PARADIGM ™
technology

Data Governance

Establishing data as a strategic asset, improving data integrity across the business, and realizing the importance and true benefit of information are not easy and depend on collaboration within an organization. Today, politics, funding, and unsatisfactory results have slowed or halted many data programs. Stakeholders are cautious of being sold on exotic solutions and unattainable promises. Without the right tools in place, the right stakeholders on board, and data citizens engaged, risk can expand and business growth will be constrained. With constant regulatory presence, market unpredictability, insatiable internal demand for answers to increasingly complex questions, and shareholder demand for better returns and greater traceability to financial results, organizations need better data stewardship. This is why Data Governance is important - it's about establishing the right data management disciplines to address these changes, mitigate risk, and ensure that a company's data stays available, usable, trusted, and secure. Companies must recruit data citizens - individuals who will fight for their right to share data that's more reliable, transparent, and productive.

WHY IS MANAGING DATA SUCH A CHALLENGE?

Poor data management weakens an organization's ability to conduct business - effectively manage customers, deliver timely products and services, and grow profitably. Without sound data controls, regulatory compliance and reporting could be affected, putting your company at risk under such regulations and initiatives as Anti-Money Laundering (AML), California Consumer Privacy Act (CCPA), Global Data Protection Regulation (GDPR), Know Your Customer (KYC), and other regulations requiring the disclosure of how data is actually managed in your business. Data management challenges can reveal themselves in various ways - some businesses find privacy a key driver, while others find that big data is the catalyst behind their adoption of a strong data governance strategy. Data management challenges can manifest in a variety of ways:

- Missed business goals and objectives
- Misaligned initiatives as a result of uncoordinated funding
- Unclear accountability of data integrity and lack of remediations for system risks
- Redundant, inaccurate data proliferated across disparate data silos
- An inability to adapt to the accelerating rate of market and regulatory changes
- Inappropriate use of technology to manage data across the enterprise
- Political and organizational imbalance

WHAT EVIDENCE EXISTS TO SUPPORT THESE OBSERVATIONS?

IBM found[1] that in the US alone, businesses lose more than $3 *trillion* annually due to poor data quality.

A survey conducted by Kalido[2] specified significant market trends including:
- 54% of respondents have no way to measure the performance of their data management activities and 76% have no framework to assign business value to data management
- 49% do not manage or master data anywhere but in unrelated applications
- 22% maintain rigid boundaries between Business and IT
- 75% of data citizens/business users have no insight into who or what has produced the data fueling their business
- 88% felt that data quality was either poor or narrowly managed
- Even though nearly 70% have data-related policies and rules, they don't have structure around them to drive behavioral change

In an independent data governance survey[3], 60% of participants indicated that business units were responsible for data governance across the organization and fewer than 10% said they have dedicated data stewards.

A Data Governance Institute survey[4] found only 29% of respondents measured the cost of poor data quality and only 23% of successful programs had the following characteristics:
- A data governance mission statement
- A clear and documented process for resolving disputes
- Good policies for controlling access to data
- Effective, logical models for key business data domains
- Business processes either defined at a high level or fully documented at several levels and available for data governance
- Regularly scheduled data quality assessments
- A link between program objectives and team/personnel objectives

WHAT SHOULD ORGANIZATIONS DO?

To overcome these challenges, Paradigm recommends organizations focus on the following areas:
- **Business case** - Establish and assign measurable business value to the transformation required to enable data citizens

- **Solution blueprint** - Develop a holistic view of the information requirements and performance measures required by each process and stakeholder
- **Data management** - Identify how to best organize, maintain, and sustain data to achieve the capabilities defined in the solution blueprint
- **Risk management** - Design risk mitigation strategies necessary to address change and adopt these strategies as solutions are deployed
- **Operating model** - Create cross-functional teams and clearly identify the decision-making authorities who can propel data transformation projects forward
- **Technology and automation** - Select the appropriate tools for Business and IT to mitigate system risks, manage common definitions, and reduce ineffective, expensive, manual processes
- **Continuous improvement** - Recognize that change is inherently part of everything; institute regular and frequent updates to optimize the approach, deliverables, organization, resources, and skills

Leading organizations employ these strategies to create a more active data governance framework.

HOW CAN PARADIGM HELP YOU SUCCEED?

Paradigm is uniquely positioned to bring the right expertise and technology to help assess and refine your data governance practices. Successful data governance should be a company-wide initiative with the right tools in place, the right stakeholders on board, and data citizens engaged. But knowing where and how to start is important. Paradigm can lead organizations in understanding the strategic value of a data management program by:

- Conducting a rapid assessment of the current environment, data management maturity, and capacity
- Identifying goals, objectives, and performance measures for the required changes
- Linking data management to business processes, supported by practical principles and policies
- Developing or enhancing the target-state business, technical, and data architectures
- Target Operating Model - Establishing the organization, operating model, and metrics to measure the success and effectiveness of the program
- Defining the road map, sequence, and interdependencies of various initiatives to manage the introduction and adoption of the changes
- Delivering the needed technology to enable, manage, and monitor a data governance program (i.e. Collibra, Informatica: Axon, EDC, IDQ, Cloud Data Quality, Big Data Quality, Data Privacy Management, etc.)

SUCCESS STORY
Large government-sponsored enterprise

Facing significant regulatory pressure to reduce risk and operational costs, our client needed to streamline five key areas - customer satisfaction, customer onboarding, agreement management, pricing, and delivery. To support the transformation, the company recognized the need for data governance to institute better data management and accountability for data quality and compliance reporting.

Solution
The enterprise underwent a three-year strategic IT transformation initiative to rationalize its portfolio of 155 applications, including reducing point-to-point interfaces, improving business process orchestration and automation, increasing data sharing, and reducing data redundancy. A team of 15 executives led the data governance project and facilitated the introduction and adoption of approved changes.

Result
Within the first 18 months, the organization experienced:
- The definition of 76 critical data elements that required controls
- Improved data management policies for interfaces, access, integrity, and integration across the 155-application portfolio
- Streamlined application change management and development coordination
- Improved performance measures to manage data initiatives that identify business process risks due to data quality issues and undocumented application interfaces

SUMMARY

Companies that relentlessly pursue available, usable, trusted, and secure data can grow revenue, mitigate risk, and lower costs. Paradigm offers the right combination of business and technology "know how."
- **Practiced professionals** - Our data scientists have 20+ years of experience; many have come directly from industry, and all of them have highly successful data programs
- **Proven knowledge** - Paradigm's knowledge base can quickly enable data citizens or help steer "in-flight" data management initiatives; this knowledge has helped our clients reduce time-to-market, implementation costs, and risk
- **Custom accelerators** - Our accelerators and best practices ensure smooth delivery of standard and purpose-built solutions and can reduce project time

An award-winning end-to-end professional services organization, Paradigm Technology is a leader in digital and business transformation, working for 25 years with the Fortune 500. We partner with clients to understand and solve business problems through innovative, value-driven solutions and strategies. Our team leverages years of experience and leading-edge technologies to deliver intelligent insights to answer the hard questions to grow revenues, reduce costs and avoid risk. We focus on delivering and communicating measurable value and impact above all else - that's the Power of Paradigm.

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