Institute of Information Management

University of St.Gallen

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EFQM Excellence Model for Corporate Data Quality Management (CDQM)

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Institute of Information Management
Chair of Prof. Dr. Hubert Österle

CDQ
Corporate Data Quality

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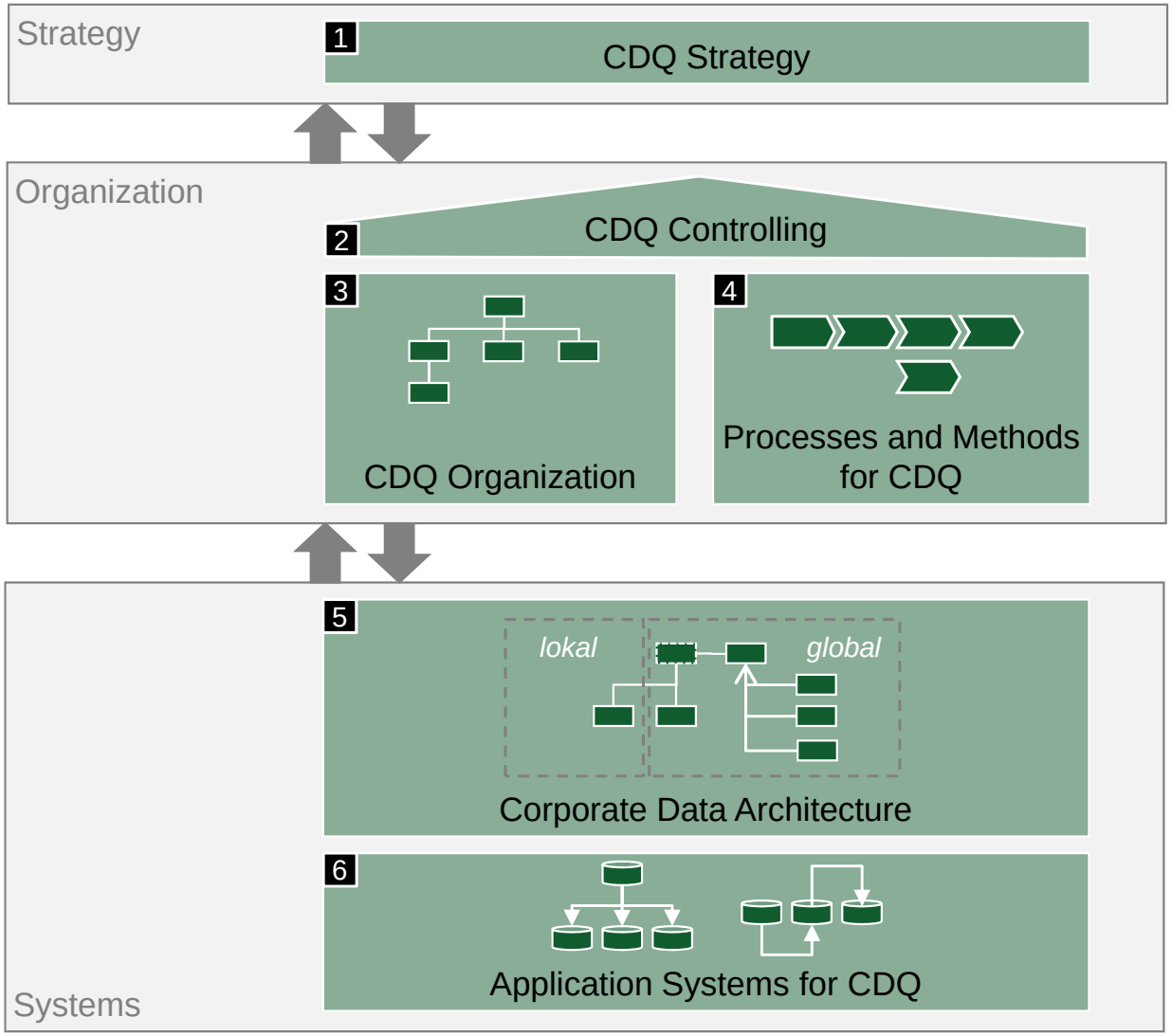
- Business Rationale and Background
- CDQM Excellence Model Overview
- Application and Examples

The quality of corporate data is necessary for various business drivers

Global Business Process Harmonization	■ Implementation of a global ERP system ■ „Single Point of Truth“ ■ Standardization of processes, reports and KPIs	Nestlé
Internal Reorganization	■ Merger of several business units ■ Creation of new business units ■ „End-to-end“-Processes	syngenta
Joint Ventures, Mergers, and Acquisition	■ Economies of scale and scope, increased revenue or market share ■ Cross-selling and other synergies ■ Taxation	CORNING
Customer-centric Business Models	■ Online marketing strategy ■ 360°-view on customers ■ Hybrid products	MIGROS
Regulatory Compliance	■ Import and export control ■ SOX, REACH etc.	NOVARTIS

Legend: ERP – Enterprise Resource Planning; KPI – Key Performance Indicator; SOX – Sarbanes-Oxley Act, REACH – EU Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals.

Preventive Corporate Data Quality Management (CDQM) comprises six design areas



Legend: CDQ – Corporate Data Quality.

Companies are confronted with a number of typical challenges

- What is the scope of CDQM in our company? How to approach the establishment of CDQM?
- How can we measure progress and success?
- What can we learn from others?



Necessary is an instrument for assessing and improving the CDQM initiative

The EFQM Excellence Model for CDQM was jointly developed by EFQM, the University of St. Gallen, and partners from industry



ALCATEL · ABeam Consulting · Bayer CropScience · BDF Beiersdorf · CORNING · DB · dmi Direct Management Institute St.Gallen · Emmi · FESTO · GEBERIT · RAIFFEISEN · Nestlé · ZF · NOVARTIS · SWISSMEM · SIEMENS · swisscom · syngenta · T · & more.

The case of an international communication systems manufacturer

Company's Profile

- Manufacturer of fibre optic communications system solutions for voice, data and video network applications
- 10,000 employees worldwide
- Multi billion USD business

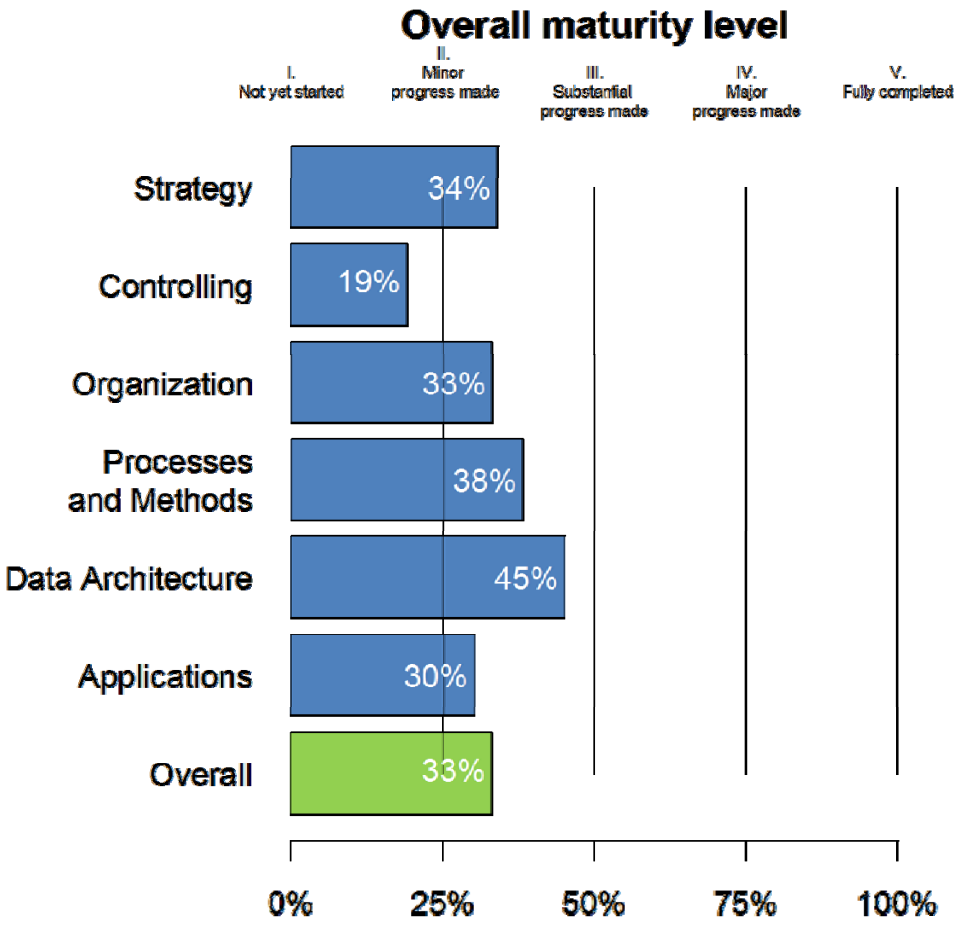
Initial situation

- Virtual data management organization established as a response to strategic business requirements
- Challenges:
  - Ownership of and responsibilities for data objects unclear
  - Standards and common procedures for data quality missing
  - Continuous organizational restructuring programs

Goal

- Maturity assessment for Corporate Data Quality Management and development of an action plan

The final results show the overall CDQM maturity of the case study company





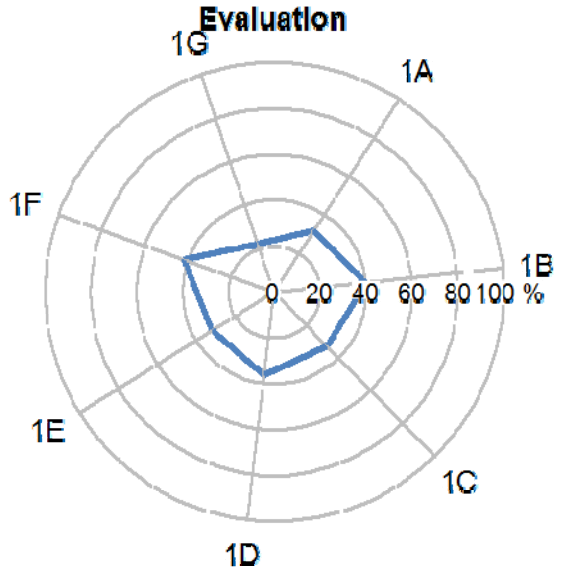
All 31 goals were assessed in 25+ interviews using a standard, tool-supported questionnaire

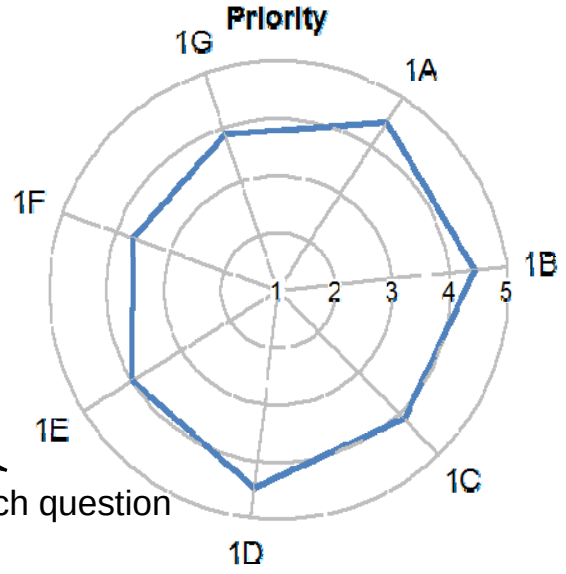
"CDQ Strategy" Results

	Question	Maturity Evaluation	Priority	Need for action	Intended Improve-ment 2011
1A	Are there any strategic objectives and values of master data management in your organization (in a well-documented and well-communicated form)?	0.32	4.50	0.62	0.15
1B	Do the strategic objectives and values of master data management comply with your company's business strategy?	0.40	4.44	0.53	0.13
1C	Is there any strategic project planning or coordination of initiatives for master data management in your organization?	0.33	4.13	0.55	0.14
1D	Does your organization provide the resources needed for conducting master data management according to given objectives and plans?	0.36	4.46	0.56	0.14
1E	Are overall objectives and plans of master data management broken down to objectives and plans applicable on specific organizational levels?	0.32	4.00	0.54	0.14
1F	Is your master data organization – i.e. DMO – staff capable of naming current activities of master data management?	0.42	3.68	0.43	0.11
1G	Do top executives in your organization clearly show their support for master data management by concrete action or favorable statements?	0.22	3.88	0.59	0.15

Collected during interviews for each question

Calculated for each question





In the case study, five strategic areas of action were identified as a result of the maturity assessment

1	Transferring TQM principles to CDQM	■ Align CDQM with the company's culture of quality management ■ Proof of concept for customer master data creation in NAFTA Customer master life cycle
2	Managing cost and value of data quality	■ Corporate data as an asset: Business case calculation ■ Establish business-oriented data quality metrics ■ Data life cycle: Retirement process
3	Global data governance rollout	■ Buy-in for CDQM from data owners still missing ■ Continuous roll-out of roles and responsibilities ■ Implementation of a shared corporate data management service
4	Global leveraging of knowledge assets	■ Knowledge capitalization on an organization and system level ■ Foundation of a global center for excellence
5	System integration and process automation	■ Technical integration/substitution of application systems supporting corporate data management ■ Extend workflow from material master to other domains

Legend: TQM - Total Quality Management; CDQM – Corporate Data Quality Management.

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EFQM Excellence Model for CDQM

https://benchmarking.iwi.unisg.ch/

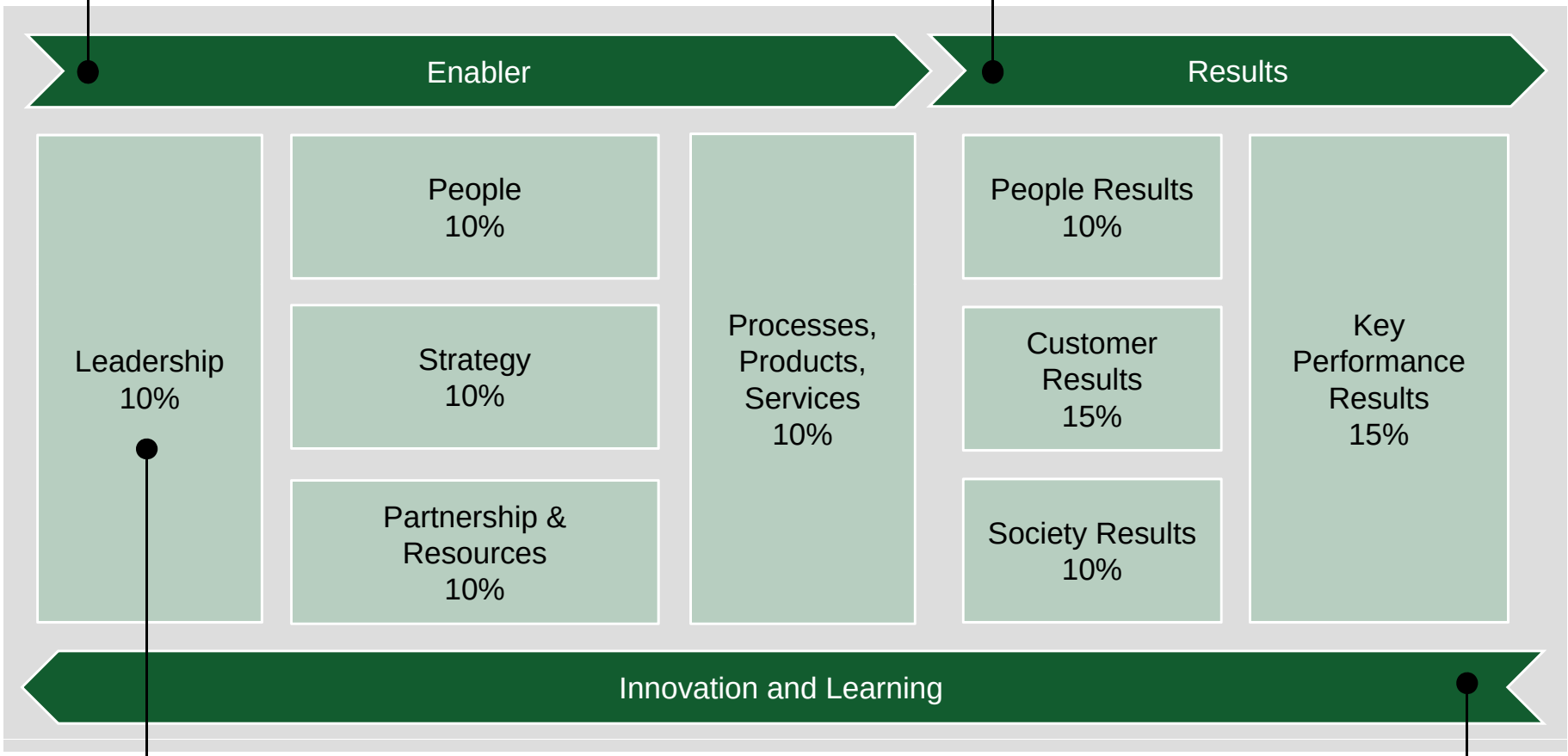
Backup

- General EFQM Model for Excellence
- Overview of the EFQM Excellence Model for CDQM
- Details of the EFQM Excellence Model for CDQM
- Maturity levels

The general EFQM Model for Excellence has been a proven instrument for many years

Enabler criteria cover what an organization does.

The Results criteria cover what an organization achieves. Results are caused by Enablers.



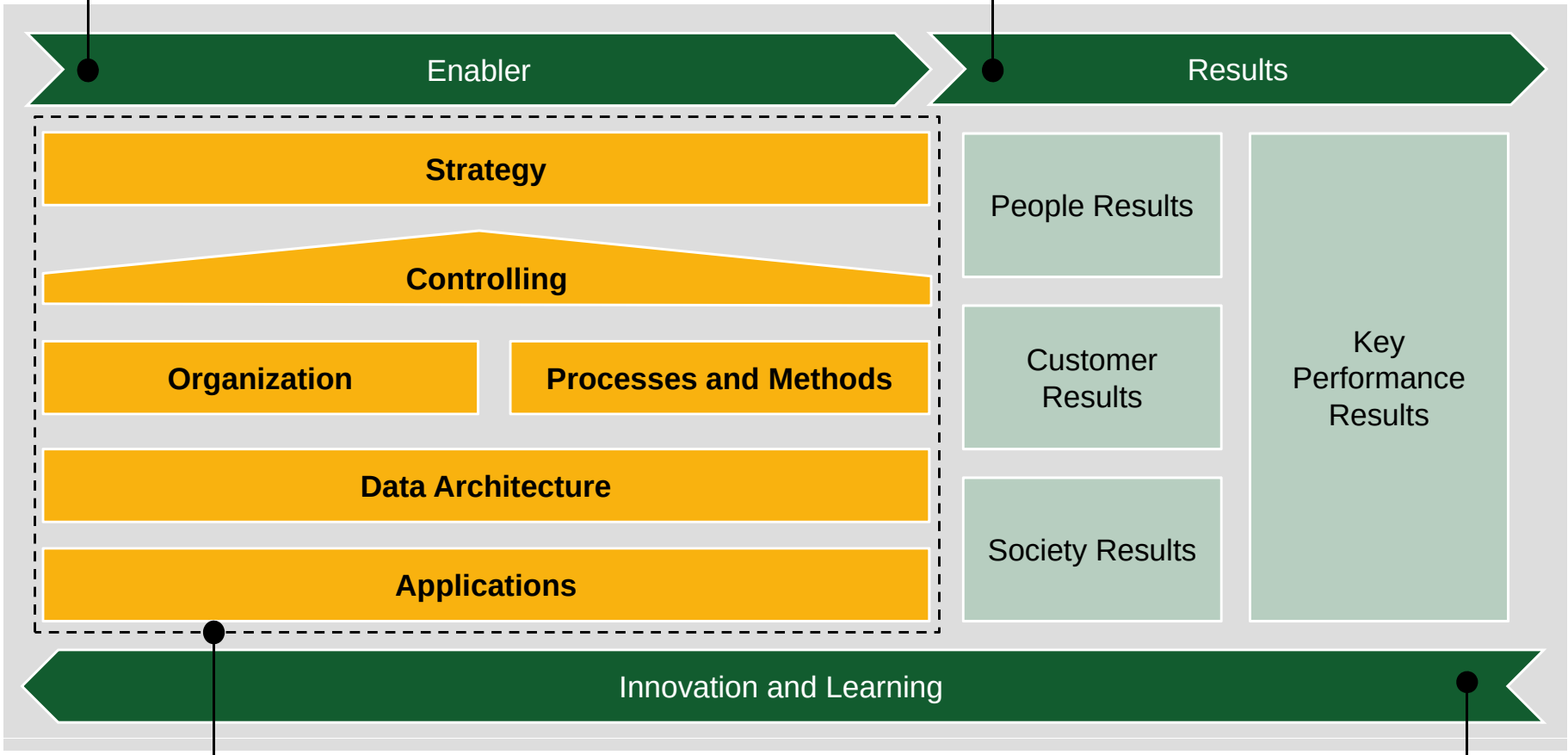
Weightings are assigned to each criteria and are used to determine the final score.

Enablers are improved using feedback from Results and root-cause analysis.

The EFQM Excellence Model for CDQM combines an accepted standard with the expertise from industry

Enabler criteria cover what an organization does in terms of CDQM.

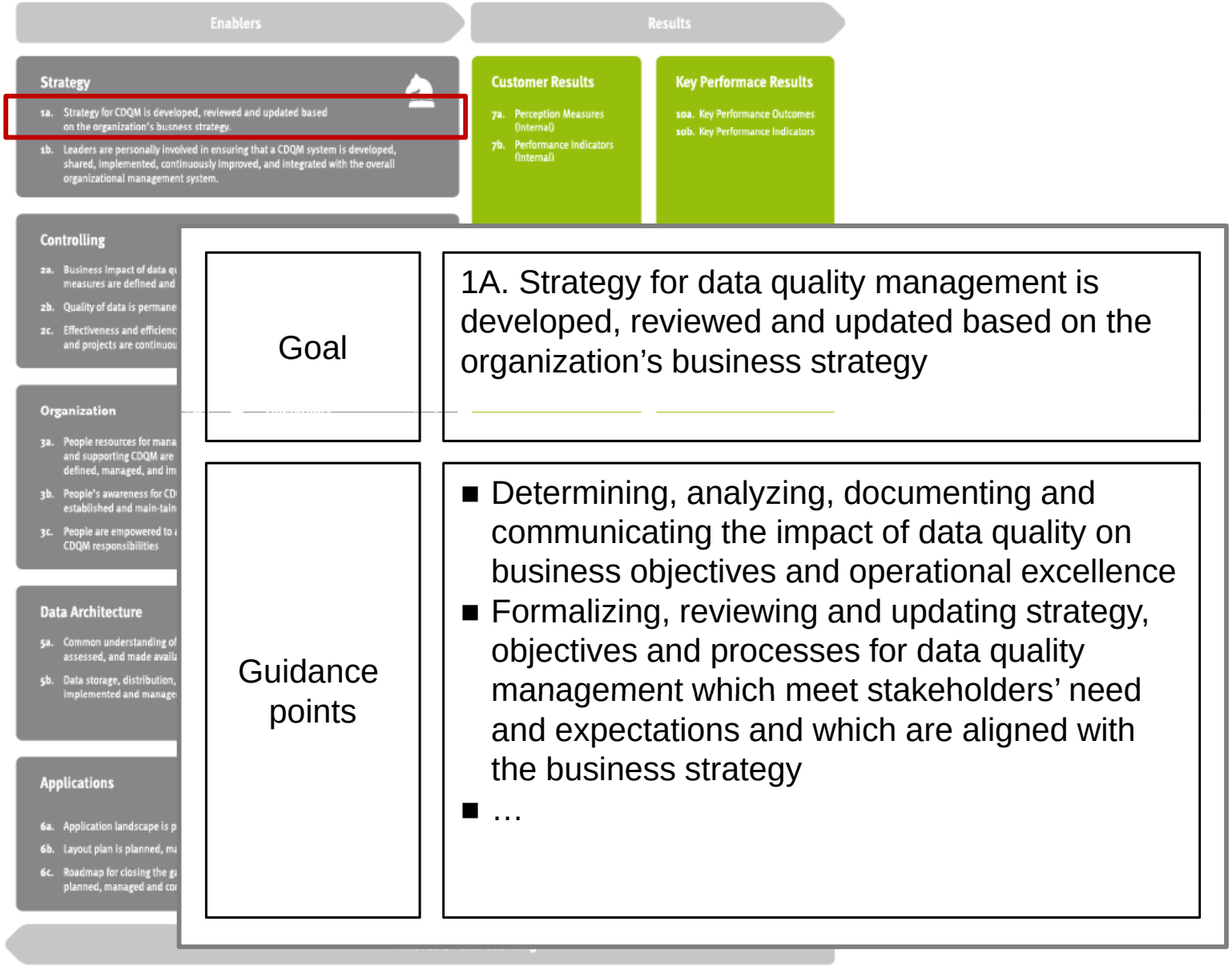
The Results criteria cover what an organization achieves in terms of CDQM. Results are caused by Enablers.



CDQM design areas.

Enablers are improved using feedback from Results and root-cause analysis.

The EFQM Excellence Model for CDQM provides detailed guidance for all six enablers



Five maturity levels allow for detailed assessments

Level	Description
V. Fully completed	■ Excellent results in all areas ■ Outstanding solution found; no significant further improvement imaginable
IV. Major progress made	■ Clear proof of successful implementation ■ Regular verifications and substantial improvement ■ But approach is still not fully applied in all areas
III. Substantial progress made	■ Proof that initiative is seriously established ■ Successful implementation in a number of areas ■ A number of examples of verification and improvement identifiable, but the full potential is by far not fully exploited yet
II. Minor progress made	■ Some indications of a positive development identifiable ■ Casual, more accidental verifications that have led to some improvement ■ Positive results in very specific areas
I. Not yet started	■ No initiative identifiable ■ Some good ideas expressed, but still wishful thinking is predominant