



Master Data Management

Putting you in control of the data

Data: the oxygen that fuels every business

No organization can function without a fast, uninterrupted flow of reliable data. It helps power the entire business and can help inform every strategic and tactical decision. Data also brings huge complexity, with a myriad of systems, applications and reporting formats across internal divisions, outsourced providers and third party suppliers, buyers and partners. This frequently causes data inconsistencies and inaccuracies, and inhibits a corporate-wide picture of performance and compliance.

The quality of your data management comes under particular stress during mergers and acquisitions — where disparate systems must integrate — and when adapting to new regulatory reporting requirements.

Master Data Management helps you realize the power of data

A strong Master Data Management process helps give you a clear, up-to-date view of everything that is happening in your organization, helps enable you to turn data into insights, and, ultimately, into value.

Master Data Management provides a standard way to label, disseminate, retrieve, store and analyze master data for all enterprise applications, processes, reports and entities requiring timely and accurate data delivery, helping ensure accurate reports for internal and external use. All critical data is linked to one 'master' file, accessible across the organization.

KPMG's methodology helps to keep your master data clean, accessible and informative, and can make your organization more efficient and better prepared for unexpected change and disruption.

The four building blocks for improving master data

Whatever sector you work in, KPMG member firms can tailor a Master Data Management solution to your specific needs. Our building blocks (which combine software applications, computing and network infrastructure, business logic, and policies to manage enterprise data flow) encompass:

Governance

By clarifying how data is used, and who owns and is accountable for quality, you are better able to make the right information available to the right people, in the right format, at the right time. Clear data ownership enables efficient integration between organizational divisions, and with suppliers, retailers and customers.

Process

We can help you reduce the complexity of data management and increase consistency of quality, by harmonizing formats, integrating systems, establishing quality assurance and control, making data accessible, and building secure storage.

Content

Our process sets and monitors quality standards for master data and associated reporting, agrees standardized definitions, and integrates business controls and risk compliance.

Systems and tooling

Appropriate enhancements should help your IT systems support master data governance and data quality monitoring, and enable a free flow of information.

Our methodology also includes change management principles, to help ease the implementation of the new processes.

Combatting risk and driving growth

Master Data Management can help give you the flexibility to adapt to continuously evolving regulatory demands, where correct, timely and consistent reporting can help you remain compliant — especially in the heavily regulated banking and insurance sectors. Robust data management also reduces the chances of fraud, embarrassing data leaks or security breaches, all of which can be costly and damaging to your reputation.

It's not just about countering risks; you could also gain a number of strong, commercial advantages:

Mergers and acquisitions: increase the chances of a successful merger or acquisition by properly combining different technology systems.

Process efficiency: by increasing data quality, your company may be able to significantly improve the efficiency of its operational processes, helping reduce costs (from higher productivity and lower headcount) and speed up production and logistics. Master Data Management may also help reduce IT costs when data is properly retired, eliminating extra IT maintenance and licensing costs.

Data analysis and reporting: with a universal view of master data across your organization, you can more easily find and consolidate data from disparate systems. Armed with accurate financial and operational reporting, supported by strong analysis, your leaders are able to make better, faster decisions.

Sales, marketing and product development: identifying unique master data helps you understand customer attitudes and provides a single view of the customer. This should lead to more relevant customer propositions, more accurate segmentation and targeting, increased cross-selling, and higher quality leads and prospects.

Procurement effectiveness: with broad ranging, standardized vendor data from around the world, your company can centralize procurement and gain efficiencies and scale economies.

For example; costly customs and delivery schedules can be reduced by eliminating duplication. One multinational iron and steel client enjoyed procurement savings of 5-10 percent from harmonized master data.

Asset management: with a clearer understanding of where your assets are located, and their overall condition, you may be able to reduce the cost of maintenance, repairs and replacements, improving the return on investment.

A typical Master Data Management dashboard



Case study: global life sciences company

The challenge

In its quest to become a single, global company, the client was restrained by poor data quality and a lack of supporting monitoring activities.

Our approach

Over 24 months in 2012 and 2013, a KPMG member firm jointly designed and implemented an improved Master Data Management process and infrastructure. This involved: assessing current data quality; setting up a data catalogue and data standards; establishing data maintenance processes; selecting appropriate tools; data cleansing; and setting up a data quality monitoring function with monthly reports.

The results

The client now has a global governance organization for Master Data Management, with clear roles and responsibilities at top level, optimized processes for master data maintenance and monitoring, and a set of global standards for master data quality, including reporting requirements.

Case study: international bank

The challenge

Each month, the client had to undergo a painful, primarily manual process for submitting regulatory reports to the national bank. With poor data quality, lack of a single, documented database, and inadequate procedures, there was no reliable way to validate the reports.

Our approach

In 2015, a KPMG member firm assessed the data quality, architecture and data integration processes, and designed a new Master Data Management process.

The results

The client can now produce the reports with considerably less effort and higher accuracy, reducing the risk of non-compliance.

KPMG's Master Data Management credentials

KPMG has successfully helped clients in a wide range of industries including energy, food and beverage, banking and insurance, retail, trade and shipping and postal delivery. Our methodology can be carefully tailored and rapidly deployed.

We have collaborated with such Master Data Management software vendors as Informatica, IntoDO, Collibra and IBM to help bring clients real value. Our Master Data Management toolkit gives customers easy access to proven templates and instruments.

To find out more

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