



DRM and the Importance of Metadata Management in Finance

Len Romano and Luis Castillo, September 4, 2014



Presentation Agenda

Introductions

General

The Importance of Metadata

Master Data Management

DRM

Questions

Introductions

Len Romano – Senior EPM Specialist, Emtec

- 20+ years of EPM experience
- 13+ Years as Solution Consultant & Partner Manager with Hyperion/Oracle
- Deep background in planning and financial business processes and former administrator/user of Hyperion products

Luis Castillo– Director EPM Infrastructure

- 8+ years of EPM experience
- 5+ years as Infrastructure Consultant
- Deep technical background in EPM applications and its required technologies across different platforms



General

General

- Metadata, data about the data, is the core by which organizations can garner the results of business process. One issue has been trying to keep that metadata in synch relative to the changing business climate. Trying to keep that metadata consistent throughout the organization is taunting but not impossible hear how this can be accomplished within a systematic application process.
- The purpose of this session is to talk about the importance of metadata synchronization and how DRM can be leveraged to overcome the metadata consistency headaches to become the “single source of truth” that everyone in the organization can trust.



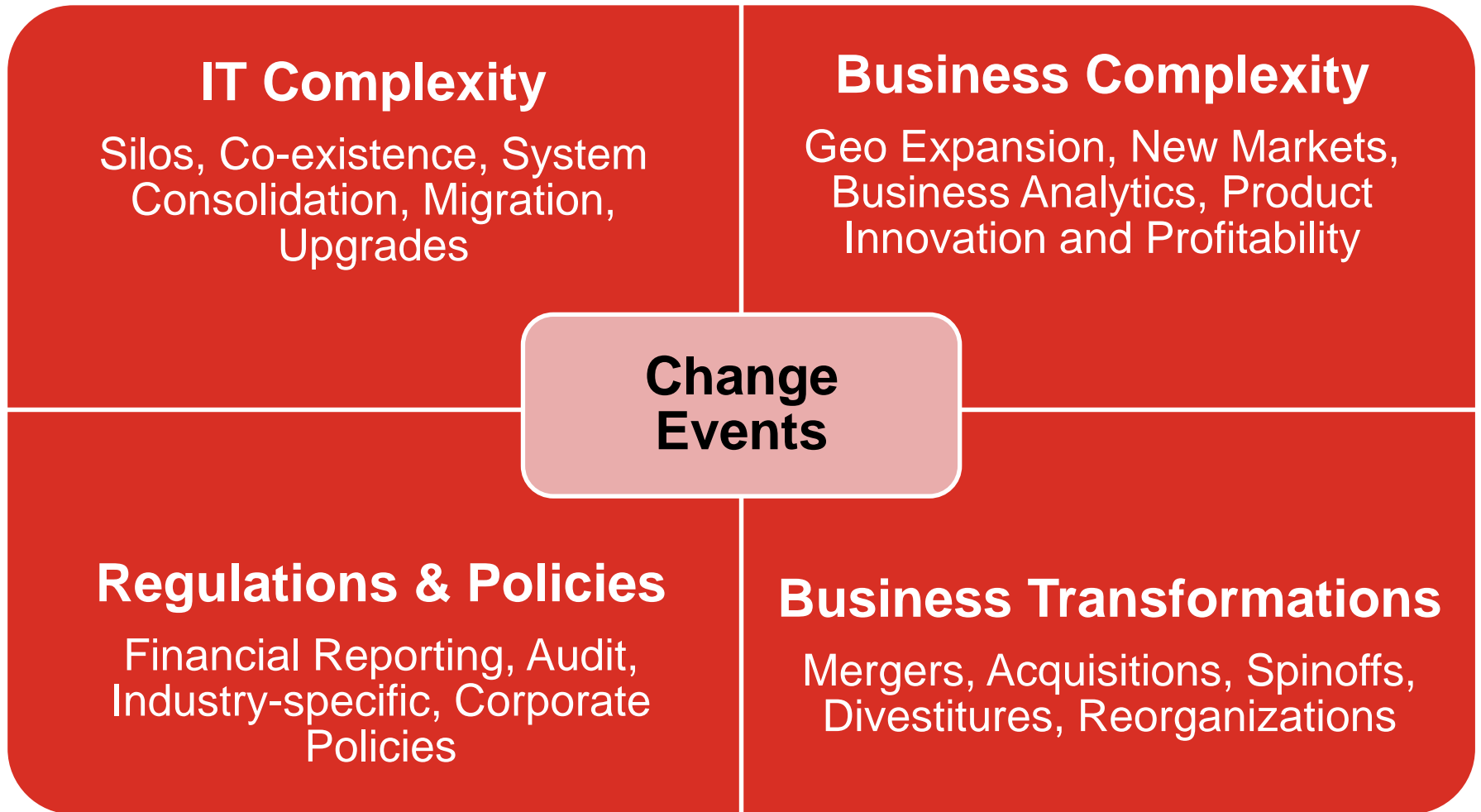
The Importance of Metadata

The Importance of Metadata

- Why so important?
 - Metadata provides information about other data
 - Bad metadata will provide incorrect, incomplete or inaccurate reports
 - Metadata is essential for regulatory compliance
 - Costs and time savings – accurate view of reference data minimizes the amount of time spent in further analysis and troubleshooting inaccurate reports
- Lets examine this in more detail

Change Is Constant

A flexible enterprise implies proactively managing change



Change Is Everywhere

From Front Office transactional systems to Business Analytics applications

Front Office

- Realign sales territories
- Reorganize sales team
- Update corporate structure
- Remove contact
- Change address

Back Office

- Restructure product line
- Classify product
- Assign geo region
- Add vendor
- Remove supplier contact

Finance & HR

- New employee
- Chart of Accounts (CoA) re-design
- New cost center
- Add tax jurisdiction
- Map global to local operating unit CoAs

Business Analytics

- Add new product category
- Add market segment
- New cost centers for next fiscal budget
- Define new profit margin calc
- Map GL accounts to Consol account

Symptoms of Unmanaged Master Data

Classes of problems observed



Front Office

- Inequitable distribution of leads, opportunities & orders across sales teams

Back Office

- Misalignment between corporate functions and business units
- Misalignment between how we operate and how we measure performance
- Vendor consolidation and spend planning economies unrealized

Finance & HR

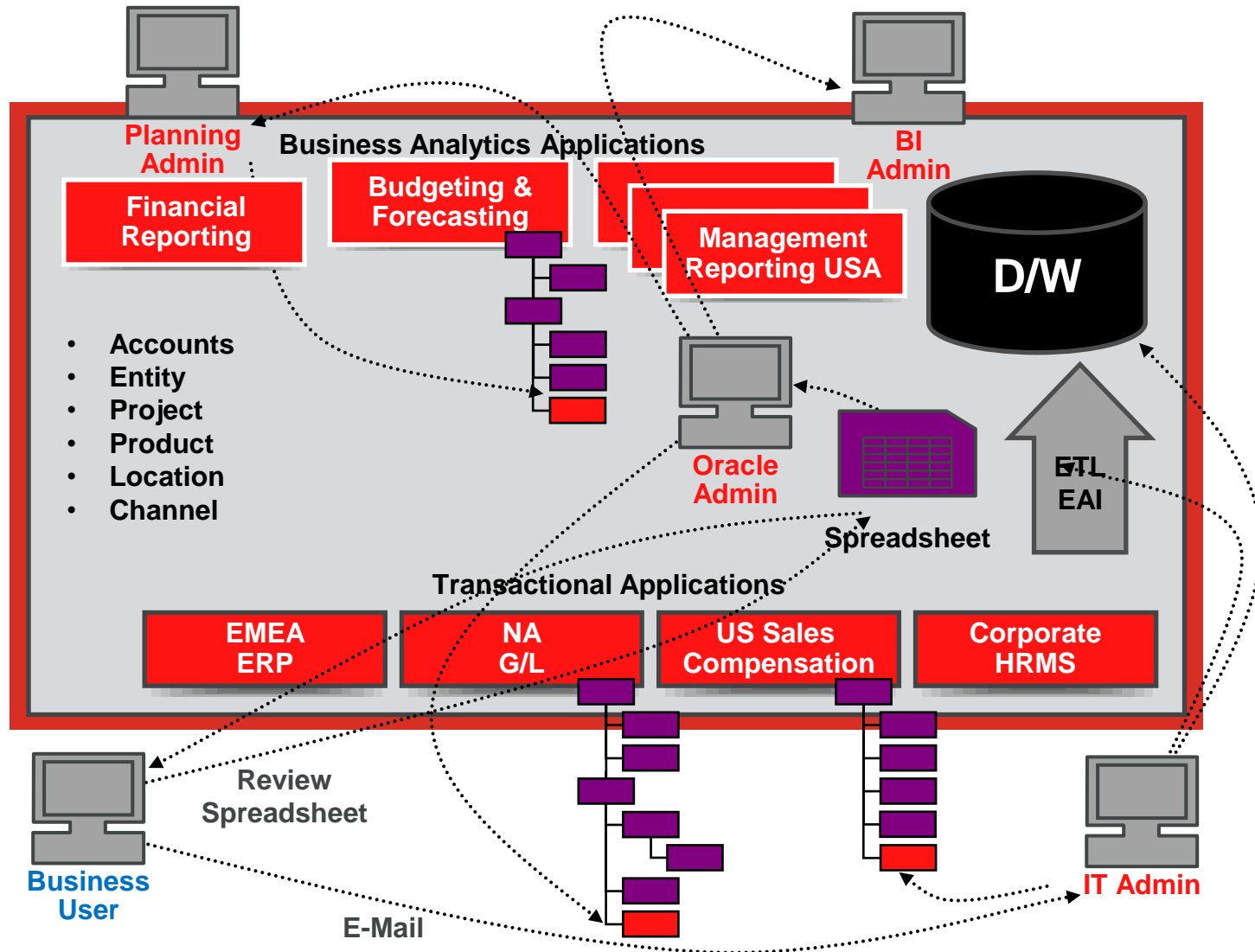
- Unsuccessful execution of transformational events: M&A, reorganizations
- Harder to enforce standards globally across local operating units
- Elaborate financial close cycles
- Enterprise-level reports not trusted, departments rely on spreadsheets

Business Analytics

- Long, burdensome reporting reconciliation cycles
- Financial misstatements
- Protracted multinational, statutory reporting (US GAAP vs. IFRS) cycles

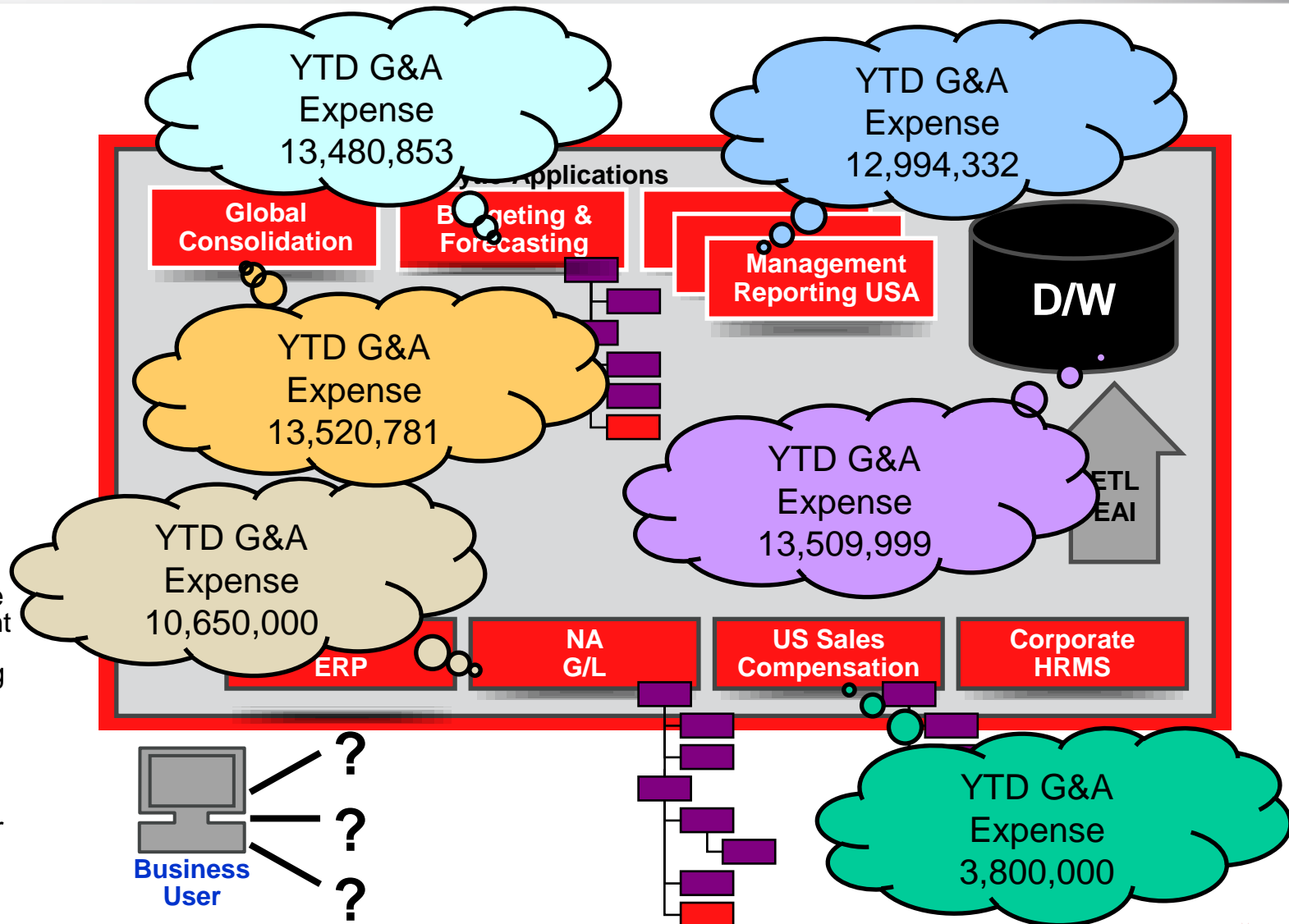
The Master Data Business Problem

- Different people involved
- Manual process
- Time intensive, error-prone, and inconsistent
- No way to audit
- No way to rollback changes
- Time and resource consuming
- Updates "interpreted" by systems experts



The Problem of Fragmentation

- Business measures that should be the same are not
- Uncertainty on accuracy of reporting
- Discrepancies could be caused by different classifications, human error, data load failures – who knows?
- Month after month, expensive time and effort spent researching and reconciling
- Audit / compliance difficulty, compliance implications for legal reporting





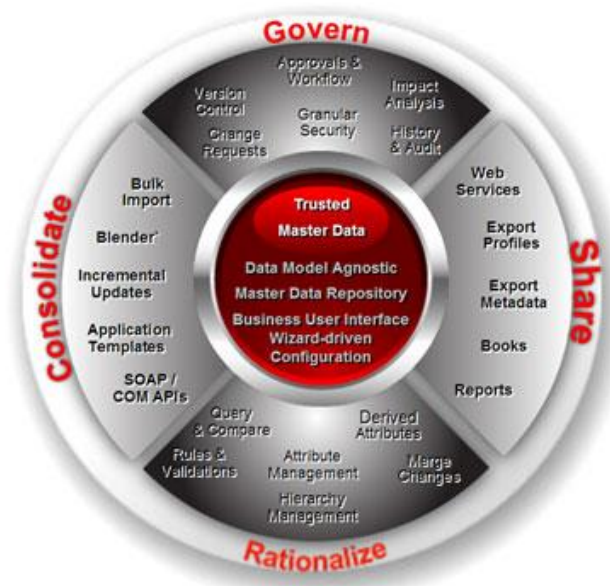
DRM

Introduction to Master Data Management

- Master Data Management (MDM), is the technology, tools, and processes required to create and maintain a consistent and synchronized view of the organization's critical business entities
- Why is it needed?
 - Applications can become silos of data; each system with its own version of the data
 - Provides single source of truth
 - Establishes ownership of data
 - Leads to increased confidence in data
 - Increased reporting accuracy

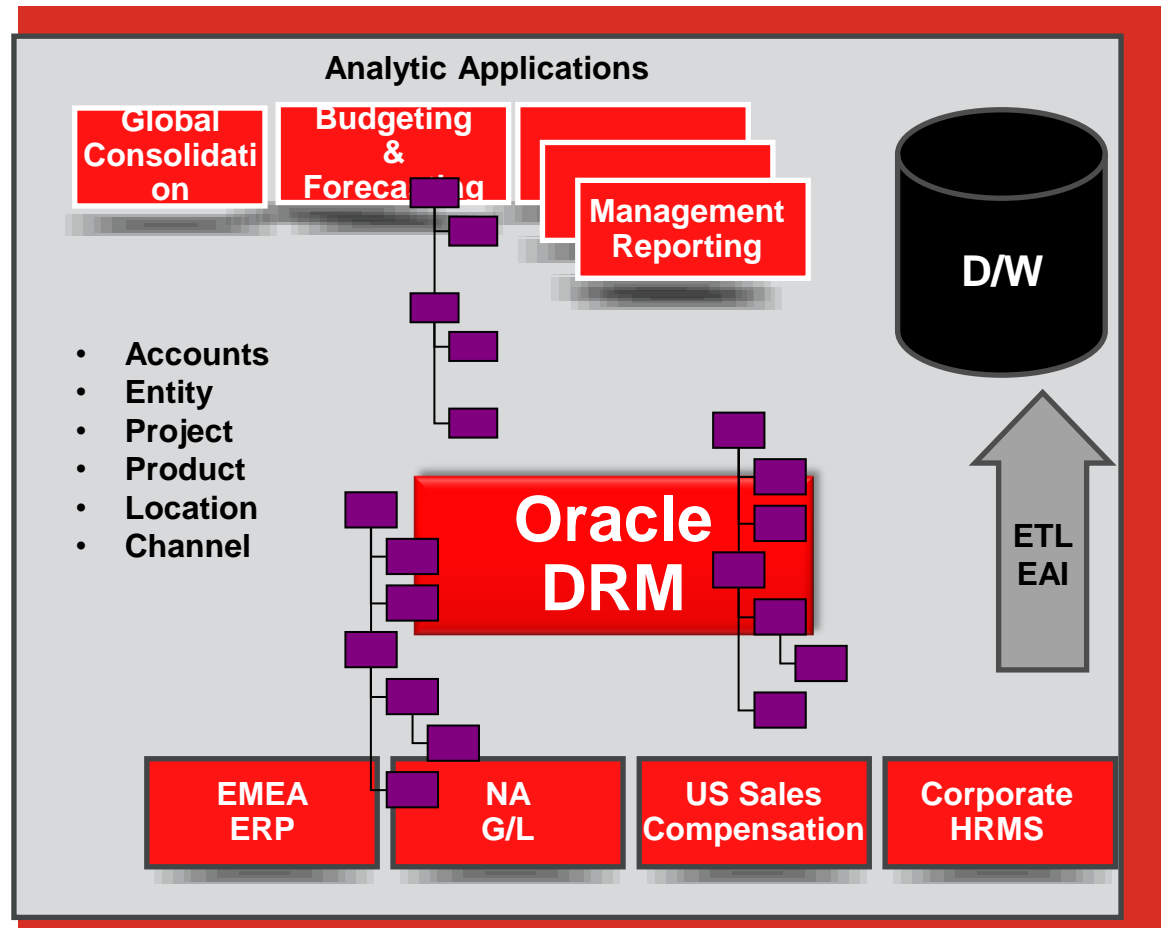
Oracle DRM – What is it?

- Oracle Data Relationship Management (DRM) is a Master Data Management (MDM) solution that enables organizations to build consistency with master data assets
- Financial MDM – Create Enterprise view of CoAs, Legal Entities, etc.
- Analytical MDM – Create view of analytical dimensions, reporting structures and their related attributes



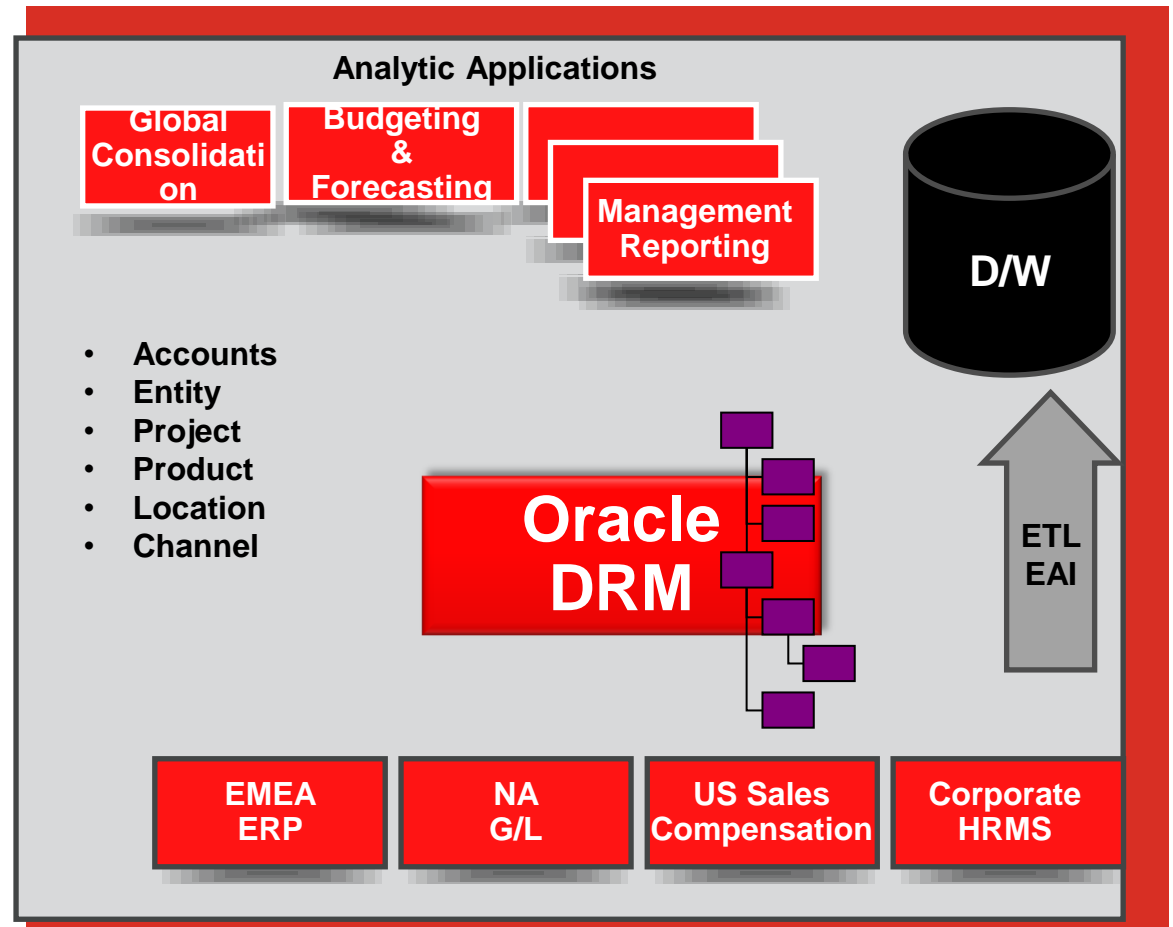
Oracle Data Relationship Management

- Import separate structures into Oracle DRM



Oracle Data Relationship Management

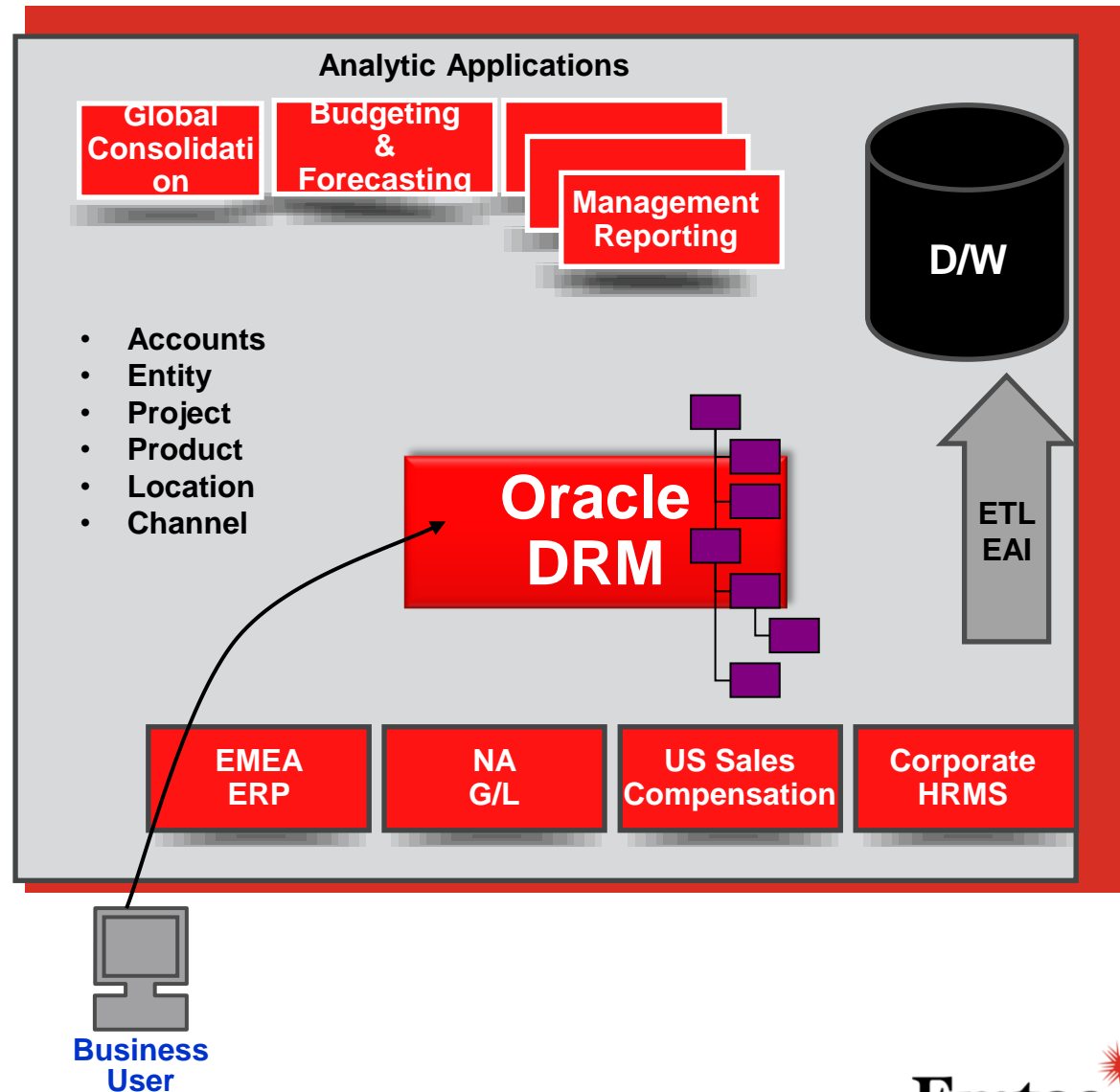
- Import separate structures into Oracle DRM
- Collapse separate structures into a single maintenance structure



Business User

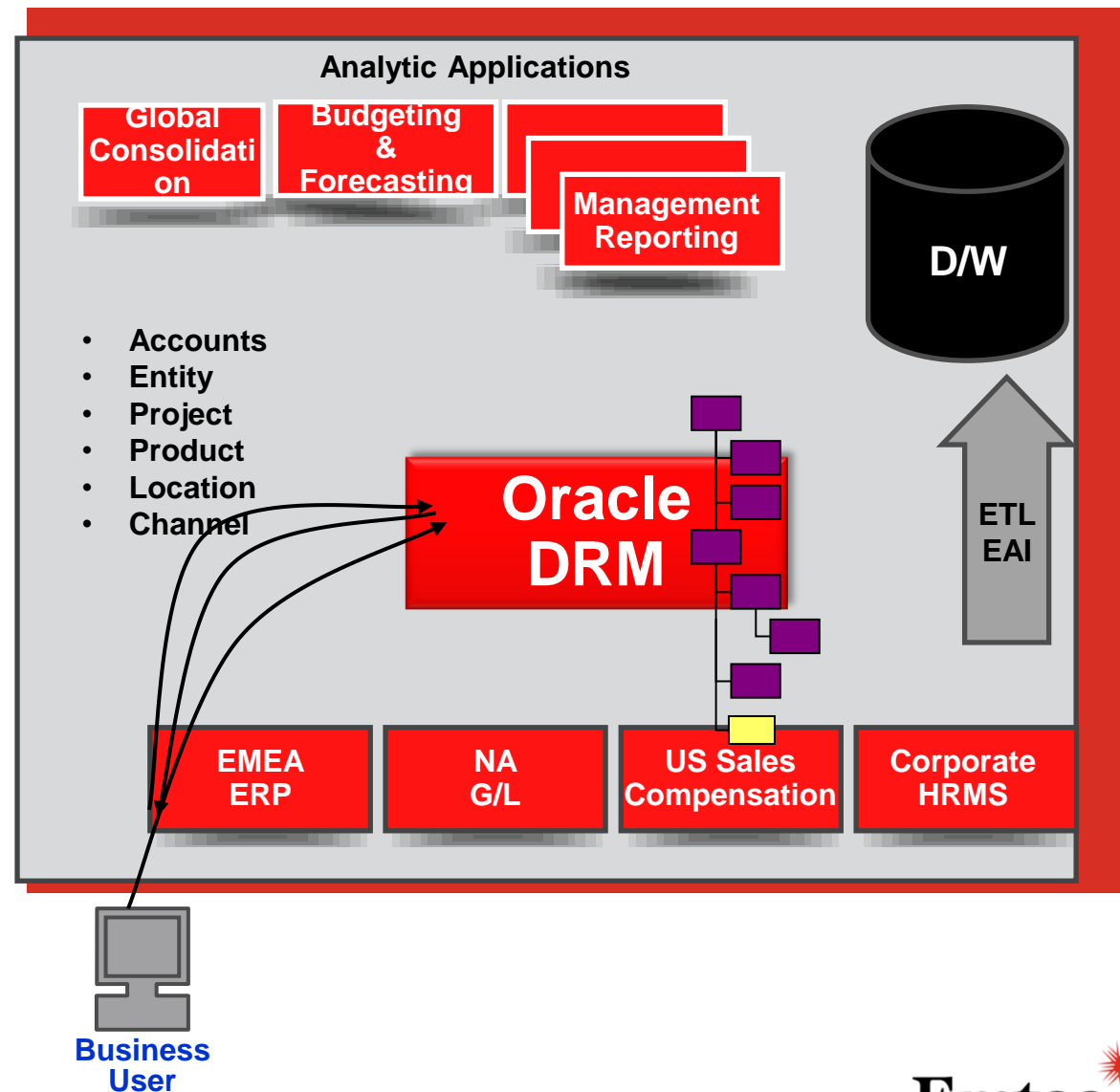
Oracle Data Relationship Management

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- Streamline change management – one place to make changes, one structure to update



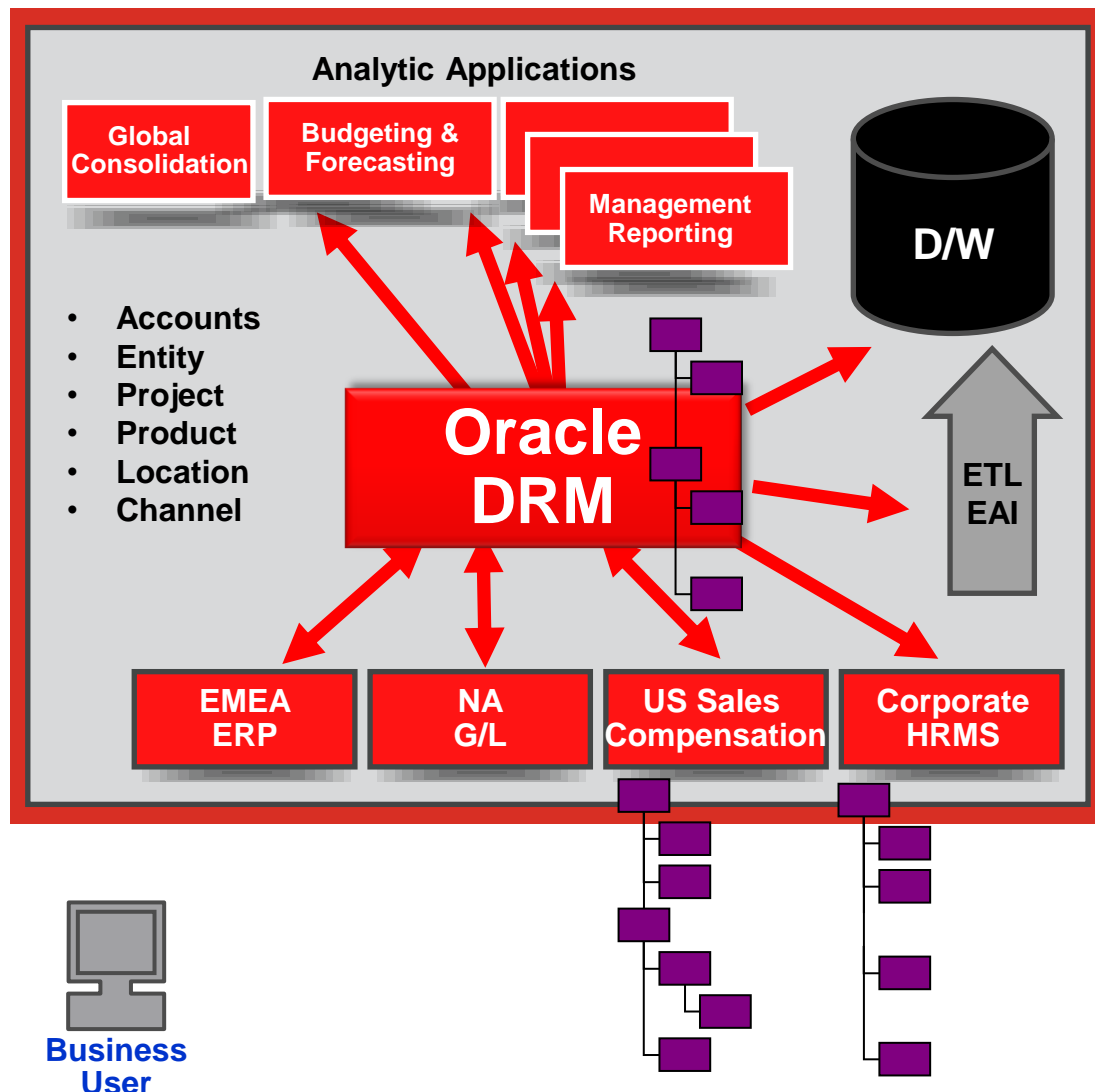
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Oracle Data Relationship Management

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- Streamline change management – one place to make changes, one structure to update
- Immediate feedback to business users to enforce system constraints, business rules
- Publish changes for each specific consuming system as needed, when needed



Oracle Data Relationship Management

- Proactively manage changes to master data across front-office, back-office and business analytics applications
- Utilize a rich versioning and rollback model to build a golden record, gain historical perspective, inform decision making with what-if scenarios
- Codifies the knowledge that resides in experts into automated, repeatable business rules
- Leverage a drag-and-drop hierarchy management solution to compare, analyze and sync complex alternate business perspectives, relationships and mappings
- Export targeted business views to downstream systems for systematic consumption
- Audit transaction histories to enable compliance with policies & regulations

Oracle DRM – Benefits

- User-friendly, web-based interface
- Advanced hierarchy and attribute maintenance
- Derived values via formulas
- Enforce business rules and validations
- Supports Data Governance via Workflow
- Maintain different versions of hierarchies
- Flexibility, Extensibility
- Direct Integration with Oracle's EPM Suite of applications
- Fully detailed audit log

Questions





THANK YOU FOR YOUR TIME

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