

# SAP Master Data Governance (MDG) Practice Exam (Sample)

## Study Guide



**Everything you need from our exam experts!**

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# Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

**Remember:** successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

# How to Use This Guide

**This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:**

## **1. Start with a Diagnostic Review**

**Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.**

## **2. Study in Short, Focused Sessions**

**Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.**

## **3. Learn from the Explanations**

**After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.**

## **4. Track Your Progress**

**Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.**

## **5. Simulate the Real Exam**

**Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.**

## **6. Repeat and Review**

**Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.**

**There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!**

## Questions

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- 1. Which types of KPIs are ready for use in SAP HANA-based analytics?**
  - A. Marketing performance-related KPIs**
  - B. Request status-related KPIs**
  - C. Employee satisfaction-related KPIs**
  - D. Inventory turnover-related KPIs**
  
- 2. How does SAP MDG support multi-domain governance?**
  - A. By allowing organizations to manage different master data domains in separate systems**
  - B. By enabling organizations to define and manage various master data domains within a single framework**
  - C. By restricting the governance process to a single type of master data**
  - D. By simplifying the process of integration between multiple systems**
  
- 3. Which data quality improvement method can be integrated with SAP and non-SAP solutions in Master Data Governance?**
  - A. Enrichment Framework Address Checks**
  - B. Data Redundancy Analysis**
  - C. Real-time Data Validation**
  - D. Duplicate Data Specific Reports**
  
- 4. What method can organizations utilize to improve accountability in data management?**
  - A. Decentralization of data control**
  - B. Standardization of change request processes**
  - C. Use of manual records**
  - D. Avoiding regular audits**
  
- 5. What is the main benefit of loose interlocking for hierarchies within the same change request?**
  - A. It speeds up the approval process significantly**
  - B. Only nodes directly below the parent node are locked**
  - C. It allows for full hierarchy edits simultaneously**
  - D. It minimizes data entry errors**

- 6. Which entity can be directly managed using SAP Master Data Governance?**
- A. Financial records**
  - B. Plant data**
  - C. Employee records**
  - D. Sales forecasts**
- 7. What is the primary advantage of the Business Context Viewer in SAP analytics?**
- A. Capability for real-time data updates**
  - B. Mobile access to business data**
  - C. Read-only access to ensure data integrity**
  - D. Flexible configuration options for visual presentation**
- 8. Which of the following data elements is not included in the SAP Master Data Governance standard data model for Material?**
- A. Plant**
  - B. Valuation**
  - C. Sales**
  - D. Supplier**
- 9. In which scenario does data replication occur in MDG?**
- A. When data is deleted from the MDG hub**
  - B. When master data is created manually in downstream systems**
  - C. When approved master data is synchronized with downstream systems**
  - D. When data is archived in the MDG hub**
- 10. How does SAP MDG improve collaboration among different departments?**
- A. By offering separate systems for each department**
  - B. By providing a centralized platform for master data management**
  - C. By making data accessible only to management**
  - D. By increasing the number of data entry points**

## Answers

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1. B
2. B
3. A
4. B
5. B
6. B
7. C
8. D
9. C
10. B

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## **Explanations**

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## 1. Which types of KPIs are ready for use in SAP HANA-based analytics?

- A. Marketing performance-related KPIs
- B. Request status-related KPIs**
- C. Employee satisfaction-related KPIs
- D. Inventory turnover-related KPIs

The focus on request status-related KPIs as a suitable choice for SAP HANA-based analytics is due to their real-time data processing capabilities. These types of KPIs are particularly helpful in monitoring the lifecycle of requests within business processes, allowing organizations to analyze and act upon the status of approvals, orders, or service requests more efficiently. In an SAP HANA environment, where data is processed in-memory, request status KPIs can leverage the speed of analytics to provide insights that inform operational decisions. They enable businesses to quickly identify bottlenecks and improve workflow efficiency by monitoring key process indicators in real-time. Compared to other options, while marketing performance, employee satisfaction, and inventory turnover are significant aspects of business analytics, they may not directly align with the operational, real-time tracking capabilities that request status-related KPIs excel in within an SAP HANA context. This distinction ensures that organizations focusing on immediate process improvement prioritize the right kinds of KPIs for their analytics.

## 2. How does SAP MDG support multi-domain governance?

- A. By allowing organizations to manage different master data domains in separate systems
- B. By enabling organizations to define and manage various master data domains within a single framework**
- C. By restricting the governance process to a single type of master data
- D. By simplifying the process of integration between multiple systems

The provided answer accurately identifies how SAP Master Data Governance (MDG) supports multi-domain governance. SAP MDG enables organizations to define and manage various master data domains—such as customers, suppliers, materials, and finance—within a single framework. This means that entities can have a unified approach to governance, which helps in maintaining consistency, accuracy, and compliance across multiple domains. By supporting multi-domain governance within one framework, organizations can streamline their processes, reduce duplication of efforts, and ensure that data governance policies are consistently applied to all master data types. This integrated approach also allows for comprehensive reporting and analytics, as organizations can view and analyze data across different domains collectively. The other responses imply limitations or fragmentation in data management, which would not facilitate effective governance across multiple domains.

### **3. Which data quality improvement method can be integrated with SAP and non-SAP solutions in Master Data Governance?**

- A. Enrichment Framework Address Checks**
- B. Data Redundancy Analysis**
- C. Real-time Data Validation**
- D. Duplicate Data Specific Reports**

The Enrichment Framework Address Checks is designed to enhance data quality by integrating with both SAP and non-SAP solutions within Master Data Governance. This method specifically focuses on validating and enriching address data by using external address validation services. By integrating these checks, organizations can ensure that addresses are accurate, complete, and standardized, which is critical for effective communication and logistics. This framework allows businesses to maintain high-quality master data by continuously verifying and enriching address fields, thereby reducing errors and improving overall data integrity. Its compatibility with various systems makes it a versatile tool in the data governance landscape, as it can function seamlessly regardless of the underlying technology stack, whether it involves SAP solutions or other third-party applications. In contrast, other methods like Data Redundancy Analysis or Duplicate Data Specific Reports do not inherently emphasize integration capabilities with external systems. While these methods are useful for identifying and reporting issues within the data, they do not provide the same level of enrichment and validation that can be achieved through the Enrichment Framework. Real-time Data Validation, while crucial in certain scenarios, may not be as directly focused on improving data quality in a cross-platform context as the Enrichment Framework does.

### **4. What method can organizations utilize to improve accountability in data management?**

- A. Decentralization of data control**
- B. Standardization of change request processes**
- C. Use of manual records**
- D. Avoiding regular audits**

Standardization of change request processes enhances accountability in data management by providing a clear, structured approach to how data changes are proposed, reviewed, and implemented. This method ensures that all data alterations go through a predefined process that includes documentation, approvals, and tracking, thereby fostering transparency and responsibility among data stakeholders. When change request processes are standardized, it becomes easier for organizations to trace who made changes, why they were made, and when they occurred. This level of documentation supports better governance and compliance, as it establishes a framework for accountability that can be communicated across the organization. Standardization also minimizes confusion and variability in how changes are handled, leading to more consistent and reliable data management practices. As a result, stakeholders can better understand their roles and responsibilities regarding data integrity and quality, which overall strengthens the organization's data governance framework.

**5. What is the main benefit of loose interlocking for hierarchies within the same change request?**

- A. It speeds up the approval process significantly**
- B. Only nodes directly below the parent node are locked**
- C. It allows for full hierarchy edits simultaneously**
- D. It minimizes data entry errors**

The main benefit of loose interlocking for hierarchies within the same change request is that only nodes directly below the parent node are locked. This approach allows for greater flexibility and efficiency when making changes to hierarchies. By ensuring that only the immediate child nodes are locked during the editing process, users can edit those specific nodes without restricting access to the entire hierarchy. This targeted locking mechanism enables multiple users or processes to work on different parts of the hierarchy concurrently, which can streamline the overall change request process. This is particularly valuable in complex environments where hierarchies may have many levels or multiple contributors who need to make changes. It helps maintain an efficient workflow and reduces the bottleneck that can occur if broader locking were applied, allowing for quicker refinements and adjustments.

**6. Which entity can be directly managed using SAP Master Data Governance?**

- A. Financial records**
- B. Plant data**
- C. Employee records**
- D. Sales forecasts**

The correct choice relates to the management of plant data within SAP Master Data Governance. SAP MDG is designed to manage different master data entities effectively, with a particular focus on business-critical data. Plant data is integral to operations, supply chain management, and logistics, making it essential for organizations using SAP systems. Plant data encompasses various attributes about a plant, including its location, capacity, production capabilities, and operational information. Managing this data ensures that organizations can maintain accurate and consistent information across their processes, facilitating better decision-making and operational efficiency. While financial records, employee records, and sales forecasts are important aspects of a company's data landscape, they are not specifically categorized as master data entities managed directly through SAP MDG in the same way that plant data is. SAP MDG primarily focuses on material master data, supplier and customer master data, and certain operational master data, like that related to plants, ensuring comprehensive governance and quality control in these critical areas.

**7. What is the primary advantage of the Business Context Viewer in SAP analytics?**

- A. Capability for real-time data updates**
- B. Mobile access to business data**
- C. Read-only access to ensure data integrity**
- D. Flexible configuration options for visual presentation**

The primary advantage of the Business Context Viewer in SAP analytics is its capability to provide a contextually rich display of data, facilitating users' understanding of the information relevant to their current business activities. This feature emphasizes data integrity by ensuring that the data presented is accurate and trustworthy while minimizing the likelihood of erroneous modifications. This read-only access means that users can analyze and interpret data without the risk of altering it, which is particularly critical in environments where data must be protected from unintentional changes. This maintains the integrity and reliability of the information used for decision-making processes. While other features such as real-time data updates, mobile access, and flexible configuration options are indeed valuable aspects of many SAP tools, the essence of the Business Context Viewer lies specifically in its provision of secure, accurate, and contextually relevant data access.

**8. Which of the following data elements is not included in the SAP Master Data Governance standard data model for Material?**

- A. Plant**
- B. Valuation**
- C. Sales**
- D. Supplier**

The choice indicating that "Supplier" is not included in the SAP Master Data Governance standard data model for Material is accurate because the standard data model focuses primarily on specific aspects related to materials. Within the context of material master data, the elements typically encompassed include details that pertain directly to the operational and financial management of materials, such as Plant, Valuation, and Sales. "Plant" refers to a physical or logical location in a supply chain where operations are performed concerning the material, "Valuation" is related to how the material is valued for inventory and accounting purposes, and "Sales" connects to the various sales-related data necessary for managing a material in a sales context. In contrast, "Supplier" relates to the procurement aspect, which, although critical in overall material management, is not a direct component of the material master data model in a standard setup within SAP MDG. Supplier data is managed separately, typically in the context of vendor master data. Thus, "Supplier" is the element that does not belong to the standard data model for Material in SAP MDG.

## 9. In which scenario does data replication occur in MDG?

- A. When data is deleted from the MDG hub
- B. When master data is created manually in downstream systems
- C. When approved master data is synchronized with downstream systems**
- D. When data is archived in the MDG hub

Data replication in SAP Master Data Governance (MDG) occurs when approved master data is synchronized with downstream systems. This process ensures that once the data has been created, validated, and approved in the MDG hub, it is consistently updated across all relevant systems that rely on that master data. The replication ensures data integrity and maintains one authoritative source for master data, allowing various systems to have the most current and reliable information. In contrast, when data is deleted from the MDG hub, there is typically no replication action because the focus is on maintaining synchronized data rather than removing it across systems. Similarly, if master data is created manually in downstream systems without going through the MDG process, it may lead to discrepancies and issues since it hasn't been validated or approved by the MDG workflow. Lastly, archiving data in the MDG hub pertains to data handling rather than replication, as the focus here is on storage management rather than ensuring data consistency in operational systems.

## 10. How does SAP MDG improve collaboration among different departments?

- A. By offering separate systems for each department
- B. By providing a centralized platform for master data management**
- C. By making data accessible only to management
- D. By increasing the number of data entry points

The selection of the centralized platform for master data management highlights a fundamental advantage of SAP MDG in fostering collaboration among different departments. By consolidating master data in one system, SAP MDG allows various departments to access, share, and manage the same set of data, which reduces inconsistencies and promotes a unified approach to data governance. This centralized access ensures that all stakeholders, regardless of their departmental affiliation, can rely on the same accurate and up-to-date information, leading to better decision-making and more efficient processes. In contrast, offering separate systems for each department would create silos, hindering collaboration as different teams would work with disparate datasets. Making data accessible only to management would limit transparency and input from operational staff, which can lead to misaligned business objectives. Increasing the number of data entry points could also lead to a higher risk of errors and data fragmentation, further complicating collaboration rather than facilitating it. Therefore, having a centralized platform stands out as the most effective solution for improving inter-departmental collaboration in SAP MDG.

## Next Steps

**Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.**

**As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.**

**If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at [hello@examzify.com](mailto:hello@examzify.com).**

**Or visit your dedicated course page for more study tools and resources:**

**<https://sapmdg.examzify.com>**

**We wish you the very best on your exam journey. You've got this!**

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