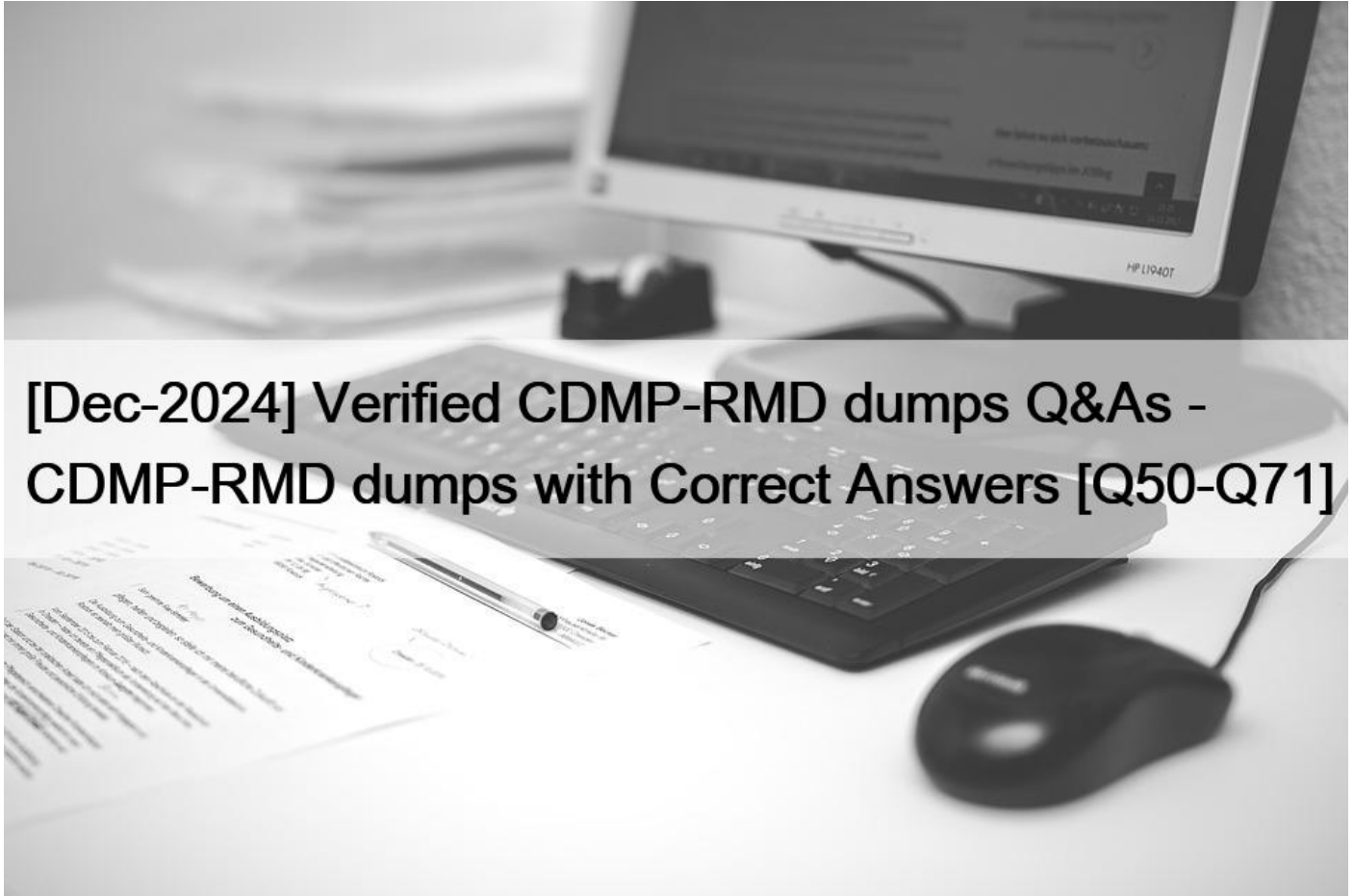


[Dec-2024 Verified CDMP-RMD dumps Q&As - CDMP-RMD dumps with Correct Answers [Q50-Q71]



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Q50. Which of the following is NOT part of MDM Lifecycle Management?

- * Establishing recovery and backup rules
- * Reconciling and consolidating data
- * Identifying multiple instances of the same entity
- * Identifying improperly matched or merged instances of data
- * Maintaining cross-references to enable information integration

Master Data Management (MDM) lifecycle management encompasses the processes and practices involved in managing master data throughout its lifecycle, from creation to retirement. It ensures that master data remains accurate, consistent, and usable.

* Reconciling and Consolidating Data:

- * This process involves merging data from multiple sources to create a single, unified view of each master data entity.
- * It ensures that duplicate records are identified and consolidated, maintaining data consistency.

* **Identifying Multiple Instances of the Same Entity:**

* This involves detecting and resolving duplicate records to ensure that each master data entity is uniquely represented.

* Tools and algorithms are used to identify potential duplicates based on matching criteria.

* **Identifying Improperly Matched or Merged Instances of Data:**

* This step involves reviewing and correcting any errors that occurred during the matching or merging process.

* Ensures that data integrity is maintained and that merged records accurately represent the underlying entities.

* **Maintaining Cross-References to Enable Information Integration:**

* Cross-references link related data entities across different systems, enabling seamless information integration.

* This ensures that data can be consistently accessed and used across the organization.

* **Establishing Recovery and Backup Rules (NOT part of MDM Lifecycle Management):**

* While important for overall data management, recovery and backup rules pertain more to data protection and disaster recovery rather than the specific processes of MDM lifecycle management.

Q51. All organizations have master data even if it is not labelled Master Data.

* True

* False

All organizations possess master data, even if it is not explicitly labeled as such. Here's why:

* **Definition of Master Data:**

* **Core Business Entities:** Master data refers to the critical entities around which business transactions are conducted, such as customers, products, suppliers, and accounts.

* **Business Operations:** Every organization maintains records of these entities to support business operations, decision-making, and reporting.

* **Implicit Existence:**

* **Unlabeled Data:** Organizations may not explicitly label this data as "Master Data"; but it exists within various systems, databases, and spreadsheets.

* **Examples:** Customer lists, product catalogs, employee records, and financial accounts.

* **References:**

* Data Management Body of Knowledge (DMBOK), Chapter 7: Master Data Management

* DAMA International, "The DAMA Guide to the Data Management Body of Knowledge (DMBOK)";

Q52. What MDM style allows data to be authored anywhere?

- * Consolidation
- * Centralized style
- * Persistent
- * Registry style
- * Coexistence

Master Data Management (MDM) styles define how and where master data is managed within an organization. One of these styles is the **Coexistence** style, which allows data to be authored and maintained across different systems while ensuring consistency and synchronization.

* **Coexistence Style:**

* The coexistence style of MDM allows master data to be created and updated in multiple locations or systems within an organization.

* It supports the integration and synchronization of data across these systems to maintain a single, consistent view of the data.

* **Key Features:**

* **Data Authoring:** Data can be authored and updated in various operational systems rather than being confined to a central hub.

* **Synchronization:** Changes made in one system are synchronized across other systems to ensure data consistency and accuracy.

* **Flexibility:** This style provides flexibility to organizations with complex and distributed IT environments, where different departments or units may use different systems.

* **Benefits:**

* Enhances data availability and accessibility across the organization.

* Supports operational efficiency by allowing data updates to occur where the data is used.

* Reduces the risk of data silos and inconsistencies by ensuring data synchronization.

Q53. For MDMs, what is meant by a classification scheme?

- * Codes that represent a controlled set of values
- * A vocabulary view covering a limited range of topics
- * Descriptive language used to control objects
- * A way of classifying unstructured data

In Master Data Management (MDM), a classification scheme refers to a structured way of organizing data by using codes that represent a controlled set of values. These codes help in categorizing and standardizing data, making it easier to manage, search, and analyze.

References:

* DAMA-DMBOK: Data Management Body of Knowledge (2nd Edition), Chapter 11: Reference and Master Data Management.

* **Master Data Management and Data Governance**; by Alex Berson and Larry Dubov.

Q54. Master and Reference Data are forms of:

- * Data Mapping
- * Data Quality
- * Data Architecture
- * Data Integration
- * Data Security

Master and Reference Data are forms of Data Architecture. Here's why:

* Data Architecture Definition:

* Structure and Design: Data architecture involves the structure and design of data systems, including how data is organized, stored, and accessed.

* Components: Encompasses various components, including data models, data management processes, and data governance frameworks.

* Role of Master and Reference Data:

* Core Components: Master and Reference Data are integral components of an organization's data architecture, providing foundational data elements used across multiple systems and processes.

* Organization and Integration: They play a critical role in organizing and integrating data, ensuring consistency and accuracy.

* References:

* Data Management Body of Knowledge (DMBOK), Chapter 7: Master Data Management

* DAMA International, [The DAMA Guide to the Data Management Body of Knowledge \(DMBOK\)](#)

Q55. The format and allowable ranges of Master Data values are dictated by:

- * Business rules
- * Semantic rules
- * Processing rules
- * Engagement rules
- * Database limitations

The format and allowable ranges of Master Data values are primarily dictated by business rules.

* Business Rules:

* Business rules define the constraints, formats, and permissible values for master data based on the organization's operational and regulatory requirements.

* These rules ensure that data conforms to the standards and requirements necessary for effective business operations.

* Semantic Rules:

* These rules pertain to the meaning and context of the data but do not directly dictate formats and ranges.

* Processing Rules:

* These rules focus on how data is processed but not on the allowable values or formats.

* Engagement Rules:

* These rules govern interactions and workflows rather than data formats and ranges.

* Database Limitations:

* While database limitations can impose constraints, they are typically secondary to the business rules that drive data requirements.

Q56. Depending on the granularity and complexity of what the Reference Data represents, it may be structured as a simple list, a cross-reference or a taxonomy.

* True

* False

Reference data can be structured in various ways depending on its granularity and complexity.

* Simple List:

* Reference data can be a simple list when it involves basic, discrete values such as country codes or product categories.

* Cross-Reference:

* When reference data needs to map values between different systems or standards, it can be structured as cross-references. For example, mapping old product codes to new ones.

* Taxonomy:

* For more complex hierarchical relationships, reference data can be structured as a taxonomy. This involves categorizing data into parent-child relationships, like an organizational hierarchy or biological classification.

Q57. The _____ development lifecycle is the best approach to follow for Reference & Master Data efforts.

* System

* Agile

* Project

* Data-centric

* Software

The data-centric development lifecycle is best suited for Reference & Master Data efforts because it prioritizes data integrity, quality, and governance throughout the entire development process. This approach ensures that reference and master data are consistently managed, maintained, and leveraged across various systems and applications.

References:

* DMBOK (Data Management Body of Knowledge), 2nd Edition, Chapter 11: Reference & Master Data Management.

* DAMA International Guide to the Data Management Body of Knowledge (DAMA-DMBOK Guide),

2nd Edition.

Q58. Can Reference data be used for financial trading?

* No because customer data is not considered reference data

* No, reference data is static, financial data trading is dynamic

- * No. since financial trades change every second they cannot use reference data
- * Yes. but only less than 1096 can be used
- * Yes. an estimated 70% of data being used in financial transactions is reference data

Reference data plays a crucial role in financial trading. It includes data such as financial instrument identifiers, market data, currency codes, and regulatory classifications. Despite the dynamic nature of financial trades, reference data provides the necessary static information to execute and settle transactions. Industry estimates suggest that approximately 70% of the data used in financial transactions is reference data, underscoring its importance in the financial sector.

References:

- * DAMA-DMBOK: Data Management Body of Knowledge (2nd Edition), Chapter 11: Reference and Master Data Management.
- * [The Data Warehouse Toolkit: The Definitive Guide to Dimensional Modeling](#); by Ralph Kimball and Margy Ross.
- * Industry publications and whitepapers on reference data management in financial services.

Q59. Should both in-house and commercial tools meet ISO standards for metadata?

- * Yes. at the very least they should provide guidance
- * No. each organization needs to develop their own standards based on needs

Adhering to ISO standards for metadata is important for both in-house and commercial tools for the following reasons:

- * Standardization:
- * Uniformity: ISO standards ensure that metadata is uniformly described and managed across different tools and systems.
- * Interoperability: Facilitates interoperability between different tools and systems, enabling seamless data exchange and integration.
- * Guidance and Best Practices:
- * Structured Approach: Provides a structured approach for defining and managing metadata, ensuring consistency and reliability.
- * Compliance and Quality: Ensures compliance with internationally recognized best practices, enhancing data quality and governance.

* References:

- * ISO/IEC 11179: Information technology [Metadata registries \(MDR\)](#)
- * Data Management Body of Knowledge (DMBOK), Chapter 7: Master Data Management
- * DAMA International, [The DAMA Guide to the Data Management Body of Knowledge \(DMBOK\)](#);

Q60. _____ are a primary supplier of master data content to a MDM program.

- * Configuration management database (CMDB)
- * Systems of record
- * Business intelligence applications
- * Data catalog
- * Point of sale systems

Systems of record are primary suppliers of master data content to an MDM program.

* **Systems of Record:** These are authoritative data sources that provide consistent and reliable master data.

* **Role in MDM:** They supply accurate and up-to-date master data, ensuring that the MDM system has a solid foundation of information.

References:

* **DAMA-DMBOK:** Data Management Body of Knowledge, 2nd Edition.

* **CDMP Study Guide**

Q61. Business entities are represented by entity instances:

- * In the form technical capabilities
- * In the form of business capabilities
- * In the form of files
- * in the form of data/records
- * In the form of domains

Business entities are represented within an organization through various forms, primarily as data or records within information systems.

* **Technical Capabilities:**

* While technical capabilities support the management and usage of business entities, they are not the representation of the entities themselves.

* **Business Capabilities:**

* Business capabilities describe the functions and processes that an organization can perform, but they do not represent individual business entities.

* **Files:**

* Files can contain data or records, but they are not the direct representation of business entities.

* **Data/Records:**

* Business entities are captured and managed as data or records within databases and information systems.

* These records contain the attributes and details necessary to uniquely identify and describe each business entity.

* **Domains:**

* Domains refer to specific areas of knowledge or activity but are not the direct representation of business entities.

Q62. The easiest MDM style to implement data governance based on controls that can be placed on persistent data is:

- * Registry style
- * Consolidation style
- * Agile Style
- * Centralized style

* **Multi-hub**

The centralized style is the easiest MDM style to implement data governance because it consolidates all master data into a single central repository. This centralization simplifies the application of data governance controls, ensuring consistent data quality, standards, and policies are applied across the organization.

References:

- * DMBOK (Data Management Body of Knowledge), 2nd Edition, Chapter 11: Reference & Master Data Management.
- * Master Data Management and Data Governance by Alex Berson and Larry Dubov.

Q63. A catalog where products are organized by category is an example of?

- * A meronymy
- * A marketing mix
- * A taxonomy
- * A metadata repository

A catalog where products are organized by category is an example of a taxonomy. Here's why:

* **Definition of Taxonomy:**

* **Classification System:** Taxonomy refers to the practice and science of classification. It involves organizing items into hierarchical categories based on their relationships and similarities.

* **Example:** In the context of a product catalog, taxonomy is used to classify products into categories and subcategories, making it easier to browse and find specific items.

* **Application in Product Catalogs:**

* **Categorization:** Products are grouped into logical categories (e.g., Electronics, Clothing, Home Appliances) and subcategories (e.g., Smartphones, Laptops, Televisions).

* **Navigation and Search:** Helps users navigate the catalog efficiently and find products quickly by narrowing down categories.

* **References:**

- * Data Management Body of Knowledge (DMBOK), Chapter 9: Data Architecture
- * DAMA International, [The DAMA Guide to the Data Management Body of Knowledge](#)
- * (DMBOK)

Q64. One of the main guiding principles for Reference and Master Data is the one related to ownership, which states that:

- * Reference Data ownership belongs to IT while Master Data ownership belongs to the Business
- * Reference and Master Data ownership is usually owned by a specific department
- * Reference and Master Data typically belong to the organization, not to a particular application or department
- * Reference and Master Data cannot include purchased data
- * Reference and Master Data ownership falls into Data Governance Office

Ownership is a crucial principle in managing Reference and Master Data. Here's an in-depth look at why:

* **Organizational Ownership:**

- * **Unified Responsibility:** Reference and Master Data are assets that span across various functions and departments within an organization.
- * **Consistency and Accuracy:** Ensuring that data ownership is attributed to the organization prevents silos and ensures data is consistently accurate and available across all departments.
- * **Data Governance:** Proper governance frameworks ensure that data is managed in a way that meets the organization's needs and complies with relevant regulations and standards.
- * **Avoiding Departmental Silos:**
 - * **Cross-functional Use:** Different departments use and rely on Reference and Master Data, so ownership by a single department can lead to conflicts and inconsistencies.
 - * **Holistic Management:** Centralized ownership enables holistic data management practices, enhancing data quality and usability across the organization.
- * **References:**
 - * Data Management Body of Knowledge (DMBOK), Chapter 7: Master Data Management
 - * DAMA International, [The DAMA Guide to the Data Management Body of Knowledge \(DMBOK\)](#)

Q65. Does an organization have to agree to a single definition for Master Data?

- * No. master data can have many definitions
- * Yes. the key thing is to agree on a standard definition
- * No. technical data may have many definitions depending on the vendor
- * No. each department can have their own definitions for master data
- * No. financial data is master data but the definition is always changing

For effective Master Data Management, an organization must agree on a single, standard definition of master data. Here's why:

- * **Consistency:**
 - * **Single Definition:** A standardized definition ensures consistency across different departments and systems.
 - * **Avoids Confusion:** Prevents discrepancies and misunderstandings regarding what constitutes master data.
- * **Data Quality and Governance:**
 - * **Unified Approach:** A single definition supports unified data governance policies and data quality standards.
 - * **Data Integration:** Facilitates easier data integration and interoperability across various systems and processes.
- * **Business Efficiency:**
 - * **Aligned Objectives:** Ensures all parts of the organization are aligned in their understanding and use of master data, leading to more efficient operations and decision-making.

* References:

* Data Management Body of Knowledge (DMBOK), Chapter 7: Master Data Management

* DAMA International, [The DAMA Guide to the Data Management Body of Knowledge \(DMBOK\)](#);

Q66. Master Data Curation is used for improving the overall quality of the data throughout the business by doing the following:

- * Providing a look up service for definitions
- * Recording who owns the data
- * Performing a data audit
- * Creating a map of the enterprise data stores
- * De-duplication of data.

Master Data Curation is a process aimed at improving the overall quality of data throughout the business.

Here's how:

* Data Quality Improvement:

* De-duplication: The process involves identifying and eliminating duplicate records to ensure a single, accurate version of each data entity.

* Data Cleaning: Removes inaccuracies and inconsistencies, enhancing the reliability of the data.

* Benefits of De-duplication:

* Accuracy: Ensures that each entity (e.g., customer, product) is represented only once, improving data accuracy and reducing redundancy.

* Operational Efficiency: Streamlines operations by eliminating duplicate records that can cause confusion and errors in business processes.

* References:

* Data Management Body of Knowledge (DMBOK), Chapter 7: Master Data Management

* DAMA International, [The DAMA Guide to the Data Management Body of Knowledge \(DMBOK\)](#);

Q67. A(n) _____ is used for detailing collaboration principles, escalation, and dispute resolution process between MDM and its data suppliers.

- * Business Requirements Document
- * Metadata catalog
- * Warranty
- * Operations Run Book
- * Operational Level Agreement

An Operational Level Agreement (OLA) is used for detailing collaboration principles, escalation, and dispute resolution processes between MDM and its data suppliers. Here's why:

* Purpose of an OLA:

* Collaboration Principles: Defines how MDM teams and data suppliers will collaborate, including roles, responsibilities, and

communication protocols.

- * Escalation Processes: Outlines the steps for escalating issues when standard resolution mechanisms are insufficient, ensuring timely and effective problem resolution.
- * Dispute Resolution: Specifies methods for resolving disputes between parties, fostering a cooperative and constructive working relationship.
- * Other Documents:
 - * Business Requirements Document: Defines business needs and requirements but doesn't typically focus on operational collaboration.
 - * Metadata Catalog: Describes metadata and data dictionaries, not collaboration principles.
 - * Warranty: Provides guarantees on products or services, irrelevant to operational collaboration.
 - * Operations Run Book: Details operational procedures and workflows, not specifically focused on collaboration and dispute resolution.
- * References:
 - * Data Management Body of Knowledge (DMBOK), Chapter 8: Data Quality Management
 - * DAMA International, [The DAMA Guide to the Data Management Body of Knowledge \(DMBOK\)](#)

Q68. The Master Data hub environment that serves as the system of record for Master Data is:

- * SOA
- * Two-Speed Hub
- * Consolidated Hub
- * Source Hub
- * Registry

The Master Data hub environment that serves as the system of record for Master Data is:

- * Consolidated Hub:
 - * Central Repository: Acts as a central repository where master data is stored and managed.
- * Data Quality and Integration: Ensures data quality by integrating data from various source systems and providing a single source of truth.
- * System of Record: Maintains the most accurate and up-to-date information about master data entities.
- * Other Hub Types:
 - * SOA (Service-Oriented Architecture): Focuses on providing a flexible architecture for integrating services but not specifically a master data hub.
 - * Two-Speed Hub: A hybrid approach, but not solely a system of record.

- * **Source Hub:** May refer to original source systems, not a consolidated system of record.
- * **Registry:** Primarily maintains references to data stored in other systems but not a comprehensive system of record.

* **References:**

- * Data Management Body of Knowledge (DMBOK), Chapter 7: Master Data Management
- * DAMA International, [The DAMA Guide to the Data Management Body of Knowledge \(DMBOK\)](#);

Q69. The biggest challenge to implementing Master Data Management will be:

- * The inability to get the DBAs to provide their table structures
- * Defining requirements for master data within an application
- * the disparity between sources
- * Complex queries
- * Indexes and foreign keys

Implementing Master Data Management (MDM) involves several challenges, but the disparity between data sources is often the most significant.

* **Disparity Between Sources:**

- * Different systems and applications often store data in varied formats, structures, and standards, leading to inconsistencies and conflicts.
- * Data integration from disparate sources requires extensive data cleansing, normalization, and harmonization to create a single, unified view of master data entities.

* **Data Quality Issues:**

- * Variability in data quality across sources can further complicate the integration process.

Inconsistent or inaccurate data must be identified and corrected.

* **Defining Requirements for Master Data:**

- * While defining requirements is crucial, it is typically a manageable step through collaboration with business and technical stakeholders.

* **DBA Cooperation:**

- * Getting Database Administrators (DBAs) to share table structures can pose challenges, but it is not as critical as dealing with disparate data sources.

* **Complex Queries and Indexes:**

- * While important for performance optimization, complex queries and indexing issues are more technical hurdles that can be resolved with appropriate database management practices.

Q70. Within the Corporate Information Factory, what data is used to understand transactions?

- * Master Data and Unstructured Data

- * Internal Data. Physical Schemas
- * Master Data. Reference Data, and External Data
- * Reference Data and Vendor Data
- * Security Data and Master Data

In the context of the Corporate Information Factory, understanding transactions involves integrating various types of data to get a comprehensive view. Master Data (core business entities), Reference Data (standardized information), and External Data (information sourced from outside the organization) are essential for providing context and enriching transactional data.

References:

- * DAMA-DMBOK: Data Management Body of Knowledge (2nd Edition), Chapter 3: Data Architecture and Chapter 11: Reference and Master Data Management.
- * [Building the Data Warehouse](#); by W.H. Inmon, which introduces the Corporate Information Factory concept.

Q71. The following is a technique that you can find useful when implementing your Reference and Master program:

- * Business key cross references
- * Root Cause Analysis
- * Process Management
- * None of the answers is correct
- * Extract Transformation Load (ETL)

When implementing a Reference and Master Data Management (RMDM) program, it is crucial to utilize techniques that ensure consistency, accuracy, and reliability of data across various systems. Business key cross-references is one such technique. This technique involves creating a mapping between different identifiers (keys) used across systems to represent the same business entity. This mapping ensures that data can be accurately and consistently referenced, integrated, and analyzed across different systems.

References:

- * DAMA-DMBOK: Data Management Body of Knowledge (2nd Edition), Chapter 11: Reference and Master Data Management.
- * [Master Data Management and Data Governance](#); by Alex Berson and Larry Dubov, which emphasizes the importance of business key cross-referencing in MDM.

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