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DATA SOLUTIONS

## Guide to Getting Started with

Data Governance

Introduction

Data governance might not be as compelling or exciting as a new product or service launch, but it is foundational for business success and should not be ignored. That's because data governance plays an important role in defining and implementing data ownership, decision making, accountability, quality, security, regulatory compliance, and privacy across an organization's data landscape.

Data governance has become increasingly important as organizations expand the volumes and types of data they use to make critical decisions about costs, operations, product and service development, and much more.

A data governance program establishes guidance for how data is stored, used, and secured. It establishes a framework for assigning roles and responsibilities to ensure accuracy and trustworthiness of the enterprise data (data quality). It is responsible for the creation and enforcement of policies and procedures for managing, securing, and accessing the data. It ensures the entire organization is on the same page in terms of managing this very important organizational (business and technology) asset.

In this guide, we will provide practical guidance and advice for your data governance program, based on years of experience providing data and analytics consulting services for Fortune 500 companies and other large enterprises.
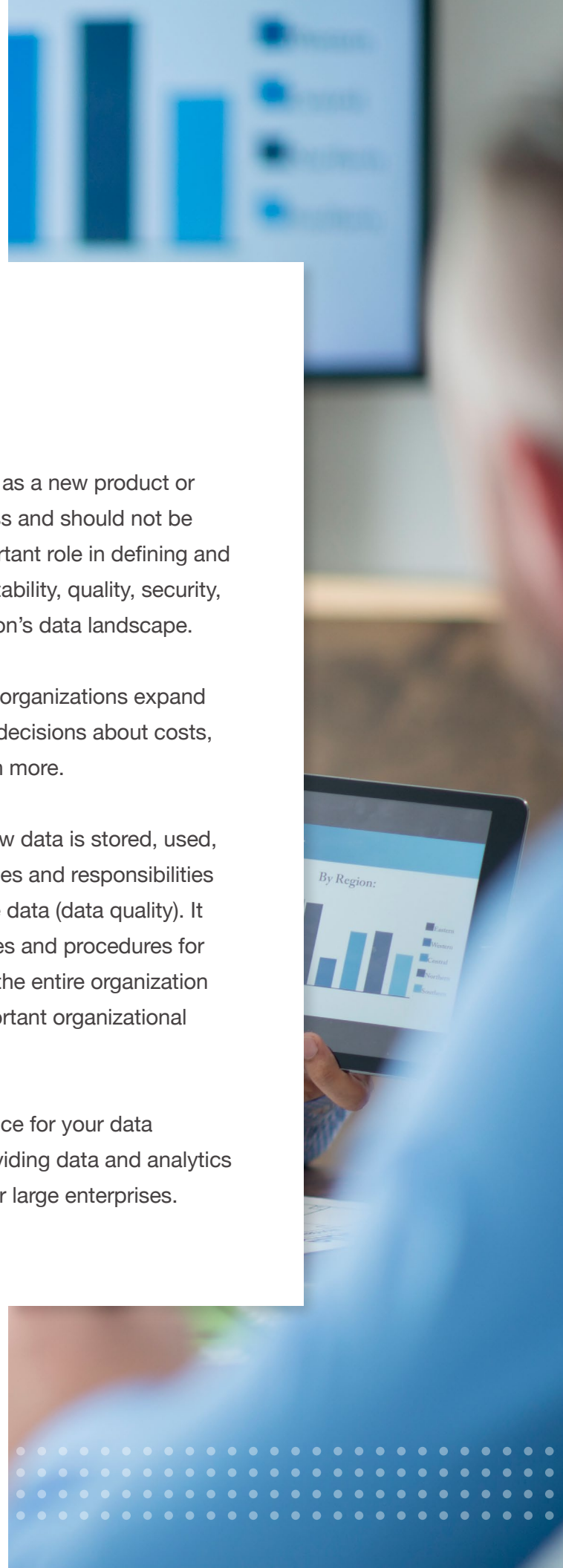
Align data governance and business strategy

A successful data governance program must be aligned with the business strategy to ensure that an organization gets the most value from its data, no matter where it is generated, where it is consumed to make decisions, or where it resides.
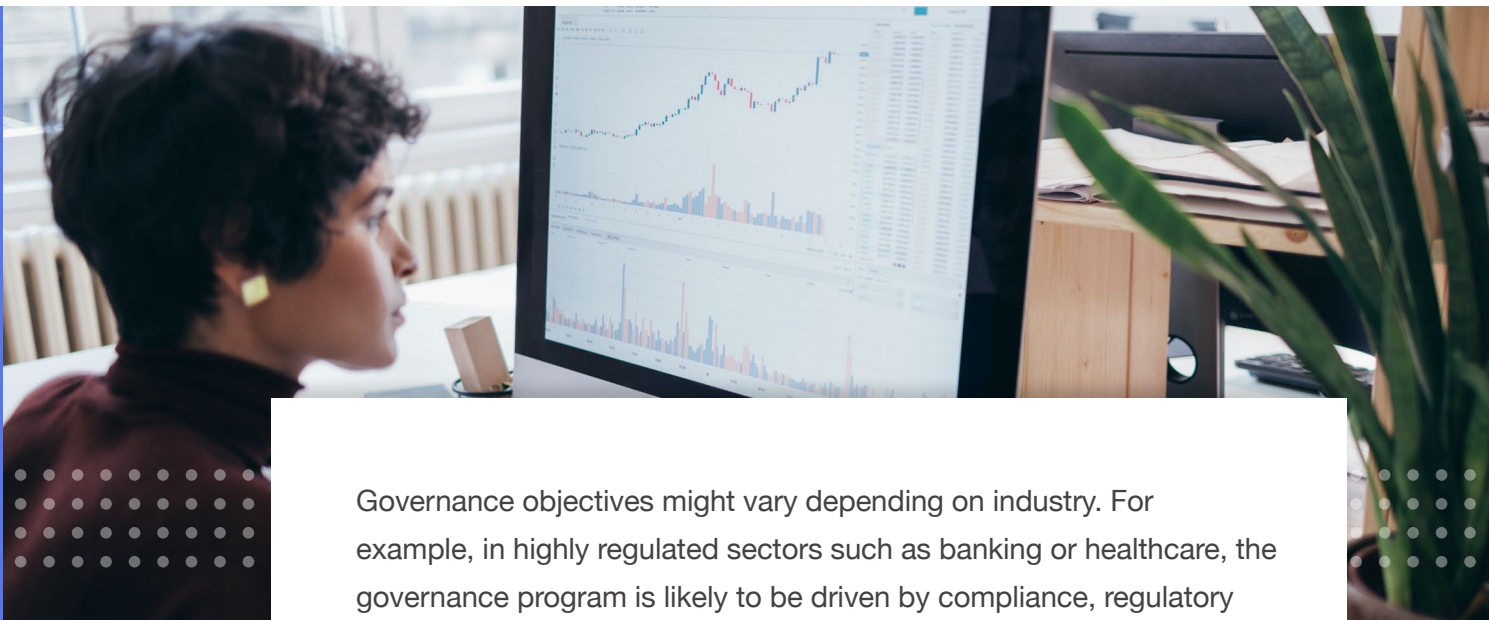
Governance objectives might vary depending on industry. For example, in highly regulated sectors such as banking or healthcare, the governance program is likely to be driven by compliance, regulatory requirements, and business value. In a global manufacturing company, on the other hand, governance might be more focused on value creation, decision making, and process optimization.

In any case, it is important that governance be owned and led by business executives in partnership with technology executives. This puts the business owners in the drivers' seat and ensures data governance efforts are tied to business use cases, which then drive digital transformation initiatives.

Decide on your data governance approach

Your approach to data governance will depend on a variety of factors, including the size of your organization, its culture, its data management maturity, and your industry's regulatory requirements.

One option is a decentralized or federated approach to data governance. This distributes responsibility and authority for data governance across multiple groups—business units, geographies, etc. Though it can be more challenging to manage, this approach gives teams the freedom to implement data governance according to their specific needs.

On the other hand, a centralized approach to governance involves a central body that has the authority to determine how governance will be applied throughout the organization. This will include policies and procedures for creating and managing master data, identifying approved technologies, and deciding on governance priorities. This approach often is more appropriate for organizations with strict compliance and regulatory requirements.

Adopt a data governance framework

Enterprises need to develop a data governance strategy to provide a framework to align people, processes, and technologies to maximize the value of data and deliver trusted data throughout the organization.

A data governance framework will address three key questions:

1 What will be governed?

2 Who will govern it?

3 How will it be governed?

This will help your organization deliver consistent policies and processes to collect, store, use, and secure quality data across the enterprise.

1 What will be governed?

One of the first steps in developing a governance program is to identify the scope of the data that will be governed. That means identifying the data domains or categories of data that need to be governed and the stakeholders who will provide data stewardship for each domain. This might include reference data, transaction data, and master data.

When launching a governance program, companies will often start with an internal process domain such as finance that offers the most value or has the most pressing need. It's not a good idea to tackle a large number of domains at once when starting out.

Once the domains and stakeholders are established, it's a good practice to interview stakeholders across business and IT functions to analyze the pain points that have come from poor data governance. This is the time to learn about obstacles that stand in the way of achieving business objectives.

The typical types of questions to ask include:

- What are your top concerns/issues with the data you use today?

- Is there any confusion about what terms mean and how they are calculated?

- Are there specific challenges to accessing information? Do you understand where to obtain the data you require to perform your job?

- Are there any concerns about people having access to data they shouldn't?

- How much historical information do you need to complete tasks? Is data archived and/or deleted when it is no longer needed?

- Are you able to easily provide root cause analysis if there is a security breach?

2 Who will govern it?

The next key question is who in the organization will be involved in the data governance effort? For many organizations, especially large, global enterprises, data governance will involve many people playing a variety of roles—each one important to the success of the endeavor.

We often recommend organizations establish a data governance workgroup, also known as a Data Governance Executive Team, Data Governance Council, or a Data Governance Steering Committee. This is a cross-functional leadership team that provides oversight to data management; it is typically led by the Chief Data Officer (CDO).

Other key players in data governance typically include:

Business Data Owners:

Business line executives, group project leaders, or others who have accountability for the use of the data within their domains. They can help ensure that domain data is properly defined and used throughout the enterprise. Depending on the size of the organization, data owners are generally leaders in their business or function.

Business Data Stewards:

Responsible for the implementation and ongoing improvement of information quality. There are generally two types of data stewards: a business unit data steward who is responsible for managing the data for their specific business unit (e.g. marketing, finance, etc.) and domain stewards who manage data for a particular data domain (e.g. customer data, reference data).

IT Data Stewards:

Subject matter experts for the data source assigned to them. Each IT data steward is responsible for executing initiatives and decisions associated with the functional area/domain of the assigned data source.

3 How will it be governed?

The first step in the actual governance process is to define the organization's data governance work products for each data domain and then analyze the current state of the work products. Examples of domain-level work products include data lineage documents; policies and procedures documents; common business definitions; and data quality and compliance metrics and dashboard.

This effort enables the organization to take inventory and identify what is working effectively, which the team can continue to leverage, and what is not working well.

The areas that need to be reviewed include:

- Data architecture
- Data modeling and design
- Data storage and operations
- Data integration and interoperability
- Data security
- Documents and content
- Data quality
- Metadata
- Data warehousing and business intelligence
- Master and reference data

Next, the team needs to build specific capabilities that will help the organization address its current pain points and meet its data governance goals. This exercise also ensures that the team is focused on higher priority work products and processes. Typically, the three highest priority capabilities are impact analysis, common business definitions, and policies and standards.

Data governance tools and technologies

A variety of tools and technologies are available to support data governance activities, helping you understand your data and automate governance processes. Try to resist the temptation to revert to spreadsheet-based governance—this is not a use case for Excel.

Some of the capabilities your governance toolset should offer include:

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Data Leakage Prevention	**Data Classification**	**Data Cataloging**
Data Quality Scorecard	**Master Data Management**	**Business Rules Management**
Business Glossary	**Data Lineage**	**Workflow Management**

Selecting and implementing the right technologies is a critical step on the path to success. Data governance tools and technologies are key resources to help businesses scale governance initiatives, manage policies, and respond to evolving requirements.
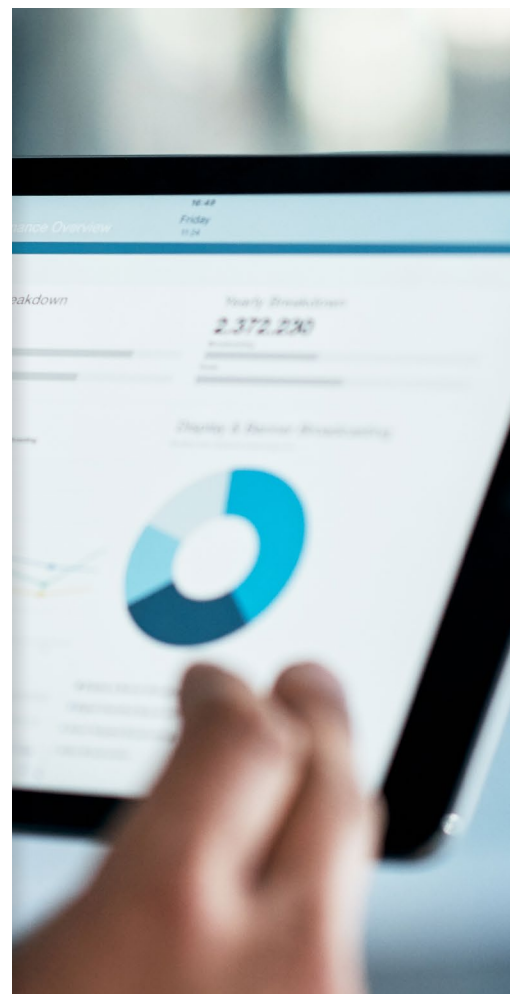
Best practices to get started

Data has become so important for businesses—the new currency of the digital age, according to some—that governing this resource effectively should be a top priority for any organization.

As you get started, keep in mind this advice from the expert consultants at Wavicle Data Solutions:

- Set clear goals, expectations, and data domain ownership for your program from the start.

- Identify and measure current capabilities and prioritize necessary advancement.

- Define success criteria and produce quick, small wins—don't plan to do everything at once. Start with a single domain and then move to each domain as time and organization appetite allows.

- Secure buy-in from business and IT stakeholders initially and along the way.

- Recognize that data governance is not a finite project; it's an ongoing journey.

- Data governance must be flexible to accommodate inevitable changes to the business.

- Change management is needed to secure organizational support and adoption.
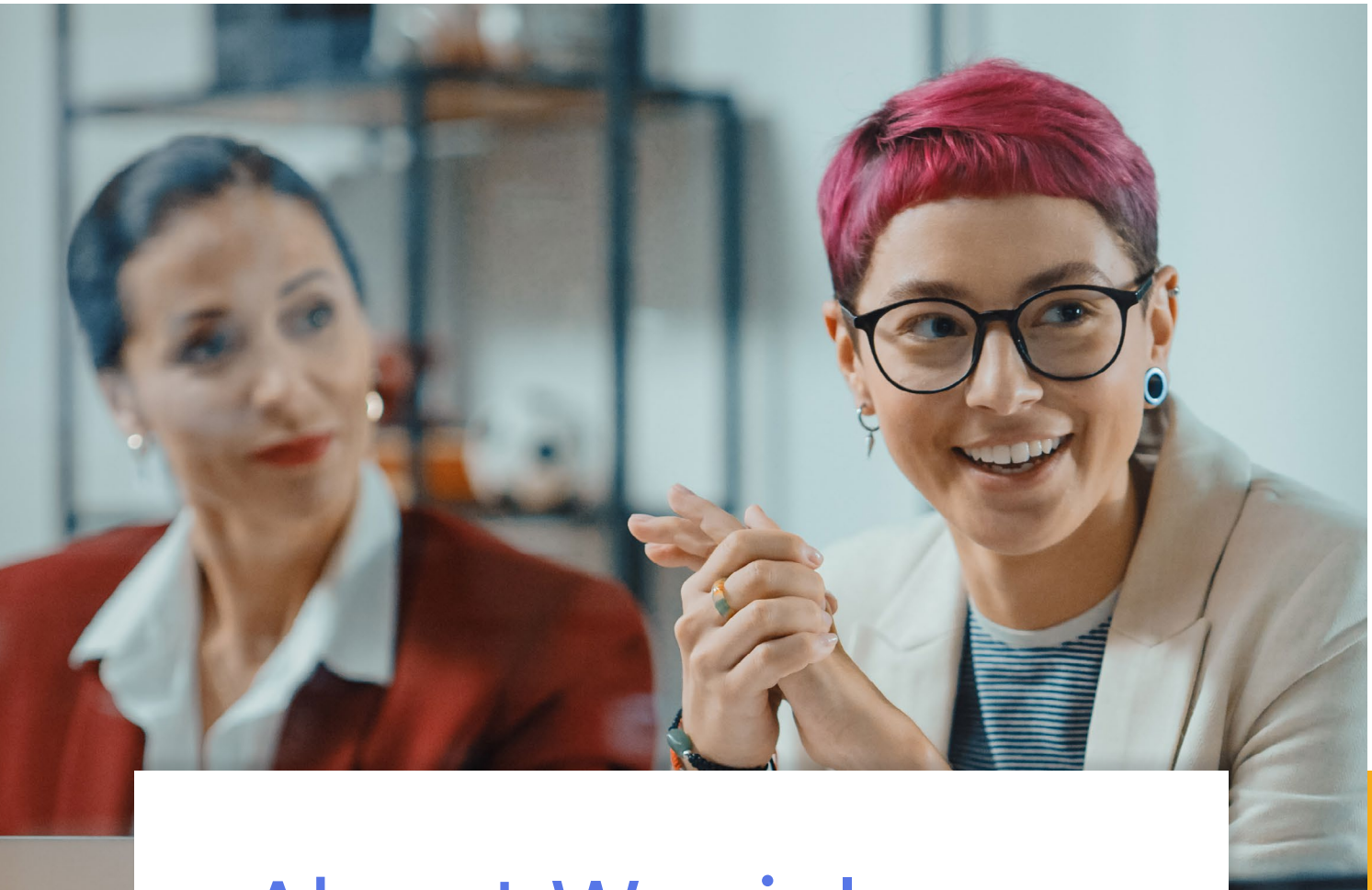
About Wavicle Data Solutions

Wavicle provides award-winning cloud data and analytics solutions that accelerate value, reduce risk, and empower our clients to make smart, data-driven decisions. Our cloud consultants offer expert advice, proven strategies, and proprietary tools and technologies to support the shift to modern data architectures and real-time insights. Founded in 2013 and headquartered in Chicago, Wavicle has been recognized as an Inc. 5000 company four years running and is a three-year winner of the Chicago Tribune's Top Workplace award. Wavicle is also an NMSDC certified MBE.

For more information, please visit wavicledata.com.

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