


Warning: Don't Assume Your Business Processes Use Master Data

Clay Richardson

September 15, 2010

FORRESTER®

A close-up photograph of a stack of gold coins resting on a banknote. The coins are stacked vertically, with the top coin being the most prominent. The banknote is partially visible at the bottom, showing the text 'THE BANK OF ENGLAND'. The lighting is soft, highlighting the metallic texture of the coins and the intricate patterns on the banknote. A semi-transparent blue rounded rectangle is overlaid on the center of the image, containing white text.

**Business process professionals
must recognize data and
process as two sides of the
same coin to drive effective
business transformation.**



Survey of 2227 SMB and Enterprise IT decision makers

**I heard this BPM thing
might help us reduce
costs.**



Survey of 2227 SMB and Enterprise IT decision makers

**66%
BPM**

**I heard this BPM thing
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Survey of 2227 SMB and Enterprise IT decision makers



I heard this BPM thing
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66%
BPM

64%
Open
Source

Survey of 2227 SMB and Enterprise IT decision makers

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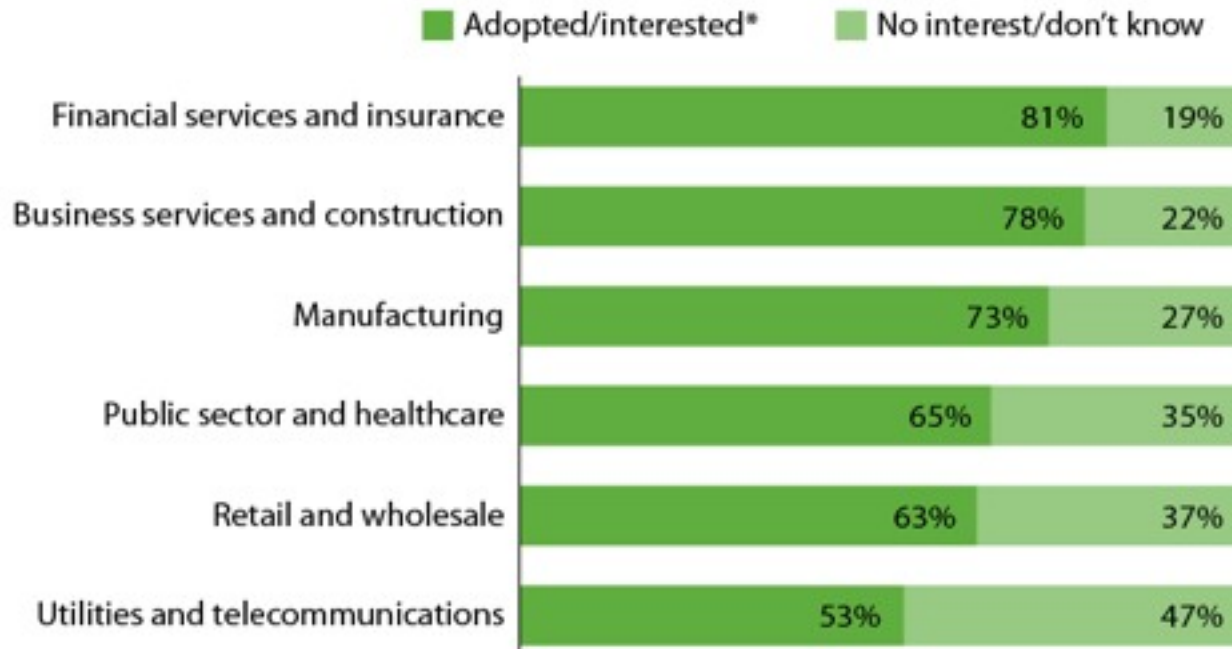
64%
Open
Source

40%
SaaS

Survey of 2227 SMB and Enterprise IT decision makers

BPM adoption strongest in hardest hit sectors

“What are your firm’s plans to adopt the following types of platform and infrastructure software?”
(Business process management software [BPM])



Base: 485 enterprise IT decision-makers

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2009

*BPM demand is comprised of respondents who are expanding/upgrading implementation; have implemented but are not expanding; are planning to implement in the next 12 months; are planning to implement in a year or more; or are interested with no plans.

Source: August 2010, “Forrester Wave™: Business Process Management Suites, Q3 2010” Forrester report

BPM programs face many critical challenges.

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**Building
consensus and
adoption**

BPM programs face many critical challenges.



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**Growing
process skills
and roles**

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**Building
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**Growing
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**Connecting
process
improvement to
data quality**

Why don't process professionals find data sexy?



Source: <http://www1.pictures.gi.zimbio.com/Chanel+Cruise+2010+Fashion+Show+-FcZ3lv1SeLI.jpg>

Why do data management professionals overlook process context?



Why do data management professionals overlook process context?

“Data is an IT problem” business mentality



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Leads to...

“Data is an IT problem” business mentality



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Leads to...

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“If we build it, they will come” IT mentality

Most teams fail to see the connection between BPM and MDM...



Source: September 2009, "Warning: Don't Assume Your Business Processes Use Master Data" Forrester report

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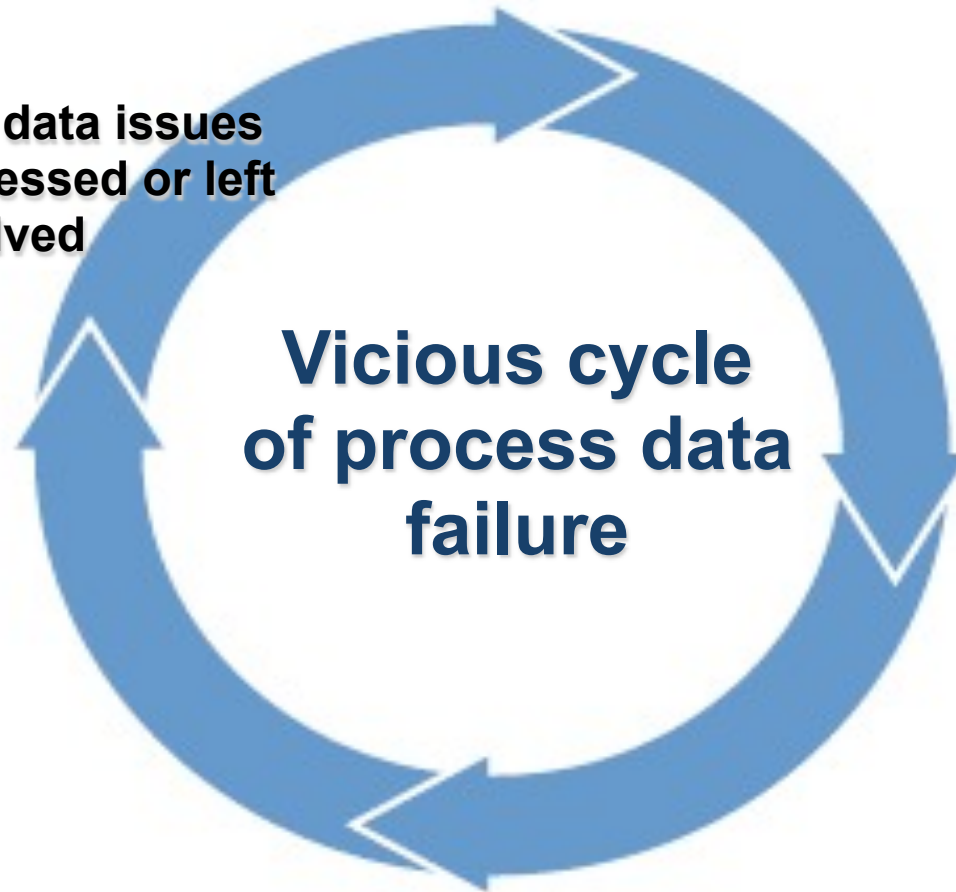
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... until it's too late



... until it's too late

**1. Master data issues
unaddressed or left
unresolved**

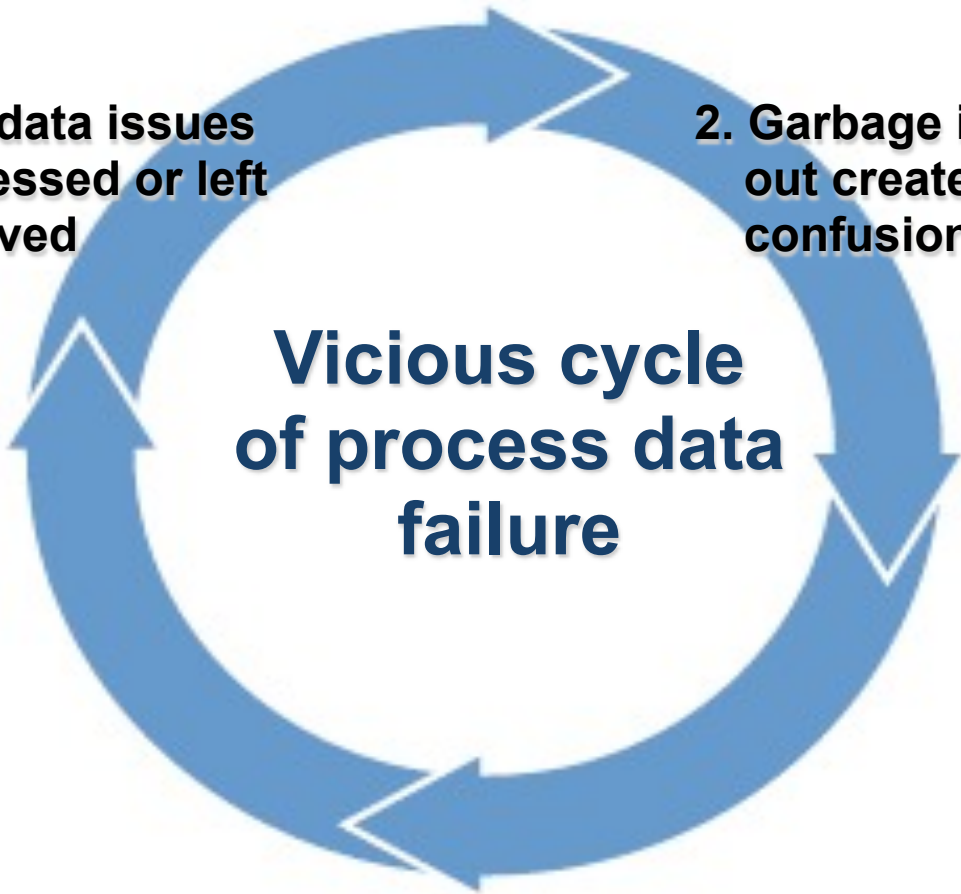


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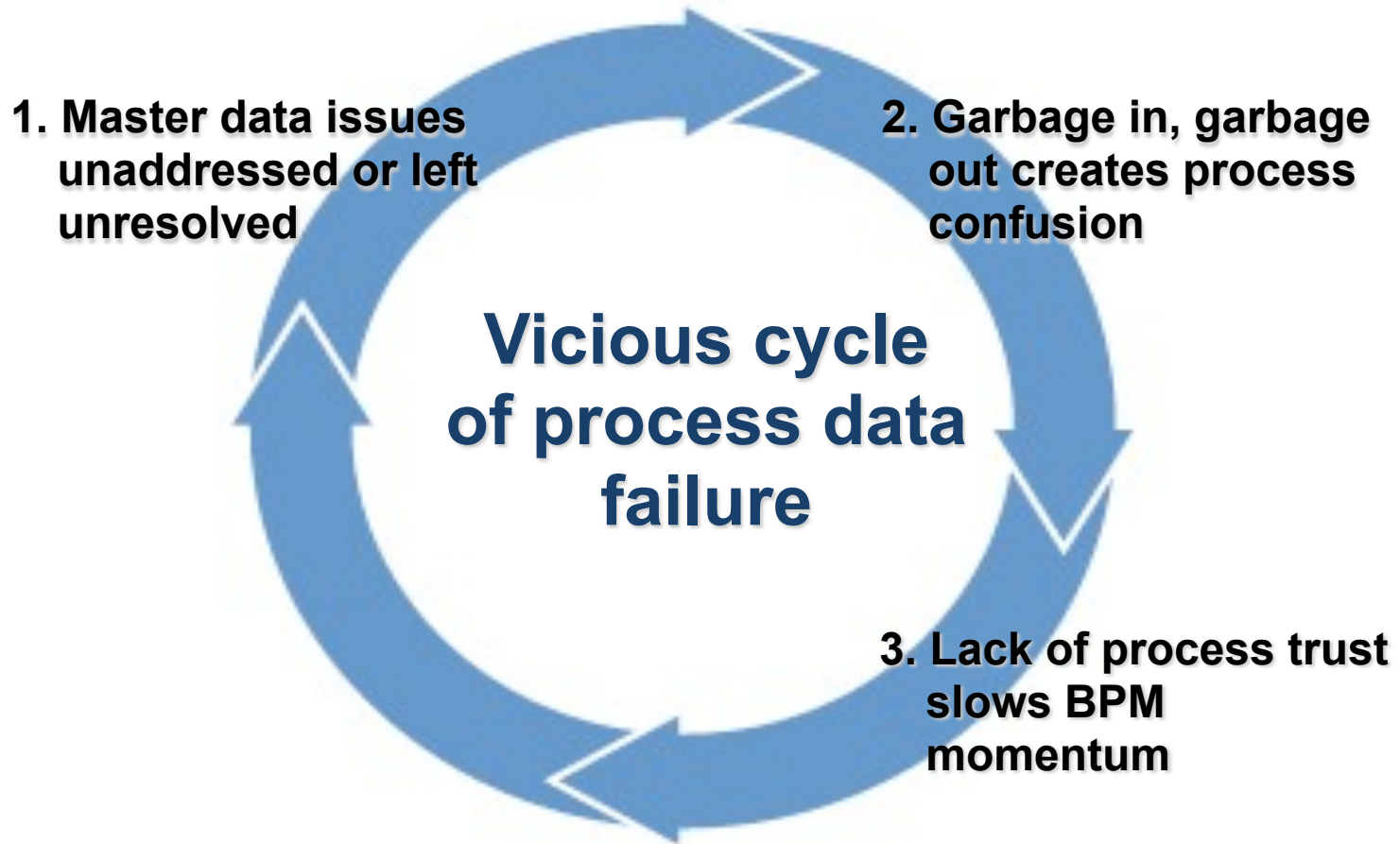
**1. Master data issues
unaddressed or left
unresolved**

**2. Garbage in, garbage
out creates process
confusion**

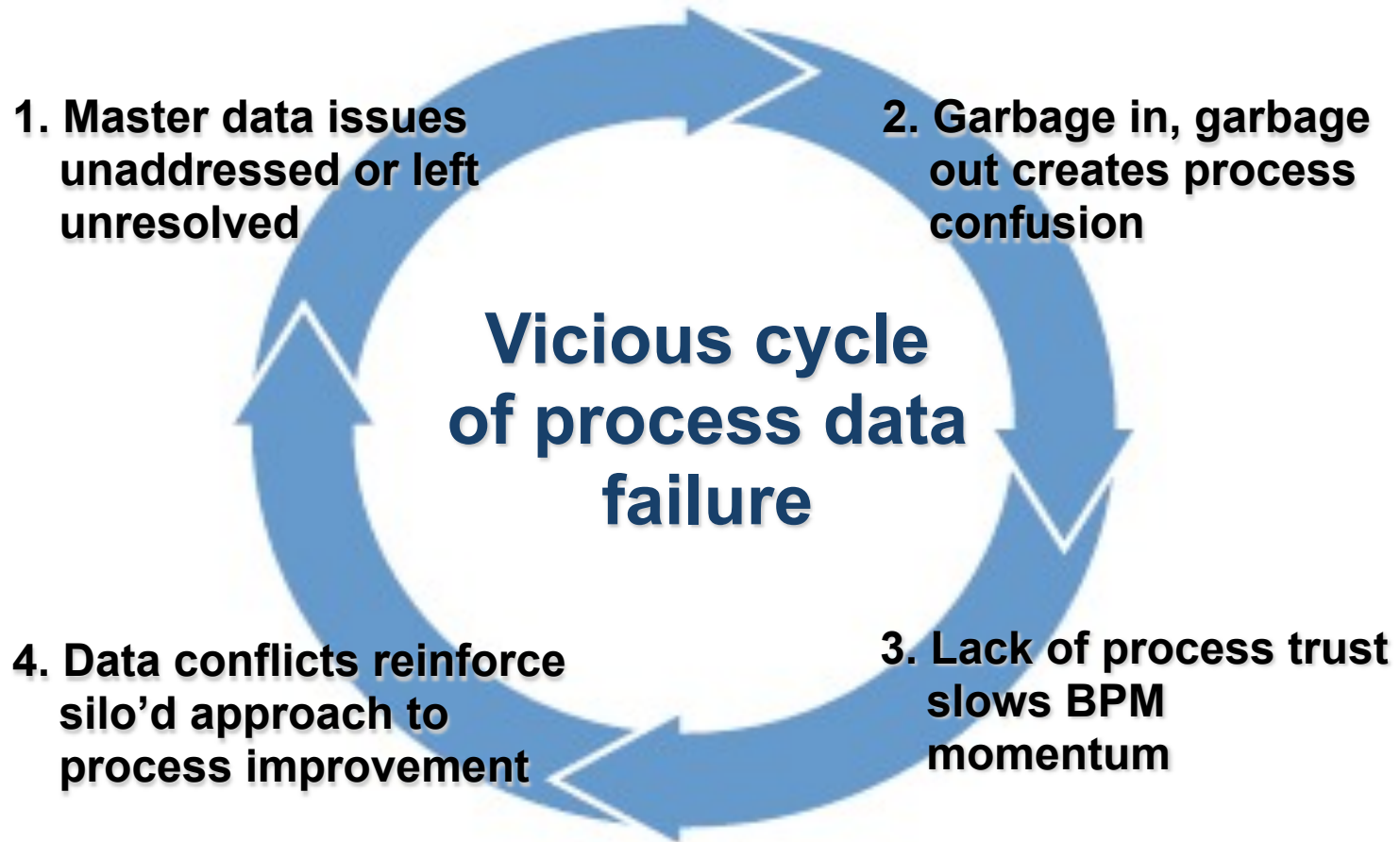
**Vicious cycle
of process data
failure**



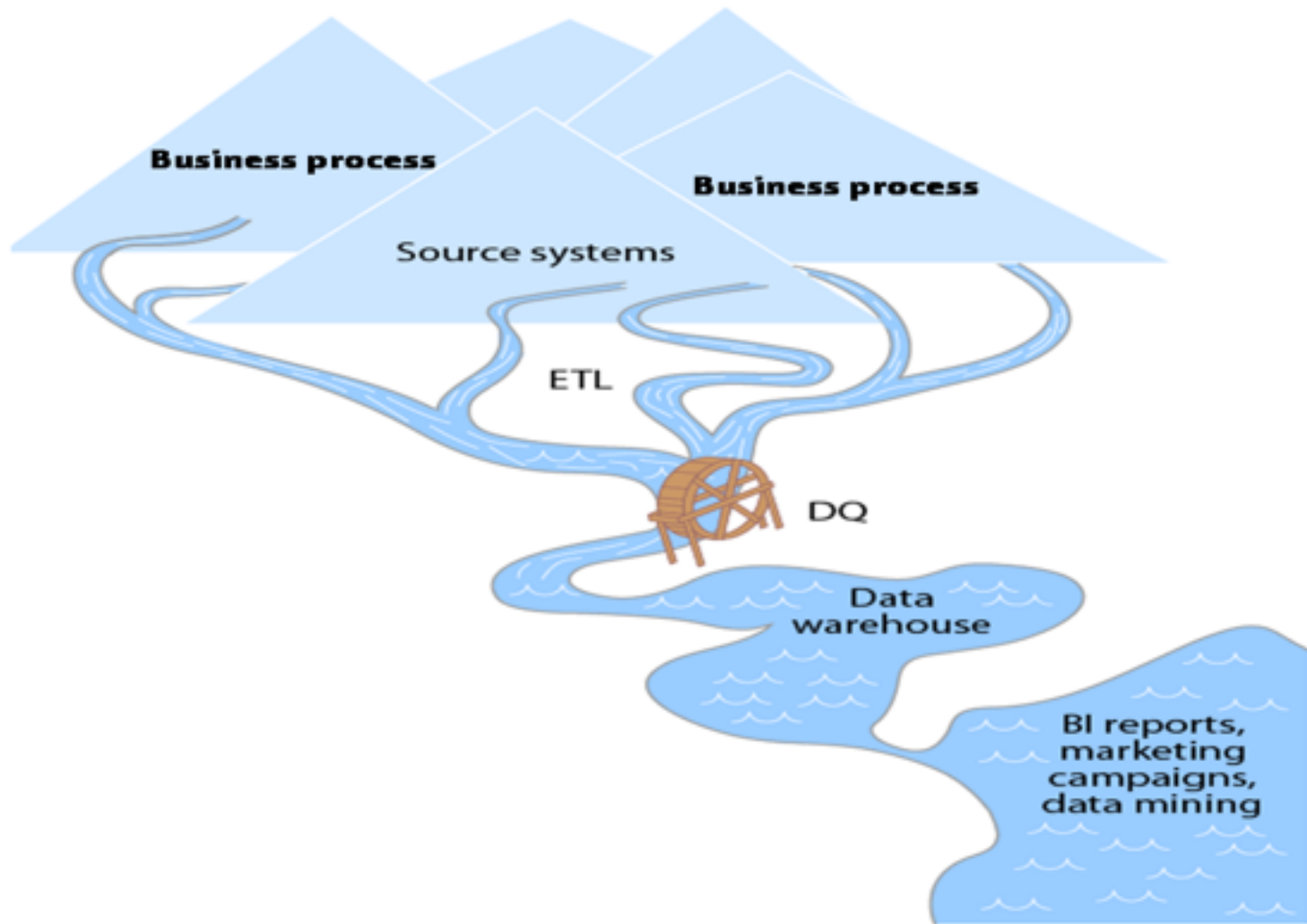
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MDM teams only focus on cleaning downstream data
– after the fact.

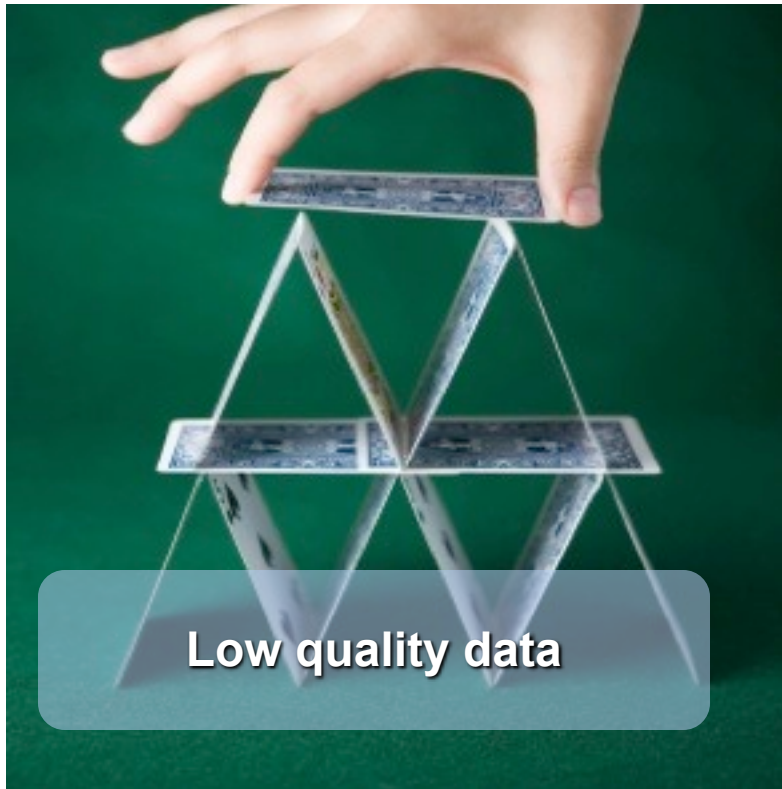


Source: October 2009, "It's Time To Invest In Upstream Data Quality" Forrester report

What are the risks of not connecting data quality to process context?



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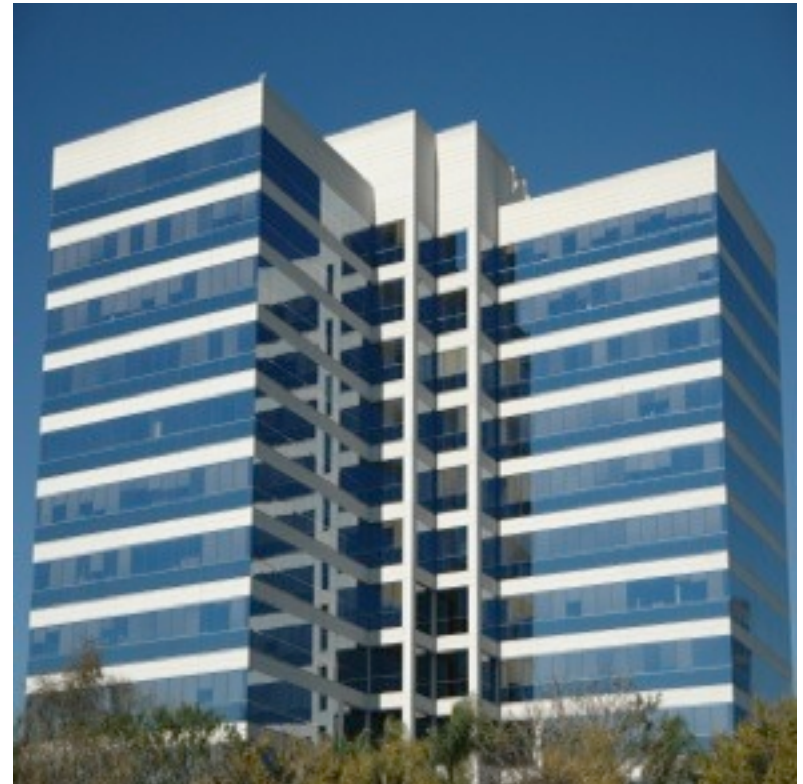
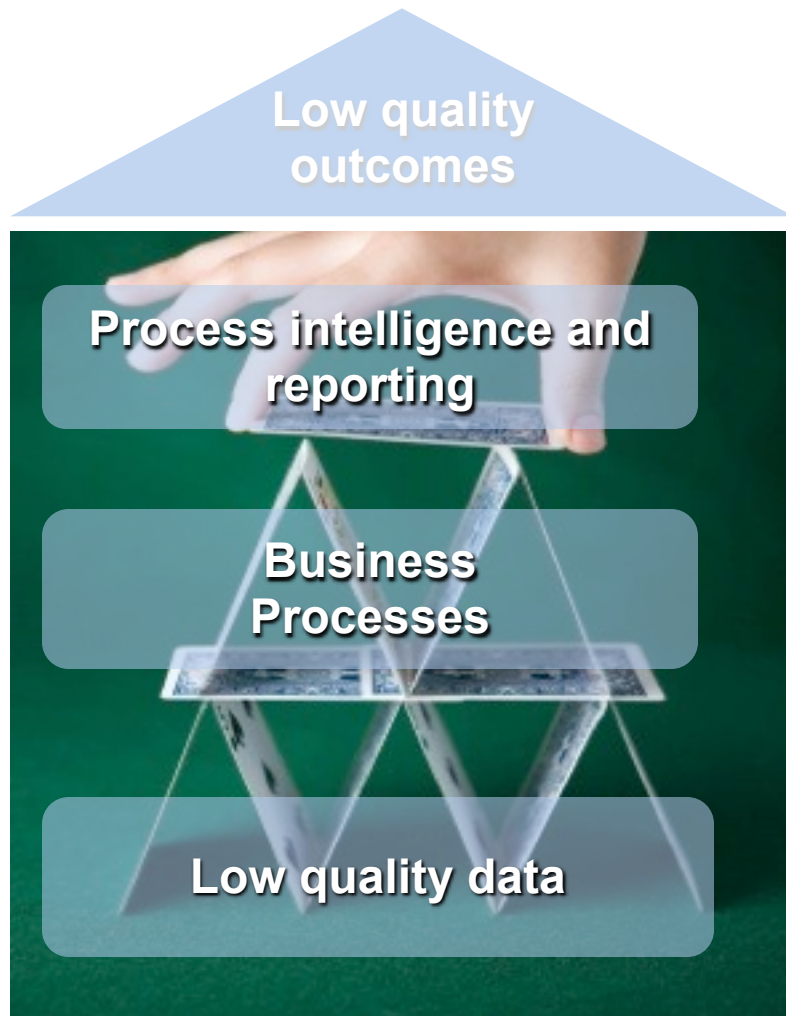
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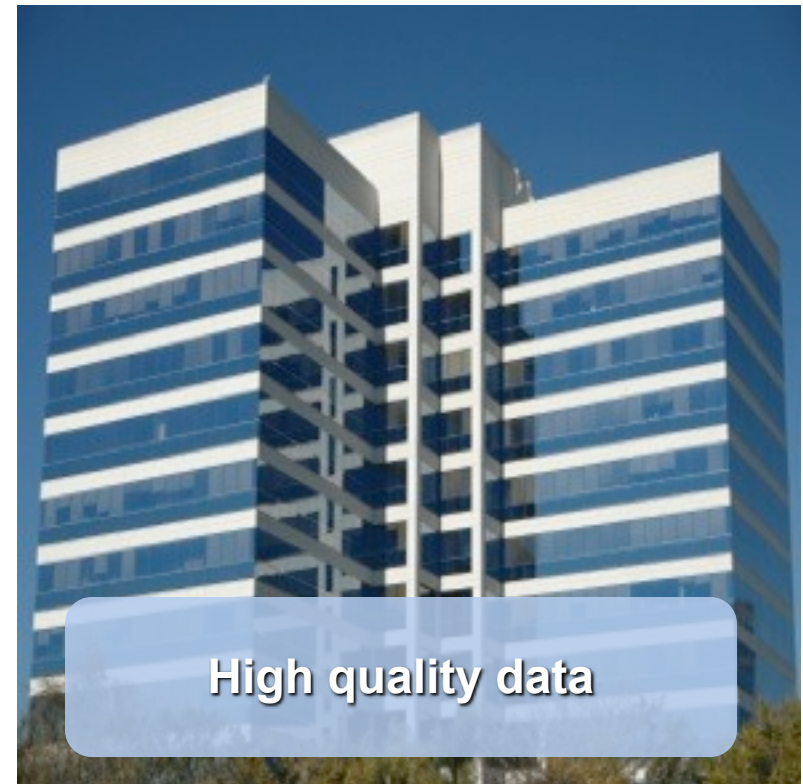
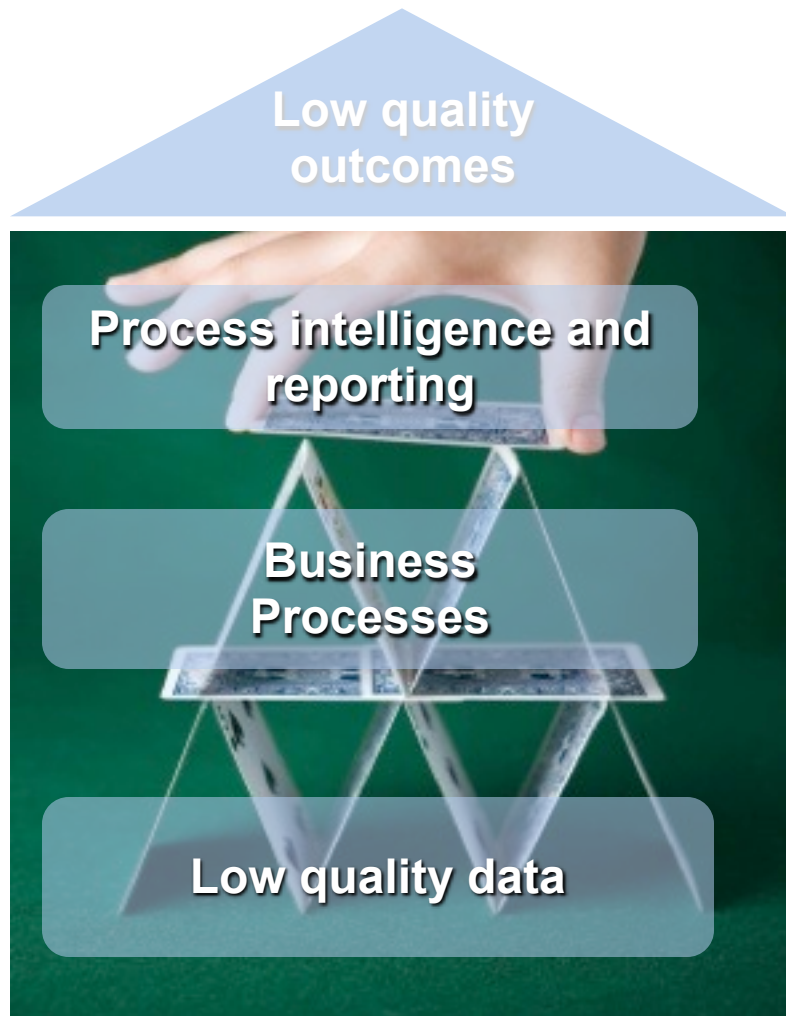
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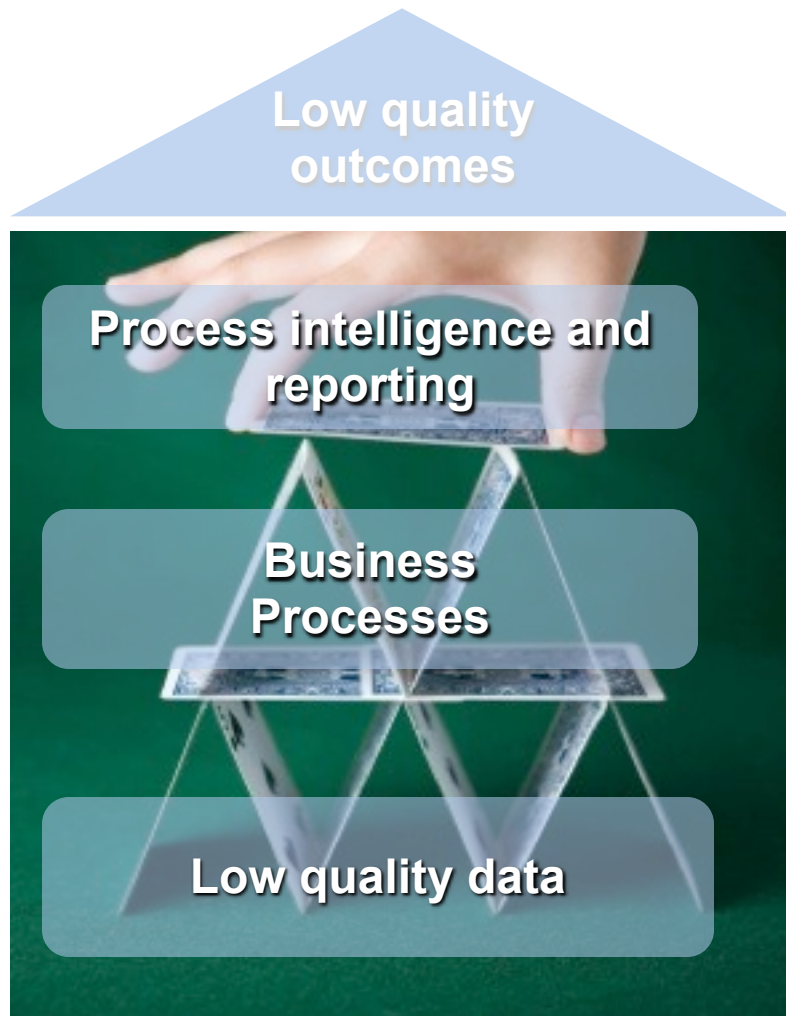
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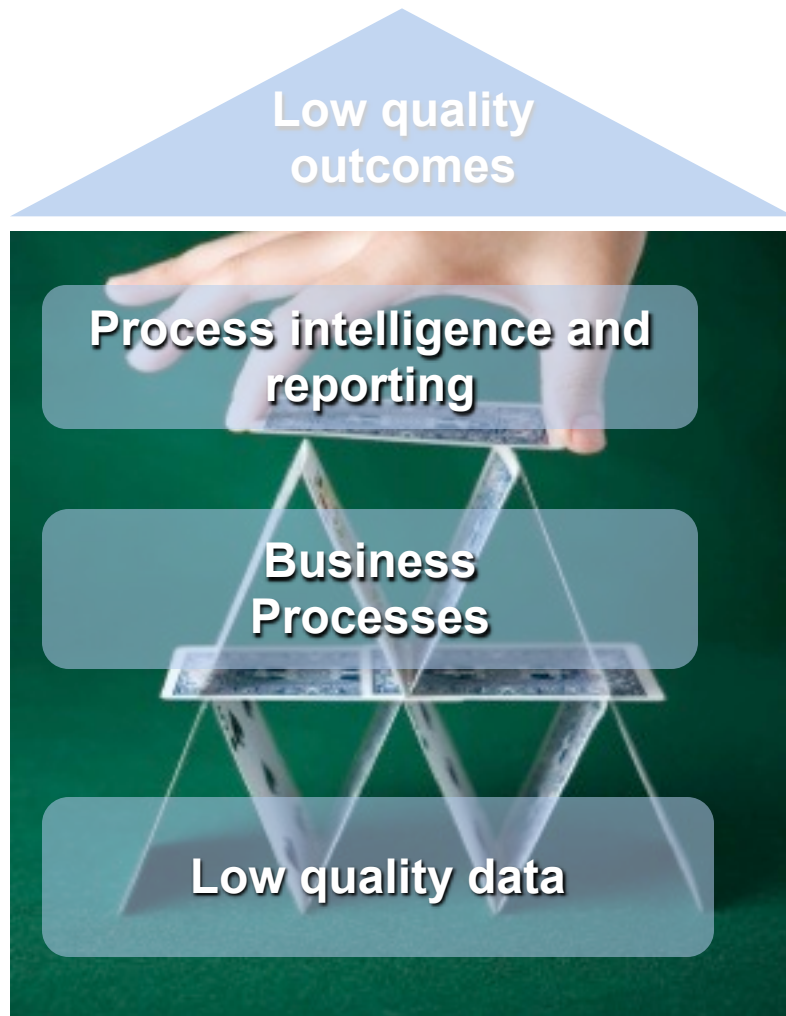
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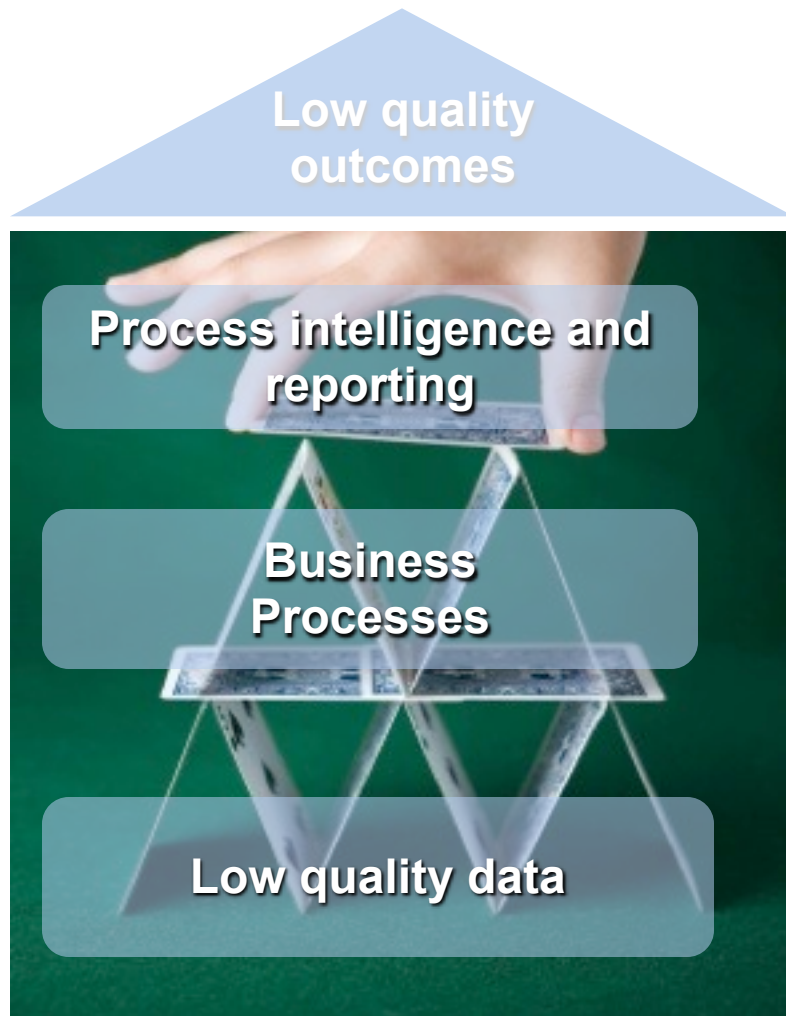
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Process data management provides a safety net against process data failure.



MDM

**Implement data
governance
processes for
cleansing
upstream data.**

***Process data management provides a safety net
against process data failure.***



MDM

Implement data governance processes for cleansing upstream data.

BPM

Ownership for data quality throughout all phases of implementation.

Process data management provides a safety net against process data failure.

IT stewards

A person in a business suit is shown from the chest up, sitting at a desk and working on a laptop. The scene is dimly lit with a strong blue/cyan color cast. The laptop screen displays a data table with various colored rows. The person's hands are visible on the keyboard. The background is blurred, showing what appears to be a window or another part of the office.

As IT stewards, data architects and process architects are critical to the success of data governance and process improvement efforts across multiple business initiatives.

Business-savvy
Strong communicators
Educators across IT
Process architects

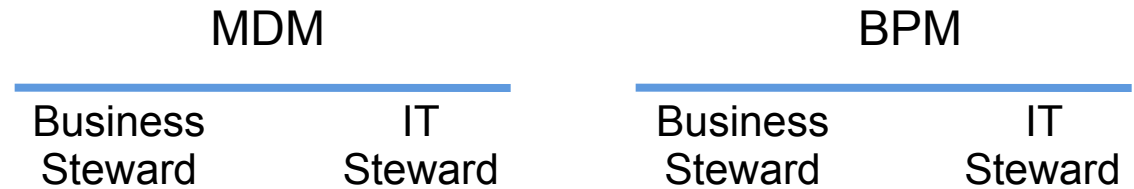
Business stewards

A man and a woman in business attire are looking at a computer monitor. The monitor displays a pie chart with four segments in blue, green, yellow, and red. The man is on the left, and the woman is on the right. They are both looking at the screen with interest. The background is a blurred office setting with another computer monitor visible.

Experienced business analysts and process analysts with the expertise to bridge business and IT communications often make the best business stewards.

IT-savvy
Strong communicators
Educators across the business

Identify similar roles across BPM and MDM initiatives

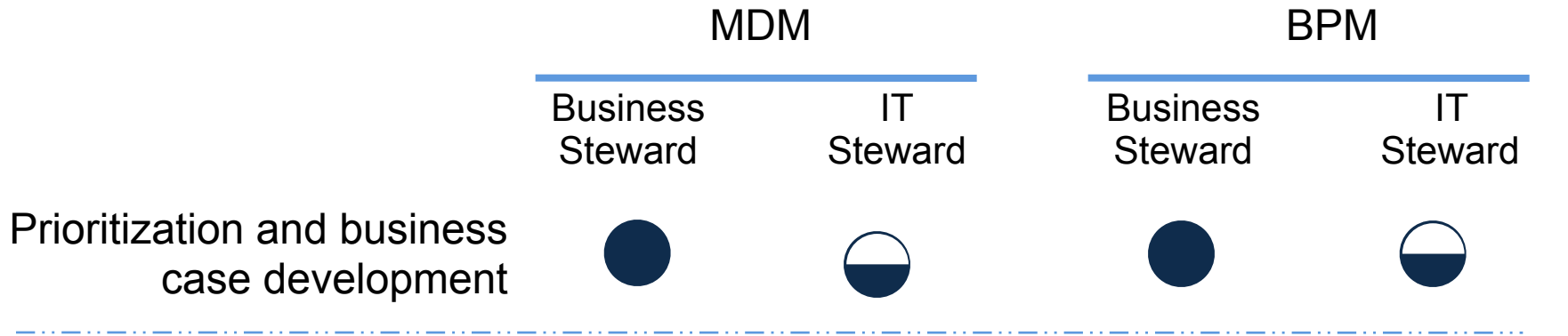


No involvement 

Some involvement 

Full involvement 

Identify similar roles across BPM and MDM initiatives

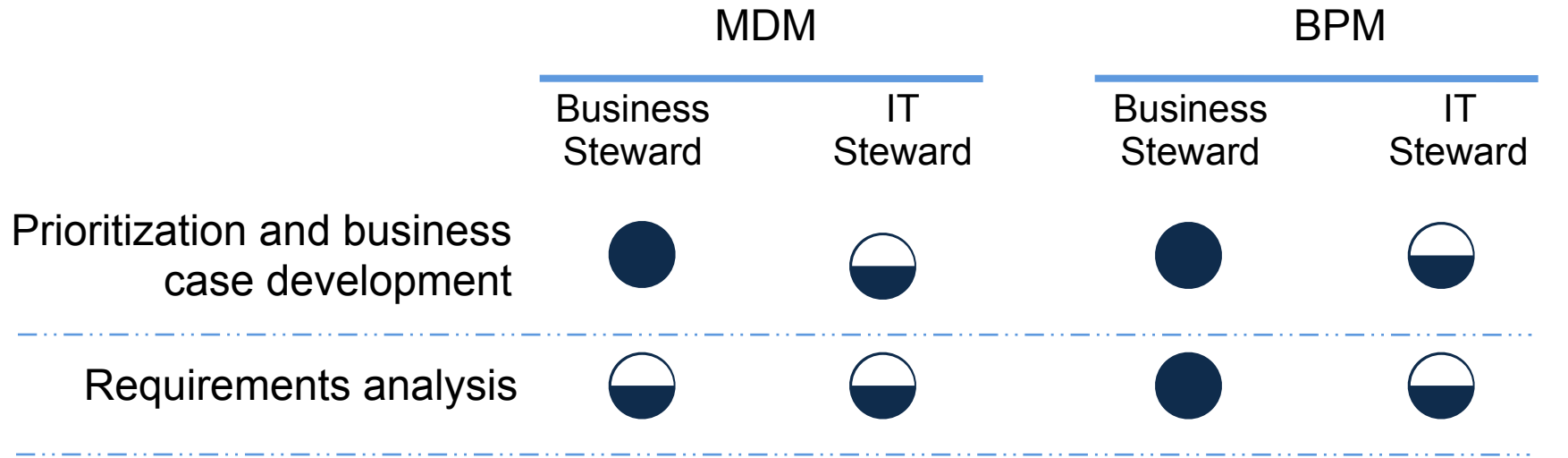


No involvement ○

Some involvement ◐

Full involvement ●

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Identify similar roles across BPM and MDM initiatives

	MDM		BPM	
	Business Steward	IT Steward	Business Steward	IT Steward
Prioritization and business case development	●	◐	●	◐
Requirements analysis	◐	◐	●	◐
Business policies and standards	○	◐	●	○

No involvement ○

Some involvement ◐

Full involvement ●

Identify similar roles across BPM and MDM initiatives

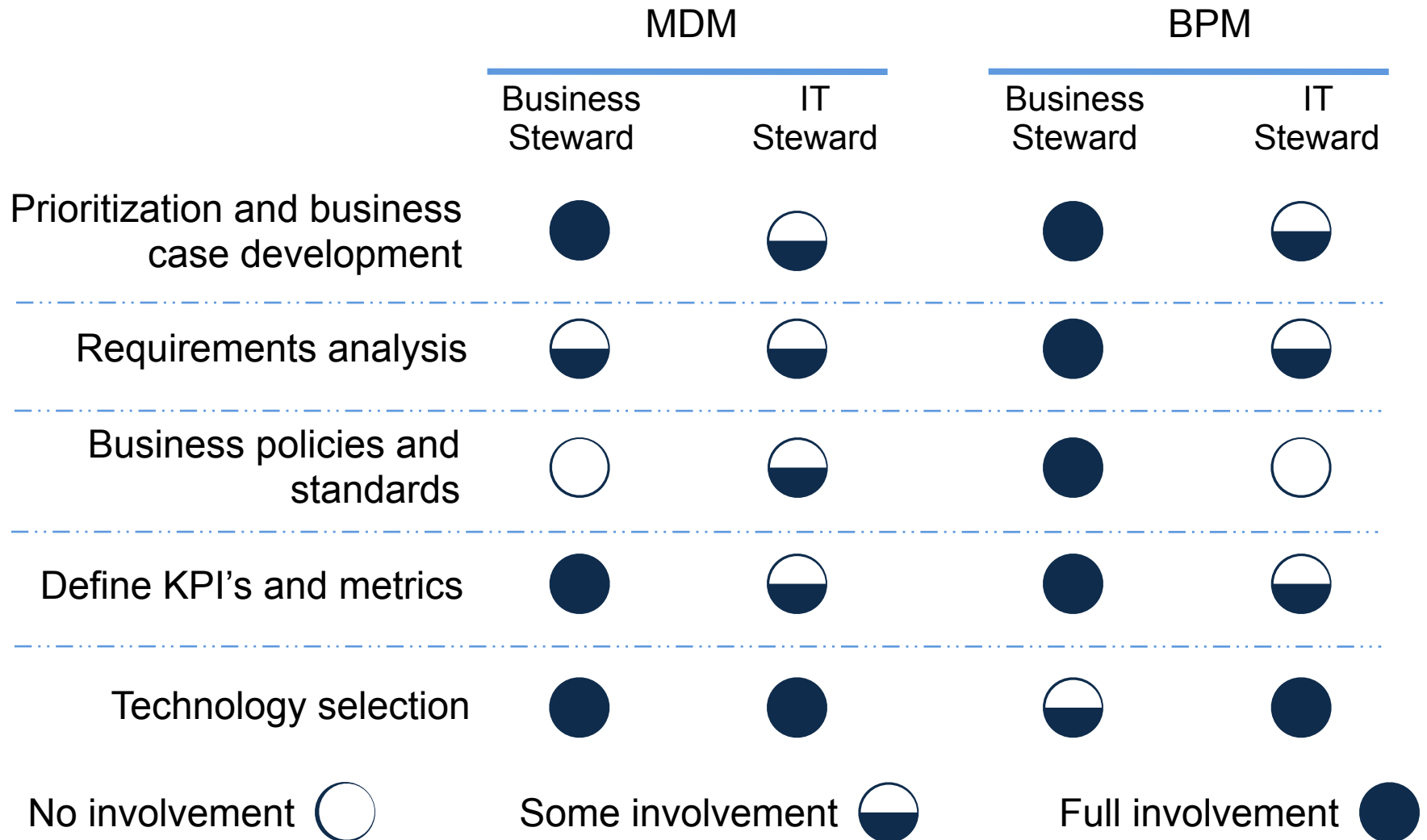
	MDM		BPM	
	Business Steward	IT Steward	Business Steward	IT Steward
Prioritization and business case development	●	◐	●	◐
Requirements analysis	◐	◐	●	◐
Business policies and standards	○	◐	●	○
Define KPI's and metrics	●	◐	●	◐

No involvement ○

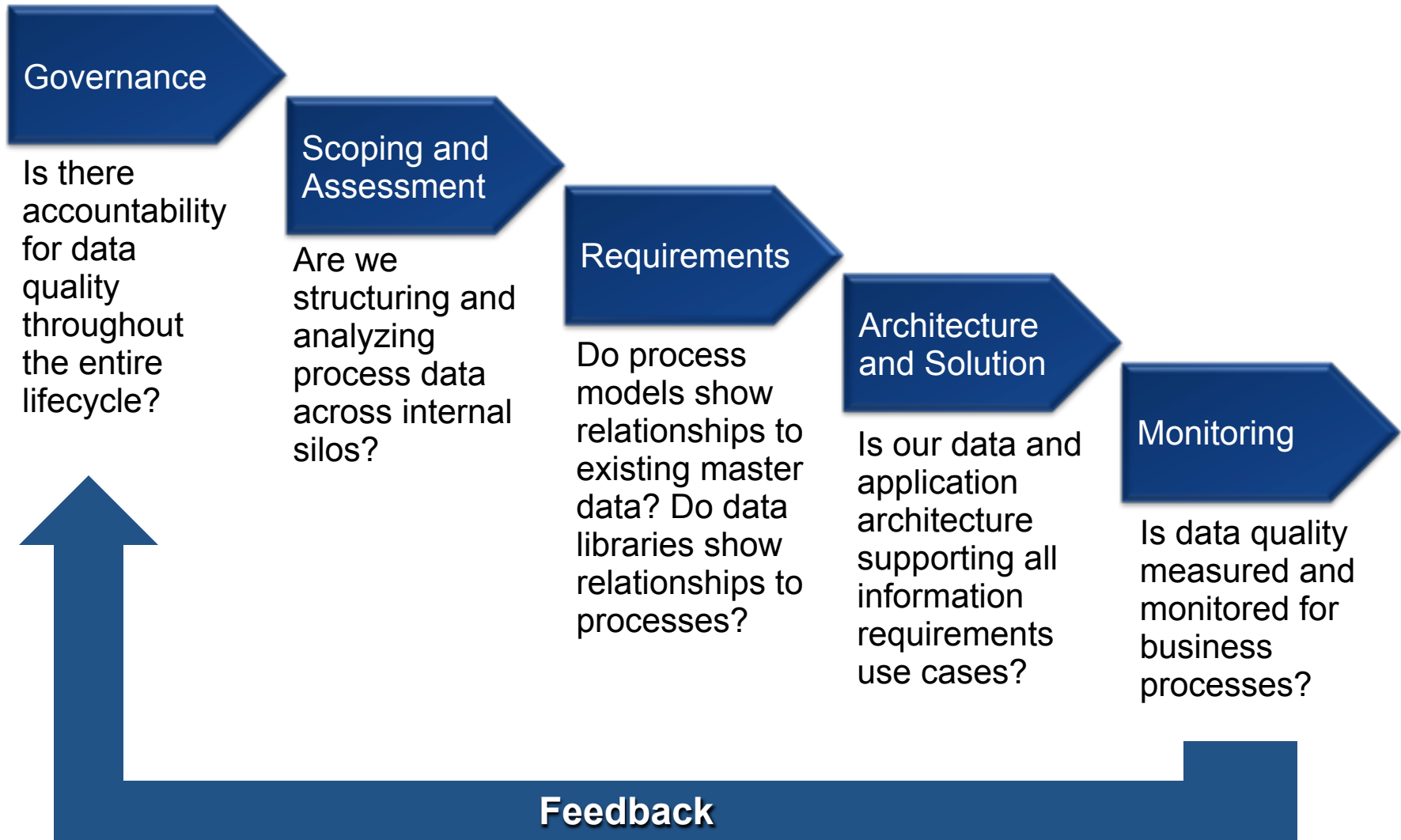
Some involvement ◐

Full involvement ●

Identify similar roles across BPM and MDM initiatives



Define virtuous cycle of process data management



Process analysts should ask probing questions about data...

Question to stakeholders	Example: marketing executive
What business processes are most important to the organization?	Marketing might articulate contact management and customer trend analysis as critical processes that are at risk due to poor-quality data.
What data is used to support those processes?	These marketing processes depend on customer, product, and order-centric data. Map the specific attributes most widely leveraged by end users to support the key processes.
What systems and processes capture and update that data?	Inventory the enterprise apps, Web front ends, and sales, call center, and customer self-service processes that capture this data. Identify which systems and processes account for a majority of the data volumes (80/20 rule), and prioritize those to evaluate first.
What is your level of confidence when using that data?	Work with your business stakeholders to perform source system analysis and profile the data captured in these systems to define and measure the current quality levels. This will focus your data quality efforts on the most egregious poor-quality data.

Source: October 2009, "It's Time To Invest In Upstream Data Quality" Forrester report

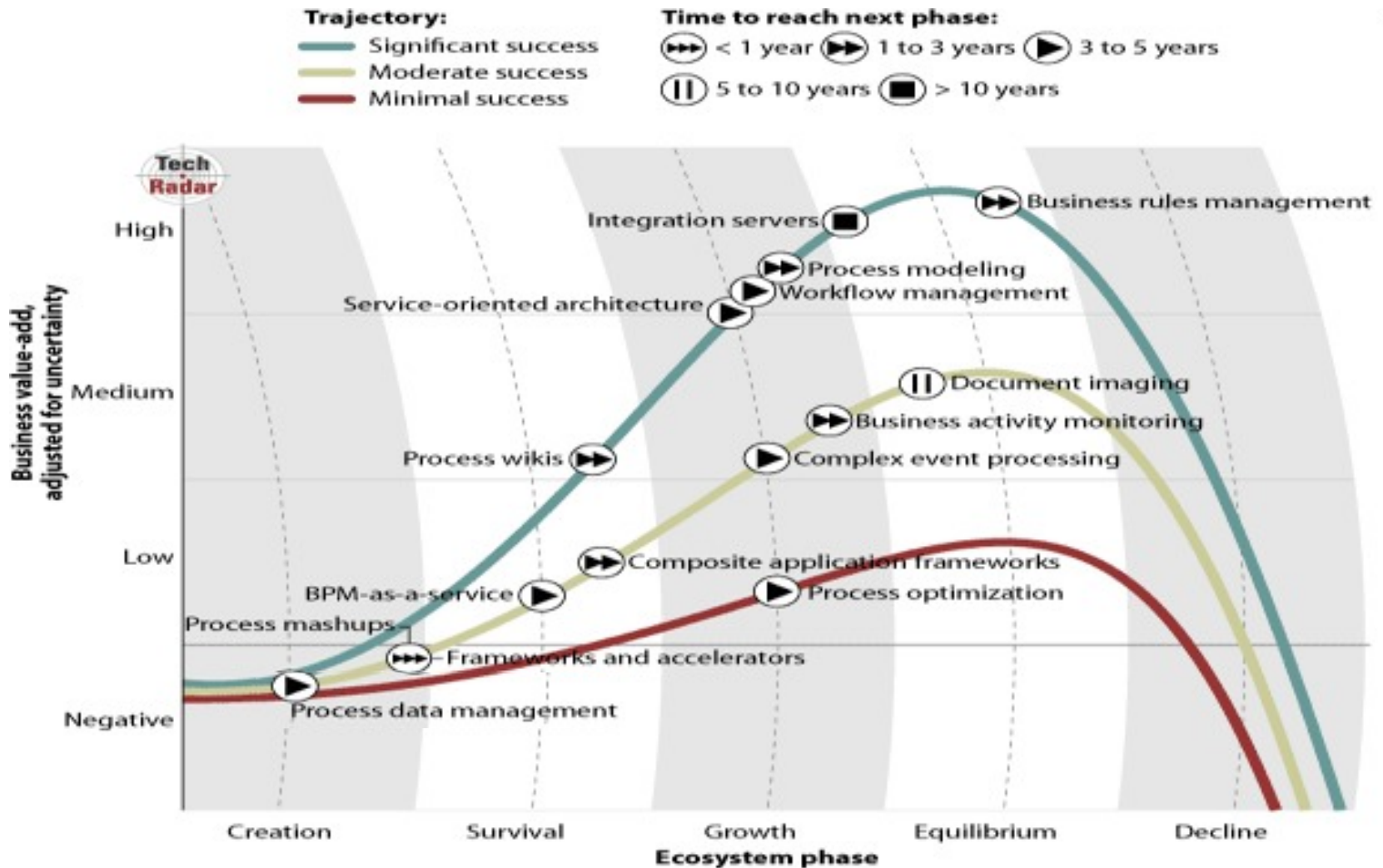
Data quality teams should map data operations back to key business processes

Process/system	Customer name	Customer address	Customer phone	Customer email	Customer credit card number	Customer privacy preferences
Self-serve order management: Web site	CRU	CRU	CRU	CRU	CU	CRU
Call center order management: CRM	CRU	CRU	CRU	CRU	CU	CRU
Order fulfillment: ERP	RU	RU	RU	RU	R	R
Call center customer support: CRM	CRU	CRU	CRU	CRU	-	CRU
Self-serve customer support: Web site	CRU	CRU	CRU	CRU	-	CRU
Direct marketing campaign management: campaign data mart	R	R	R	R	-	R
Manual override - customer data escalation administration: ERP/CRM/DW	RUD	RUD	RUD	RUD	RUD	RUD

Key: C=Create; R=Read; U=Update; D=Delete

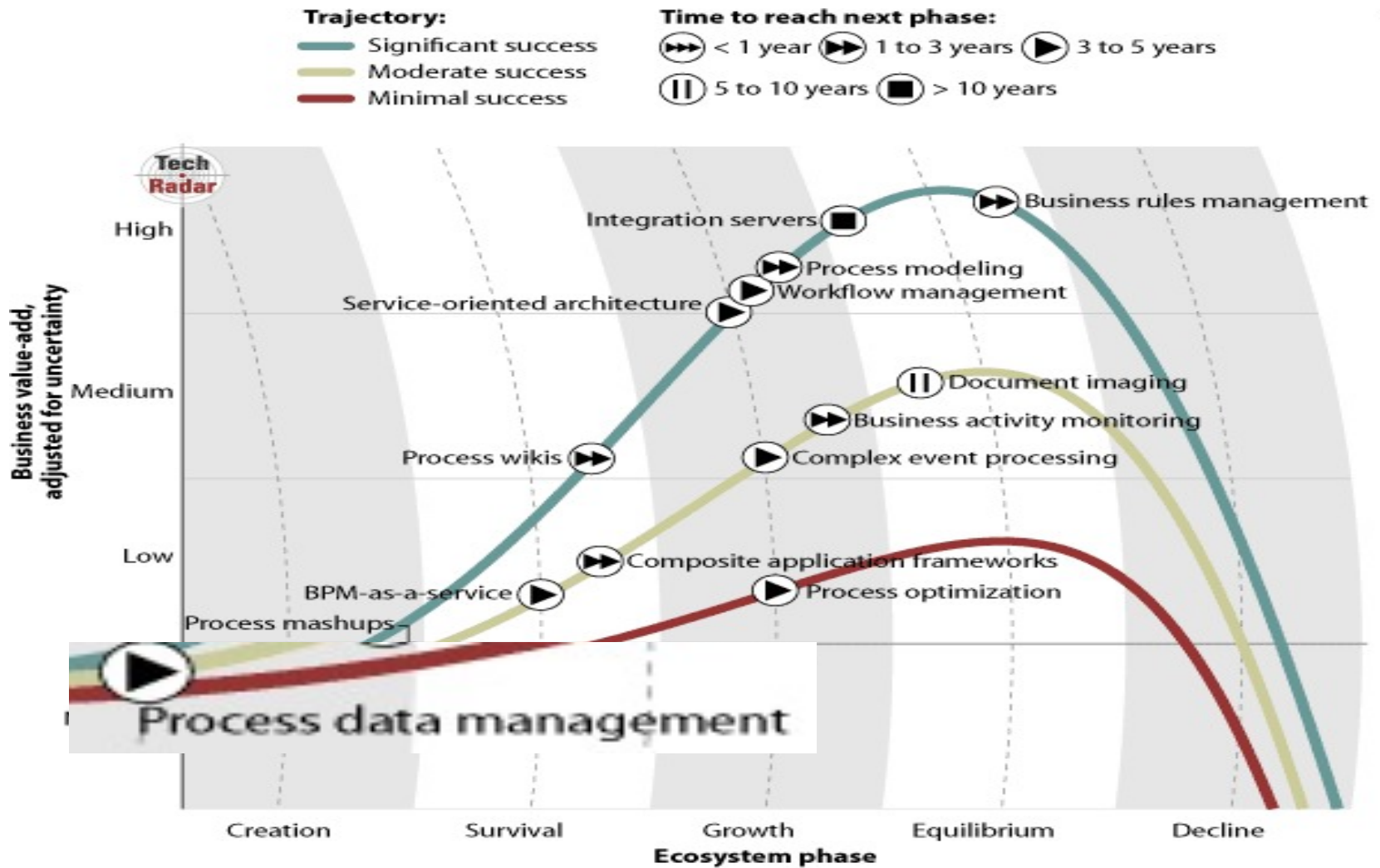
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Software vendors still playing catch up on process data management...



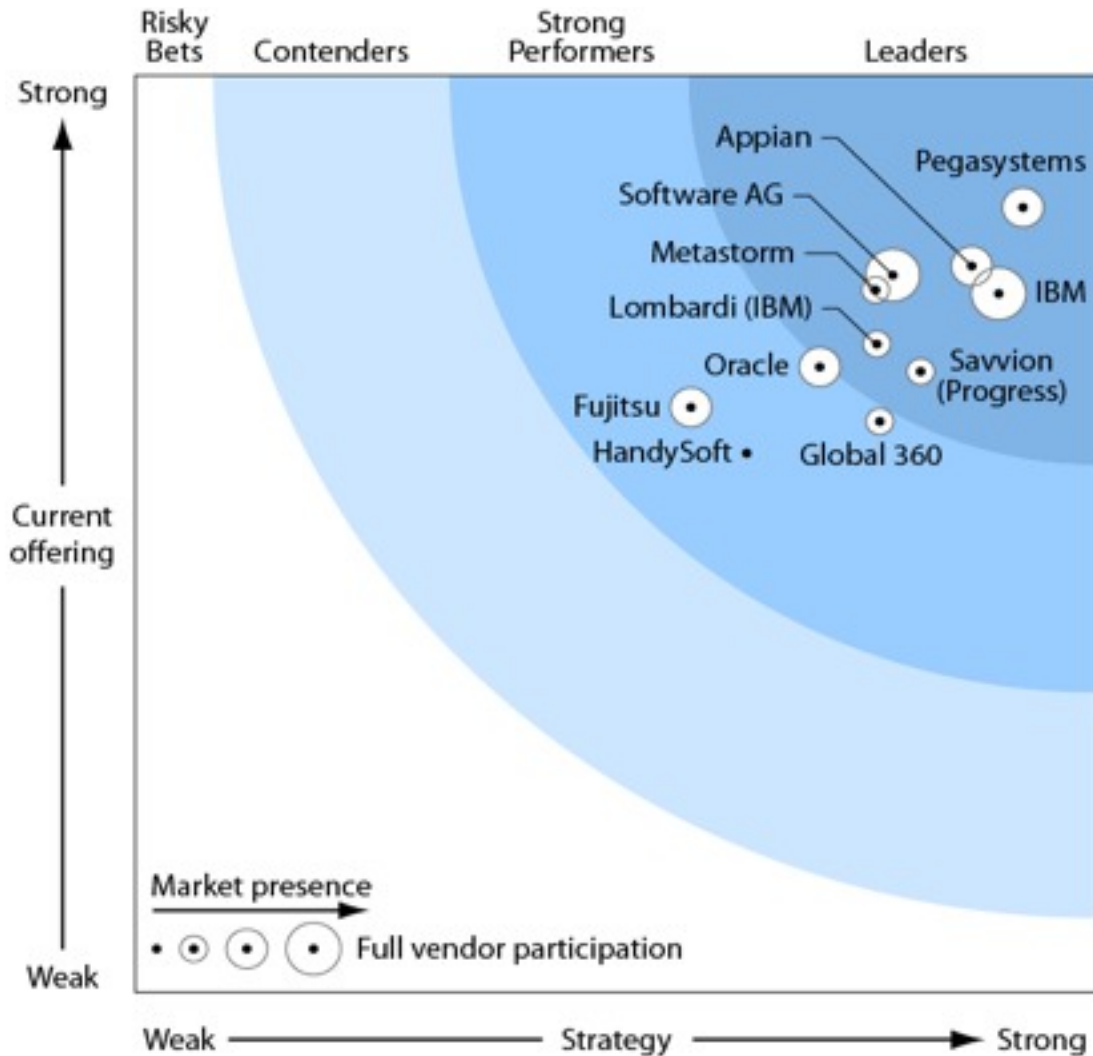
August 2009 "Forrester TechRadar™ For BP&A Pros: Business Process Management Suites, Q3 2009"

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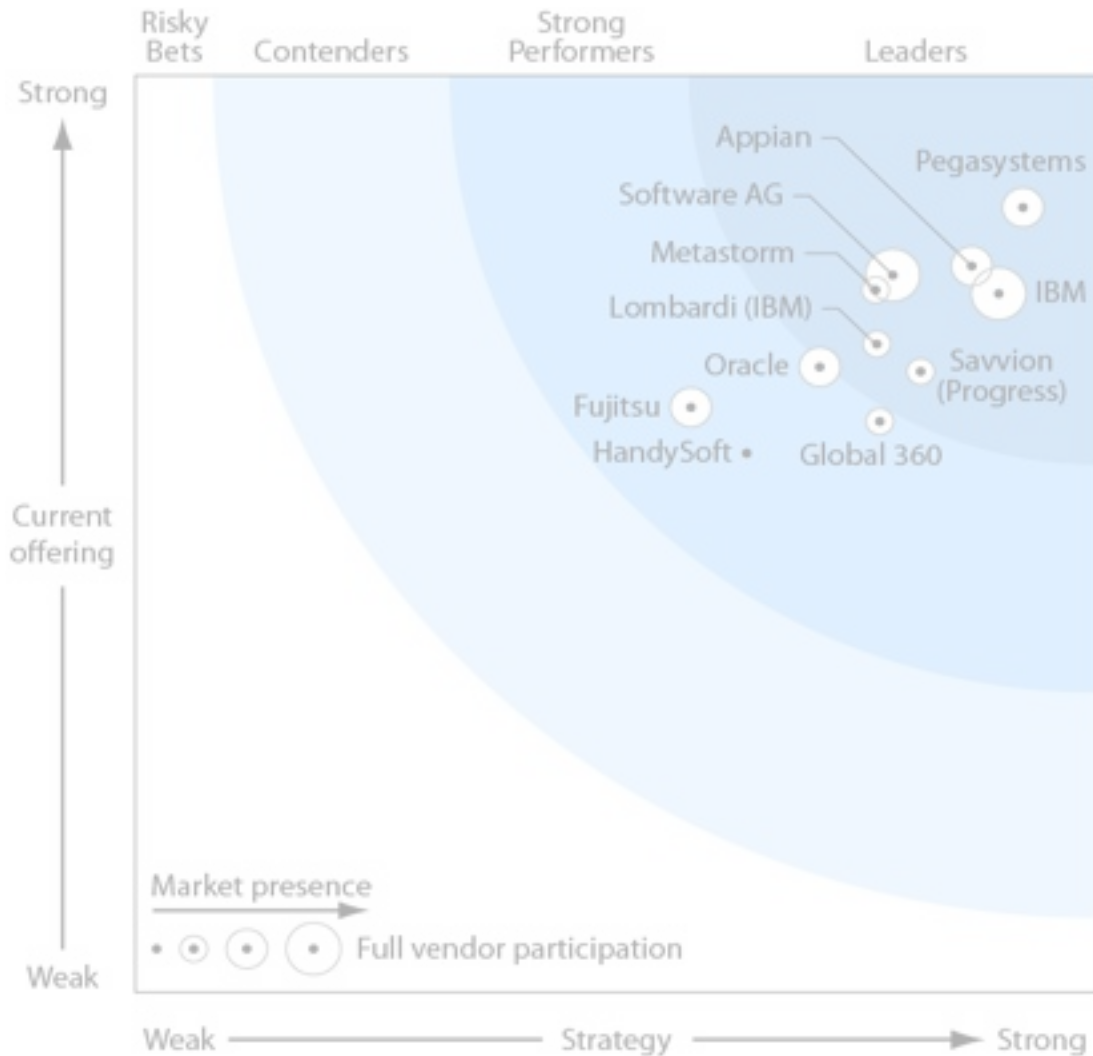


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... but some vendors beginning to take process data seriously



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IBM and Metastorm provide impressive business glossaries

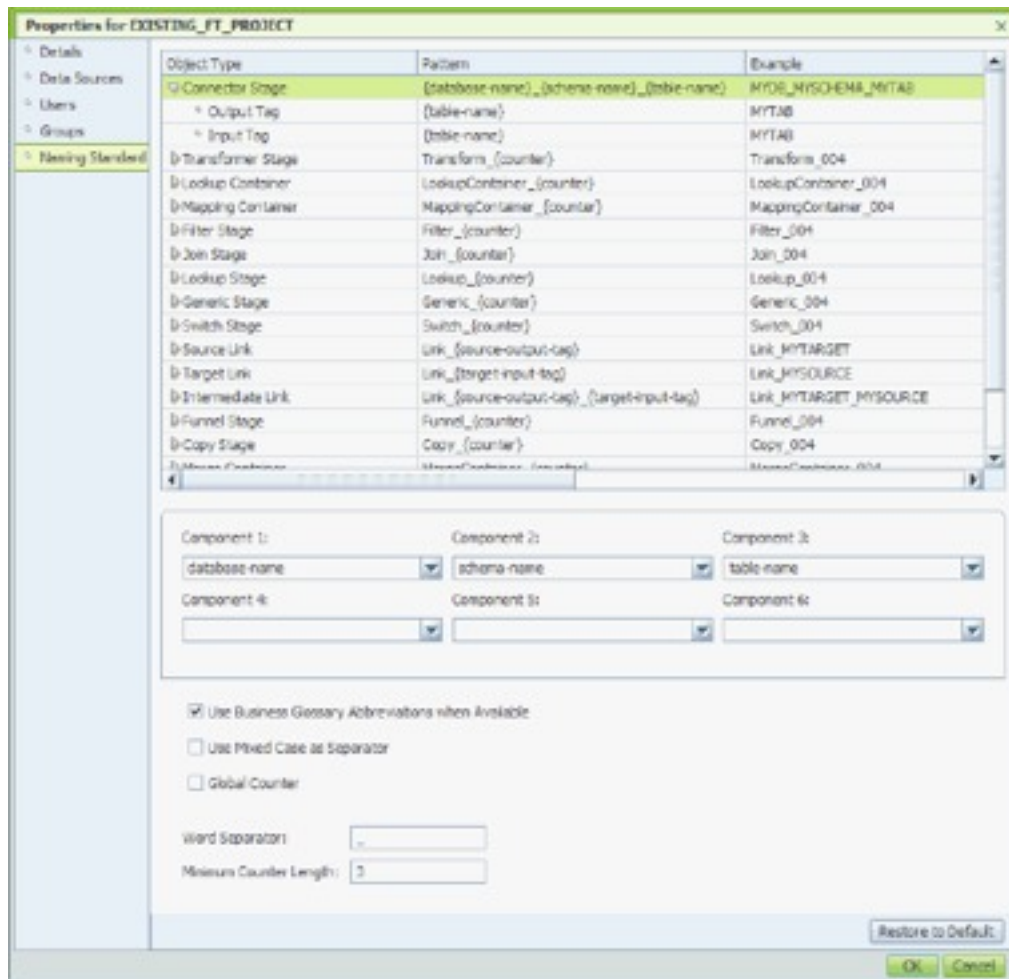
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IBM and Metastorm provide impressive business glossaries

Pega and Appian provide support for synchronizing data

First point of process data convergence: “business glossaries”



- Simplified data modeling and definition for process teams
- Connected to existing business glossaries defined by data architects and librarians
- Ability for process analysts to associate CRUD actions with specific activities
- But more needs to be done...

Source: IBM

Some vendors also embedding data quality metrics embedded into processes

The screenshot displays the Siperian dashboard with the following components:

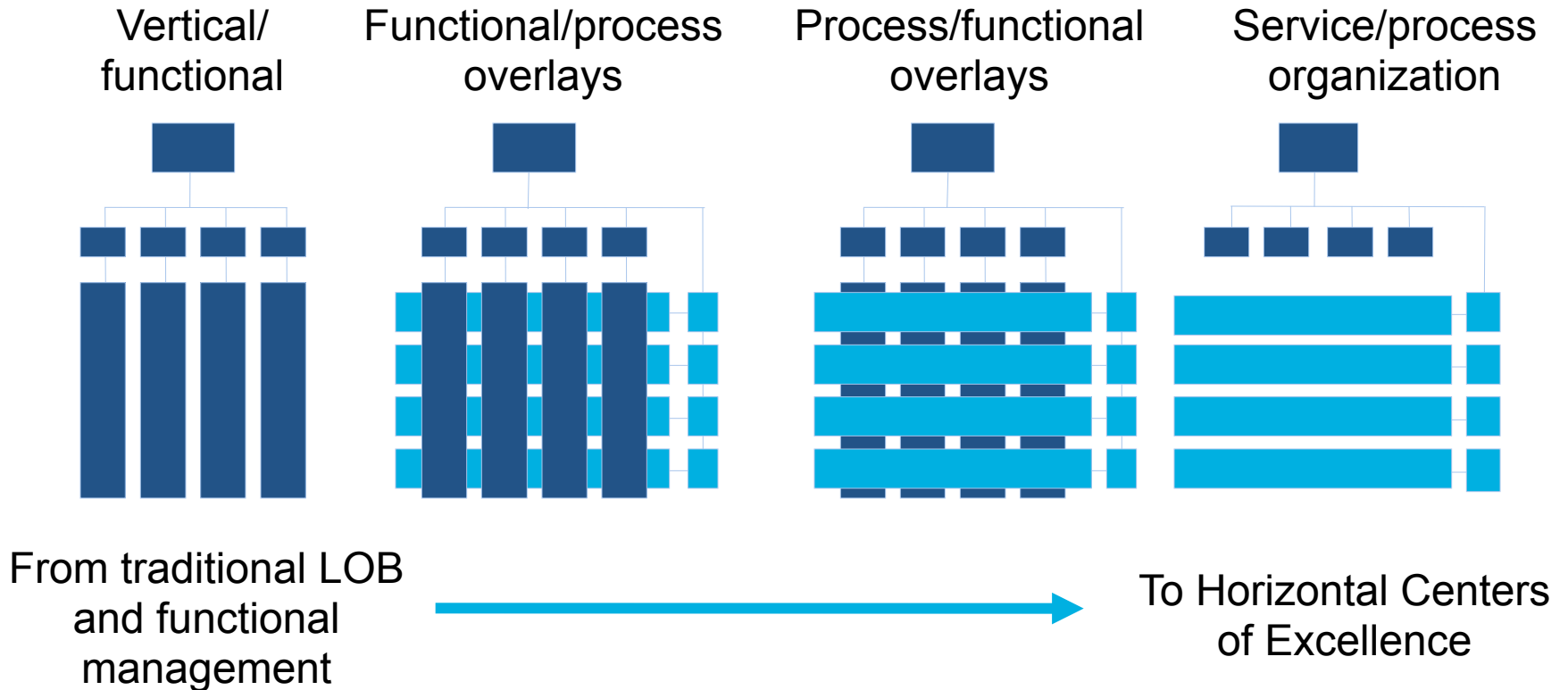
- 1) Tasks from Lombardi shown in BDD Inbox:** A table of tasks with columns: Priority, Task Subject, Status, Task Type, Due Date, Entry Page, and Details. The first task, "Review and Update Customer Record", is highlighted in yellow.
- 2) Drill-down navigation to Master Data Record:** An arrow points from the "View Details" link of the first task to the "Task Details" window.
- 3) Task Details:** A pop-up window showing details for the task "Review and Update Customer Record". Fields include: Priority (High), Due Date (06/02/2009), Type (Customer), Status (Overdue), Assigned By (Nelson, Leonard), Last Updated (06/11/2009 11:11 pm), Updated By (Nelson, Leonard), Created On (06/11/2009 11:11 pm), Created By (Nelson, Leonard), and Comments (Sarah King, 06/24/08 1:45 pm: Spurn born at anal delivery; Harish Sood, 06/23/09 1:32 pm: 33 anal delivery at anal of anal born).

At the bottom of the dashboard, there are three charts: "Job Statistics" (a bar chart), "Data Quality Coefficient" (a line chart), and "Productivity" (a line chart).

Screenshot: Siperian BDD and Lombardi Teamworks Integration

Other BPM Trends To Watch

BPM is now the language of IT-to-BT



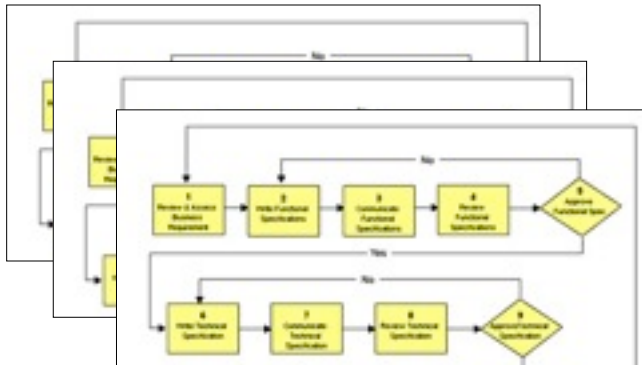
Old School BPM Suites

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Multiple disconnected process models for a single process project.

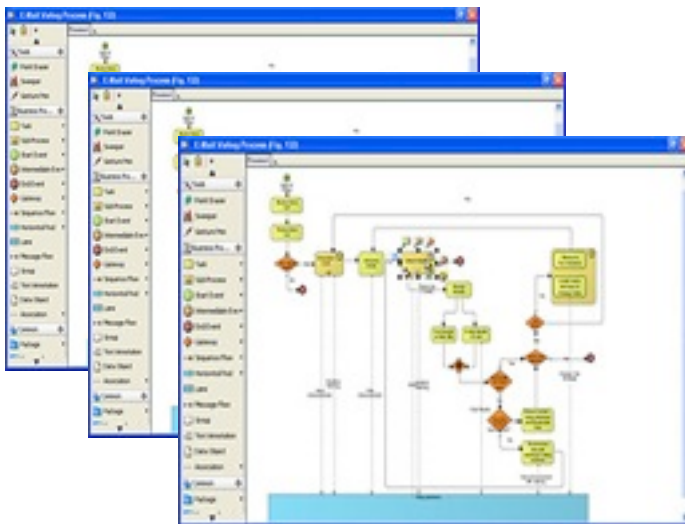
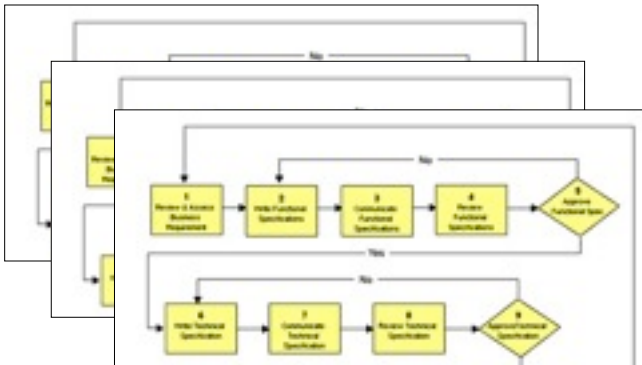
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Unified process repository for single-model refinement.

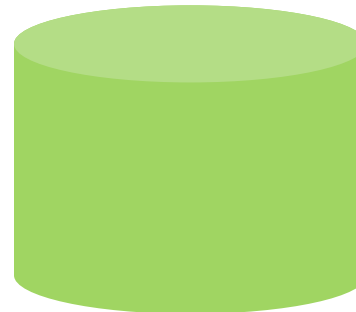
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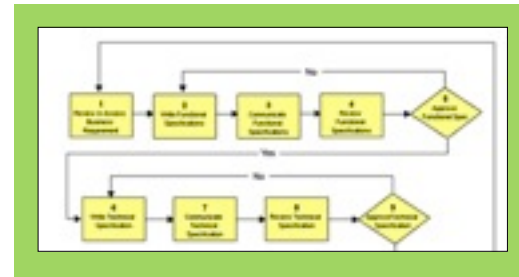
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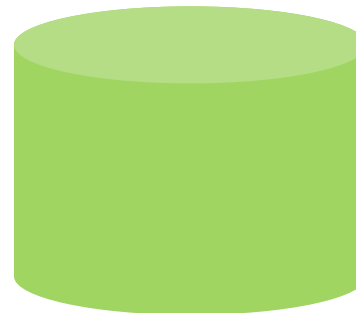


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Business view



Process repository

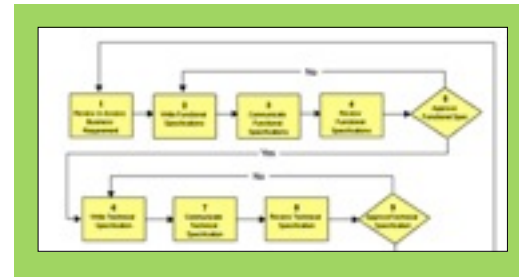
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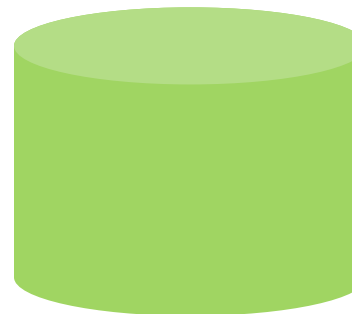


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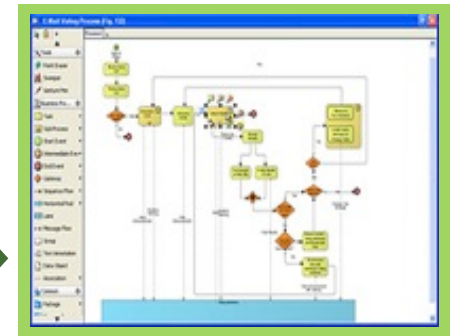
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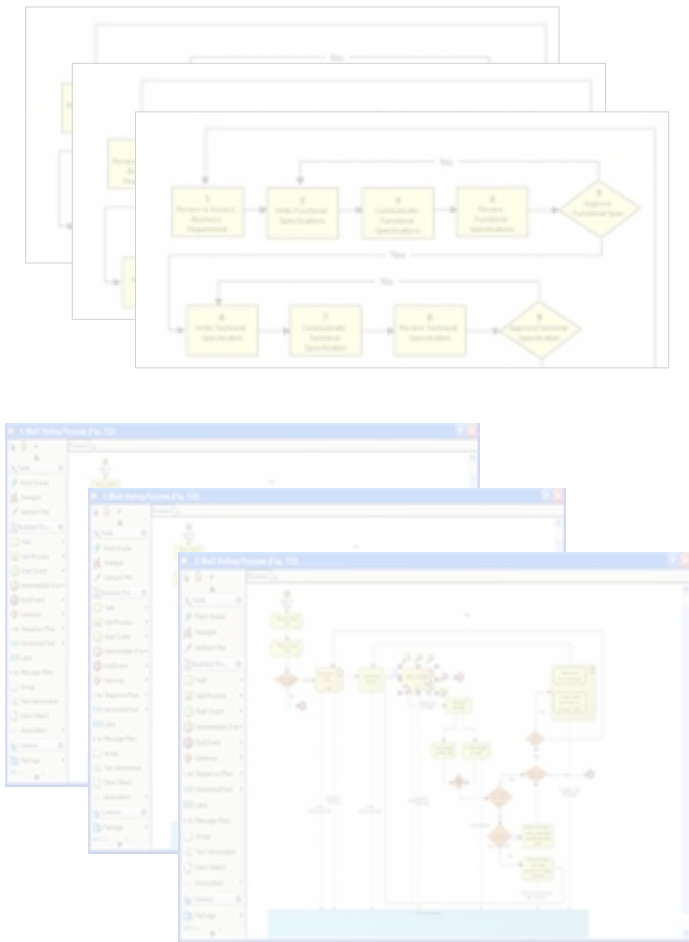
Process repository



Technical view

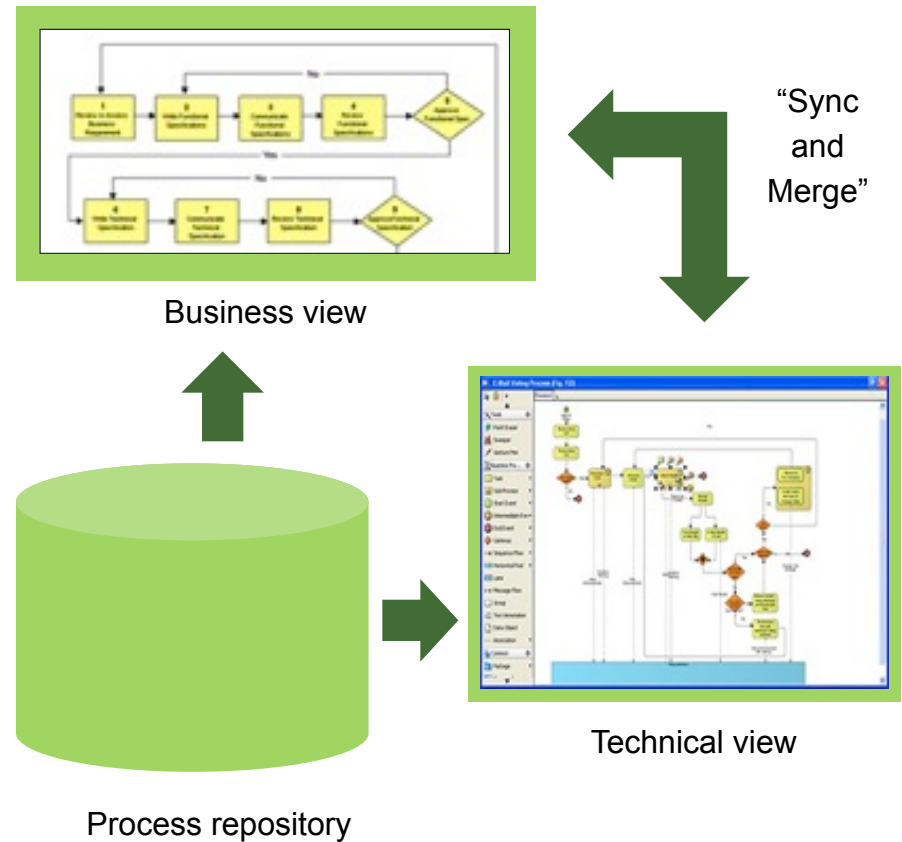
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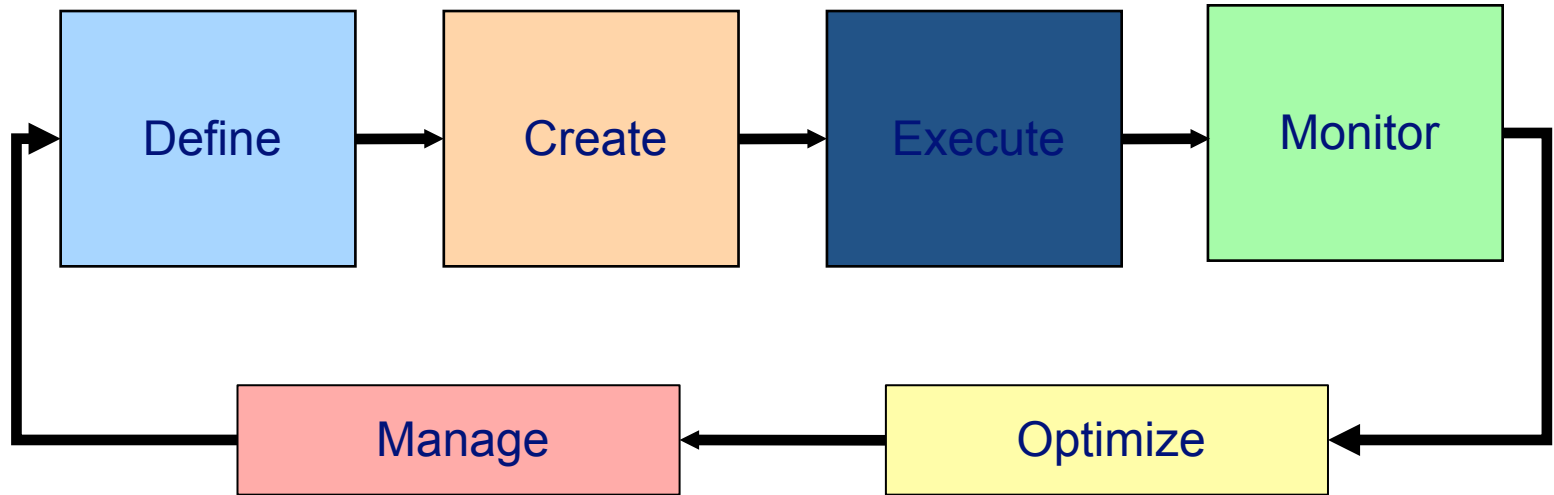


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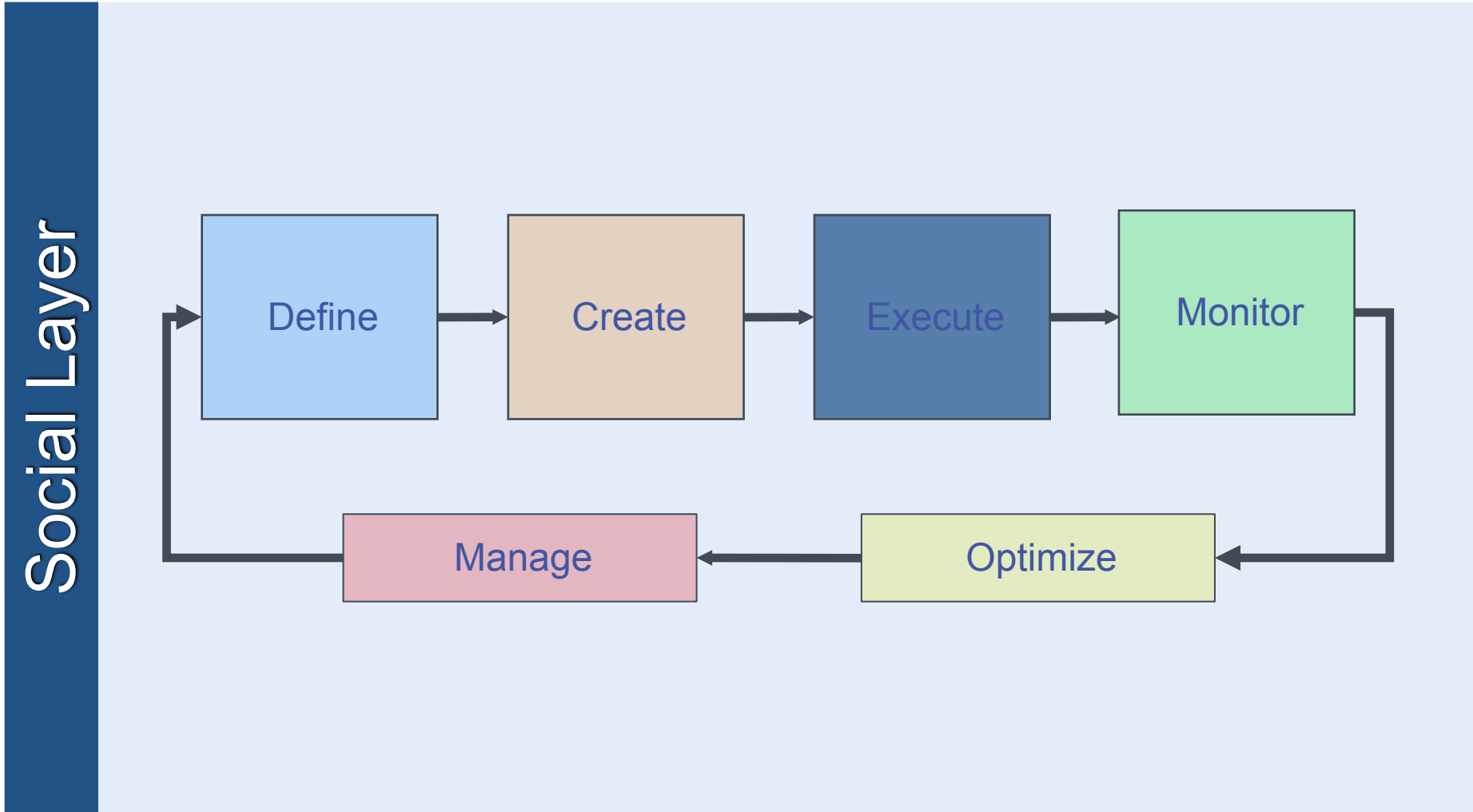
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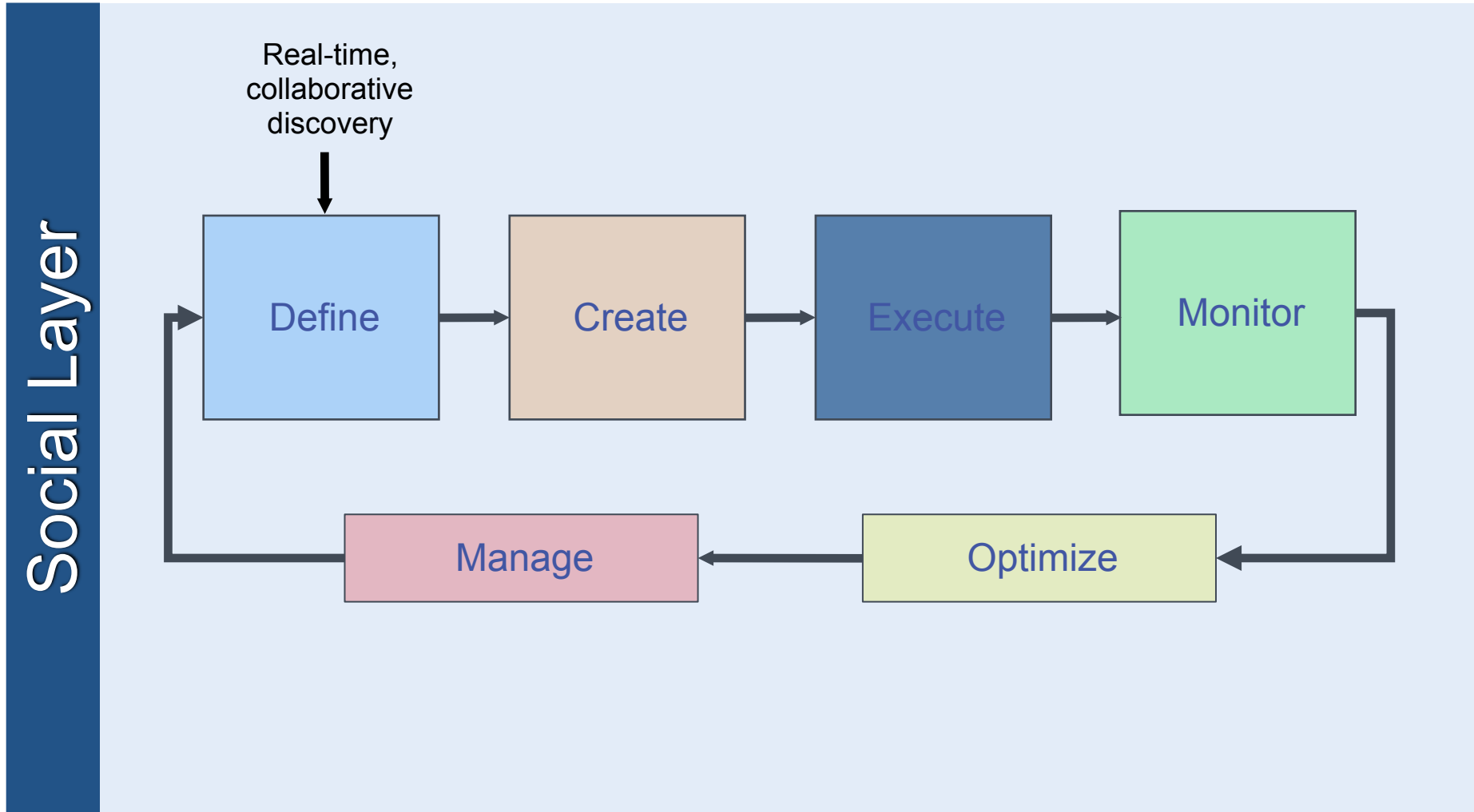
Social adds new layer to BPM fabric



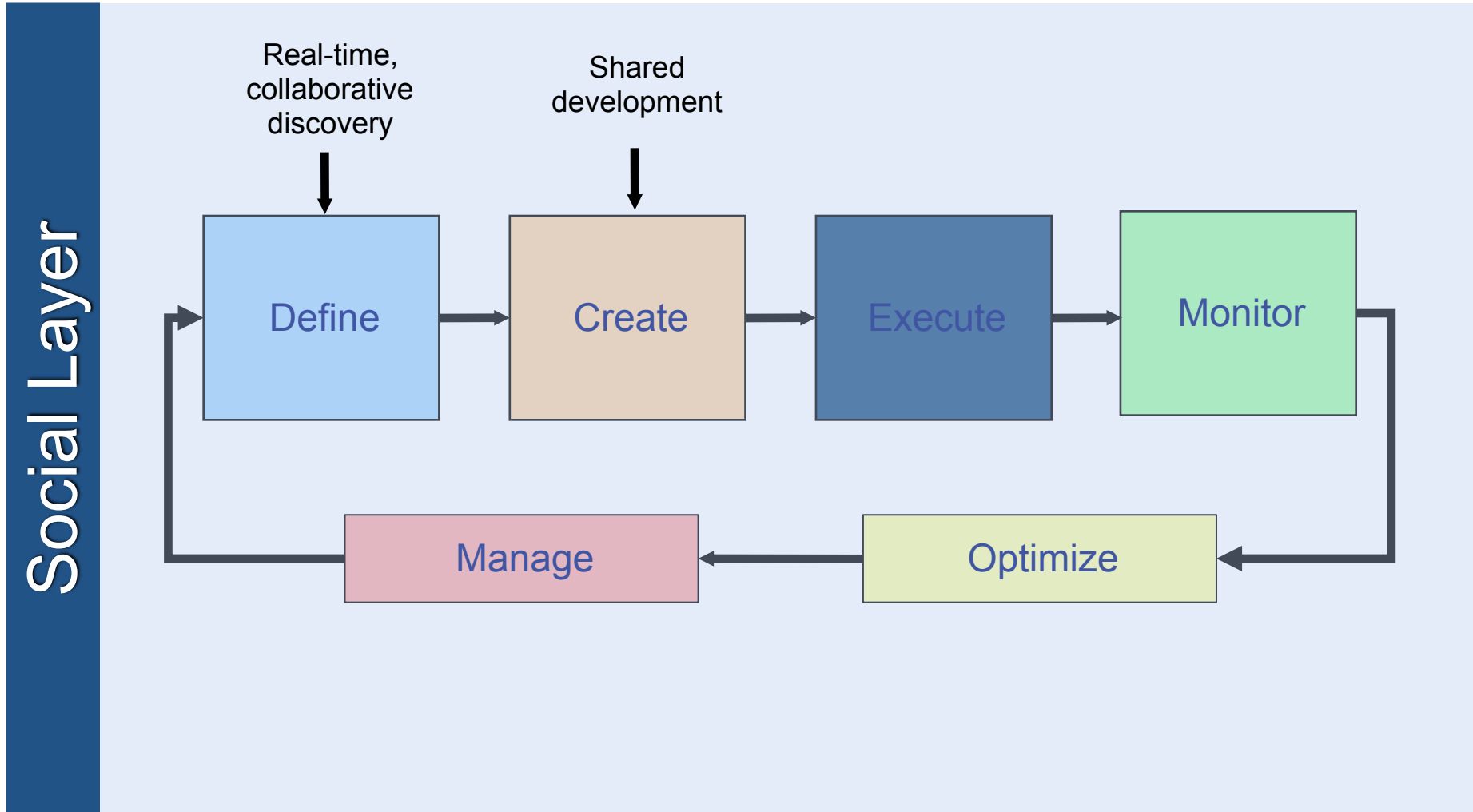
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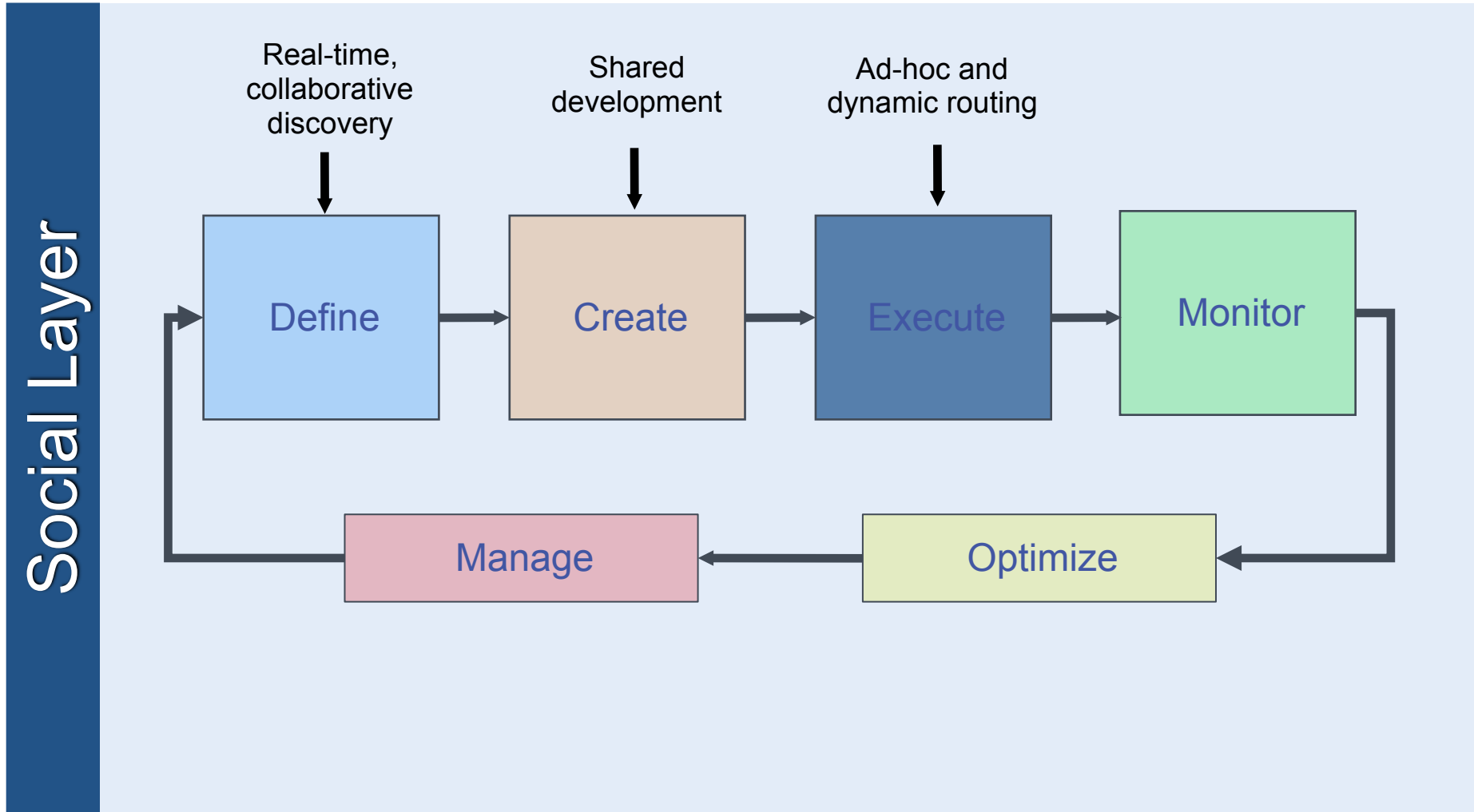
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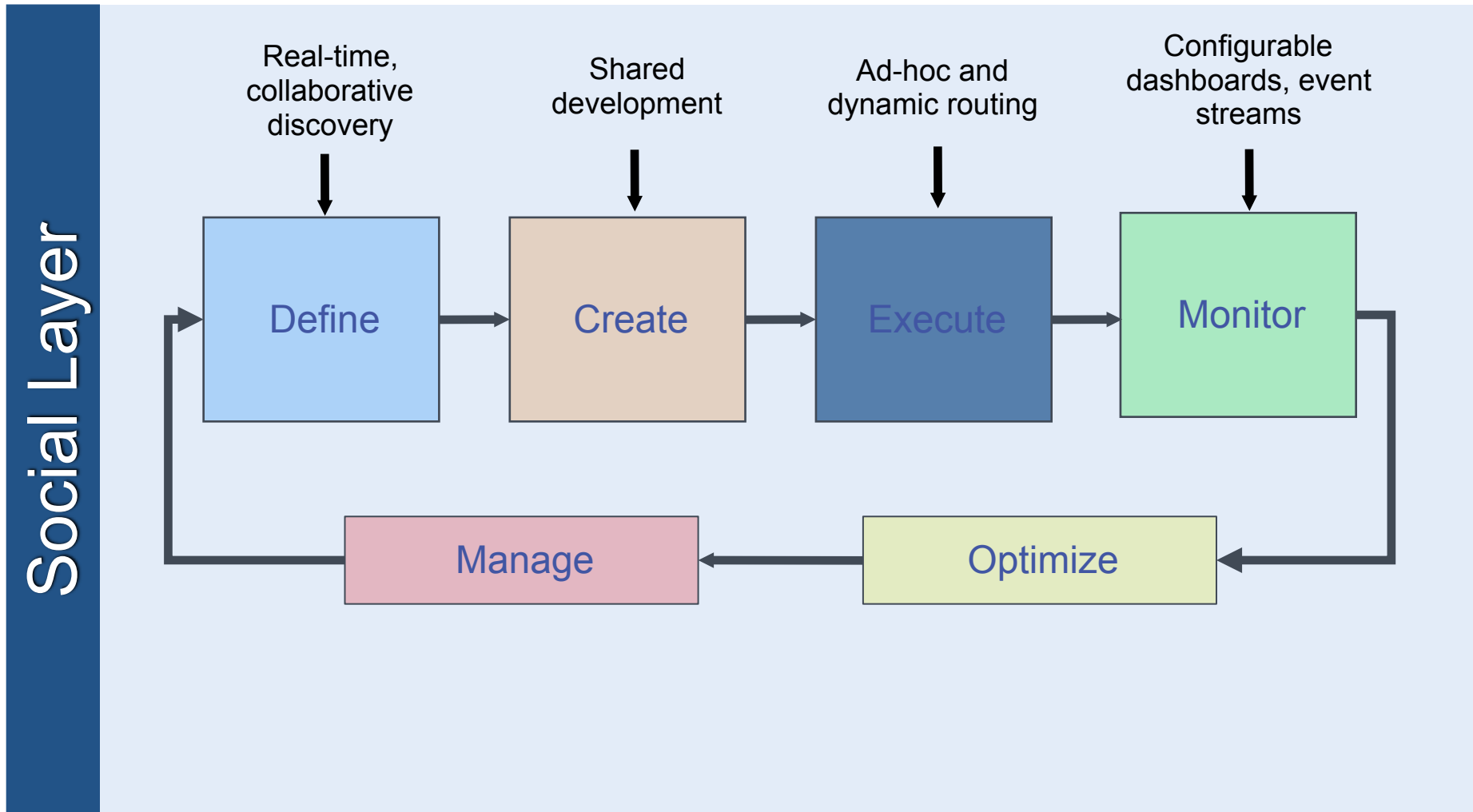
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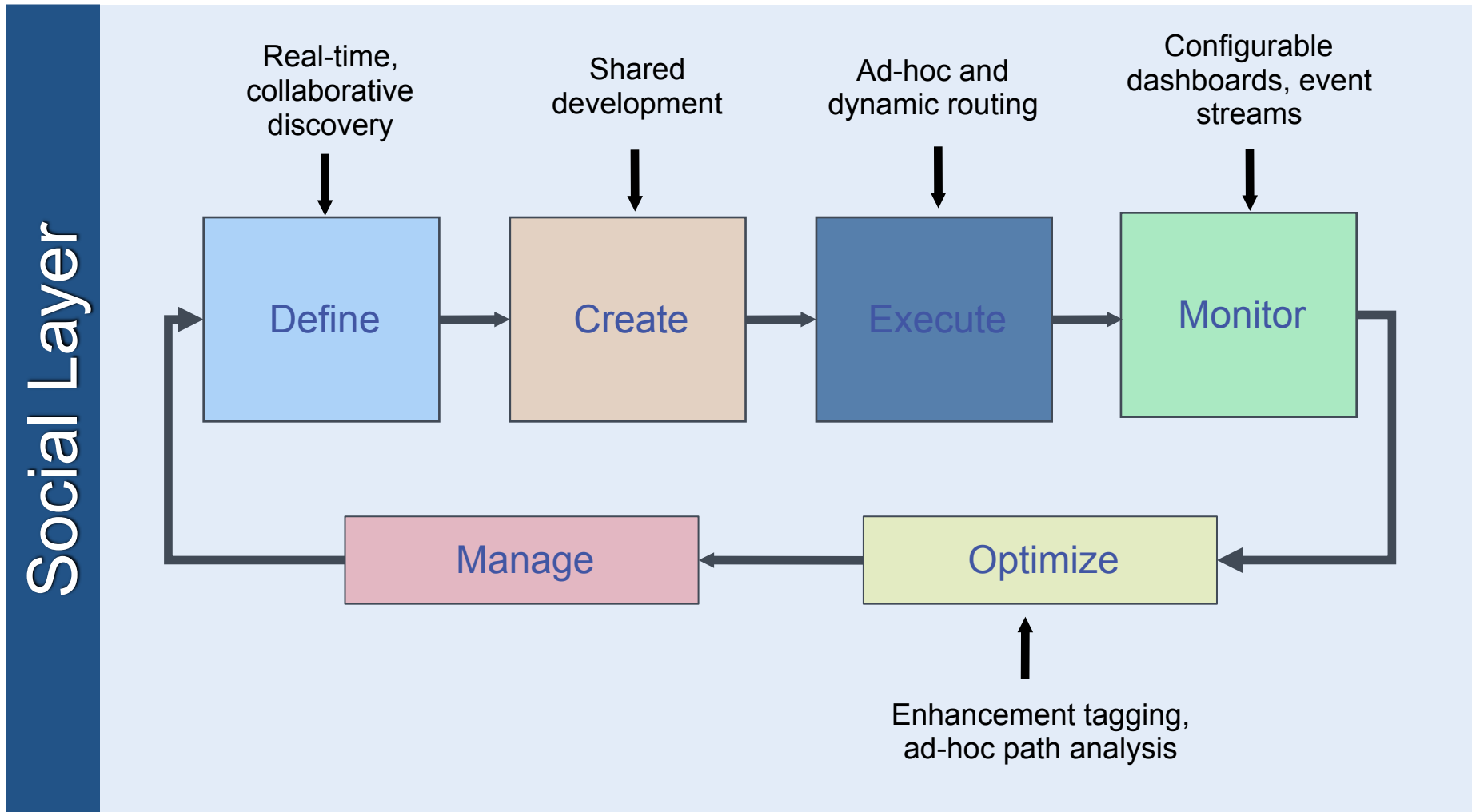
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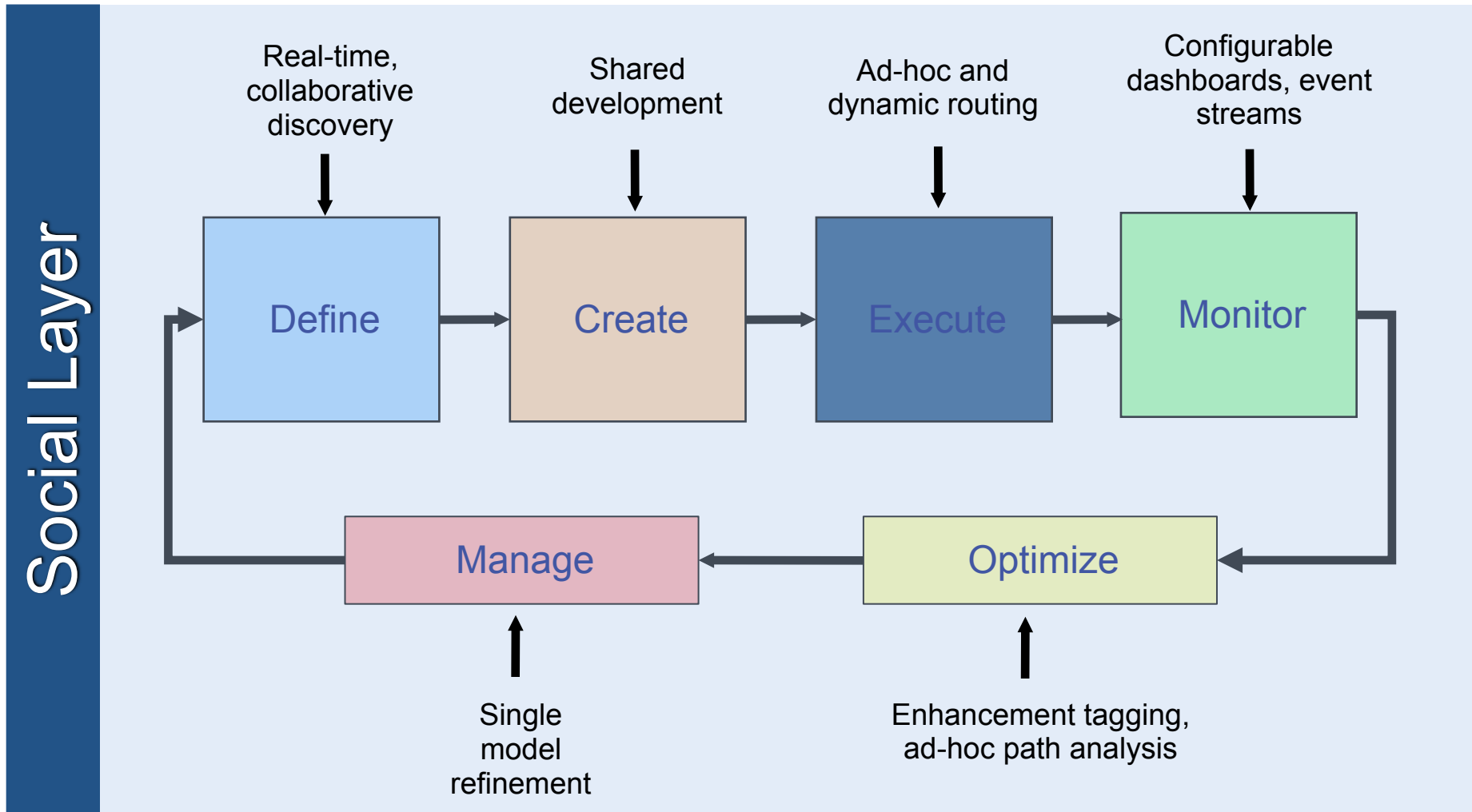
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Many social BPM patterns emerging

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- **Collaborative Discovery** – Extending process discovery to include front-line business users and customers for bi-directional communication

Many social BPM patterns emerging

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- **Shared Development** - Extending development to include business stakeholders and non-developers as equal partners in process development.

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- **Collaborative Discovery** – Extending process discovery to include front-line business users and customers for bi-directional communication
- **Shared Development** - Extending development to include business stakeholders and non-developers as equal partners in process development.
- **Process Guidance** – Tapping internal and external social networks to provide users with real-time guidance on how best to complete a specific process step or activity.

Conclusions

- Process improvement and data quality are intimately linked and must work hand-in-hand
- Connect process governance and data governance to minimize the risk of process data failure
- Review and synchronize key tasks and roles across process improvement and master data initiatives
- Develop a shared business glossary across business process and master data teams

Thank you

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