



SLK's POV

6 Master Data Management Myths Debunked

Introduction

Some organizations hesitate to consider master data management as they think it's a practice for large organizations. However, they could be struggling to control their master data, while others might have suffered a failed MDM implementation due to the lack of a well-planned MDM strategy.

Data can act as a key driver for impactful business outcomes if properly managed and, if not, can also become a challenge and lead to operational delays and errors. Well-planned MDM strategies can help organizations better collect, manage, and distribute that data to maintain consistency and accuracy.

Here are a few myths about Master Data Management that lead to challenges for organizations.

Master Data Management Myths

1 Master data management is a solution

Master data management, or MDM, is the discipline or practice supported by a solution.

Gartner® defines MDM as a “technology-enabled discipline in which business and IT work together to ensure the uniformity, accuracy, stewardship, semantic consistency and accountability of the enterprise’s official shared master data assets.”

MDM is a part of the organization’s larger data governance strategy that must be put together based on outlined processes, responsible people, and defined rules. Therefore, before an MDM solution is implemented, it is important that the right team is assembled with the processes and rules laid out based on best practices. Once these are in place, you can consider a tool to help you realize your goals. Provided that you have a strategy in place, with the responsibilities defined for data owners across the organization, you can improve your chances of success with the implementation of an MDM tool.

2 MDM is just an IT problem

MDM is neither software nor hardware. It is a strategy that needs to be designed with inputs from data owners and users across business units and data domains. The mistake most organizations make is to hand over the responsibility of the MDM strategy to the IT team.

3 MDM doesn’t need data quality monitoring

Master data is the ‘one source of truth’ for any organization, it is sacrosanct for organizations. Since data is constantly changing and organizations sometimes have multiple users working on master data, data quality enablement can avoid human errors to achieve consistency across the company.

4 MDM is only for enterprises

Suppose you have disconnected data flowing through multiple systems, and you have no means to manage and control your master data. In that case, whether you are a large or medium or small-sized organization, you need to consider some form of data governance for your organization. When multiple business processes share data, the need for an MDM strategy becomes essential.

Additionally, keeping in mind industry regulations to share data with your trading partners, you need to maintain data quality checks to ensure compliance. Most smaller companies consider it a problem only for larger organizations when they suffer the same challenges that an organization does without an MDM strategy. When your company scales and your data and the number of applications you use increases, will you wait until the situation is out of hand to implement an MDM strategy? We hope not!

5 MDM is expensive

Or many think it is associated with larger enterprises only. Since it is an organizational-wide practice, it is perceived to be a sizeable investment.

It is true that MDM software used to be expensive when the industry wasn't as mature, but now there are solutions for every size, company, and situation. Additionally, most of our customers tell us that they account for MDM software as an operating expense rather than a capital expense.

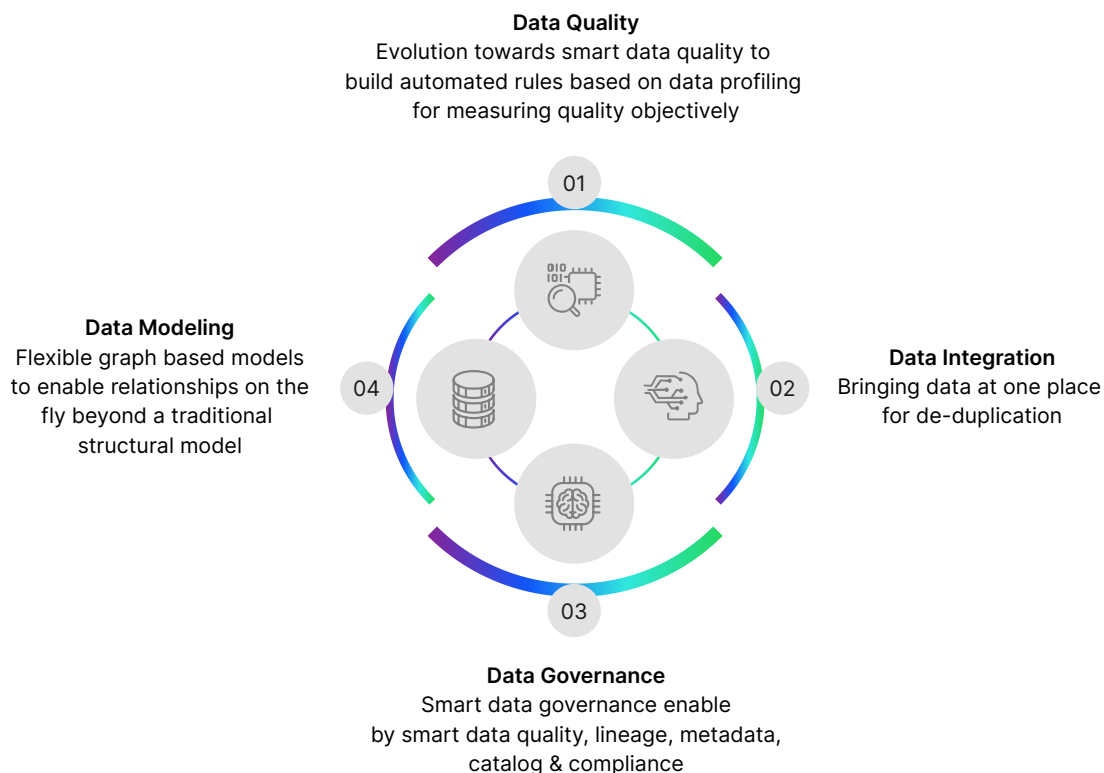
6 If you have ERP, you don't need MDM

Some of our customers have chosen to implement our master data management solution at the same time as migrating or modernizing their ERP solution.

If you don't start with a strategy and tool from day 1, your data will quickly become inconsistent and unreliable. Spending time and company resources regularly on data clean-up exercises is not as sustainable. Implementing an automated solution that allows you to add data quality rules that work in the backend while people across the organization regularly update data.

Have you changed your mind about master data management?

As highlighted in this article, if you move past the myths, master data management can provide a host of benefits. There are multiple workstreams to consider for MDM implementation on big data environments in the cloud beyond Data Governance & Quality, as below:



About the Author



Nagesh K P 

Business and Technology Evangelist with 23+ years of experience in IT products, consulting and services. Adept at envisaging and realizing new business models by solving business problems in diverse industries. Currently working on harnessing varied and disconnected Data through the convergence of emerging technologies like Smart Data and Analytics, Self-Service BI and Visualization, APIs, Cloud, IoT, Data Science, Low Code Systems to form integrated products & solutions more powerful than ever before. Avid Learner acquiring new skills in Data, Digital and Indological sciences.

SLK's Data Service Line

With 22+ years of data services experience across multiple industry verticals, and technologies encompassing legacy and cutting-edge technologies, SLK offers the following to customers

- Best-in-class data accelerators, frameworks, solutions, tools, and engineering services ensuring
 - Faster Data Assetization enhances data utilisation and outcome optimisation
 - Monetization and quicker GTM with newer business models
 - Reduction in implementation cycle time from years to months and weeks
- Re-Vector budgets' to build innovative solutions that maintain legacy systems to add incremental business values

About Us

SLK is a global technology services provider focused on bringing AI, intelligent automation, and analytics together to create leading-edge technology solutions for our customers through a culture of partnership, led by an evolutionary mindset. For over 20 years, we've helped organizations across diverse industries - insurance providers, financial service organizations, investment management companies, and manufacturers - reimagine their business and solve their present and future needs. Being A Great Place To Work Certified, we encourage an approach of constructively challenging the status quo in all that we do to enable peak business performance for our customers and for ourselves, through disruptive technologies, applied innovation, and purposeful automation. Find out how we help leading organizations reimagine their business at <https://www.slksoftware.com/>

Get in touch! Write to us at hello@slkgroup.com for more details.

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