

WHITEPAPER

# How to build a case for a product master in your organisation

[fundipedia.com](https://fundipedia.com)

# The case for data governance

**Data today represents a valuable organisational asset and is the key to business development and competitive differentiation. This is true across all industries, especially within financial services given the ever increasing regulatory obligations being placed on asset management firms.**

As organisations amass data, they must understand its lineage, quality and usage, provide clear access, and ensure it's properly understood across the enterprise. Whilst technology such as Fundipedia - a powerful product master - is a key component of your data strategy, the people and processes surrounding the technology are also vitally important.

Data governance must be a business-wide initiative and not just the focus of an individual department. Without a holistic approach, your organisation faces the risk of one department creating a product master and data governance model, only to discover the rest of the business ignores the new source of data and dismisses it as just another failed data initiative.

So how do you generate support, secure budget and create momentum across the company for a product master?

**You must build a business case.**

# Why build a product master business case?

**The biggest obstacle to any new initiative is gaining buy-in. Advocating a new product master is no exception.**

The audience for your business case will span various departments and include people of varying authority up to and including senior executive level. A project sponsor is typically required too. They must truly understand the problem statement and the benefit of the proposed solution before they will commit to sponsoring the project.

## A business case SELLS the vision of a product master.

**To be effective, it must:**

- ✓ Outline goals and long-term positive impact on the business
- ✓ Evangelise the holistic benefits of a product master and associated data governance
- ✓ Encourage advocacy for the initiative
- ✓ Promote enterprise-wide communication
- ✓ Provide cost/benefit analysis and ROI

# What is the value of your business case?

**A solid business case shared with the correct individuals within your organisation will do the majority of the selling for you. A good business case will highlight the dangers of NOT finding a long term sustainable solution for a product master.**

**Prior to the implementation of a product master such as Fundipedia, we typically see a range of issues including:**

- Misunderstood data challenges, with each department focussing on their own data in silos and no business-wide understanding of the value of data
- An inability to report on product data, including regulatory reporting, in an accurate and timely manner
- Little to no understanding of the lineage, quality and usage of product data
- A complete lack of audit trail and no understanding of how data arrived in its present state
- The challenges compound as data volumes and regulatory reporting requirements increase over time. A good business case will highlight these types of challenges and the associated risks of not doing anything about them.

# Why create a data governance business case?

**The business case fosters a mutual understanding of the challenges a product master and data governance can solve.**

It identifies the associated technologies, business processes, resources and costs in a manner that all readers can understand. The case should also set out business value including ROI and other less tangible benefits.

## Do you need to build a business case?

A business case is essential in the following scenarios:

- You are struggling to obtain a product master budget
- You lack executive support for a product master
- There is a lack of support from key business and IT stakeholders
- Product data is only overseen by one department
- There is a general lack of understanding about product data across the organisation

# What to include in your business case

**As no two organisations are the same, the key drivers for a business case will vary.**

In our experience the following desired outcomes are common across all firms, regardless of their size, location, complexity, AUM and so on...

- The product master will be the central source of truth for all product data across the entire business with no exceptions.
- There will be an improvement on the quality and timeliness of changes to product data delivered to various third parties.
- There will be an increase in efficiency and productivity of high-value resources (e.g. IT/ data management).
- Financial and reputational risks will be mitigated through strict regulatory compliance.
- The ability to provide distributors with real time fund information allows new products to be launched to the market much faster.
- By increasing the quality of data held, its value will naturally increase too (e.g. data monetisation)
- Tribal knowledge and proliferation of data intelligence will be reduced.

# 7 steps to create your business case

## 1 Create your team

First, establish a product master leadership team. Ideally a Chief Data Officer, data evangelist or reporting specialist should lead the team.

## 2 Define suitable technologies

The proposed solution should offer a range of benefits including self-service capabilities for data management, data quality and analytics.

The solution must not be a new silo by another name. It must be fully integrated with other up and downstream solutions. It must be straightforward to use, and allow users to easily ingest, prepare, analyse, act on and operationalise data.

## 3 Define a methodology

A new product master and associated methodology is required. The approach must be repeatable and include drivers that benefit both the business and IT teams.

Key data governance capabilities that include interactive business glossary, data dictionaries and lineage, and metadata.

## 4 Define expected outcomes

Outcomes differ between organisations, but common themes include:

- Clearly defined data terms across the entire enterprise
- Improved confidence in data among business users
- Established roles and responsibilities among data owners, data stewards and data users
- Improved data quality
- Improved mechanisms to distribute data efficiently and accurately
- Established and understood data lineage
- Full data audit trail
- Increased data usage among business users
- Improved decision-making capabilities
- Simplified proof of regulatory compliance

## 5 Estimate the cost of the technology

Outline the cost differential between an in-house build and an external purchase (time, money and resources):

- What is the cost of the data platform?
- What are the yearly maintenance costs?
- What are the costs of getting the platform up and running (including internal and external time and resources)?
- Are there any recurring expenses?
- Are there consultant fees?

## 6 Identify the monetary benefits

Now that you have detailed the cost, it is important to identify the monetary benefits:

- List any tangible monetary savings
- What are the yearly maintenance costs?
- Estimate the total financial value of the program
- Validate with the finance team

## 7 Gain buy-in from the executive leadership team

Now that you have detailed the cost, it is important to identify the monetary benefits:

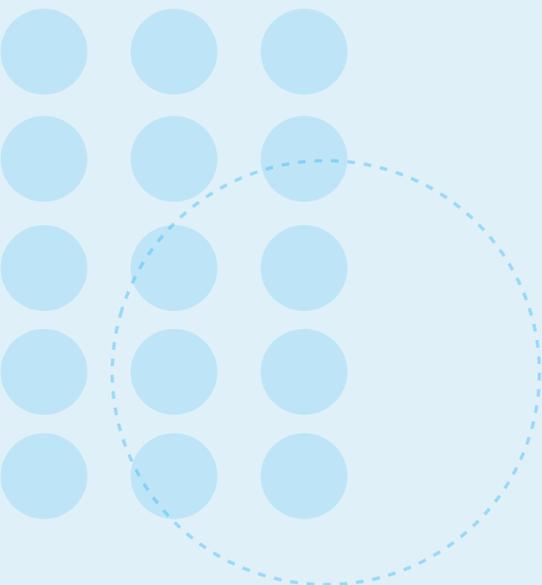
- Validate tangible and intangible benefits
- Estimate the total cost conservatively
- Review with the business case team
- Finalise and publish business case
- Secure funding and establish timing

# Conclusion

**Resolving the many technical and operational issues that stem from a historical lack of data governance can seem like an impossible task.**

However, with a solid business case, an understanding of data governance, and the desire to make changes, a product master solution can be implemented and business value delivered in less than 18 months.

We have helped many of our Fundipedia customers create a compelling case for a product master solution. Should you require our assistance we would be delighted to assist you too.





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