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Information Agenda Executive Consultant
martes, 22 de marzo de 2011

IBM

Maximice El Valor De La Información De Sus Clientes
The Business Value Of Master Data Management (MDM)
And Journey To Adaptive MDM…

Introduction

Jeffrey Haggott
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Jeffrey Haggott is the Executive Consultant and Geography Leader responsible for executing IBM's Information Agenda strategy in Latin America. IBM's Information Agenda is a proven, industry-based approach that delivers an enterprise-wide strategy to align an organization's information with its strategic objectives, leveraging roadmaps, tools, and best practice methodologies based upon expert industry and domain knowledge and successful client implementations.

In his present role, Haggott collaborates with the IBM SWG Information Management, Enterprise Content and Business Analytics Sales Leadership, as well as, the IBM GBS Business Analytics & Optimization Practice Consultants to help clients achieve their business objectives faster, with less risk and at a lower cost by improving how information is recognized and acted upon, with a focus on analytics, business process, application and data across the enterprise or within a business function.

Haggott possesses 20+ years of IT industry experience and a proven track record of developing and implementing strategic business plans and leading sales and consulting organizations executing for growth in the United States and throughout the emerging markets in Latin America.

Prior to joining IBM, in 2007 at SAS Institute, he led a sales team with 9 direct reports in the U.S. Western and Central Region that achieved the following business results:

- $19.2 Million in Revenue (Annual Target = $18.5 Million)
- Increased Revenues by 18% Year over Year
- Increased New Software License Revenue by 60% Year over Year
- 3 Year Global Enterprise Agreement with a Market Research Firm Valued at $25.5 Million

In 2005 while working at Teradata Corporation, he led a sales team with 6 direct and 14 indirect reports in the U.S., Brazil, Mexico, Argentina, Chile and Colombia that achieved the following business results:

- $27.2 Million in Annual Revenue (Annual Target = $22.9 Million)
- Increased Annual Revenue by 57% Year over Year
- Increased Operating Income by 134% Year over Year
- Increased Total Gross Margin by 69% Year over Year

Haggott has also held field service engineering and sales management positions at General Electric, Pitney Bowes, EMC and Brocade Communications.

Additionally, he served in the U.S. Navy where he qualified as a Surface Warfare Officer (SWO), deployed to the Persian Gulf in support of Operation Desert Storm and attained the rank of Lieutenant Junior Grade (LTJG). During his distinguished military service, Haggott was awarded the National Defense Service Medal, Southwest Asia Service Medal with Bronze Star, Navy Sea Service Deployment Ribbon and Navy Pistol Marksman Ribbon.

Haggott speaks fluent Spanish and conversational Portuguese and holds a Bachelor of Science in Aerospace Engineering from the U.S. Naval Academy in Annapolis, Maryland. He resides in Raleigh-Durham, North Carolina.

INFORMATION INTEGRATION & GOVERNANCE FORUM 2011
Delivering Trusted Information for Smarter Business Decisions

Agenda

- Information Governance & Information Supply Chain

- What is Master Data Management (MDM)?
  - Business Drivers
  - IBM Approach To Master Data Management (MDM)
    - *Adaptive MDM*

- IBM® InfoSphere™ Master Data Management Product Portfolio

- IBM Business Value Proposition

- Critical Success Factors & Best Practices

A Journey to Adaptive Master Data Management
➔ Get the white paper
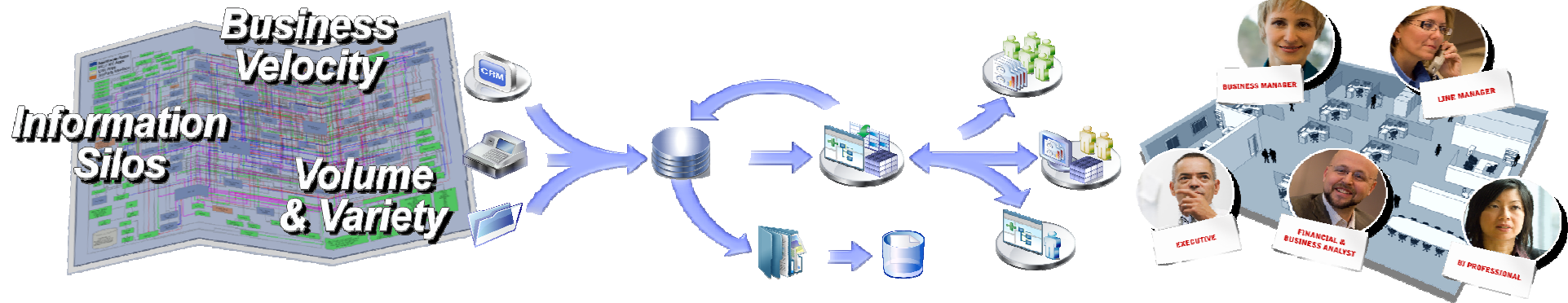
"We want to be a a 100% customer-centric organization"

"I want our company to be known as having the best customer satisfaction levels in the industry"

"We need a common set of customer data upon which to service our LOBs to help maintain brand quality"

Information Complexity Creates a Lack of Trust

Deliver **trusted information from fragmented, disparate** systems at **volume and velocity** required.

Sources of Information

Address the **diverse needs** in the business with **relevant information when, and where** they need it.

Users of Information

Goal: How can I ensure that **everyone in the business** is more *informed*, *confident* and *aligned* to ensure better business outcomes?
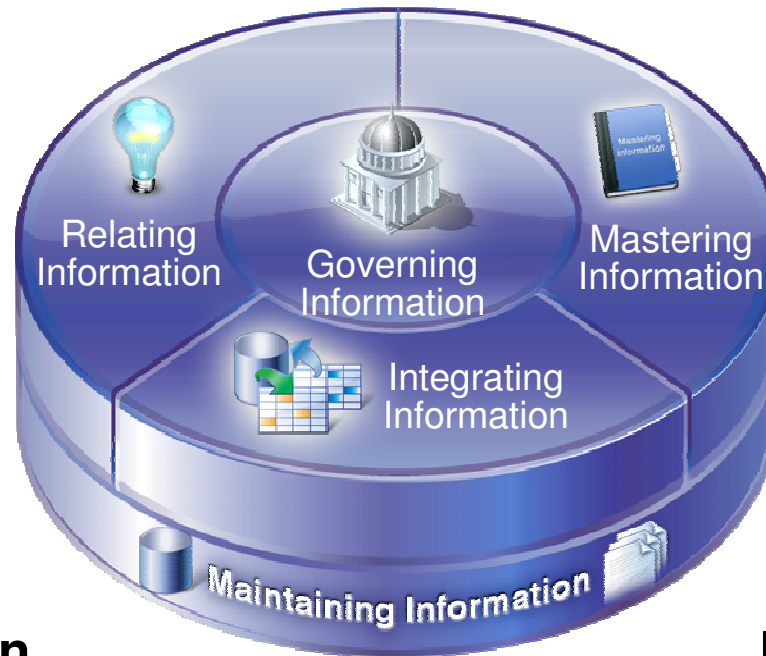
IBM

The Foundation For Building Trust In Your Information

Govern
Information to ensure trusted, secure, efficient,
and compliant use across the enterprise

Relate
Information
- both stored
and in motion -
to uncover
new insights

Master
Information
from diverse
sources to
establish a
single version
of truth

Relating
Information

Governing
Information

Mastering
Information

Integrating
Information

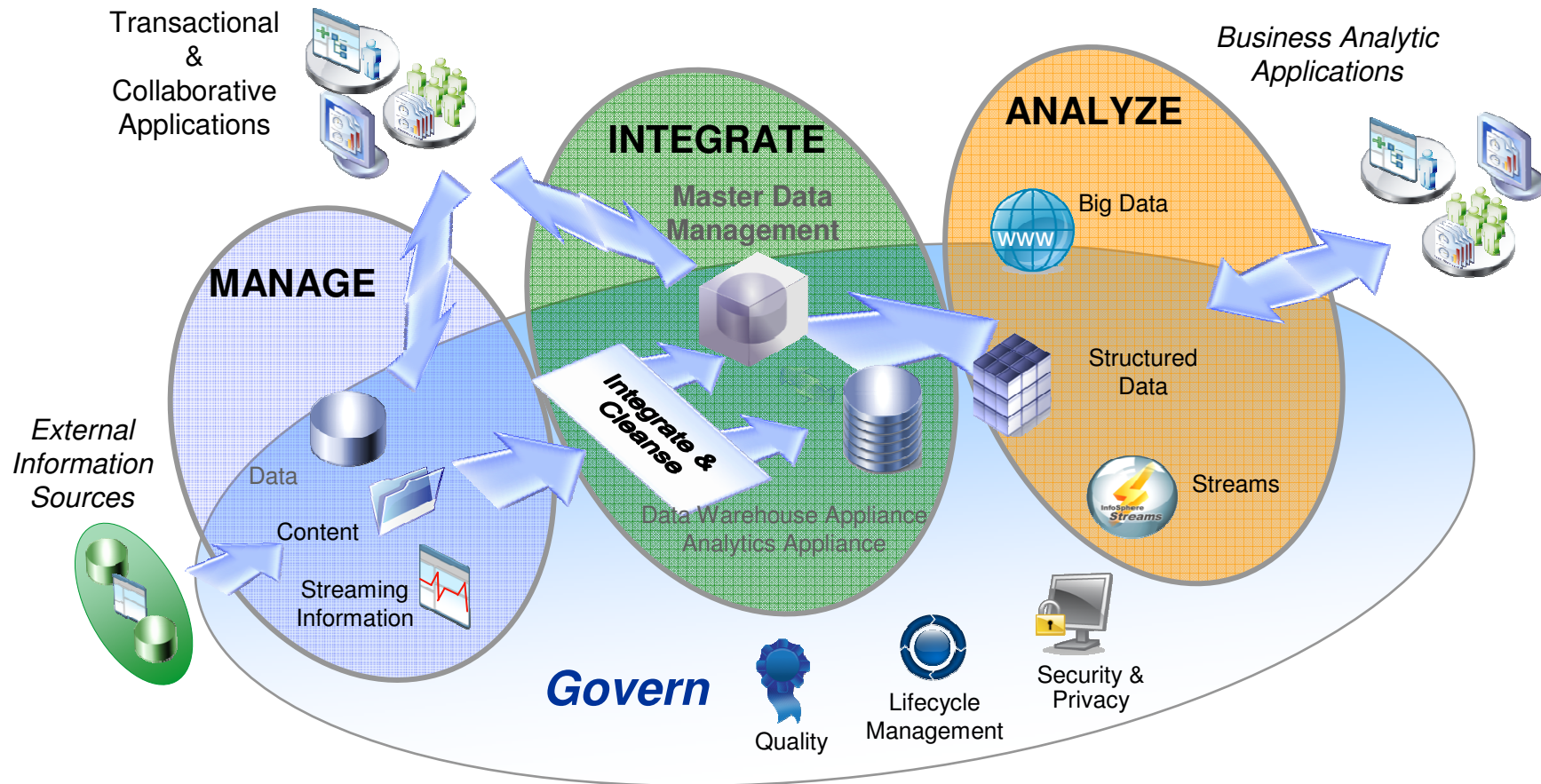Maintaining Information

Maintain
Information in safe, efficient and reliable
databases and content libraries

Integrate
Information from diverse sources
to deliver consistent enterprise-wide value

INFORMATION INTEGRATION
& GOVERNANCE FORUM 2011
Delivering Trusted Information for Smarter Business Decisions

Information Governance & Information Supply Chain
Deliver Trusted Information For Smarter Business Decisions

Transactional & Collaborative Applications

Business Analytic Applications

INTEGRATE

ANALYZE

Master Data Management

Big Data

MANAGE

Structured Data

External Information Sources

Data

Integrate & Cleanse

Content

Streams

Data Warehouse Appliance
Analytics Appliance

Streaming Information

InfoSphere Streams

Govern

Quality

Lifecycle Management

Security & Privacy

INFORMATION INTEGRATION & GOVERNANCE FORUM 2011
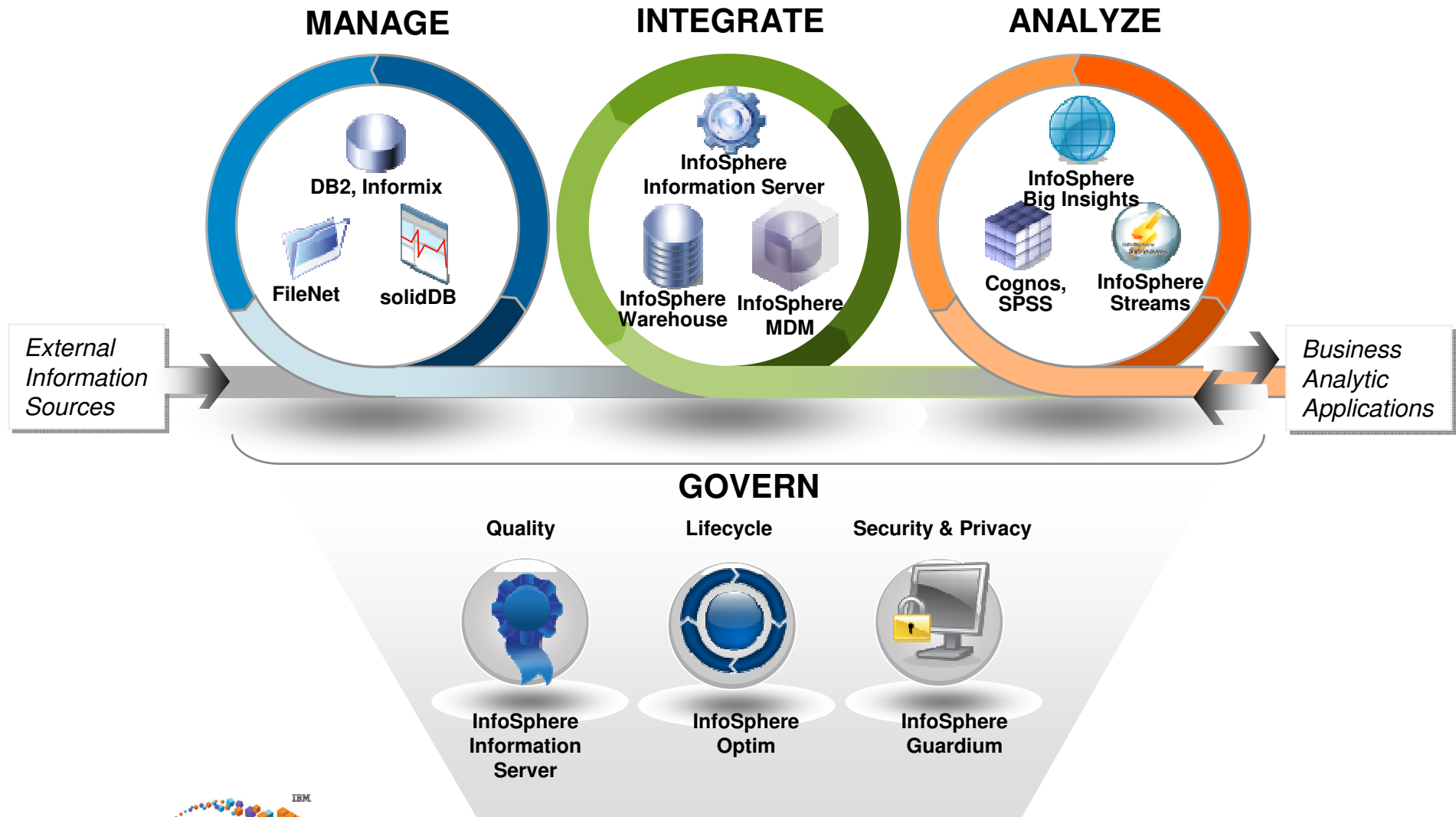*Delivering Trusted Information for Smarter Business Decisions*
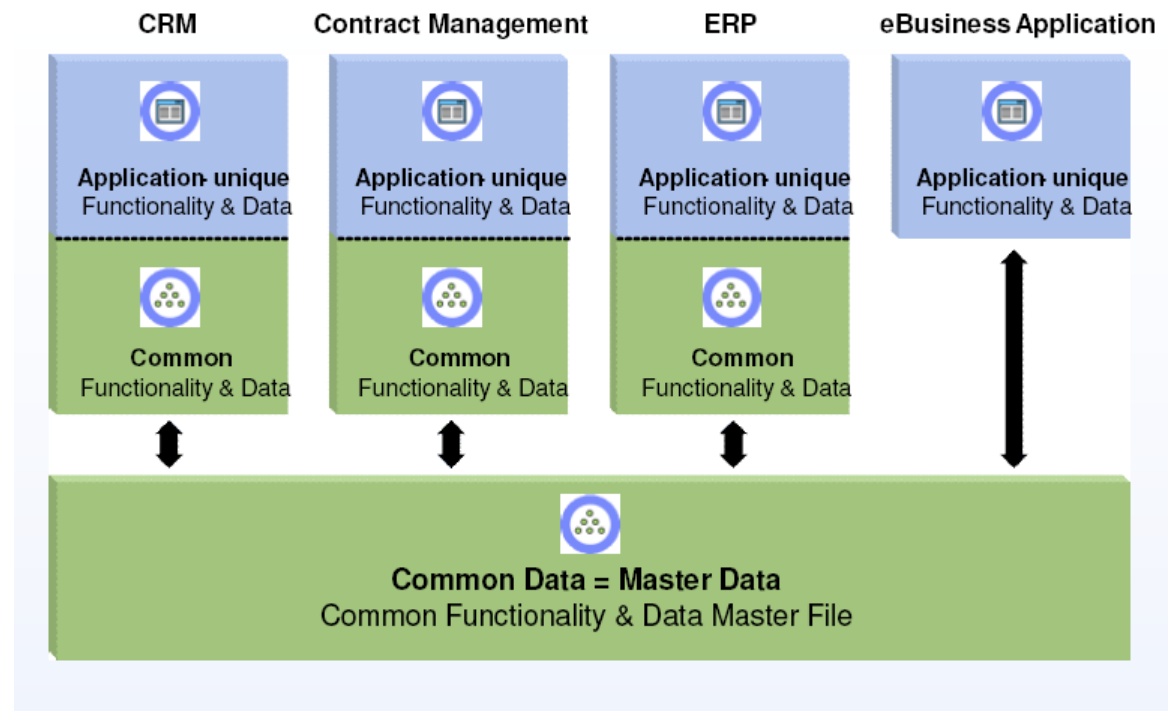
Information Governance & Information Supply Chain
Deliver Trusted Information For Smarter Business Decisions

What is Master Data?
Why Is It Important?

- **Master Data** is a subset of your entire enterprise data

- **Master Data** is the high-value core information across an enterprise used to support critical business processes

- **Master Data** is information about *customers*, *suppliers*, *partners*, *products*, *materials*, *employees*, *accounts* and more

- **Master Data** is at the heart of every business transaction, application and decision

- ***You get the best definition when you put data in the context of the business operations…***

What is Master Data?
Types of Master Data Domains

Location Account Product

Single View of
CUSTOMER

Location Account Customer

Single View of
PRODUCT

CUSTOMER to PRODUCT Relationship

CUSTOMER to ACCOUNT
Relationship

PRODUCT to LOCATION
Relationship

ACCOUNT to LOCATION Relationship

Location Customer Product

Master
ACCOUNT
Record

Customer Account Product

Single View of
LOCATION

INFORMATION INTEGRATION
& GOVERNANCE FORUM 2011
Delivering Trusted Information for Smarter Business Decisions
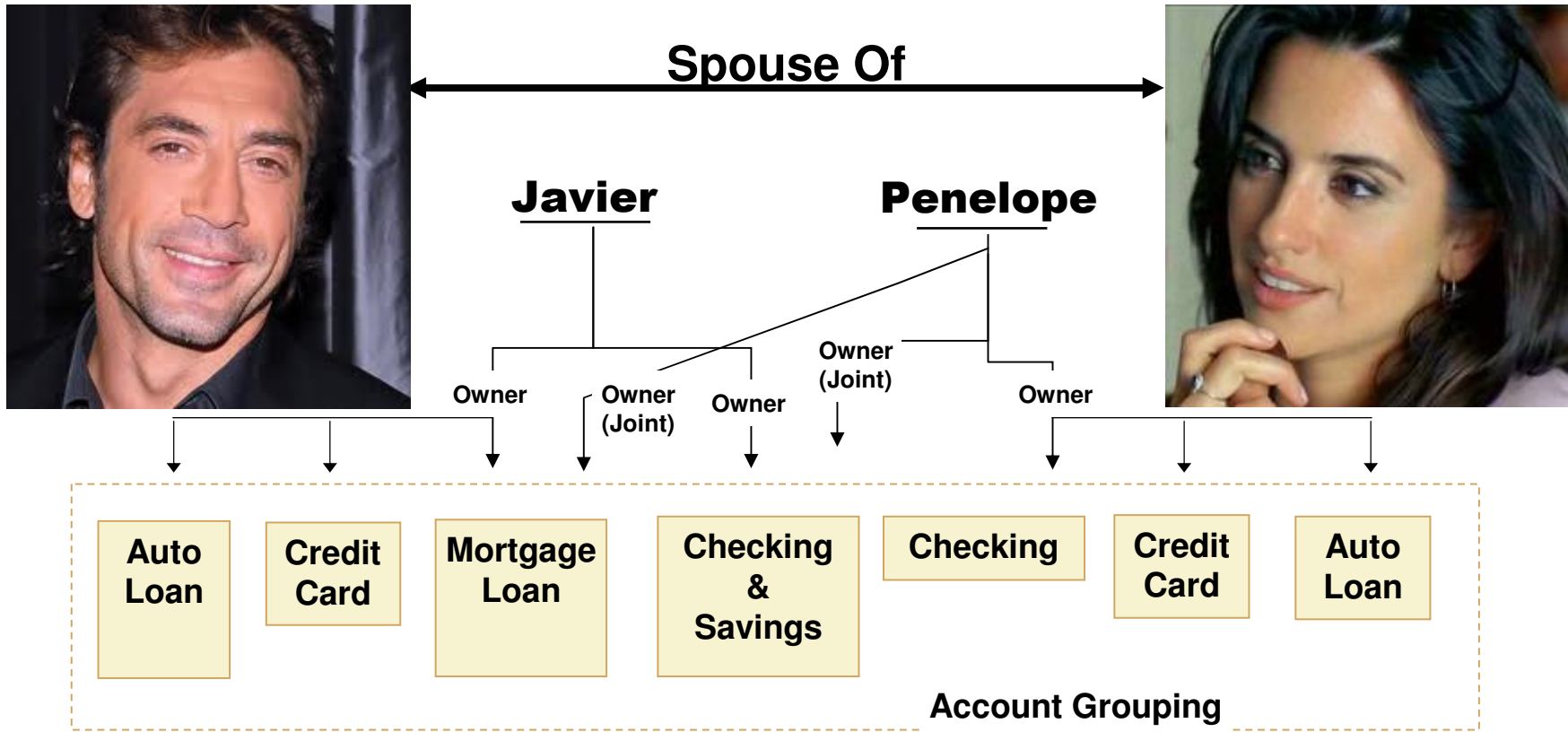
What is Master Data Management (MDM)?

- MDM forms the foundation for information management.
- An MDM initiative provides quality master data to upstream and downstream systems, including transaction systems, data warehouses, data marts and business intelligence, which in turn helps the enterprise gain trustworthy insight to solve business problems.

SOURCE SYSTEMS

CRM
Name:	Alejandro Sands
Address:	Gran Via, 35
Address:	Madrid,Spain 28042

ERP
Name:	Alex Sanz
Address:	35 Gran Via
Address:	Valencia,Spain 46023

Legacy
Name:	Alicia Sanz
Address:	Via Grande, 36
Address:	Madrid,Spain 28042

MASTER DATA MANAGEMENT

INFORMATION
First:	Alejandro
Last:	Sanz
Address:	Gran Via, 35
City:	Madrid
Country:	Spain / 28042
Gender:	M
Age:	50
DOB:	1/1/65

ENTERPRISE APPLICATIONS

Sales

Customer Support

Billing

MDM is not a technology solution, it is not a toolset that you can deploy to solve a technology problem.
MDM is not an application to be deployed to solve problems relating to inconsistent master data.

What is Master Data Management (MDM)?
Helps Enterprises Manage Relationships Between Customers

Spouse Of

Javier   **Penelope**

Owner Owner   Owner   Owner   Owner
(Joint)   (Joint)

Auto Loan	Credit Card	Mortgage Loan	Checking & Savings	Checking	Credit Card	Auto Loan

Account Grouping

What is Master Data Management (MDM)?
Helps Enterprises Migrate From Being Account to Customer Centric
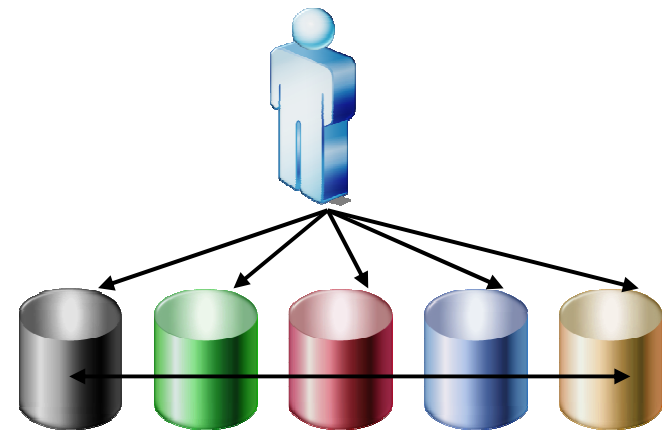
Account Centric

Customer Centric

MDM
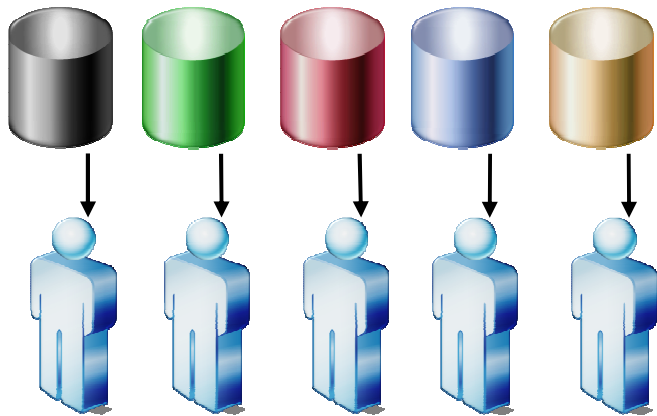
- No complete view
- Minimal understanding of relationships
- Subscriber may not have consistent experience
- Unrecognized opportunities
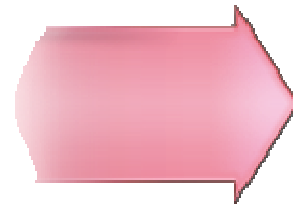
- Complete view
- Understanding of relationships and hierarchies
- Consistent customer experience
- Recognize cross-sell/up-sell opportunities

What is Master Data Management (MDM)?
Helps Enterprises Produce Better Business Outcomes

Maximizing customer satisfaction & revenue opportunities

Optimizing the business with right-time information

Customer Self Service

Customer Service Care

Marketing/Sales Interactions

Billing

Tools

Enrich

End-to-End Master Data Management

Operational

Authoring   Security

Hierarchies

Back Office Systems

Search

Stewardship

Financial Planning

Fraud Avoidance

Understanding the choices & planning with accurate information

Ensuring all systems have consistent & complete information in real time

Regulatory Compliance

New Product Introduction

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Master Data Management (MDM) Business Drivers

Lower Costs

Strategic Decision Making

Improve Customer Service

Master Data Management

Enter New Markets & Introduce New Products

Cross-sell & Up-sell

Comply And Reduce Risk
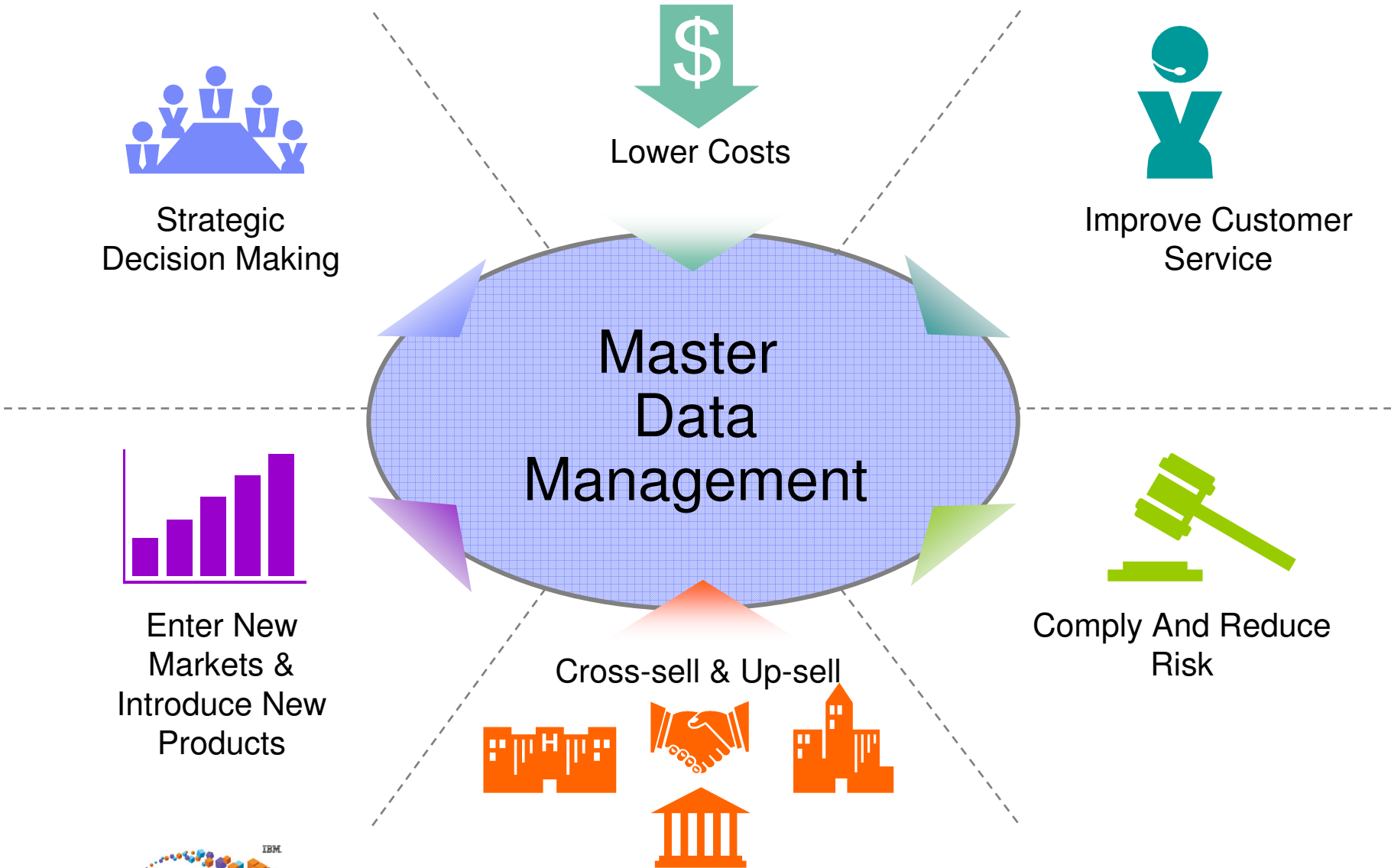
Master Data Management (MDM) Business Drivers

Revenue
- Identify cross-sell, up-sell opportunities
- Customize product offerings and bundles
- Introduce new products quickly
- Identify high value customers
- Improve customer retention

Strategic Initiative
- Consolidate data from silos/Integrate new systems quickly (M&A)
- Meet demands of new business channels
- Grow with the business
- Identify key relationships and hierarchies

Cost
- Automate manual business processes
- Reduce data errors
- Eliminate excess mailings
- Identify risk (credit)
- Supports system consolidation initiatives

Compliance
- Reduce risk
- Control access to data
- Adhere to government and corporate regulations
- Manage customer privacy preferences

Master Data Management (MDM) Business Use Cases
## *Financial Services Industry*

Act

CRM

**Adaptive
MDM**

Acquire
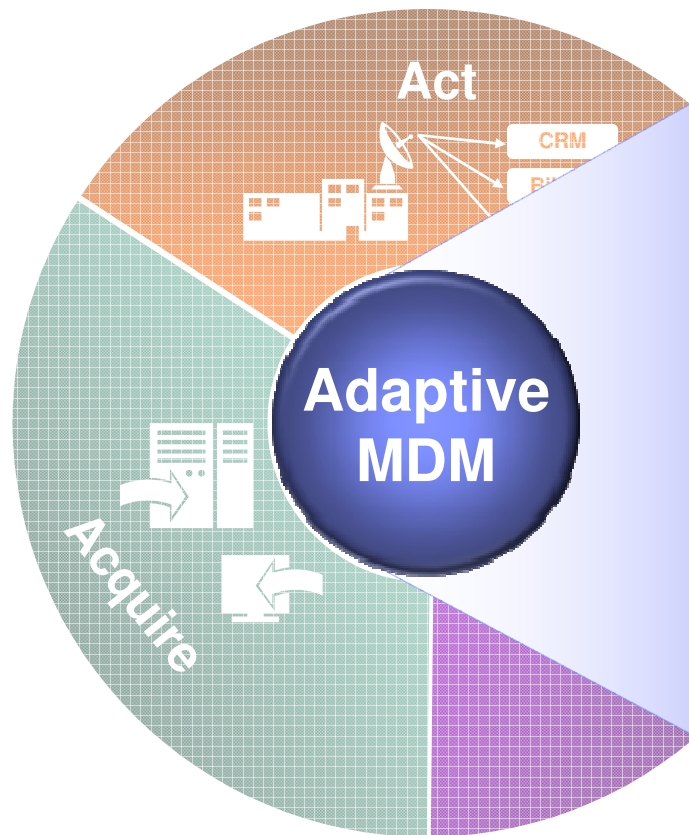
New Business Processing &
Customer-Centric
Underwriting Risk Decisions

Customer Service
Right-Channeling

Infrastructure Rationalization
And Modernization

Customer Self Service –
Powering The Web Channel

Producer Management

Multi-Account & Policy
Discounting

Master Data Management (MDM) Business Use Cases
Telecommunication Industry

Act

CRM

Adaptive MDM

Acquire
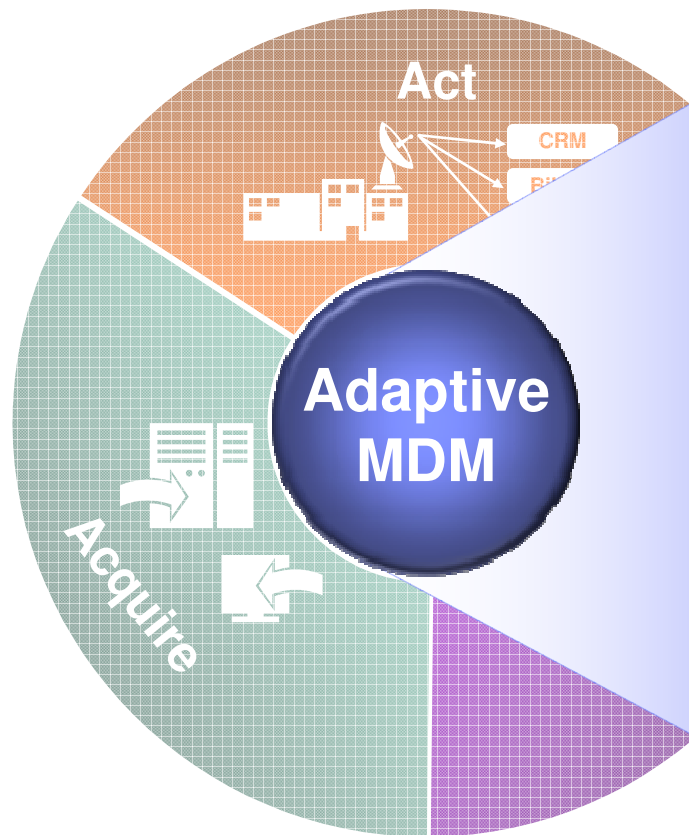
Differentiate and Maximize Subscriber Experience

Revenue Assurance

Monetization of New Business Models

Streamline Cost

Optimize Bandwidth Use

Minimize Fraud

Master Data Management (MDM) Customer Case Studies

Revenue

Qwest

- Leveraged MDM to increase revenue by getting products to market faster than competitors
- Revenue increase over $10M if time to market is reduced by 2 weeks

Strategic Initiative

MetLife

- Shifted from policy-centric systems to customer-centric strategy
- Faster time to market with new services and offerings due to real-time availability of key data

Cost

Panasonic — ideas for life

- Reduced the time for creating and maintaining product information by up to 50%
- Reduced data entry errors from 5% to 0.1 %; saves €2 million per year

Compliance

Intuit

- Recognized a 300% increase in customer privacy compliance across the entire organization
- MDM created single point of management for a global Intuit identifier for each party

Master Data Management (MDM) Implementation Styles

| Consolidation | Registry | Co-existence | Transaction |
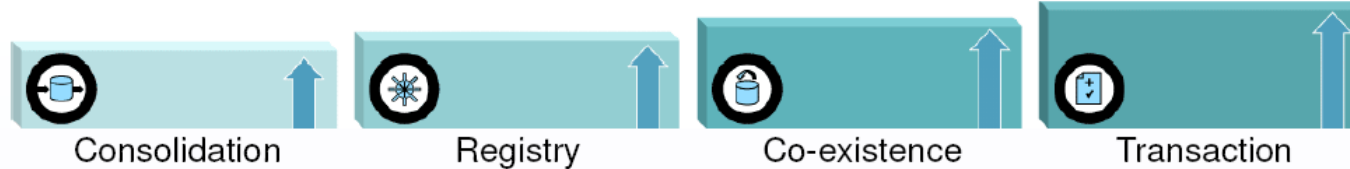
Multiform MDM requires multiple Implementation Approaches to ensure customer success

The Transaction approach is a superset (100% functionality) encompasses the full functionality of all others

Consolidation, Registry and Co-existence are a partial deployment/use based on specific use cases/requirements

Multiple approaches may be used simultaneously (i.e, single deployment, single install) to meet specific business needs/requirements within:

- Data domains or individual subject areas/attributes
- Business units
- Consuming applications
- Geographies

IBM Approach To Master Data Management (MDM)
Adaptive MDM

Adaptive MDM

Adaptive MDM

- Address a wider set of business requirements
  - Rapid time to value
  - Support for enterprise standards
  - Ability to identify and leverage relationships within the data
  - Solutions for a wide range of industries
  - *Ability to support the MDM journey – address multiple use cases over time*

Multi-Domain
Party, Account, Product, Location, Resources, Other Domain

Multi-Implementation Style
Consolidation, Registry, Co-existence & Transaction

IBM

IBM Approach To Master Data Management (MDM)
Adaptive MDM: 3 Core Competencies

Active usage within applications and business processes

- MDM Business Services
- MDM UI generation - widgets/views
- MDM UIs
- Event notification

Setup MDM and onboard source systems
- Discover, Profile, Load
- Configure MDM

Create & proactively maintain master data
- Data quality and matching
- Multi-domain data
- Enrich core master data

Act

CRM
Billing
DW

Adaptive MDM

Acquire

Manage

IBM Approach To Master Data Management (MDM)
Adaptive MDM: 3 Core Competencies

Batch & Real-time Search

SOA Search & View

SOA Add, Update, Delete, Search, View

Batch Import & Export

Act

CRM

Billing

DW

Batch Import

Proactive Data Governance

Adaptive MDM

Acquire

Manage

Event Notifications

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IBM Approach To Master Data Management (MDM)
Adaptive MDM: 3 Core Competencies

1. Every meaningful MDM project should leverage ACT capabilities

2. The purpose of MDM is to convert passive source systems to **active** consuming systems

3. Significant business value is achieved by active usage of master data vs. passive, after-the-fact reconciliation

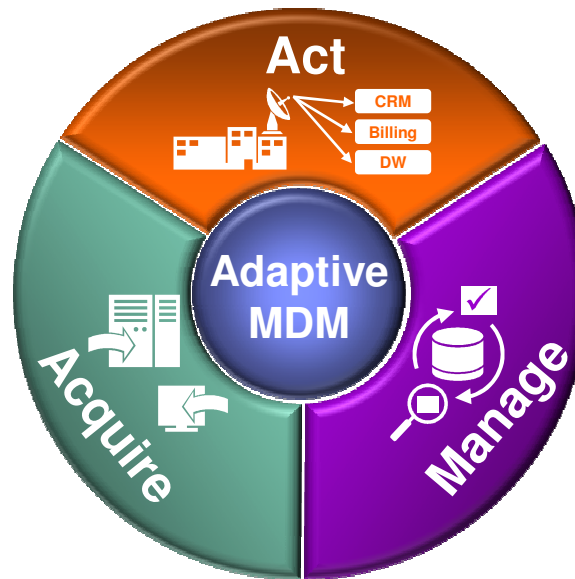**Passive Source Systems**

Active Consuming Systems

IBM Approach To Master Data Management (MDM)
Adaptive MDM: 3 Core Competencies

Sources

Applications

Providers

Databases

Unstructured

ODS

Acquire
Load Source Data
& Configure MDM

IBM® InfoSphere™ Adaptive MDM

Act
Access & Manage
Data in Real-time

COTS
Custom
DW

Manage
Identify, Store, Manage,
& Enrich Master Data

Consumers

Applications

Business Processes

Datwarehouse Analytics & BI

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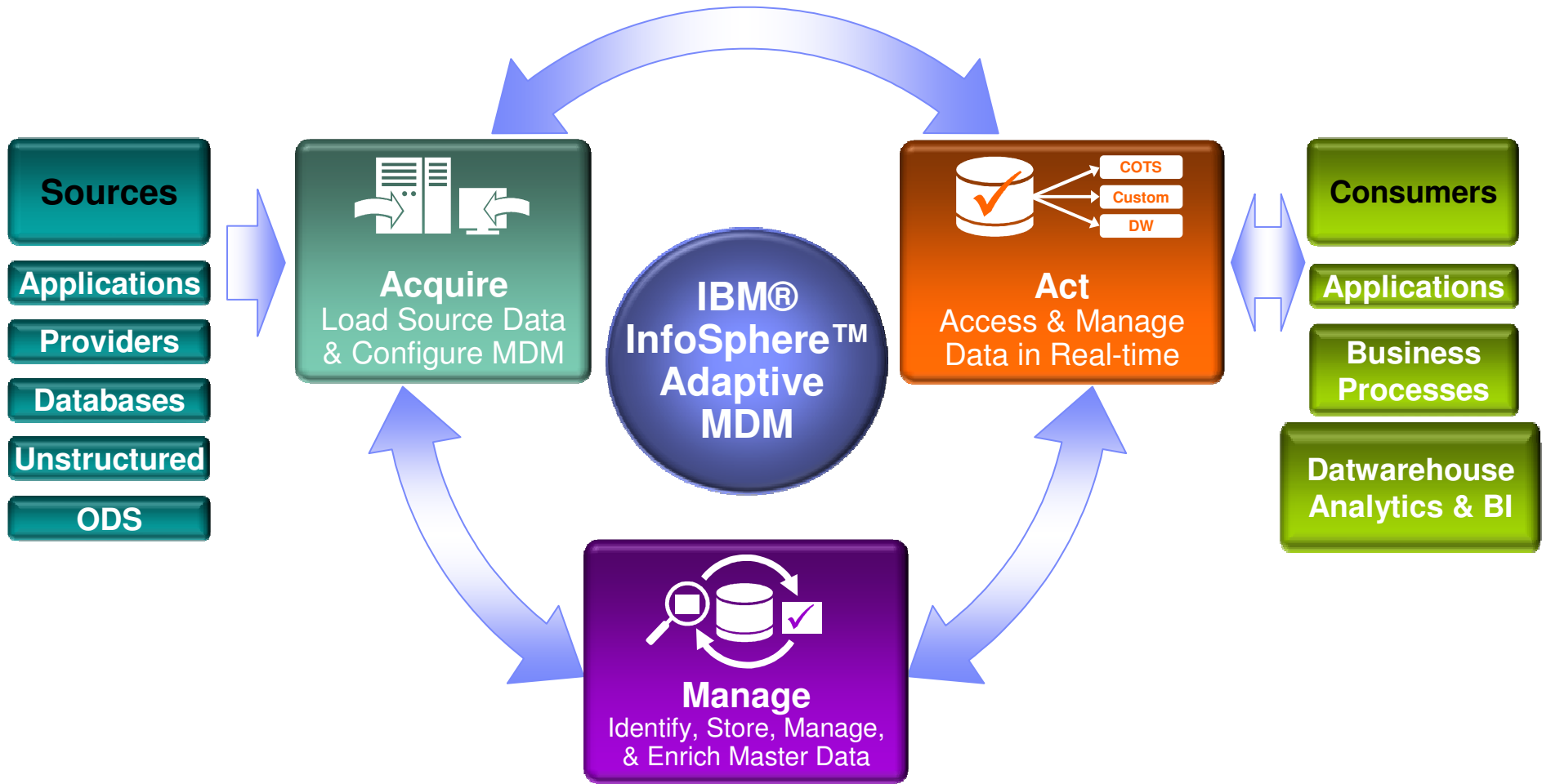
IBM Approach To Master Data Management (MDM)
Adaptive MDM: Maturity Model

Integrate Into Existing or Build New Applications

COTS
Custom
DW

Business Value to the Enterprise

Ensure Single Version of the Truth

Understand & Align

Connect & Prepare

Plan   **Acquire**   **Manage**   **Act**

Adaptive MDM Core Competencies

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IBM
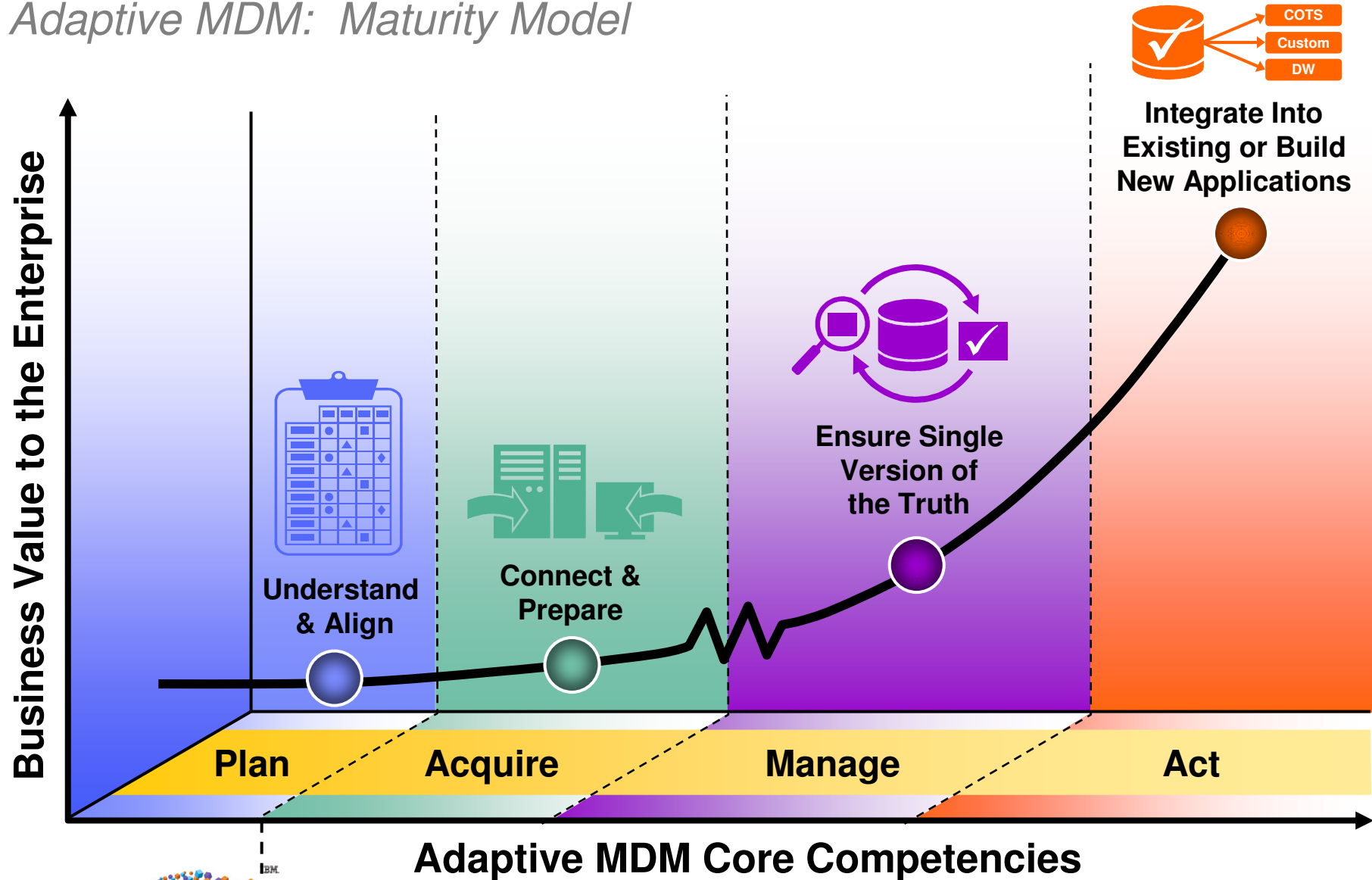
IBM Approach To Master Data Management (MDM)
Adaptive MDM: Solution Architecture

Packaged & Custom-Built Applications

CRM	Supply Chain	Business Intelligence (BI)	Custom
ERP	Billing	Reporting	...

Business Layer

Workflow	Business Rules	New Customer Onboarding	Alert & Notifications
Security	Threat & Fraud Detection	New Product Introduction	...

MDM & Complimentary Management Tools

Identity Management	Data Quality	ETL	Stewardship
SOA Services	RAD Tools	Hierarchy Management	...

Data Management

Applications

Data Store

3rd Party Data

Services

Data -> Trusted Information
- Context
- Ownership
- Change Management

IBM® InfoSphere™ Master Data Management Product Portfolio
A Broad Set Of Capabilities To Enable Adaptive MDM Solutions

Smarter

Provide timely, accurate and complete information
- Make decisions based on a complete and trusted view of the business
- Integrate with Content Management for more in-depth information
- Incorporate Master Data in business analytics to generate greater insight

Easier

Deliver results quickly and efficiently
- Start with the capabilities you need now, grow as your needs grow
- Reduce cost, risk and time to value with streamlined deployment
- Be more productive with an intuitive and extensible user interface

Adaptive

Address changing business requirements
- Deploy one or more pre-built domains for Party, Account or Product
- Create custom-built domains for industry or company specific data models
- Integrate with a broad spectrum of business processes for greater impact

IBM® InfoSphere™ Master Data Management Product Portfolio
Benefits

Advanced Functionality and Usability

- Delivering trusted information via workflow, business processes, UIs

- Providing flexibility, Accelerating time-to-value

- Easily adapts to your environment

Technology Leadership

- Managing Complexity and Volumes in data sources

- High Performance, scalability, large scale references
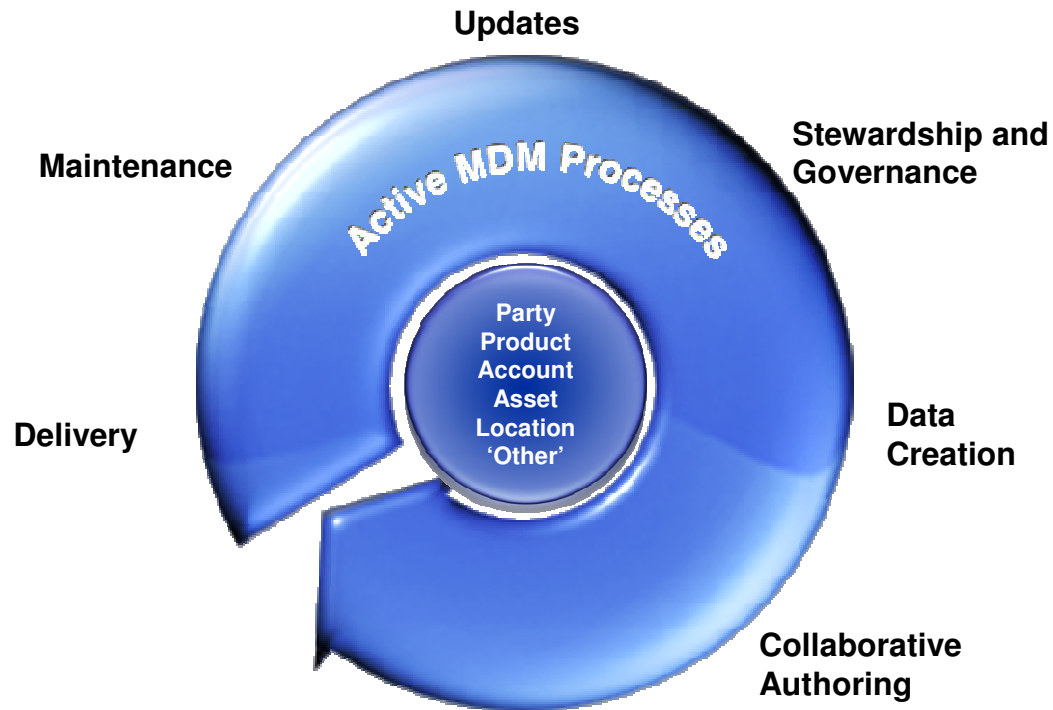
- Integrating to front and a back end applications

Strategic MDM Vision

- Innovation

- Additional Domains, New Functionality

- Roadmap addresses customers needs for growing scope
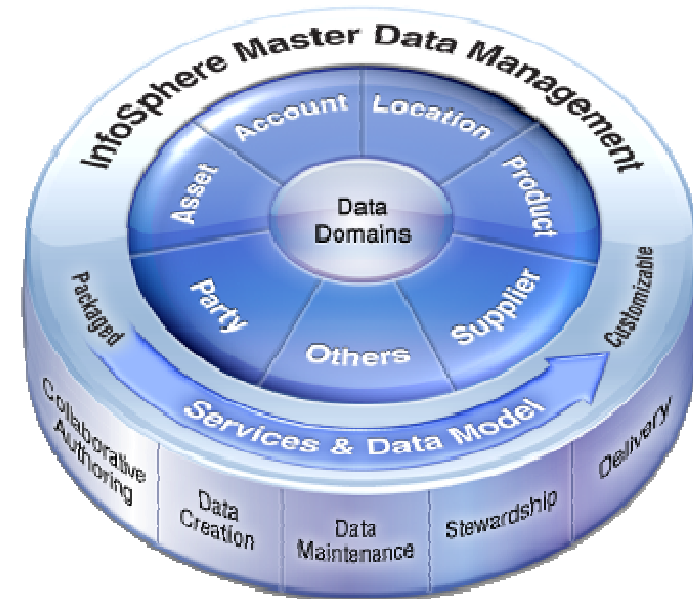
IBM® InfoSphere™ Master Data Management Product Portfolio
Support Active MDM Processes Throughout Master Data Lifecycle
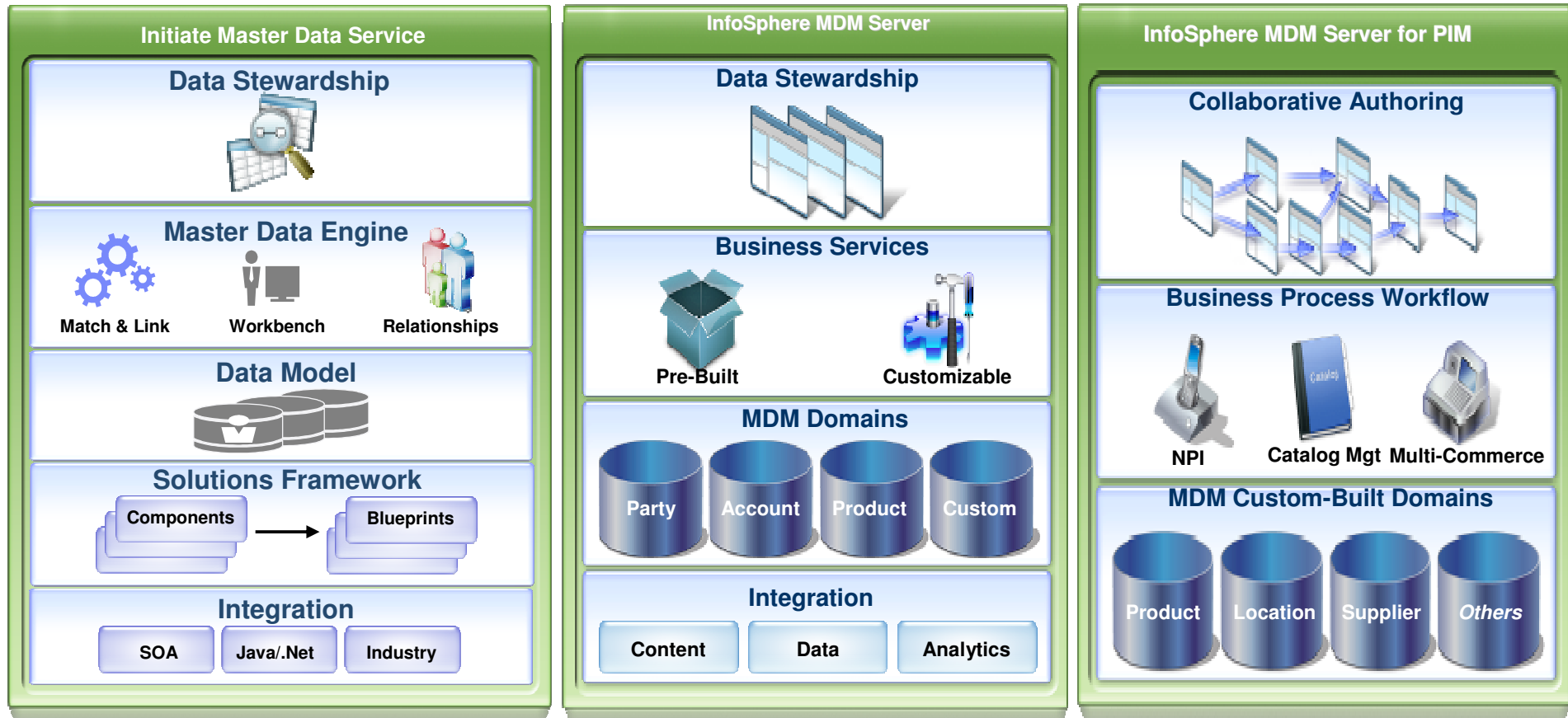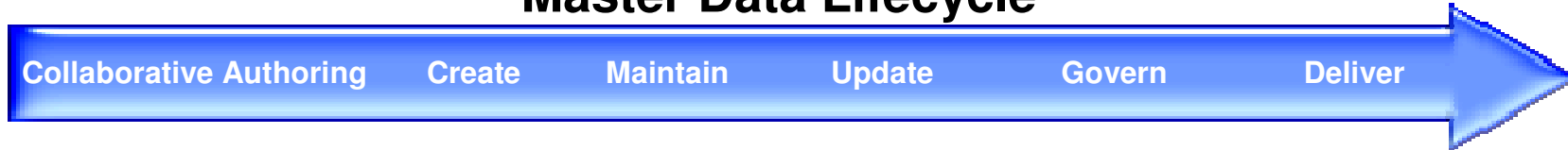

Updates

Stewardship and Governance

Maintenance

Active MDM Processes

Data Creation

Delivery

Party
Product
Account
Asset
Location
'Other'

Collaborative Authoring

Master Data Lifecycle

IBM

IBM® InfoSphere™ Master Data Management Product Portfolio
## *A Broad Set Of Capabilities To Enable Adaptive MDM Solutions*

Master Data Lifecycle

Collaborative Authoring   Create   Maintain   Update   Govern   Deliver

Initiate Master Data Service

Data Stewardship

Master Data Engine

Match & Link   Workbench   Relationships

Data Model

Solutions Framework

Components → Blueprints

Integration

SOA | Java/.Net | Industry

InfoSphere MDM Server

Data Stewardship

Business Services

Pre-Built   Customizable

MDM Domains

Party | Account | Product | Custom

Integration

Content | Data | Analytics

InfoSphere MDM Server for PIM

Collaborative Authoring

Business Process Workflow

NPI   Catalog Mgt   Multi-Commerce

MDM Custom-Built Domains

Product | Location | Supplier | *Others*

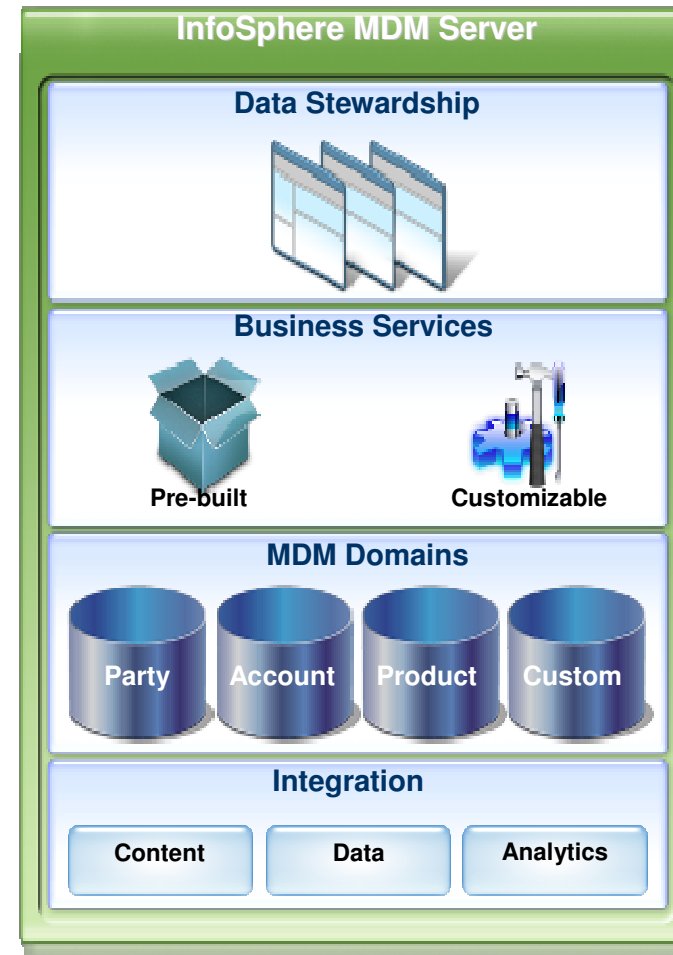# IBM® Initiate® Master Data Service

Capabilities

- IBM Initiate Master Data Service is a virtual registry that assembles a single view of master data and their relationships from across existing systems delivering these views whenever and wherever they are needed

- Integration

- Data Stewardship

- Master Data Engine

- MDM Powered Solutions Framework

- Pre-defined and Custom Data Hubs and Data Models

- Multi-Hub Architecture
  - Model and master multiple data domains (party, product, location, etc.) within a single Hub instance
  - IBM Initiate Master Data Service is well-suited for a "hub-of-hubs" environment for situations where regulatory constraints, or M&A activity requires multiple MDM hubs.
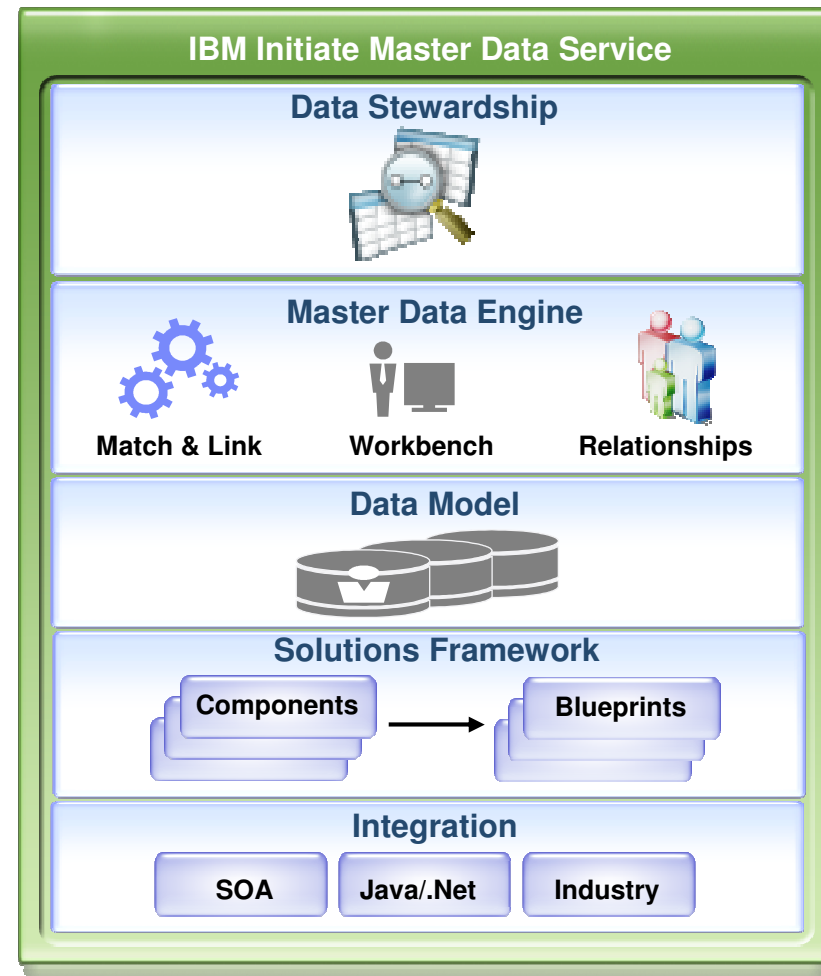
IBM® InfoSphere™ MDM Server

Capabilities

- Business Services
    - Enables business process to easily leverage master data
    - SOA Library - 800 Pre-Built Business Services

- Functionality
    - Stewardship: Data Quality, Stewardship, & User Interfaces
    - Events: Event Management & Business Rules
    - Security & Entitlement: Rules of Visibility

- Multi-Domain
    - Extensible data model supporting domains including Party, Product, Account & Location
    - Relationships between domains

- MDM Workbench
    - Tooling for easy extensions to data and UI generation

- Robust Data Integration
    - Pre-built Data Integration & Quality

InfoSphere MDM Server

Data Stewardship

Business Services

Pre-built   Customizable

MDM Domains

Party   Account   Product   Custom

Integration

Content   Data   Analytics

IBM® InfoSphere™ MDM Server for PIM

Capabilities

- PIM refers to processes and technologies enabling an enterprise to effectively manage and share the product data across suppliers and partners

- Collaborative Authoring Processes
  - Workflows for Collaborative Tasks

- Data Synchronization
  - Imports and Exports with Deltas & Versioning
  - Job Scheduler

- Authoring UI
  - Business User Interface for Authoring & Search

- User and Role Security
  - Granular Access privileges to enforce complete & accurate data
  - User & Role Security
  - Attribute Level Security

- Flexible Data Model
  - Product Catalogs, Category Hierarchies, Attributes, Relationships

IBM Business Value Proposition
Delivers the Most Complete Solution

**IBM®
InfoSphere™
MDM**

Adaptive

- Addresses business and IT requirements
- Out of the box functionality
- Configuration and customization facilities

Vertical Extensions

- Pre-built and extensible data model for parties – insurance and banking
- Pre-configured data models and configurations for Healthcare – patient, provider data

Time to Value

- Fastest, lowest cost deployments for all styles of MDM
- Proven return on investment

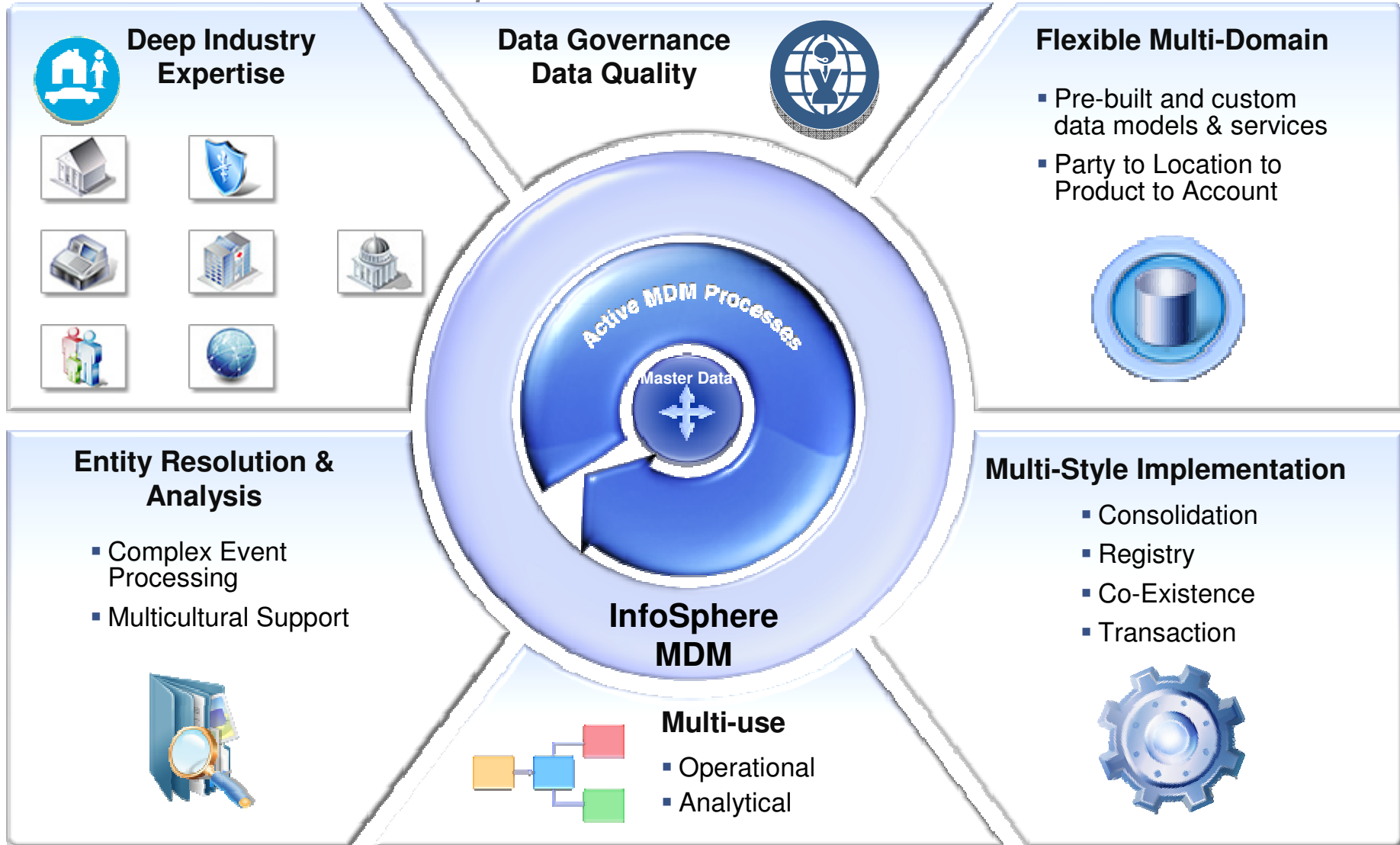**Performance, Scale & Accuracy**

- Strong references, including high workload and high transaction rates
- Proof points with very high volumes
- Employs deterministic and advanced statistical techniques to resolve data quality issues

Comprehensive

- Extensible data model supporting Party, Product, Account and other domains and cross domain relationships
- Rich pre-built business services
- Supports multiple architecture and deployment approaches to MDM

IBM

IBM Business Value Proposition
Delivers the Most Complete Solution

Deep Industry Expertise

Data Governance Data Quality

Flexible Multi-Domain

- Pre-built and custom data models & services
- Party to Location to Product to Account

Active MDM Processes

Master Data

InfoSphere MDM

Entity Resolution & Analysis

- Complex Event Processing
- Multicultural Support

Multi-Style Implementation

- Consolidation
- Registry
- Co-Existence
- Transaction

Multi-use

- Operational
- Analytical

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Delivering Trusted Information for Smarter Business Decisions

IBM Business Value Proposition
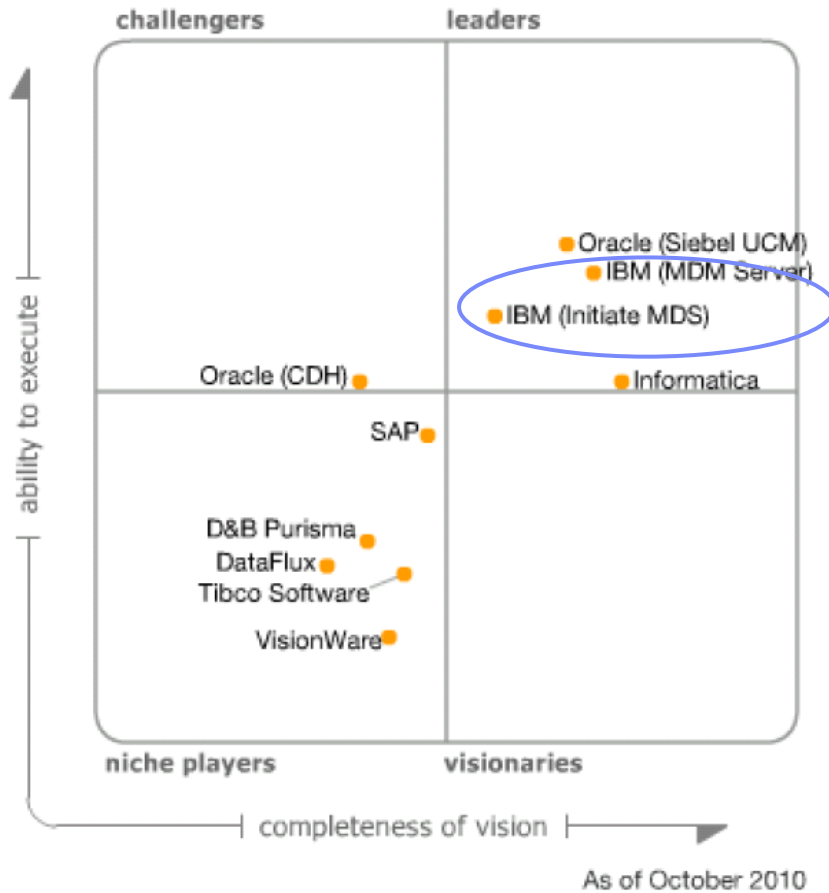## *Proven Leadership & Results*

- 600+ customers across a variety of different industries

- Clients with 10+ years in production

- The only vendor with significant 'transactional hub, system of record' implementations

- Implementations of customer/party, account, and product domains

- Implementations of all styles of MDM
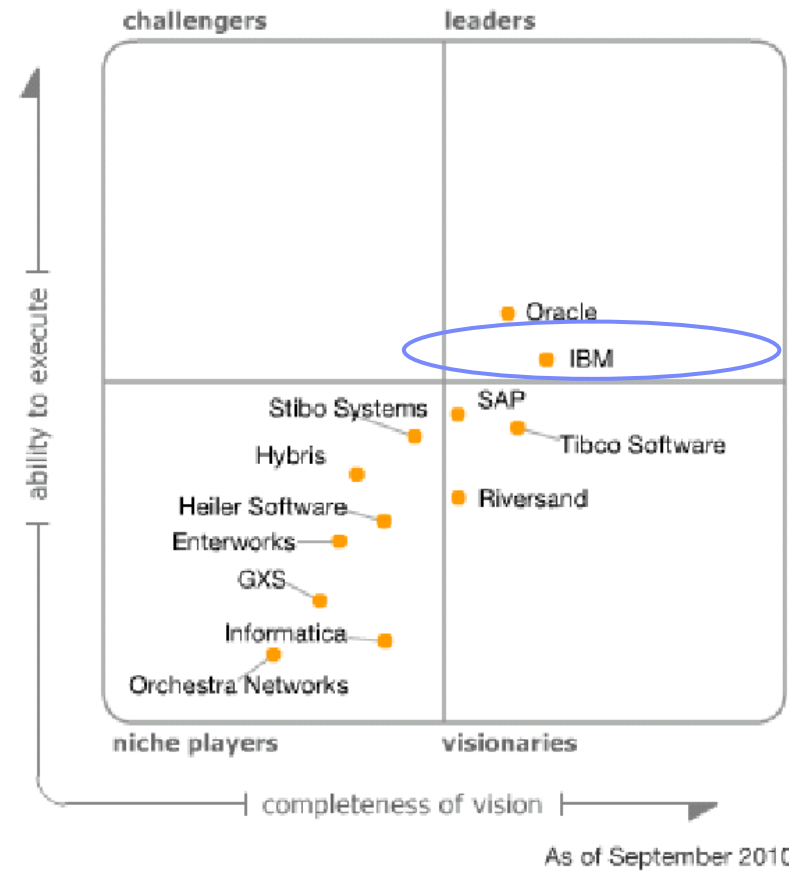
IBM Business Value Proposition
Validation By IT Industry Analyst Gartner

MDM for Customer Data

challengers | leaders

- Oracle (Siebel UCM)
- IBM (MDM Server)
- IBM (Initiate MDS)
- Informatica
- Oracle (CDH)
- SAP
- D&B Purisma
- DataFlux
- Tibco Software
- VisionWare

ability to execute

niche players | visionaries

completeness of vision

As of October 2010

Source: Gartner (October 2010)

MDM for Product Data

challengers | leaders

- Oracle
- IBM
- Stibo Systems
- SAP
- Hybris
- Tibco Software
- Heiler Software
- Riversand
- Enterworks
- GXS
- Informatica
- Orchestra Networks

ability to execute

niche players | visionaries

completeness of vision

As of September 2010

Source: Gartner (September 2010)

Master Data Management (MDM) Implementation
## *Critical Success Factors & Best Practices*

Critical Success Factors:

☑ MDM Strategy

☑ Vendor Selection

☑ Self Service Architecture with Scalable Data Model

☑ Data Quality

☑ Data Governance

☑ Integration / Synchronization Approach

☑ Streamlined Workflows for Business Process Standardization

Best Practices:

☑ Business Case with Measurable ROI

☑ Embrace Data Governance

☑ Look at Architectural Consistency and Product Fit

☑ Ensure Active Vendor Support

☑ Continuous Collaboration Between Line of Business & IT

☑ Rear View Check

☑ Think Big, Start Small
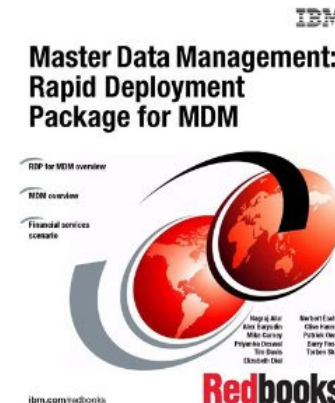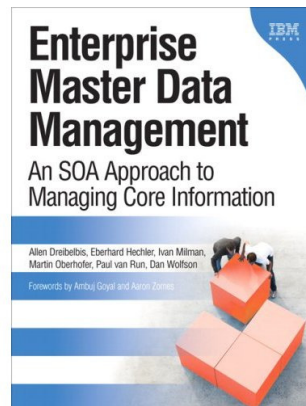
Questions & Answers

Agradecido
Agradecido
Muchas Gracias
Agradecido
Agradecido