

# How to Create a Solid RFP for Master Data Management

## Identifying the right solution/partner to underpin your data strategy

The process of identifying and purchasing enterprise solutions needed to operate a business can vary widely, depending on the size and industry focus of the organization and their infrastructure. In some cases, it can take a few phone calls or clicks of a mouse to identify the right supplier and get the process moving. In others, it may take months of analysis, proposals, negotiation and debate.

The process will also depend on the nature of the challenge and type of solution required to address it. The more complex it is, the more thorough the process.

To make the journey easier, we created this guide to enable business and IT leaders to write the best possible Request for Proposal (RFP) to identify and acquire the most appropriate master data management (MDM) solution. One that will help them take control of their data and turn it into an asset to establish and maintain a competitive edge.

### Identify an MDM partner, not just a vendor.

Before building a strong RFP, it's important to identify the goal of writing one. The objective is to find more than just a vendor that can sell you a solution. With MDM, you need a partner that understands your business. The difference between the two can be subtle but it will be critical to your success.

To identify providers that have what it takes, you may need to go through a full RFP process. Or, you may be able to do something less structured, simply asking a few providers for their thoughts and an informal quote. Either way, leave room for them to share some innovative, creative thinking to show they have the technology, resources AND people to help you succeed.

In other words, you want to determine if they are familiar with the business and data challenges in your industry and if they can become a trusted partner to address those challenges.

**Remember, while technology is always at risk of becoming a commodity, the value of partnership never ceases.**

### MDM partner vs. solution vendor


- **A partner** will express an interest in understanding your business in order to provide a solution that meets your objectives. Then they'll present a recommendation to solve for your needs that illustrates the value they can bring to your organization.
- **A vendor** will not typically show you anything you may not have expected. They'll do what a typical provider does, addressing questions with by-the-book answers, without sharing insights that display the knowledge and experience behind the solution.

### Topline RFP "Do's" and "Don'ts"


The following page features a brief list of "Do's" and "Don'ts" for conducting an RFP for MDM. In addition to a true RFP, you might also consider an RFQ (Request for Quote) for a non-strategic response with pricing.

Ultimately, the format you choose depends on how much insight you expect from your respondents. Be sure to use the method most relevant to your needs. If you work with a consultant, make sure they do the same.


**Master Data Management RFP “Do’s”**




**Begin with a well-informed approach**  
Outline goals in a way that will get the most objective accurate information from all prospects. Overcommunicate internally to be sure to completely understand cross-functional needs.




**Detail what you wish to accomplish**  
Conduct a needs analysis in advance, map business and functional requirements by BU, broken down by operational goals, data input, conventions and outputs, and by workflow, data policies and governance.



**Leave room for innovation**  
Allow them to sell their vision, analyze the challenge, share how to address it in a new or transformative way, and showcase their experience. If you’re not open to this, say so; don’t make them guess and risk disqualification.




**Be specific and clear**  
Specific questions get specific answers. Ask: “Can you deliver a multidomain solution, or a single interface providing visibility and transparency across the enterprise? These are our expectations for support,” etc.




**Gauge commitment to partnership**  
You are looking for a committed partner. Probe for this to see what sort of level of customer satisfaction you can expect and how it might be measured.


**Master Data Management RFP “Dont’s”**




**Make it complicated**  
Be sure it’s not difficult to respond. Make it clear so they can show what they can bring to your organization. Otherwise, your success may be limited.



**Feel a full RFP is mandatory**  
RFQs/RFIs (Request for Quotation/ Information) can be equally good. An informal response; e.g., “I have \_\_\_ company quoting this, tell me your thoughts,” can work, too.



**Use an inexperienced consultant**  
Consultants can offer great value, but as with your solution provider, choose carefully. Be sure they know your company, your industry and your goals. Otherwise the outcome may show it.



**Be ambiguous**  
If you need non-standard implementation procedures, have unique legal or regulatory needs or anything that might change things, make it clear from the start.



**Discount the value of relationships**  
Ask about the quality of their customer engagements and experience across a variety of industries and markets. Look for longevity and access to references.

## Specifics to look for in the process

- **Can the solution manage data across more than one domain?** If so, is this done in a seamless, integrated fashion that breaks down silos and provides visibility and transparency across domains (product, customer, location, supplier, etc.) and throughout the data ecosystem? Can they demonstrate experience making such solutions work?
- **Do they see MDM from a strategic or operational perspective?** Do they focus on specific outcomes and evolving industry challenges or simply addressing tactical or technical requirements? Are their people experienced at the strategic level, working on a consultative basis with senior business and IT leaders?
- **Do they have expertise in your industry segment?** Or addressing your unique business challenges/objectives, such as creating personalized experiences, or driving transformation, data transparency and growth?
- **Is MDM their core focus or an add-on to related technology?** Did they build it or acquire it from another company? Do they have a history of improving the solution based on evolving industry and customer needs? Is it possible they will be acquired by a firm that will relegate MDM to a lesser status?
- **Are they financially stable?** What is their ownership structure; public, private, planning an IPO or venture or private equity backed? Are they an M&A target? What is their credit rating? These things can be a distraction, so be sure to understand clearly.
- **Can they tackle broader data challenges?** Can they bring value in areas such as digital asset management, supplier management, application data management, etc.?
- **What is their approach to industry standards?** Are they ISO certified? What do such certifications say about their approach to broad regulatory and governance issues and standards?
- **How will they service your business?** Can they support you across your entire footprint? Who are the people you will work with and how do they align with your needs? What do customers say about their level of collaboration and commitment to customer success?

## A few final thoughts

The process of finding the right solution and partner needs to be true to your organization and the providers that participate. By following these guidelines, you'll stand a great chance for success.

A well-crafted RFP will amplify your chances. We've seen many solid RFP line item questions over the years, covering topics you'll want to consider for inclusion.

With the non-stop growth of data, the importance of your decision escalates, too, making it critical to give potential providers an opportunity to address your questions while letting their capabilities shine. Remember, MDM is a foundational capability on par with ERP. Setting up the right data foundation has never been more important. Your choice will influence many broader IT and business initiatives over the next decade, so make sure you are 100% confident in your selection, and to use the process to open-up new ideas, not suppress them.

*“While technology is always at risk of becoming a commodity, the value of partnership never ceases.”*

Finally, remember technology can sometimes be looked at as a commodity. The rest is about vision, experience, people, relationships and what kind of partner the company will be. Understand that all MDM providers are NOT created equal and that you may need to read between the lines of the RFP response to tell them apart. Be sure to begin with an RFP which keeps that in mind.

## Ready to get started?

As a long-time leader in the space, Stibo Systems has participated in countless MDM RFP processes. We are often asked to provide objective input into that process, and to help outline a structure and/or specific questions. If this would be helpful to your organization, or if you would like to discuss how the right MDM solution can help drive your business forward, connect with us at [stibosystems.com](https://stibosystems.com).

## About Stibo Systems

Stibo Systems, the master data management company, is the trusted source of MDM. Our solutions are the driving force behind forward-thinking companies around the world that have unlocked the strategic value of their master data, empowering them to improve the customer experience, drive innovation and growth and create an essential foundation for digital transformation. We give companies 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. For more information, visit [stibosystems.com](https://stibosystems.com).