

# Hanjin Shipping Gains Single View of Business with Master Data Management System



Hanjin Shipping  
Seoul, Korea  
www.hanjin.com

**Industry:**  
Travel & Transportation

**Annual Revenue:**  
US\$6 billion

**Employees:**  
3,800

**Oracle Products & Services:**

Oracle Customer Hub  
Oracle Product Information  
Management Data Hub  
Oracle Data Quality Management

*“The master data management system gave us a single, integrated view of our customers, partners, and suppliers. The information helps us run our business more effectively and ensures we make sound decisions.” – Kim Hyoung-soo, Section Chief, Process Innovation Team, MDM Section, Hanjin Shipping*

Since its foundation in 1977, Hanjin Shipping has grown into a global transportation and logistics company ranked in the world’s top ten. The company operates 200 vessels, including container ships, specialized gas tankers, and bulk carriers. Its vessels sail to 80 ports in 35 countries and ship more than 100 million tons of cargo a year to over 6,000 destinations. The Seoul-based enterprise has a number of subsidiaries, including Keoyang Shipping, Senator Lines (based in Germany), and CyberLogitec, an IT services company.

In 2005, Hanjin Shipping launched a Process Innovation project that involved implementing a new enterprise resource planning system, a customer relationship management system, and an enterprise asset integration system. The company quickly realized that building and linking a master data management (MDM) system to these solutions would enable it to manage critical business information from a central point.

The MDM system allows Hanjin Shipping to enjoy the benefits of accurate, clean, and up-to-date data, which supports sound business management and effective decision-making.

## A Single Source of Information

Hanjin Shipping already had processes in place to collect and store information, but wanted a more reliable way to ensure data accuracy and cleanliness. Business information was stored in disparate systems so when the company consolidated data for reporting, the results were inconsistent. The consolidation process itself was largely manual, which was time-consuming and took staff away from higher-value activities.

As part of its Process Innovation project, Hanjin Shipping decided to build a Master Data Management system. The company selected Oracle Customer Hub and Oracle Product Information Management

**Key Benefits:**

- Created a single source of information across the company
- Gained an integrated view of customer and vendor relationships
- Supported sound business management and decision-making
- Ensured data cleanliness with three-level check system

Data Hub to build the system. To ensure the MDM system delivered the detailed information its business required, Hanjin Shipping reorganized customer and vendor codes, reengineered the logistics and shipping management systems, and reviewed the chart of accounts. The company also standardized data collection and management methods, restructured the flow of data between business systems, and deployed a data ‘Dictionary’ to help staff maintain the new data standards.

**A Bird’s Eye View of the Business**

The MDM system and streamlined data management processes enabled Hanjin Shipping to improve data integrity and gain a better understanding of customer and vendor relationships. The system has just been launched, and the company hopes to extract data for use in summary reports. This will help senior managers make better-informed business decisions.

**Ensuring Data Cleanliness**

To ensure data is accurate and up-to-date, Hanjin Shipping deployed a three-level data cleansing system using Oracle Data Quality Management. The Oracle solution checks data at the point of entry, before it is stored in the MDM system, and finally during the confirmation stage. The checks ensure information is entered according to predefined codes and categories, which enable data to be used across the company.

The Oracle software also checks for redundant codes. For example, more than 40% of existing codes were deleted and replaced with new categories that were more relevant to the company’s business.

**Promoting Information Sharing**

Hanjin Shipping created an in-house ‘cyber cafe’ to allow staff around the world to upload manuals and other material and facilitate fast information sharing about the new MDM system. The company also plans to hold training sessions for employees once the MDM system is fully launched. It will also assign a manager to champion the MDM system and ensure its full adoption across the organization.

### Why Oracle?

After evaluating a range of data management packages, Hanjin Shipping selected Oracle for the software's robust performance and solid track record in the industry. As a global company with 24x7 operations, it was important that the solution be highly reliable and scalable. Once again, Oracle fulfilled these requirements.

### Implementation Process

The implementation began in April 2006 and was completed in March 2007. Customization was kept to a minimum to take full advantage of the Oracle solution's built-in workflows. Master code generation, correction, and deletion is controlled by Hanjin Shipping.

### Advice from Hanjin Shipping

- For an MDM system to be successful, you should not be satisfied with just basic data integration and management. You should agree on enterprise standards so the system has value for all employees.

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