CONTROL YOUR MASTER DATA WHEREVER IT RESIDES
SAP Master Data Governance Streamlines Data Management!

Do you like going to the dentist? Do you like implementing compliance and governance systems?

They are necessary, but few look forward to it!

Master Data Governance (MDG) and Governance, Risk, and Compliance (GRC) are two of the fastest growing applications areas where, ironically, systematizing processes saves time and money. We think that MDG and GRC can benefit your company, and in some cases, position the processes as a profit generator.

Let's face it, compliance and governance is not going away, so what is the best way to deal with it? The way to learn how to manage and control your data is to implement these systems efficiently, effectively, and economically.

Here are a couple examples how Master Data Management (MDM) and the innovation leading Master Data Governance (MDG) improves the process efficiency of your data creation and maintenance:

- For the Material Master
- For the Customer Master

Controlling the Material Master

One of our clients, a global oil and gas company was implementing their specialty chemicals division on SAP ECC. In the initial analysis, there were over 400,000 materials.

We dug into the legacy system to validate these findings and realized how much duplication was occurring between the ERP transactional, 3rd party, and analytics systems.

The problem was system and process related. There was not a system, therefore, the process was fragmented and permitted

duplication in the departments and systems. An estimated 30% of the periodic reconciliation was focused on reconciling or rationalizing the numbers, quantity and unit-of-measure between the various systems.

Symptoms of this problem are exasperated in processes where variations of a material are used. This is common where Variant Config (VC) is used for materials management, quality management, and production.

Implementing MDG provides a system for effectively managing the material master. Additionally, MDG delivers a Best Practices process with rules and workflow to streamline the efficient and consistent creation of data.

Material Requests, the request to create a new material, came from multiple departments in the company. The material master presents a challenge in that many departments need to contribute to the accurate setup of the data: planning, scheduling, purchasing, and accounting are a few owners of the data in the material master.

A major complaint we hear in many companies is "it takes too long to create a new material!". In our compliance driven world, getting data owners to update and approve the information is critical. This could delay procurement from purchasing, controlling from costing, or schedulers from properly planning the production; all of which slows down your operations.

The workflow in MDG is designed to simplify the creation and approval of the material views in a timely manner. Your systems and processes should not hinder your business, but promote the efficient scaling of the data.

On-boarding New Customers

The current IT landscape of cloud, on-premise, analytics, and governance contribute to the complexity of managing your customers aka business partners. If you have your prospects and customers in Salesforce.com (SFDC) integrating the partner attributes consistently to ECC or Analytics is essential.

Another client used MDM, now being enhanced by MDG to govern control of new customers. The company was growing through acquisitions in the same markets and duplicate customers was a major concern to ensure proper pricing, credit control, and analytics by segment.

Data Governance serves as a bridge between the business and IT. Getting everyone on the same page was a critical outcome of the project. The first part of the project was to define who owns the Customer Master.

Every company has a different approach to data ownership.

Controlling data management is not a one-size-fits-all model. For a global beverage company, a separate group centrally owned all the master data creation. This group reported to IT, but relied heavily on the business to provide the proper attributes based on contractual agreements and existing business rules.

For a global telecom company, finance business users owned the partner data, but stakeholders in pricing, tax, credit, and sales have a clear picture of their responsibility for governing the master record. IT provided a review and veto role in the process, but the business owned the data.

With cloud-based applications like SFDC, the rules need to apply enterprise-wide at the time of creation in all customer-centric applications, not just at the time when partners hit SAP. Building and educating your organization to coordinate and integrate the creation process simplifies the compliance, creation and reporting for this data.

Master Data Management and Governance ultimately may not end up as a profit center. However, the benefits of MDG and MDM help to control your risk and costs. Achieving centralized and integrated systems to support your creation and maintenance flag data quickly and more consistently to ensure that your data is there when you need it. Maybe even contributing to generating more revenue with the right customers.

How do you manage and control your most valuable data across multiple platforms? Is the cost of compliance costing you too much?

Our Governance and Compliance consultants know the SAP business processes and can recommend the best compliance and risk strategies. Contact Kent Lamb, kent@titanconsulting.net, 214.632-5621; or, contact your Titan Consulting Director. You can see additional information on our Advisory Services page at www.titanconsulting.net.