Master Data Management

Why MDM matters

Master data, such as customers, products and suppliers, are the foundation of your business processes and poor quality of your master data directly impacts on the efficiency and effectiveness of your business processes. Operational costs, process interruptions and increased lead times are typical examples. In addition your management information is highly depending on the quality of your (master) data so you run the risk that you take management decisions based on incorrect or incomplete information. Additionally compliance issues may arise due to incorrect VAT registration or insufficient product registration, which are needed in industries such as health, food and pharmaceuticals.

The above examples can be prevented and effective MDM can be a driver for business value. Both the master data is getting more important and IT landscapes are getting more complex. Typically the number of (cloud based) applications in your IT landscape is increasing thereby increasing the number of locations where master data is used and/or generated. With the current trend of moving towards ‘data driven’ organizations (using Big Data & analytics) the demand for high quality master data is a key element for getting meaningful analysis.

When implemented successfully, MDM will not only be a way to save cost and be compliant but MDM will also be a business enabler to support your business strategy.

Our KPMG MDM model

KPMG has in-depth knowledge of master data and MDM and implemented MDM in many organizations. This knowledge as well as the experiences gained have resulted in our KPMG MDM methodology. Our MDM model will guide you to realize MDM successfully.

The methodology consists of four elements (governance, processes, content and systems) as basis for a successful MDM program and organization.

These four elements are interconnected and each of them needs a similar level of growth and improvement in order to gain a well balanced MDM organization. The figure below illustrated some relations between the building blocks.

Successful implementation of MDM

To successfully design and implement an effective MDM organization we have developed a phased and agile MDM project approach. The phases guide you from initiation to actual implementation including the continuous improvement after realization.
Initiate
The first steps in the initiate phase is to confirm the business case for MDM and to setup the project. Key is sufficient attention for scope and definition of the master data objects. Also it is key to start creating commitment from various stakeholders which is typically realized by involving relevant domains (functional, IT, reporting) in the project.

Assess
This phase assesses the current state and gap with ambitions and best practices. The objective includes detailed plan covering design, implementation and monitoring activities needed for your future MDM function. Key input for this is in-depth insight in the current MDM status for all 4 building blocks. Based on the assessment a ‘heatmap’ is made which in its turn will be translated to a roadmap with detailed planning.

Design
The design phase objective is to define what master data will be managed on a central level and what on a decentral level including MDM organization and operational processes. The MDM organization is defined at detailed level with ownership per object and individual field. Finally the details of the MDM building blocks are designed (e.g. processes, monitoring, templates, governance model).

Improve
Improving is focused at continuous improving the MDM organization in changing business and IT context. Improve covers all building blocks of the MDM model. Data quality reporting, key performance indicators and service levels are used to support this improvement cycle. An MDM project will shift towards a status of continuous improvement of MDM in the organization.

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

Our highly experienced team and international KPMG network will provide solutions for your complex master data challenges. Our solutions are proven at a large number of (inter)national organizations.

KPMG SOFY is one of our data quality solutions and provides real time data quality analysis and delivers insights through dashboards. KPMG experience and insight is embedded in the business rule library.

To find out more
Keesjan van Unen
Director
KPMG The Netherlands
M: +31 6 5378 7861
E: vanunen.keesjan@kpmg.nl

Jelle van Etten
Senior Manager
KPMG The Netherlands
M: +31 6 5120 5461
E: vanetten.jelle@kpmg.nl

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2016 KPMG International Cooperative (“KPMG International”), a Swiss entity. Member firms of the KPMG network of independent firms are affiliated with KPMG International. KPMG International provides no client services. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.