Industry Views of Data Governance

"Data Governance is the organizing framework for establishing strategy, objectives, and policies for corporate data."

“Data governance encompasses the people, processes and procedures required to create a consistent, enterprise view of a company’s data...”

“The overall management of the availability, usability, integrity, and security of the data employed in an enterprise. A sound data governance program includes a governing body or council, a defined set of procedures, and a plan to execute those procedures.”
### Why Data Governance?

#### Applications: Data Manipulators

<table>
<thead>
<tr>
<th>Sales</th>
<th>Training</th>
<th>Order</th>
<th>Vaccine</th>
<th>3rd Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Customer/Account Setup</td>
<td>• Physician contact information</td>
<td>• Customer/Account Setup</td>
<td>• Account details</td>
<td>• Provider contact information</td>
</tr>
<tr>
<td>• Invoicing</td>
<td>• Contact history</td>
<td>• Contact history</td>
<td>• Order Details</td>
<td>• Delivery location/Responsibility</td>
</tr>
<tr>
<td>• Order Details</td>
<td>• Specialty details</td>
<td>• Hospital privileges</td>
<td>• Event history</td>
<td>• License details</td>
</tr>
<tr>
<td>• Product Catalog</td>
<td>• Office location(s)</td>
<td>• Hospital privileges</td>
<td>• Participation history</td>
<td>• Physician spend</td>
</tr>
<tr>
<td>• Purchase Details</td>
<td>• Contact history</td>
<td>• Hospital privileges</td>
<td>• Event details</td>
<td>• Guest details</td>
</tr>
</tbody>
</table>

#### Who can update contact details?

- Exec Mgmt
- Support
- Finance
- Exec Mgmt
- Customers

#### How is inaccurate information corrected?

- Exec Mgmt
- Support
- Finance
- Exec Mgmt
- Customers

#### How are conflicting needs addressed?

- Exec Mgmt
- Support
- Finance
- Exec Mgmt
- Customers

#### How are changes identified & resolved?

- Exec Mgmt
- Support
- Finance
- Exec Mgmt
- Customers

#### Which stakeholders make the decisions?

- Exec Mgmt
- Support
- Finance
- Exec Mgmt
- Customers
Do You Need Data Governance?
Some Key Indicators

“We’ve gotta stop having the ‘who owns the data?’ conversation.”

“We can’t do MDM if we don’t formalize decision-making processes around our enterprise information.”

“Fixing the data in a single system is pointless; no one owns data across all of the systems.”

“Everyone agrees data quality is poor, but no one can agree on how to fix it”

“Our CRM/supply chain management/ERP program has hit the wall.”

“Are you kidding? We have multiple versions of the single-version-of-the truth.”
What Data Governance Does

- Establishes business stakeholders as information owners. Data meaning, content, and access reflect business policy.
- Positions enterprise data issues as cross-functional. Information policy and change is owned by a cross-functional team.
- Aligns data quality with business measures and acceptance. Acceptance and accuracy is described in business terms.
- Removes IT from business/data conflict ownership. Repositions IT as information engineer and facilitator, not problem owner.
- Ensures data is managed separately from applications. Data independent of individual applications.
- Expands change management to include data. Application systems respond to both business process and data requirements.
- Requires monitoring and measurement. Any initiative must monitor progress and measure outcomes and improvements.
## The Crux of the Issue: One Client’s Hard Truth

<table>
<thead>
<tr>
<th>Underlying cost drivers</th>
<th>Relative cost share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understand</td>
<td>40 %</td>
</tr>
<tr>
<td>dig, search, ask, collect, consolidate</td>
<td></td>
</tr>
<tr>
<td>Analyze</td>
<td>20 %</td>
</tr>
<tr>
<td>develop, document, test, query, report</td>
<td></td>
</tr>
<tr>
<td>Coordinate</td>
<td>10 %</td>
</tr>
<tr>
<td>plan, review, wait for others, wait for conditions</td>
<td></td>
</tr>
<tr>
<td>Communicate</td>
<td>30%</td>
</tr>
<tr>
<td>explain, prepare, follow procedures, meet, discuss, convince, defend</td>
<td></td>
</tr>
</tbody>
</table>

Proprietary.
Designing Data Governance

Guiding Principles

Decision-Making Bodies

• IT Portfolio Management
• Budgeting & Approval
• Exceptions Process

Decision Rights

Governance Mechanisms

• Data Stewardship Dashboard
• Tracking & Measurements
• Communications Plan

Tools & Capabilities?

Need & Readiness?
Steps to Data Governance Deployment

1. Assess your readiness
2. Define DG guiding principles
3. Identify decision-making bodies
4. Define decision areas and decision rights
5. Identify governance mechanisms
6. Develop tools and capabilities

Good governance must be designed. It cannot be mandated. The iterative diverge/converge process of “thinking it through” develops ownership and commitment.
Identify Decision Making Bodies

- Executive Steering Committee
- Data Governance Committee
- Business Users Advisory Team
- Project Development Team
- Data Management Team

- Business Functions & Processes
- Information Technology Department

- Business Governance
- Implementation Management
Data Governance:
Sample Roles and Responsibilities

FOCUS: Culture  TASK: Change Champion
- Drive awareness & culture change within the corporation
- Act as final decision-making authority
- Review execution of prior decisions (and the related project activities)
- Establish the enterprise data initiative and hold business & IT areas accountable
- Resolve business policy and organizational issues
- Participate in regular reviews of Data Governance Committee decisions

FOCUS: Strategy  TASK: Lead, Decide, and Oversee
- Drive data awareness and culture change within their organizations
- Support cross-functional prioritization of data subject areas opportunities
- Approve requests/initiatives. This may include approval of resources, funding, etc.
- Monitor project progress; remove roadblocks
- Name personnel to Business Users Advisory Teams
- Participate in monthly data governance planning and status sessions

FOCUS: Tactics  TASK: Advocate and Operationalize
- Identify new data governance issues
- Recommend priorities, solutions, conflict resolution, and advocate for funding
- Include business and data requirement stakeholders
- Participate in development of data definitions and business rules
- Assist in defining initial acceptance criteria for new subject data
**Data Governance:**

**Sample Roles and Responsibilities**

**FOCUS: Tactics**  
**TASK: Implementation**
- Enforce policy across all systems through development and support methodology
- Execute development activities based on data governance and management policies
- Submit changes to Data Governance Committee as new business requirements or software products conflict with existing policy
- Participate in regular reviews of Data Governance Committee decisions

**FOCUS: Tactics**  
**TASK: Support Other Teams**
- Provide data expertise to other teams. This includes data administration and source-based data analysis
- Support the conflict resolution process through providing data oriented metrics and details to the decision-making teams
- Provide ongoing data profiling and analysis to ensure that Data Governance policy is being supported in all IT-based systems
- Ensure that all data management standards reflect existing data governance policy
- Participate in monthly data governance planning and status sessions

*Project Development Team*

*Data Management Team*
DON’T: Ignore Decision Rights

- The concept of “decision rights” establishes WHO is responsible for making WHAT types of decisions

- Decision rights implies business-IT alignment
  - The business owns key data decisions
  - Another DON’T: DON’T make data governance an IT-only initiative, not even temporarily!

- Most companies lack formal means of assigning decision rights
  - The “squeaky wheel” syndrome is the determinant
  - Politics is the de-facto way to assign decision making authority

- Governance without decision rights isn’t governance

Decision Rights Owner: “...a Subject Matter Expert with the vested authority to develop instructional rules for others to follow.” From iSixSigma.com
### Data Governance Enforces Policy

<table>
<thead>
<tr>
<th>Regulatory Agency</th>
<th></th>
<th>Modified HIPAA Regs Published</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Privacy Officer (CPO)</td>
<td></td>
<td>Identify Required Updates to Privacy Policy</td>
</tr>
<tr>
<td>Data Governance Council</td>
<td></td>
<td>Authorize conceptual access levels and user exceptions*</td>
</tr>
<tr>
<td>Chief Security Officer (CSO)</td>
<td></td>
<td>Identify Changes in Security and Data Access Protocols</td>
</tr>
<tr>
<td>Data Stewards (Data Mgmt)</td>
<td></td>
<td>Identify Detailed Data Access Levels, Impacted Data, Users</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Scope Changes to Existing Applications &amp; Data Stores</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Implement Required Application/ Data Changes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Monitor Compliance</td>
</tr>
</tbody>
</table>

*CPO, CSO, and Claims Data Steward may view identifiable data to investigate claims of misuse or other production issues with signed confidential agreement.*
Data Governance vs. Data Management

Executive Sponsorship

Data Governance

- Subject Matter Expert
- Subject Matter Expert
- Subject Matter Expert

Data Stewards

Data Management

- Data Requirements
- Data Administration
- Metadata Management
- Data Quality
- Privacy & Security

Protect, enhance, and fund the asset

Provide oversight, assess compliance, manage risks to the asset

Intimate with business processes; explain business policies, rules, and guidelines.

Develop & support the asset per governing policies & standards
A Word About Data Management

- Increased data re-use
- Reduced Re-Invention
- Faster time to deployment
- Entrenched skill sets
- Lower costs through:
  - Automation
  - Centralized vendor licenses
  - Less re-work
  - Fewer data “specialists”

Project #1
(Manual Effort)
- Terms and Definitions
- Access / Security
- Cleansing/ Correction
- Value Standardization
- Data Modeling
- Metadata
- Source Documentation

Project #2
(More Manual Effort)

Project #3
(More Manual Effort)

Enterprise
Data
Management
Data Governance Regimes

Core Business Processes

- Sales
- Customer Service
- Finance
- Marketing
- Human Resources

Procurement
- Accountable
- Consulted
- Informed

Campaign Management
- Accountable
- Consulted
- Informed

Hiring
- Accountable
- Consulted
- Informed

Order Management
- Accountable
- Consulted
- Informed

Billing
- Accountable
- Consulted
- Informed

Trouble Ticket Tracking
- Accountable
- Consulted
- Informed

Data Governance Council

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Three “Waves” of Data Governance

1. Design
   - Determine Data Governance Readiness
   - Design Data Governance
   - Determine Governing Bodies
   - Identify Initial Governance Mechanisms

2. Embed
   - Establish Key Measures
   - Identify Data-Enabled Business Initiative
   - Embed Governance Steps in Project Plan
   - Deploy Controlled Data Governance

3. Deploy
   - Measure Effectiveness
   - Identify Conflicts/Obstacles
   - Establish/Acquire Additional Tools
   - Broaden the Reach: Adjust and Repeat
Taking Action

1. Determine if you need data governance
   - Do you need “what data governance does”
   - Describe your existing decision-making and oversight process. Can you?

2. Solicit stakeholder support
   - Position governance concepts with executives.
   - Walk through the process and decision gates to describe how governance solves both IT and business issues.
   - Find a champion or change agent.

3. Select a governance design taskforce
   - Identify and enlist the initial participants
   - Debate the issues; improve on original concepts.
   - Tailor the design to your company and its culture.
   - Present your plan to senior executives for endorsement.

4. Launch the Data Governance Steering Committee
   - Name members and a facilitator.
   - Communicate and publicize the plan.
   - Conduct a trial run. Select an initial project.

Data Governance is a new way of working. You are challenging entrenched thinking. It will take time to get it right. But the payoff is worth the effort.
Thank You!

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