

How do businesses keep up with constant change?

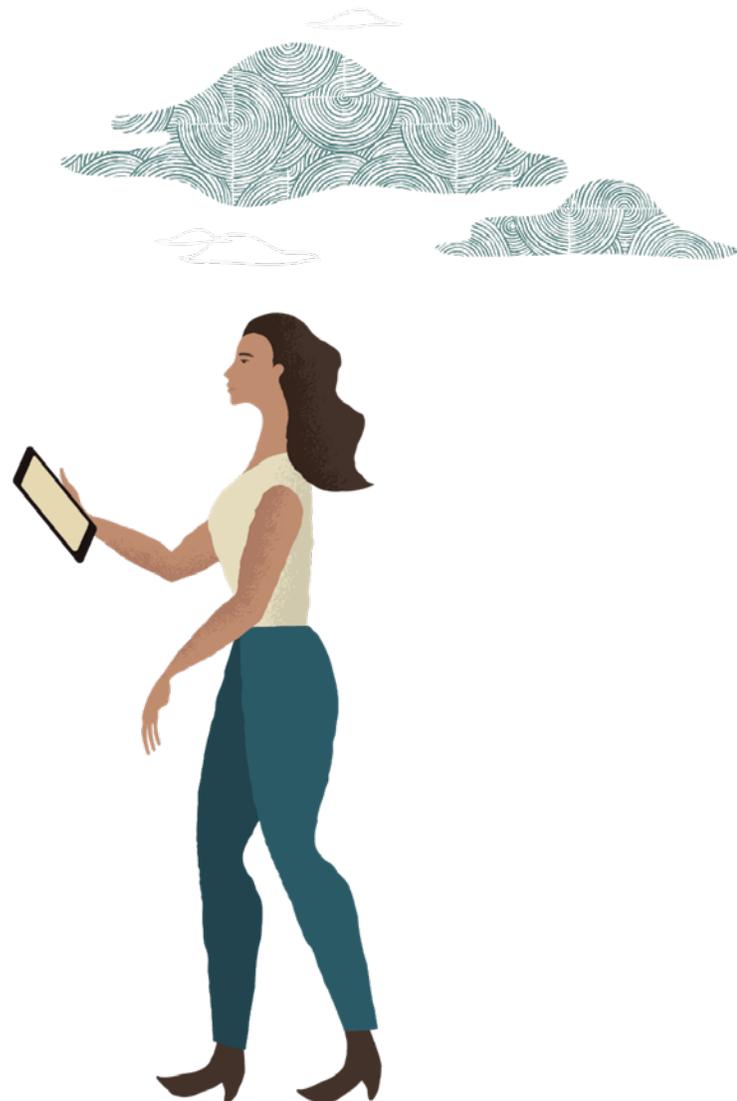


As we meet with organizations that are seeking better ways to manage performance, it is not difficult to identify those who are responsible for managing enterprise data. They are the ones who seem the most harried and stressed. Managing and aligning enterprise data is one of the most difficult, time consuming, and expensive challenges facing organizations today.

Managing enterprise data is not a new problem. Organizations have been struggling with it for decades. Lately, however, several key changes in the business landscape including digital transformation, a more fast-paced marketplace, new business models, and Sarbanes-Oxley and IFRS reporting requirements have made enterprise data management a more urgent concern. Why? Compliance, performance management, and business changes all require consistent enterprise data across an organization. In fact, managing enterprise data has become such a high priority that an estimated 80 percent of organizations have plans to centralize and systematize it.

A new sense of urgency

Ever-changing regulatory reporting standards, digital transformation, and a more fast-paced business environment have all brought a new sense of urgency to enterprise data management.



Enterprise data defined

For those unfamiliar with the term, enterprise data is data that is shared across systems and used to classify transactional data. For example, John (sales representative) who covers the Northeast (territory) sells 10,000 (quantity) of a new widget (product) to Acme Corp (customer) based in New York (geography) for \$50,000 (total sale) on March 15, 2021 (time). Taken together, this information is about one transaction, but included in the transaction are individual elements of enterprise data—sales representative, territory, product, customer, geography, and time. These individual elements must be identified and changes to them must be managed across the enterprise to ensure alignment. Without alignment, transaction data cannot be analyzed or reported in a meaningful way.

But that's not all. Individual data elements represent enterprise data, but the way data elements consolidate and/or roll up for reporting also represent enterprise data. Even for something as simple as geography, there might be multiple ways an organization needs to consolidate to meet all its internal and external reporting needs.

In addition, attributes and properties typically associated with individual data elements and hierarchical structures also represent enterprise data. Attributes and properties often vary greatly across enterprise systems, adding to the complexity of managing them. For example, one financial institution told us they have more than 700 attributes for each cost center across their multiple systems.



Enterprise data fuels enterprise systems

It's easy to see the importance of enterprise data. Enterprise data exists across transactional systems, such as ERP, HCM, supply chain, and project management as well as reporting, planning, and analytic systems. Without enterprise data, you cannot record a single transaction in your ERP. Values, such as entities, products, and accounts, are essential data elements required to perform any task within an ERP system. The transactions recorded in the ERP systems then need to be analyzed, reported, and planned. The enterprise data elements used to record a transaction must also be shared with your analytical, reporting, and planning solutions. Running solutions from different vendors and maintaining a hybrid on-premises/cloud environment are just a couple of factors adding complexity to managing enterprise data.

It's also easy to see why managing enterprise data is difficult. Not only are there volumes of enterprise data, but changes to enterprise data are driven by changes in the business—and for most organizations, change is constant. Even in our simple example, changes to enterprise data need to occur with the addition of a new product, sales representative, or business region. And these are everyday events for most organizations. One bank reported making thousands of enterprise data changes every month.

To complicate the situation even further, an estimated 50 percent of organizations separately maintain enterprise data in 11 or more systems, according to research and advisory firm Tower Group. Imagine what it's like to manage enterprise data for an organization with numerous changes across four or more systems every month. The simple task of adding even a single new department affects multiple systems and involves several different people. Most systems will need a slightly different variation of this change along with attributes that support their treatment in these systems.

With a problem of such importance and impact across the organization, you would think that companies would have long ago adopted a centralized, efficient solution to proactively manage enterprise data. But that's not the case. For most organizations, managing enterprise data is yet another expensive, manual process crying out for a better solution.



Don't get stuck here

So, how do most organizations manage their enterprise data today?

Remarkably, for something so important, organizations often manage enterprise data through hallway conversations, telephone calls, text messages, spreadsheets, and email. For example, if a department manager wants to add a cost center or management wants to see an alternate view of products for profitability reporting, the business decision must first be approved by all relevant stakeholders. This takes time and often includes a significant amount of back-and-forth conversation and communication to assimilate all the appropriate information and approvals.

Once the change is approved, IT receives the request to make the change and ensure that it ripples through all the transactional systems, data warehouses, as well as business intelligence (BI) and EPM solutions. Because changes are made manually, mistakes are often made with mission-critical data. These mistakes lead to important decisions being based on inaccurate information, as well as potential reporting misstatements, costly delays in the financial close, and lengthy reconciliations between misaligned systems.

Clearly, managing enterprise data is a challenge for both business users and IT professionals. There must be a better way. To some organizations, their

existing ERP system seems like a good candidate for driving such a solution, but ERP systems cannot provide a unified view of all enterprise data in the organization—nor should it.

The ERP system should not be burdened with enterprise data it does not need to transact and perform its key functions. Moreover, many BI, EPM, and other solutions have been implemented at the departmental level and are not linked across the enterprise and thus contain reporting-only data elements that have no bearing on transactional details.

So, how is enterprise data managed across systems in your organization?



Modernize your approach

As companies expand and evolve, it becomes essential to manage enterprise data across a growing number of information silos that result from mergers and acquisitions, digital transformation, departmental initiatives, or legacy system proliferation.

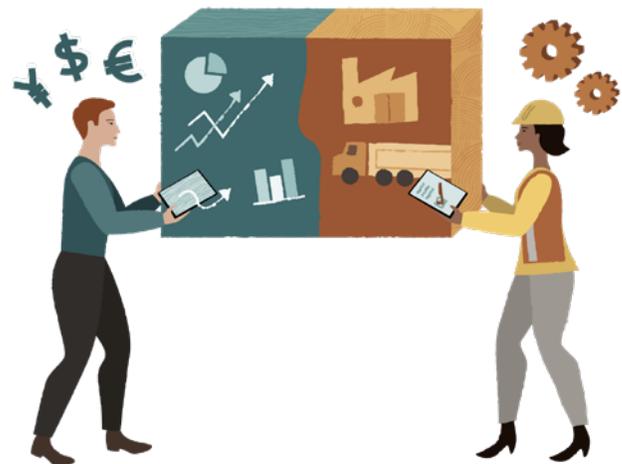
Don't underestimate the value of solving this challenge now. All users need to have confidence and trust in the information they use from any system across the organization. Data consistency, integrity, quality, and accuracy are of paramount importance. So the ideal solution is to proactively manage enterprise data across multiple systems from a centralized point, eliminating the risks associated with manual management from within each system.

The modern approach is to have a dedicated, purpose-built system for managing enterprise data. This centralized system eliminates redundant work, reduces manual effort, and validates enterprise data changes. This approach also involves a governed, collaborative, and business-driven process that minimizes the reliance on IT and gives more time back to both IT and business users to perform more value-added tasks.

This enterprise data management system supports the full change management process, from the initial change request and approvals

to disseminating the appropriate changes to all systems that need to receive them. The modern approach delivers full visibility into all changes made to enterprise data, who made them, and the impact of these changes.

With this modern approach, comes the ability to more easily and efficiently adapt to business changes—with significantly less risk. Establishing a foundation for managing enterprise data gives businesses the ability to keep up with constant change.



The path forward

The good news is that Oracle has been solving these challenges for customers for more than four decades. Our solution gives you the ability to build consistency within enterprise data elements despite endless changes within the underlying transactional and analytical systems. This solution works in heterogeneous environments comprised of Oracle, non-Oracle, on-premises, and/or cloud systems. Unlike the manual systems of the past, Oracle Enterprise Data Management enables you to meet the challenge of managing enterprise data with a modern approach that ensures data quality and accuracy across all business domains.

For additional information, visit [Enterprise Data Management](#).



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