SAP Solution Brief
SAP Business Suite

SAP Master Data Governance

SUPPLIER MASTER DATA GOVERNANCE FOR SAP® BUSINESS SUITE

CONTROL DATA CREATION, QUALITY, AND CONSISTENCY

The SAP® Master Data Governance application centralizes the creation and management of supplier master data in SAP Business Suite software. With this application, companies can maintain, validate, and distribute supplier master data; improve master data accuracy and consistency; and facilitate compliance.

Supply and procurement organizations face myriad challenges in governing supplier master data. Without integrated, centralized data governance, companies settle into informal data processes that are not sufficiently controlled or guided. Data collection is time consuming, slow, and error prone, and the task is often duplicated in different business units and functions such as accounting, logistics, sales, and marketing. Homegrown, hard-coded solutions have a high total cost of ownership (TCO) and do not provide the flexibility required to meet business requirements across the supply chain.

Corrupt or duplicate supplier master data makes accurate reporting and analytics impossible. Companies need correct, complete master data to maximize potential financial benefits in transactions across the supply chain and take advantage of discounts, special conditions, and central contracts. To make better decisions regarding supplier performance and evaluation and identify duplicate suppliers, companies must take a closer look at spending analyses – but often these paint an incomplete picture.

The highest-quality master data is required to save time and money across supply chain processes – for example, to ensure that shipments are made to the correct addresses and that the best sources of supply are used. Companies must eliminate slow, error-prone manual activities in maintaining supply master data in multiple systems. Improve visibility into changes made to data. Establish a single source of truth for supplier master data in multisystem environments. And leverage current investments in enterprise software solutions.

The SAP® Master Data Governance application provides powerful functionality to centrally manage supplier master data in SAP Business Suite software. With the application, you can maintain, validate, approve, replicate, and adapt supplier master data. SAP Master Data Governance enables your business to:

- Increase transparency into global spending
- Leverage volume purchases in supplier negotiations
- Accurately determine your best suppliers

Integrate and Centralize Governance

Without a sophisticated governance solution, supplier master data is often maintained in different systems, and a variety of inefficient, error-prone, and time-consuming transactions are required to perform data maintenance tasks. Requests and reasons for new or changed data are communicated by phone or e-mail to specialists, who must then gather further information from other experts and stakeholders. Follow-up processing must be triggered manually. Approval processes with a two-person rule – for example, business decisions and transactions that require sign-off from both the CEO and CFO – cannot be accommodated. Furthermore, planned changes are not visible to other applications and users throughout the organization.

SAP Master Data Governance enables centralized governance of your supplier data, so you can create and maintain data in a single location while allowing the data to be safely and reliably used and reused throughout the organization.

Standardized, workflow-driven processes allow flexibility while helping ensure standardization. A user-friendly interface provides business users across the spectrum with role-based access to the information they need, when they need it.

Natively integrated with your existing SAP software, SAP Master Data Governance is fast and straightforward to implement. Its data model and business logic follow the best practices supported by SAP Business Suite. The software reuses existing data structures, business validations, and various services, and it leverages existing logic and configurations to help ensure supplier master data quality and facilitate data validation and enrichment.

With SAP Master Data Governance you can eliminate the need for manual maintenance of supplier master data in multiple systems, while still allowing for the use of controlled, localized applications. You can use central governance functionality for identifying and selecting descriptive data, while you maintain process-controlling attributes locally. Integrated staging, approval, and central audit-trail functionality facilitate compliance and transparency, and the application enables consistent definition, authorization, and replication.

Standardize Supplier Data and Processes

SAP Master Data Governance coordinates and controls all activities for managing your supplier master data. The application provides the structure to enforce process and data standardization and authorization, while allowing the flexibility needed to meet the requirements of your company's various business units, groups, and users.

Built-in guidance, monitoring, and reporting functionality, using a standard workflow tool, enables coordinated process and data governance. Data, process, and issue resolution information are kept in a single location, giving business users fast access to all relevant information. Upload functionality increases the speed of updates and streamlines integration between systems. Governance functionality avoids creation of duplicates and helps ensure completeness and accuracy of supplier data.

With integrated rules-management functionality, the application has the flexibility to meet your organization's needs. You can employ either linear or distributed, workflow-based governance processes, with defined roles and responsibilities for creating, changing, and approving supplier data. You can extend governance processes by adding business logic, enabling you to manage data quality as well.

Create, Change, and Approve Supplier Data

When creating or making changes to supplier data, users from different business units across the enterprise are involved. Without an integrated governance solution, supplier items are immediately available in the system as soon as the first user saves the entries, which can create problems. Incomplete supplier items and partial changes often exist, and planned changes are usually not visible to business users. Users can create a new supplier even when the master item already exists in the system, resulting in poor data quality and generating unnecessary costs.

SAP Master Data Governance provides functionality for change requests with built-in approval processes. Automated, regulated processes speed and provide visibility into decision-making activities, keep all relevant information in one place, and help you improve data quality and ensure that compliance requirements are met.

Requests are automatically routed to the proper stakeholder, and concerned expert users and stakeholders can record comments. The change process is completed upon the approval or rejection of the authorized business user or master data specialist.

Automate Data Staging and Duplicate Checks

Supplier data still awaiting approval is stored in a separate repository, for transfer to an operational database after approval. Incomplete data is stored in an inactive version, which helps ensure that data can only be used in business processes when it is approved, improving process quality. Rejected change requests don't create a supplier number in your SAP ERP application, improving data quality. Pending data changes can be made available to concerned users

and groups for review before they are released to the organization as a whole, increasing transparency and helping you become more agile and proactive while reducing errors and duplications.

The application automatically performs duplicate checks to avoid creation of already existing supplier items. Information on potential duplicates is provided during searches for supplier data and when checking change requests. A final duplicate check is performed when a change request is released.

Empower Business Users and Increase Efficiency

A user-friendly interface and sophisticated functionality empower business users across the enterprise. Users can search for supplier data stored in the active area as well as the staging area – unlike typical solutions with functionality that only allows searches of operational or active data. Search functionality is comprehensive, simplifying and improving the efficiency of daily activities. Integration into change request processing enhances productivity, and the inclusion of inactive data from the staging area reduces parallel change processes.

Business users can display data for a single supplier, toggle between active and inactive areas, and edit supplier master data. They can access other information such as change documents, key mapping data, display replication logs, and duplicate-check results. They can review changes and check the consistency of inactive data. And they can validate to ensure consistent updates of active data, add and enhance data, and approve new and changed data.

Gain Flexibility with Data Replication and Extensibility

With SAP Master Data Governance you can replicate supplier data for your SAP software environment as well as non-SAP solutions. The application gives you the flexibility to replicate data only to specific client systems using defined filters, and it supports the use of different supplier IDs and different customizing keys between hub and client systems. SAP Master Data Governance integrates with data services solutions for cleansing, matching, and consolidation activities.

You can reuse business logic and functionality in your existing SAP software environment, improving efficiency and TCO. You can use predefined content fields, such as plant or sales data, or create specific extensions and custom applications to suit your organization's requirements.

See How Your Business Benefits

SAP Master Data Governance enables you to centralize the creation and maintenance of your supplier master data. This master data can then be distributed to your enterprise applications. SAP Master Data Governance provides a flexible, unified view and a single source of truth for all supplier information, increasing business process efficiency across the organization.

SAP Master Data Governance provides powerful functionality to centrally manage supplier master data in SAP Business Suite software. With the application, you can create, maintain, validate, approve, replicate, and adapt supplier master data.

With the application, you can resolve business process delays, supply chain glitches, business continuity planning issues, and problems in 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.

Find Out More

To learn more about how SAP Master Data Governance can help you better manage supplier master data, call your SAP representative or visit us online at www.sdn.sap.com/irj/sdn/master-data-governance.

QUICK FACTS

www.sap.com/contactsap

Summary

The SAP® Master Data Governance application centralizes the creation and management of supplier master data in SAP Business Suite software, enabling companies to maintain, validate, and distribute master data. Use the application to improve the accuracy and consistency of your master data and facilitate government compliance.

Business Challenges

- Decentralized supplier data creation and maintenance can lead to multiple versions of data, poor data quality, and inefficient processes that depend on that data
- Manual data maintenance activities are time consuming, slow, error prone, and often duplicated
- Homegrown, hard-coded solutions have a high total cost of ownership and are not flexible enough to meet business requirements

Key Features

- **Governance** – Create and maintain supplier master data in a single location while allowing data to be safely and reliably used and reused
- **Standardization** – Gain flexibility with rules-management and workflow processes while helping enforce standardization and authorization
- **Interactivity and usability** – Give business users role-based access to the information they need, when they need it, through a sophisticated, intuitive interface
- **Compliance** – Document processes to help ensure compliance

Business Benefits

- **Resolution of business process delays, supply chain glitches, business continuity planning issues, and problems in financial compliance processes** by having a single view of supplier data
- **Reduced supplier spend** through improved analysis of supplier data that can lead to better pricing

For More Information

To find out more about how SAP Master Data Governance can help you better manage supplier master data, call your SAP representative or visit us online at www.sdn.sap.com/irj/sdn/master-data-governance.

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