

# DATA MANAGEMENT AND GOVERNANCE

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# Presenter

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## Learning objectives

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- Describe the role of data governance as part of a digital transformation program
- Detail the benefits of appropriate data governance
- Identify best practices and pitfalls when it comes to implementing a data governance program



# PURPOSE OF DATA GOVERNANCE

# Data governance overview

As organizations become more reliant on their data & data-related assets, data governance has become more prominent, and the adoption of data governance practices is on the increase.

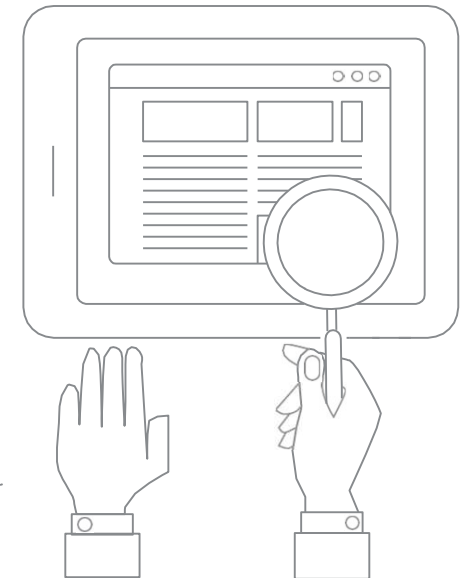
## So, what is data governance?

Data governance relates to the **disciplined way** organizations manage their data and data-related assets. Data governance frameworks and processes **formalize behaviors** around how data is defined and used within an organization to **improve the quality, availability, and usability of the data and manage risk**.

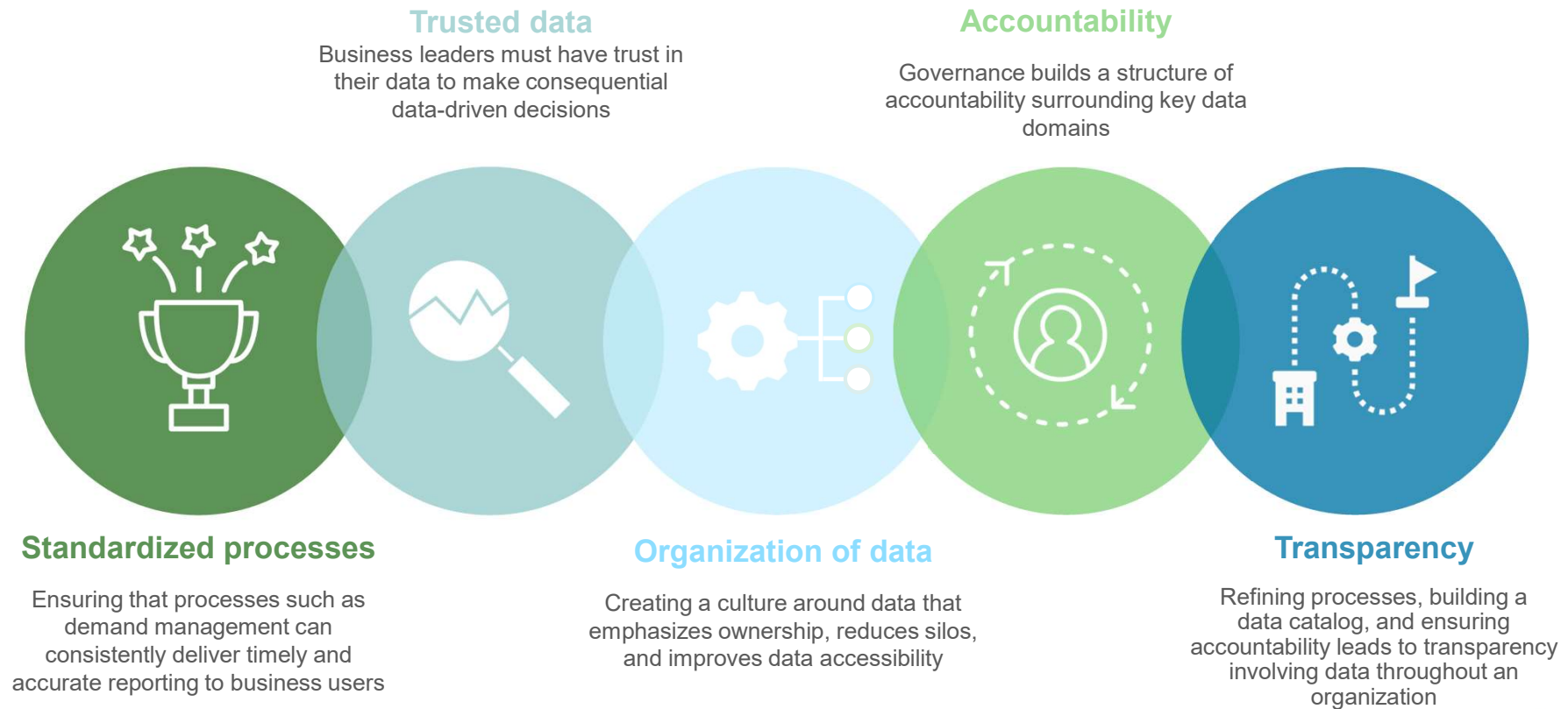
## The impact data has on critical decision-making

Data governance is important for any organization wanting to use its data to make critical business decisions. Data is an organizational asset and making the best use of this data allows your organization to remain competitive.

**Insights such as these are only possible if the data being analyzed is consistent, accurate and accessible.**



# Why data governance?



# Financial outcomes of data governance

According to IBM, the yearly cost of poor-data quality in the US is \$3.1 Trillion. This considers poor data-based decision-making, manual manipulations, and the overall impact of untrustworthy data that can be remediated through a data governance program.

Data Governance Financial Benefits

## Increase revenue

- Utilize information assets to **drive sales**
  - 360 view of a customer, enabled by high-quality, accessible data
- Accelerated access to authoritative information for **confident decision-making analytics**
- Increase the **ability for impact analysis** through business rules, clean information and data lineage

Knowledge workers waste, on average,

**50%**

of their time finding and correcting data quality & integrity errors and validating untrustworthy data<sup>1</sup>.

## Reduce costs

- **Increased productivity** from FTEs due to:
  - **Reduction in manual efforts** to clean, organize and present data
  - **Reduction in duplicative efforts** due to increased transparency
- **Reduction of errors and associated costs** created by lack of data literacy and poor quality
- **Decreased turnover** by providing true data science opportunities

Data Scientists spend, on average,

**60%**

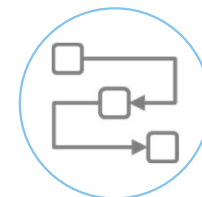
of their time cleaning and organizing data, statistically the least satisfactory part of their job<sup>1</sup>.

<sup>1</sup>Harvard Business Review

# Data governance framework → deployment



The policies, processes and technology implemented to deploy governance across an organization, i.e. data quality rules, refined demand management processes, data catalogs.



## Data governance framework

Defines the organization's mission/vision, people structures, and critical processes. Focuses on aligning people, processes and technology from an overall business lens.

## Data governance activities

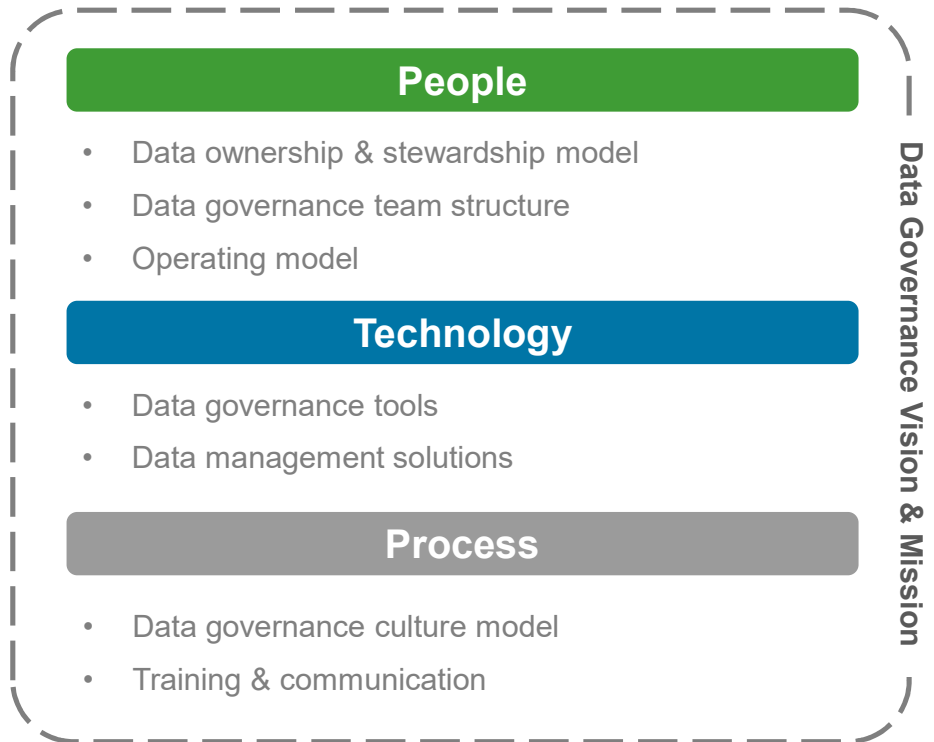
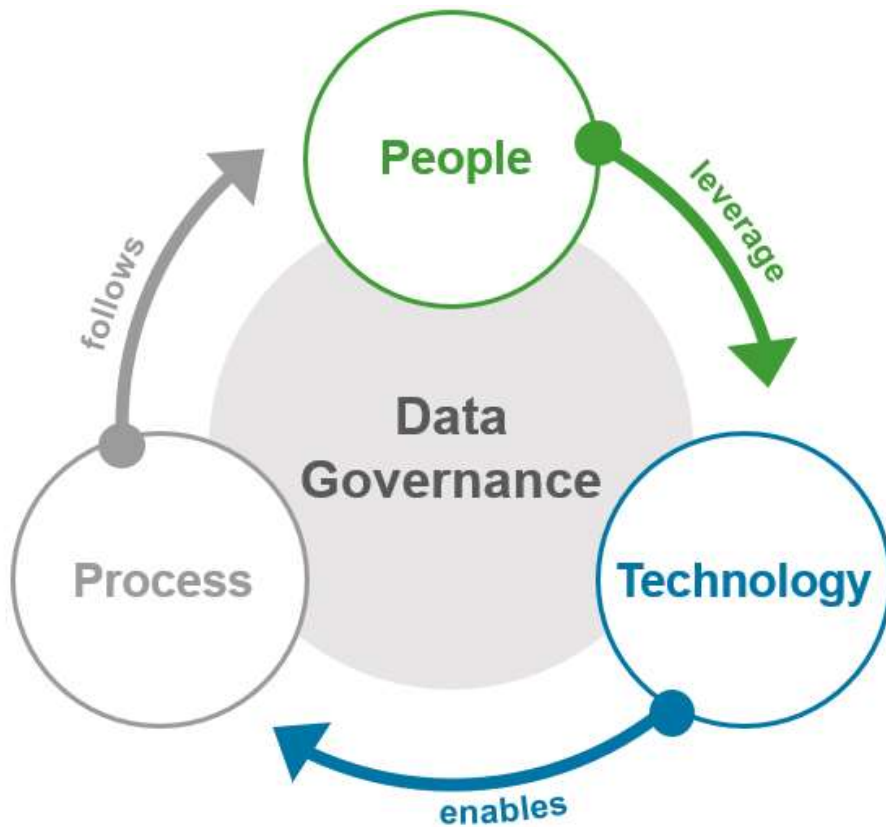


## Data management

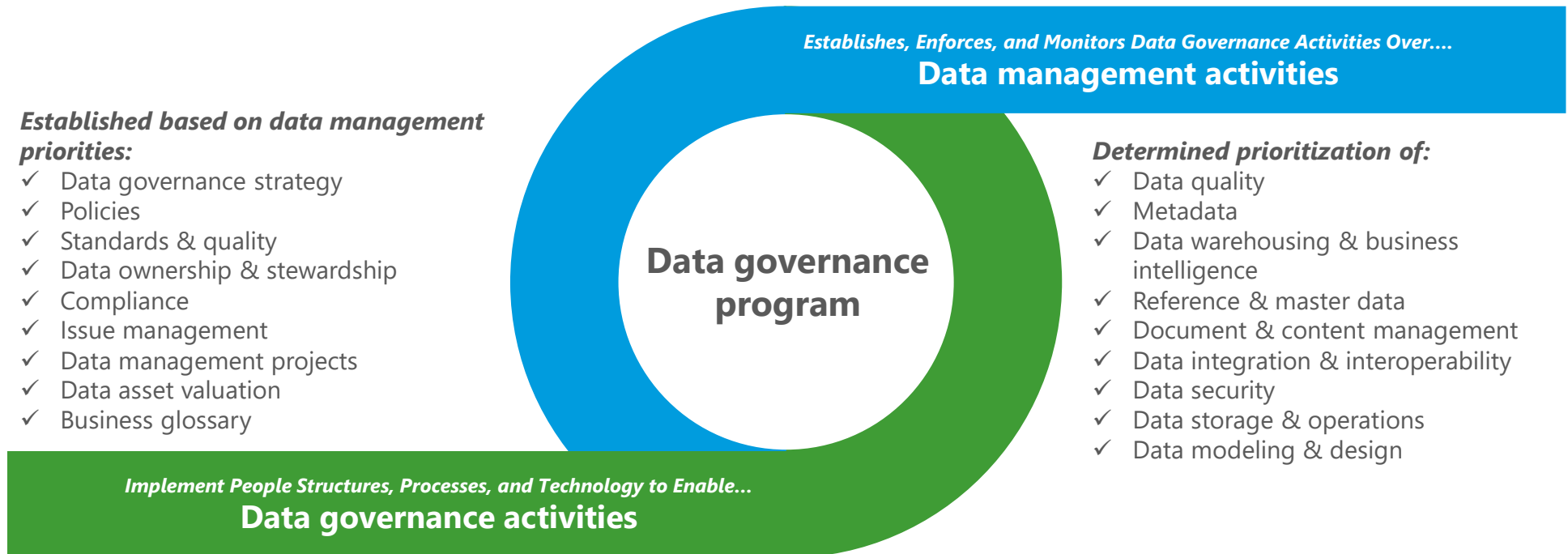
The execution and implementation of policies and initiatives influenced by the data governance frameworks. For data to be treated as an important company asset, proper data management must be enforced.



# Data governance framework components



# Data governance & data management



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# Data governance activities – maturity scoring



## Strategy

Defining, communicating, and driving execution of data strategy and data governance strategy.



## Standards & quality

Setting and enforcing data quality and data architecture standards.



## Issue management

Identifying, defining, escalating, and resolving issues related to data security, data access, data quality, regulatory compliance, data ownership, policy, standards, terminology, or DG procedures.



## Data management projects

Sponsoring efforts to improve data management practices.



## Business glossary

Supports the definition and organization of common terms to promote data literacy and common organizational language.



## Policy

Setting and enforcing policies related to data and metadata management, access usage, security, and quality.



## Compliance

Ensuring the organization can meet data-related regulatory compliance requirements.



## Stewardship & ownership

Providing hands-on observation, engagement, and correction in key areas of quality, policy, and data management.



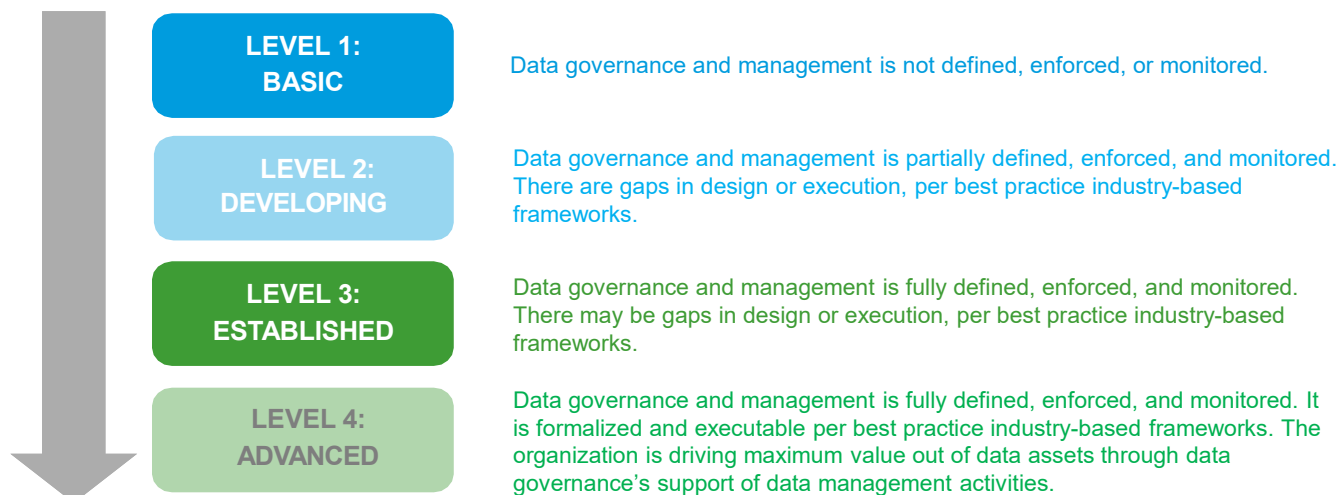
## Data asset valuation

Setting standards and processes to consistently define the business value of data assets.

# How mature are your current data governance processes?

The actual activities within any data governance program will depend on the current maturity level of the data management systems and processes, and people within your organization. Organizations at a low level of maturity experience less value from their data and are at high risk of breaching regulations, whereas those reaching the optimum level experience significantly increased value and reduced risk.

Effort is required to move through the different levels and aligning relative effort to reward should be part of the ROI considerations for each organization.



# Defining the value driver & business case

**There is no 'one size fits all' approach to data governance and no single business case.**

## Focus

Every business has different priorities for how it wants to use its data to support its decision making so data governance should support your unique strategy and goals. Your business case should focus on improving the areas that will bring the most value and where you can demonstrate the most return for your investment (time, resource and money).

**Typically, there are three types of data governance business case:**

### 01

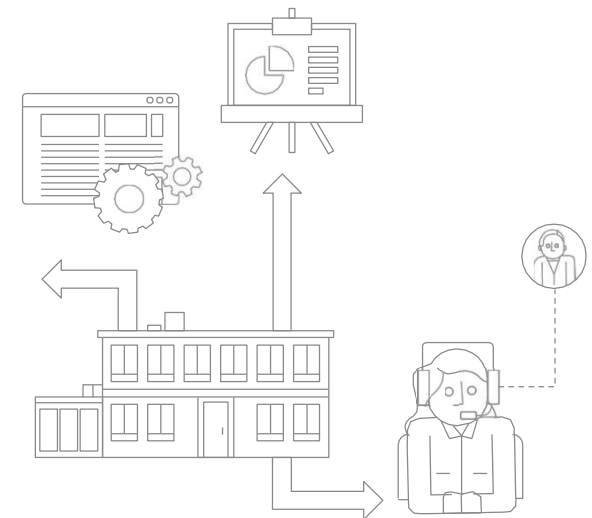
Using data to generate revenue.

### 02

Using data to improve operational efficiency.

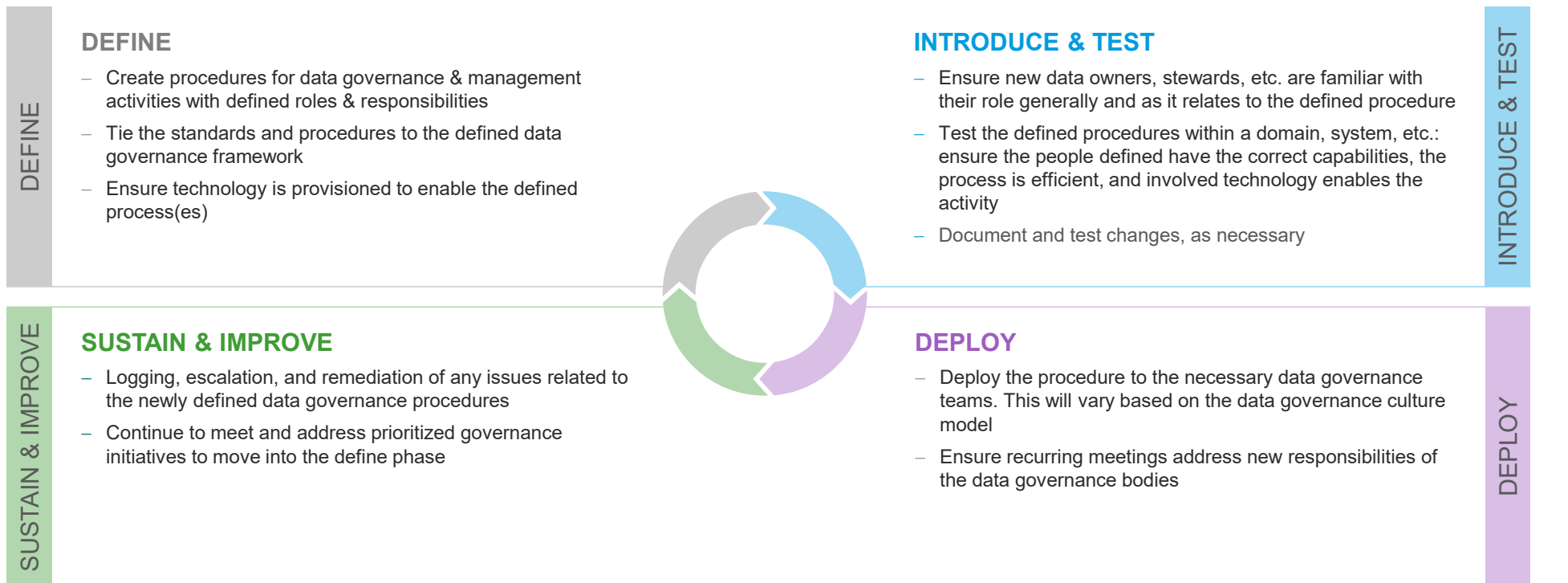
### 03

Using data to reduce risk through improved regulatory compliance.



# Deploying data governance business cases

While there may be variability in involvement and level of effort, data governance is **ongoing** through the life of the governed data management solution.

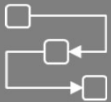




# SECURING VALUE FROM DATA GOVERNANCE

# Driving value through data governance

## How can data governance add value?



### What does data governance do for your business?

- ✓ Data governance provides structure, across people and processes, and technology to oversee and enforce consistent data management practices aligned to your organizational and data strategy.



### RSM offerings

- ✓ Data governance & management enablement
- ✓ Data governance framework
- ✓ Data governance program deployment
- ✓ Data governance advisory
- ✓ Data management implementation
- ✓ Rapid data governance enablement



### Program results

- ✓ Established organizational structure that ensures your data is managed properly with accountability, standardization, and monitoring
- ✓ Confidence in the quality of the data around the enterprise



# Enabling successful change



## Create a winning business case

Data governance programs are not quick and easy. Most businesses already have a set of stretch goals and strategic priorities and where data governance is perceived as 'data people adding bureaucracy to commercial processes' it is unlikely to get any traction.

### Top tip:

Create a business case that makes a clear link between effective data management and desired business outcomes. Establish what the business currently can't do because the data and associated processes don't support those activities. Focus on what is critical to gaining or maintaining competitive advantage rather than a nice to have.



## Garner business buy-in

Good data governance is critical to the management of effective business processes and data-driven decision making; however, it just won't sound exciting to most people in the business. Most people involved in data governance programs have a day job and will need to be convinced that the time and effort they invest in the program will be worth it in the long run.

### Top tip:

Ensure leadership support before you begin. Incentivize and motivate individuals to get involved and select individuals to work on the program who already work closely with data and won't see their involvement as additional responsibilities.



## Manage goals and expectations

Data governance programs can be targeted and small, organization-wide, or somewhere in the middle.

### Top tip:

Be realistic with what can be achieved with the budget and resources available. Prioritize and define a phased approach with short term milestones that can be celebrated along the way.

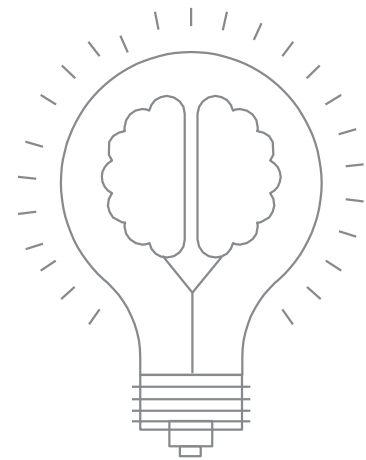


## Sponsor change

Anyone who inputs or uses data in the organization will need to adopt new processes and ways of working regardless of whether or not they've been involved in implementing the data governance framework.

### Top tip:

Formalize existing processes rather than creating new ones. Ensure targeted communication and training plans are in place.



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# CASE STUDIES



## Case Study

# Life insurance

[www.rsmus.com](http://www.rsmus.com)

### Challenge

- Client had data governance standards communicated by parent company relating to data quality, data architecture, accessibility, and timeliness measures and needed to show a roadmap to compliance within 3 months
- Client business units operated with siloed insights, reporting, documentation, and data ownership, resulting in little to no visibility into data processes, and lack of trust in data and data-bearing teams
- 12+ policy administration source systems and multiple ongoing system decommissioning projects
- Limited and unstandardized documentation with no enforcement of data lineage and data definition capture
- Lack of knowledge of data assets and gaps in reporting and analytics

### Approach

- Provided in-depth discovery of the current-state data governance and data analytics landscape to deliver a customized data governance framework structure around people, processes, and technology
- Provided suggestions to close gaps holistically with detailed initiatives and effort required to implement best practices, including data ownership and report rationalization efforts
- Conducted a future state prioritization workshop to confirm organizational buy-in and drive user-adoption of data governance initiatives

### Outcomes

- Prioritized and phased data governance initiatives to meet current gaps and to comply with parent company standards
- Formalized data governance organizational structures with roles and responsibilities and defined engagement between groups to support standardized data governance policies and processes
- Identified a data governance framework involving client groups to establish processes, people, and technology needed to reach compliance with industry best practices
- Provided technology comparisons for data quality tools aligned to parent company's architecture requirements
- Provided use case example of how to document data assets with defined engagement groups

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## Case Study

# Nonprofit insurance entity

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### About

Client operates as an NFP entity supporting all drivers in Canada and ensuring insurance is available to high-risk drivers through engagement with servicing carriers as well as member insurance entities in Canada. Client currently partners with a third-party data provider to assist with data gathering but has a goal of creating a similar platform of their own to provide their members easily accessible and trustworthy data.

### Challenge

- In their current state, client was operating using a strategy that was not risk-driven
- Client had limited access to granular data and was not receiving the required data in a timely manner
- Client needed the tools they were using in their current state to be optimized

### Approach

- RSM's data strategy & governance team was engaged to support defining the current state challenges and future state goals and needs
- RSM worked with client stakeholders to better understand the gaps that existed between their current state and ideal future state to create a roadmap to ensure goals were met and include any identified opportunities
- The phased future state roadmap included a data strategy and governance implementation, a data architecture foundation that optimized client's toolset, and data repository & analytics improvements
- RSM's data strategy & governance team presented findings to client's governance council comprised of member entity executives across Canada

### Outcome

- Alignment with all key stakeholders within internal client to understand current state and priorities to support proposed future state
- Maturity model of current state and proposed future state maturity score after specific engagements
- Deployment of a business aligned, risk-based data strategy with empowering the data analytics team to drive key business milestones and mitigate risk with data driven initiatives
- Aligned future state architecture inclusive of governance and security for risk mitigation
- Scalable future state architecture proposal for deployment

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## Case Study

# Consumer products

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### Challenge

- Large number of data systems
- Lack of data ownership
- No defined governance processes in place
- Data definitions vary between lines of business
- Lack of governance tool stack

### Approach

- RSM's data strategy & governance team was engaged to support defining the current state challenges and future state goals and needs
- RSM worked with client's stakeholders to better understand the gaps that existed between their current state and ideal future state to create a roadmap to ensure goals were met and include any identified opportunities
- The phased future state roadmap included a data strategy and governance implementation, a data architecture foundation that optimized client's toolset, and data repository & analytics improvements

### Outcome

- Domain-based data governance organizational structures with roles, responsibilities and defined engagement between groups to support standardized data governance policies and processes
- Identified a data governance framework to establish processes, people, and technology needed to manage data estate with industry best practices
- Creation of a data catalog to centralize data asset definitions and increase knowledge of the data estate for reduced dependency on technical teams and faster time to data & decisions
- Data governance rules enforced at the reporting layer and metadata classified
- Governance operating model provides a playbook of processes for maintaining data governance
- Enforce accountability and transparency in data governance initiatives across the enterprise

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## Next steps

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Ready for a conversation? Contact us:

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Learn more:

[Data Governance: Why You Need It & How To Get Started Today](#)

[Where can your data take you? Wherever you want to go](#)



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