



# IDIOM – Decision Concepts



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## Idiom Decision Manager

*"Business rules for business people"*

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[www.idiomsoftware.com](http://www.idiomsoftware.com)

Connected to: localhost (127.0.0.1)

IDIOM is a software product and an approach  
for automating business decisions  
to maximise competitive advantage.



## IDIOM provides

- ◆ more flexible and long-lived computer systems.
- ◆ consistent and accurate decision making throughout your own and, if necessary, your partners systems.
- ◆ a means to rapidly deploy new decision responses and new behaviors that serve the business better

*Consider two companies selling insurance or financial products:*

- *they sell similar products*
- *they have similar processes*
- *they have similar data*
- *they use similar (or even the same) software.*

*How do they compete?*

**They compete in the way they make their decisions.**

Decisions about validity, acceptance, authorization, constraints and conditions, pricing, credit.

Decision making behavior is a critical component of competitive advantage.

The quality and consistency of its decisions is what makes a business unique and successful.

# What do we mean by a "decision"?

## ***A business decision ...***

defines a definitive response to a particular "business situation".

The response might be:

- drive actions – ‘do process x’
- change state – ‘accept/reject’
- generate new information – ‘the price is \$42’.

Tax investigation

**Should this tax return be marked for investigation and if so to whose attention and with what priority?**

Medical claim assessment and response

**What items in this claim should be paid, at what level, or with what explanation if rejected?**

Insurance approval and pricing

**Should this policy application be accepted, at what price and with what special terms?**

Trading information filtering and alert

**In these market conditions we provide the trader with this alert and this supporting information.**

*Decisions can be complex and multi-layered . .*

*and are underpinned by RULES*

## Business rules ...

Specify the details underlying a business decision.

They are what we use to make a decision, given a specific set of circumstances.

Insurance approval and pricing

Should this policy application be accepted, at what price and with what caveats?

*Rule*

If sex Male, car category is Sport, age over 25, and previously insured with us for 3 years minimum, then approve at \$120 per month and \$5000 excess.

Tax investigation

Should this tax return be marked for investigation and if so to whose attention and with what priority?

*Rule*

If expenses larger than 20% of gross income and industry group 3 then refer to Inspector Class A with priority B

Medical claim assessment and response

What items in this claim should be paid, at what level, or with what explanation if rejected?

*Rule*

If treatment is surgical, policy type is Gold, item claim is less than \$5000, and total claim less than \$10000, then approve

Many rules may be required to define a single decision and to cover all circumstances

*Today's systems manage data and process.*

*They do not identify or manage the rules that underlie business decisions.*

*So . . .*

- *The implemented rules are unclear and hard to verify or change.*
- *Exercising ownership and delegation of authority over rules is difficult.*
- *Accountability is lost; delays and costs are incurred; wrong or conflicting outcomes may be generated.*

## **To be competitive, businesses need ...**

- ◆ Applications that respond quickly to changes in business conditions or to things learned.
- ◆ Quick and direct control over the rules that make decisions, regardless of where they are implemented.

*In an approach that focuses on decision making ...*

- *We recognize decisions as unique and critical elements of the 'personality' of the business.*
- *We build systems that understand and manage the rules that underlie these decisions.*
- *Data exist to support decision making; processes exist to implement decision making – but it is the decision making that reflects the core practices and policies of the organization*

## **Benefits of a decision-centric approach**

- ◆ An increase in the business's ability to implement timely changes in policy and operation.
- ◆ A matching decrease in the cost of implementing changes.
- ◆ A clearer system architecture leading to improvements in quality and cost.

## *The Business Rules Group*

Publishes statements and standards regarding

- the nature and structure of business rules
- the relationship of business rules with systems' architecture.

Their published Manifesto

*'declares independence for rules in the world of requirements'*

I believe the Manifesto signals nothing less than a revolution in business architecture that will radically change how people on both the business and IT sides think and act with respect to business logic.

Ronald G Ross, BRG

**IDIOM** supports or assists with all points in the BRG Manifesto.



# What would you use Idiom for?



Automating decision centric processes such as . . .

## Automated Expert

### Contract Automation

Contracts define agreements between parties that can be implemented as rules and parameters. IDIOM can automate contracts such as financial instruments, funding agreements, insurance policies.

Human operators make business decisions everyday, but how do you deploy new decision making, and ensure consistency and quality. IDIOM can replace these human actors for routine and well defined decision making in any automated process.

## Systems Configuration

Systems configurations are designed to achieve specific goals within quality of service parameters. IDIOM can dynamically monitor and adjust systems configurations to achieve these.

### Process Orchestration

Orchestrating a series of process steps and inter process interactions involves considered interpretation of previous results and external factors. IDIOM can provide process orchestration within many process or workflow engines.

## Validation and Transformation

Transporting data between systems often requires validation and transformation that goes beyond simple mapping and type conversion. IDIOM provides extended ability to make intelligent decisions within the transformation process.

### IDIOM is for

- ◆ Any business that wants to automate business decisions, particularly those with rules that change over time.
- ◆ Areas where regulations proliferate and statutory compliance is important.
- ◆ Systems (commercial or in-house) that are installed in multiple locations needing individual configurations
- ◆ Processes that involve coordinated decision making by multiple parties – both within and across organizations.

Logistics  
Utilities  
Government  
administration  
Insurance  
Financial services  
Health and medical  
services

*IDIOM is for any business that recognizes that decision making know-how is a core competence, and which wants to exercise full rights of ownership over that competence including rights to publish, delegate, sell, and use.*

This concludes the Decision Concepts overview of  
IDIOM

