

Strata® Enterprise Business Rules Engine

White paper

BANKING SOLUTIONS
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The pace of business is accelerating daily. To be competitive, organizations must be able to quickly build and deploy customer-centric business rules across the enterprise. A business rules engine like Strata is a powerful tool to help achieve this result.

The Challenge of Managing Customer Interactions

Marketing communications, sales calls, customer service, account acquisition, billing, collections, fraud, identity verification, and general relationship management—these interactions collectively determine an organization's strategic and financial success. Yet, the business processes that determine the strategy behind these interactions are changing constantly.

Keeping track of these changes, and making sure business processes match the overarching strategy, is a challenge. Business rules engines streamline management of business processes. This is good news for anyone who needs to strategically manage customer interactions.

Business Rules Engines Help Manage Business Processes

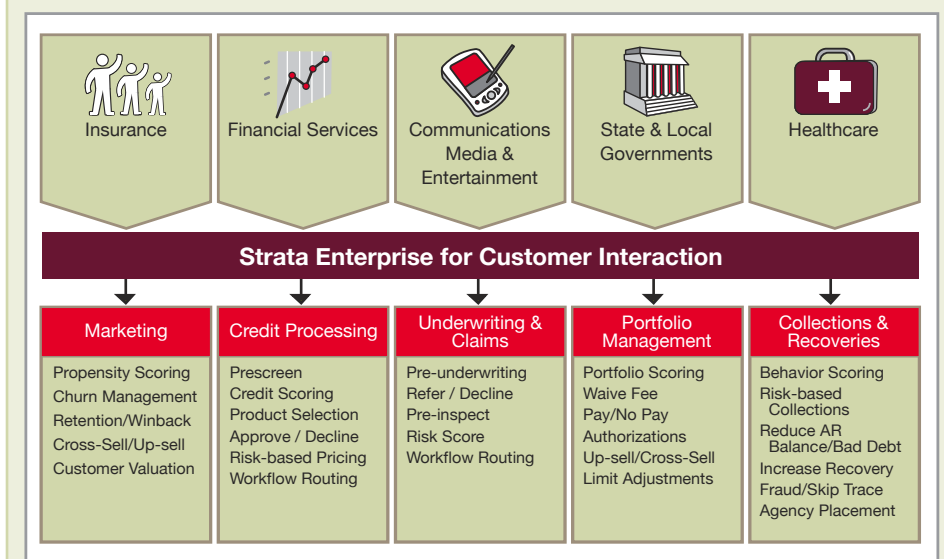
Business rules are the queries that help sort information, and can be used to analyze information or detect interesting trends automatically. They can help simplify the access and analysis of information, enabling users to automate and manage their business rules.

Rules engines got their start in the insurance industry, where they are used to help assess risk, credit history, and other information. But their use has application in many industries: financial services organizations use them to analyze account activity, retailers to determine a customer's buying patterns—the list goes on.

Do you want a competitive advantage? Business rules engines are a valuable tool for any organization that wants to maintain a competitive advantage:

- _ Organizations that can quickly build and deploy changes to their business rules have a faster time to market for new products and services.
- _ Use of business rules engines better enable organizations to craft multi-tiered and highly targeted business rules, and thus better respond their customer's needs.

Strata coordinates intelligent decisioning across the customer lifecycle



Enterprise-Wide Rules Engines

While rules are often created at the product or line of business level, the organization may prefer to implement the rules in a more central, customer-centric way. But often those rules are not consistent across the organization, resulting in conflicting or confusing customer treatment. In large organizations, customer payment history, customer profiles, and other information is often the domain of different departments. Imagine if there was a tool that provided one consistent way to build and view business rules across the credit lifecycle and across all lines of business: Such a tool could simplify the decision-management process, save valuable time, and ultimately reduce costs.

Enterprise-wide business rules engines enable a more holistic view of the customer, and allow organizations to make decisions using business rules that reflect their predictive models, corporate policies, and product strategies across the enterprise. This in turn allows the organization to view, decide upon, and determine actions at the enterprise or customer level, improving consistency of treatment.

Business rules engines are also effective in helping the organization continuously improve business strategies: enterprise rules engines applied to customer data can generate dramatic improvements in the effectiveness and profitability of customer interactions. For example, Strata enhances the value of existing customer data and customer-based information systems by incorporating decision control and experimental design into current and new interaction strategies.

STRATA PUTS CONTROL IN THE HANDS OF THE USER

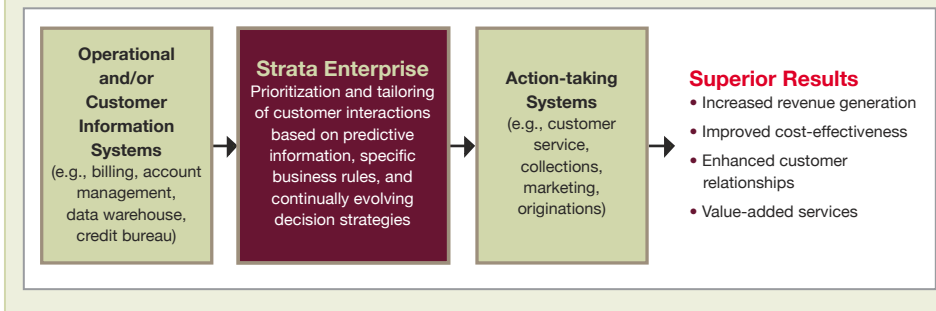
Strata allows users to define specific events and associated decision logic such as:

- _ Automated claim decision support
- _ Real time assignment decisions for internal and external claim, feature and task level assignments
- _ Documentation / correspondence requirements
- _ Fraud scoring for SIU referral
- _ Automatically assigns next workflow event
- _ OFAC and Patriot Act compliance decisions

The user creates and maintains Strata's business rules via the GUI:

- _ Score models
- _ Decision trees
- _ Matrices
- _ Derived attributes
- _ Instruction lists
- _ Rapid Strategy Evolution™ (RSE)—CGI's patented test and learn capability considered more thorough than standard "champion/challenger" methodology
- _ Decision effectiveness reporting—feedback on the effectiveness of the business rules

maximizing the value of customer interactions



Strata and the Business User

When the business rules engine provides a way for business users to easily create, update, change and test new customer-centric business rules, the whole organization benefits. Unfortunately, business rules are often buried in technical code and only understood by technical users; in addition, the “code” can be complicated and difficult to maintain, further preventing quick and easy access for rule changes and updates.

The challenge of an enterprise-wide rules engine is that it must be easily used and maintained by the business user in achieving their business objectives. CGI’s Strata Enterprise is simple to use, straightforward, and presented using business terms. Business users can work in conjunction with the IT department to collaborate on business processes, rather than being dependent on them for every change—a course of action that saves time and money.

The end result: Strata gives business users and other nonprogrammers control over the development and deployment of the specific rules they need, when they need them. In fact, Strata is based on what CGI’s clients have told us about their needs:

- _ *Business users want to be able to manage the business rules with minimal IT assistance.* Strata allows the business logic to be separated from the applications and code. This means that generating and recompiling code is not necessary; the user simply writes the rules they need. This allows the business users to have more independence, while also “speaking the same language” as the technical users.
- _ *Business users want a highly intuitive, user-based graphical user interface (GUI).* Strata’s GUI is functional from the day it is delivered, so the organization doesn’t need to factor in development time to get it up and running. And, it only takes a few hours of training before the business users are able to create more functionally rich business rules.

CLIENT EXPERIENCE:

LARGE CANADIAN BANK

“A rules-based decision engine with rules management and implementation responsibilities embedded in the business area, speeds time to market for changes to decision strategies, score models and process enhancements required to meet evolving business, market and economic demands. This type of decision engine has allowed our organization to hire and train new rules managers with business and/or technology backgrounds, creating an integrated and collaborative system management team with the ability to maximize the technical capabilities of the engine while optimizing business opportunities.”

Strata also:

- _ Provides business owners with the flexibility to modify key decision points across various business processes quickly,
- _ Supports all decision engine platforms with one desktop application,
- _ Has a flexible architecture (MVS, Windows 2000, Unix), that makes integration simple,
- _ Lowers the total cost of ownership since no programmers are necessary to make business rules changes, and
- _ Is a robust, flexible system able to handle all of the organization's needs.

Conclusion

Business rules engines can greatly increase productivity in any organization. When determining which system is right for you and your organization, there are four key features to look for:

1. It has the ability for business users to maintain rules: The business user should be able to determine what business strategies they need, and write the rules necessary to execute that strategy.
2. It is an enterprise-wide rules engine: All business rules reside in one location, making the rules consistent, easy to access, and easy to manage. This provides an environment where all parts of the organization are creating and managing the same set of business rules.
3. It facilitates a collaborative environment: The rules engine should provide an environment that allows business and IT users to collaborate on critical business process improvements.
4. It comes with a robust training and support package: Training and support should be easily accessible, and the users should be able to be up and running quickly.

Business users score Strata highly on all four of those features. With Strata, organizations can make more profitable and efficient decisions throughout the customer life cycle and across the enterprise, offering significant value through improved productivity and reduced IT costs. By utilizing Strata for improved decision support and a unified customer view, you'll be able to make smarter, consistent, and faster decisions.

ABOUT THE AUTHOR

Traci Showalter is a Director of Consulting for CGI's Global Credit Solutions Practice, and is the Decision Management Product Manager. Ms. Showalter has over 13 years experience in the telecommunications and financial services industries in the areas of decision management and risk assessment. In addition, Ms. Showalter has significant product development and implementation experience. For the past several years, Ms. Showalter has performed extensive work in the areas of consumer risk management, credit and collections policy, and marketing, and has led consulting engagements with major financial firms.