**Data Governance** 



Why Data Governance



# Industry: Lack of Data Governance is a Key Issue Faced During Projects

As projects address process improvements, they encounter unidentified data processes that naturally cut across several business processes within the enterprise. Establishing formal data governance processes is challenging due to the greater need for collaboration and change management. Similarly, companies without a common data architecture that is understood by IT and business stakeholders suffer "discovery" delays in implementation.



## Challenge

Balance innovation and execution with requirement for more formal management of data



Need to Move From Current....



## **Industry View on Data Governance**

- Gartner's 2010 Financial Services Data Management Survey found that 28% of banks and investment services firms currently have a single data governance unit or function that straddles the entire enterprise
- 46% of respondents, an increase of more than 50%, expect by mid-2012 to have a single data governance unit or function spanning their enterprise, an increase of 60%
- Many firms expect to extend the data domains covered by their data governance units and the functions these units perform by mid-2012
- Enterprise data governance is complex due to people and organizational issues, including business silos and lack of process standardization
- Demonstrating ROI from what are often multiyear initiatives can be difficult to establish but is necessary to achieve success

# What is the Data Governance Opportunity

- According to Gartner, through 2011, 75% of organizations will experience significantly reduced revenue growth potential and increased costs due to the failure to introduce data quality assurance and coordinate it with their data integration and metadata management strategies
- Through 2012, organizations that fail to introduce data quality into their data integration activities will see their costs increase by100% or more
- If the median Fortune 1000 businesses increased the usability of its data by just 10%, it would translate to an increase in \$2.01 billion in total revenue every year
- A **10% reduction** in effort and time required to make data valuable for the user's context would result in a **significant increase in productivity**
- With a 10% increase in data quality, Return on Equity (ROE) increases by 16%
- Data errors are often caused by manual entry or reentry, which also results in delays in reporting.
   Implementation of 'touchless' processes throughout the value chain simultaneously increases the accuracy and timeliness of data
- An increase of 10% in business intelligence will lead to 18.5% increase in planning and forecasting accuracy



"Efficient access to reliable, high-quality data is important for business operations and strategic decision making. As the speed of business increases across multiple dimensions, the speed at which transactions must be processed and verified, customer service requests responded to, investment decisions made and regulatory reporting submitted — and the kinds of business decisions become more complex due to factors such as global expansion, demands for product and service personalization, more in-depth performance and regulatory reporting, **the need for consistent**, **reliable and timely data has and will continue to increase**."



# **Benefits of Implementing an Data Governance Program**

Data Governance benefits are measured in terms of tangible and intangible enterprise value



# **Quantifying Data Governance Business Impact**

- An organization generally focuses their spending in support of at least one of these three goals:
  - 1. To increase revenue or the value of assets
  - 2. To reduce costs or complexity
  - 3. To support risk management or compliance
- For a project designed to increase revenue or lower costs, which one would you rather have?
  - a) An ROI of 180%, where you have a 60% confidence level that the project will deliver as promised, or
  - b) An ROI that slips to 170%, but your confidence level jumps to 90%

## **Business Impact Scenarios - Illustrative**

Sales/Service Efficiency (time efficiency for Call Center Reps in working with accurate information)

- 15,000 CSRs (Call Center Reps)
- Average blended rate \$75K per yr
- Based on 10 min / CSR x 1 sign on every 2 weeks = 4.5 hr savings / year / user
- @\$37.50 per hr x 4.5 hrs= \$168.75 x 15,000=\$2,531,250

#### Data Issue Resolution (time spent by CSR researching issues)

- 30 minutes to resolve each...time savings via accurate data...avoid 100%
- Average Monthly Issues per CSR = 2
- 15,000 CSRs \* 1 hour (month)/2 (monthly issues) = 15,000 hours x \$37.50 (per hour) = \$562,500 (month) = \$6,750,000 time/savings per year

#### Marketing – reduce waste through accuracy

- Each % improvement in accuracy means that many more touches reach the correct contact
- Total touches (20M) x % improvement = # additional good touches
- # addt'l good touches x average cost / touch (\$4.50) = savings
- Contact Name Targets: 20M x 2.5% = 500,000...500,000 x \$4.50 = \$2,250,000



How



### **Data Governance Operating Model**

The Data Governance Office is responsible for managing key data governance activities. The consumer franchise across the markets, global functions, and operations and technology groups will be governed as federated bodies in accordance with the policies established by both the Data Management Policy (CDMP) and the Data Governance Office



Data Governance Office is a centralized group established to provide strategic direction for data governance and support data management programs / projects



### **Data Governance Council Members**

The Data Governance Council includes representation from all the regions / markets, global functions, operations and technology and major global data management programs. The identified leads will be responsible for driving the data management activities within their markets / regions / functions

Function / Role	Name				
Chief Data Governance Officer					
Global Consumer Technology Lead					
Data Management Council Lead, North America					
Global Business Transformation and Project Management Office					
Data Management Council Lead, Asia Pacific					
Data Management Council Lead, Banamex					
Data Management Council Lead, Brazil					
Data Management Council Lead, EMEA					
Data Management Council Lead, Central American, Andean and Caribbean					
Data Quality Analytics and Reporting					
Data Standards					
Operations and Technology					
Risk					
Finance					
Compliance					
Information Security <sup>1</sup>					
Chief Data Office Leads <sup>1</sup>					



## **DGO Organization and Roles**

The Data Governance Officer will align its organization across multi-tiered combination of business, operations and technology roles to support Global Data Roadmap Refresh, Data Management Policy Requirements, and Data Analytics Strategy Roadmap



**Note:** <sup>1</sup>For supporting role description, please see appendix



#### Roles – zoom in



 Each role may consist of one or more dedicated or part time resources as appropriate



## Data Management Budget Planning Approach

**Data Management Budgeting Approach Requirement Analysis Scope Definition Budget and Implementation Planning** Business-driven Data Management Requirements Conduct Scoping Draft Scope 2012 Implementation Business and Global Planning Global Data Roadmap Rainbow-driven Data Function Strategic Analyse New Capabilities Refresh Update Priorities Management and Enhancements Requirements Budgeting Requirements<sup>4</sup> Data Roadmap<sup>1</sup> Conduct Data Governance Conduct Maturity Gap Govern and Rationalize Council Leads **CDMP** Requirements Assessment and (Programs / Projects)<sup>3</sup> Working Sessions Prioritization **CDMP** Implementation Implementation Scope Statements Charters Data Analytics Strategy Conduct Market Research Develop Roadmap Requirements and Gap Assessment Scope Definitions<sup>2</sup> Data Analytics Strategy Roadmap Establish Data Management Planning Teams and Initial Accountability Structures **Planning Deliverables** Data Governance Office Support

Consolidated Book Of Work represents all programs related to data management and governance

#### Note:

<sup>1</sup>Rainbow Data Roadmap will include Global Rainbow Enterprise Data Playbook, Strategy, Master Data Plan, and Plan to align markets to the Rainbow Enterprise Data Model platform <sup>2</sup>Scope definitions should be developed for each identified program / project to address the data management gaps

<sup>3</sup>Identified programs / projects are governance and rationalized to eliminate duplicate work efforts

<sup>4</sup>Budgeting estimates should include expected capital expense, hardware, and software costs, including associated professional services expense (as applicable)



# **Implementation Planning**

Assumptions and activities to support Implementation

	Workstreams				
	1. Enterprise Information Assets Identified, Published and Measured	2. Critical Data Elements <sup>1</sup> and Rules Defined, and Monitored	3. Data Quality Standard Operating Model Implemented	4. Data Architecture Accountability Established and Technology Standards Monitored	5. CDMP Governance
Assumptions	<ul> <li>Enterprise Information Assets will be identified and published by the Chief Data Office</li> </ul>	<ul> <li>CDE identification and prioritization driven by Rainbow Enterprise Data Model</li> <li>DGO will support rationalization efforts for CDEs common to multiple markets</li> </ul>	<ul> <li>Identification and prioritization of Data Quality issues will be specific to the markets</li> <li>DGO will support the rationalization and remediation of cross- functional Data Quality issues</li> </ul>	<ul> <li>Data is managed and monitored in alignment with the established data and technology standards by the Global Consumer Technology</li> </ul>	<ul> <li>Establish standard monitoring and reporting routines</li> <li>Assist Business Sectors to establish accountability structures to support data management activities and ensure compliance</li> </ul>
Key Activities	<ul> <li>Provide inputs to develop standard business definitions</li> <li>Implement data standards associated with prioritized list of Enterprise Information Assets</li> </ul>	<ul> <li>Identify, prioritize, and validate Critical Data Elements by leveraging Rainbow Enterprise Data Model platform</li> <li>Develop and implement business rules and definitions for Critical Data Elements</li> <li>Drive data standards into the Rainbow Enterprise Data Model framework</li> </ul>	<ul> <li>Identify and prioritize key critical data quality issues to conduct root cause analysis and remediation</li> <li>Implement Standard Operating Model (SOM) in alignment with the Enterprise Data Quality SOM</li> <li>Implement Issue Management and Resolution (IMR) System</li> </ul>	<ul> <li>Implement data and technology standards (as applicable)</li> <li>Implement updated architecture review process - single architecture significance methodology to provide an architectural oversight through program / project reviews</li> </ul>	<ul> <li>Data Council Leads to identify Leads or POCs for the identified workstreams by region</li> <li>Implement standard monitoring and reporting routines in alignment with Chief Data Office</li> </ul>

#### Note:

<sup>1</sup>Include data elements critical to priority business processes and regulatory compliance



Thank you

