

Data Quality

It's a Family Affair

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Agenda

- Introduction
- Data Quality: Definition – Drivers – Best Practices
- Data Quality: Cost or Income generator
- Summary

Introduction: D&B



- Founded 1841 in the US
- World's leading source of commercial information
- Database: 119 Million companies over 202 countries
- Benelux offices: Rotterdam & Brussels (Diegem)
- Revenue 2006: 1.5 Billion USD
- NYSE: DNB
- A.o. services for Data Cleaning; MDM; Data Append etc

- Master Data Management: A new way to correct the age-old problem in companies that the left hand does not know what the right hand is doing.¹⁾

Data Quality Definition

- The state of completeness, consistency, timeliness and accuracy that makes data appropriate for a specific use.

Data Quality Metrics

Accessibility

Believability

Concise representation

Free of error

Relevant

Security

Understandable

Appropriate amount of information

Completeness

Ease of manipulation

Objective

Reputation

Timely

Value-add

"if only those guys in IT could sort out this data mess!"

Data Quality

- 70 percent of best-in-class firms have identified competitive and growth pressures as the leading driver for customer data quality initiatives, and those organizations are more likely than others to consider data quality initiatives a top priority (80 percent vs. roughly 50 percent).
- Some 83 percent of those organizations have assigned accountability for data quality, and 79 percent have a process to get cross-functional consensus on data quality goals, priorities and actions.

Source: Aberdeen Group 2007

Data Quality - Drivers

- Higher efficiency
- Collection – Invoice recovery
- Better Customer Service
- Deeper brand penetration
- More accurate fraud detection
- Increase Strategic Impact

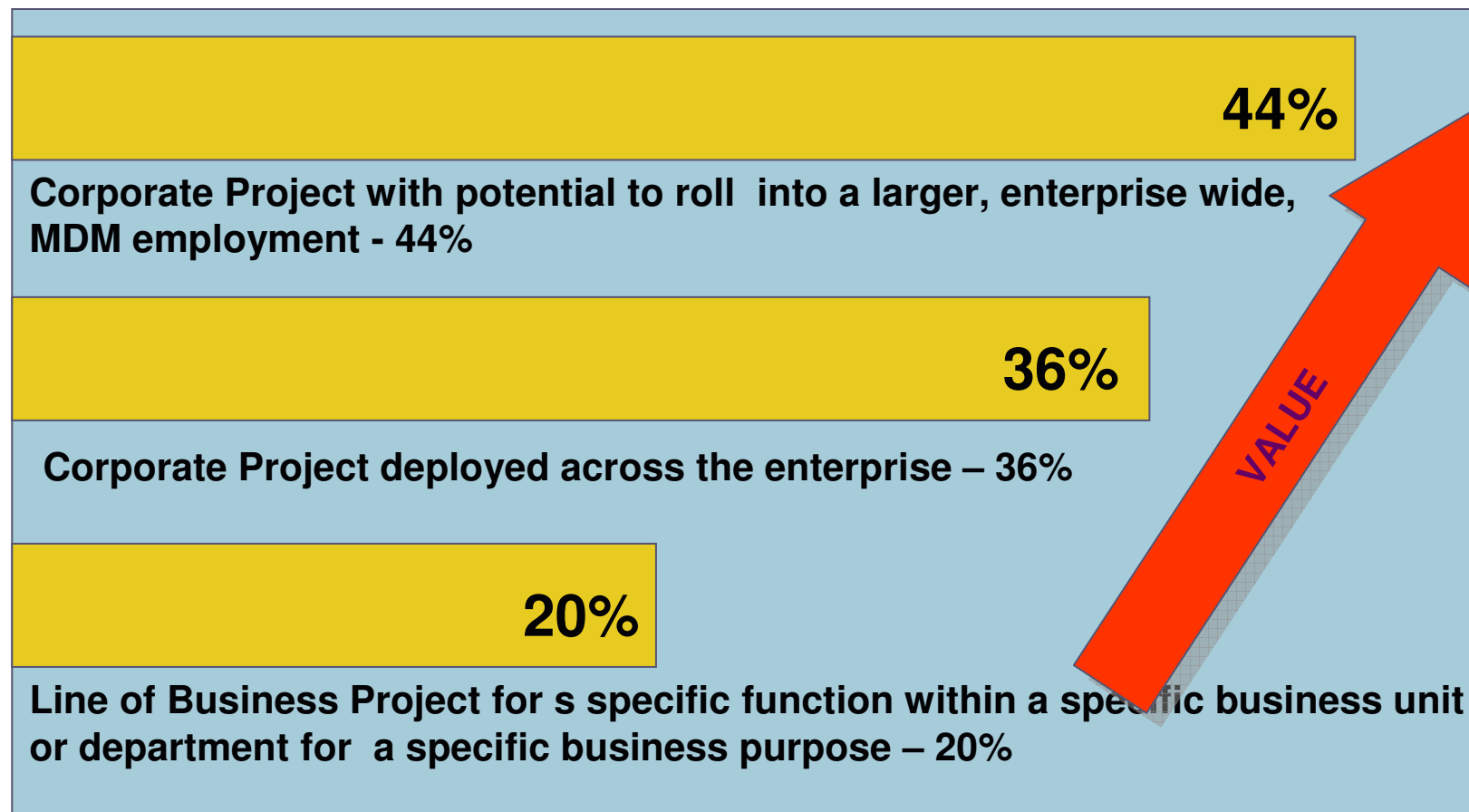
Compliancy

- e.g.: Basel II, Sarbanes-Oxley

Data Quality – Best Practices

- Align on deliverables, targets and goals
- Procedures go before the tools
- Benchmark quality/accuracy
- Take samples
- Communicate KPI's with the rest of the organisation
- Reference (UNSPSC, SIC, DUNS, Postcode tables)
- Join forces – Act as a family – Or stop doing it
- But define ownership/sponsorship and accountability

Scope of MDM Initiatives



Source: Ventana Research 2006

Data Quality

- The state of completeness, consistency, timeliness and accuracy that makes data appropriate for a specific use.
- How can we extend the use and increase the value?

Traditional MDM

Fine Tune Company

PO Box 276

3000 R'dam

Sales: 1000 K

Outstanding: 210K

Products: A - 1200

B - 300

C - 700

D-U-N-S: 40-129-9090

Fine Tune Company BV

Trading: La Musica

Hartmanstraat 10

PO Box 276

3000 AG Rotterdam

Sales: 1700 K

Outstanding: 310K

Products: A - 1400

B - 330

C - 770

FTC BV

Hartmanstr 10

3012 KL Rotterdam

Sales: 700 K

Outstanding: 100K

Products: A - 200

B - 30

C - 70

How does it work in reality?



Roderik Roelofs
11-05-1977
SalesRep
Salary: approx 125K
Volvo C70
Pauwenlaan 14
Blaricum
06-12345678
Single
Non-drinker
Non-smoker

Did your opinion change?



**FTC
NL**

12000K

**La Musica
USA**

7000K

**Super Musik
DE**

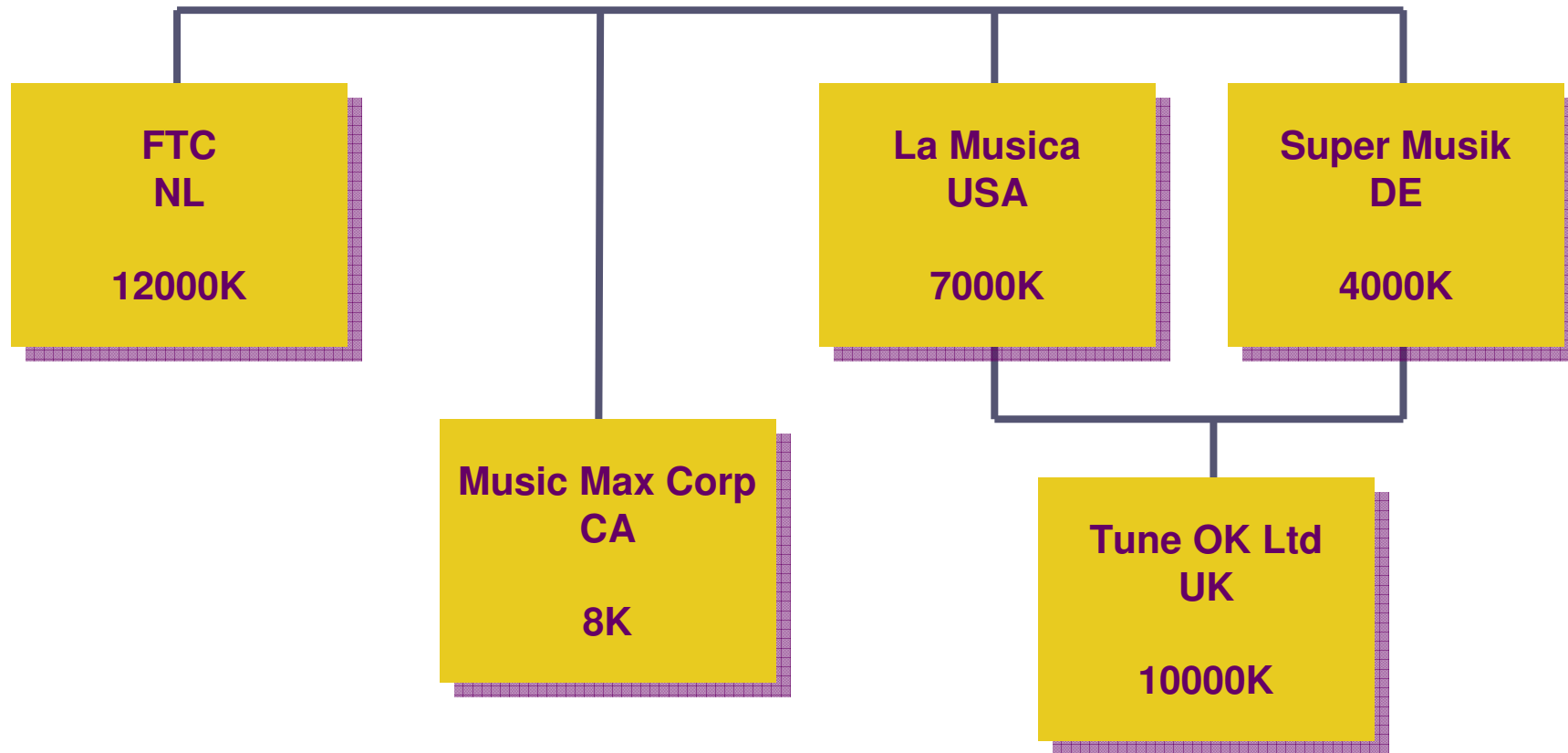
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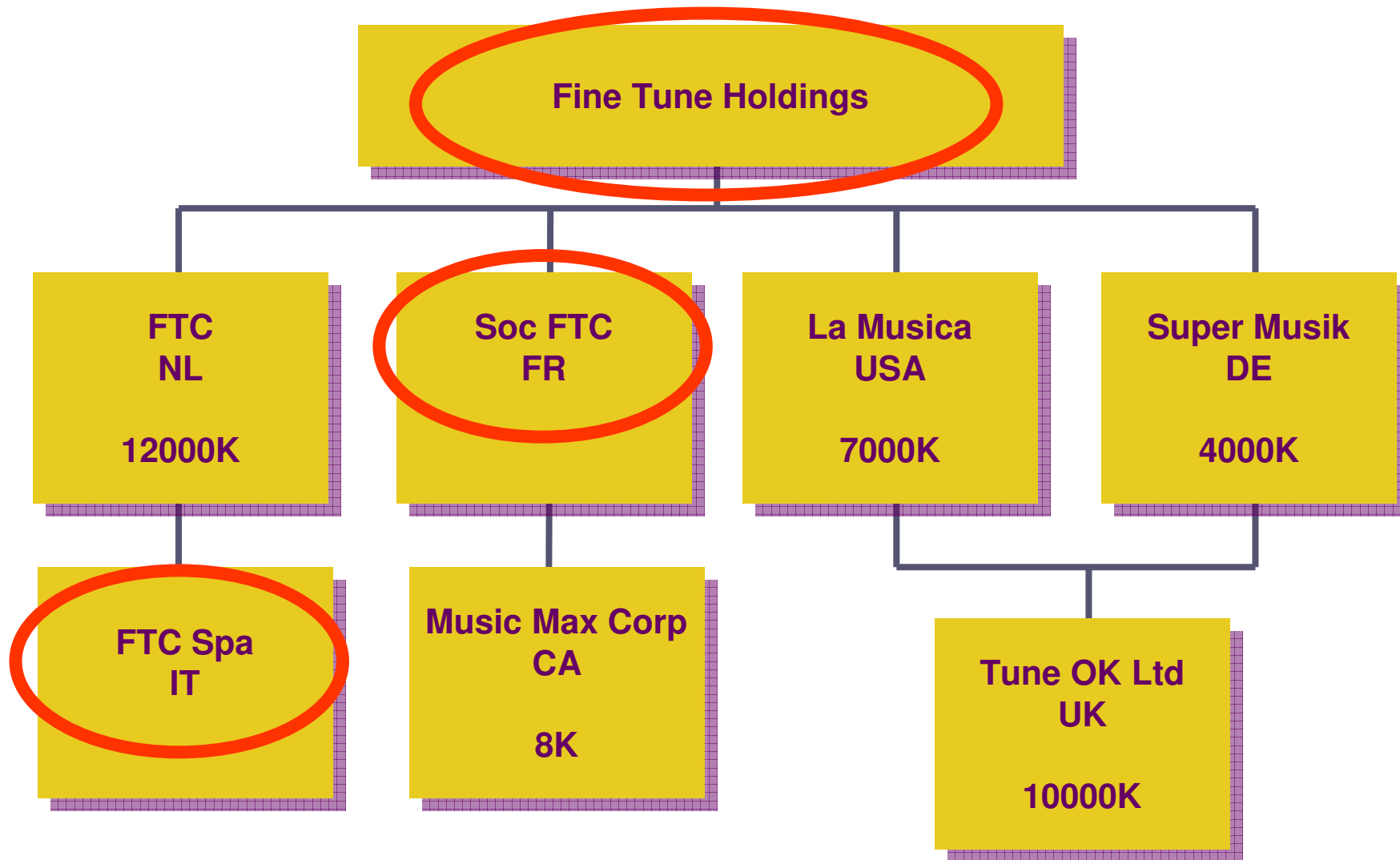
**Music Max Corp
CA**

8K

**Tune OK Ltd
UK**

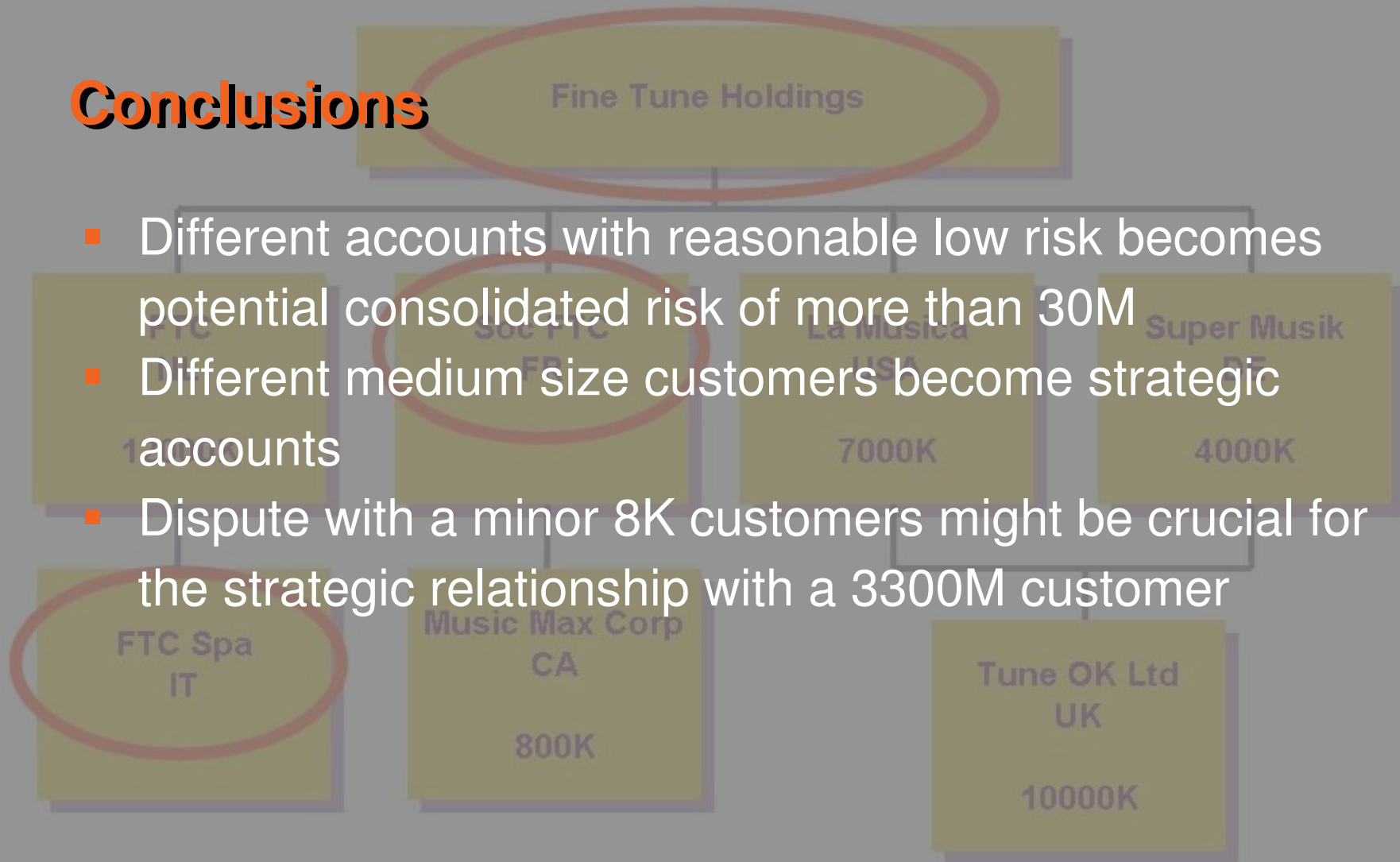
10000K





Conclusions

- Different accounts with reasonable low risk becomes potential consolidated risk of more than 30M
- Different medium size customers become strategic accounts
- Dispute with a minor 8K customers might be crucial for the strategic relationship with a 3300M customer



Conclusions

- Different small suppliers become strategic suppliers with potential savings and better SLA's and conditions
- Potential non-discovered suppliers within the same group become visible
- Dispute with a minor 8K supplier might impact the strategic relationship with a strategic supplier
- 'Invisible' overlap in customers and suppliers comes to daylight
- High potential (qualified) prospects become visible

“Extra’s”

- Visibility High Risk ethical relationships
- Legal & Compliance insight



Summary: The 'Family Approach'

- Act as a family Create the family view
- Involve the whole organisation. Company wide sponsorship is essential for the long-run success of MDM.
- Define, agree and align on the scope
- Create clear procedures and processes (maintenance!)
- Measure, sample, reference & benchmark
- Think big, but make small steps
- Increase value/ ROI: share & extend & append

If you cannot get rid of the family skeleton,
you may as well make it dance

George Bernard Shaw