

Introduction to SAS® Decision Manager

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ABSTRACT

Organizations today make numerous decisions within their businesses that affect almost every aspect of their daily operations. Many of these decisions are now automatically generated by sophisticated enterprise decision management systems. These decisions include what offers to make to customers, sales transaction processing, payment processing, call center interactions, industrial maintenance, transportation scheduling, and thousands of other applications that all have a significant impact on the business bottom line. Concurrently, many of these same companies have developed or are now developing new or additional analytical models that provide valuable insight into their customers, their products, and their markets. Unfortunately, many of the decision systems cannot maximize the power of analytics in the business processes at the point where the decisions are made.

SAS® Decision Manager is a new product that integrates analytical models with business rules and provides ways to deploy models and rules together within operational systems where the decisions are made. Analytically driven decisions can be monitored, assessed, and improved over time. This paper describes the new product and its use and shows how models and business rules can be joined into a decision process and deployed to either batch processes or near real-time web processes that can be consumed by business applications.

INTRODUCTION TO SAS DECISION MANAGER

WHAT ARE DECISIONS?

Organizations today are facing a growing need to make decisions faster and also make better decisions for their shareholders and their customers. They are being asked to do this in an environment that includes challenges such as rapidly changing markets, growing demands to process larger amounts of data, and dwindling IT resources.

These companies need more efficient ways to quickly develop these strategies that provide tools and approaches to design and implement these decisions so that they are an integral part of their operational processes. So, companies need not only to make these decisions faster but also to make better decisions that meet the demands of their customers, satisfy the needs of their investors, grow market share, save on operational expenses, and deliver revenue to the top line to fuel further growth.

Most companies start out with the idea that they want to implement a business strategy driven by a market need, such as reduce the number of delinquent loans, improve the quality of customers that we approve for credit cards, improve the manner in which we interact with our customers by making better and more relevant offers. In order to do that, companies need to bring together various elements that typically constitute a decision, and the elements that go into a decision typically include the following:

- Data Preparation: manage and prepare data to better understand what has happened in the past and use this information to formulate new strategies and implement better decision making
- Analytical Modeling: prepare and monitor analytical models to better understand why events and certain behaviors have occurred with customers or with business operations
- Business Rules: define and discover rules for what action to take based on future behaviors in order to react quickly to situations detected in the marketplace
- Optimization: leverage the information gained from past decisions to improve how decisions are made in the future
- Process Integration: deliver the decisions directly into the business process where the decisions are made to reduce any lag between when an event is detected and when action is taken

BENEFITS

Support for the Decision Lifecycle

There are many challenges to delivering a comprehensive and integrated decision making environment and often these challenges prevent a smooth flow of information across the different phases and roles within the Decision

Lifecycle, as shown in the figure below.

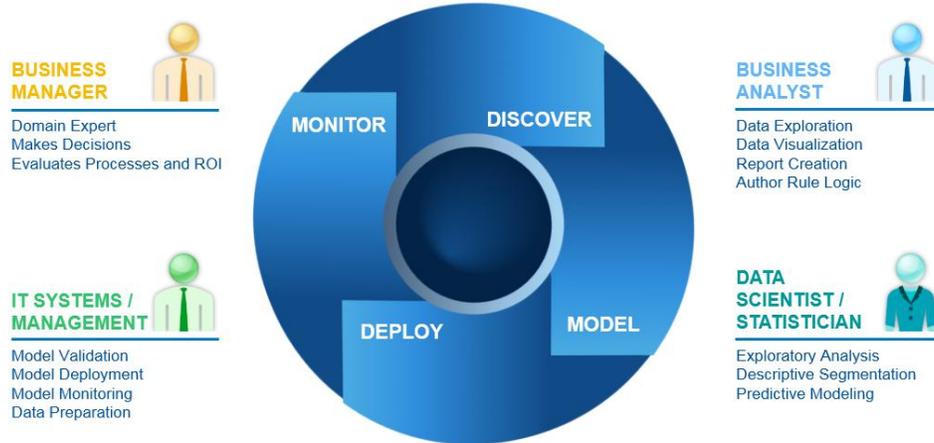


Figure 1: Decision Lifecycle

Within businesses today, the roles and activity phases are not as smoothly implemented as depicted in the graphic above. Numerous handoffs, overwhelmed and understaffed teams, and rapidly changing regulations and policies all contribute to a less than optimal decisioning process. Benefits of this approach can be summarized as follows:

- Reduce Siloes Separating IT and Business
 - o Allow Business Users to easily create or access models needed to support decision making strategies through model sharing and collaboration with the statisticians and data scientists
- Faster Decision Deployment Times
 - o Eliminates need for custom coding to generate business logic to simplify integration with analytical model output
 - o Simplify means for integration of models with business processes thereby reducing time to action
- Decision components treated and managed as corporate assets
 - o Provide governance and version control for rules and models
 - o Automate deployment steps for greater auditability and repeatability
- Analytics is closer to where decisions are made:
 - o Take action based on model output within business process
 - o Deployments are slow and not connected to process
- Business users, who know the business processes best, can design and change business rules
 - o React quickly to changing regulations and policies
 - o No programming required, all code is generated by system from rule definition

DECISION MANAGEMENT: AN EXAMPLE

In order to best understand the benefits of SAS Decision Manager and how to obtain these benefits, this paper presents a scenario for usage of the technology that highlights its ease of use and important features. The scenario entails a large, national used vehicle reseller that has analyzed some of its past sales and returns data and has noticed an increase in the number of vehicles that have been returned to them by their customers for various reasons. After analyzing their data they have seen some relationships between the cars they've purchased at auctions around the country, various attributes of the vehicles, and the vehicles that have been returned by unhappy customers.

The returns by customers of the vehicles have resulted in some negative impacts on the company's business and they would like to understand how they can improve their decision making that would result in fewer cars being returned back to them and their lots. They decided to look into how they were making decisions to purchase vehicles at the start of their business process and felt that if they could improve how they made decisions about the vehicles

they purchased, the result would be fewer vehicles returned and the results would yield higher profits through reduced inventory costs, lower repair costs, lower reimbursement costs, and overall happier (and possibly repeat) customers.

So, the company decided to embark on the following efforts:

- review their data to understand the attributes of their vehicles including which vehicles were returned
- develop predictive models that could help determine the probability a vehicle will be returned
- augment the model outcomes with business rules driven by corporate policies and guidelines
- deploy these vehicle purchasing decisions to business processes to enable buyers to make better decisions at time of purchase

Once these decisions were defined, they could deploy them easily to their buyers for better results and improvements in their business profits and customer satisfaction.

SAS DECISION MANAGER: FEATURE OVERVIEW

SAS Decision Manager supports collaboration between business analysts, statisticians, IT staff, and business managers by unifying the important aspects of decision management. These components support the decision lifecycle and are supported in the following categories within the user interface:

- **Data:** Provides support for adding new data tables, define data tables in SAS libraries, and define libraries in SAS Metadata
- **Business Rules:** Provides support for authoring, testing, and publishing business rules
- **My Tasks:** Provides support for automated workflow within both SAS business rules and SAS model projects to automate the lifecycle tasks, deliver notifications, and provide tracking and auditability for increase governance
- **Models:** Provides support for managing analytical models including importing new models using shared SAS metadata and local files, automated retraining of models, monitoring model performance, and publishing models for integration with business processes
- **Workflows:** Workflows that can be initiated in support of activities such as reviews and approvals to support repeatability and auditability.

The categories are surfaced within the user interface on the left-hand side and are shown in the figure below.

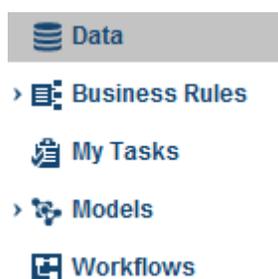


Figure 2: SAS Decision Manager Categories

DATA PREPARATION

As with most business processes and decisions, the process starts with gaining a strong understanding of your data. In order to determine what decisions they needed to improve, the company started by understanding what attributes were available for their past sales and for the vehicles that were returned to them. The data preparation capabilities in SAS Decision Manager provide for the following:

- Simple Data Access: Users can select tables available from SAS libraries in SAS metadata to minimize reliance on IT resources and allow the users to review their auto data sales.
- Data Summarization: Auto sales data can be summarized to show counts for vehicle type, color, size, transmission types, and sales price.
- Base Table Creation: Using query building, column selection, and integration with SAS® Visual Analytics,

Name	Level	Count	Percent
size	MEDIUM	30785	42.18106
size	LARGE	8850	12.12611
size	MEDIUM SUV	8090	11.08477
size	COMPACT	7205	9.87216
size	VAN	5854	8.02105
size	LARGE TRUCK	3170	4.34348
size	SMALL SUV	2276	3.11853
size	SPECIALTY	1915	2.6239
size	CROSSOVER	1759	2.41015
size	Others	3079	4.21879
submodel	4D SEDAN	15236	20.87609
submodel	4D SEDAN LS	4718	6.46452
submodel	4D SEDAN SE	3859	5.28753
submodel	4D WAGON	2230	3.05551
submodel	MINIVAN 3.3L	1258	1.72369
submodel	4D SUV 4.2L LS	1193	1.63463

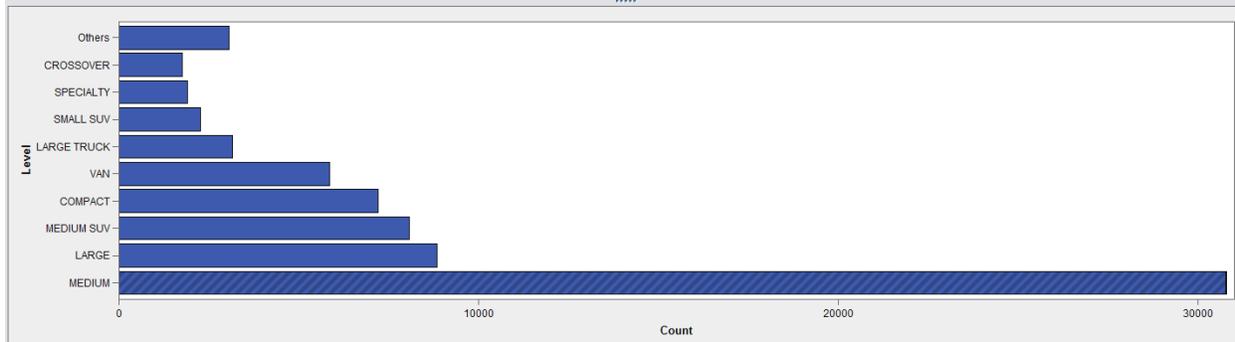


Figure 4: Data Summarization Example

After analyzing the vehicle data and preparing their base tables, the business users would like to understand how they can predict which vehicles will have a high probability of being returned to them. The business users felt that by collaborating with the statisticians, together they can use this data to build analytical models that can improve their ability to predict what vehicles are not good bets--that is, which vehicles have a high probability of being returned, or are bad cars.

MODEL MANAGER

PREDICTIVE MODELS IN DECISION MAKING

Predictive modeling is the most essential analytical step of the automated decision making process. Predictive models are often more accurate than expert systems and can detect patterns that human recognition will miss. Models are trained on historical data that contains both input variables and target variables. Inputs are conditions that can be used to make predictions and targets are measurements that need to be predicted.

In this case, the input variables represent the information that was available to the purchasing dealership at the time of the used car auction. The data has been labeled with a new variable named *isBadBuy* that indicates that the car was later returned by the customer to the dealership as a lemon – a bad car. In the summary plots, we can see that *isBadBuy* is *TRUE* about 12% of the time. That is a lot of lemons that the auto dealerships want to avoid. Therefore it is important to build a model that can predict which cars will be returned to the dealership as bad buys. We will use that prediction along with other information about strategy and policies in our decision making process.

There are two actions needed for deploying a predictive model into a decision making process.

- 1) **Model Training.** This is the act of running a statistical or data mining procedure that will build a model to predict *isBadBuy* based on a set of input variables. Most users employ either SAS/STAT® or SAS® Enterprise Miner™ for this purpose. The final result is a model scoring expression such as *model_score_code.sas*, which is typically represented by tens to thousands of lines of SAS code. For each row of data, the model will output a probability that *isBadBuy* is true.
- 2) **Model Scoring.** This is the act of running the model scoring code with new data to produce new scores. We have trained the model using historical data that has already been labeled with *isBadBuy*. The model scoring process will add a prediction of *isBadBuy* to each record of data that is scored. For SAS programmers, we may conceptually represent this as a simple DATA step.

```
data newscores; set newdata; %include "model_score_code.sas"; run ;
```

BUILDING PREDICTIVE MODELS

SAS provides several tools for building good statistical models. SAS/STAT and SAS Enterprise Miner can be used to construct accurate and robust statistical and machine learning models. The word 'accurate' indicates models that successfully detect patterns in the training data to produce the minimum error rate in their predictions. The word 'robust' is an indicator that the model's predictions will be reliable on data that is similar to the training data. A developer may create several models with different attributes as candidates for a new decision making project. In this case we have created two candidate models using SAS Enterprise Miner and have saved each model as a Model Package File. This file includes all possible details about training and scoring this model. SAS Decision Manager can import these models for use in a Decision Making process.

MANAGING MODELS

As predictive models are an important asset to the business, they often need to be carefully managed. Models should be used only in situations that match the period in which the training data was collected. There are frequently several candidate models that have different performance attributes. Some models perform better or work for different customer segments, in different time periods, or in different economic conditions. Selecting the champion and challenger models from the set of candidate models is often a process governed by internal and external regulatory concerns, and can have a large impact on business profit.

SAS *Decision Manager* includes all the functionality of SAS® *Model Manager*, and is the preferred software for managing collections of statistical and data mining models. It can import models from SAS/STAT, SAS *Enterprise Miner*, the PMML (Predictive Model Markup Language) standard, and even some models created in the R language. SAS *Model Manager* provides functions for testing the model scoring functions, for computing performance metrics that can be used to select models, and for monitoring model performance in production systems within a framework that provides automation, workflow planning and tracking, and model governance using versions, comments, and attachments.

We have imported both *isBadBuy* models created with SAS *Enterprise Miner* into our Model Project named *AuctionPurchaseBadCar*. We can now compare the models side by side, where we immediately recognize that the Decision Tree based model uses much fewer inputs than the Logistic based model. Since our project will be deployed in a real-time system, we will prefer the model with fewer input variables as that will make our real-time data payload smaller and simplify the data needs for our deployment. Therefore, we have marked the Tree model as the champion model and will use that in our decisioning process.

Model	Name	Type	Measure	Length	Description
AuctionPurchaseBadCar: Tree_ShallKicked	auction	C	NOMINAL	7	Auction
	color	C	NOMINAL	9	Color
	vehicleage	N	INTERVAL	8	VehicleAge
	wheeltypeid	C	NOMINAL	4	WheelTypeID
	transmission	C	NOMINAL	6	Transmission
	make	C	NOMINAL	12	Make
AuctionPurchaseBadCar: Logistic_AutoKick	auction	C	NOMINAL	7	Auction
	aucguart	C	NOMINAL	5	AUCGUART
	warrantycost	N	INTERVAL	8	WarrantyCost
	mmrcurren...	N	INTERVAL	8	MMRCurrentRetailA...
	isonlinesale	N	BINARY	8	IsOnlineSale
	mmracqui...	N	INTERVAL	8	MMRAcquisitionAuct...
	mmracqui...	N	INTERVAL	8	MMRAcquisitionReta...
	transmissi...	C	NOMINAL	6	Transmission
	mmrcurren...	N	INTERVAL	8	MMRCurrentAuction...
	mmracqui...	N	INTERVAL	8	MMRAcquisitionRet...
	vehodo	N	INTERVAL	8	VehOdo
size	C	NOMINAL	11	Size	
mmracqui...	N	INTERVAL	8	MMRAcquisitionAuct...	

Figure 5. The Model Project Showing Both the Tree and Logistic Models

MODEL TESTING

Once we have selected the model, we should test the scoring function using new data to validate how the model performs outside the statistical developer environment. The model project provides score testing functions. We can set up multiple tests with different data sets representing conditions that may be found in the production environment.

Tests	Results	Schedule	Job History		
Status	Name	Model Name	Date Created	Date Completed	Created By
<input checked="" type="checkbox"/>	TreeTest_prod1	<Tree_ShakKicked>	Feb 20, 2014 01:13 PM	Feb 20, 2014 01:14 PM	edmddev
<input type="checkbox"/>	StevePMAccTestMM	<Logistic_AutoKick>	Jan 22, 2014 04:46 PM		Steve

Figure 6. Multiple Test Cases Can Be Run Interactively or Scheduled

Once the tests have run, we can examine the scores as seen in the view below, using the data summary function found in the data tables category. For this project we have tested both the logistic and the tree models and found them both acceptable, and so we can continue to use the Tree model as the champion.

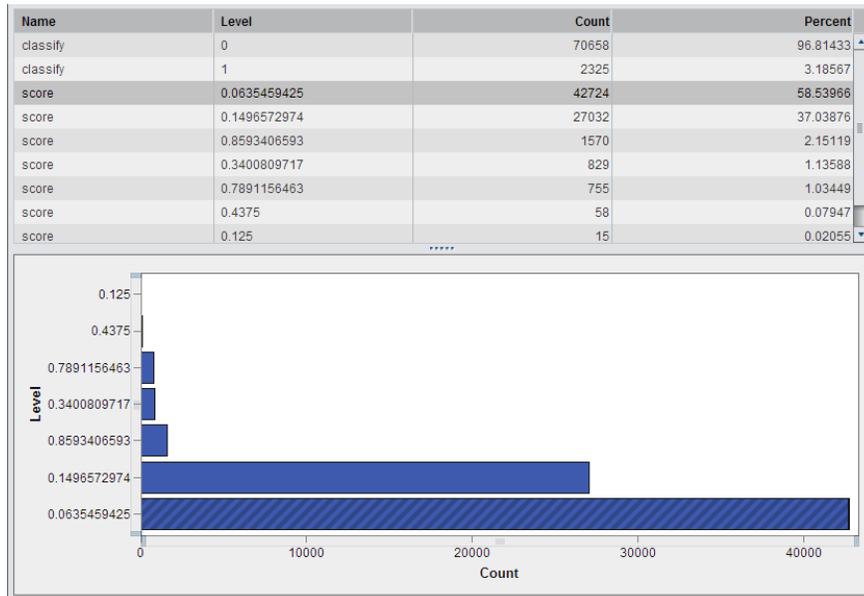


Figure 7. Distributions of Model Scores

MODEL PUBLISHING

Once we are satisfied with the choice of the Tree model, we will publish the model to the SAS enterprise so that it may be used in a new decision making process. Once it is published, there are several tools that will consume the model in a business analysis or decision making process. Refer to the matrix of possibilities in the deployment section. In our example, we will use import this model into SAS® Real-Time Decision Manager for deploying the final decision making process.

MODEL MONITORING

Once the model is employed in a production decision process, the business will begin to accumulate results. These results will need to be monitored to make sure the model is still producing robust predictions. There is typically a time lag between model deployment and model monitoring. In our case, the auto decision process may be deployed in January and the cars purchased and resold in January, February, and March. During that time, we may monitor the scoring processes for "drift", otherwise known as change in the distribution of either the source data attributes or the scores that have been generated. For example, we may find that new cars have been introduced that have different characteristics than the cars we originally modeled. One line of cars may have been found to be less reliable than previously measured, as compared to other models. This may lead to change in the distribution of scores that will affect the decision process. For example, the original data may have contained 12% bad buys, while the current data is predicting that 50% of cars will be bad buys. Such a change will lead us to consider rebuilding the models to adapt to the new conditions. SAS Decision Manager includes processes that will monitor the health of models during their production processes and alert users when unfavorable conditions exist. This paper is focused on building and deploying a model decisioning process; for more information about monitoring models and decisions refer to SAS documentation and training.

MODELS AND DECISIONS

We are now ready to move to the next phase of our project. We have a model that will predict the probability that a car will be returned. However, the statistical model is only one part of the decision making process. The model was built on historical data representing conditions that were present when the data was collected. Conditions may have already changed since that time. In addition, we have changes in business policy that tell us to prefer one type of car over another such as evolving customer preferences and available inventory. We need a way to build *Business Rules* to produce a valid decision process.

BUSINESS RULES MANAGER

Once the business users have the output of the analytical models developed by the statisticians, they can apply business policies to the model output to further fine tune the predictive nature of the models. The business users see that business rules are a way to extend the decision making power of the models without having to retrain the models or adjust the models that would require the support of the statisticians. The business rules can be modified and adjusted easily and adapt to changing business requirements.

DEFINING AND TESTING THE BUSINESS RULES

Business rules represent the business logic that drives decisions in companies. These business rules are often found in government policies, regulations, tax laws, financial guidelines, and federal and local laws. These rules can change frequently (for example, in marketing and customer relationship applications), and rules need to be modified, tested, and deployed quickly. Each of these updates needs to be tracked for reporting and auditing purposes.

Our vehicle dealer application requires that their business rules override the output of the models described earlier and that they determine the action to take based on the defined business rules that evaluate to true. Based on the model output, the business would like to evaluate the probability of the vehicle being a bad purchase in conjunction with other business policies that upper management would like to implement related to a few of the vehicle's attributes, including the following:

- Vehicle cost: avoid purchasing vehicles that are above a price point.
- Color: avoid vehicles of a specific color.
- Make: some makes are not desirable due to a change in lack of parts availability.
- Wheel Type: avoid vehicles that have a specific type of wheel.
- Vehicle VIN State: consider the state where the vehicle was purchased.
- Probability: probability of vehicle being a bad purchase decision. This is available as output from the model.

These attributes are being considered as a way to override the probability that a vehicle is a bad vehicle. So, even if the model says that the vehicle is a bad purchase, management would like to override the model and reset the bad car classification to a good car classification.

THE BUSINESS VOCABULARY

Business vocabularies allow business users to define the terms or variables used in the creation of business rule logic. The vocabularies consist of two primary components, entities and terms. Entities are the higher order component and each entity will have one or more terms associated with it and, collectively, a set of entities and terms represents a vocabulary.

Vocabularies can be large and contain many terms and therefore there need to be efficient ways to create and manage them. Users have the following approaches that support the creation of a vocabulary:

- User entered: manual method to define vocabularies, terms, and entities.
- Import and Export Macros: macros that support importing and exporting vocabularies, terms, and entities using a predefined data format based on a .CSV (comma-separated values) format.
- Data-driven Creation: automated method to define vocabularies, terms, and entities based on existing SAS data sets.

Based on the vehicle input data, the business users have developed a vocabulary of automobile terms that will be used in the business rule conditions and actions. But rather than manually enter these terms and entities, an automated approach has been taken to speed up the process. This approach allows the business user to take advantage of the data elements contained within the same data set that will be used for testing their rules, to generate the vocabulary used to author the rules. Figure 8: Importing Vocabularies from Data Sets, is an example of

the vehicle data terms being imported into a vocabulary that can be used to author rules.

The screenshot shows the SAS Business Rules interface. At the top, a data table titled 'Business Rules: Vocabularies (1,147 of 1,147)' displays columns for nationality, size, vehboost, vehicleage, vehodo, wheetype, refid, purchdate, auction, veyear, make, and model. Below the table, a 'Business Rules: Vocabularies' panel lists various terms and their types. A green arrow points from the 'nationality' column in the data table to the 'AutoImportvocab' entry in the vocabulary list.

nationality	size	vehboost	vehicleage	vehodo	wheetype	refid	purchdate	auction	veyear	make	model
OTHER ASIAN	MEDIUM	7100	3	89045	Alloy	1	12/07/2009	ADESA	2006	MAZDA	MAZDA3
AMERICAN	LARGE TRUCK	7600	5	93593	Alloy	2	12/07/2009	ADESA	2004	DODGE	1500 RAM PIC. ST
AMERICAN	MEDIUM	4900	4	73807	Covers	3	12/07/2009	ADESA	2005	DODGE	STRATUS VR SXT
AMERICAN	COMPACT	4100	5	65617	Alloy	4	12/07/2009	ADESA	2004	DODGE	NEON SXT
AMERICAN	COMPACT	4000	4	69367	Covers	5	12/07/2009	ADESA	2005	FORD	FOCUS ZC3
OTHER ASIAN	MEDIUM	5600	5	81054	Covers	6	12/07/2009	ADESA	2004	MTSUBISHI	GALANT 4C ES
OTHER ASIAN	MEDIUM	4200	5	65328	Covers	7	12/07/2009	ADESA	2004	KIA	SPECTRA EX
AMERICAN	MEDIUM	4500	4	65805	Covers	8	12/07/2009	ADESA	2005	FORD	TAURUS SE
OTHER ASIAN	MEDIUM	5600	2	49921	Covers	9	12/07/2009	ADESA	2007	KIA	SPECTRA EX
AMERICAN	LARGE	7700	2	84872	Alloy	10	12/07/2009	ADESA	2007	FORD	FIVE HUNDRED SEL
AMERICAN	LARGE TRUCK	6600	4	60000	Alloy	11	12/07/2009	ADESA	2006	CADILLAC	4000 SIERRA D
AMERICAN	VAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN
TOP LINE ASIAN	MEDIUM	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN	AMERICAN

Name	Type	Description	Date Modified	Modified By
PM_Acc1			Sep 23, 2013 06:14 PM	JacksuTest
AutoImportvocab	Vocabulary	Data-driven Vocabulary creation	Feb 2, 2014 01:51 PM	sasdemo
AutoAttributes	Entity	Imported from Auto rule Test SAS Data Set	Feb 2, 2014 01:54 PM	sasdemo
VARN	Term		Feb 2, 2014 01:54 PM	sasdemo
augstart	Term		Feb 2, 2014 01:54 PM	sasdemo
auction	Term		Feb 2, 2014 01:54 PM	sasdemo
bymo	Term		Feb 2, 2014 01:54 PM	sasdemo
color	Term		Feb 2, 2014 01:54 PM	sasdemo
EM_EVENTPROBABILITY	Term		Feb 2, 2014 01:54 PM	sasdemo
EVENTPROBABILITY	Term		Feb 2, 2014 01:54 PM	sasdemo
ispinesale	Term		Feb 2, 2014 01:54 PM	sasdemo
make	Term		Feb 2, 2014 01:54 PM	sasdemo
msamehicaldelta	Term		Feb 2, 2014 01:54 PM	sasdemo
mmracquisitionauctionaverag	Term		Feb 2, 2014 01:54 PM	sasdemo
mmracquisitionauctioncleanp	Term		Feb 2, 2014 01:54 PM	sasdemo
mmracquisitionretailaveragp	Term		Feb 2, 2014 01:54 PM	sasdemo
mmracquisitionretailcleanp	Term		Feb 2, 2014 01:54 PM	sasdemo
mmrcurrentauctionaveragp	Term		Feb 2, 2014 01:54 PM	sasdemo
mmrcurrentauctioncleanp	Term		Feb 2, 2014 01:54 PM	sasdemo
mmrcurrentretailaveragp	Term		Feb 2, 2014 01:54 PM	sasdemo
mmrcurrentretailcleanp	Term		Feb 2, 2014 01:54 PM	sasdemo

Figure 8: Importing Vocabularies from Data Sets

RULES, RULE SETS, AND RULE FLOWS

Business rules are powerful and are organized into Rule Sets that allow the business user to express more complex logic including ELSE and OR logic and to express multiple rules together. As noted earlier, each rule that evaluates to true (that is, fires) results in an assignment and the results of a rule in a rule set can be used in later rules in the rule set and even later in other rule sets. This powerful feature allows business users to chain together business rules within rule sets.

Using rule sets as a way to logically group associated rules together, the business user can create multiple rule sets, each with its own objective. The rules are defined using the decision table approach, which allows business users to easily develop business rules using a table-like approach to define both conditions and actions.

Our business wants to create rule sets for rules that address the following:

- General vehicle qualification rules
 - o Rules included that evaluate cost, probability, vehicle age, and odometer readings
- Evaluate the vehicle's VIN state
- Evaluate the vehicle's manufacturer

Each of the rule sets will contain rules that assign a value to a target business term--in this case, an indicator of whether the vehicle is a good buy or a bad buy. To do that, the business user must define the conditions for each rule set.

A business policy has defined the cut off for any bad car to be a 70% probability by the model that predicts this value. This probability value represents the predicted likelihood that a vehicle will be returned to us by a customer. In other words, if the model predicts the probability of a vehicle being returned is greater than 70%, then the vehicle is considered a bad buy and it should be avoided at auction in the first place. Conversely, if the vehicle has a calculated probability of less than 70% then the vehicle is a good car and represents a risk that management has deemed acceptable.

Also, the business wants to use business rules to define special cases where the probability is greater than 70% but the vehicle is still a good car to purchase. This determination could be based on analysis of their data or possible changes in the market that the model does not account for and therefore are good candidates to represent as business rules.

BUILDING BUSINESS RULE SETS

The following rules are created for the general vehicle qualification rules that will override a probability of greater than 70%:

- **IF** Make is Chevrolet AND Odometer is Less Than 65,000 miles AND Cost is Less Than \$4,000 AND Vehicle is Less Than or Equal to 6 years old **THEN** Good Car.
- **IF** Make is Nissan or Toyota AND Vehicle is Less Than or Equal to 8 years old **THEN** Good Car.

These rules are entered into the decision table as shown below in Figure 9: Vehicle Qualification Rules:

The screenshot displays a business rule editor interface. At the top, there is a table with two main sections: 'Condition Term' and 'Action Term'. The 'Condition Term' section contains four rows of rules. Row 1: 'If' with a dropdown set to '> .7' and 'eventProbability'. Row 2: 'Else' with a dropdown set to '<= .7'. Row 3: 'If' with a dropdown set to '> .7', 'make' set to 'CHEVROLET', 'vehicleage' set to '<=6', 'vehbcost' set to '< 4000', and 'vehodo' set to '< 65000'. Row 4: 'If' with a dropdown set to '> .7', 'make' set to 'NISSAN OR make = TOYOTA', and 'vehicleage' set to '<= 8'. Below the table is a '+ Click here to add a new rule.' link. The 'Action Term' section shows a single rule: 'BadCarDecision' with a value of 0.

Below the table is the 'Rule Details' section for the selected rule, 'NissanException'. It includes the following information:

- Rule name: NissanException
- Record rule-fired data:
- Name: AutoQualification
- Rule folder name: Auto
- Rule set identifier: 10913
- Rule order: 4
- Description: Override the model probability if NISSAN or TOYOTA, not too old, cost, and mileage arent concerns. These are good risks for our inventory.
- Rule expression: Condition: (eventProbability > .7) AND (make = 'NISSAN' or make = 'TOYOTA') AND (vehicleage <= 8)
Action: BadCarDecision = 0

Figure 9: Vehicle Qualification Rules

In addition to the rule set for general qualification, the business also wants to implement policies using business rules based on the state the vehicle VIN is registered to. These rules include the following:

- **IF** VIN State is one of the states that management has deemed as high risk **THEN** Bad Car.

These rules use the LIKE function that allows input values to be verified against a list of valid values and return a true or false result. In the example here, Figure 10: Invalid States in LIKE Function, a list of invalid states that management does not want to purchase vehicles from is used as the reference list, and if the state matches the value in the input variable, then it will be noted as a bad car.

The screenshot displays a business rule editor interface. At the top, there is a table with two main sections: 'Condition Term' and 'Action Term'. The 'Condition Term' section contains one row: 'If' with a dropdown set to 'LIKE ('VA','CT','NJ','MD','GA','FL')' and 'vnst'. Below the table is a '+ Click here to add a new rule.' link. The 'Action Term' section shows a single rule: 'BadCarDecision' with a value of 1.

Below the table is the 'Rule Details' section for the selected rule, 'BadVINStates'. It includes the following information:

- Rule name: BadVINStates
- Record rule-fired data:
- Name: VehicleStateRules
- Rule folder name: Auto
- Rule set identifier: 10944
- Rule order: 1
- Description: Rule to identify vehicles from states we want to avoid for policy reasons.
- Rule expression: Condition: (vnst LIKE ('VA', 'CT', 'NJ', 'MD', 'GA', 'FL'))
Action: BadCarDecision = 1

Figure 10: Invalid States in LIKE Function

Lastly, the management team has determined that costs associated with parts for vehicle makes that are no longer manufactured or simply too expensive should be avoided as well. Therefore, additional rules are designed to address:

- If Make is from list of Makes no longer manufactured,
THEN Bad Car.

These rules, as shown in Figure 11: Manufacturer Rules, enforce a policy that vehicles that are from a certain manufacturer will be deemed bad buys.

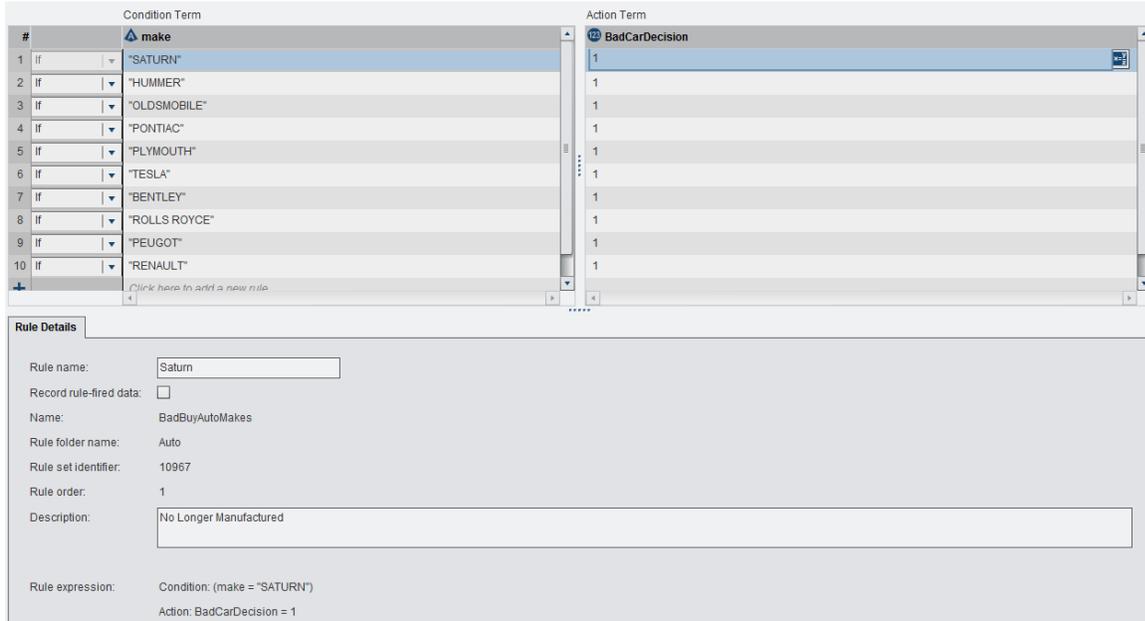


Figure 11: Manufacturer Rules

CREATING BUSINESS RULE FLOWS

The business rule sets have been created based on their objectives and can be organized into a sequential flow. The execution of the rule sets is defined within a rule flow that determines the order in which the rule sets will be performed. The rules need to be executed in a particular order and the rule flow below shows them ordered based on the following needs:

- Eliminate Vehicles from Bad States
- Eliminate Invalid Vehicle Makes
- Apply Rules based on Model predictive values

#	<input checked="" type="checkbox"/> Run	Name	Version	Description	Date Modified
1	<input checked="" type="checkbox"/>	VehicleStateRules	Latest	Rules to validate the VIN state of the v...	Feb 21, 2014 11:24 AM
2	<input checked="" type="checkbox"/>	BadBuyAutoMakes	Latest	Do Not Buy Auto Make List	Feb 21, 2014 11:02 AM
3	<input checked="" type="checkbox"/>	AutoQualification	Latest		Feb 21, 2014 11:02 AM

AutoQualification : Version 1.3 rules logic (4 rules)			
#	Rule Name	Condition	Action
1	BadCar	If (eventProbability > .7)	then BadCarDecision = 1
2	ElseGood	Else if (eventProbability <= .7)	then BadCarDecision = 0
3	ChevyException	If (eventProbability > .7) AND (m...	then BadCarDecision = 0
4	NissanException	If (eventProbability > .7) AND (ma...	then BadCarDecision = 0

Figure 12: Ordering Rule Sets in Rule Flows

DATA-DRIVEN RULE FLOW DISCOVERY

Data Driven Rule Discovery uses Decision Trees to derive business rule flows in an alternative way. This technique allows a user to automatically generate business rules from a representative data set of historical data as an alternative to the business user manually entering these rules, thereby saving time and effort. The technique is based on a proven analytical approach to define one or more business rule sets and business rule flows. Once derived using the simple, easy to use, wizard-based approach, the business user can inspect the rule sets and rule flows.

An important feature of the data-driven business rule discovery approach is the automated clustering techniques used to cluster similar rules together into rule sets. This automated rule clustering supports clustering similar rules together into rule sets that can be managed, ordered, and deployed as rule flows to meet different business needs.

The decision table allows users to view the rules in a simple and easy to understand format for editing of the business rule sets and the rule logic. This approach allows business users, who are not programmers, to easily read, understand, and modify the derived business rules to meet their business process needs.

TESTING RULES FOR VALIDITY

Testing to ensure the rules produces the desired output before publishing the business rule flows to be consumed within a business process. Testing allows the business user to evaluate the business logic in the rule flow using input data and run those tests to evaluate the output. Once users have run the rule flow tests, the results can be verified by viewing the output tables.

Rule Fired Analysis

Assessing the rules that were fired helps understand why results were produced and to understand if the correct rules are being applied. The business user can open the rules fired view, select an output record, and display the rules that lead to the result as shown below in Figure 13: Rule Fired Analysis.

_recordSequenc...	BadCarDecision	eventProbability	make	vehbcost	vehicleage	vehodo	vnst
42	0	0.7891156463	NISSAN	5200	5	86889	FL
43	0	0.1496572974	CHRYSLER	8500	6	68990	FL
44	0	0.0635459425	CHEVROLET	7900	2	80949	FL
45	0	0.1496572974	DODGE	11335	6	52774	FL
46	0	0.8593406593	NISSAN	7100	6	72191	FL
47	0	0.1496572974	FORD	4600	7	59858	FL
48	0	0.7891156463	TOYOTA	3900	8	79576	FL
49	0	0.1496572974	FORD	4100	6	73291	FL
50	1	0.8593406593	PONTIAC	7500	4	50227	FL
51	0	0.1496572974	DODGE	9400	7	82146	FL
52	0	0.0635459425	SATURN	5600	4	58024	FL
53	0	0.0635459425	CHEVROLET	7700	4	40919	FL
54	0	0.1496572974	DODGE	4600	5	87643	FL
55	0	0.1496572974	FORD	4600	5	80968	FL
56	0	0.0635459425	DODGE	9635	4	50308	FL
57	0	0.0635459425	FORD	7700	3	80795	FL
58	0	0.0635459425	DODGE	9135	4	62239	FL
59	0	0.1496572974	CHRYSLER	6900	6	87008	FL
60	0	0.0635459425	HYUNDAI	7535	4	64060	FL

Rows: 72983 Filtered rows: 72983 Columns: 8 Selected row: 46

#	Rule Set	Version	Rule Name	Rule Expression
1	AutoQualification	Latest	BadCar	If (eventProbability > .7), then BadCarDecisio...
2	AutoQualification	Latest	NissanException	If (eventProbability > .7) AND (make = NISSA...
3	VehicleStateRules	Latest	BadVINStates	If (vnst LIKE ('VA', 'CT', 'NJ', 'MD', 'GA', 'FL...

Figure 13: Rule Fired Analysis

PUBLISHING RULE FLOWS

Once the results have been verified and they are satisfactory, the business analyst can publish a version of the rule flow for consumption by various deployment engines. To publish, the versions of rule sets used in the rule flow should be locked to prevent any changes to the logic once deployed. By locking the rule set version, the business can ensure that the published versions are immutable until a new version of the rule flow is published. Figure 14: Rule Flow with Locked Rule Set Versions, shows the selected versions of rule sets that have been locked and are now included in the version of the rule flow to be sent for publishing.

#	<input checked="" type="checkbox"/> Run	Name	Version	Description	Date Modified
1	<input checked="" type="checkbox"/>	VehicleStateRules	1.1	Rules to validate the VIN state of the v...	Feb 21, 2014 11:24 AM
2	<input checked="" type="checkbox"/>	BadBuyAutoMakes	1.1	Do Not Buy Auto Make List	Feb 21, 2014 11:02 AM
3	<input checked="" type="checkbox"/>	AutoQualification	1.3		Feb 21, 2014 11:02 AM

Figure 14: Rule Flow with Locked Rule Set Versions

The next step in the process is to put these deployed rules and models to work in a business process that is close to where these decisions are made. These decisions can be used by the vehicle purchasing agents using applications that utilize web services to call the decision engine to render decisions or as part of a nightly batch process that renders decisions on incoming transaction files. These are just two examples of the ways these decisions can be employed in the business operations.

INTEGRATING THE DECISION COMPONENTS

With SAS Decision Manager, the analytical models and business rules can be deployed individually or in combination as part of a decision flow. A matrix here summarizes deployment targets that are supported out of the box. Additional targets may be configured manually. Check the product documentation or call SAS Technical Support for more information.

<i>Deployment Target</i>	<i>Decision Manager Objects</i>		
	Rule Flow	Model	Decision Flow (Rules and Models)
<i>Web Services</i>			✓
<i>In Database</i>		✓	
<i>SAS Stored Process</i>	✓		
<i>SAS Batch Processing</i>	✓	✓	✓

This paper will describe two common approaches that can be used to deploy models and rules together to be integrated into business processes easily and quickly. Each approach highlights how this can be done without custom coding and how integration is supported with SAS Decision Manager and other SAS tools.

TWO COMMON APPROACHES FOR INTEGRATING MODELS AND RULES

There are two common approaches that can be used to formulate a logical flow that brings together essential decision components such as data, models, and business rules. These two approaches utilize either 1) a process flow within SAS® Data Integration Studio or 2) the Flow Builder within SAS® Decision Management.

SAS metadata ties the logic together (see Figure 1) for straightforward integration into production environments.

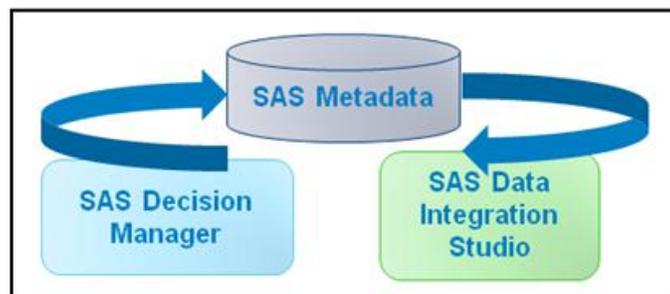


Figure 1: SAS Decision Manager Uses Metadata for Straightforward Integration

Business Example: Rules and Models Combined for Better Decisions

The business problem addressed in screenshots for this section relates to the context of making a decision whether to buy a particular used car at an automobile auction sale. If the car is determined to be a good buy, then what is an expected purchase price? The models and business rules together provide answers whether a used car is a good buy and, if it is a good buy, then what is an expected purchase price? The business rules enhance the decisioning process because there can be overriding reasons why a car may be a good buy or not that are outside of what could be appropriately modeled or that new information is known about a particular car market. For example, a particular state, year, and make of the car combination could be handled by business rules.

SAS® DATA INTEGRATION STUDIO – COMBINE MODELS AND RULES

Bringing data, models, and rules together using SAS® Data Integration Studio

Create a process flow to integrate data, models, and business rules using SAS Data Integration Studio as seen in Table 1 below. In this example, start with data on left hand side, add a model to determine whether the car is worth buying or not. Run qualification rules that use additional logic to enhance the decision and then add a price model. Final output is a table of decisions of whether it is desirable to buy a particular used car and the expected purchase price. There are other combinations of logic that could also be utilized in this same scenario.

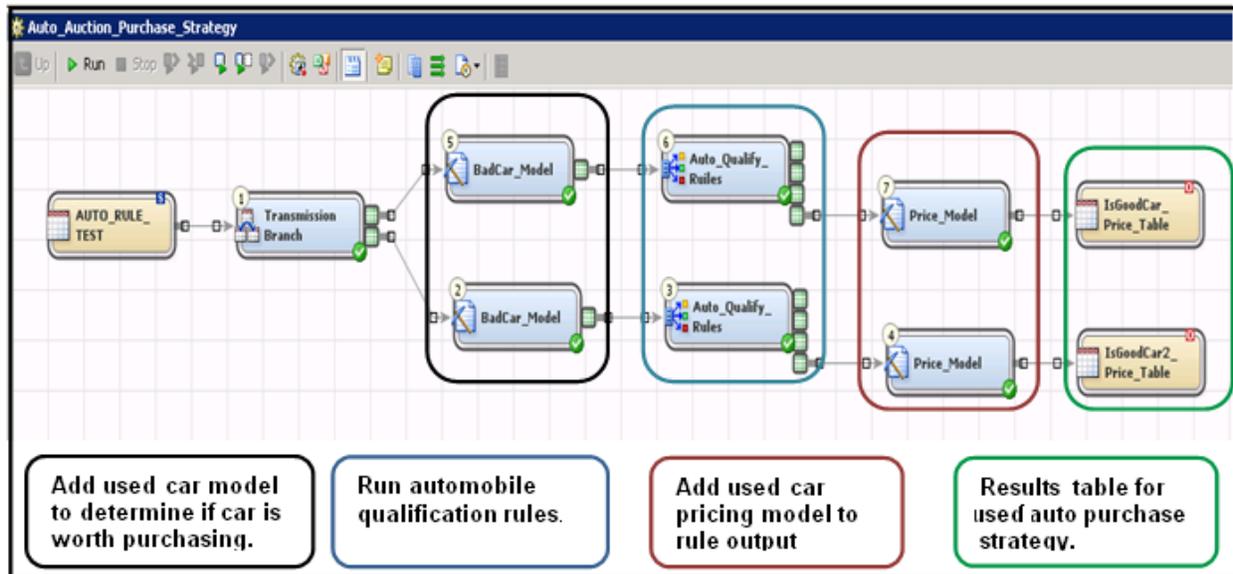


Table 1: Data, Models, and Business Rules Process Flow within SAS Data Integration Studio

Mapping data columns to model parameters (Table 2) and mapping business rules to data columns (Table 3) within SAS Data Integration Studio seen below is easily accomplished through the user interface.

#	length	Informat	Format	Is Nullable	Column	#	Column	Column Description	Expression	Type	Length	Informa
5	7	\$7.	\$7.	Yes	▲ AUCTION	1	▲ auction	Auction		Character	7	(None)
6	8	(None)	(None)	Yes	● VEHYEAR	2	▲ color	Color		Character	9	(None)
7	8	(None)	(None)	Yes	● VEHICLEAGE	3	▲ make	Make		Character	12	(None)
8	12	\$12.	\$12.	Yes	▲ MAKE	4	▲ transmission	Transmission		Character	6	(None)
9	20	\$20.	\$20.	Yes	▲ MODEL	5	● vehicleage	VehicleAge		Numeric	8	(None)
10	3	\$3.	\$3.	Yes	▲ TRIM	6	▲ wheeltypeid	WheelTypeID		Character	4	(None)
11	32	\$32.	\$32.	Yes	▲ SUBMODEL							
12	9	\$9.	\$9.	Yes	▲ COLOR							
13	6	\$6.	\$6.	Yes	▲ TRANSMISSION							
14	4	\$4.	\$4.	Yes	▲ WHEELTYPEID							

Table 2: Mapping Data Columns to Model Parameters

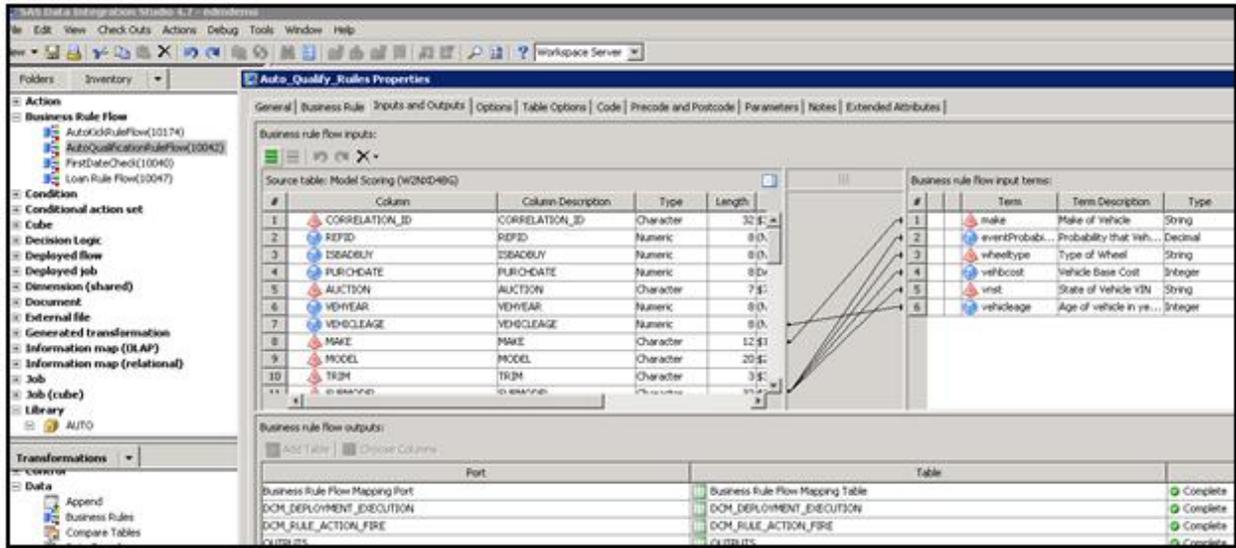


Table 3: Mapping Business Rule Terms to Data Columns

DECISION FLOW BUILDER - COMBINE MODELS AND RULES

Bringing data, models, and rules together using SAS Real-Time Decision Manager

The approach to formulate a logical flow using the Flow Builder is shown in Table 4 below. Data, models, and business rules are related to each other by simply dropping objects onto the pallet and setting their properties. Additional objects such as branching and other data, SAS, or web processes are available for creating or enhancing decision logic. The flow can be run and tested from the same user interface. All objects seen in Table 5 below are created using definitions that are accessible within a Decision Flow.

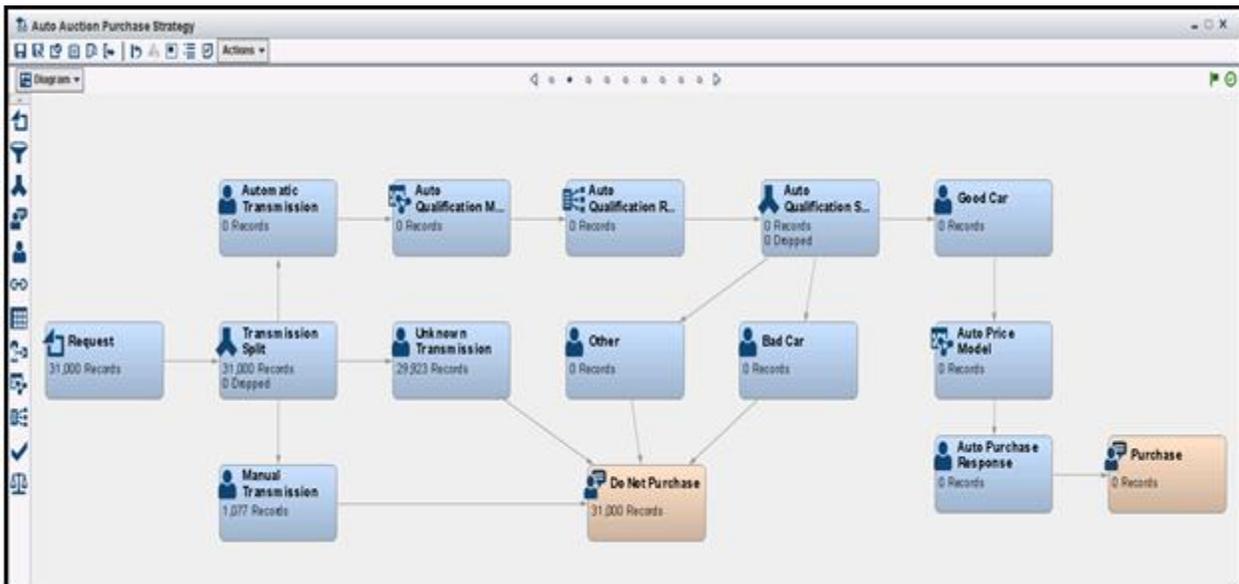


Table 4 – Data, Models, and Business Rules within Flow Builder

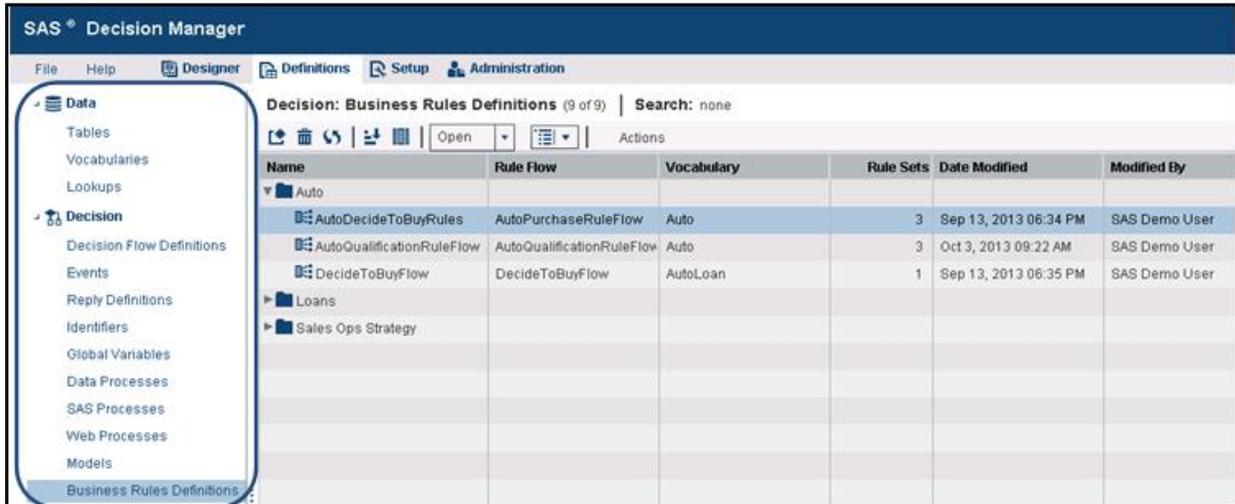


Table 5 – Left Side Shows Categories of Object Definitions That Are Accessible within the Flow Builder

Deployment of Decision Components

Both batch and near real-time deployments are supported. For batch deployments, use SAS Data Integration Studio where code is saved and then scheduled with any scheduler. Any process flow built within SAS Data Integration Studio can become a candidate for scheduling.

The components for SAS Decision Manager provide a scalable tiered architecture for design time and run time. There are two ways to deploy logical flows within a production environment or deploy as web services. Models and business rules deployed as SOAP or REST web services provide a great amount of flexibility for application integration for the downstream consumer.

If stand-alone Business rules deployment is desired, this can be accomplished via web services. Web services offer true flexibility for application integration. Below is an example of the auto qualification rules used above in our batch job that could also be deployed via a web service. In Table 6 below, the business rule request/reply is seen below from the SOAP UI.

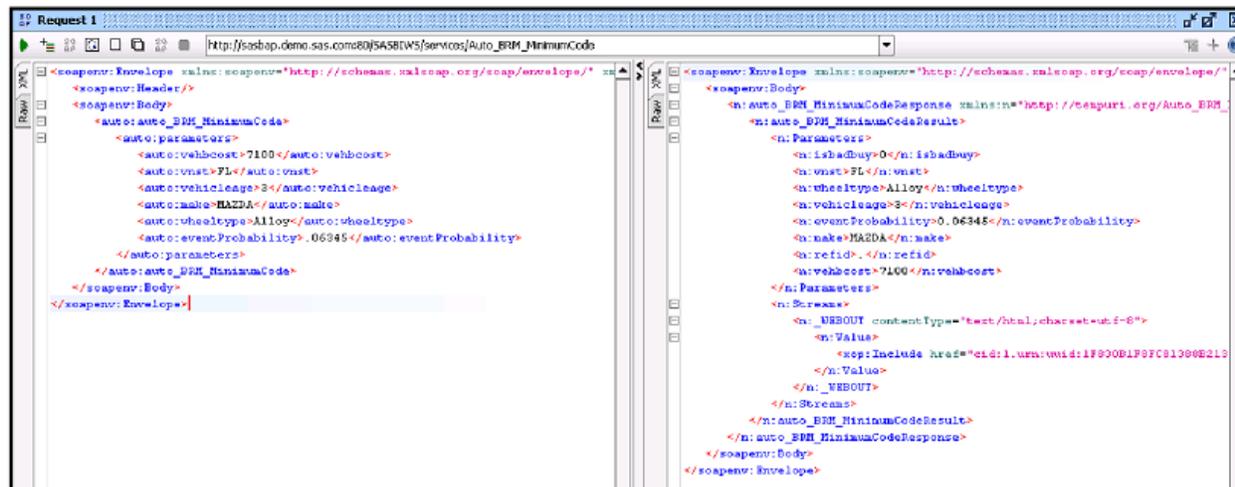


Table 6: Business Rules Tested as a Web Service before Deployment, Seen in the SOAP UI

CONCLUSION

SAS Decision Manager provides the features that businesses need as they look for easier and faster ways to deploy their powerful analytical models to their business processes. These same businesses also know that the business analysts and modelers need to collaborate easily to implement their decisions easily. SAS Decision Manager offers

the capabilities needed to bring together powerful analytical models and the flexibility of business rules that can adapt to changing business policies and guidelines.

By offering an integrated suite for modelers, business analysts, and IT, SAS Decision Manager streamlines the analytical process by supporting these roles working together to deliver decisions to the operational side of the business faster and more efficiently, thereby reducing costs and reducing the lag between the time a business can react to their changing environments and customer demands.

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RECOMMENDED READING

- *SAS Business Rules Manager 2.1: User's Guide*
- *SAS Model Manager 12.3: User's Guide*
- *SAS Data Integration Studio 4.8: User's Guide*

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