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What Price CRM Data Quality?

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In an accounting or ERP system, most of the data must be right, period. If invoices, accounts receivable, inventories, work-in-process numbers, ECAD files are "best guesses," someone will lose their job and the CIO will be on the hot seat.

In this column, I've had many quotable quotes about the need for data quality in SFA and CRM systems. And here's another one: perfectionism doesn't pay. It's so important, it's trademarked.

CRM Data is Different

In a CRM system, there's a range of allowable (and even expected) data quality that depends on the specific data element. Some things *do* have to be perfect, such as unique keys, internal security information, order quotes, order history, and anything that's subject to an audit (such as PCI, HIPAA, FERPA, or other compliance standards). But other things can be just an approximation or can be missing altogether. Is it essential that the customer's customer service calling history from last year be perfectly represented in your CRM system? Not likely. So how do you decide where to make your data quality investment?

How to Do Data Triage

The first step is to have an analyst pull out the CRM data dictionary (or, more likely, create one) and separate the data elements into three categories:
(1) the ones that must be there and must be correct to prevent corruption in external systems or misrepresentation of the business,
(2) the ones that should be correct for the CRM system to work at all, and
(3) the ones that people have asked for to make marketing, sales, and customer support work better.

The fun part comes in the next step. Do a quick data quality analysis on each data element in the three categories. Score the data quality by answering questions such as:
&bull: Does this data element have an undisputed owner? Is it updated by a team member as a natural step in a key business process? Or can nearly anyone update it at any time?
• Does this data element have internal validation to prevent noisy input? Does it have an audit trail to support troubleshooting?
• What percentage of the CRM records has this data element missing, clearly incorrect, or duplicate? Based on the resulting score, the analyst may want to reassign the triage category for some of the data elements.

Most Expensive Data is Data You Don't Really Need.