

Master Data Management

THE STRATEGIC IMPORTANCE OF MASTER DATA MANAGEMENT FOR THE MODERN ORGANIZATION

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1. The importance of master data management for the modern organization

Many organizations have made significant efforts in recent years to promote data-driven operations. Setting up a robust data platform is a crucial first step in this process. With a data platform, companies can collect, store, and process vast amounts of data, enabling them to generate valuable insights to continue growing. Now that the foundation is in place, it's time to take the next essential step: elevating data quality.

Data quality is invaluable. It's not the sheer volume of data that holds value; data only becomes truly valuable when it's based on reliable and accurate information. Poor data quality can lead to costly mistakes, inefficient processes, and misguided strategic decisions. Therefore, it's crucial for companies to ensure the integrity of their data and optimize data sources.

How do you ensure better data quality?

By properly setting up your master data management (MDM), you can guarantee the quality of your data. With MDM, you create a 'golden record' - a reliable and unambiguous version of the truth from all data across various source systems. You develop an accurate and trustworthy dataset, which serves as the foundation for well-informed strategic decision-making and streamlining business processes.





Streamlining MDM in spreadsheets or traditional tools can be a time-consuming and intensive process. With a solid master data management system, you opt for a sustainable solution that proactively supports your organization and eliminates many manual tasks. With an MDM system, you simplify data management, minimize duplicates, and promote data consistency and uniformity. This allows you to confidently perform analyses, identify trends, and gain valuable insights to anticipate customer needs and market trends.

Additionally, MDM enables your organization to become more flexible and agile. Consolidating and centralizing data helps avoid the fragmentation of information across different departments and systems. This makes it easier to manage data and ensure everyone handles personal data in compliance with GDPR. Moreover, you can respond more quickly to market changes and seize new opportunities.

Case: Cube Cold Europe

Cube Cold Europe Gains Immediate Control Over Acquisitions with Data Platform. Cube Cold Europe is an infrastructure platform for cold and freezer storage with a buy and build strategy. It acquires cold storage companies in Europe and merges them into one synergistic entity. With every acquisition, Cube Cold needs an immediate overview of the company's status. With a Data Platform, this was achieved within six months to full satisfaction. [Read more.](#)

Where do you start?

Master data management is an indispensable link for every modern organization. However, the question is: where do you start? And how do you choose the best solution for your organization? In this whitepaper, we provide a roadmap to reach the next level of data maturity. We also explain why ownership and sponsorship are crucial for making MDM a success. And we demonstrate how a master data management system works in practice with two valuable use cases.

2. Step-by-Step Guide: Assessing Your Current Data Quality

Before your organization decides on a master data management system, there are several important steps you can take to map out the current state of your data landscape and its quality. Here are four steps you can follow:

1. Map Out Your Data Landscape

Identify the most critical data sources and systems within your organization. You'll want to gain insight into which departments or systems generate, collect, store, and use the data. The goal is to get as comprehensive an overview as possible of the most critical processes and identify any duplications or inconsistencies. Collaborate with IT teams and department heads to create an extensive inventory. Document data flows between different mission-critical systems and sources to understand how data is moved and transformed.

2. Analyze Data Quality

Conduct a thorough analysis of data quality to understand how accurate, consistent, and reliable the data is. This includes identifying common errors, missing values, and inconsistencies in the data. A clear picture of the current data quality will help you discover areas for improvement and determine the need for an MDM system. Prioritize issues based on their impact on the business and identify the sources where these problems originate.





3. Identify Use Cases and Business Needs

Pinpoint the primary use cases and business needs that require robust data integration and uniformity. How do you approach this? Ask stakeholders what data they need to perform their tasks effectively. Consider IT teams, data analysts, managers, and also employees (key users) who deal with specific business processes daily. This helps you understand better how they use data and the challenges they face with the current data. Based on this, also identify specific processes or reporting requirements that depend on reliable data.

4. Evaluate the Impact of Poor Data Quality

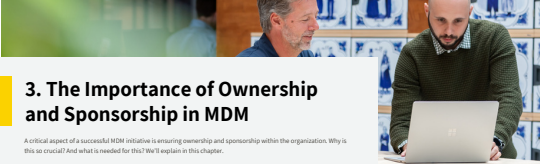
Examine the impact of poor data quality on various aspects of the organization, such as customer satisfaction, operational efficiency, reporting, and compliance. Conduct both quantitative and qualitative analyses to measure the costs of poor data quality, such as lost revenue or the number of customer complaints. This will help you emphasize the importance of MDM and quantify the potential benefits of improving data quality. Optionally, compare the current costs of data processing and recovery with the expected costs after implementing an MDM system.

By going through these four steps, you'll gain a clearer understanding of the data challenges within your organization and assist management and other stakeholders in better grasping the need for a master data management system. It fosters awareness within the organization that data-driven operations cannot function without proper data management, and the organization can rely on high-quality data. This awareness helps your organization make an informed decision that aligns with the specific needs and objectives of the business.

Case: Damage Specialist CED

Damage specialist CED was looking for a solution to provide faster, higher-quality data insights to its business audience. With a future-proof data platform, CED not only processes data much faster but also gains valuable insights that they apply within their organization. CED continues to enhance its use of data and information for both internal and external users. Curious about this case?

[Read more.](#)



3. The Importance of Ownership and Sponsorship in MDM

A critical aspect of a successful MDM initiative is ensuring ownership and sponsorship within the organization. Why is this so crucial? And what is needed for this? We'll explain in this chapter.

The Role of Data Owners

Ownership of data is an essential component of Master Data Management (MDM) because it provides responsibility and authority to your employees to ensure the integrity, consistency, and quality of data. A clearly defined owner ensures reliable information for decision-making and reporting, promotes data governance, and contributes to the success of MDM within the organization.

An owner of the (master) dataset establishes data standards, resolves data issues, and facilitates collaboration between different departments. The absence of proper tools to support ownership often leads to confusion among employees, fragmentation of responsibilities, and a lack of engagement in improving data quality.

Practical Implementation for Data Owners

Roles and responsibilities of ownership are documented in a data governance tool like Microsoft Purview. However, a master data management system, such as Profisee, can assist in the practical implementation of ownership. This is because it allows you to set up a clear workflow where data owners know who is responsible for which tasks and what actions they can take to improve data quality or address any issues.

For instance, if a data owner encounters errors in the data, they can directly report these issues to the responsible owner for that specific dataset through a workflow in Profisee. The owner immediately receives a notification, highlighting the identified problems and how to resolve them.

Profisee automates data management processes, such as data quality checks and data governance workflows, to better support data owners in managing and improving data quality. By automating many repetitive processes, data owners can focus on tasks that truly add value.



Find a Sponsor Who Understands the Pain

However, even with an advanced MDM system like Profisee, top-down sponsorship remains crucial. Often, there's enough support to create sponsorship because improving data quality is a practical implementation of data-driven operations—a theme many organizations are heavily investing in.

From the management's perspective, the importance of data quality must be clear. Look for one or more sponsors within your organization who feel the organization's pain and understand the significance of data quality.

These individuals should not only have a leadership role but also show commitment to solving problems and pursuing improvements. Dedicated sponsors inspire others in the organization and prioritize MDM on the management's agenda.

Reflect on ownership and sponsorship. It's vital for the success of MDM and other data initiatives. With a robust MDM system like Profisee and the right top-down involvement, you can build a solid foundation of reliable data, enabling you to generate valuable insights and make data-driven decisions.

4. MDM in Practice – Two Use Cases

In this chapter, we illustrate the effectiveness of master data management with two concrete use cases. These real-world examples demonstrate how organizations better manage their valuable data with Profisee's MDM system, significantly improving their processes. We present a case involving customer data and another involving employee data.



Use Case 1 – Gaining Control Over Thousands of Customer Records

Goal

Develop a customer portal where all accurate and up-to-date customer data is accessible.

Challenge

A financial institution has thousands of customers who utilize various products and services: insurance, pensions, mortgages, etc. The company wanted to create a portal where customers could view and manage all their relevant data. This was challenging because the organization had historically made several acquisitions and consisted of different entities. These entities each had their source systems, which barely communicated with one another.

For illustration

A financial institution has thousands of customers who use various products and services: insurance, pensions, mortgages, and so on. The company wanted to develop a portal where customers could view and manage all their relevant information. This was quite challenging because the organization originally underwent various acquisitions and consists of different entities. These entities all have their own source systems that barely communicate with each other.



Practical example: customer data of one individual who takes out 3 different insurance policies. How do you integrate this data into one customer profile?

Solution

The financial institution developed an MDM layer with Profisee. Within this layer, customer data from various source systems was integrated. Subsequently, a strategy was determined to match customer data – such as name, street name, postal code, house number, and other variables. As a result, Profisee could automatically link large volumes of customer data that, with 90% certainty, belonged to the same customer. The organization tested these outcomes and provided feedback. Gradually, more source systems and variables were added to match customer records. This approach largely addressed even the more complex issues, minimizing the need for manual matching.

The financial institution now has a portal where customers can find all their data. The quality of the data is proactively monitored by Profisee. If any discrepancies arise, an authorized data steward is immediately notified. Profisee precisely identifies the potential bottleneck and suggests solutions to address the issue. A data steward then reviews the customer data and only needs to approve the changes.



Use Case 2 – A Clear View of Everyone in the Organization

Goal

Create a clearer picture of the number of employees, their roles, and other valuable HR information.

Challenge

An international service provider faced a complex HR challenge. The company struggled to gain insight into the number of employees, their roles, reporting lines, and required tools and access rights. In the HR tools, employees sometimes appeared multiple times, with different spellings. It was often unclear whether employees were still employed and if their current role matched the administrative data. Additionally, the data in the HR tools sometimes did not align with the information in the Azure Active Directory, causing employees to retain incorrect licenses and access rights. This situation not only led to a lack of overview but also posed security risks.

The company aimed to address these issues by improving the master data management of HR and the organization. They needed a central and consistent data source for HR-related information, allowing them to manage their personnel data in a structured and secure manner.

Solution

Profisee overlays all (desired) data sources and assists the organization in validating data into a single source of truth. In this way, the company builds, for instance, a 365-degree view of employees from various data sources. The organization began with the employee file, as there was immediate value to be gained. The company developed a single golden record containing all employees, job profiles, and their relationships. All connected tools and databases feed this golden record in Profisee and subsequently draw from it.

The company can now precisely see who works for which department. This provides not only a complete organizational view but also steering data and comparative material on how departments and business units are structured. As a result, redundant Microsoft 365 accounts were immediately deactivated, and licenses and access were adjusted. This led to immediate cost savings, reduced IT strain, and enhanced security. As an added benefit, the service provider was able to automatically improve the data quality of millions of records.

5. Why Profisee?

With Profisee as a powerful MDM platform, your organization can efficiently and accurately manage customer, product, and asset data. With Profisee, you can enhance your data quality in a simple and intuitive manner. Additionally, you minimize duplicate data and create a single source of truth for all your information.

Unlimited Integration Capabilities

Profisee also offers extensive integration capabilities with source systems from numerous vendors such as Microsoft, SAP, and Salesforce. This allows you to effortlessly access and combine data from your ERP, HRM, CRM, and other mission-critical systems into the Profisee platform.

A prime example of these capabilities is the integration between Profisee and the data governance tool, Microsoft Purview. By combining the two solutions, you can ensure data quality and consistency between metadata and master data, enhancing the reliability and integrity of the data.

Another example is the integration between Profisee and Microsoft Fabric, Microsoft's new analytics solution. This allows you to easily exchange data between the two platforms, both in real-time and in batches. This ensures that the data quality of your analyses, dashboards, and reports is always up to par.



Macaw x Profisee

Improving data quality requires knowledge and expertise. Macaw and Profisee have been collaborating for years, providing solutions for various industries in the realm of master data management (MDM). Together, we assist in developing business cases and successfully implementing the technology, ensuring you see results quickly. Want to learn more about our partnership?

[Lees meer](#)

MDM Discovery Demo

Discover today what Profisee has to offer your organization with our master data management demo. During this demo, Macaw's experts will show you how easy it is to manage and optimize your own data. Contact us now for a personalized demo. Take the first step towards better data quality!

[Request a demo](#)

Workshop: Data Modernization In A Day

Want a better grip on your data platform architecture and a roadmap to a Smart Data Platform in Microsoft Azure in just one day? We can assist you during the Data Modernization in a Day workshop.

[Contact](#)

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