

How Leaders in Master Data Management Make Their Processes Work Today

Accelerating Process Automation
and Digital Transformation with
State-of-the-Art MDM

White Paper

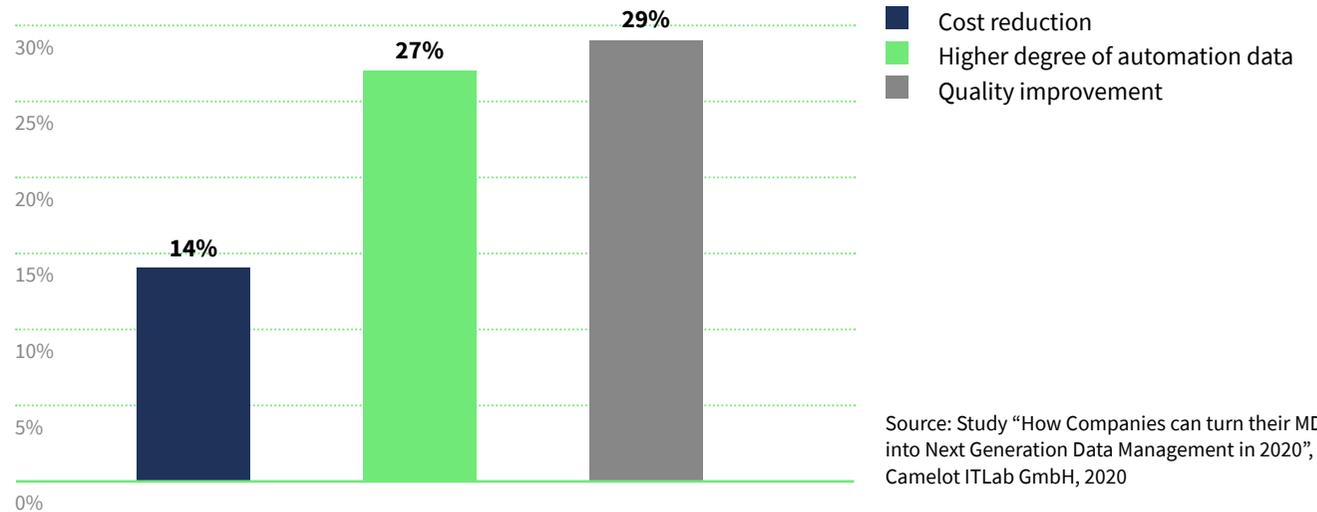
Efficient Data Management Drives Digital Transformation and Automation

The relevance of Master Data Management is increasing

In today's ever-changing and diverse environment, when a vast amount of data is produced in shortest time, an efficient data management is an important requirement for successful organizations. The handling, maintenance and analysis of this data is the basis for accurate reporting and therefore sound management decisions to achieve competitive advantages. As a result, data should be seen as a key driver for digital transformation and automation within the company.

The study *'How Companies can turn their MDM into Next Generation Data Management in 2020'*, which was created on the basis of a survey during the Camelot MDG Forum in Walldorf at SAP with experts in the field of Master Data Management, shows that modern data management offers highly attractive benefits for future digital initiatives and business programs.

Benefits in implementing modern data management technologies



Innovations Are Needed to Pave the Way for an Efficient Data Management

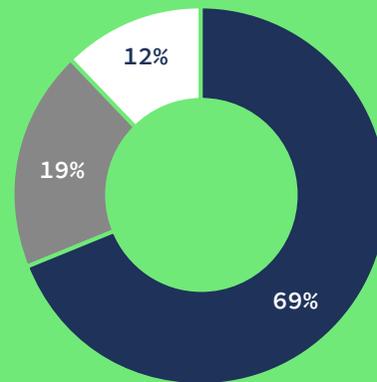
The role of new technologies and how leaders in Master Data Management can benefit

SAP S/4HANA has caused a shift in the ERP roadmap for many companies across all industries. With the necessity of implementations and required adaptations to e.g. the business partner concept, the relevance of successful migration activities for master data, which are still one of the major obstacles for successful implementations of MDM tools or ERP transformations, is even higher than before. Considering the underlying implications regarding big shifts in terms of data structures, the achievement of high (master) data quality, a working MDM framework and the organizational approval have become key to success.

The survey shows that around 70% of respondents are currently transforming from SAP ECC to S/4HANA. An additional 19% are planning to do so in the next 2 years. Therefore, master data migration and master data integration concepts are essential for this undertaking.

Is your company transforming from SAP ECC to S/4 HANA already?

- Yes
- Planned within the next 2 years
- No - not planned



Source: Study "How Companies can turn their MDM into Next Generation Data Management in 2020", Camelot ITLab GmbH, 2020

Master Challenges with Next Generation Data Management

The unlocked potential of Artificial Intelligence

Many of the future strategic business objectives will need to include the implementation of a Next Generation Data Management (NextGen DM) to help companies master their upcoming challenges and stay competitive. NextGen DM would thus be an adaptation of common MDM approaches to a data-driven business model in a distributed environment:



Value of data

Due to the enormous amount of data available today, data is often referred to as the oil of the 21st century. The ability of companies to harness this potential can be as valuable as the insights themselves that can be derived from the data.



Extreme process automation

The automation of ingesting, cleansing, enriching, maintaining and governing master data by using data pipelines can greatly reduce process cost and improve master data quality on a large scale.



External factors

NextGen MDM adapts to the requirements set by a multitude of external factors affecting Master Data Management (e.g. organization structures, cultural requirements, legal regulations, etc.)



Analytics & data science

The application of improved analytics across master data enables the realization of optimization potential and can reveal synergies across the value chain by identifying dependencies and connections between different business objects.



User experience

A user-friendly interface can greatly enhance the user experience, and in return can improve the overall quality of master data by empowering and motivating end-users to maintain the data on a continuous and flawless basis.

The application of advanced technologies under the umbrella of Artificial Intelligence, such as Robotic Process Automation or Predictive Analytics, describes the next step of data management activities on a way to digital transformation.

Most of the companies establish a Master Data Management because they are aiming for a higher data quality in a most efficient way. In order to achieve this, automation of maintenance activities is a key factor. Such capabilities for enhanced automation can be provided for example by Robotic Process Automation (RPA). RPA is not only a technology; it is rather an approach that bundles several technical capabilities such as screen scraping and natural language processing.

The use of innovative data management technologies offers highly attractive benefits for future digital initiatives and business programs, in particular a better Data Quality Management, a higher degree of automation as well as cost reduction, for future digital initiatives and business programs.

Benefits of innovative data management technologies



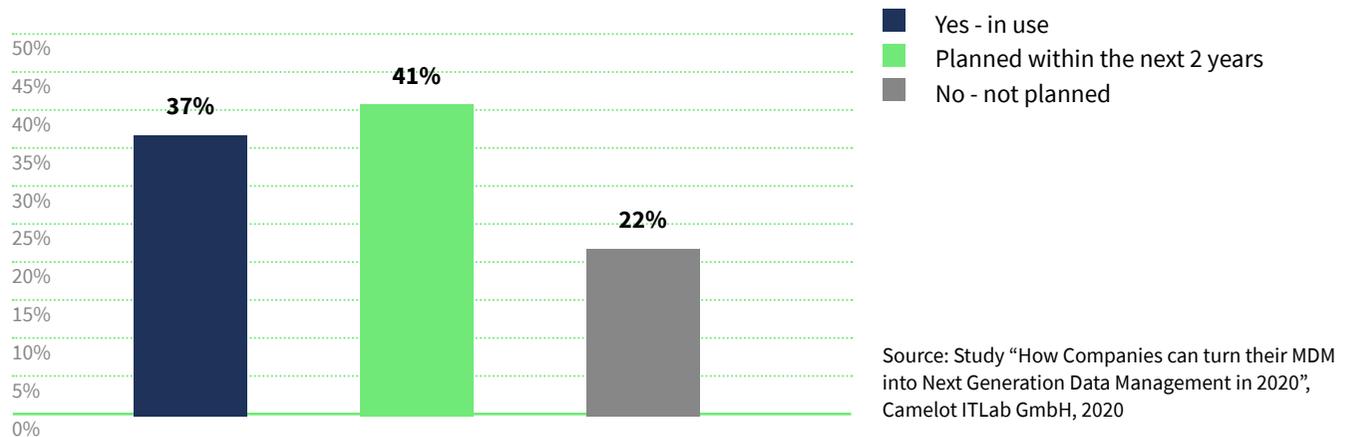
Enabling Intelligent Data Management with SAP MDG

The SAP MDG solution is further advancing in the market

When managing master data, it is crucial to utilize adequate tools in order to facilitate and automate the maintenance process. A commonly used solution is SAP MDG, as it seamlessly fits in many system landscapes consisting of various solutions from the SAP suite.

The results of the study *'How Companies can turn their MDM into Next Generation Data Management in 2020'* show that more than 4 out of 5 companies either have SAP MDG in place or are planning to implement it within the next 2 years in order to automate MDM.

Usage of SAP MDG to automate Master Data Management (MDM)



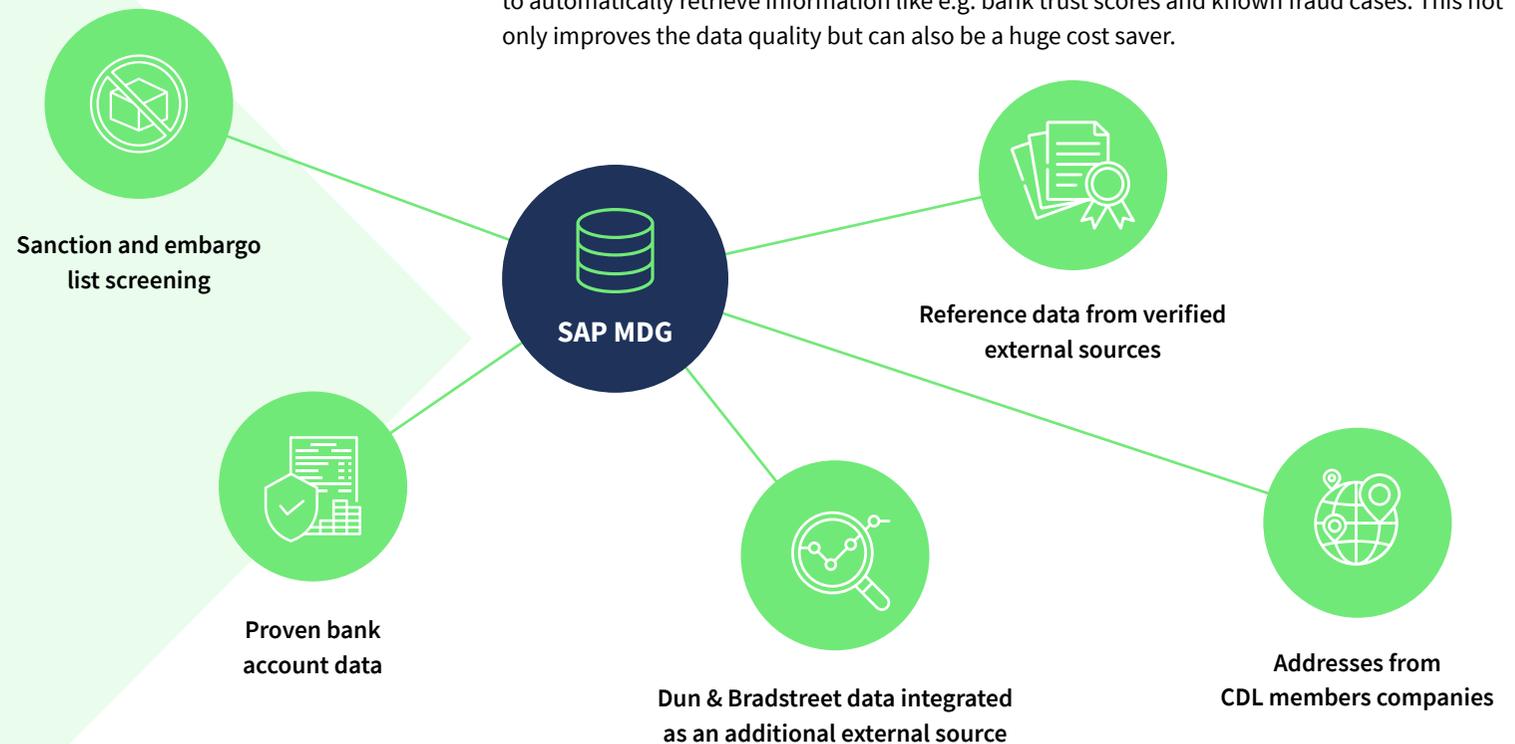
3 Ways How to Innovate Your SAP MDG Processes to Achieve Digital Transformation and Automation

Here are three possible ways to answer the question of how SAP MDG can boost your digital transformation and accelerate process automation

1 Explore the data by connecting your SAP MDG to external sources

The amount of unexplored data nowadays is tremendous and therefore it is nearly impossible to browse through this data and use the available information to improve your data quality. Intelligent Data Management automates this process by retrieving information from unstructured sources (i.e. scanned documents) or utilizing the power of web-crawling and open-source data to obtain the relevant information for optimizing processes across the value chain, from vendor hierarchy optimization within procurement activities to fraud detection in the finance area.

And with using or implementing SAP MDG, this kind of external data sources can be integrated to automatically retrieve information like e.g. bank trust scores and known fraud cases. This not only improves the data quality but can also be a huge cost saver.



2

Automate business processes and speed up your daily work

Modern technologies and their integration into SAP MDG cannot only automate processes and improve data quality by adding additional information. Many activities in MDM are repetitive and standardized. SAP MDG itself is already able to bring efficiency gain through modern approaches like business rules for derivations, but Artificial Intelligence can take this to a whole new level and free up your employees to engage in more value-adding tasks. Additionally, the quality of the master data can be significantly enhanced by handing over manually conducted tasks to algorithms.

Solution overview SAP MDG



EXAMPLE

Imagine the situation when a vendor reports a change of his bank data and provides a document verifying this change. Normally, due to the criticality of such a data change, the 4-eye-principle applies, and one employee is changing the data while a second one is comparing the changed data with the verifying document. With modern technologies like Optical Character Recognition (OCR) and Robotic Process Automation (RPA) the whole process can be automated. This not only speeds up the daily work, but also excludes the notorious human error and reduces efforts required to meet the compliance standards.

Document layout analysis,
OCR,
semantic extraction

Data extraction
based on a
defined rule set

RPA supported
validation
step

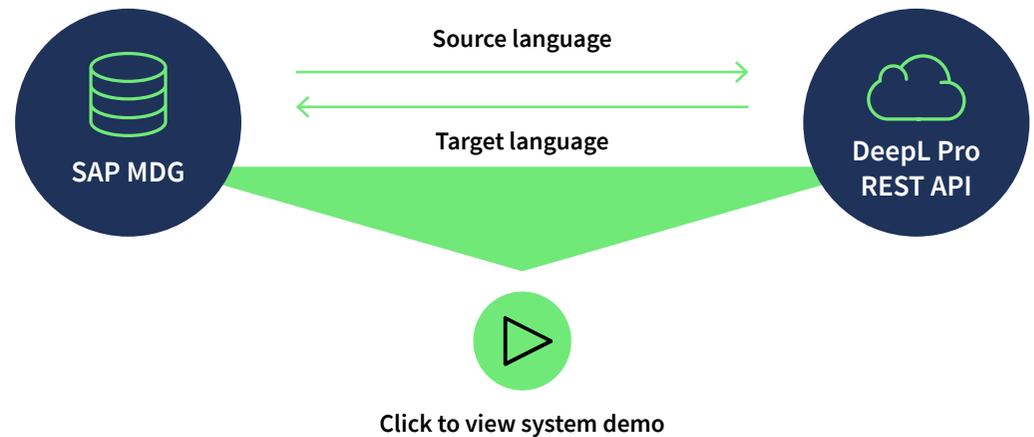
3

Improved usability and innovative user experience in SAP MDG

Information maintained as texts in your master data are often printed on documents used for the communication with partners and therefore are crucial for your business processes. For global players in the different industries this kind of information must be available in different languages. Maintaining the data in multiple languages in high quality is a major challenge for employees as it is rather uncommon that users are familiar with many different languages.

Camelot's Integrated Text Translation Service by SAP MDG tackles the problem of master data translation. It enables an automated translation of any text part of your master data and maximizes the user experience by automatically translating or by simply pushing a button to do so.

Camelot Integrated Text Translation Service in SAP MDG



The user friendliness as well as the system performance, which plays an important role for the user acceptance of a master data application, can be enhanced even more within SAP MDG. Nowadays, users compare any kind of application with their smart phone apps and want to be able to maintain data with a couple of clicks. Personal assistants based on machine learning make it possible to quickly create entries that normally require several clicks by using a simple voice command or chat entry. The personal assistants usually use speech-to-text and natural language understanding algorithms and thus create a completely new experience for end-users. If questions come up, the personal assistants can offer help via buttons and record the feedback for new functions and better performance.

Summary

All in all, the answer to the question of how managers in Master Data Management can make their processes work today is that they need to acknowledge the role of data as a key driver for digital transformation and automation within their company. Leveraging new technologies enables a Next Generation Data Management, which is needed to master future challenges and stay competitive. When managing master data it is crucial to use adequate tools such as SAP MDG. SAP MDG enables intelligent data management and helps to boost digital transformation through exploring the data by connecting SAP MDG to external sources, automating business processes and speeding up daily work, as well as through an improved usability and an innovative user experience.

Camelot ITLab GmbH

Camelot Innovative Technologies Lab (Camelot ITLab) is the leading IT consultancy for digital value chain management and driver of innovation in emerging enterprise technologies including Blockchain and AI. We guide businesses around the globe in transforming their IT ecosystems, with a strong focus on Supply Chain Management, Logistics, Data & Analytics, Customer Experience, and ERP.

Camelot ITLab is a long-standing partner of SAP with joint co-development initiatives, offering customized SAP implementations as well as our own disruptive solutions. As part of CAMELOT Consulting Group with 1,800 employees worldwide, Camelot ITLab stands for highest quality and responsibility, proven by an excellent track record. From innovations to solutions.

www.camelot-itlab.com

Why Camelot

- Camelot is the home of the AI in MDM Community – the collaboration platform for AI forerunners with over 120 members
- Next level understanding of Enterprise Data Science
- Combines data, people, technology and processes to deliver solutions that build competitive advantage at any stage of the value chain

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