CI MDM – Hierarchy and Global Account Manager

--- On a global enterprise scale

Dave James- Lead Architect for CI
CI MDM Hierarchy and Global Management

AGENDA

- Global Hierarchy Objective
- The challenges of Global Hierarchy Management
- The IBM CI MDM Global Hierarchy story
  - The Global Hierarchy views – internal and external
    - Global Hierarchy Management
    - Global Hierarchy Control
- In Summary
Global Hierarchy Objective

- To provide a Single view of the customer (SVOC) for global marketing, sales and financial operations
- To create a Trading Partner perspective that will combine the business relationships between Customers, Business Partners and Vendors
- To bridge the external industry identification of legal enterprise entities with our own internal global operational view of those same global enterprise
- To provide the ability to communicate across all Business areas and processes using common CDI MDM building blocks of Organization and Client to improve productivity and customer satisfaction
- To offer the flexibility to extend the organization hierarchy to reflect such relationships as affiliations or partnerships
Global Hierarchy Management Challenges

- **Business Challenge**
  - Track the changes in ownership of your customers on a global level through mergers, acquisitions, and divestitures.
  - Tracking your own organization mergers/acquisitions and divestitures and the resulting change in your customer base.
  - Compliance to the customer information laws by government and country.
  - Evolution of your customer relationship to a more of a trading partner model to include Business Partners and Vendors.
  - Evolution and education for the introduction and adoption of the global hierarchy – a shift in culture and tradition!!
Global Hierarchy challenges - continued

- **Process Challenge**
  - Combining individual customer creation and maintenance processes into one strategic create/maintain function within your CDI MDM
  - Transitioning the business portfolio from an application process to a service oriented process

My customer data is better

No it’s not mine is!
Challenges continued

- **Data Challenge**
  - Expansion of data and DASD requirements for National Language Support (NLS) and Double Byte Character Sets (DBCS)
  - Location of data based on changes in government and country laws and instruction
  - Data Migration and transformation planning for multiple disparate sources of customer related data by geography and /or country level applications
  - Design flexibility to support both the global hierarchy business definition and the current operational business application systems
Challenges continued

- Data Governance
- Conduct Name and Address matching to avoid duplication and incomplete information
- Develop Business data standards for all the key MDM data that can be published for the use of all subscribers
- Implement data quality processes and routines to ensure the quality and integrity of all customer master data
- Introduction and development of the Global Hierarchy method utilizing a third Party (Dunn and Bradstreet), internally defined or a combination
- Define and implement data security rules to govern customer master data access by geography/country/individual
Master Data Delivery challenge

- Once the Master data reference selection is agreed to then it’s time to map out the scope and design plans for implementing the Enterprise delivery of master data.
  - Legacy to Strategic
    - Differences in key attribute datatype /lengths
    - Different value sets for codes
    - Multiple sources of record
    - De-duplication and cleansing
  - Strategic to Legacy
    - Maintenance of conversion
    - Adoption to strategic design
  - Architecture design
    - New operational application
    - Active Operational Data Store
    - SOA 2 way implementation (Publish / Subscribe functionality)
Master Data Delivery – challenge continued

- Custom applications or Packages
  - Master data delivery to packages presents its own challenge!!
  - Different formats accepted by the API
  - Different attribute/column names
  - Work with package vendors to see if the master data like customer information can be externalized
  - Carry the conversion logic at the “Service level” not the source level
  - For custom applications establish a change policy, for example the legacy application will be retired within 3 years so provide a conversion, longer than 3 years enforce the update to the application to receive the new master data format
GLOBAL HIERARCHY VIEWS –
Internal and External
ORGANIZATION & CLIENT – Definitions

An IBM CLIENT is a grouping of ORGANIZATIONS

- The default grouping is for the COUNTRY TOP ORGANIZATION and all ORGANIZATIONS below it within that country
- An additive variation is to include all of one or more other ORGANIZATIONS that have strong buying affiliation
- A subtractive variation is to extract a subsidiary ORGANIZATION to form a separate IBM CLIENT

An IBM GLOBAL CLIENT is a subset of IBM CLIENTs that truly do business with IBM globally (i.e. buying & relationship)

- Every IBM CLIENT in every country where that IBM GLOBAL CLIENT does business will be linked to the IBM GLOBAL CLIENT

An ORGANIZATION is any legal entity in the marketplace

- The ORG view identifies legal entities, and their hierarchies based on ownership relationships
- For the counting “customers”; ORGANIZATION is the unit of measure
- The ORGANIZATION view is complete and non-overlapping providing a view that will always add up to 100%

A GLOBAL TOP ORGANIZATION is the highest level legal entity in an ownership based hierarchy worldwide

- Every ORGANIZATION will have a GLOBAL TOP ORG even if it only operates in one country, even if it only has one legal entity

A COUNTRY TOP ORGANIZATION is the highest legal entity in an ownership based hierarchy within a single country

- Every ORGANIZATION will have a COUNTRY TOP ORG even if it only operates in one country, even if it only has one legal entity
- For ORGANIZATIONs that operate in more than one country, there will be a COUNTRY TOP ORGANIZATION for each country where it operates

A SITE is a physical location of a legal entity

- Legacy CMR records will be linked into the hierarchy at the SITE level
- Linkage to the appropriate ORGANIZATION SITE will be maintained for each “party” represented in the CMR record
ORGANIZATION – External View – Definition of Terms

- Reflects the external "Marketplace" view of businesses using well known and well used constructs of legal entities & physical locations
- Key to terminology is to remove any indication of the relationship to IBM (Account, Client, Customer, etc.)
- Supports IBM’s ability to talk to external parties using known terms, counts (i.e. analysts, etc.)

A ORGANIZATION is any legal entity in the marketplace

- The ORGANIZATION view is not only to identify legal entities, but is also to put them into hierarchies based on ownership relationships
- For the purposes of counting customers, ORGANIZATION is the unit of measure
- The ORGANIZATION view is a complete view and is non-overlapping providing a view for measurements that will always add up to 100%
- No non-ownership relationships will be built within the ORGANIZATION hierarchy, although these “affiliate” relationships may be built dependent on or using the ORGANIZATION hierarchy

A GLOBAL TOP ORGANIZATION is the highest level legal entity in an ownership based hierarchy worldwide

- Every ORGANIZATION will have a GLOBAL TOP ORGANIZATION even if it only operates in one country, even if it only has one legal entity

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- Every ORGANIZATION will have a COUNTRY TOP ORGANIZATION even if it only operates in one country, even if it only has one legal entity
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A SITE is a physical location of a legal entity

- Legacy CMR records will be linked into the hierarchy at the SITE level
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CLIENT – Internal View – Definition of Terms

- Reflects the IBM internal “Go To Market” view of businesses
- Will be limited in definition to the use of ORGANIZATIONs (i.e. a given CLIENT must align cleanly to one or more ORGANIZATIONs)
- The design intent is to drive to a common, consistent list of IBM CLIENTs across all IBM Business Units

An IBM CLIENT is a grouping of ORGANIZATIONs

- The default grouping is for the COUNTRY TOP ORGANIZATION and all ORGANIZATIONs below it within that country
- An additive variation is to include all of one or more other ORGANIZATIONs (starting at COUNTRY TOP or below) that have strong buying affiliation
- A subtractive variation is to extract a subsidiary ORGANIZATION to form a separate IBM CLIENT
- For both variations, the action may or may not be consistently applied to every country where that ORGANIZATION does business

An IBM GLOBAL CLIENT is a subset of IBM CLIENTs that truly do business with IBM globally (i.e. buying & relationship)

- Every IBM CLIENT in every country where that IBM GLOBAL CLIENT does business will be linked to the IBM GLOBAL CLIENT
- In case of variations this may mean multiple IBM CLIENTs within a country link to the common IBM GLOBAL CLIENT

Establishment of IBM GLOBAL CLIENTs and IBM CLIENTs will be primarily an annual activity with the intent to provide

- Consistency year to year for historical comparisons (where possible)
- Fluidity to support IBM’s changing relationships
- Fluidity to support changes in the ORGANIZATION structure (mergers & acquisitions, spin-offs, openings, closures)
- Flexibility in selecting ORGANIZATIONs to group as an IBM CLIENT
**Internal View**

**Coverage**

**IBM Global Client**

IBM Global Client: Ford

IBM Clients:
- Ford (US)
- Ford (CA)
- Ford (JP)
- Etc.

* One per country Ford operates in

**IBM Client**

**Global Top Organization**

**Country Top Organization**

**Organization**

**Site**

**External View**

Ford Motor Company, MI, USA

Ford Motor Company, MI, USA

Ford Motor Company, MI, USA (INAC=2845)

Ford Motor Credit Co

Volvo Cars of North America, Inc., NJ, USA (INAC=2902)

Volvo Car Finance, ??, USA

Mazda Motor of America, Inc., CA, USA (INAC=8538)

Jaguar Cars Inc, USA

R R Donnelly & Sons, USA ??

+ Ford Dealers

+ Misc Ford Subs

3188 Unique Names (approx Companies)

Sold-to: CMR# Install-at: Bill-to

Ford Motor Company, USA - 339

Total USA – 14,581

Total WW – 24,583
Global Hierarchy management
Base Definitions

For complete definition refer to "Customer Information Data Dictionary"

• Organization
  - An entity that represents an organized body that IBM can exchange intellectual or material value with - i.e. do business with
  - Legal Organizations
  - Divisions of Legal Organizations
  - Sites of Legal Organizations
  - Groups of Individuals/Households

• Site
  - Synonymous with Establishment and Location
  - Representation of a Legal Organization at a unique physical location
  - One Mailing Address Per Site

• Contact
  - The role an individual performs who has a business relationship with IBM and is representing an organization in this relationship

• Person
  - An individual human being
  - A person may play multiple roles in multiple relationships.
Org-Site Hierarchy (based on D&B)

- Organization
  - Main Site
    - Site
    - Site
    - Site
  
- Organization
  - Main Site
    - Site
    - Site
    - Site

- Organization
  - Main Site
    - Site
    - Site

Global Ult Duns level/Domestic Level

Parent Duns level

Duns level = Branch (e.g. site, establishment, physical location)

Could be a dept/location
Ford Motor Company (A subset)
Org-Site Legal Hierarchy Example

Ford Motor Company
Dearborn, MI

Ford Motor Credit
Detroit, MI

Ford Motor Company, LTD.
Brentwood, England

Primus Automotive Financial Services, Inc.
Franklin, TN

Organization
Main Site

Site

Site

Site

Site

Site

Site

Site

Norfolk, VA
Global Hierarchy control
those unavoidable packages !!!!
Typical Org/Site Hierarchy

CCMS DUNS HIERARCHY TABLE

<table>
<thead>
<tr>
<th>SITE DUNS</th>
<th>HQ DUNS</th>
<th>CU DUNS</th>
<th>GU DUNS</th>
</tr>
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<tbody>
<tr>
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<td>456…</td>
<td>789…</td>
<td>10112…</td>
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<td>456…</td>
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## Without “Back Door” Hierarchy Linkage

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<td>Site X</td>
<td>456…</td>
<td>789…</td>
<td>101112…</td>
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<tr>
<td>Site Y</td>
<td></td>
<td>789…</td>
<td>101112…</td>
<td></td>
</tr>
<tr>
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### Diagram

```
          GU Site
                 101112…
                        |
                        v
                   CU Site
                            789…
                                 |
                                 v
                     HQ Site
                             456…
                                      |
                                      v
          Site A  Site B  Site C  Standalone Site W  Standalone Site X  Standalone Site Y  Standalone Site Z
                  123…  234…  333…
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In Summary
Executive sponsorship

- Getting to “One” hierarchical view across a global enterprise must have executive commitment
Preparation – Preparation - Preparation

- Get the Model right
- Get the Data right
- Deliver the message
- Education Education Education
THANK YOU