

Case Study

Association Management Firm Cleans Up Vendor Data Landscape with Maestro MDM

Self-service Vendor data portal increases accuracy and consistency of Vendor master data

Business Challenge

This leading community association management firm has served its clients with local knowledge, national resources, and comprehensive expertise for more than three decades. One of the first in the industry to embrace the use of computer technology in day-to-day operations from its founding, the firm went on to found the industry's first online shopping network, enabling homeowners and employees to garner savings on home products and services. Among many other services, the firm currently offers state-of-the-art IT services that keep community data secure while enabling world-class communications, based on proven software development, solid infrastructure and quality support to meet evolving operational needs.

Even with its forward-looking technology focus, rapid growth across an ever-widening geography presented the firm with its own technology challenges, and they sought a master data management (MDM) solution for integrating processes, systems, and data across the organization. The initial MDM project focused on data related to Vendors doing business with the firm, either directly, through its various branches, or via individual communities under the firm's management. As each branch of the firm had its own operational database, each with a unique identification system for the Vendors, "branch duplicates" existed where a single Vendor company had multiple Vendor accounts in the same branch, leading to potential confusion and duplicate payments.



MDM Domain
Vendors

Industry
Business Services

Maestro Solution

Understanding that no one had a greater stake in the accuracy and currency of Vendor data – enabling them to receive payments at the correct address, allowing potential new clients to readily contact and engage with them, and so on – the firm set out to establish Vendor ownership of their own master data within the firm’s information systems. In order to do so, they undertook an initiative to update and de-duplicate the Vendor data used in their primary operational information system, created a new self-service Vendor information portal, and implemented a Maestro MDM solution for ongoing real-time synchronization of Vendor data between the operational system, the new Vendor portal and the MDM hub.

The Vendor MDM solution also provided a more effective way of appropriately categorizing Vendors. This was especially important because the firm’s operational system required a Vendor record whenever a payment needed to be made. This was true even if the payment was to be made to an entity that was not a traditional Vendor. In order to accommodate this requirement, categories were needed to identify different types of “non-Vendors” for purposes of payment. These included:

- *Reimbursement Vendors*

These records are required in the operational system in order to generate check payments (for example, for homeowner refunds), but they have different tax reporting and compliance requirements than for traditional Vendors.

- *National Vendors*

Some large national Vendor organizations will not participate in managing their own data, or have different compliance requirements than standard Vendors.

- *Government entities and organizations exempt from compliance activities*

For these non-Vendor entities, tax IDs are not applicable, but “Vendor” records are still required in the firm’s operational system in order for payments to be made.

In addition to Vendors, other key entities that were defined in the MDM model included approximately 8500 homeowners Associations residing in the operational system, as well as the operational Branches of the firm (approximately 50); and the relationships among Vendors, Associations and Branches, and with the Associations’ GL Accounts. A Vendor Master Hierarchy shows the relationships between master Vendor records at the global (firm-wide), Branch, and Vendor levels.

Maestro Golden Record Management enabled the firm to find and group duplicate Vendor records within a Branch. After matching, the operational system uses the match group information to re-assign or inactivate some of the duplicates, as appropriate. In addition, they match and group active Vendors for which records exist in more than one Branch, thereby providing the Vendor portal users with a single identity to manage, while keeping the information up to date in all Branch systems where the Vendor is active.



Results

Allowing the majority of Vendors to enter and update their own data via the new Vendor portal system delivered a number of benefits. First, with the Vendors themselves as the originators of the information, portal access increased the accuracy and quality of the Vendor master data in the system. It also shifted some key data maintenance activities; for example, streamlining the process for assigning existing Vendors to additional Associations by allowing Association managers to make such requests directly, without having to submit them to a central maintenance team and then wait for processing. Finally, a centralized workflow for managing Vendor compliance against regulatory standards reduces liabilities for the firm and its client associations.

Looking forward, the firm plans to add ranking and rating information to the Vendor records, as well as integrating third-party data sources for compliance requirements. This data will play a part in maximizing the value of a planned self-service Customer portal, where Associations and Homeowners could find, evaluate, and engage the firm's approved Vendors directly.

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