

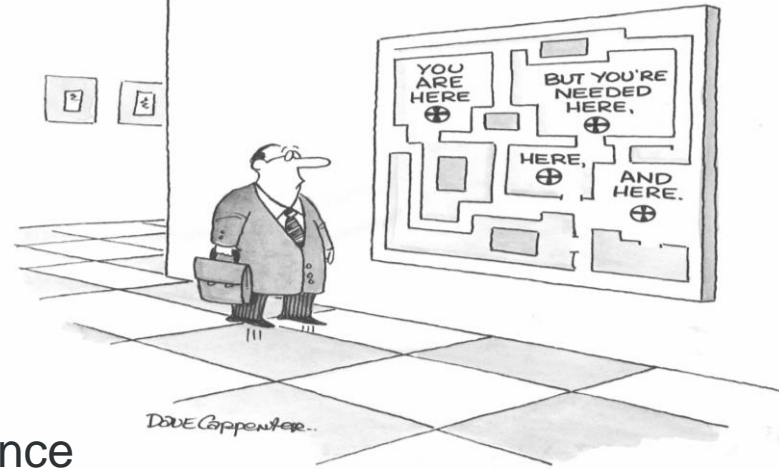
DATA GOVERNANCE FORUM – BEST PRACTICES

OLIVIER PENEL, EMEA & AP CENTRE OF EXCELLENCE
7TH OCTOBER 2014



AGENDA

1. Data governance defined
2. Data stewardship & organizational models
3. Getting started & planning for data governance
4. Building a case for and sustaining data governance
5. Use cases (Allianz AGCS and others)



DATA GOVERNANCE DEFINED



Financial Assets



Corporate Finance

Human Assets



HR

Clear ownership / accountability

Clear standards and policies

Security and privacy

Formal audit

Procedures well documented and regulated

Data Assets



Data Governance



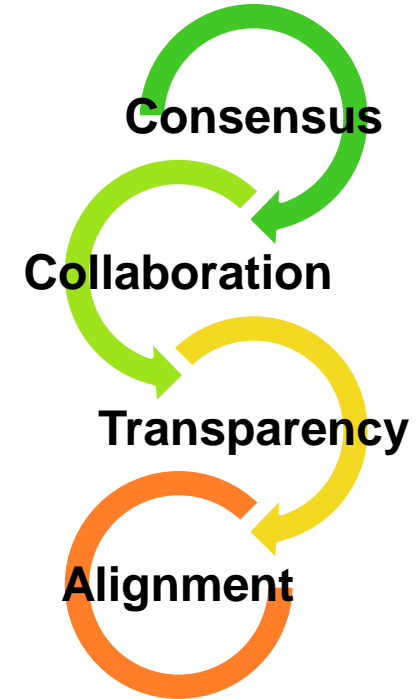
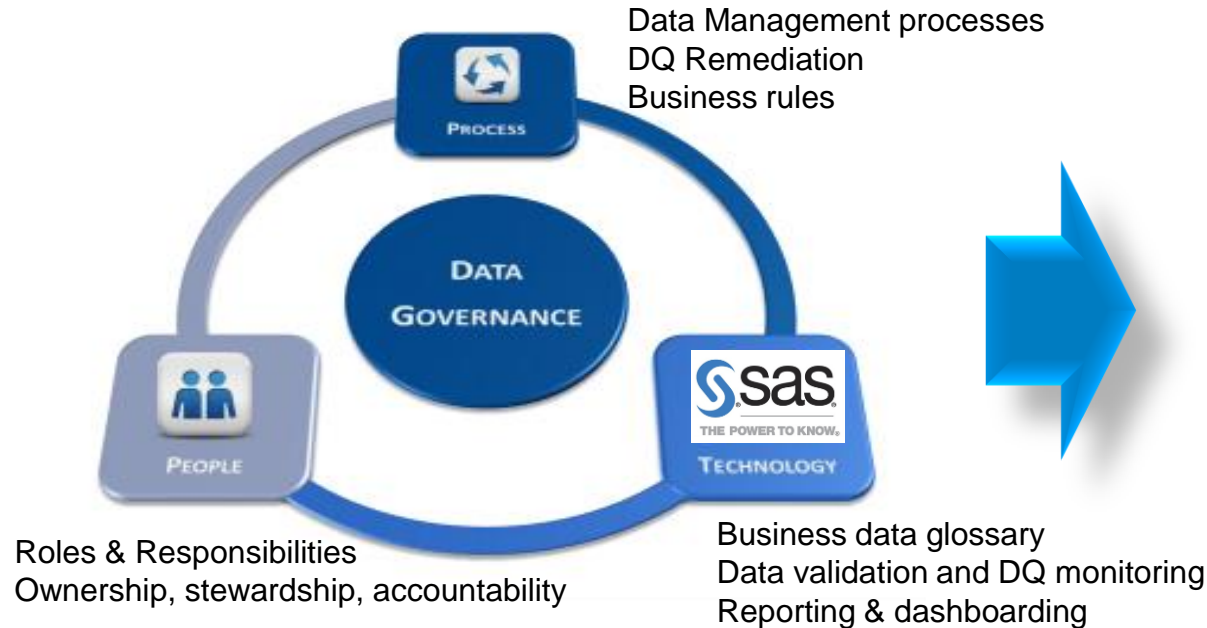
DATA MANAGEMENT VS. DATA GOVERNANCE



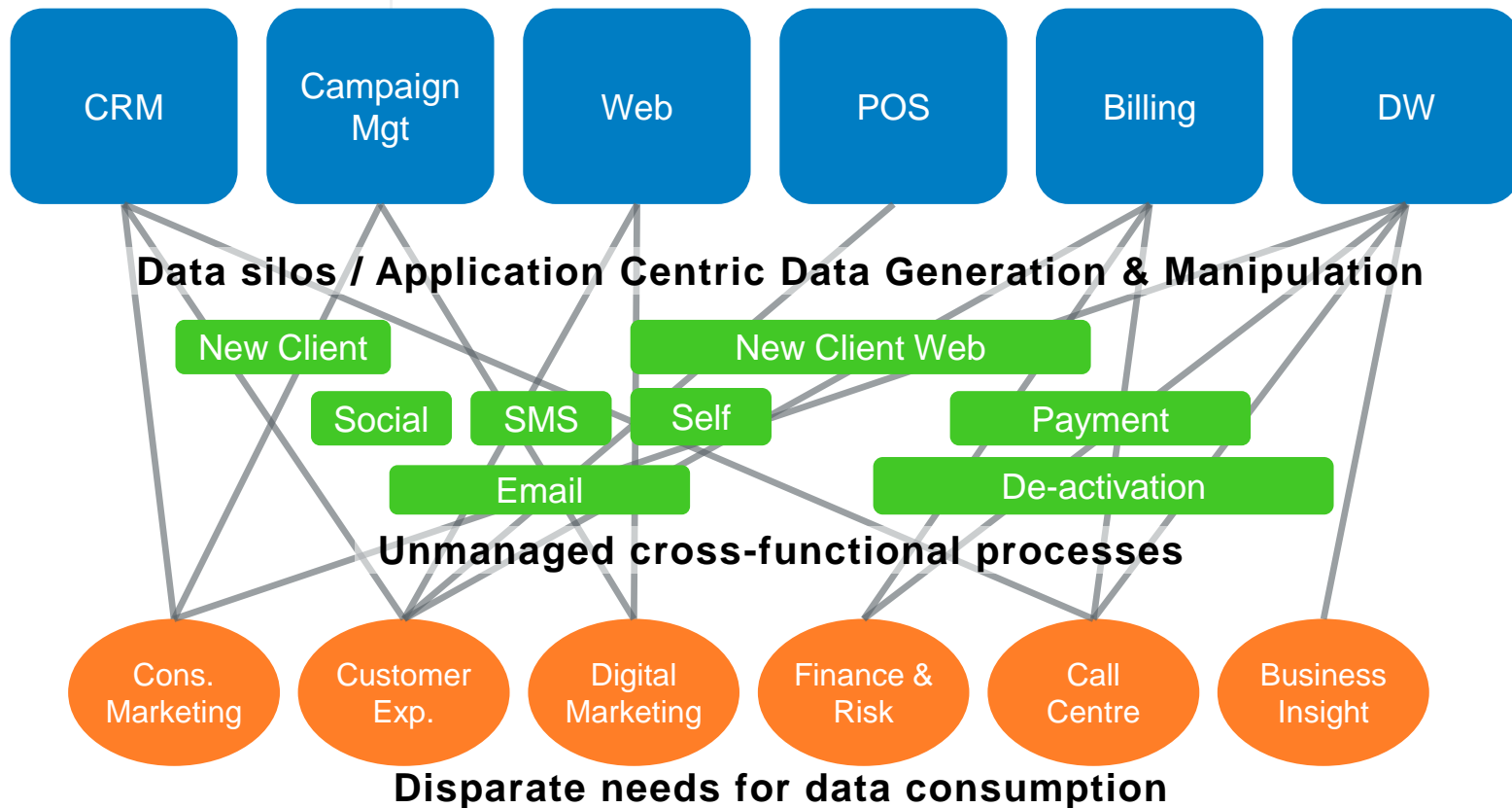
- ❖ Data Management is a by-product of Data Governance
- ❖ Effective Data Management needs to be governed

SAS DATA GOVERNANCE IN A NUTSHELL

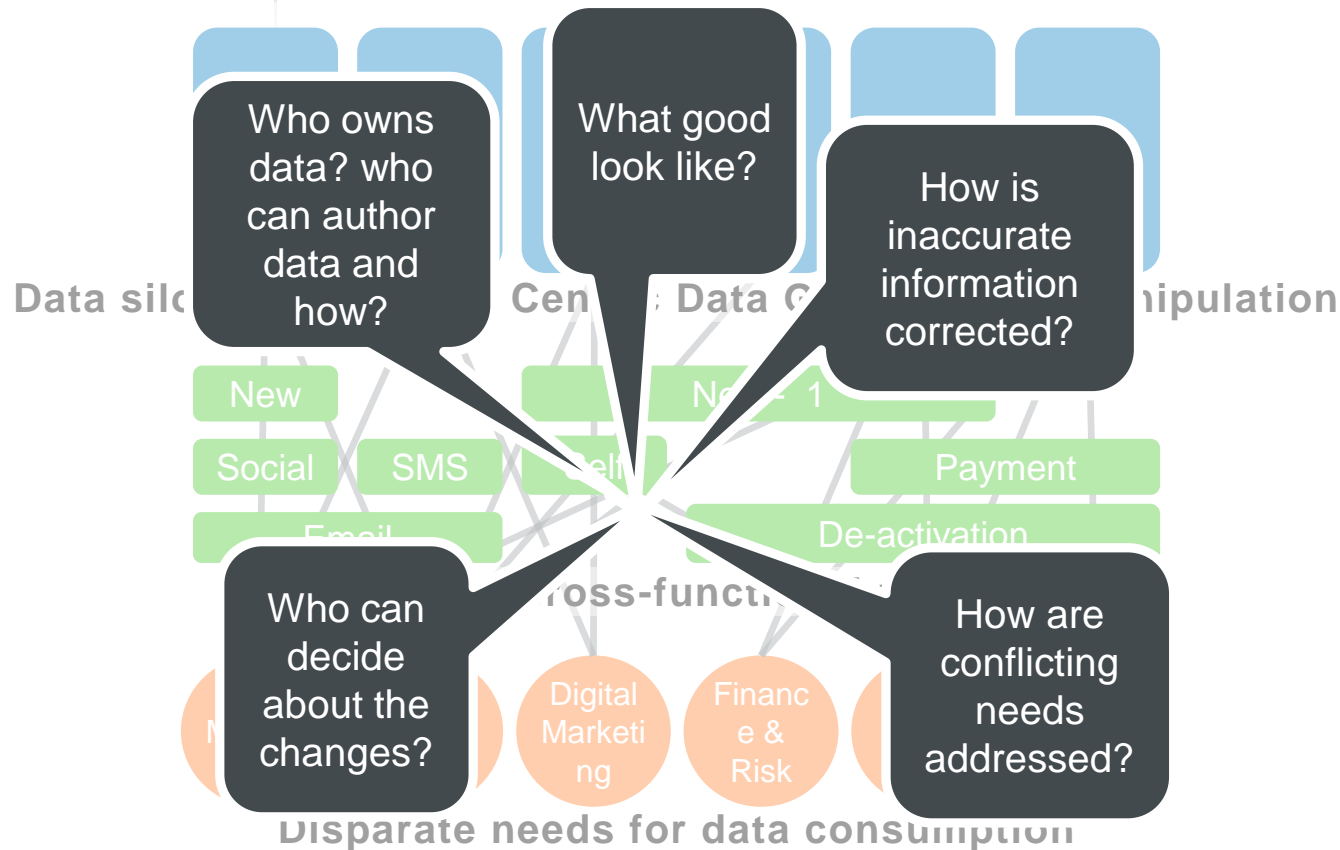
FORMAL ORCHESTRATION OF PEOPLE, PROCESSES AND
TECHNOLOGY TO LEVERAGE DATA AS A CORPORATE ASSET



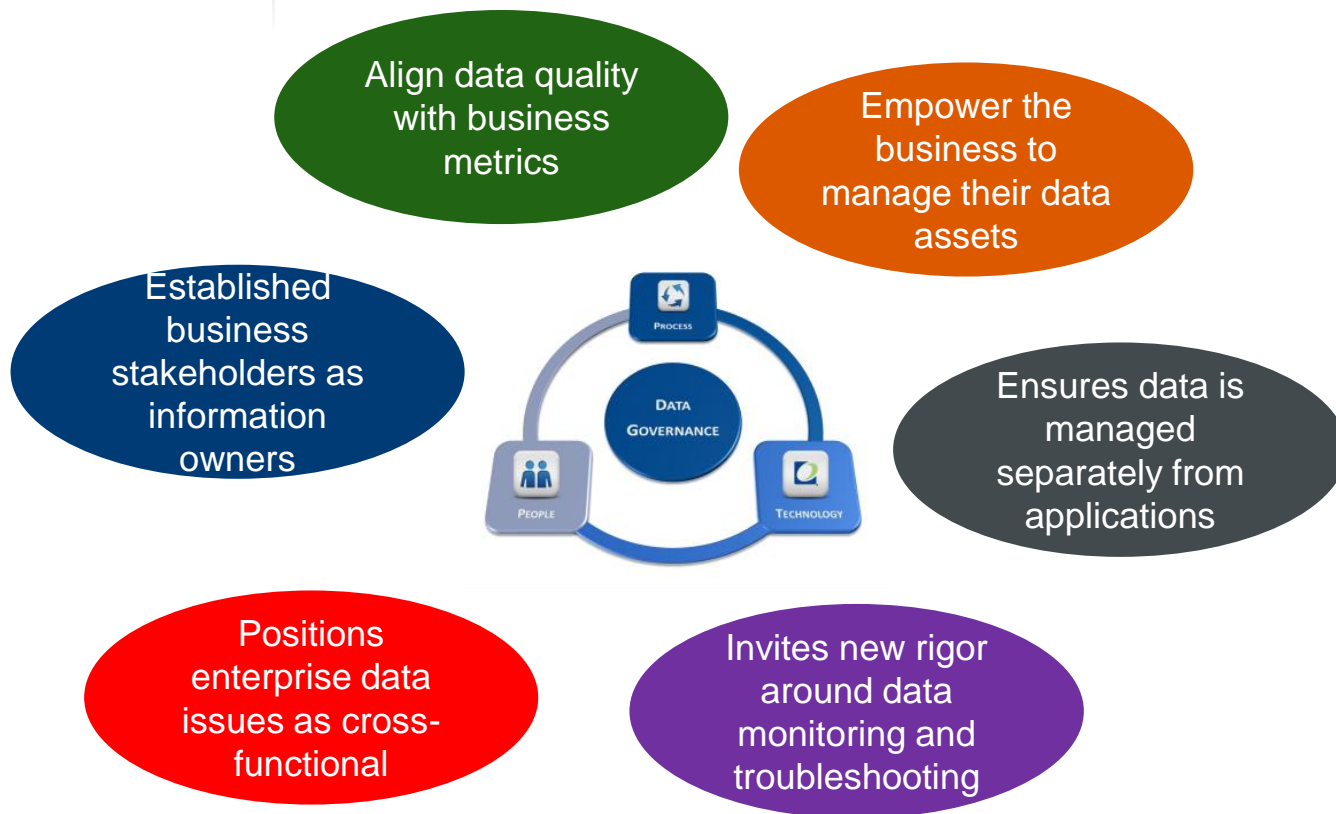
DATA GOVERNANCE THE PROBLEM IT SOLVES



DATA GOVERNANCE THE QUESTIONS IT ADDRESSES



DATA GOVERNANCE WHAT DOES IT DO?



COMMON DATA GOVERNANCE OBSTACLES

- Seen as an academic exercise
- The culture doesn't support centralized decision making
- Considered an IT issue
- The ROI isn't clear
- Definitions and explanations of data governance are varied and contradictory
- Nervousness about "the 'G' word"

"Look...we're in violent agreement that we've got our share of data issues here..."

"...but I'm too busy trying to keep my board of directors happy."



DATA STEWARDSHIP & ORGANIZATIONAL FRAMEWORK



THE ROLE OF DATA STEWARDS

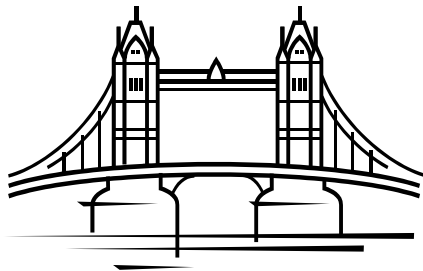
ORCHESTRATING CROSS-FUNCTIONAL COLLABORATION



- *Define enterprise-wide data quality standards*
- *Discover & analyze data quality*
- *Evaluate & monitor data quality*
- *Manage the data remediation process*

Data
Stewards

Manage & Monitor



Business
Users

Create & Consume



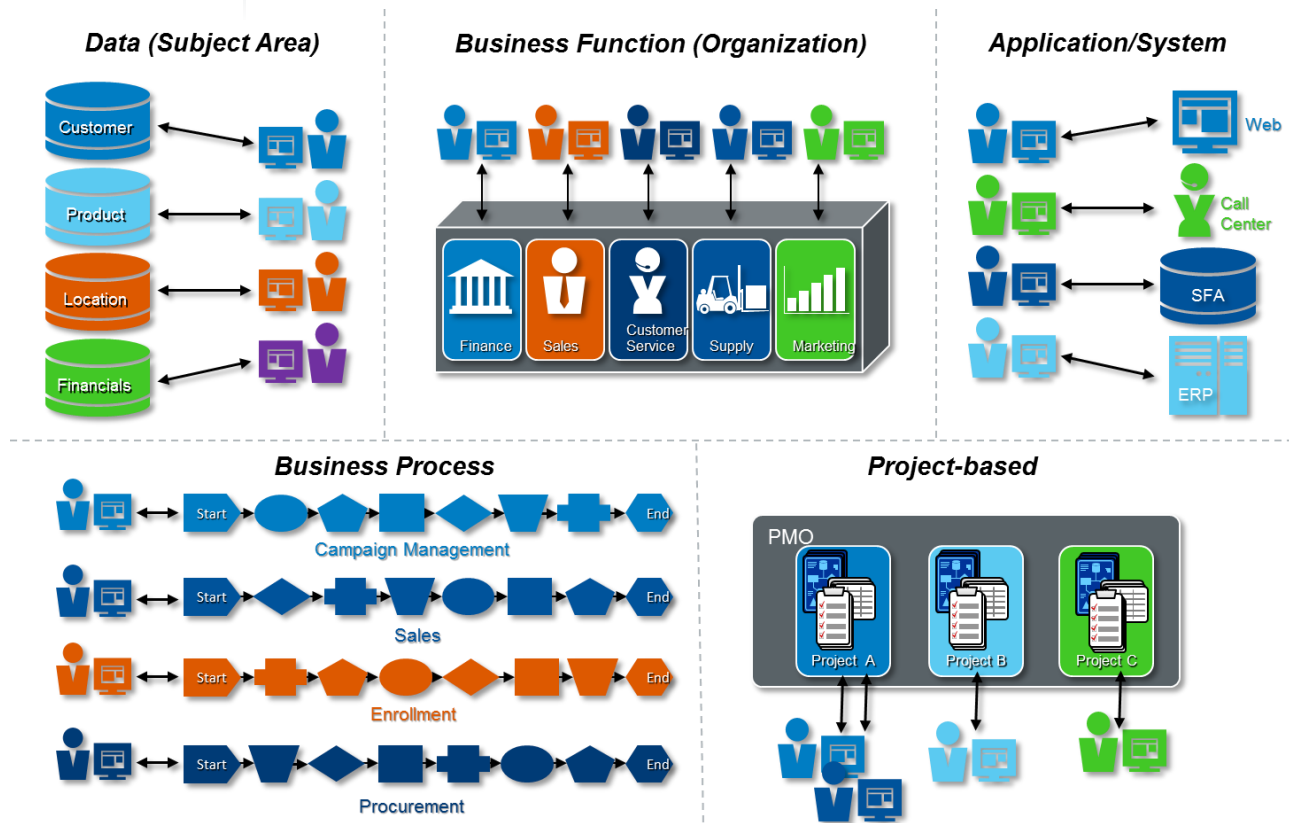
IT

**Implement,
Adapt & Extend**

DATA STEWARDSHIP WHAT DOES IT DO?

- ✓ Establishes a contact point for data-related issues and problems.
- ✓ Clarifies accountability for data quality and correction.
- ✓ Aligns data changes with business measures and acceptance.
- ✓ Formalizes a job role for data ownership, minimizing the “data dilettante” syndrome.
- ✓ Formalizes monitoring and measurement of data as key activities.
- ✓ Eliminates data ownership arguments and turf wars.

DATA STEWARDSHIP FIVE STEWARDSHIP SCOPING DIMENSIONS



THE DATA STEWARD QUALITIES & CHARACTERISTICS

Collaborate easily

Are familiar with **core business processes**

Work well within the **corporate culture**

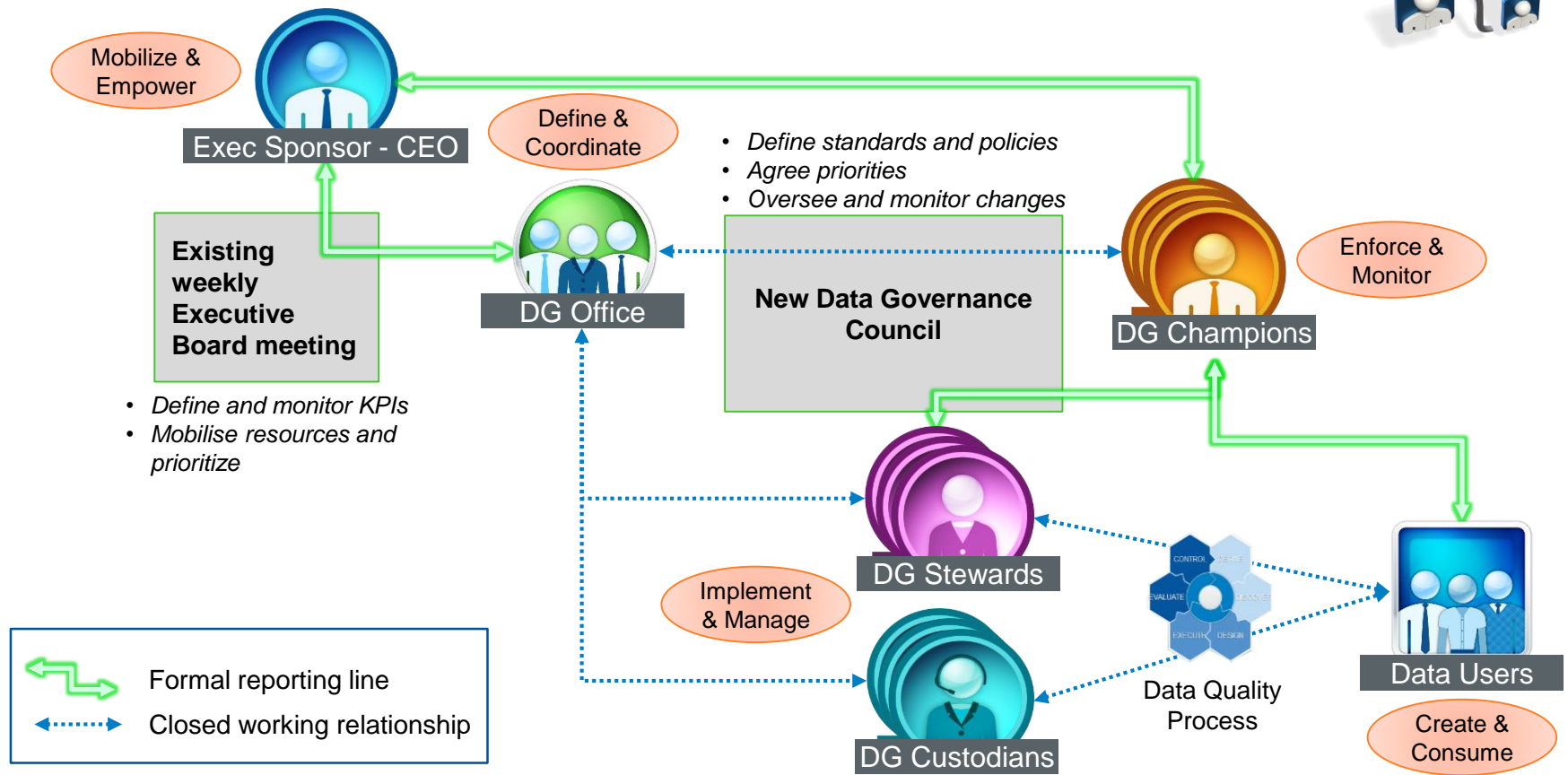
Understand enough **tech-speak** to be conversant with technical folks

Can **articulate the value of a data model**, whether or not they are in IT

Have the **influence** and **wherewithal** to call on higher-ups for support



DATA GOVERNANCE ORGANIZATIONAL SET-UP & OPERATING MODEL

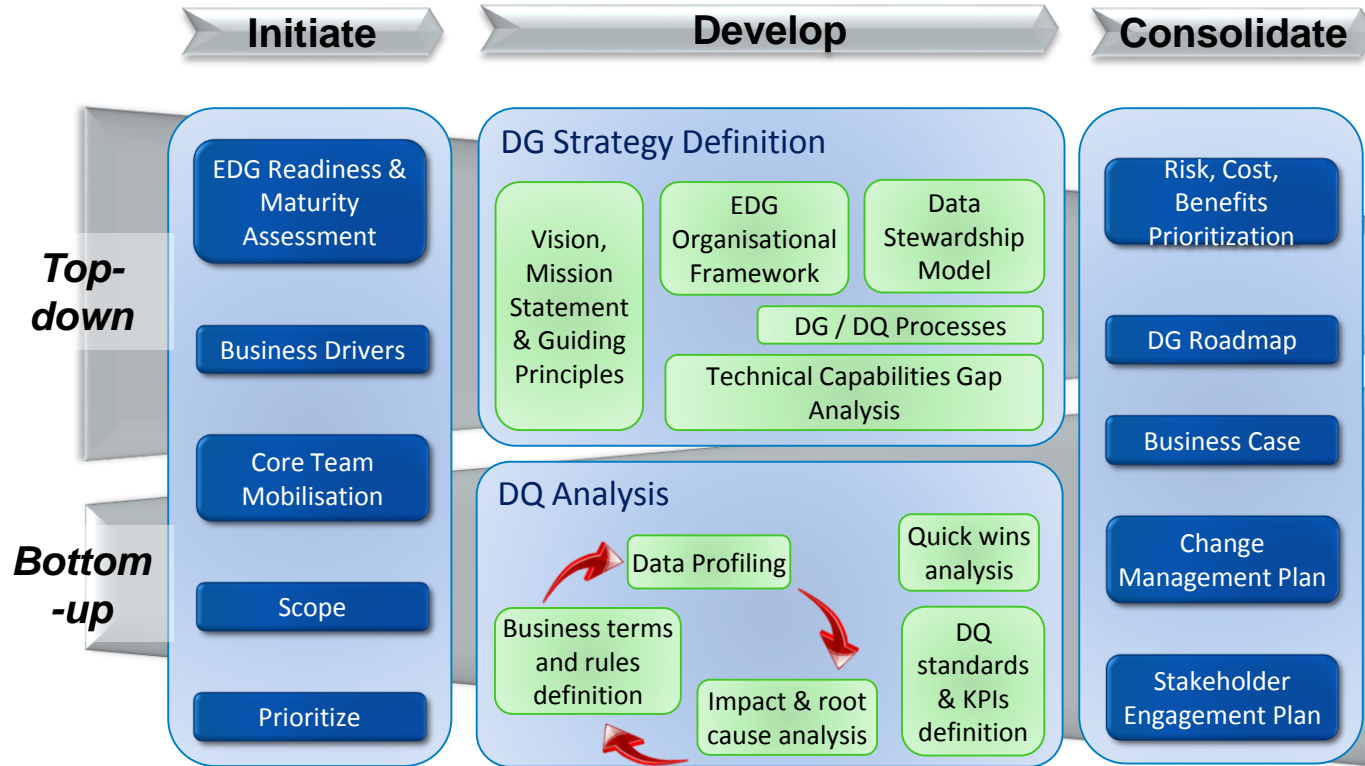


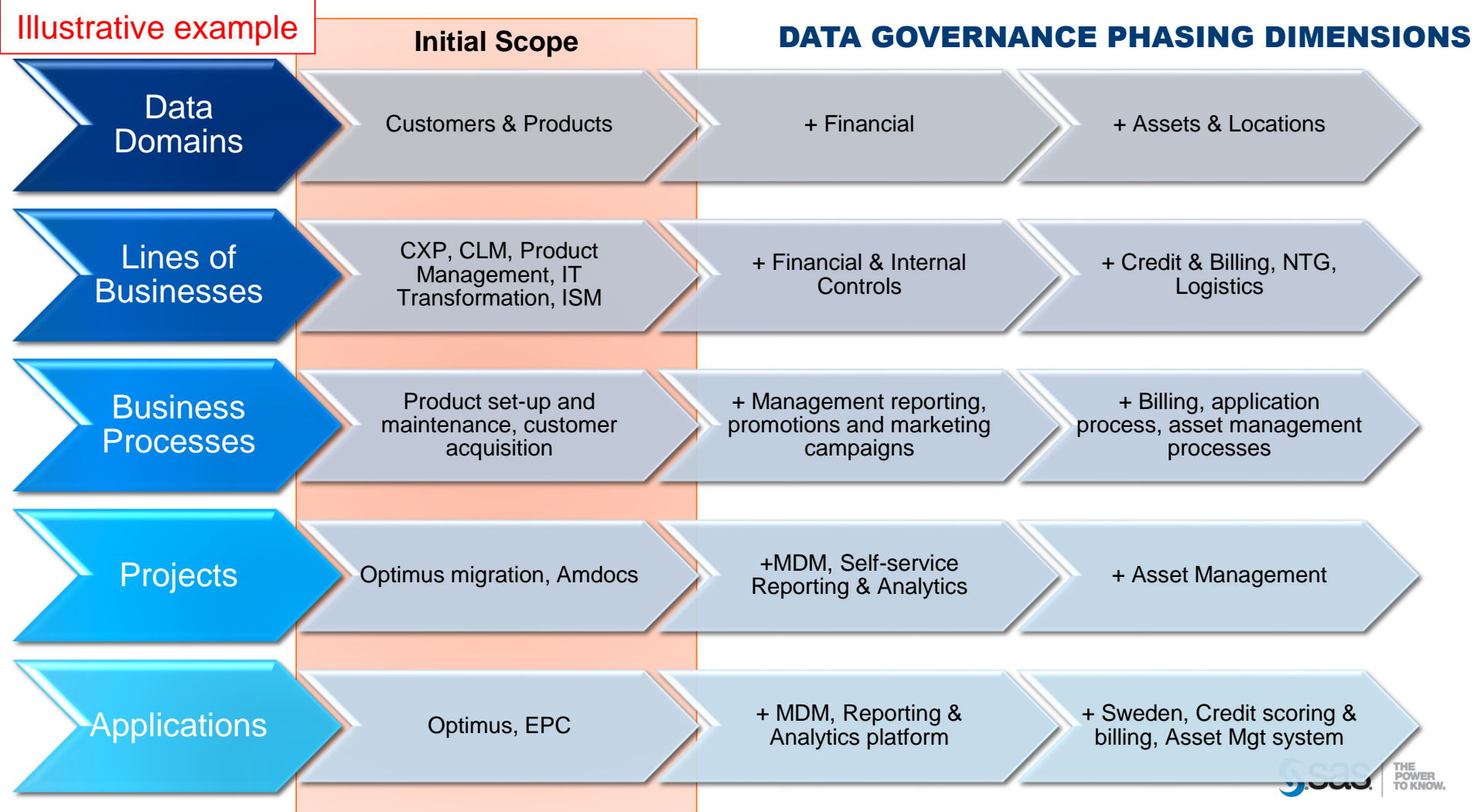
GETTING STARTED AND PLANNING FOR DATA GOVERNANCE



PUTTING YOUR BEST FOOT FORWARD

A PRACTICAL WAY TO GET STARTED, COMBINING TOP-DOWN AND BOTTOM-UP APPROACHES





FOUR MISTAKES TO AVOID



- Failing to define & design DG
- Treating DG as a project
- Prematurely launching a DG council
- Relying on the big bang approach

BUILDING A SUSTAINED DATA STRATEGY



- Understand what's important to management now
- Work within your culture to avoid the saboteurs
- Understand your current state before making the pitch
- Choose sponsors based on initiatives owners

BUILDING A CASE FOR DATA GOVERNANCE

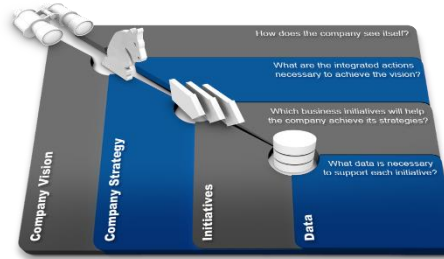


BUILDING A CASE FOR DG

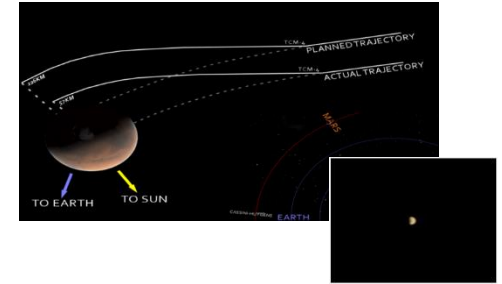
A COMBINATION OF DIFFERENT APPROACHES TO TARGET SPECIFIC STAKEHOLDERS



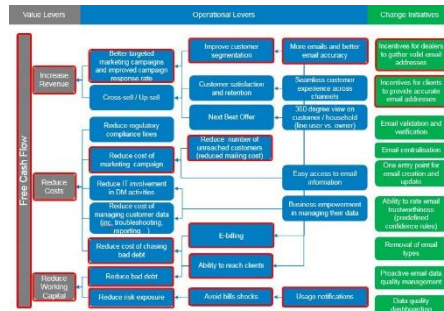
ROI Calculation



Alignment of data requirements to corporate vision



Real examples of nightmare stories

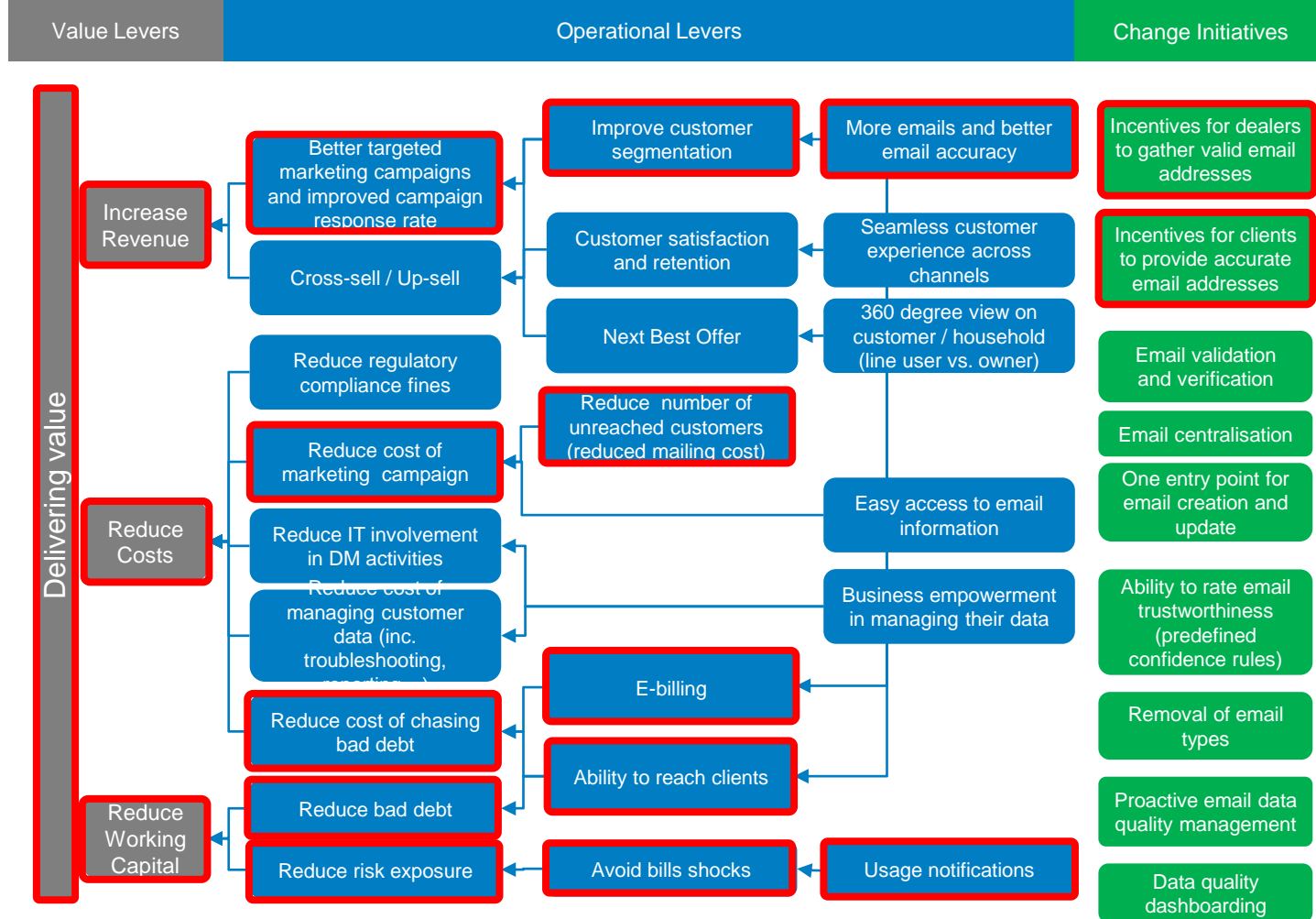


Business Value Articulation



Boarding the train of another strategic initiative

Illustrative example



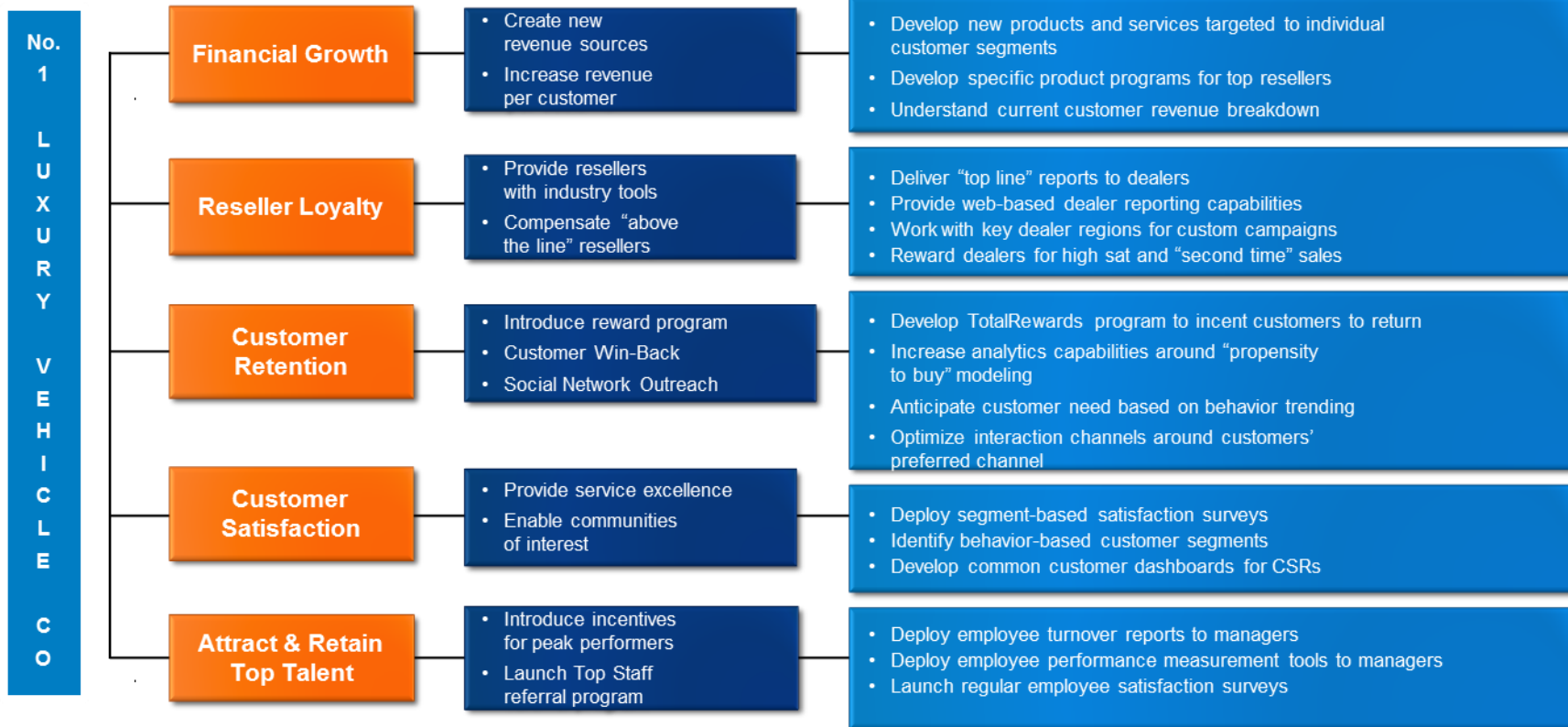
DATA AS AN ASSET A STRATEGY MAP EXAMPLE

Vision

Strategies

Focus Areas

Initiatives



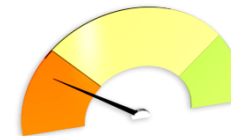
DATA AS AN ASSET

FOR EACH BUSINESS STRATEGY, HAVE A DATA STRATEGY!

			Current State				
Key Data to Support Initiatives			Definition	Policy	Data Quality	System of Record	Current Owner
Customer Retention	Reward Program	Customer Contact Info	<div></div>	<div></div>	<div></div>	Salesforce	Rao
		Current Purchases	<div></div>	<div></div>	<div></div>	Genesis	Variel
		Product Usage Details	<div></div>	<div></div>	<div></div>	Genesis	Variel
		Customer Transactions	<div></div>	<div></div>	<div></div>	Genesis	Variel
		Return Details	<div></div>	<div></div>	<div></div>	POS	Crane
		Campaigns and Promotions	<div></div>	<div></div>	<div></div>	Unica	Hartt
	Win-Back Program	Purchase History	<div></div>	<div></div>	<div></div>	Genesis	Variel
		Customer Transactions	<div></div>	<div></div>	<div></div>	Genesis	Variel
		Activity and Usage History	<div></div>	<div></div>	<div></div>	Praxis	Welch
		Trouble Tickets /Service History	<div></div>	<div></div>	<div></div>	Siebel	Karson
		Customer Segment	<div></div>	<div></div>	<div></div>	Unica	Hartt
		Response History	<div></div>	<div></div>	<div></div>	Unica	Hartt
		Customer Value Score	<div></div>	<div></div>	<div></div>	EDW	Patel
		Account Rep History	<div></div>	<div></div>	<div></div>	Siebel	Briggs
		Credit History	<div></div>	<div></div>	<div></div>	N/A	None
	Social Network Outreach	Online Contact Info	<div></div>	<div></div>	<div></div>	N/A	None
		Social Profile Detail	<div></div>	<div></div>	<div></div>	N/A	None
		Social Channel History	<div></div>	<div></div>	<div></div>	N/A	None
		Social Transaction History	<div></div>	<div></div>	<div></div>	N/A (Radian6)	Riley
		Community / Blogging Score	<div></div>	<div></div>	<div></div>	N/A	None
		Net Promoter Score	<div></div>	<div></div>	<div></div>	N/A	None
						N/A (Unica)	Hartt

KEY PERFORMANCE INDICATORS

HOW SUCCESS CAN BE MEASURED



Illustrative example

Direct DG KPIs

Set of Data Quality metrics (TBD)

Number of Data Quality incidents (backlog + trend)

Fulfilment of data consumption requirements across departments (accessibility, frequency, flexibility)



Direct measurable KPIs that can be used to evaluate the impact of DG initiatives

Indirect KPIs

Percentage of incorrect invoices

Percentage of blocked orders

Percentage of fraud detection / industry average

Campaign management & promotions efficiency

Cost saving for projects by providing data as a service



Tactical KPIs to be used if the relative contribution of DG can be estimated

Corporate KPIs

Customer Satisfaction (CSAT)

Customer churn

Revenue growth



Strategic KPIs to be used if the relative contribution of DG can be estimated

Ability to enable key initiatives

Fraud detection & prevention

Asset and inventory management

Data monetization / Big data

Campaign management & promotions



DG is required for those initiatives, however contribution to success is to be defined

ALLIANZ (AGSC) USE CASE



CASE STUDY



Allianz Global Corporate & Specialty

At a glance

- Full range of products and services covering corporate and specialty insurance
- Provides insurance for more than half of the Fortune Global 500® companies
- Extensive international experience and worldwide network
- Market leading capacity – to handle the largest risks
- Local decision making – delivering fast responses
- Revenues of €4.9 billion (gross premium 2011)
- Single point of access – dedicated client teams and Key Account Managers
- Diversified risk portfolio and capital efficiency offers stability and long term consistency
- Consistently strong ratings: AA ('Very Strong') from Standard & Poor's, A+ ('Superior') from A.M. Best

Allianz Global Corporate & Specialty has been designed, structured and built to fit the needs of global clients.

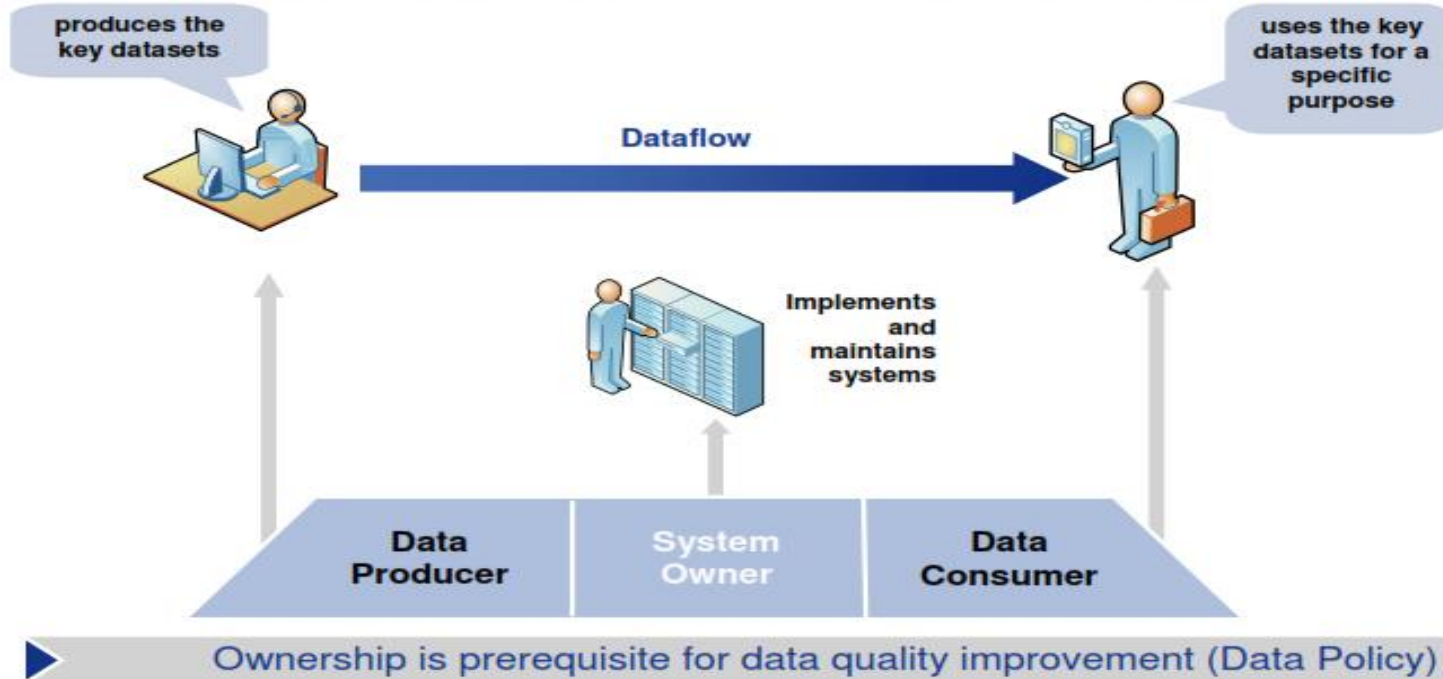
- Key Challenges
 - Compliance with the Solvency II directive
 - 32 data flows that needed to be integrated and standardized
 - No data governance standard in place
- Results / Benefits
 - 15% improvement in overall data quality metrics
 - With improved data, a global Six Sigma quality improvement program was established that enhanced all business reporting

“High quality data and the ability to report on data quality over time underpins compliance with Solvency II, but we also believe it gives us greater operational efficiency and competitiveness”

CASE STUDY



2 Prerequisite for Data Quality improvement: Ownership



CASE STUDY



3 Data Governance: Scope and Customer

Scope

Purpose of data

No focus on
applications and
databases

Customer

Data Consumer

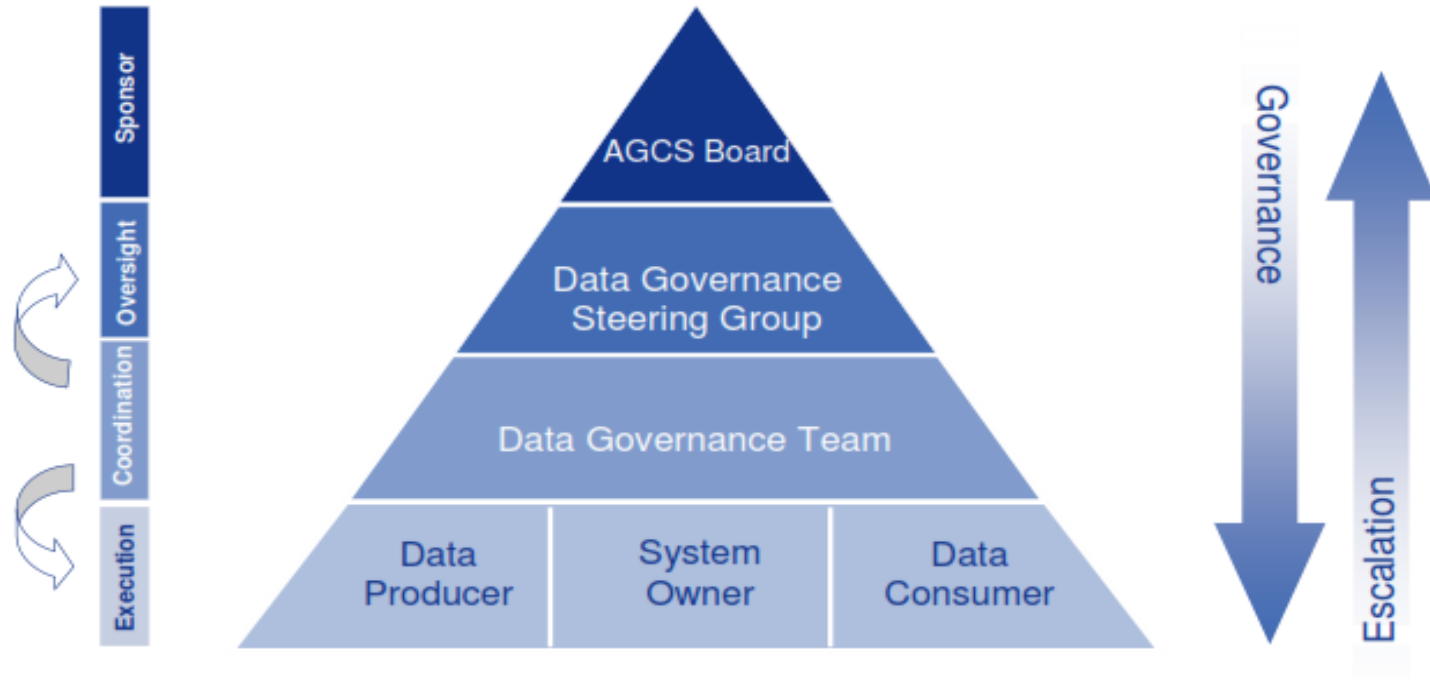
No focus on IT



CASE STUDY



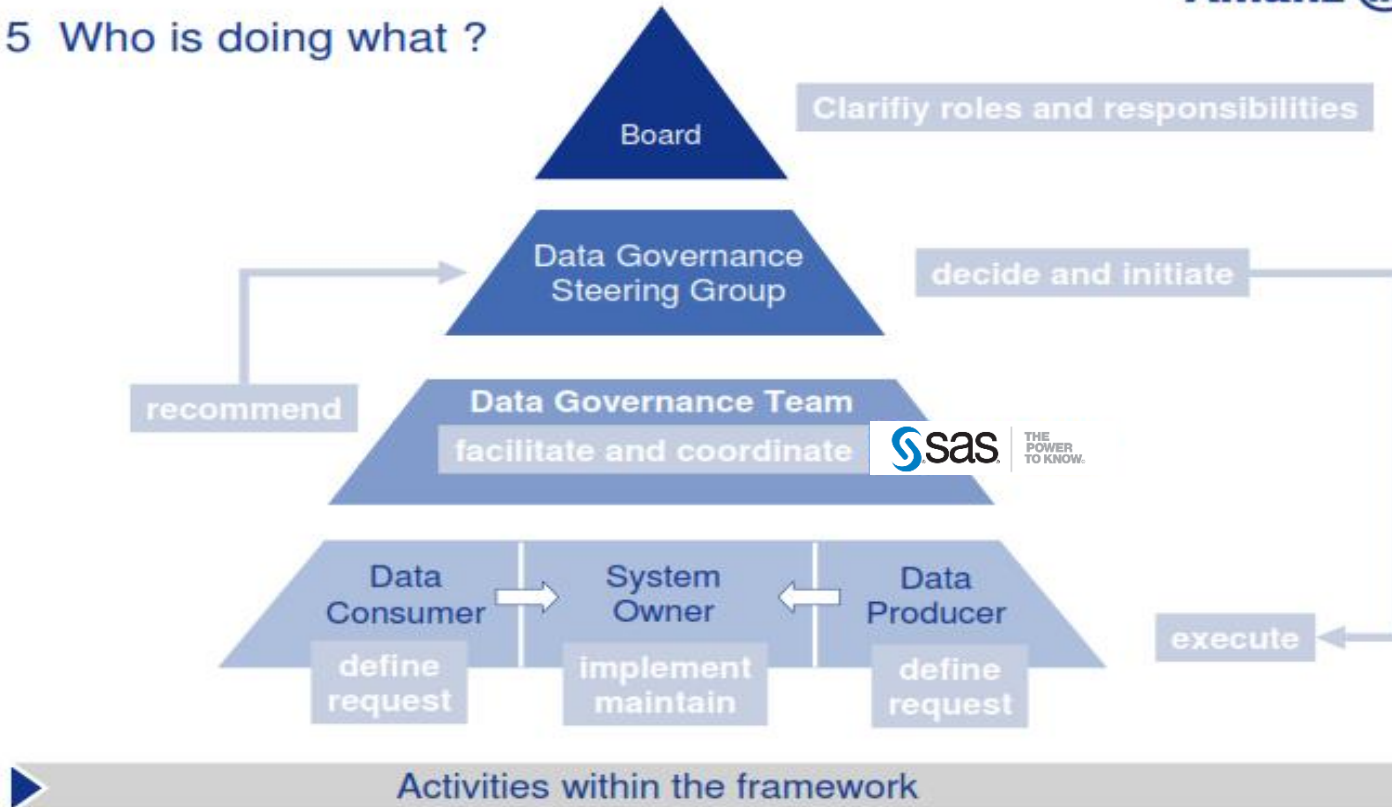
4 Data Governance - Organizational structure at AGCS



CASE STUDY



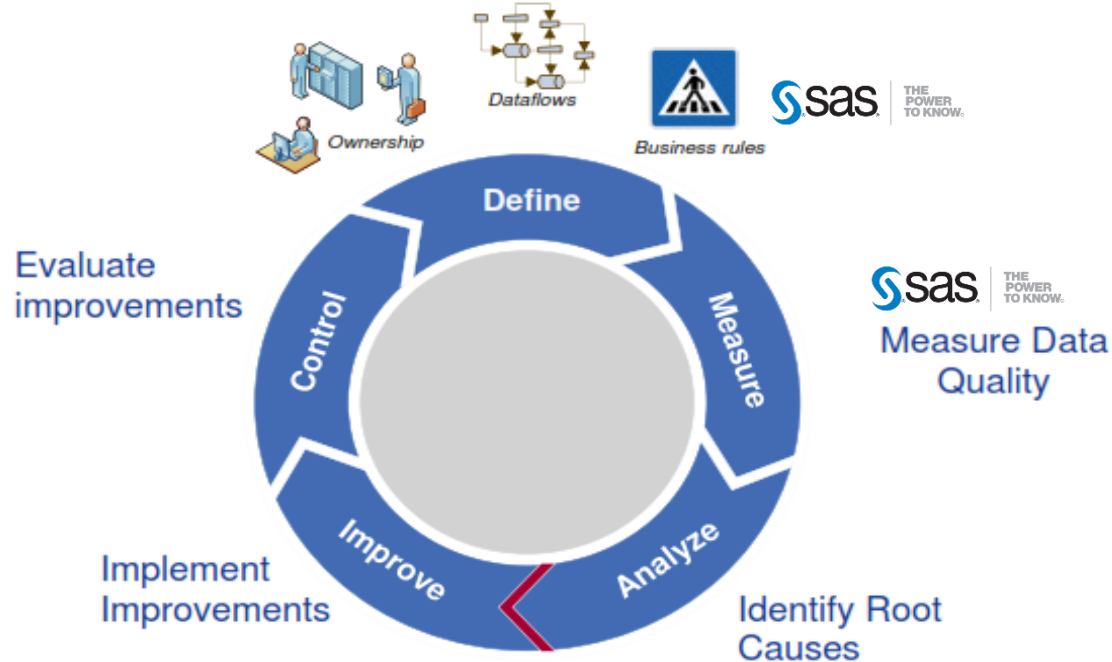
5 Who is doing what ?



CASE STUDY

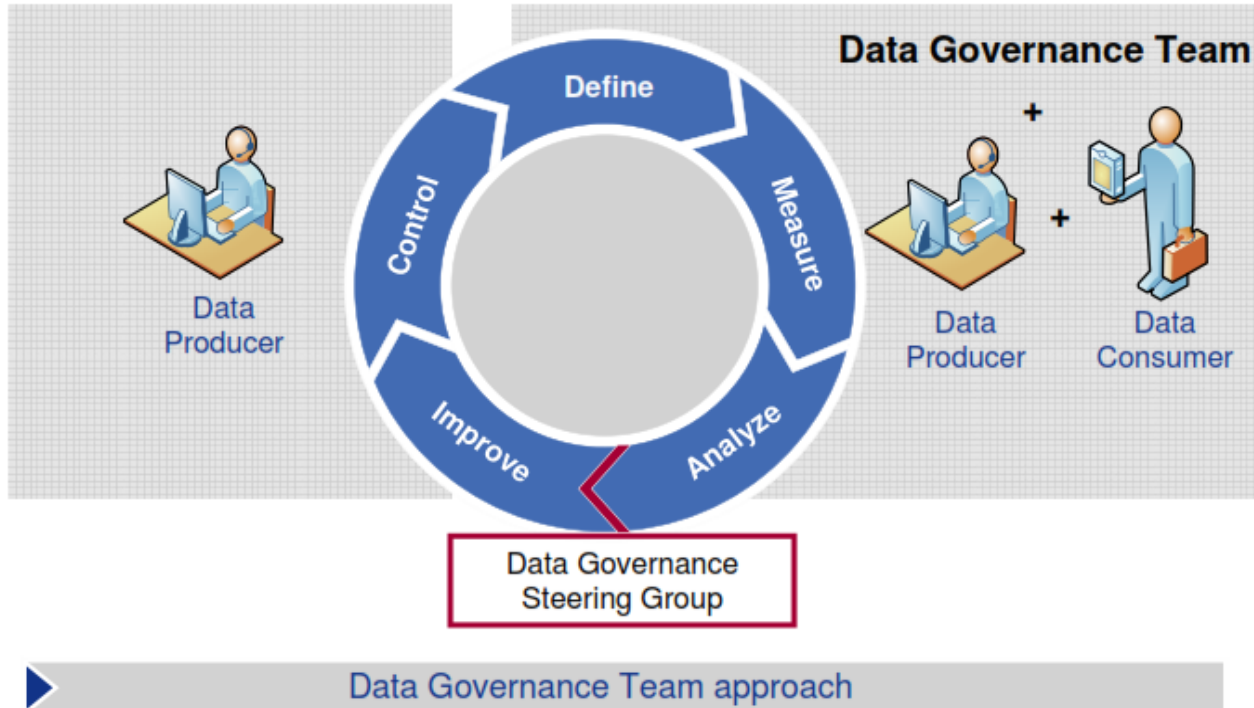


6 Data Governance Team runs the Data Quality cycle



▶ Key task: coordination and moderation of all parties

7 Facilitate and coordinate (involving ownership)




























Data Quality Report

AGCS – Consumer View

Data Source View

2011/09

	Status	Maturity	# Rules	# Records	Error breakdown by severity			Overall Error Rate	Sigma	Development of errors 	
					None	Significant	Critical				
AGCS			Initial	200 	4,000,000	85.00% 	10.00% 	5.00% 	15.00% 		2.5 
Solvency II			Initial	100 	2,000,000	95.00% 	5.00% 	0.00% 	5.00% 		3.2 
ABD			Initial	100 	2,000,000	75.00% 	15.00% 	10.00% 	25.00% 	2.2 	
Further Scopes											

Data Governance Team

Prerequisite:

Data Governance Steering Group buy-in for the KPI's (key performance indicators)

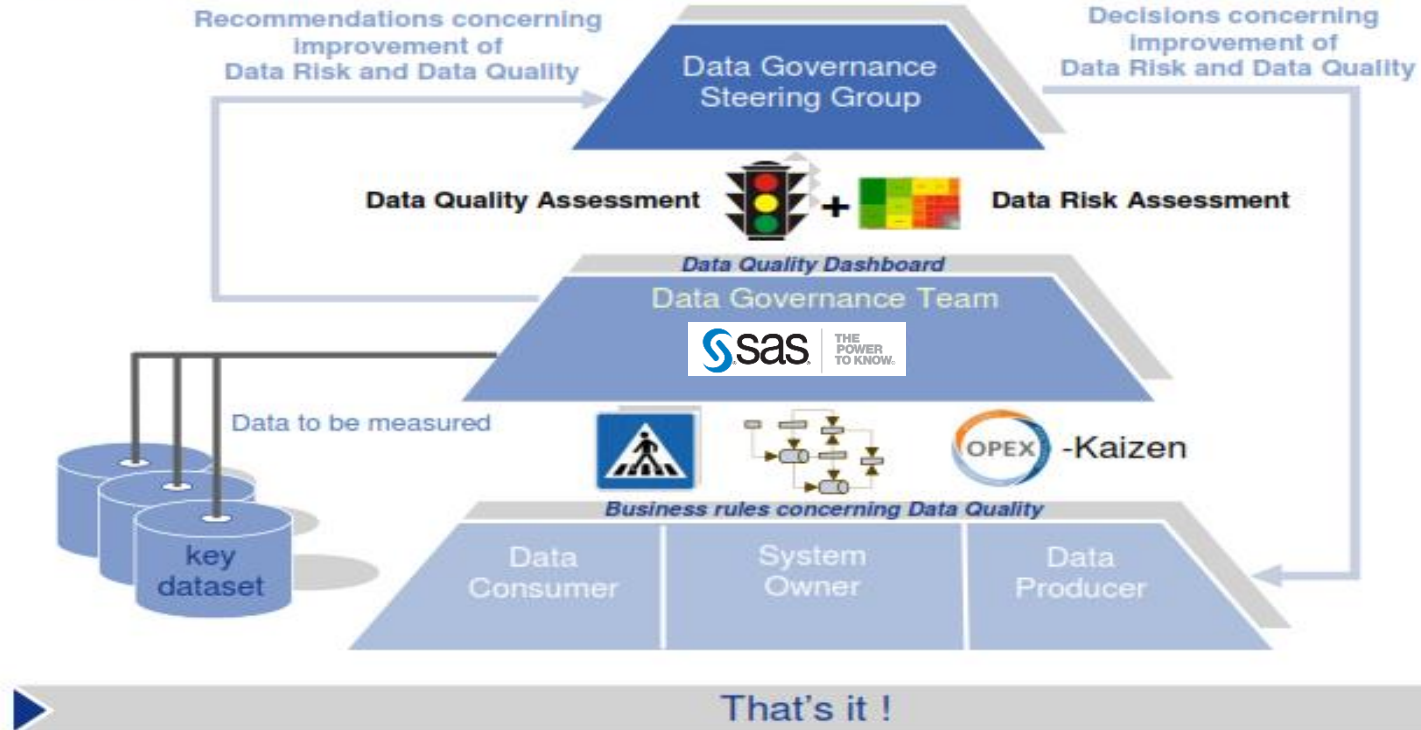


High level and detailed measurement

OIST Data Governance
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14

11 Framework and Process at a glance



FLAVOURS OF DG STRATEGIES

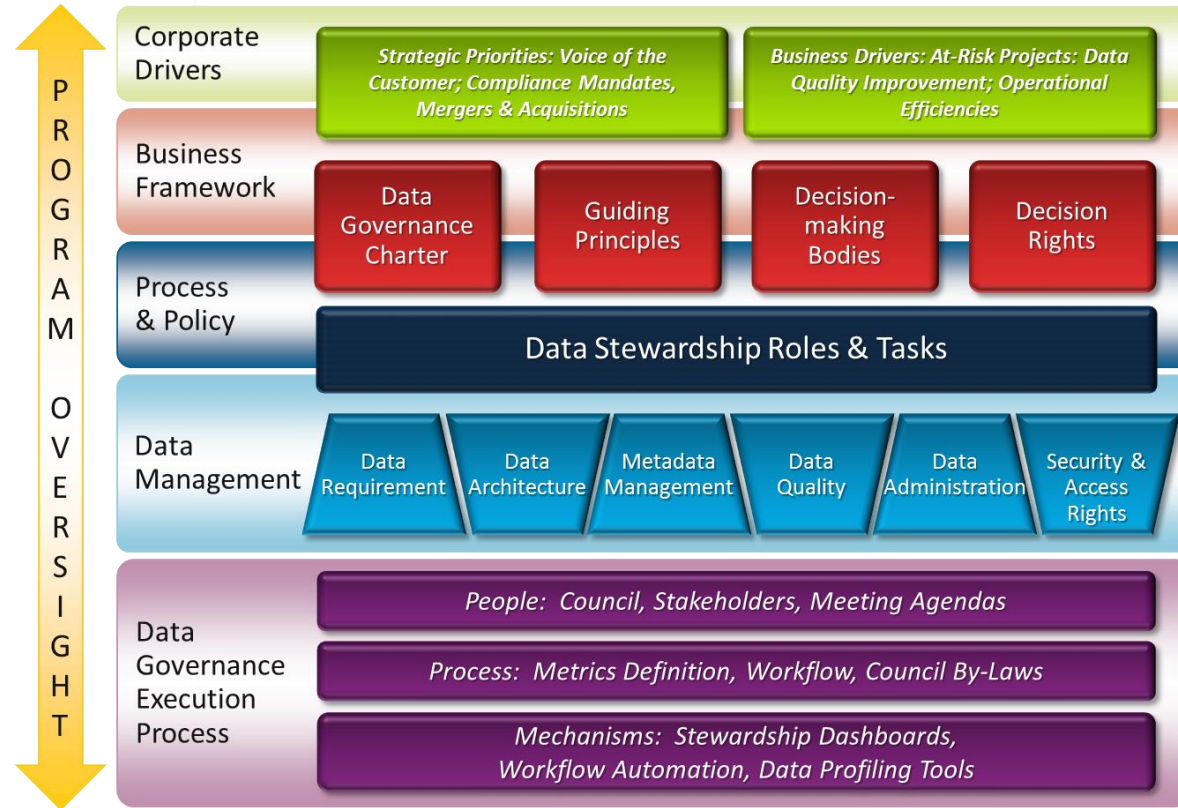
FACTORING IN THE CULTURE OF THE ORGANIZATION, FOCUSING ON CRITICAL PAIN POINTS AND LEVERAGING EXISTING INVESTMENTS

	#1 Telco Philippines	#1 Telco Turkey	#2 Bank Romania
Initial focus	<ul style="list-style-type: none"> Customer centricity – invoicing accuracy Data cleansing / optimization 	<ul style="list-style-type: none"> Marketing campaign efficiency (+closing the loop) Invoicing & credit recovery 	<ul style="list-style-type: none"> Customer centricity DW Redesign Commercial reporting
Data & Processes scoping	Customers & Products > Financial > Assets & Locations	Email data across all business functions and applications > Customer profiles > Products & Services > Locations & Dealers	Customer data > Financial data > Products & Locations
Organization	Core DG Office team reporting directly to the CEO with data champions and data stewards across all business unites	Initial tactical centralized team as part of the Consumer BU Market Insight team, moving to a decentralized model	Initially a tactical team reporting to the BICC team, then a centralized shared services group of data stewards
Technology	DQ monitoring and data cleansing > MDM > Self-service reporting & analytics	DQ monitoring & Email data consolidation > Customer MDM	New DW with upfront data validation / consolidation and Commercial reporting > BI deployment > Core Banking

HOW WE CAN HELP?



SAS DATA GOVERNANCE FRAMEWORK



HOW THE COE CAN HELP?

ADVISORY WORKSHOPS

Executive Briefing

Anything between a one-hour 1to1 meeting to a half-day collective briefing

- ✓ Review DG vision
- ✓ Review Client strategy & business priorities
- ✓ Identify business drivers and opportunities
- ✓ Define approach to building a roadmap

Assessments

1 or 2 days
Workshop + Interviews

- ✓ Assess data management and governance maturity level
- ✓ Review best practices
- ✓ Evaluate readiness to move to the next level
- ✓ Identify focus areas
- ✓ Define KPIs and stakeholder engagement strategy
- ✓ Define action plan

Strategy & Roadmap

2 to 3 days
Workshop + Interviews

- ✓ Review case studies and best practices
- ✓ Review options for a data governance framework
- ✓ Prioritize data management and data governance initiatives
- ✓ Design a stakeholder engagement strategy
- ✓ Define high-level roadmap and next steps



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THANK YOU!



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