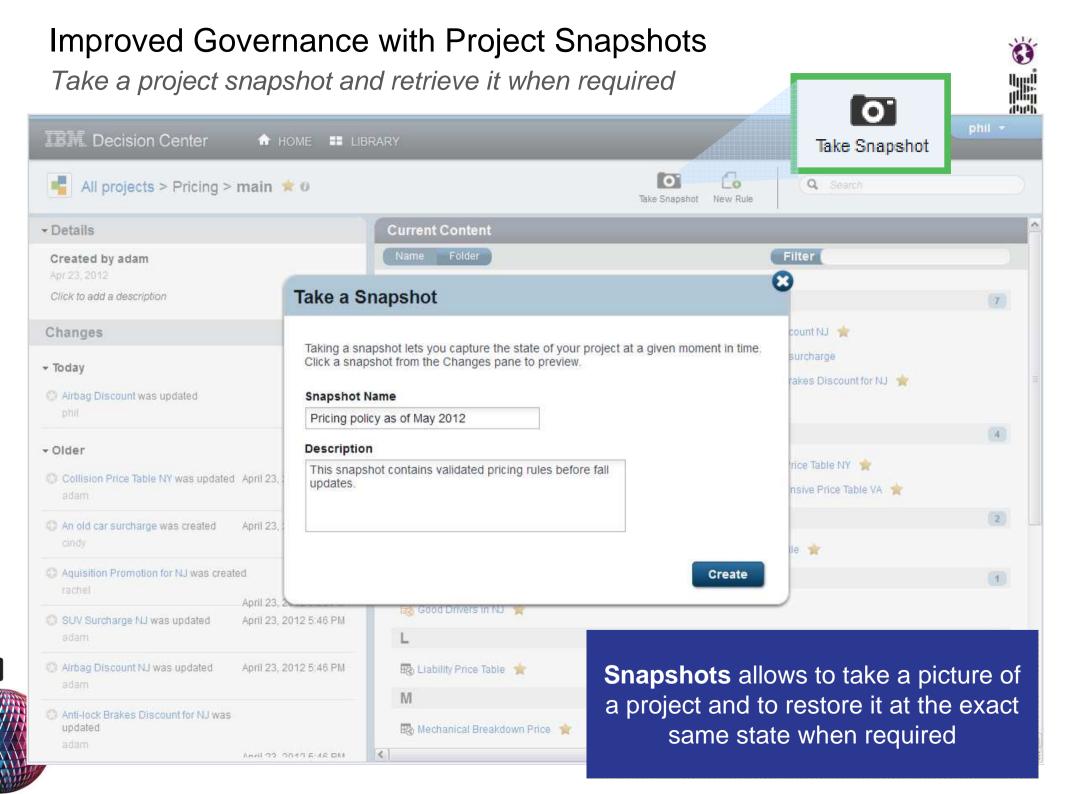




#### Intuitive Timeline for Business Rules and Decision Tables

Visualizing change history

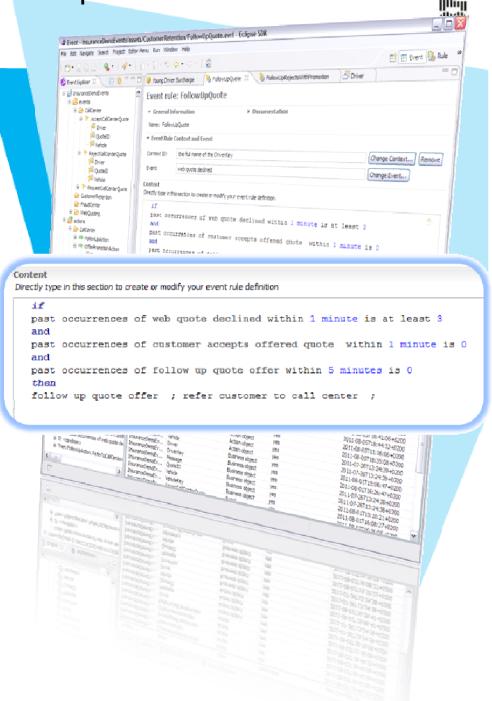




# Standardization on Eclipse for Decision Management Application Development

#### Event and Rule Designers

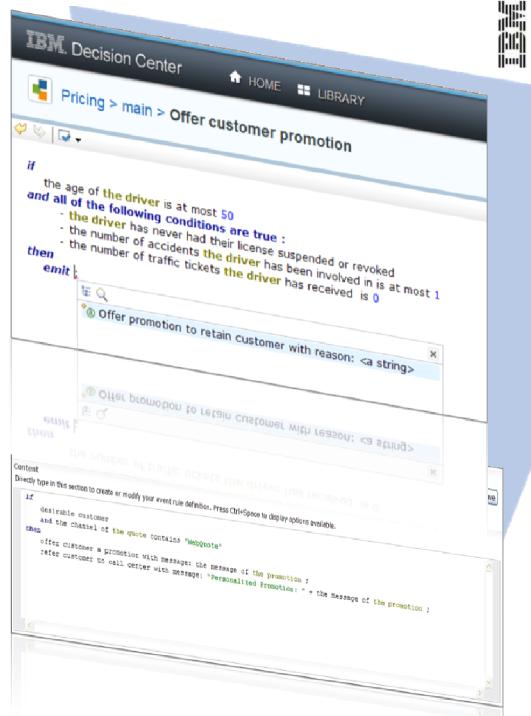
- Single Eclipse environment with specific perspectives for contextual and time-based decisions application design
- Provides IT teams with comprehensive capabilities for creating and maintaining decision management applications
- Event Designer merges multiple Business
   Events design tools into a single tool for IT
- Compatibility with IBM Business Process Manager (Integration Designer tool) and Rational Application Developer





## Smooth Integration between Rules and Events

- New emit action available in the rule vocabulary
- Direct event triggering from the action part of the business rule
- Event-side object model extended with a new ruleset invocation action
- Rulesets are directly invoked from within an event action



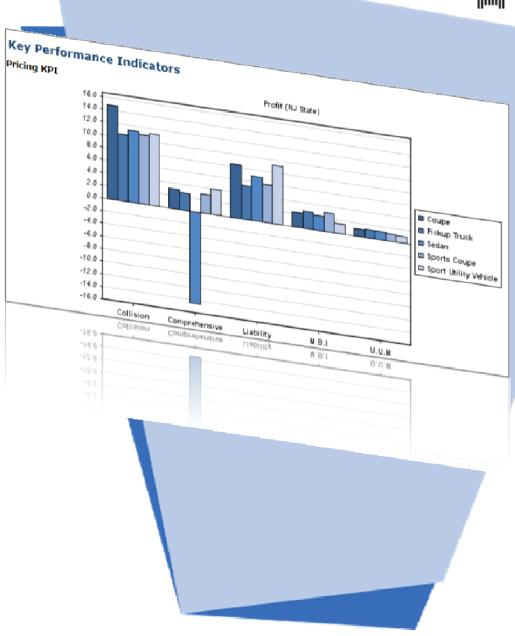


# Testing and Simulation for Large Scale Data

Testing and Simulation performance for large scale data processing



- Support parallel processing with Multi-core processors
- Flexible APIs for data partitioning and KPIs aggregation
- Able to process millions of records a day

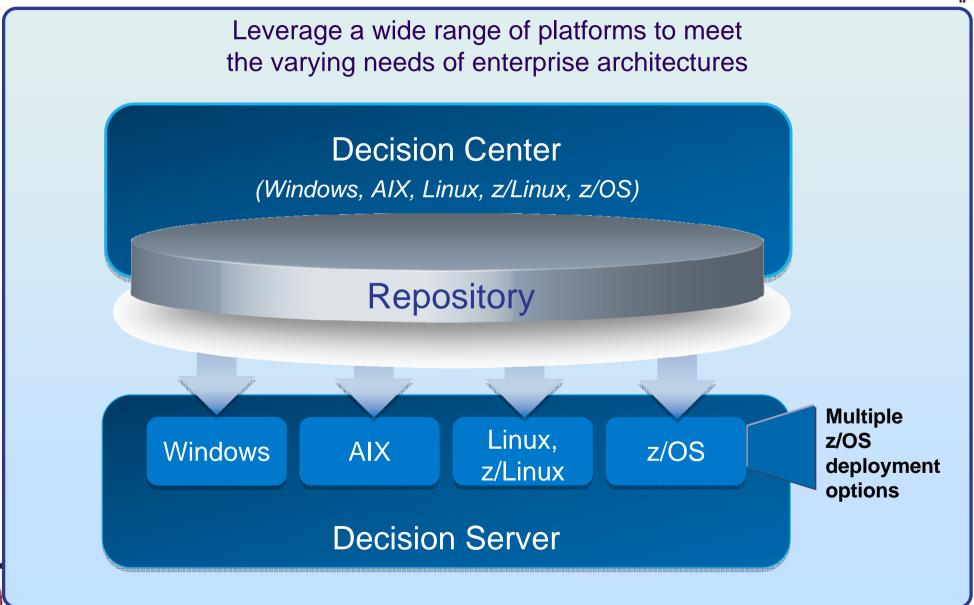




## **IBM Operational Decision Management**

Runtime support





#### Operational Decision Management for z/OS Runtime options

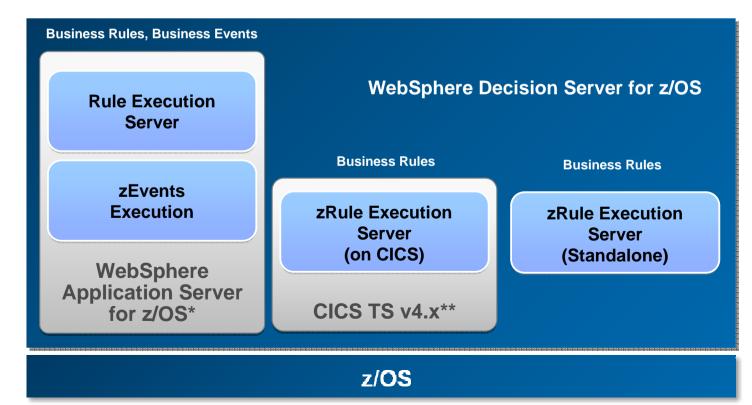


Decisions can be invoked from existing CICS and batch applications

Runtime support for COBOL data types

Flexible runtime deployment to fit any System z environment:

- Deployed on WebSphere Application Server for z/OS
- Deployed on CICS TS 4.x (JVM server environment)
- Deployed standalone to z/OS



WAS for z/OS limited use entitlement included with Decision Server

\*\* CICS Transaction Server licenses purchased separately

# Agenda



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## Why IBM for Operational Decision Management?



# Unparalleled Expertise and Investment

- Expert consulting and implementation services for *fast realization* of business value
- Industry expertise to customize solutions for your specific industry

### **Largest Customer Base**

- #1 in Business Rule Management Systems (BRMS) market share according to all leading analysts
- #1 in Business Process Management (BPM) market share according to all leading analysts





# Strongest Ecosystem and Partner Network

- 800+ Business Partners authorized and certified to support customers
- Strongest global ecosystem including major global and regional system integrators skilled to provide comprehensive solutions

### **Next Steps**



See IBM Operational Decision Management in Action

Ask your sales representative to see the solution live

Learn what's possible with a Discovery Workshop

On-site workshop with business and IT stakeholders to evaluate the applicability of Business Rules and Business Events for your project

Implement a real project in 10 weeks with a Quick Win Pilot

Demonstrate immediate value to your LOB end-users with your first 'Quick Win' in 10 weeks











# Gracia

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Brazilian Portuguese













ありがとうございました



Korean

Japanese

