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SAP Solution Brief | PUBLIC

SAP Solutions for Enterprise Information Management | SAP Master Data Governance

# Mastering Supplier Data for Your Intelligent Enterprise

THE BEST RUN



# High-Quality Supplier Master Data

Intelligent enterprises are seeking innovative ways to enable communication, planning, analysis, and execution across their entire supply chain. They recognize the need for complete, accurate, and reliable supplier data to support the transformation of operational processes and business models. The SAP® Master Data Governance application helps you **ensure quality supplier data and automate governance**.

## High-Quality Supplier Master Data

Having the highest-quality master data saves time and money across supply chain processes – for example, to ensure that shipments are made to the correct addresses and to know the best sources of supply. With SAP Master Data Governance, you can virtually eliminate slow, error-prone manual activities performed across multiple systems and improve your visibility into changes made to data. You can establish a single source of truth for supplier master data in multi-system environments. And you can make use of current investments in enterprise software solutions.

Maximize potential financial and operational benefits and take advantage of discounts, special conditions, and central contracts. Make better decisions regarding supplier performance. In addition, by centrally managing supplier master data, you can:

- Increase transparency into global spending
- Use volume purchases in supplier negotiations
- Accurately determine your best suppliers
- Facilitate operations after a merger

# A Single Solution for Consolidation and Central Governance

SAP Master Data Governance supports both master data consolidation and central governance scenarios in a single application (see the [figure](#) on the next page). You can consolidate supplier master data that is stored and maintained in both SAP software and third-party sources. You can process master data from cloud and on-premise sources, standardize the master data, and detect duplicates and put them into match groups. For each of the resulting match groups, the application builds a best record using fields from multiple source records on the basis of survivorship rules. You can then replicate these best records back into the transactional applications or to a data warehouse to help improve business process efficiency and business analysis.

SAP Master Data Governance also enables you to use an approach supporting centralized creation and maintenance of supplier data. This helps automate governance by controlling data quality at the point of authorship. By integrating data governance into business processes, you can help ensure that duplicate checks and field validations are performed before a new record is created. Standardized and automated workflow routing and notification help ensure participation from the right people and increase productivity. And personalized, role-based data access helps enforce security policies, even on mobile devices.

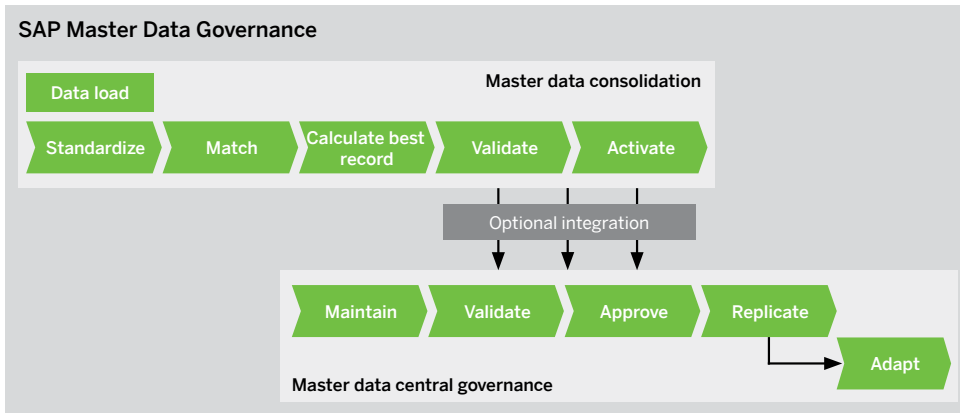
## A Single Solution for Consolidation and Central Governance

Governed Creation and Change of Master Data

Replication and Syndication

Data and Process Quality Management

Prepackaged, Configurable Support for Best Practices



**A Single Solution for Consolidation and Central Governance**

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Figure: A Single Solution That Can Span Governance Use Cases

# Governed Creation and Change of Master Data

A change request within SAP Master Data Governance contains master data content, associated comments, and approval history, and it defines workflow and step owners. The user interface highlights changes (different colors for different users), showing who did what and what needs to be checked and approved. In addition, an audit trail provides visibility into what changes were made, who made them, when they were made, and why, and it enables you to roll back changes to a previous version.

Version control and an audit history improve transparency and help **ensure policy and regulatory compliance**.

SAP Master Data Governance also uses a temporary staging area for master data that is still in process. After all changes are finally approved, the application transfers data to the active master data repository. There is clear separation between active master data that is approved and master data that is still in process and not yet approved. Access to in-process master data is restricted so that only approved master data is used.

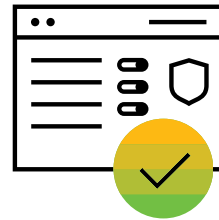
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## **Governed Creation and Change of Master Data**

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# Replication and Syndication

Once you have validated and approved master data, the application can distribute it to SAP and third-party software systems, virtually eliminating the need for manual maintenance multiple times in different systems. A wide array of movement mechanisms are supported – including Web services, application link enabling, remote function calls, and file transfers – and orchestration is independent of the mechanism used. The application keeps track of what data needs to be distributed where and what has been distributed successfully or not at the level of master data object. Target systems can subscribe to the distribution of master data on the basis of filter criteria and delta tracking, which enables tailored selection of master data for specific applications.

SAP Master Data Governance also provides key- and value-mapping capabilities to support scenarios where the same master data object is used in different systems with different identifiers. Key mapping is used when the primary key for a customer is different in various systems, and it helps ensure that you know which primary keys represent the same thing in different systems. Value mapping is used when codes used in master data attributes are different between systems, and it helps ensure proper translating when you are distributing master data between systems.

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## Replication and Syndication

Data and Process Quality Management

Prepackaged, Configurable Support for Best Practices

# Data and Process **Quality Management**

Robust quality management in SAP Master Data Governance lets you define, validate, and monitor domain- and process-based business rules.

Machine learning accelerates the development of data-quality rules. In collaboration with stakeholders across your enterprise, you define the scope of master data to consider, and the engine automatically discovers appropriate new rules quickly and efficiently.

You can check quality proactively on entry – automatically validating supplier addresses or enriching vendor tax codes, for example – to minimize the downstream costs of bad data. You can assess data quality with dashboards to help you monitor such elements as key process indicators,

trends over time, or the distribution of errors along various domains or dimensions. And you can prioritize quality initiatives by impact and business value.

You can also define service-level-agreement metrics for monitoring master data processes and activities and for issuing notifications when thresholds are crossed. Perform root cause analysis by drilling down from aggregated metrics to individual objects, change requests, workflow steps, and roles. In addition, compare processes across organizational units, master data domains, change-request types, and time frames. Such analysis helps identify inefficiencies that cause backlogs, so you can improve business outcomes.

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# Prepackaged, Configurable Support for Best Practices

SAP Master Data Governance includes support for best practices for master data management based on more than 40 years of experience working with customers in a broad range of industries. You gain prebuilt data models, business rules, workflow, user interfaces, and roles that typically address the majority of your needs. You can then tailor the prepackaged content or create completely new content to address specific needs. For example, you can add reference data such as

bank codes to the data model or create a rule-based workflow based on master data attributes and relationships.

To help speed time to value, take advantage of the services offered by the [Data Management and Landscape Transformation](#) organization, which are based on proven technologies and methodologies as well as extensive data management experience.

A Single Solution for Consolidation and Central Governance

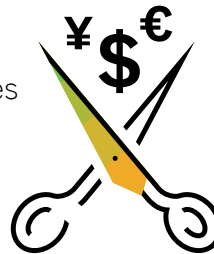
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**Prepackaged, Configurable Support for Best Practices**

Prepackaged support for best practices reduces total cost of ownership and **accelerates time to value.**





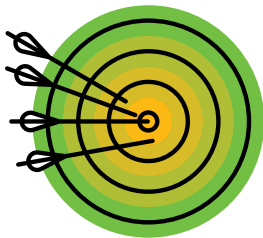
# Better Supplier Relationships Through Better Master Data

With SAP Master Data Governance, you can improve supplier data quality and automate data governance processes. A holistic, 360-degree view of the supplier improves the way you evaluate supplier relationships, identify areas for improvement in your existing processes, and enhance your ability to carry out spend analyses. With the application, you can speed business process activities, reinforce the supply chain, enhance business continuity planning, and underpin financial compliance processes. You

can analyze spend effectively and be prepared to handle financial audits. You can reduce spend costs through better pricing and enforcement of data governance mandates. And you can sharpen your business intelligence by tracking supply chain processes with greater precision.

The improved quality of supplier data provided by SAP Master Data Governance can help you reach your business goals.

## Better Supplier Relationships Through Better Master Data



Intelligent enterprises use their data assets effectively to **achieve their desired outcomes faster** – and with less risk.

## Summary

Your company needs an intelligent supply chain that connects people with processes and things. To achieve this, you must have accurate, complete, and trusted supplier data. The SAP® Master Data Governance application simplifies the integration of supplier data residing in both SAP and third-party sources. It supports cleansing, standardization, duplicate detection, and best-record calculation. It then lets you synchronize clean and standardized data across cloud and on-premise applications.

## Objectives

- Ensure consistency of customer master data across the organization
- Improve spend analysis and insight
- Simplify and streamline supplier-facing processes
- Automate and centralize master data maintenance

## Solution

- Data consolidation and best-record calculation
- Centralized data creation and maintenance
- Version control and lifecycle management
- Replication and syndication
- Data quality management and process analytics
- Prepackaged support for best practices

## Benefits

- Accelerate business process activity, bolster supply chain efficiency, enhance business continuity planning, and strengthen financial compliance processes
- Decrease supplier spend through improved analysis that can lead to better pricing
- Reduce effort and cost of master data management

## Learn more

To find out more, call your SAP representative today or visit us [online](#).



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