| 0:00 slide 1 | Hello everyone. Welcome to Accelerating MDM with Information Integration and Governance, part of IBM's Information Integration Governance workshops. My name is Rick Clements and I am the program director of MDM product marketing for InfoSphere MDM.

I've recently had the opportunity to attend Gartner's MDM Summit, and they were laid based on customer's inquiries, customers were most interested in terms of the topic of MDM, how to build the business case, how to define the strategy, how to get started. In reality, all thing is Governance.

So that what this presentation is about. It's really about the intersection of Master Data Management and Information Integration Governance, how the two go together, and how you can help sell and get started in turning your organization, your own MDM initiative. |
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| 1:00 slide 2 | Moving on to the next slide. Organizations continue to struggle. And I've already had an opportunity to talk to many organizations like yourself. When you look at the business problem that MDM is intended to solve, it's really all about improving business processes and business applications. The problem that the companies continue to struggle with, is increasing complexity, data quality continues to decline, data security and privacy issues continue to escalate, and compliance requirements continue to emerge. And the slide here shows some data in terms of how company struggle with that, some data that have been captured around each of those areas.

So when we talk about Master Data Management, and Master Data Management helping to solve some of these problems, we put them in a context of these four areas. |
| 1:54 slide 3 | Moving on to slide 3. IBM recently worked to understand and survey along with BeyeNETWORK, asking this question of respondents. What information related to projects require Information Governance to be successful? And you can see here from the data that the number 1 response amongst those that responded was Master Data Management along with Business Intelligence. Join that MDM and Information Governance are truly linked together, one leads the other, to be successful.

It's interesting that Business Intelligence is listed is right up there with MDM because most often MDM, when I see surveys about Master Data Management, MDM is tied to feeding quality data to Business Intelligence and analytics systems. |
| 2:54 slide 4 | Let's talk further about what Information Governance means and how we can now define what it looks like. So let's move on now to slide 4.

What is Information Governance? |

	In short, Information Governance produces policies, processes, people and technology to monitor and ensure data quality, that the most accurate data is consistently available to the organization at all times. Now remember, you probably have heard the terms "Data Governance", "Data Stewardship", "Information Governance". Data Governance and Data Stewardship should work hand-in-hand to improve the quality of your Master Data and increase the efficiency of your Master Data Management initiative. Value of Data Governance is that it gives you the ability to make better and more accurate decisions, to gain deeper insights into your customer's behavior, understand your customers' propensity to buy products and services, understand the profitability of your customers, engaging in high-risk transactions of the probability of those customers engaging in high-risk transactions and understand probably of attrition. This is just some values that Data Governance offer. And you see here on this slide really a good definition of what is Information Governance.
4:20 slide 5	And then on slide 5, this is an overview of how Information Governance works. Really, from the top you have business leaders from, across an ecosystem could be marketing, sales, finance, R&D. They agree on priorities and imperatives. And shortly here, we will start talking about Master Data Management, business challenge of Master Data management and how those priorities and imperatives are determined. When those priorities and imperatives are determined, organization then decide on which data are most important to reach, shared business objectives across the business. And then, make declarations, principles, policies, prophecies, rules and metrics, to meet those shared objectives. And I'll share some of those shortly. And then, here at the bottom of the slide, you see that those policies and rules are administered by Data Stewards. And all of this help change the behavior of the systems and the applications that produce and consume data in order to optimize business transactions. We believe for Master Data Management to be most effective in an organization, it's really all about real time consumption of Master Data, making that data available at the point of service with an end-user. Let's now actually get deeper into Information Governance and Master Data management, that really was an introduction to the topic of Information Governance.
5:59 slide 6	Let's move to slide 6. On slide 6, Information Governance here creates order out of information chaos. We've talked about Information Governance we've talked about 3 things: people, process and technology. Governance

focuses on the why and what part of MDM: what is to be mastered and why? However Governance can't really be talked about in isolation from process (how and when), and organization (the who or where). Though Governance is not a technology, the resulting work that takes place does need technology to assist in the roles of the interested stakeholders.

Let me actually give you a couple of examples, the majority of my presentation here is not about technology; let me share where technology takes place and share a couple of examples. If you look at the heart of most Master Data Management systems, those systems have matching involved in terms of resolving, to individuals, to organizations, 2 types of data. You look at a probabilistic matching engine, as part of the heart of a MDM solution. They want to determine if Rick Clements in one record is the same of Rick Clements in another record. Well, believe it or not, this involves a Governance decision and policy. So in healthcare, when you look at setting up a matching rule, you set up what are call "thresholds"; above a certain threshold 2 records match, below a certain threshold those records are deemed and not match and in between, you need a data storage to actually look at to the data more closely, mainly to make a determination. When those thresholds are determined based on looking at probabilities of producing false positives and false negatives. A false positive in health care is very bad as it may result in improper treatment of a patient. Your healthcare is making a business decision to minimize false positives when they set their threshold using Master Data Management. Another organization, let's say a retailer, who's concerned about sending catalogs to companies, is a far different business decision or Governance conversation on determining those thresholds. The cost of too many false positives is then not sending catalogs to all potential customers. Certainly that's bad, but not as bad as in healthcare case that you actually treat patients wrongly resulting in very serious consequences.
So this is an example where you have Governance decisions being made, business decisions, business policies, if you related back to the last slide, being made, that get implemented as part of the technology.

Second example: we have customers, using Master Data Management, who are looking at organizational hierarchies, legal hierarchies a way to organizational hierarchy management to understand who their customers are, understand the products and services that customers have, to have a 360 degree view, to be able to do accurate reporting and analysis, to be able to cross or observe those sort of things. But they are looking at legal hierarchies, a very complex organization. They need to know for example, that McDonnell Douglas is exceeding Boeing or that General Electric has acquired

	these different companies and these companies are now subsidiary of General Electric. They have hierarchy information in internal to their systems but they also have hierarchy information from third-party such Dun & Bradstreet. What happens if these legal hierarchies disagree across the different systems? They have to make a decision, a business rule, a business policy that Dun & Bradstreet for example, might take precedence if there hierarchies do not agree. That again is an example of a business decision, a Governance policy, that get implemented then through business rules, through MDM technology. Anyway, I just wanted to spend a couple minutes on the importance of technology in Governance, But again I want to fundamentally say: "Governance is not a technology". We talked earlier about the definition of being the rules and processes that get implemented; really is people process technology however is involved in implementing those decisions that get made.
10:32 slide 7	Now let's turned to slide 7, mastering information across the supply chain. This really is a supply chain of information flowing throughout an organization. Unlike a traditional supply chain, an information supply chain, there's many-to-many relationships. With information, the same data about a person or a product that could come from many places. You may have a customer, an employee, a partner, and all of that information can end up in many reports and applications. Different systems may define the information differently as well. This makes information or integrating this information, ensuring its quality and interpreting correctly crucial to using information to make better decisions. Information must be turned into a trusted asset and governed to maintain the quality over its lifecycle. So, at the core of this presentation, we are going to focus on the integrate circle, on the integrate oval and focus on Master Data management.
11:32 slide 8	Slide 8. So, Information Governance answers these questions for Master Data management. WHAT: What is "Master Data" for your organization? WHO: Who knows the most and cares the most about Master Data? This will be critical as you think about Information Governance and determining who executive sponsors might be, for the initiatives you're trying to a champion. WHY: Why should the organization focus on MDM now? So, look at the business drivers and the value that MDM can deliver. Where is Master Data found? How do we find it? When can we show

	first results, and build on success? And then how do you get started?
12:17 slide 9	Slide 9. So what is Master Data and why is it important? I think it's important that we actually talk about the problem that Master Data solves. As I think about Master Data Management, if you look at an organizations, typical organizations run their business of a core processes. Those processes rely on data: customer data, product data, account data, and those data are Master Data, the high value information for critical business processes. The problem is that those data are of poor quality, they're incomplete, they're missing or they're duplicated. And because of that, the business processes that rely on that data are inefficient, ineffective, costly or increase business risk. And again the processes we're talking about, if you're in financial services, it might be a new product introduction, if you're in healthcare, it might be patient registration, if you're in hospitality, it might be reservations, ticketing, check in, what have you. Think about the industry you're in, and what the core and key critical business processes are to running that business, and then you'll find the data, you'll know the data, that are critical to the business processes. So, you combine the fact that the quality of the data are poor, the business processes are inefficient and ineffective with the fact that all of this data is spread throughout your organization, and this information is growing exponentially over time. This is the problem of Master Data Management. And it's in the heart of then, what is Master Data. It is really that high value information critical for those business processes to record every transaction, application and decision.
14:22 slide 10	Slide 10. So what then designate, you know, what is Master Data Management? If we look at the definition of Master Data Management, we believe MDM is more than a technology platform, more than a set of tools. MDM is a discipline, that provides a consistent understanding of Master Data entities and their relationships. It's a set of technologies, it provides mechanisms for consistent use of Master Data across the organization, and prescribed by Governance policies. And it's a set of IT practices and processes that are designed to accommodate, control and manage change in your Master Data assets. Lastly, MDM incorporates and really coordinates other IT disciplines to achieve that enterprise-wide "system of record" for core business activities. And when MDM is properly instituted, it will do so for all high value information for the organization, that the organization uses across their business, including customers, suppliers, partners, products, materials, chart of accounts, locations, employees and more. Again, any key type of data that support those critical business processes.

15:48 slide 11	Slide 11. So, who cares about Master Data Management? Really, there are 4 key groups of stakeholders. At the heart of most MDM decisions, is IT. Typically IT is charged with responding to the business; they are typically leading MDM investigations, in terms of looking at technology. And what IT typically is interesting in, is lowering risk, making sure they implement and choose technology and capabilities, that can be implemented and the timeframe in within the budget that they have, and solve a problem that they have, looking for vendors that are solved similar problems in their industry or with similar characteristics. But given the definition we just agree upon for MDM, business must be involved, because they own the key critical business processes, which are adversely affected by poor quality data. You're typically looking for a Chief Marketing Officer, or VP of Marketing, a VP Customer Service, COO, a VP of Operations. We might be looking for Risk and Compliance Officer, a VP of Risk and Compliance, someone that looks at legal and regulatory requirements. And increasingly, we've seen evolving is this notion of Governance owners. Someone that has the title of Data Steward, or needs solutions that include security and policies to control and monitor access to data. So the reason we are focusing so much here, when the most critical aspect of Information and Integration Governance, as you think through getting an MDM initiative started, is to identify who is going to be that sponsor or that executive that takes charge of this initiative, and helps champion the initiative throughout the organization. If you find that critical business process that is being impacted by poor quality data and the owner of that business process you've likely then found your champion.
18:02 slide 12	Slide 12. So, why Master Data Management? Where are the business drivers? What benefits would be derived out of solving an MDM problem? We've identified what is Master Data, what is Master Data Management, we've looked at who cares about MDM in terms of the types of roles. So, why MDM? Typically you can bucket the business drivers for Master Data Management into 4 key areas. First is increasing revenues. It includes things like identifying cross-sell, up-sell opportunities, customizing product offerings and bundles, introducing new products quickly, identifying high value customers, improving customer retention. On the cost side, of course decreasing cost. We're thinking here of automating manual business processes, reducing data errors, eliminating excess mailings, identifying credit risk, supporting system

	consolidation initiatives. We have one customer, who as result of implementing Master Data Management, were able to consolidate multiple customer information files, resulting in savings of millions of dollars on an annual basis.

The third category of business driver is really agility or strategic initiative. Being able to consolidate data from silos or integrate new systems quickly as result of mergers and acquisition, meeting the demands of new business channels, identifying key relationships and hierarchies. We have customers who have implemented Master Data Management to understand the licensing position they have with their customers and the result of understanding that licensing position realized millions of dollars in additional revenues because they're now able to go sell to customers or prospects that weren't customers before. But without MDM, they didn't have a clear picture of who their customers were.

Then the fourth category is compliance: reducing risk, controlling access to data, adhering into government and corporate regulations, and managing customer privacy preferences. We have one technology company who has claimed the result of MDM, an improvement of 300% in terms of meeting customer privacy preferences. We have another customer, who is on the record of showing millions of dollars in savings in terms of avoiding a fraud using Master Data Management technology.

So these are the business drivers for MDM, that are most often cited, and the reason these are key, as you get started on a MDM initiative, again one of the key pieces of feedback I hear, is how to get started. Key is to identify that business process and a critical business driver. Just pick one, start small and then grow. Pick one critical business driver. Maybe it's cross-sell, up-sell. Maybe, it's eliminating excess mailings. Maybe it's M&A. Maybe it's adhering to a certain regulation. Pick one, show value out of that initiative. And quite often we see customers start with one initiative, and then rollout MDM over phases across additional data domains and additional business drivers. |
| 21:53 slide 13 | Slide 13. Where is Master Data? Information Governance can actually help you be informed about the state of your data environment, so you can understand where Master Data is. It helps to answer questions like:

What systems, sources and processes contain Master Data?
How do I distinguish them from those that don't?
How do I acquire that data quickly, into a single 360 degree view, across customers, prospects, products, assets, locations, trading partners, employees etc.? |

	Beyond just accessing the data, what quality issues are enterprise, preventing data from providing meaningful insight into the business processes? How do I keep my Master Data in synch across different processes and end-users? These are some bread-and-butter IT issues, often solved in a piecemeal fashion as they're encountered. But taking a piecemeal approach may prevent you from confronting the bigger picture, which is eroding trust in enterprise data by the constituencies that rely on it, combined with an increasing tendency of these constituencies to go their own way.
23:09 slide 14	Slide 14. This slide, it continues the theme of where is Master Data. It's not a positive development for your program, as we talked earlier, that your constituencies may turn to different solutions. What you see here, Gartner assessments of trends in the MDM market attest to, the "Trust Issue" is perhaps the top reason for failure in an MDM program. That may be why the IT functions needed to acquire data from across business processes and sources, and do so quickly, in a controlled and automated fashion, and keep in synch with rapidly changing data environments, constitutes 70% of the nuts-and-bolts work of implementing MDM. So, fostering and participating in an Information Governance program is going to help investments your MDM initiative is making in data acquisition and integration relevant to the ever-changing priorities of the business.
24:08 slide 15	Slide 15. So, when will we know when we're succeeding? As we've mentioned repeatedly, MDM works best when it maintains an alignment with business priorities, and Information Governance helps MDM get aligned and stay aligned with those priorities over time. It also helps the MDM program to develop success metrics that are tied to those priorities, so that meeting MDM goals quantitatively demonstrates meaningful contributions to the business. This is how you know when your succeeding. So, as we discussed earlier, pick a business driver, pick one, solve that self metrics for what's success looks like. So, what we see here on the slide is a global information technology supplier used MDM to get a comprehensive customer view, spanning internal and reference data sources. This 360-degree view helped them adapt to growing complexity in their customer base, gaining insight about what customers license, how they pay and how they use their products.
25:11 slide 16	Slide16. And here the results…

	By doing this, this technology supplier was able to realize, and more importantly, to quantify, real benefits to their organization. Benefits like an 85% reduction in time spent rounding up information from across silos, a 58% reduction in time related to looking up customers, contacts and contracts, 30% improvement in sales and marketing programs, just from making information accessible, $1M in improvements, particularly in customer-facing operations, like up-selling and tech support. It's really no accident that this MDM customer delivered in areas that people cared about. With a conscious effort on the part of the MDM team to leverage governance, Information Governance, to align MDM toward the most impacting the business that lead to this result.
26:07 slide 17	Slide 17. So, just continuing the theme of how will we know, when will we know we're succeeding… Organizations approach the job of measuring the success of their governance programs in our engagements and through IBM, we've identified 5 specific levels that an organization attains in their roadmap for Data Governance monitoring. Level 1: this is "Initial", ad Hoc, basically, a reliance on anecdotal, point-in-time snapshots. Level 2: this is "Managed", this is where most IT initiatives land, basically measuring goals that are particular to IT, like to cost savings from retiring systems. 3: "Defined", this is an organization comes to a common understanding of data definitions, standards and procedures, from which governance policies can be formulated. This is the stage where most organizations typically self-identify as having a "governance program" of some kind. Then, in level 4 and 5, you have "Quantified". Level 4, this point the organization is able to establish a baseline for data quality, data utilization and policy adherence, and organizations, at this stage, are able to measure improvements in each of these areas. And then, level 5, at this stage, the customer is able to round-trip, making inferences from their metrics and using them to fine-tune their governance policies. So MDM is instrumented to provide for the measurements and quantitative approaches, so often we see organizations mature their governance practices as they proceed through phases of their MDM initiative.

	And I like I mentioned earlier, it's definitely common for companies to roll out MDM in phases, starting small with a simple business initiative, a single data domain and then adding different business drivers, business initiatives or different data domains, over time.
27:54 slide 18	Slide 18. So, we've talked about what is Master Data, who's interested, we've talked about the business drivers, where to find Master Data, when will you know you're succeeding, and finally, how do you get started?
	There's really a couple of key area, so at the beginning of the presentation, we also talk about people, processes and technology. So, on the people side, I think there're really great resources. One is this Information Governance Community. We have a gentlemen at IBM, Steven Adler, you owns Governance Solutions for IBM, and he'd been very instrumental, and helping, start this community acting as its chair, it's not an IBM community, really is a peer community, focused on the topic of Information Governance.
	The community shares best practices around different topics like Auditing and Reporting, Information Lifecycle Management, Data Architecture, Data Quality, Security and Privacy, Metadata, Stewardship, Policies, Value Risk Management, Data Risk Management and Compliance.
	I believe there are close to 2000 members of the community who get together quite often to share best practices. So, I encourage you to click on the link you see here and learn more and see if this community makes sense for your organization to join.
29:22 slide 19	Slide 19. Another way to get started is read some books about Data Governance and we have here a book on "the IBM Data Governance unified process". So, we have a gentleman by the name of Sunil Soares, who has recently published a book, documenting our unified process for Information Governance. We recommend you to take a look at it, as you get started. It's a great asset. He really talks about the process of Data Governance, what steps you have to go through, very logical fashion, to help you on your Information Governance 's journey.
29:58 slide 20	Slide 20. Another book is "Master Data Management and Data Governance". This is a recently published by Larry DuBov. And so, I encourage you to look at either this book or the previous book or both to get more insight into driving business value with IBM software and best practices.
30:20 slide 21	Finally on slide 21 here, we have a model for the application of Information Governance to MDM deployments. This is a model we call

	"Master Data Governance". The model provides for an adaptive, iterative roadmap that proceeds through 4 successive stages, along organizational, technology and process tracks. This process will help you to define the scope and expected return for your governance program, understand the data environment, and it's impact on business processes and policies, iterate to improve quality of Master Data, as it's used in these business processes, and implement and tune policies for governing Master Data over time. So, we don't recommend you start with everything at once. As we mentioned before MDM functions best when it's focused on and aligned with the priorities of the business. So start with the organizational, data and business process that's most acutely impacting business performance, and make that the rallying cry at your organization.
31:21 slide 22	Slide 22. What is the bottom line? So, I think we mentioned each of these, throughout the discussion here: Enlist senior-level executives, find out who owns the business process or the key business pain, pick an area of "Data Pain". We talked about those, they found 4 areas: increasing revenue, decreasing cost, agility strategic initiative and regulatory compliance. Define the project in phases. Start with customer data. Start with product data. Start with account data. What have you. But start with a single business driver, with single domain and start small and grow. Measure your data quality issues. Over time, use MDM to define and refine those policies, standards and business rules. Architect and implement that data quality solutions and evaluate the project and plan the next steps over time. If you follow these steps, I think you'll find yourself learning fast, learning what works, what doesn't, what to repeat, what not and how your project will ball successfully over time. Thank you for your time today. I hope you have found this interesting. And I hope you'll reach out IBM for more information on accelerating your MDM initiative with Information Integration Governance. Thank you again.