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Simplifying Master Data Management Deployments

By MARTY MOSELEY

COMPARED TO THE MYRIAD group of “integrated” systems that most companies are managing today, master data management (MDM) solutions are much simpler to manage and maintain, and provide companies with more business benefits. Unfortunately, MDM technology is developing a reputation for being complicated and taking a long time to implement when the reality is that the process can be dramatically simplified if companies plan before they implement. To streamline the implementation process, companies need to make a number of decisions about data, business processes and technologies, before an MDM project begins.

WHAT DO YOU MASTER AND WHAT DOES IT MEAN?

The first step for a company considering MDM is to understand the benefits of an MDM solution and how it differs from the way things are done today. MDM solutions generate and maintain an enterprise-wide “system of record” that contains the consistent, reliable information necessary to perform vital business functions across a large organization. MDM deployments result in a massive simplification of the widely distributed, uncoordinated data management solutions that most companies struggle with. The benefits of MDM include enhanced revenue and profit, improved customer service, lowered operational costs, easier compliance, managed risk and better strategic decision making and business agility.

Once a company knows it needs MDM, how does it decide what to master? The most basic advice here is to pick the data that will deliver the biggest bang for the buck first. The best way to decide which data to choose is to identify the largest areas of pain within an organization. Decision makers should take a

look at areas where costs and data defects are out of control, customer satisfaction is trending downward, inconsistent pricing exists across channels, market share is shrinking, customers are complaining about marketing, regulatory requirements are creating a stranglehold, reporting to Wall Street is painful or there are significant untapped opportunities that could be capitalized on. The process of determining the first project will most likely make it clear what the other top five or 10 projects might be.

After a company makes the decision about which data to master, it is important that it understand what is entailed in the process. An MDM solution puts all the myriad data sources into a single complete database to create a central, single version of the truth for that data domain. Once data is centralized, duplicate records will be resolved, relationships between data will be detected and declared and data will be made available to the applications, people and processes that need it. Different business uses and security restrictions require that not everyone has the same access rights or ability to view data, so MDM technologies need to be able to control access, enforce security policies and provide logging and reporting on details.

MDM implementations can be onerous and complex if the team does not focus on simplifying each step and its overall approach to the MDM project.

FIVE KEY LESSONS TO EASE THE PAIN

It’s important to first consider five key lessons to help ease the pain and streamline MDM business requirements:

Look for simple solutions to business problems. If the proposal sounds as if it will require years to design, implement and integrate, you’re probably right. Don’t try to master all data in one project, pick the one type of data that

delivers the biggest bang for the buck and fix that first.

Get value quickly. As always, time is the enemy of business. If you can’t get a system into production within 6–to–8 months, it is taking too long.

Save money through automation. The more MDM technology does to find and maintain data relationships and resolve data quality issues automatically, the fewer people that are required to maintain data accuracy and the more money the company saves.

Make search capabilities a priority. Built-in search capabilities enable MDM solutions to decrease the number of duplicate records created and ultimately lower downstream data stewardship and data quality costs.

Try not to over-invest in technology. While it’s important to find an MDM solution that is agile enough to meet your current and anticipated business needs, avoid the temptation to buy a solution for a problem that you don’t have. By managing scope and avoiding complexity, you should be able to clearly define your technology requirements and avoid spending more than necessary.

FROM A TECHNOLOGY PERSPECTIVE

If you want to simplify MDM, do not undertake a single comprehensive project that will take several years to implement. Instead, break the MDM project into segments and deploy each individually. Technology should help make the process of implementing MDM easier, not add to its complexity. Here are five technical guidelines that will help most businesses further simplify their MDM program:

Buy what you can, build what you must. Many companies significantly underestimate the difficulty in writing their own matching engine, or they try



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to manage reference data with a simple list of valid values. When you can, for less time and money, buy one. Remember, building the rules for an MDM system is only one part of the project; you also have to maintain and change the rules as your data set grows, you bring on numerous systems, or you need to manage conflicting rules from different constituents.

Insist on architectural flexibility and adaptability. Technology is only as good as its ability to adapt, so it's important that an MDM solution has architectural flexibility and a "roadmap" of deployment styles.

- **Start with a registry approach.** A registry approach to MDM matches and links data from disparate systems to provide a single customer view without requiring organizations to build a centralized data repository.

Registry-style MDM solutions are often easier to deploy and generally deliver the fastest returns.

- **Leverage data federation wherever possible.** Federation creates a single version of the truth for data by resolving heterogeneous instances into a single, trusted view. MDM solutions with built-in data federation reduce the complexity of deploying federated solutions.
- **Consider the possibility of data exchanges.** The future of MDM for many organizations will include connecting and sharing data across multiple organizations and agencies. With exchanges, every organization doesn't have access to every piece of data. What is required is the ability to securely share critical data across organizations, so it is important to select an MDM solution designed to easily support

sharing and accessing data, while protecting privacy.

Demand accuracy even while scaling.

It is critical to choose an MDM solution that is able to maintain accuracy while performing and scaling, no matter how much data you are managing. Performance and scalability matter even for smaller data sets, but as the amount of data grows, performance and scalability demands will increase and so can hardware procurement and management costs. It is important to understand your exposure and ensure that accuracy will not be compromised.

Don't reinvent the wheel. Resist the temptation to spend countless person months designing the perfect data model in-house. Instead, choose an MDM vendor that has lots of experience developing and perfecting these models, so you don't have to.

Find a partner that has "range."

MDM technologies are relatively new, so be sure the MDM partner you choose has experience solving a wide range of data problems and won't have to re-engineer your systems.

GETTING THE MDM SOLUTION YOU NEED SIMPLY AND EASILY

MDM can provide companies with many business benefits and does not have to be difficult to deploy. The key is to approach the project in pieces and plan before you implement. Once you have considered all of your organization's data, business and technology questions and have made the critical decisions, the MDM implementation will be much simpler. A company that takes this approach, and starts today, should see results within 6 or 8 months. ■

MARTY MOSELEY is chief technology officer at Initiate Systems, a leading provider of master data management software. Additional information on Initiate Systems is available at www.initiatesystems.com.