

Straight-through processing

100-level live demo script



Introduction

Welcome to the straight-through processing demonstration.

Today, I will demonstrate how the IBM Cloud Pak for Business Automation supports straight-through processing to automate customer refund requests quickly and easily. We'll take advantage of the Pak's workflow and decision management features — along with its operational intelligence capabilities — to show how business users can lead the effort to transform customer service. Let's get started.

1 - Execute workflow with straight-through processing

1.1 - Refund request approved

Actions

- Go to Focus Corp's **Your Returns and Refunds** page
- Click to select an order. Of the three orders that display, click on the refund request ending in 'AP.'
- Click **Submit Request** to process the refund. The process executes and generates a refund-approved result.

Narration

Let's look at how straight-through processing transforms the refund process. In this first example, when the customer submits the refund request, the criteria is evaluated by the refund decision, and the approval is granted in real time, avoiding a time-consuming manual investigation.

The screenshot displays the 'Focus Corp - Your Returns and Refunds' interface. On the left, a list of orders is shown, with one order highlighted in a red box, indicating it is the selected item for the refund request. The main area on the right contains a form for submitting a refund request. The form includes dropdown menus for selecting a recent order (less than 90 days), the reason for returning the order, and the package condition. A 'Submit Request' button is highlighted with a red box. To the right of the form, a table displays 'Retrieved purchase order details' for the selected order, including the order date, delivery date, order subtotal, order taxes, and order shipping costs. Below the form, a green banner indicates that the refund request has been approved and will be processed within 1 to 2 business days. The bottom of the page shows a footer with the text '© 2014 Focus Corp'.

Focus Corp - Your Returns and Refunds

Welcome, how may we assist you...

Select your recent order (less than 90 days)

7/12/2021-AP

Why are you returning this order?

Wrong product shipped

Select package condition

Original package

Submit Request

Retrieved purchase order details

Order date	7/12/2021
Delivery date	7/12/2021
Order Subtotal	\$392.74
Order Taxes	\$39.27
Order Shipping Costs	\$7.50

Your refund will be processed in 1 to 2 business days.

The business rules confirmed your order (including product type and days since delivery) and the request details (including reason, and product condition) allow for an automated return based on current corporate policy. Thank you for your business.

Refunded order number

7/12/2021-AP

Submit Another Refund Request

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1.2 - Refund request denied

Actions

- Click on **Submit Another Refund Request**
- Click to select an order. Of the three orders that display, click on the refund request ending in 'DE.'
- Click **Submit Request** to process the refund. The process executes and generates a refund-denied result.

Narration

Let's look at a second example. This one did not meet our criteria and resulted in a denial because it was outside the time window. While this refund request resulted in a denial, it is still straight-through processing because there is no manual work.

The image displays four screenshots of the 'Focus Corp - Your Returns and Refunds' web application interface, illustrating the refund request process and a denial outcome.

Top Left Screenshot: Shows a green success message: 'Your refund will be processed in 1 to 2 business days.' Below this, a message states: 'The business rules confirmed your order (including product type and days since delivery) and the request details (including reason, and product condition) allow for an automated return based on current corporate policy. Thank you for your business.' A red box highlights the 'Submit Another Refund Request' button.

Top Right Screenshot: Shows a red error message: 'Select your recent order (less than 90 days)'. A red box highlights the 'Refund Denied' button.

Bottom Left Screenshot: Shows the 'Select your recent order (less than 90 days)' dropdown menu with '64570055-02' selected. Below this, a message states: 'Why are you returning this order? Changed mind after purchase'. A red box highlights the 'Submit Request' button.

Bottom Right Screenshot: Shows a red error message: 'Refund Denied'. Below this, a message states: 'Sorry, your refund request was denied based on the business rules evaluation of the return reason, days since delivery and product condition. If you wish to open a support case, click the link below.' A red box highlights the 'Submit Another Refund Request' button.

1.3 - Refund request requires manual investigation

Actions

- Click on **Submit Another Refund Request**
- Click to select an order. Of the three orders that display, click on the refund request ending in 'MA.'
- Click **Submit Request** to process the refund. The process executes and generates a refund investigation result.

Narration

But what if the business rules determine this request requires investigation? In that case, workflow would route the request to our customer service agent to do the investigation.

The screenshots illustrate the workflow for a refund request that requires manual investigation. The first screenshot shows a 'Refund Denied' message with a 'Submit Another Refund Request' button highlighted. The second screenshot shows a dropdown menu for selecting an order, with '76513363-MA' selected and the 'Submit Request' button highlighted. The third screenshot shows the 'Retrieved purchase order details' for the selected order. The fourth screenshot shows a 'Refund Investigation' status with a 'Submit Another Refund Request' button highlighted.

Focus Corp - Your Returns and Refunds
Welcome, how may we assist you...

Refund Denied

Sorry, your refund request was denied based on the business rules evaluation of the return reason, days since delivery and product condition.

If you wish to open a support case, click the link below.

Open support ticket for your order 84570055-0E

Submit Another Refund Request

Focus Corp - Your Returns and Refunds
Welcome, how may we assist you...

Select your recent order (less than 90 days)

76513363-MA

Why are you returning this order?

Product no longer needed

Select package condition

Worn or damaged

Retrieved purchase order details

Order date
5/26/2021

Delivery date
7/15/2021

Order subtotal
\$32.25

Order sales tax
\$2.22

Order shipping costs
\$2.50

Refund Investigation

Thank you for your submission, we are reviewing your request based on the business rules evaluation of the return reason, days since delivery and product condition.

We anticipate your next update will be available in 3 days.

Associated order number
76513363-MA

Submit Another Refund Request

2 - Monitor operational intelligence

2.1 - Review the refund dashboard

Actions

- Click on the **Refund Dashboard** tab, which you opened in the demo preparation. In this step, you are just speaking to the displayed dashboard.

Narration

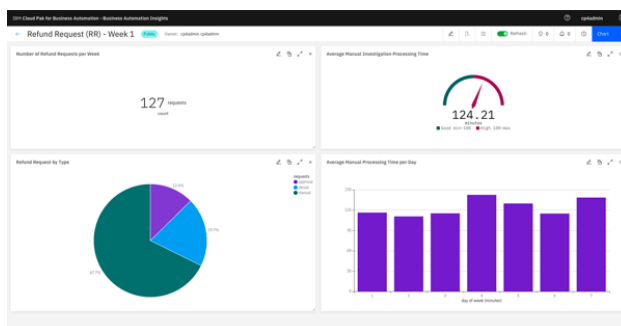
Let's look at the refund dashboard to see how much straight-through processing we've achieved. So far, the percentage of manually processed requests is still above 70%, with the average manual investigation taking over two hours.

Let's look at what's behind this dashboard.

First, as the refund process runs, the system can collect and process historical data and make it available for visualization.

Next, we provide the Business Performance Center, a no-code monitoring application for the IBM Cloud Pak for Business Automation. Dashboards can be designed and shared in minutes that provide insight into important business activities and processes. You can prepare, track, and design visualizations of metrics, key performance indicators (KPIs), and other measurements of business performance in customizable dashboards.

Additionally, the historical data can be used to feed a data lake to apply machine learning to our automations. For example, to make even more sophisticated refund decisions, we could use a data lake to incorporate machine learning into our refund process. The Cloud Pak for Business Automation includes some machine learning samples to help you get started.



3 - Model decisions

3.1 - Review the refund approval decision model

Actions

- Go to your **Decision Center**, having already logged in with your credentials if necessary
- Click on the decision service named **Refund Processing**
- When the **Refund Processing** decision screen appears, click on **main**
- The next screen has several blue tabs at the top. Click on **Decision Model**.
- Click on **Validate Time Window** in the decision diagram
- Click on **Validate Time Window** in the Decision Logic section on the left side of the screen.
Note: This opens a rule table based on the refund reason, day since order, and goods condition
- Close the **Validate Time Window** table
- Click on **Validate Type of Goods** in the decision diagram
- Click on **Validate Type of Goods** in the Decision Logic section on the left side of the screen.
Note: This opens a rule table based on goods type and goods condition
- Close the **Validate Type of Goods** window
- Click on **Final Refund Decision** in the decision diagram
- Click on **Manual Decision** in the Decision Logic section on the left side of the screen.
Note: This opens a rule script based on goods type and goods condition
- Close the **Manual Decision** rule logic window

Narration

Let's look at how the business analyst can create and manage business rules to further increase straight-through processing. The business rules replicate how experts make refund decisions.

Using no-code decision modeling, business analysts can easily author and test refund decision criteria.

This is the decision model for the refund request decision service. A decision model uses a diagram to break the decision down into sub-decisions, which all contribute to the final refund decision.

To automate the refund request process, we've used two decision tables. A decision table groups rules that have similar conditions and actions but use different thresholds.

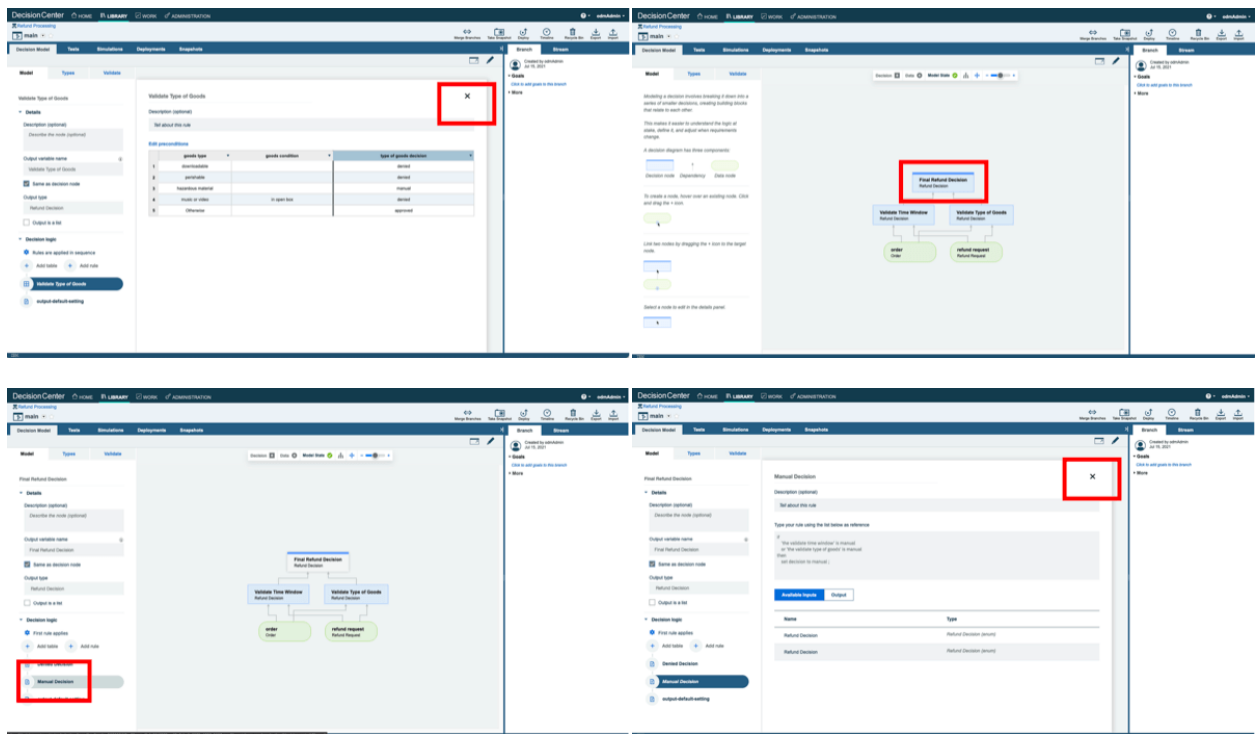
The first decision table considers the customer's reason for return, the days since delivery, and the condition of the item. These are the same criteria that a customer service agent would have used to make a refund request decision, but now, the decision is automated and executes in real time.

The second sub-decision has a table that considers the type of item being returned.

We've combined the two sub-decisions to make the final response using a simple text rule.

Business analysts can change the rules to achieve higher levels of straight-through processing or to adapt to changing business conditions.





Summary

Using the Cloud Pak for Business Automation, we had all the capabilities needed to significantly reduce the amount of manual refund processing. We combined workflow and decision automation to increase straight-through processing, which resulted in a lower average completion time, lower costs, and more consistent customer communication throughout the process.