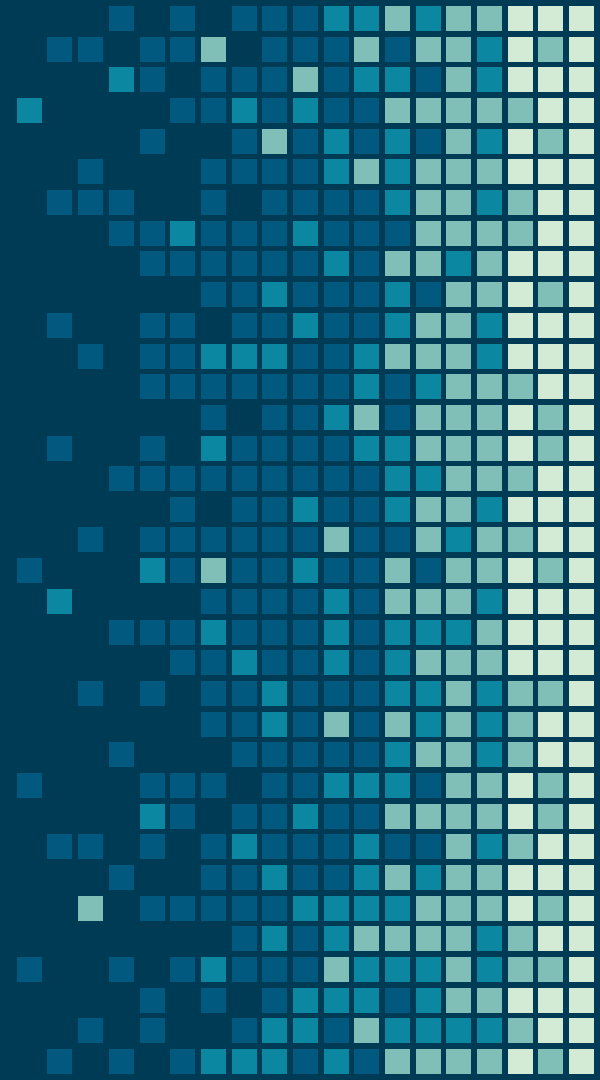


MIS 3506

Digital Design & Innovation Studio

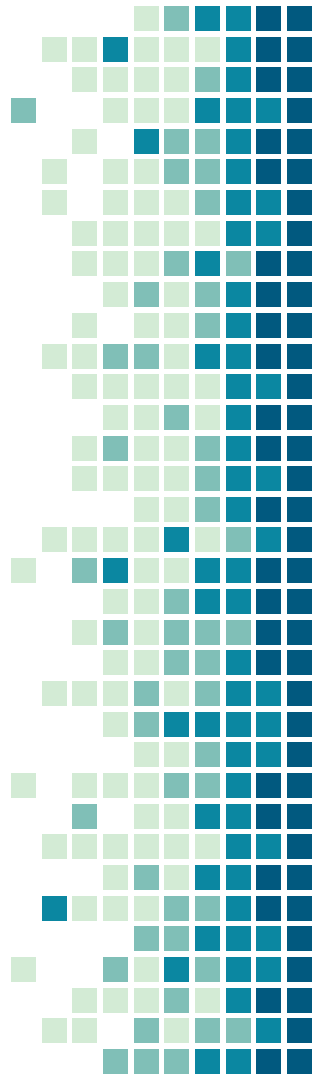
7: Understanding Your Client's Business Rules

Amy Lavin/Steve Sclarow



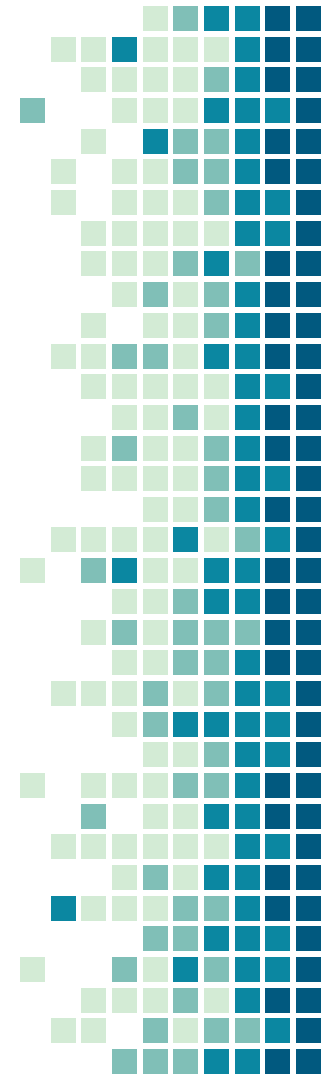
Upcoming Dates

- Date – Interview – 2/27 – Walk Auditorium – 2-3:20PM
- Date – Night Owl Extra Credit – 3/2 -11:59PM
- Date – Exam #2 – Week of 3/19 – Class 1

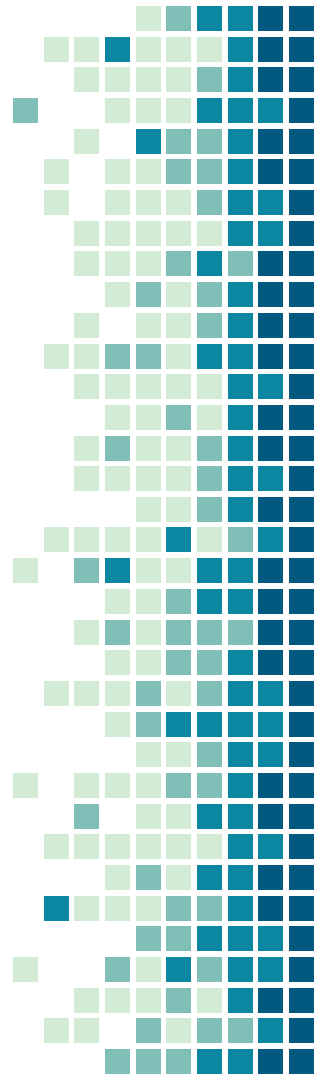


Exam Results

Let's discuss...



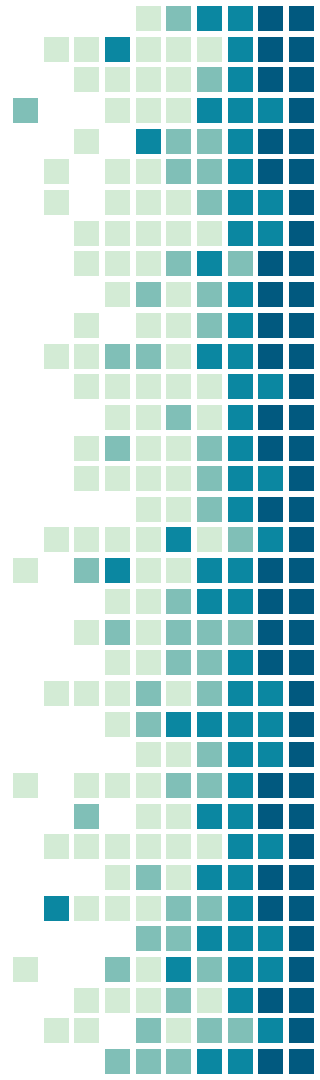
Business Rules & Decision Trees



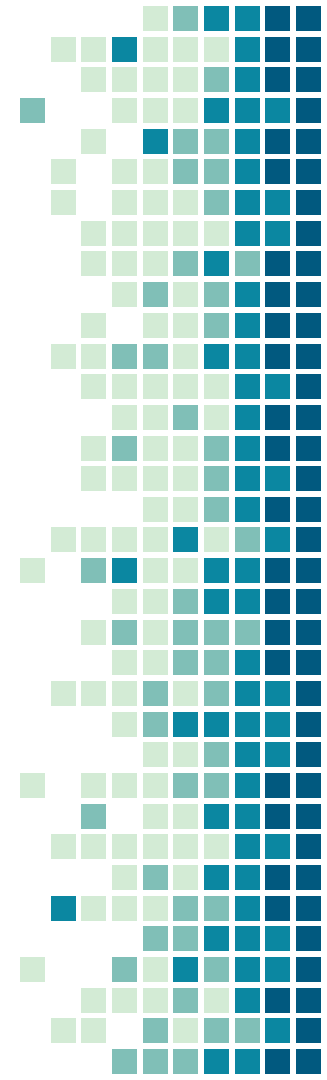
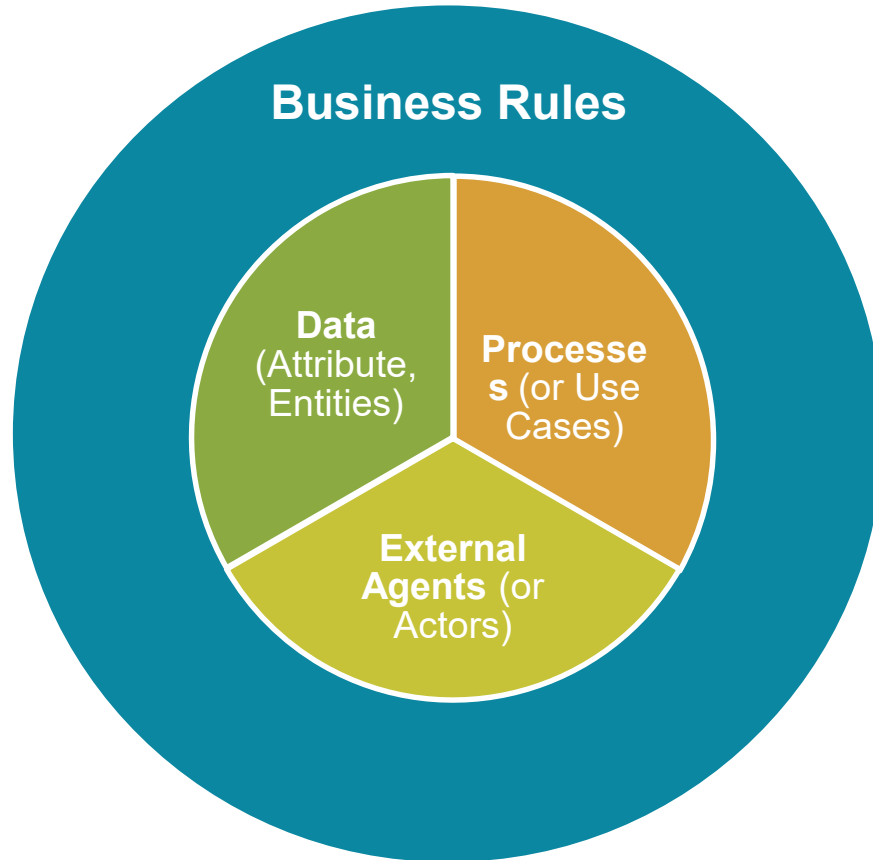


What is a business rule?

Can anyone give an example?



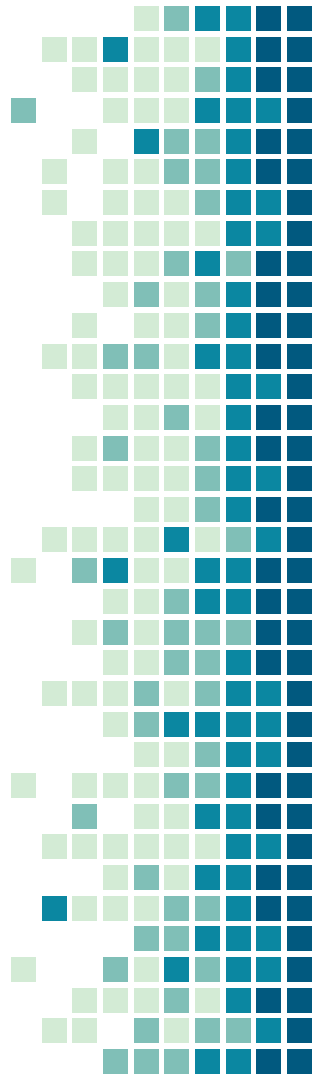
Core Requirement Components



Business Rule

- Describes a policy, guideline, standard or regulation upon which the business operates.
- A statement that defines or constrains some aspect of the business.
- It is intended to assert business structure, or to control or influence the behavior of the business.

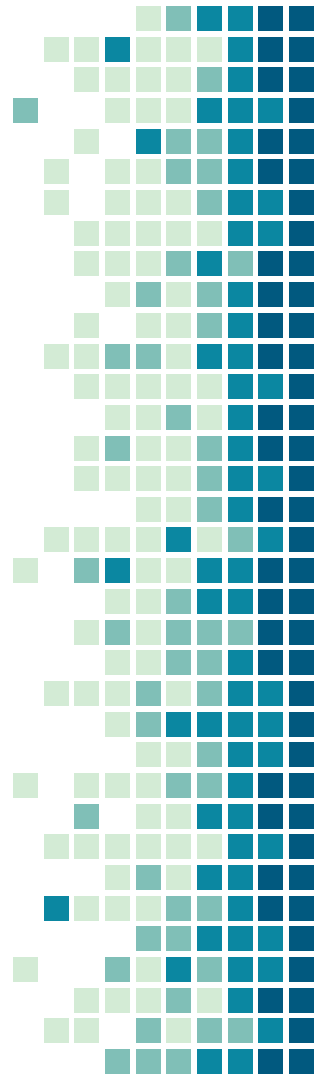
- From Business Analysis Body of Knowledge (BABOK)





What does a **business** **rule** look like?

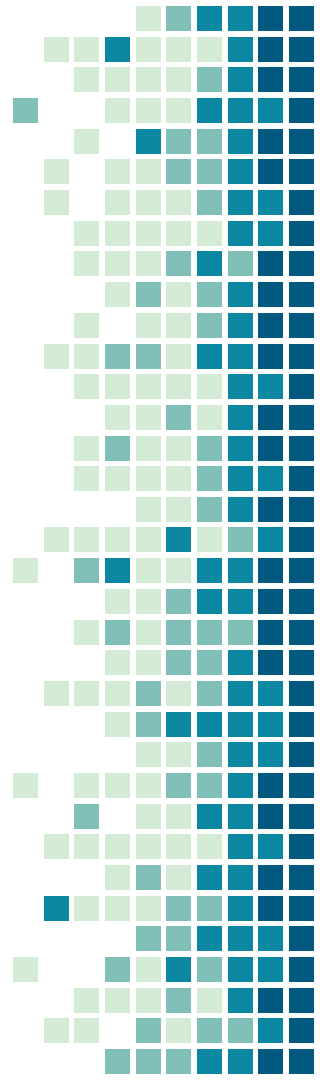
TERM1 – FACT – TERM2



Business Rule Format

- Textual statement that defines the rule **exactly** and **unambiguously**.
- Each rule has a unique identifier (ex. BR125).
- Usually documented or managed in a separate catalogue or table.

- From Business Analysis Body of Knowledge (BABOK)



Business Rule Examples

- BR1 – Customer calls must be returned the same day.
- BR2 – Expected contract value is calculated as the probability of signing the contract times the total value of the contract.



Type of Business Rule

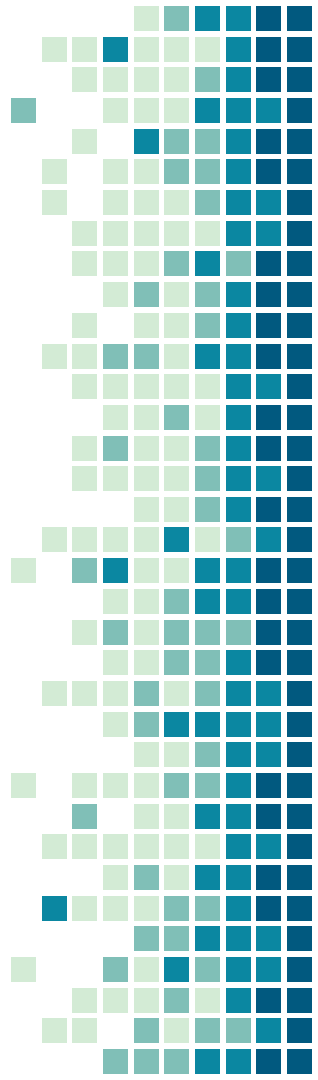
- Restriction – Must or must not happen.
- Heuristics – Guidance on how to do something.
- Inference – Given a condition, assume other conditions.
- Timing – Activity based on elapsed time.
- Triggers – Cause and effect relationship.



Why not **if/then**?

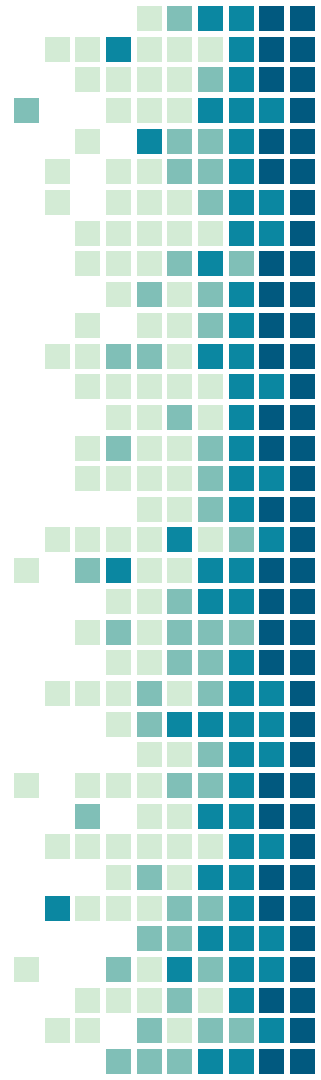
Using the if/then format may obscure the true subject of the business rule. The true subject should be at the start of each rule.

- If the order is shipped then send the notification.
- Notification must be sent on a shipped order.

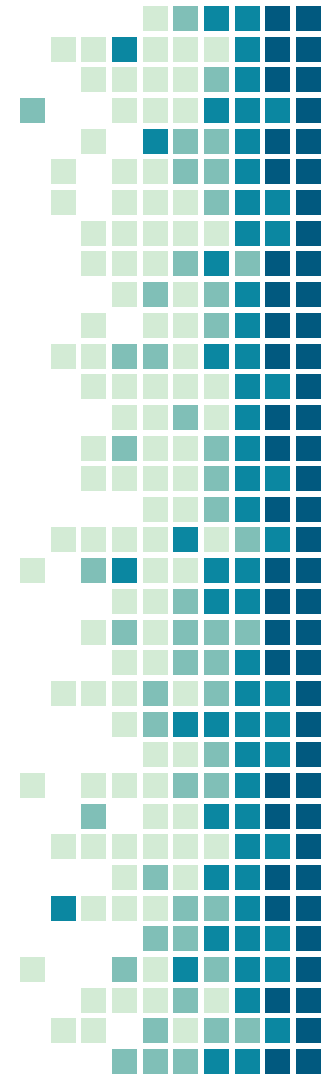
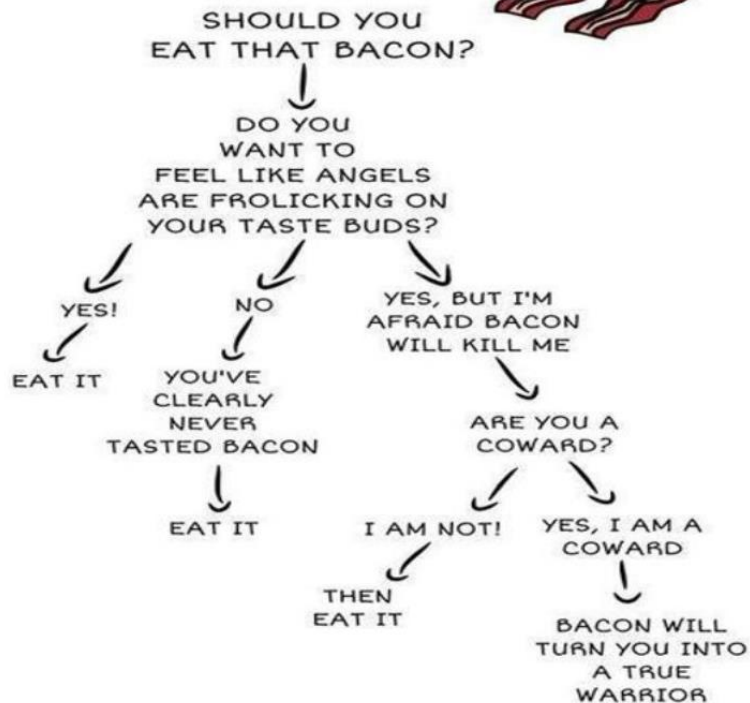




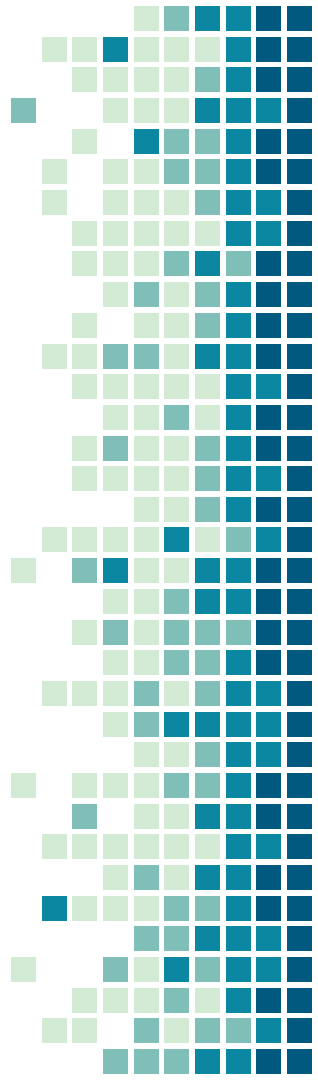
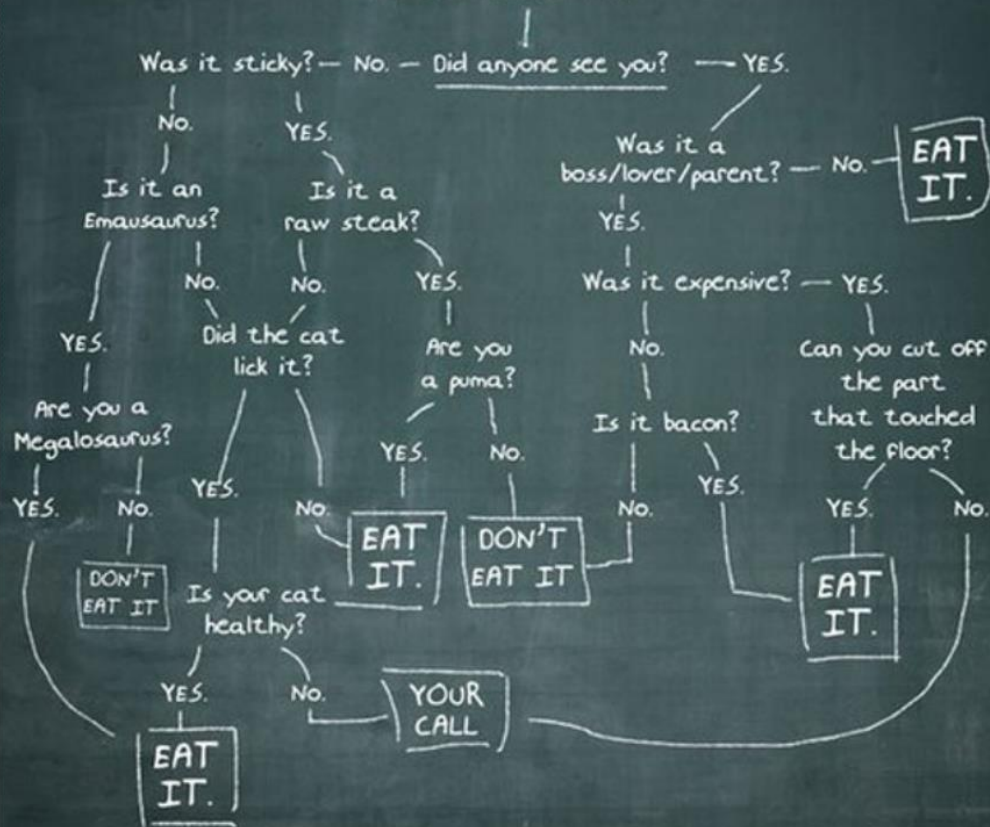
What is a Decision Table? Tree?



"SHOULD YOU EAT THAT BACON?" FLOWCHART

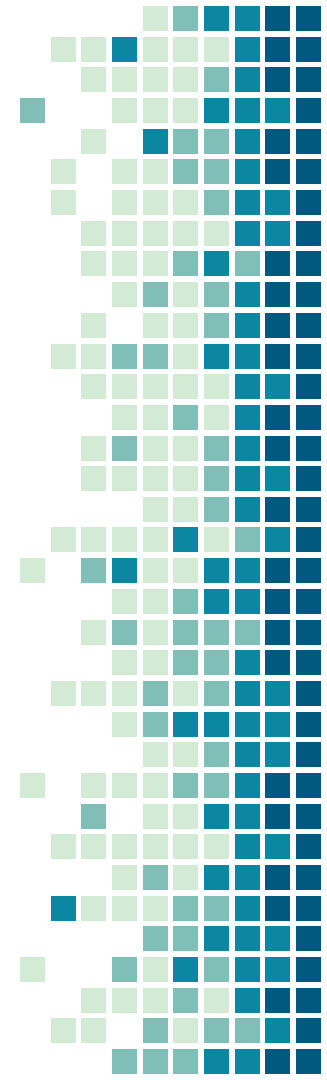


You Dropped Food on the Floor Do You Eat It?

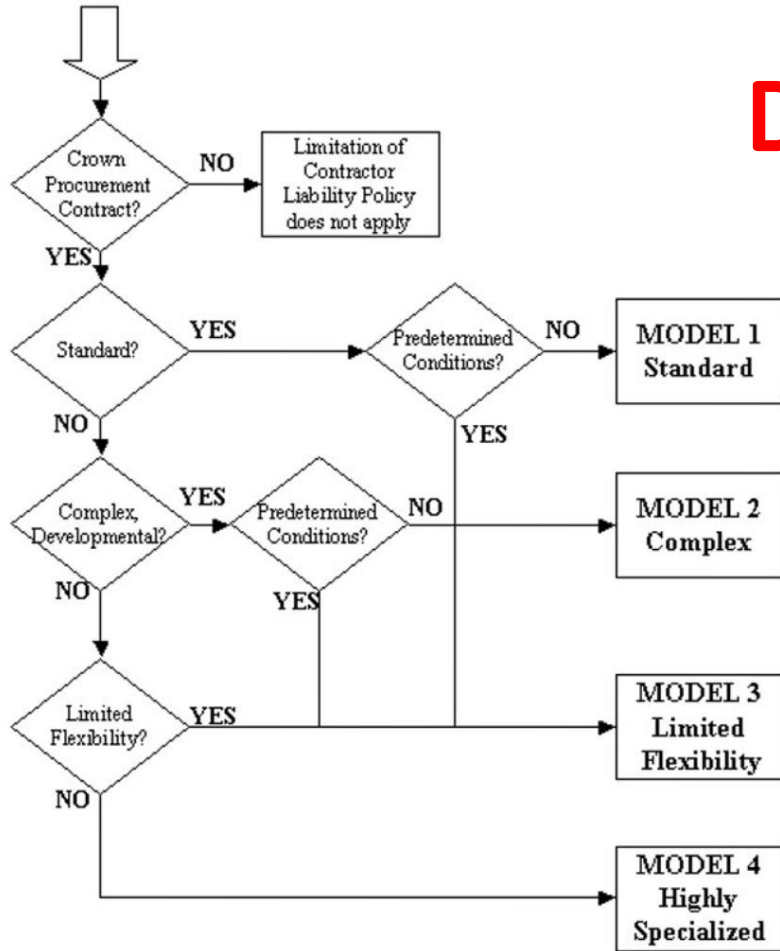


Decision Tree Example

- Decision time for desert

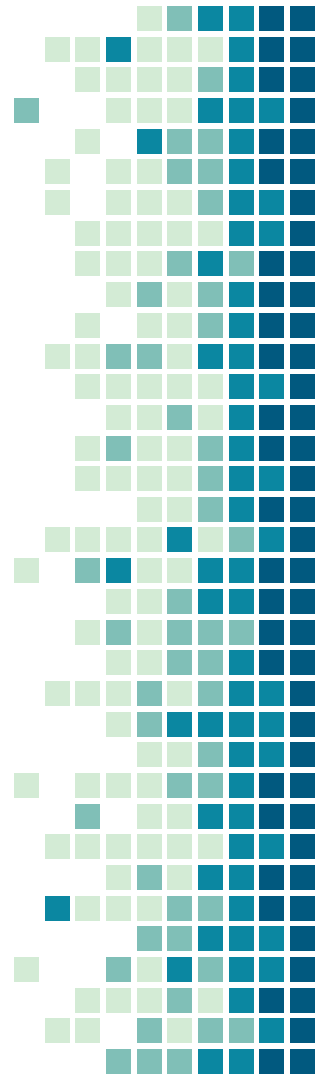


Decision Tree Limitation of Contractor Liability



Decision Tree

From the Treasury Board of Canada
<http://www.tbs-sct.gc.ca/cmp/doc/locltm-mflrm/locltm-mflrm1-eng.aspx>



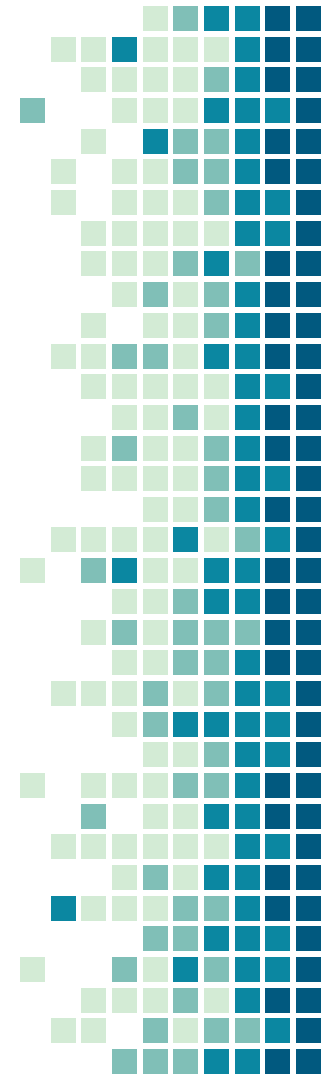
Decision Tree Example

- Amazon Decision Tree for shipping



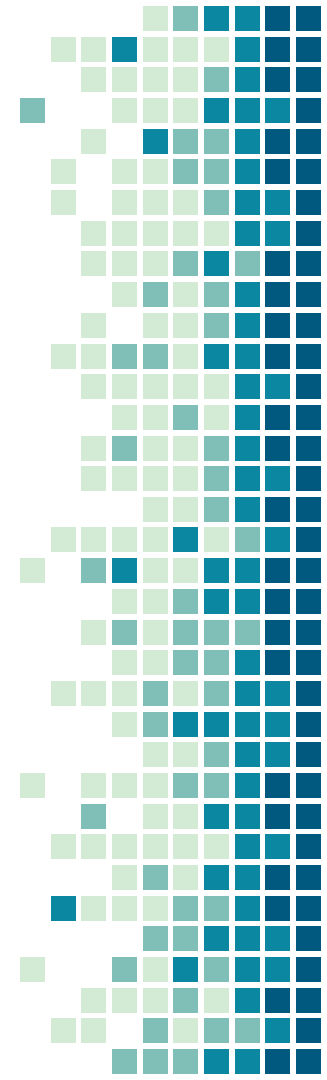
Week 7: Class #2

- Bring in a copy of your PGW case (on MIS site)
- Be prepared to dissect the entire case for:
 - Rules, decisions, outcomes, actions, etc.



Week 7: **Class #2** Agenda

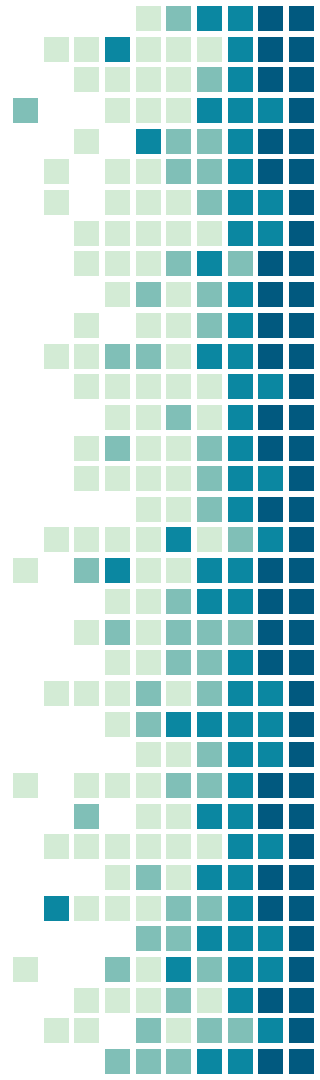
- Interview follow-up
 - What did you learn?
- Recap of decision tree and business rules
- PGWC Case – Dissect the entire case for:
 - Rules, decisions, outcomes, actions, etc.





Exercise: PGWC Case

1. Write out the business rules
2. Link them in a decision tree
3. Write a list of questions you want to ask Gayle.



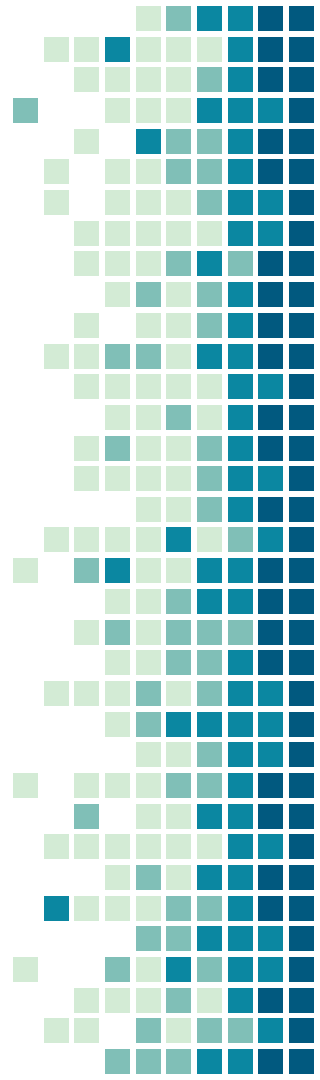
The Gas Deposit Case

You are working with the local gas company to analyze what it costs to serve customers and why they are losing money on an increasing percentage of customers. You have identified a potential problem:

PGWC seems to be turning on gas for a number of customers in November, only to have them turn it off in April. The company incurs the “Turn on” charge as well as the “Shut off” charge for only six months of revenue. The company is supposed to assess this risk up front and demand payment of a fee, any unpaid invoices, and a deposit for those customers who are apt to fall behind in their payments or shut off their service. You need to understand what this policy is and how its being applied to see if they need to change it, enforce it, or look elsewhere for the real problem.

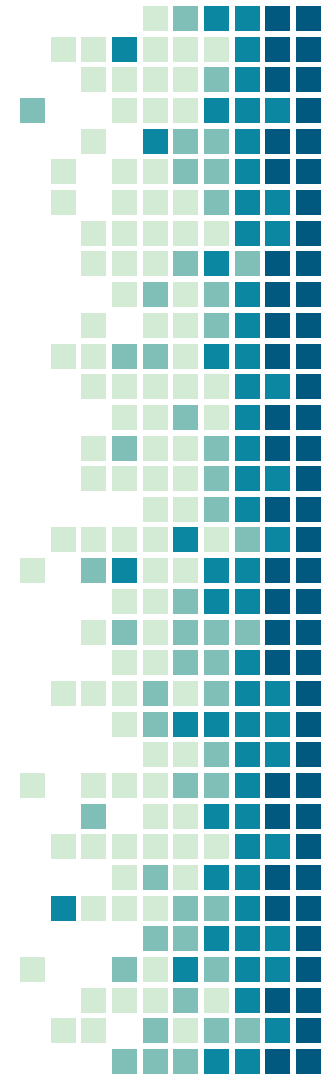
You ask Gayle Gellippi, Customer Service Manager to explain the deposit policy to you. This is what you hear.

“We look at how likely a customer is to become delinquent or shut off and charge accordingly, its really simple. It costs \$150 to “Turn on” a gas connection. We check all our customers’ credit ratings to see how good it is. We also look at their history with us (i.e. have they been a customer before). Of course, if they owe us any money, we insist that they pay us before we reconnect them. If the customer has new construction and three or more gas appliances in their house, we waive the “Turn on” fee and charge no deposit. If their credit rating is poor we charge a deposit of \$200 in addition to the “Turn On” fee. When we look at their history, if they have connected/disconnected many times, then we double the deposit to \$400. Customers with good credit but with only a few appliances pay just the initial fee.”



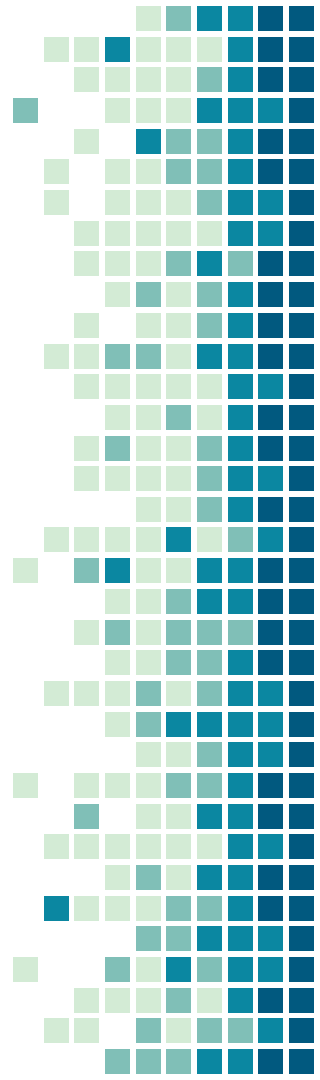
Case Review

1. How did it go?
2. What confused you?
3. What does your list of business rules look like?

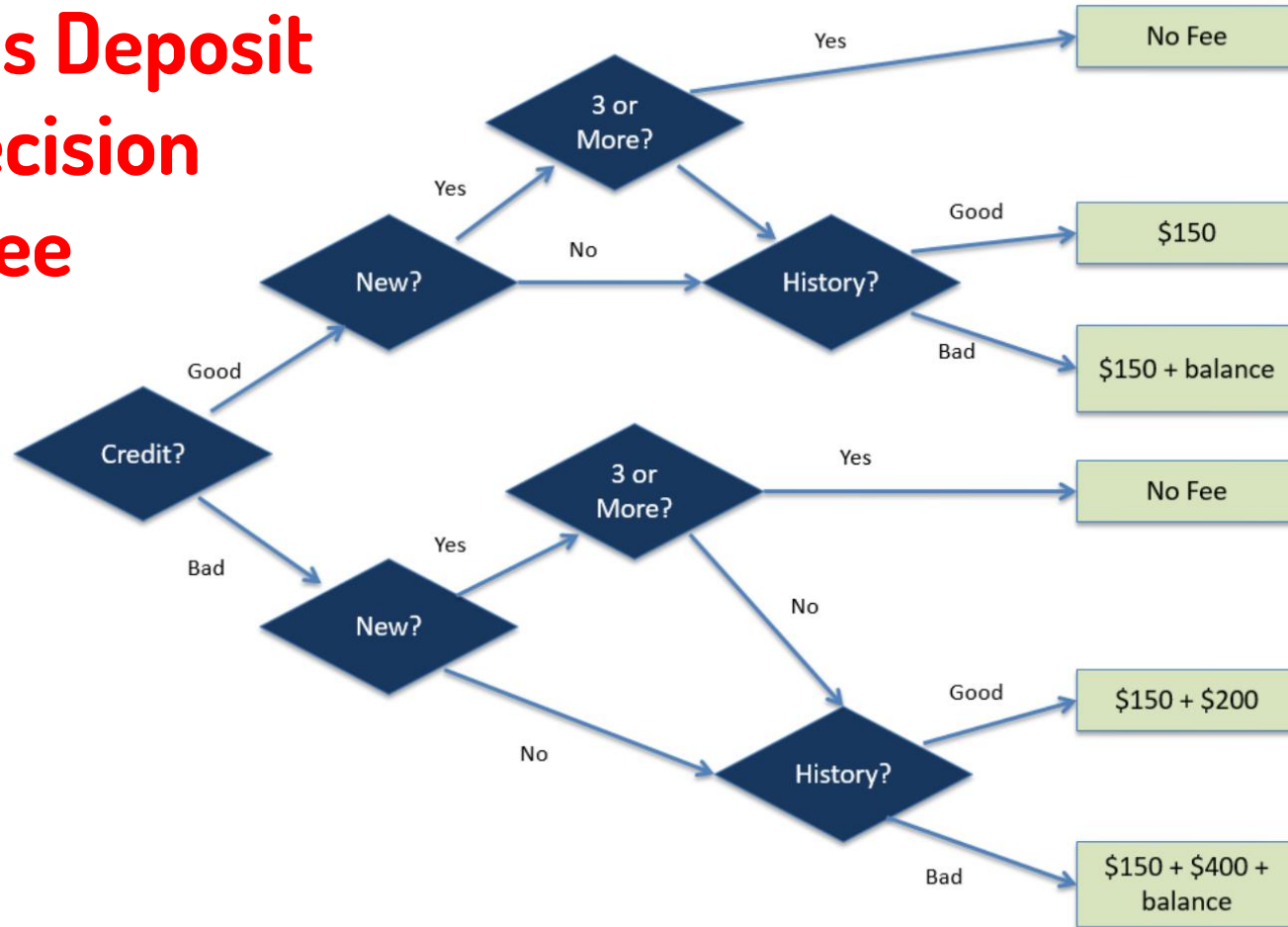


Gas Deposit Business Rules

- A customer with a good credit score is not charged a deposit.
- A customer wanting gas service pays a \$150 “turn on” fee.
- A customer with a balance must pay that balance, in full, before “turn on”.
- A customer with new construction and 3 gas appliances has all fees waived.
- A customer with a poor connect/disconnect history must be charged a deposit of \$400.
- A customer with poor credit score must be charged a \$200 deposit.



Gas Deposit Decision Tree

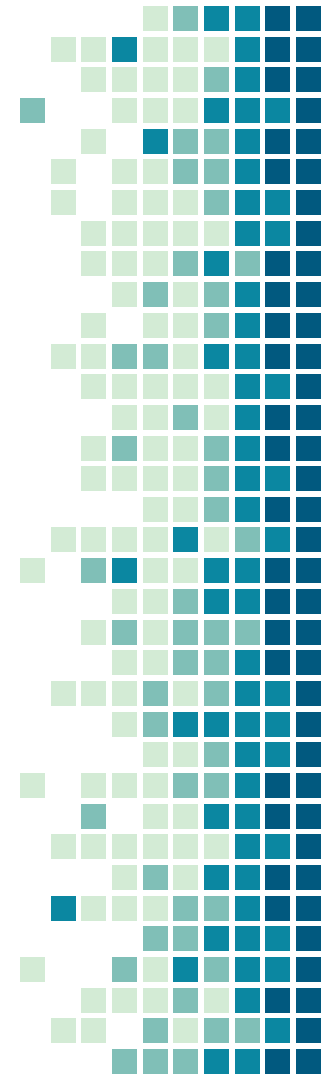
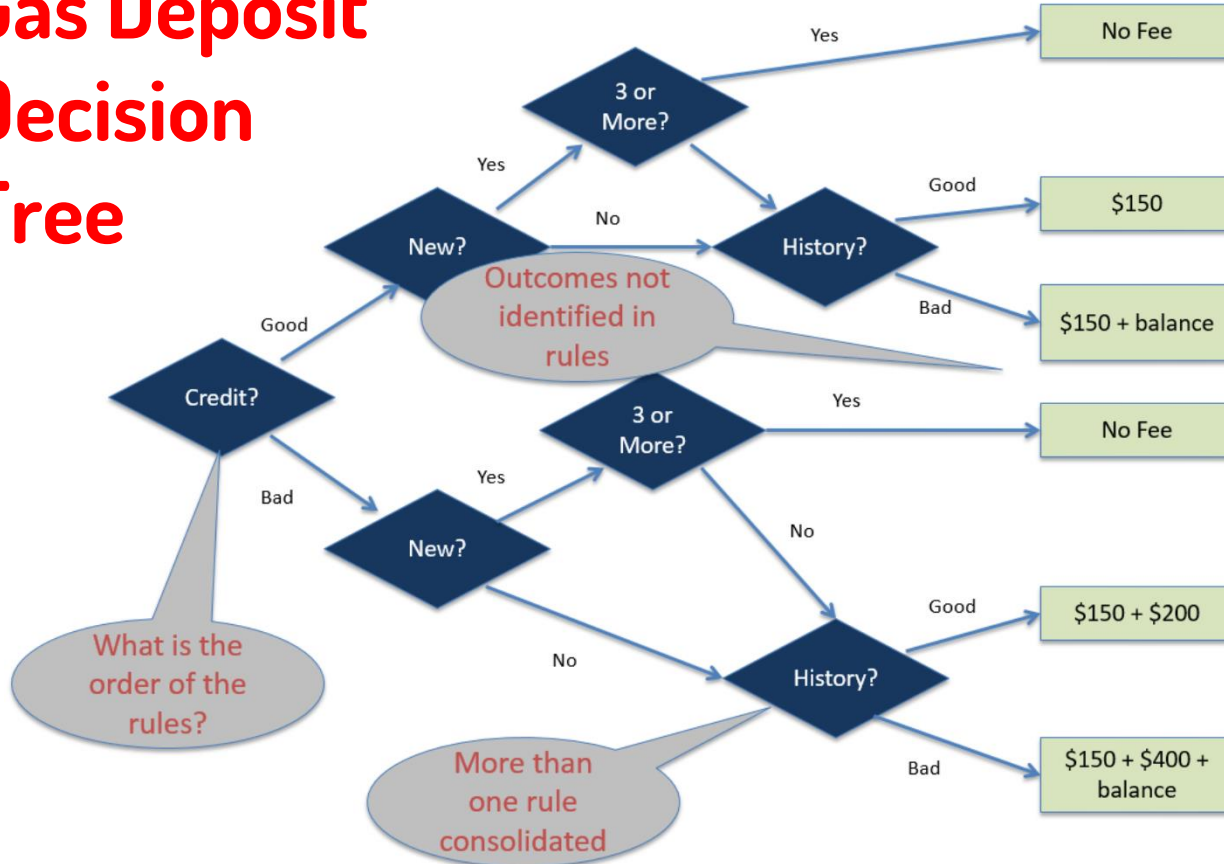


Case Review

1. How did it go?
2. What confused you?
3. What does your list of business rules look like?
4. What follow-up questions do you have?
5. What problems or opportunities should you be looking for?

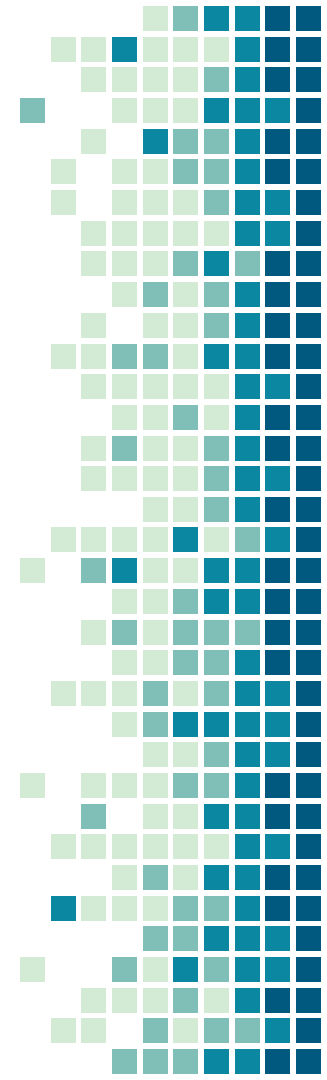


Gas Deposit Decision Tree



Business Rule Evaluation

1. How well do the business rules **describe** the client's behavior?
2. How completely do they **cover** the client's situation?
3. Does it accurately **reflect** what rules the client is using?
4. Are they **appropriate** for the client's situation?



~~Business Rates~~

