



Advance Your AI Agenda with Master Data Management

Extract value from AI and machine learning faster with the power of MDM

Artificial intelligence depends on high-quality data. MDM enables businesses to deliver it.

Businesses looking to create competitive advantage by implementing artificial intelligence (AI) and machine learning face two basic, common challenges.

First, there is a shortage of data science talent, as exemplified by this recent spin on the otherwise well-worn joke, *"how many data scientists does it take to change a lightbulb?"*

The answer might be funny if it wasn't so true: *"It doesn't matter, there aren't enough of them around, change it yourself."*

The second challenge is more serious and poses an even greater threat to the success of AI; the critical demand for high-quality data.

Companies pursuing AI agendas face a troubling data quality gap

Regardless of how many data scientists an organization employs, if questions arise about the quality, availability or currency of their data, then the intelligence derived from it – artificial or otherwise – may be questionable, too.

This has a huge impact on delivering on an innovation-driven growth agenda. According to PwC, 5X more companies seek greater value from their data than there are companies who believe they have the data they need to do it.²

This is a troubling gap.

Data scientist shortage slows AI and data-driven agendas:¹

Demand for data scientists outpacing supply >2:1

Demand for data scientists: +31%

Supply: +14%

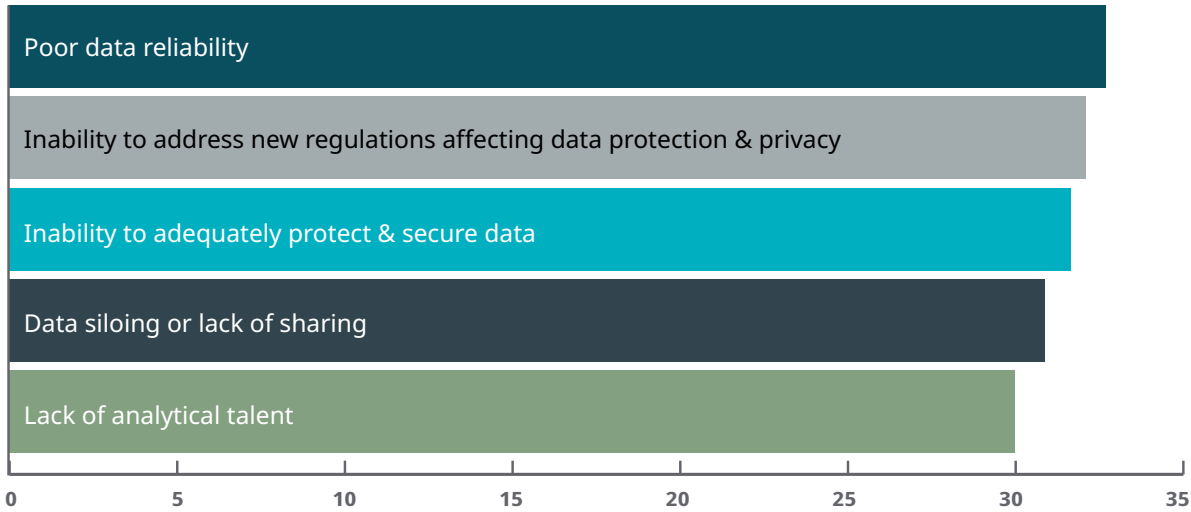
Poor quality data threatens the promise of AI even more

76% of companies seek greater value from their data

But just 15% believe they have the right data to do it²

37% of businesses report that ensuring AI is trustworthy is a high priority, naming it their top concern⁴

Primary Obstacles to Extracting Value from Data



Source: PwC, Trusted data optimization pulse survey, 2019³

It's no surprise the same study showed data quality to be the number one perceived obstacle to businesses extracting value from their data (as illustrated above).

Data quality: #1 threat to getting value from AI

The implications of insufficient data quality are significant for all applications dependent on data, but especially advanced initiatives like artificial intelligence (AI) and machine learning.

This is because such systems continuously improve by detecting patterns in data and using them to offer predictable outcomes. Fed inaccurate or outdated information, the results could be similarly inaccurate.

This makes trustworthiness a top priority for those looking to implement AI in the years ahead. Addressing that concern demands both trusted algorithms and data to drive trustworthy actions and decisions. For example, customer-centric initiatives such as predictive analytics and personalization.

Building a foundation for trusted data science with MDM

One of the most effective methods of ensuring data quality is master data management (MDM). Implementing MDM empowers companies to seamlessly connect data across the enterprise, as well as streamline and improve data quality processes, to create a single version of the truth that fuels better business insights, decisions and outcomes.

This is especially important with large volumes of historical data which, in many organizations, lacks the accuracy, detail or structure required to drive actionable strategic and operational insight.

The ability to take on data quality issues for new and legacy data makes MDM a critical enabler for organizations seeking to advance their data ambitions, and accelerates the delivery of the competitive business value they hope to achieve through AI.

Five steps to get the most from AI with MDM

For CDOs and data science teams looking to accelerate their path to AI, here are five basic steps to help leverage MDM to their strategic advantage.

1 Start with the outcome, not the technology

Latest generation MDM solutions are more powerful than what many have experienced before, especially less capable product information management (PIM) solutions. To maximize the benefits, start with the goal in mind. This includes your objectives, as well as the challenges to be addressed. Then select a solution and implementation plan to achieve it.

Desired outcomes will vary by industry, region and company, and your position on the digital transformation and IT maturity curve. Be sure your solution is flexible and scalable enough to meet your unique and evolving needs.

2 Take it one dataset at a time

Prioritize data sets with the greatest potential value first and then take it one at a time. Using MDM will allow you to iteratively include more and more of your data in your processes and governance.

Forward thinking organizations should look for a solution that applies machine learning to automate data quality, becoming consistently faster and smarter over time. Providing consistent, trustworthy data to fuel continuous business innovation and growth.

Remember, AI is only as good as the foundation it's built on. Use a solution that spans the enterprise and your AI initiatives will have a greater likelihood of delivering business value and success.

3

Watch process, policy and governance

One way to accelerate AI success is with an MDM solution that automates process, workflows and governance. This can free high-value team members to focus on more complex initiatives vs. administrative processes.

Note, without careful attention to regulatory policy and governance, MDM and the business and data initiatives it supports will suffer. PwC's respondents reported ensuring data meets regulatory requirements was their #2 AI-related priority, ranked only behind integrating AI and analytics.⁴

4

Measure performance and ROI

Regardless of their interest in innovation initiatives that incorporate AI, many organizational leaders are unlikely to approve a budget to support it without a plan to monitor and measure performance and value. This makes measuring ROI a priority.

Despite this fact, many organizations lack tools to address this requirement. In a recent survey of 100+ CDOs conducted by Stibo Systems, only 23% said they had technology in place to measure ROI.⁵

Having a plan to deliver against this need is essential to success for every AI agenda. A solution such as MDM presents a great option to deliver it.

5

Keep the data coming

Ensuring a continuous flow of data to feed the ongoing needs of AI shouldn't appear to be a challenge. For most organizations, data is hardly in short supply.

Of course, simply having more data doesn't mean having the right data, or the tools to make use of, or govern it. What's truly needed is a sustainable process that can handle the continued influx of data. This requires the right MDM platform, which includes AI and machine learning tools for efficiency.

Accelerating AI with MDM built for your unique needs

The current level of interest in using AI to deliver competitive success is both reminiscent of – and distinctly different from – the level of interest in all things big data roughly a decade back. Similar, in that companies are anxious to put technology to work to drive insight and results. Yet different, in that today, companies are moving more carefully, with a focus on making sure their investments are made purposefully and intelligently.

The specific direction taken by every company will vary depending on their goals, needs, industry, risk tolerance, budget and more. For example, their ability to attract the data scientists and analysts to make the most of their implementation (as mentioned at the start of this analysis).

For many, a great place to begin will be with enterprise apps that have innovative technology, e.g., machine learning, already integrated into proven solutions they have in place, like MDM. As well as with providers of those solutions with a track record of innovation in the space.

Implemented in a way that factors in the desire to optimize business to run better, while transforming the business to drive growth, MDM is one of the best ways to set an organization on a path to AI success.

For more information on MDM solutions that have what it takes to help you achieve your business, data science and AI agendas, visit stibosystems.com.

¹ Indeed Hiring Lab, Demand for AI Talent on the Rise, 2018

² WSJ.com, AI Efforts at Large Companies May Be Hindered by Poor Quality Data, April 2019

³ PwC, Trusted Data Optimization Pulse Survey, February 2019

⁴ PwC 2019 AI Predictions: Six AI Priorities You Can't Afford to Ignore, Jan. 2019

⁵ How to get your board to buy into your data agenda, Stibo Systems, April 2019

About Stibo Systems

Stibo Systems, the master data management company, is the trusted enabler of data transparency. Our solutions are the driving force behind forward-thinking companies around the world that have unlocked the strategic value of their master data. We empower them to improve the customer experience, drive innovation and growth and create an essential foundation for digital transformation. This gives them the transparency they require and desire – a single, accurate view of their master data – so they can make informed decisions and achieve goals of scale, scope and ambition. Stibo Systems is a privately held subsidiary of the Stibo A/S group, founded in 1794, and is headquartered in Aarhus, Denmark. More at stibosystems.com.