

# ORACLE MASTER DATA MANAGEMENT (MDM)

## AN APPLICATION FOUNDATION SOLUTION

### KEY BENEFITS

- Speed Application ROI
- Foundation for upgrade to Fusion Applications
- Strategic Entry Point for Service Oriented Architecture
- Supports Governance, Risk, & Compliance

*“Through 2010, 70 percent of Fortune 1000 organizations will apply MDM programs to ensure the accuracy and integrity of commonly shared business information for compliance, operational efficiency and competitive differentiation purposes (0.7 probability).”*

Gartner, Jan. 2006

*Getting the right data quickly and consistently for all applications continues to be a key challenge for many enterprises.*

Forrester, Jan. 2006

### OVERVIEW

It has been said that data outlasts applications. This means that an organization’s business data survives the changing application landscape. Technology advancements drive periodic application re-engineering, but the business products, suppliers, assets and customers remain. Oracle’s Master Data Management (MDM) solution is a set of applications (MDM Data Hubs) designed to consolidate, cleanse, enrich, and synchronize these key business data objects across the enterprise and across time. It includes pre-defined extensible data models and access methods with powerful applications to centrally manage the quality and lifecycle of master business data.

### SOLUTION BENEFITS

#### Accelerate Application ROI

Application integration is a primary MDM capability. When new applications are deployed, they need only integrate with the MDM Hub for all data shared across the existing application landscape. This speeds the integration effort and shortens the time it takes to realize the expected return on the application investment (ROI).

#### Foundation for Fusion Applications

Implementing Oracle MDM Data Hubs is a recommended step on the ‘Path to Fusion’. With Fusion Applications on the horizon, customers planning to purchase Oracle Applications are asking for support in the transition to Fusion. Implementing one of the key steps on the ‘Path to Fusion’ as part of the Oracle Application deployment insures that the ROI will continue across the upgrade to Fusion.

#### Strategic Entry Point for SOA

Service Oriented Architecture (SOA) is a modern technology for adding business process flexibility to existing IT infrastructures. Forrester<sup>1</sup> considers MDM the most “strategic entry point for SOA” bringing the most strategic value to the business. But the anticipated improvements are never realized when data quality issues abound in the underlying applications. In fact, Gartner<sup>2</sup> has pointed out that, without quality data, “...SOA will become a veritable ‘Pandora’s box’ of information chaos within the enterprise.” Oracle MDM insures that the potential value of SOA deployments is achieved.

<sup>1</sup> June 2006, Best Practices “Eleven Entry Points To SOA For Packaged Applications”

<sup>2</sup> The Essential Building Blocks for EIM, Gartner 2005

*"... Though all reports may benefit from improved MDM, regulatory and financial reports are a hot spot, because they are scrutinized carefully today and can cause dire consequences when discrepancies are found. For example, the consistently applied definitions of MDM ensure that reports are populated with correct data, and the data lineage of MDM answers questions in the event of an audit."*

TDWI, Oct 2006

### Support for Governance, Risk, & Compliance (GRC)

GRC is a key topic in today's more highly regulated business environment. Application fragmentation can negatively impact an organization's ability maintain proper governance processes, mitigate risk, and provide accurate timely compliance reports. Oracle MDM Data Hubs are designed to support GRC by eliminating inconsistencies in the core business data across applications and enabling strong process controls on a centrally managed master data store.

### Proven Capabilities

Oracle has over 500 MDM customers around the world mastering customer, supplier, product, citizen, patient, employee, chart of accounts and more. Scalability has been proven. One customer is managing seven hundred million records. Across the Oracle MDM customer base, billions of records are under management. Many customers have been in production for over 4 years. In fact, the ARC Advisory Group has ranked Oracle MDM the market leader<sup>3</sup>.

### Real Measurable Business Benefits<sup>4</sup>

MDM brings its own ROI in a wide variety of business activities from cost saving to revenue enhancements.

- Increase revenue by 13%
- Reduce integration costs by 38%
- Decreased operation costs by 10%
- Reduced reporting time by 80%

In combination with Oracle Applications, MDM speeds deployment, sets the stage for down stream Fusion upgrades, facilitates the flexibility provided by SOA, and supports GRC. Oracle MDM Data Hubs are safe proven solutions for better data quality, lower cost integrations, and good governance. It is a natural add-on to the purchase of any Oracle Application.

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"... Fortune 1000 enterprises will lose more money in operational inefficiency due to data quality issues than they will spend on data warehouse and CRM initiatives."

Gartner

<sup>3</sup> Master Data Management Worldwide Outlook Market Analysis and Forecast through 2011, Steve Banker, 2006

<sup>4</sup> Percentages constructed through analysis of 9,000+ metrics. Included metrics have been identified through customer engagements, customer case studies, analyst reports, and industry publications.