# AMS *Insights*

## Thought Leader Article

## Handling Business Events and Business Rules Best Practices

**Written By:**
Darrel Raynor, PMP, CCP, MBA

Management Consultants

**AMS**

Advanced Management Servi___

Developing People • Enhancing Process • Enabling Technology

## AMS Insights

AMS Insights is a collection of research, thought leader articles, white papers and other unique intellectual assets focused on helping our clients to benefit from our subject matter experts' global experiences and cross-industry interactions.

Developed as a collective outlet for our practitioners to ponder and propose thoughts, and observe industry trends, our clients become the beneficiaries of a library of cutting edge knowledge, available in a multitude of media formats.

If you would like more information on this, or other topics, please visit www.amsconsulting.com, or email us directly at info@amsconsulting.com.

**Consulting • Learning • Research**

# Introduction

Why and how do we improve Business Events and Business Rules handling?

After spending years working on many types of IT/MIS, merger and acquisition, process improvement, and other types of projects and operations areas, we have recognized it is very productive to centralize Business Event and Business Rules documentation.

In this article, we will discuss the likely current state, the justification for addressing this disorganization, and proven best practice approaches to gain control of Business Event and Business Rule documentation.
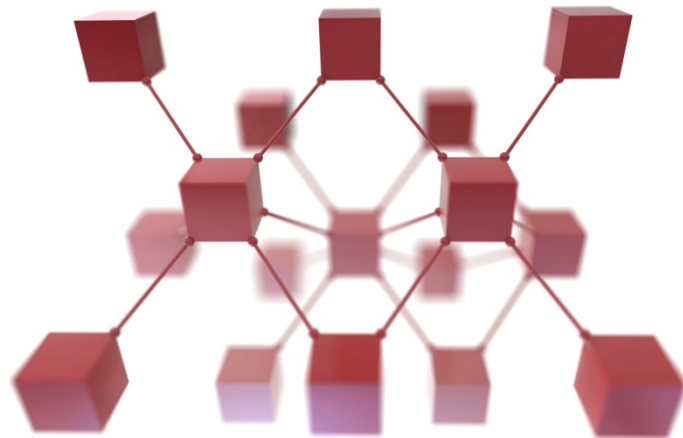
# The Likely Current State

Most organizations have a substantial amount of Event and Rule information for each department and for processes that span departments. This vitally important information is likely scattered over many different documents, in dozens of formats, in many file types, in many locations, in many different tools, and from various points of view. We see it often, even with very sophisticated organizations; sometimes they have more complex document structures!

Many of these documents do not have formal owners or update processes. Often, there is no indicator as to whether or not these documents are updated or if they still reflect actual system and workflow operation or intent.

## Why would we put effort into changing the status quo?

The short answer is operational and software development productivity. Dealing with multiple formats, multiple document types, multiple locations, multiple tools, all in dubious update status is just too much to ask. It takes too much time to find what you are looking for and too much time to interpret the various types and formats of information, with too many complexities brought on by multiple tool and file type use. Mistakes are made and defects caused by the lack of easy-to-use, updated, functional documentation.

## How might we put effort into changing the status quo?

There are two main approaches:

1. Spawn a process and document improvement project for fast and far-reaching results.
2. Apply the changes on a single project at a time until, over time, all systems in that business unit are covered.

Either way, you are likely in for some well-justified, yet robust, change management efforts; causing many (if not all) professionals in your supported business unit to change at least some of their recording, organization, responsibilities, and performance criteria, as well as at least a few of their daily workflow processes.

Advanced Management Services, Inc. | AMS Insights

# The Likely Current State

The image below is a metaphor for how words in documents can have many "views",



Image Courtesy of
www.wordle.net

We need to reduce the amount of noise around our functional documentation to better enable operations and project use.

One view of a document is how often words appear in it. Some people scan rather than read. Repeated words can greatly influence what the reader will take away from their quick scan. Even for those that read the entire document, word concentration has an effect. Knowing this, you may be more powerful in how you construct and use your documents. This is but one view of many that can be applied to your documents.

# The Likely Current State

Our goal is to take disjointed documents and "out of phase" information, and funnel it into a finite number of simply-formatted documents that describe most of what happens in a business unit. From both the event and rule perspective, we seek to describe current state.

Once we have this we may also use these techniques to describe a desired state in the form of requirements. Below is one way to look at the current state, the process you may choose to initiate, and the desired end state.



Chaotic Events & Rules

Handling Business Events & Business Rules
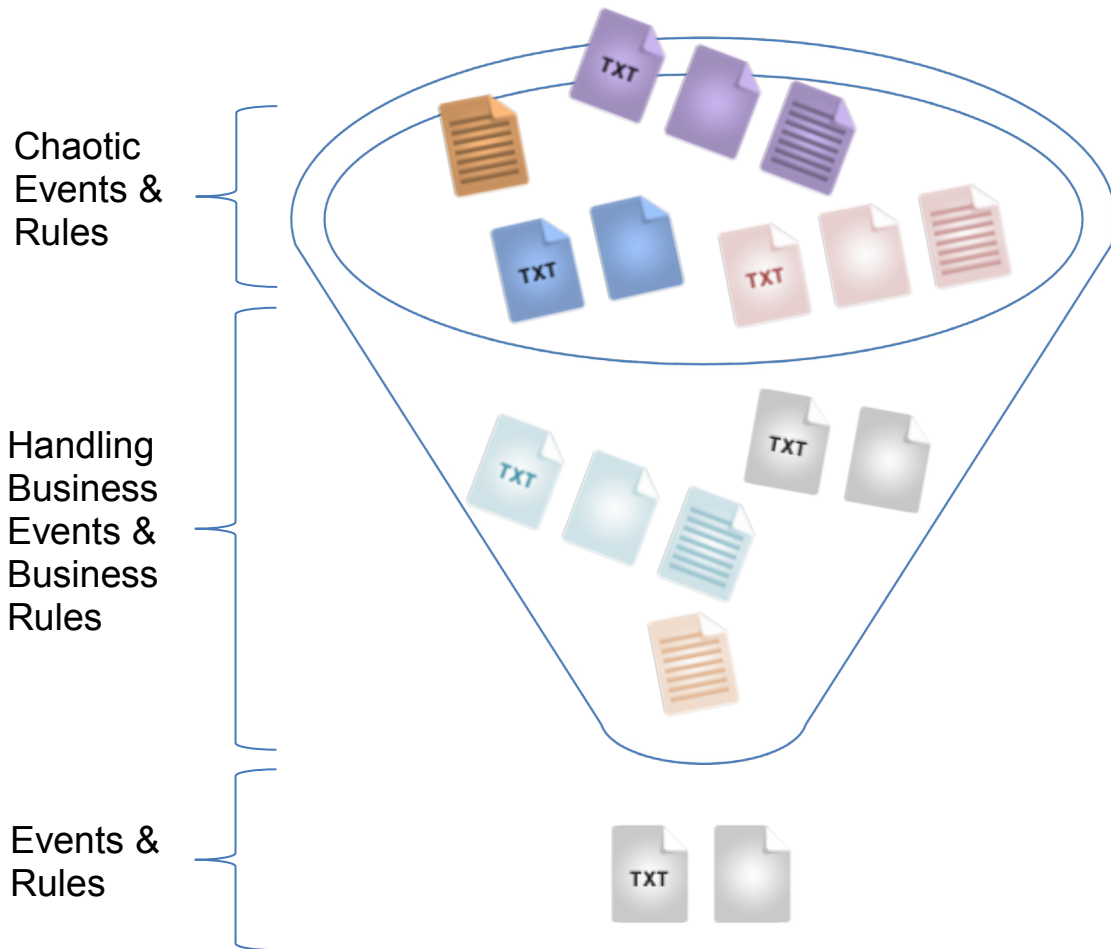
Events & Rules

We move from a chaotic, multi-dimensional set of wildly different documents stored in many formats and tools to a much smaller, almost regimented, set of controlled documents that are easy to use, understand and update.

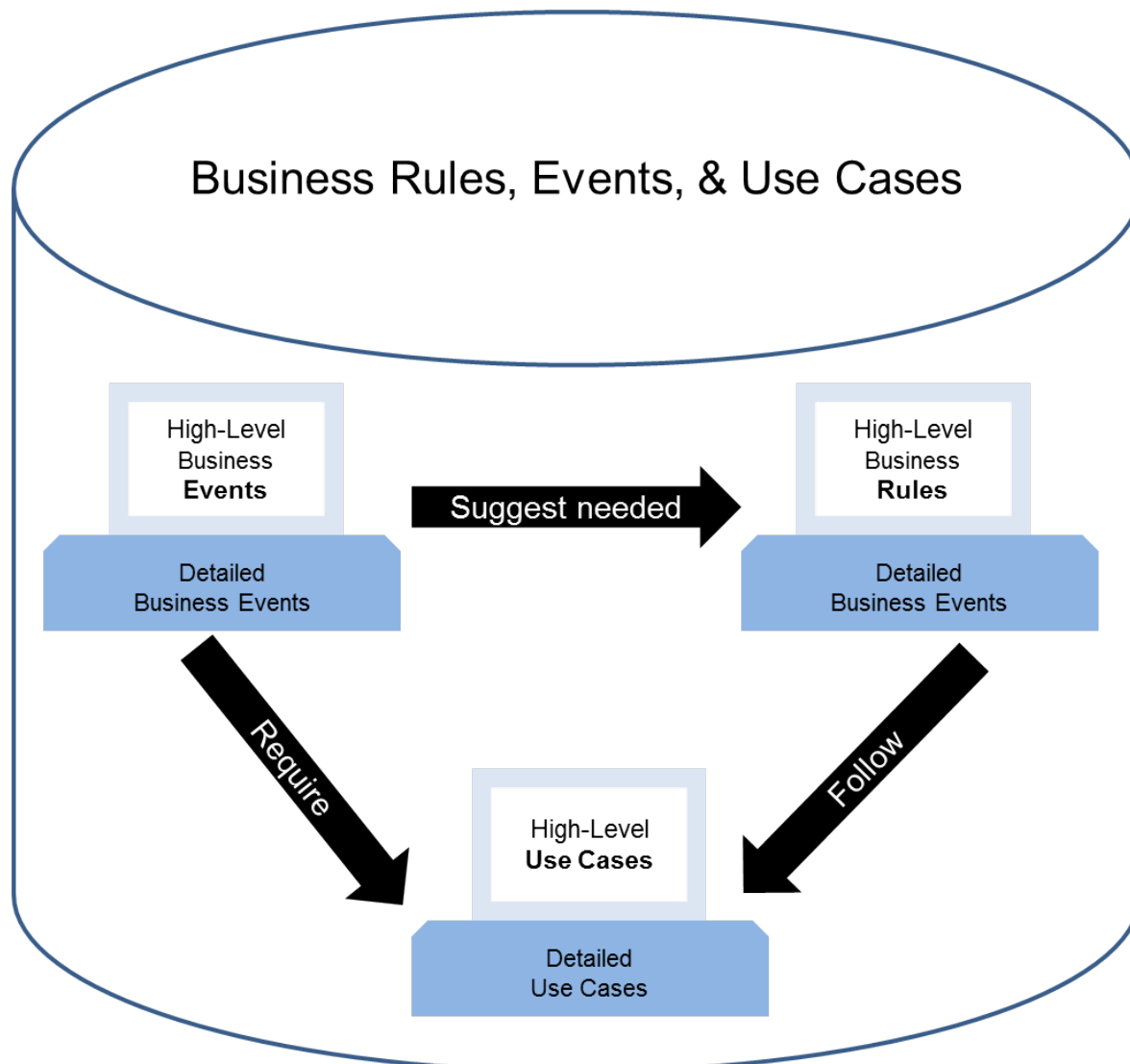# Defining Event and Rules Terms

The table below provides working definitions to ensure continuity within the context of this article. Events are occurrences, usually initiated by customers or other outside entities. These events and their desired responses can be depicted via Use Cases, but that is outside the scope of this article. Rules are some type of directive, either from executives, other departments, some form of regulation, or compliance policy.

| Business Object | Working Definition & Example |
|---|---|
| Business Event (High-level) | Executive-identifiable, externally initiated, discrete event.<br>*Example:* Customer purchases book on Amazon.com® |
| Business Event (Detail) | Manager-identifiable, externally initiated, discrete event.<br>*Example:* Customer purchases book on Amazon.com® via prior validated credit card.<br>(There may be one to many detailed for each high-level.) |
| Business Rule (High-level) | Executive-identifiable, internally decided or regulation-driven, guideline.<br>*Example:* Employees will not accept gifts over $25 from vendors. |
| Business Rule (Detail) | Manager-identifiable, internally decided or regulation-driven, guideline.<br>*Example:* Employees will report all gifts over $5 and not part of an approved relationship outing from vendors. Gift bags given to all attendees are an exception, such as those given out at annual user group meetings. |

# The Big "Business Event/Business Rule/Use Case" Picture

Here is one way of looking at Business Events, Business Rules, and a simple depiction of at least one of their relationships. The main point to draw from this diagram is that Business Events and Business Rules are different, have different sources, and can be discretely separated and controlled with relative ease.

## Business Rules, Events, & Use Cases

High-Level Business **Events**
Detailed Business Events

**Suggest needed** →

High-Level Business **Rules**
Detailed Business Events

*Require*

*Follow*

High-Level **Use Cases**
Detailed Use Cases

Given a bit of organization, examples, a reliable process, mentoring, and significant help at onset, functional areas will grow into these best practices. You may find ways to help your business unit decommission hundreds of documents and consolidate into discrete event and rules documents with a net reduction of as much as 50-60% of the original documents.

# Negotiating and Assigning Ownership for Business Events and Rules Documents

Assigning ownership is one of the key aspects of a robust document management strategy and especially important when dealing with Business Rules and Events, which can have vague origins and working and even more so for executive owners.

Here we lay out some possible document responsibilities by general role. Unless you can influence people at the level of their detailed job description, these will likely vary from group to group. When you are performing the analyst role, you may well end up with the majority of the work, at least initially.

| Business Object | Owner | Container |
|---|---|---|
| Business Event (High-level) | Functional | Business Event List |
| Business Event (Detail) | Analyst | Business Event Breakdown (Same or linked document) |
| Business Rule (High-level) | Functional | SOP or Process document |
| Business Rule (Detail) | Functional (With help from Analyst…) | Business Rule Breakdown (Same or linked document) |

# Deciding your Approach

Here we briefly discuss the two main approaches to moving your business unit to a much more productive set of Business Event and Business Rule document management processes.

> There is no one best approach; the one you choose should come from your assessment of the Return on Investment (ROI), the chances of success, and the likelihood of getting both business unit and peer cooperation.

## Process Improvement Approach

Spawning a project specifically to enable productive operations and project use of business unit functional documents is one very real possibility. There are a number of factors to consider as positive indicators that this direct approach may pay off:

- There was a publicized and painful failure of either operations or a project. This failure should be linked to a 'broken process' where documents were viewed to be either out of control or not useful.
- Management change where the new managers may be receptive and have a 'honeymoon' period where they are given some time to make changes before metrics and reviews set in.
- Directive to improve operations or project efficiency or a downsizing or other workload increasing set of events.
- Another process improvement project recently had success for the same group.

## Lead by Example Approach

An important project may be the mechanism to introduce efficient use of business unit functional documents. There are a number of factors to consider as positive indicators that the single project context approach may pay off:

- There have been projects where significant process improvements were introduced that have now pollinated across the business unit or at least were recognized as very efficient.
- You have a cooperative sponsor and team with the foresight to allocate significant project resources to developing and prototyping this approach. (Resources are still much less than required by the process improvement project as noted above.)
- The project team is overwhelmed by the multitude of documents, formats, locations, and more and they have the willingness to drive through it for clarity. You must have at least one patient person on your team ready, willing, and able to go through hundreds of documents looking for Events and Rules.

# Deciding your Approach

How do I actually develop a Process Improvement Approach?

The specific steps, tools, order, and depth of process changes you go through will vary greatly according to your organization. Other factors that preclude a definitive detailed set of implementation steps include tools available, culture, resource skill level and availability, risk and 'process change tolerance,' and probably a host of unstated factors. That said, we can provide some general guidance that you will have to tailor to maximize the chances of your success.

- State your case in terms of direct and, if necessary, indirect ROI.
- Keep "What's in it for me?" in mind at all times! Everyone has their own set of values, goals, and filters.

# Conclusion

Based on our discussions, we could conclude:

- Most organizations have a substantial amount of event and rule information for each department and for processes that span departments.
- The goal is to create a much smaller set of controlled documents that are easy to use, understand, and update reliably.
- It takes too much time to find what you are looking for, and too much time to interpret the various types and formats of information without process improvement.
- ROI should drive your decision on approaches between Process Improvement and Leading by Example.

As these modified practices yield results, we advise organizations to chart a course to intentional project management, practice, and process maturity.

# About the Author/Research

**Darrel Raynor, PMP, CCP, MBA**

Darrel Raynor is a Principal Consultant at Advanced Management Services, Inc. (AMS), a full service management consultancy servicing a global client base.

Darrel Raynor is a senior technology executive, consultant, and turnaround specialist with over twenty years of leadership experience streamlining operations, systems, people, and projects. He increases margin and profit, and decreases organization friction internally and externally with customers, vendors, and partners. Problem solving, process improvement, operations optimization are his passion.

He has succeeded in global operations executive and senior technical leadership roles, organization restructuring, project management, program management, business analysis, software application development, project recapture, and acquisition evaluation and integration. He has recovered projects and organizations and managed major new technology enterprise financial and other software development and integration efforts.

**Research**

1. **Joseph Raynus.** *Improving Business Process Performance: Gain Agility, Create Value, and Achieve Success (Hardcover)* Auerbach Publications; 1 edition (June 22, 2011)

2. **Margaret K. Kulpa, Kent A. Johnson.** *Interpreting the CMMI (R): A Process Improvement Approach, Second Edition.* Auerbach Publications; 2 edition (March 7, 2008)

3. **Jim Sinur,** Research VP. *12 Powerful Business Rule Management Uses to Get You Down the Road with Agility.* http://blogs.gartner.com/jim_sinur/2011/09/01/12-powerful-business-rule-management-uses-to-get-you-down-the-road-with-agility/

4. Urs Andelfinger, Andre Heijstek, Patrick Kirwan. *A Unified Process Improvement Approach for Multi-Model Improvement Environments.* News at SEI on: April 1, 2006

5. **Razaki, Khalid A., Aydin, Sehmus.** *The Feasibility of Using Business Process Improvement Approaches to Improve An Academic Department.* Proceedings of ASBBS (http://asbbs.org/files/2011/ASBBS2011v1/PDF/R/RazakiK.pdf)

## About AMS:

Advanced Management Services, Inc. (AMS) is a global management consulting firm focused on improving our clients' business performance by developing people, enhancing process and enabling technology. Our industry leading subject matter experts design and deliver customized consulting, learning and research solutions in a range of mission critical business areas resulting in continuity and sustainable results for clients across all industries. For two decades, AMS has assisted Fortune 500 organizations, Global 2000 companies and various government agencies in identifying their needs and implementing scalable solutions with a focus on value, quality, and positive impact.

## AMS Advantage:

- Servicing a Global Client Base for two decades.
- Fully owned copyright allows for flexibility in customization of training programs.
- Executive level consultants with an average of 20 years specific industry and subject matter expertise.
- Licensing of specific training materials to corporate training departments and Universities.
- Learning Management System (LMS) to support curriculum based training solutions.
- Best in Class Implementation Methodology to ensure the highest levels of service.
- Unmet level of client satisfaction
- Account management structure to support client needs.
- Cross industry experience to promote creative client solutions.
- Priced competitively with a focus on value added solutions.
- Team and client portal to ensure collaboration and communication.
- Client facing Lessons Learned Analysis (LLA) at the close of every project.
- Project communications structure to ensure multiple consultants are briefed on client projects.
- Global resources to provide the right consultant, at the right time, in the right place.
- Best Practice tools and processes to support our solutions.
- Industry specific accreditations and academic credit for specific programs.
- Research: Articles, published works, podcasts, video vignettes, and benchmark research available for our client family.
- Monthly news update via RSS Feeds highlighting current trends, new products and industry news.
- Blended Learning and delivery solutions to support a distributed workforce and travel budget controls.