TECHNOLOGY
Leveraging
Strategic by Design

Best Practices for Managing Master Data

Start with an MDM Framework

Companies rely on master data to achieve business strategies. Management of that data has become more challenging as system environments have become more complex. How can companies face that challenge and get both IT and the business engaged in building a master data strategy and solution? Start with a Master Data Management Framework and leverage industry best practices as part of the framework.

What is an MDM Framework?

An [MDM Framework](#) takes a broad view of a complex problem and breaks it down into understandable and manageable components. The framework mitigates the complexity and helps build a program that generates faster business results.

Here are nine best practices to build into your MDM framework:

<u>Best Practice</u>	<u>Value</u>
1. Use a framework to assess current state, needs, and gaps.	Provide visibility to the problem. This is the first step to understanding need and getting an Executive Sponsor engaged.
2. Identify and prioritize business goals in a business case before creating the roadmap.	The strategy should provide value where it is most relevant and can impact the business.
3. Establish MDM as an on-going program, not a one-time initiative. Make incremental changes, and provide on-going governance that guides future improvements. Use the framework and roadmap to scope and direct the program, and evolve them as the program evolves.	All issues cannot be known up front, so learn, adjust, and improve incrementally. Small, prioritized, end-to-end efforts can add large business value, if they are the right ones. This helps demonstrate value and builds business support.
4. Expect and plan for organizational and cultural changes with communication, training, and change management.	If done right, MDM will ultimately have an impact on a significant segment of the enterprise. To minimize any disruption, set the stage for sustainability by providing organizational communication and training.
5. Accept that there will be multiple perspectives of a single fact. It is said that the goal of MDM is a "single version of the truth". A single version of the facts is a better expectation.	Master data needs to serve the needs of many stakeholders. Efforts often get derailed by arguments and consensus building around the terminology that represents the "single version of truth". Flexibility in representing multiple perspectives will progress your MDM initiative sooner and with more support.

Best Practice	Value
6. Balance the approach to engaging stakeholders with a consideration for the organization's culture. Choose initial stakeholders based on willingness to participate, business value to be realized, and current role in the data management processes.	Don't try to engage every possible stakeholder at the outset. Every stakeholder of a particular data domain stands to gain from an MDM Program, and should be involved eventually. Engaging a small cross-section initially to work through your unique challenges sets the pattern for others, and avoids getting bogged down by too much demand.
7. Establish an MDM governance group at the initial stages of an MDM effort, and have representation within the enterprise data governance group. SME's are required to get started, and stewards will need to be engaged before the initial set of master data is rolled out.	A governance group is the only way master data will remain correct, complete, and consistent, and provide on-going business value. The governance group and the governance processes will make the difference between a sustainable program, and just a successful deployment.
8. Create and link MDM metrics based on business goals, business value, and data quality goals. Design and build measurements into the solution. Evaluate measures against expected results and use within the governance process to manage and improve.	How do you know your MDM solution provides business value? Only by measuring results. Metrics are a window into how well you are meeting expected business goals, value, process capabilities, and data quality.
9. Don't lead with technology. Technology is one of the last things that should be considered in developing an MDM strategy. Evaluate and select technology only after you have assessed your broad set of needs so that you select a technology that meets the business needs.	Technology adds efficiency and capability, but only adds business value when there is alignment to your business goals.

The best practices above should be included in the MDM framework your company uses for Master Data Management to ensure it is effective in providing business value quickly. If you'd like to learn more about how to leverage an MDM framework in your company, such as the one developed at Leveraging Technology, email info@leveragingtechnology.com or call 585.454.4250 x100.

About Leveraging Technology

Leveraging Technology believes the best way to meet our clients' business challenges is with solid design sense that builds on the client's specific operating framework. The company provides consulting services to a mix of industries across the entire IT lifecycle, while maintaining a perspective of the business strategy.

Leveraging Technology emphasizes architecture and design sense in its practical approach to customer challenges in order to drive better alignment to the customer's business.

Founded in 1998, the Company appeared on the "Top 100" list of the fastest growing, privately held companies compiled by the Rochester Business Alliance Inc. and KPMG LLP in 2008, 2011 and 2012.

> Working with Leveraging Technology is different than with other consulting firms because we look at each client's organization and not just the technology. We partner with clients in unique ways to help them design and build internal capabilities and sustain them in the most cost-effective way.