MASTER DATA

Purpose
The purpose of this tool is to provide an overview over the quality of master data in the company's supply chain. Master data is data that is typed once in order to be used repeatedly. The aim is to ensure reliable data, since the output will never be better than the input. The tool also addresses the issue of who is responsible for the master data or lack thereof. The relevance of this tool is clear when asking the question: "How much does poor master data cost the company?"

Participant(s)
Project manager, employees from the IT department, and key employees, who work with or disseminate data in the supply chain.

Application
This tool should be planned as part of operations with periodic repetitions. Likewise, the tool should be used when supply chain innovation projects are initiated.

Method

First, key employees, who depend on correct master data in their job, are selected. They are asked to rate the quality of the company's master data, by completing the five tables (Schlichter et al., 2011).
It should be emphasized that the company can adjust the statements to achieve maximum relevance.

Based on the tables, problem areas are identified; typically areas with predominantly red smileys.

If necessary, the results can be elaborated further in a workshop, in which facts are identified. This allows the involved to achieve a shared vision of the task and the proposed solution(s).

Frequency of poor master data

We often find errors in respect to:			
Customer master data (addresses, contact person etc.)			
Supplier master data (addresses, contact person etc.)			
Logistic master data (warehouses, locations, shipping rates etc.)			
Goods master data (part name, part number, quantity, reorder point etc.)			
Production master data (inventory, production rate etc.)			
Sales order master data (type, customer number etc.)			
Purchase order master data (type, supplier number etc.)			

Action for improvement of master data

Which effect did the following measures have on the quality of your master data:			
Data clean-up			
Politics for data creation			
Measurement of quality			
Division of responsibilities			
Education / training			
Give people ownership / responsibility for certain data			
Strengthen management's understanding of the importance of data quality			
Other			

Master data quality

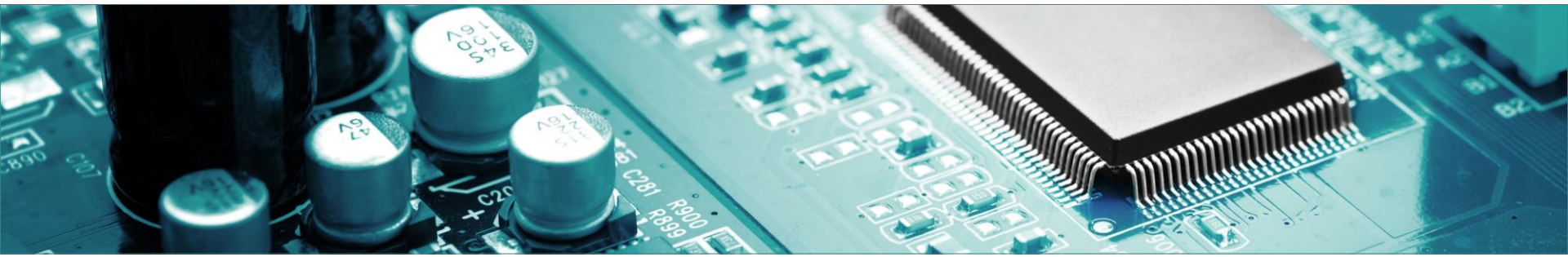
To which degree did the following present a barrier for the achievement of a high level of master data quality?			
Lack of ascription of the responsibility for the quality of specific data			
Lack of clarification regarding roles/responsibilities for the creation, use and maintenance of data			
Inefficient organizational procedures/processes			
Lack of management focus/commitment in relation to data quality			
Lack of quality measurements			
Lack of punishment and/or rewards in relation to data quality			
Lack of education/training of users			
Lack of written data quality policies and procedures			
Missing emphasis of the importance of data quality to employees			
Lack of IT systems for data management			
Lack of opportunity for input (fields) in existing IT systems			
Poor usability of IT systems			
Other, which?			

Consequences of inadequate / incorrect master data

We have seen that poor master data resulted in:			
Additional resources for administration			
Lower quality of documents			
Poorer work environment			
Poorer communication between the different functional units			
Unclear working procedures			
Less efficiency			
Loss in sales orders			
More production errors			
Longer duration of processes/procedures			
Extra resources used in production			
Lower product quality			
Other, which?			

Area of responsibility

To which degree do you have the responsibility for the data quality in the following areas:			
Customer master data (addresses, contact person etc.)			
Supplier master data (addresses, contact person etc.)			
Logistic master data (warehouses, locations, shipping rates etc.)			
Goods master data (part name, part number, quantity, reorder point etc.)			
Production master data (inventory, production rate etc.)			
Sales order master data (type, customer number etc.)			
Purchase order master data (type, supplier number etc.)			



Benefits

Investigating the quality of the company's master data and previous initiatives to improve these provides the company with an overview that enables it to focus its efforts.

Output

The tool provides input to areas in which improvements to raise the level of the master data can be made. Likewise, the tool can be used for hedging purposes and as input to company policies and procedures in this area.