

## Business Rule Solutions Ronald Ross

*Have you heard it said that ‘business rules define the operational boundaries of an organization’. Do they? The short answer is no. Any interpretation of business rules that suggests they define scope in some way – i.e., the operational edges of an organization, business area, or project – is almost certainly off-target. But the suggestion does provide an interesting basis for discussion. Something is being bounded by business rules, but what? Does scope need to be understood in some deeper, richer sense? And how do these issues relate to smart business processes? This month’s Column takes a look at these and related questions.*

### Do Business Rules Define the Operational Boundaries of an Organization?

I’ve heard it said that “business rules define the operational boundaries of an organization”. Do they?

The short answer is *no*. Any interpretation of business rules that suggests they directly define scope in some way – i.e., the operational edges of an organization, business area, or project – is almost certainly off-target. Even if they did, scope needs to be defined in a more basic, straightforward manner.<sup>1</sup>

But the suggestion does provide an interesting basis for discussion. *Something* is being bounded by business rules, but what? Does *scope* need to be understood in some deeper, richer sense? And how do these issues relate to smart business processes?

#### Business Rules as Delimiters

Let’s revisit the definition of *business rule*. The definition we use is the following:

business rule: *criterion used to:*

- *guide conduct or actions*
- *shape judgments of behavior*
- *make decisions*

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<sup>1</sup> For explanation of our approach to defining scope refer to Chapter 3, *Building Business Solutions: Business Analysis with Business Rules*, by Ronald G. Ross with Gladys S.W. Lam, An IIBA® Sponsored Handbook, Business Rule Solutions, LLC, 2011, 304 pp. URL: <http://www.brsolutions.com/bbs>.

Business rules can therefore be used to delimit:

- Acceptable or desirable conduct or actions from unacceptable or undesirable conduct or actions.
- Proper behavior from improper behavior.
- Correct or best decisions from incorrect or poorer decisions.

These delimitations might be called ‘boundaries’. But note these ‘boundaries’ are a *result of applying* business rules, *not* what business rules fundamentally are (i.e., guides or criteria).

To say that business rules *are* boundaries can therefore be misleading. A thing is best defined according to what it *is*, not by what it might *do or produce*. An umbrella might be used as a weapon, for example, but it’s still an umbrella.

## Business Rules as Soft Delimiters

The delimitations produced by business rules are not so rigid as the term *boundary* might suggest. The key is *enforcement level* – how strictly a business rule is to be enforced when violations are detected.

Depending on the enforcement level specified for any particular behavioral rule, the rule might be overridden with proper authority or explanation, or even ignored (e.g., as with guidelines). See Table 1 for the most common levels of enforcement.<sup>2</sup>

| Enforcement Level                | Description   |
|----------------------------------|---|
| strictly enforced                | <i>Violations are disallowed in all cases — achieving some new state successfully is always prevented.</i>      |
| override by pre-authorized actor | <i>The behavioral rule is enforced, but an actor with proper before-the-fact authorization may override it.</i> |
| override with explanation        | <i>The behavioral rule may be overridden simply by providing an explanation.</i>                                |
| guideline                        | <i>Suggested, but not enforced.</i>   |

Suppose *scope* is understood as the kinds of behavior expected and tolerated by some model of the business. Behavior permitted when a business rule is overridden,

<sup>2</sup> Adapted from *Business Rule Concepts: Getting to the Point of Knowledge* (4th ed, 2013), by Ronald G. Ross, [http://www.brsolutions.com/b\\_concepts.php](http://www.brsolutions.com/b_concepts.php), p. 135.

or when a rule is applied merely as a guideline, still falls within scope understood in that sense.

In other words, violations of a rule with such enforcement levels are both expected and tolerated. Business rules specified in that way represent *soft* delimiters.

How hard and fast any given behavioral rule is to be enforced is an organizational decision. It's a crucial question business analysts should be asking. Indeed, enforcement level is how richness of organization response can be achieved *at scale* in highly adaptive business solutions.<sup>3</sup>

## Lines in the Sand for Smart Business Processes

We've had a fascinating conversation of late on social media about *smart business processes*. Here's a good, straightforward definition.<sup>4</sup>

smart business process: *a business process that is self-learning, and can adapt while running*

The natural question is how smart business processes and business rules relate.

It's surprising to me (not in a pleasant way) how many process gurus can talk about business processes becoming smart without ever mentioning business rules. Do they mean system processes, not business processes? *Maybe*. Are there multiple dimensions to creating intelligence in processes? *Probably*.

So I think some bottom line, some minimum threshold, is needed to judge when *business processes* are smart. The question I would ask is this:

*What keeps a smart business process honest?*

Is a business process truly smart if it finds clever means to achieve some results where the means are:

illegal?

self-defeating?

at odds with the company's business policies or goals?

Clearly not. Any smart business process will always need to know which behaviors and decisions are acceptable and which ones are not. Those lines in the sand are business rules.

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<sup>3</sup> Refer to "Breaking the Rules: Breach Questions," by Ronald G. Ross, *Business Rules Journal*, Vol. 14, No. 2 (Feb. 2013), URL: <http://www.BRCommunity.com/a2013/b688.html>

<sup>4</sup> *Acks* Geoffrey Darnton

## Author

### Ron Ross



**Ronald G. Ross** is Principal and Co-Founder of [Business Rule Solutions, LLC](#), where he actively develops and applies the IPSpeak™ methodology including [RuleSpeak®](#), [DecisionSpeak™](#) and [TableSpeak](#)

Ron is recognized internationally as the "father of business rules." He is the author of ten professional books including the groundbreaking first book on business rules The Business Rule Book in 1994. His newest are:

- [Business Rule Concepts: Getting to the Point of Knowledge](#) (4th edition, 2013)
- [Building Business Solutions: Business Analysis with Business Rules](#) with Gladys S.W. Lam (2011, An IIBA® Sponsored Handbook)

He can be reached at [Ross@brsolutions.com](mailto:Ross@brsolutions.com)