



Master Data Management (MDM)

Creating a single version of truth across the organization

Many institutions struggle with the challenge of obtaining added value from their data, as the data is stored in different data silos and cannot be combined at will. How do you create a “golden record” and treat information as an asset?

Master data is common and critical data used between functions and systems. It describes the business objects an organization regularly uses to support its transactional business processes and operations. Organizations are now starting to think about master data as an enabler for business growth. But sometimes they don't actively pursue data management initiatives as they don't know how to handle it correctly, and how to make a master data program a success.

Why master data management?

Improve data quality

- Lower the risk of errors and the need for rework
- Increase confidence in management information

Create and maintain “Golden Record”

- Common and complete set of mastered data
- Data consistently represented across business units and functions

Establish hierarchy and relationship structure

- Greater efficiency and accuracy across data lifecycle
- Hierarchies add a vertical dimension to the 360° customer or supplier view

Extend data governance and workflow capabilities

- Strict enforcement of data standards across business units
- Transparent decision-making process
- Comprehensive metric reporting on data quality

Provide real-time data integration

- Less reliance on manual aggregation of data across fragmented systems
- Improved analysis capabilities

How can we help?

KPMG provides a complete solution for your MDM and offers a proven MDM methodology including the use of related master data tooling.

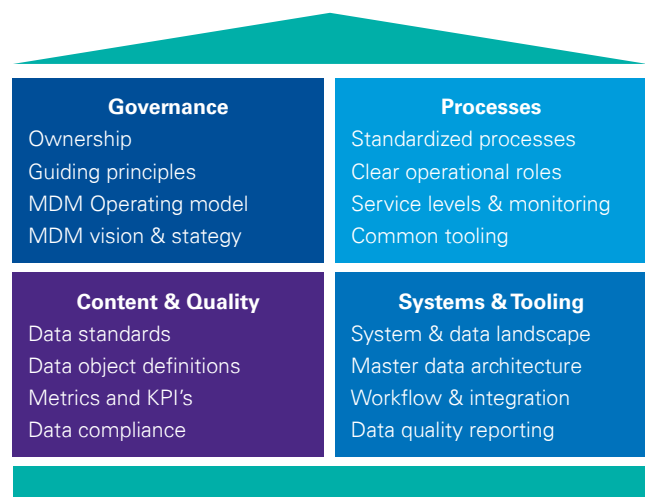
Our interdisciplinary team of experts with in-depth experience in the fields of master data, (IT) processes, IT-systems, regulations, law, cross-border data transfer compliance, data quality and data governance supports you in transforming legal and regulatory requirements into appropriate measures for managing data

KPMG MDM model

The advanced data management maturity assessment helps to determine the current status of the company's master data management, including data governance, data quality, compliance with cross-border data rules and architecture.

KPMG has in-depth knowledge of master data and MDM and implemented MDM in many organizations. This knowledge as well as the experience gained have formed the KPMG MDM methodology.

Our MDM model will enable you to realize MDM successfully. The methodology consists of four elements (governance, processes, content and systems) that form the basis of a successful MDM program and organization.



Good practices of MDM and Data Governance

Master Data Management (MDM) is not just a fad. But like many traditional IT practices, MDM is being severely tested – and rendered even more strategic by digitalization and rising data volumes.

01

Leading organizations typically have a strongly centralized, top-down ownership and governance structure for MDM, enforcing global implementation of and compliance with common principles, guidelines and standards for all building blocks of MDM (governance, processes, content and quality, systems and tooling).

02

Ownership of master data is strongly related to business process ownership and IT system ownership, ensuring that MDM is continuously aligned to business process design and IT landscape. Global business process owners commonly act as the global owner of master data for their respective process area. Treating master data as an actual asset is the required mindset.

03

Operational maintenance for master data (changes, reporting, cleansing) are increasingly being centralized into (virtual) shared service centers ('MD SSC'), covering multiple master data objects across different process areas. With available in-depth knowledge and experience concentrated in dedicated groups of expertise ('MDM communities'), (virtual) MDM competence centers become available. These MD SSC or MDM communities define and maintain global standards and guidelines for master data.

04

Detailed common master data rules and definitions are available for all master data objects and applied across all relevant systems, enabling consistent content and leading to high quality master data.

05

The IT landscape for MDM is focused on having a 'single source of truth' in place for every master data object, clearly identifying the global source system and other related target systems. Dedicated MDM tooling is used to approve changes to master data and (global) reporting on the actual quality of master data and the maintenance processes.

Benefits

- **Eliminate poor quality data** by consolidating your up-to-date data in a single place all stakeholders can access.
- **Fast-track your business processes** through total business integration by placing data in one central place.
- **Integrate your business processes** as MDM allows you to streamline data across your whole business creating a more productive process.
- **Improved decision-making** by combining your data in the one place allowing for better insights into your requirements.
- **Enhanced and more effective management of data** across all legal entities and external partners
- **Categorization and managing of master data** (MD) per type (domain) ensuring consistency and control across MD objects, IT systems, processes and application.

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