SUSTAINABLE DATA GOVERNANCE

a SAS Best Practices white paper

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You’ve hooked them on the idea of data governance. Now, how do you keep them interested? As hard as it is to get started, keeping your data governance program warm over the long term is the greatest challenge. If you have ever started a new exercise program, tried to give up a bad habit, or learned a new skill for which you have no natural proclivity, you know this well. There is a reason analysts such as Gartner include a “trough of disillusionment” when evaluating the life cycle of new innovations or solutions. Just because you know something is good for you doesn’t necessarily make it easy to adopt new behaviors and ways of thinking. Ingrained habits are hard to break. And when you approach the task as a one-off or short-term project, results are typically short-lived.

And so it is with governance. Creating a sustainable governance practice means transcending the pilot phase to become “business as usual.” To do so, you must be willing to embrace - and expect - change.

So what does it take to make your data governance program sustainable? Let’s consider first what sustainability means. I like the following definition from the Brundtland Commission (1987):

“Meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

Note that this definition doesn’t require you to predict the future. The key to creating a data governance program that stands the test of time? Don’t become so focused on right now that you neglect to anticipate change and build flexibility into the data governance program from day one.

With this in mind, let’s review the key dimensions of both a sustainable data governance ecosystem and practices.
figure 1: sustainable data governance
sustainable data governance

THE ECOSYSTEM

When discussing sustainability there are three key dimensions to be addressed whether we are talking about environmental, corporate or program-level concerns.

It's an obvious leap when speaking of the data governance community to jump to the core governance bodies: the executive steering committee, data governance council(s), data stewardship and data management teams. In fact, early recruiting efforts are often focused on enticing and inviting like-minded people into the ranks. But the best information policy or data management tool is useless if it just sits in a binder or on a shelf. And, as many of you can attest, a data steward operating in a vacuum only creates a frustrated data steward.

Successful data governance organizations create institutional awareness and knowledge regarding the value, utility and relevancy of their data at all levels.

Very often, the level of effort involved in creating and sustaining this level of engagement with the organization at large is overlooked during early planning efforts. And the oversight is critical. In *Switch: How to Change Things When Change is Hard*, the authors note that what is perceived as resistance is often a lack of clarity. Data governance, by definition, challenges existing ideas about data and how decisions are made. Data governance also creates new roles and standards that can be perceived as just more bureaucratic overhead. Managing this change and fostering mindshare and commitment from the executives in the C-suite to the feet on the street requires a deliberate, sustained approach to enlistment, training and communication.
To that end, there’s a global travel services provider that has created a data curriculum that spans topics from “data governance 101” to role-specific training on information policies and individual responsibilities. This curriculum is part of new employee training and incorporated into continuing education programs for all employees. The company has also instituted a series of lunch-and-learns, classroom training and a variety of community forums as part of its ongoing data governance program.

This type of deliberate attention to change management and ongoing public relations is key. Put another way: You should not underestimate the value of internally marketing your program. It fosters the creation of an enabled and engaged community while still managing expectations regarding outcomes. And as noted previously, the time and effort required to make the case, sell the vision, and keep it warm with stakeholders and doers alike is often greatly underestimated.

The second element in a sustainable ecosystem is the environment. When talking about ecological concerns this translates to the air, water and soil that provide the foundation for healthy and productive living.

In the context of data governance this translates to the skills, knowledge and tools required to manage data as an asset. And more specifically, it translates to the mechanisms required to both develop and invest in these skills and capabilities.
The first challenge in data governance is creating an environment for data decision making that works within - but is not a slave to - your incumbent culture and organizational structures. This starts with clearly defining the decision-making bodies and decision rights for data within your organization. A common mistake here is not explicitly defining who is responsible for what and how new roles and activities intersect with or affect existing processes. It is not enough to just designate someone as a “data owner” or “data steward”. In fact, the term “owner” is misleading as it implies a single point of control and decision making. “Steward” is also tricky as it can (and has been) interpreted to include a diverse range of responsibilities. Definitions range from accountability for overseeing and approving data related decisions and activities to providing advisory and, therefore, not obligatory counsel to performing tactical data administration. But ultimately, the name does not matter if you clearly define the explicit responsibilities and actions associated with each role. Including criteria for when a decision must be escalated or referred to others. RACI or RAPID models, along with clear process-flow diagrams, are very useful in this regard.

In addition, designated councils and stewards must be imbued not only with the responsibility, but also the authority to carry out data governance decisions. A key point: There is no one-size-fits-all model for data governance in an organization. The structure and processes that work in your environment are influenced by your current level of maturity, your organization’s incumbent culture and decision-making style. No two companies deal with these issues exactly alike.

Secondarily, creating a data-aware environment means investing in the skills, processes and tools that make it possible to effectively create, maintain and consume data assets. The best way to make the case for ongoing investment and ensure governance retains a seat at the table long term is to identify information initiatives and related solution requirements in the context of - rather than separate from - established business strategy discussions and planning processes. To this end, many organizations include “information” as an additional dimension in their strategic and operational planning processes.

So, establishing clear roles and responsibilities for data governance creates the focus and playing field for improving data-related decision making. Aligning information strategy with business strategy allows you to make the case for ongoing investments in people, skills and tools.
If I had a data governance soapbox, the slogan blazoned across the front would read “it’s not about the data.” Why?

The last element in a sustainable ecosystem is the economy or value creation. How do the actions and behaviors resulting from data governance drive benefit creation or incent positive action?

During the initial phase, programs often focus on program operations and data-specific metrics.

Programmatic metrics may include items such as the identification of council members and stewards. Roles filled. Meeting quorums achieved. Issues raised and resolved by different forums. And so on.

Data-specific metrics include items such as the number of data issues identified and resolved, number of common terms defined, standards created or an improvement in overall data quality (e.g., accuracy, completeness, etc.).

While both of these are important and serve a purpose at a point in time, they don’t reflect the ultimate business objective for data governance. Which is (or should be): How are advancements or improvements in data affecting the business bottom line?
For example, consider the data quality requirements legislated as part of Solvency II (for insurance companies) and subsequently drafted into Basel III (banks). Regulators aren’t actually interested in the quality of data for its own sake. Rather, they want to understand how far they can trust the numbers being provided. Or in other words, data quality metrics are measuring the risk in the risk calculation. How much can the regulator – and by extension the customer - trust that the actions being taken are good enough? And do they reflect reality? If your risk exposure in a given category is $10 billion but you can only certify the accuracy of 80 percent of the data, the risk calculation is potentially off by up to $2 billion. Knowing this will influence key business decisions. And, not only does this tie the concept of data quality to something integral to the financial institution’s operations, it also provides a compelling case for data improvement and ongoing governance.

There are a number of major home improvement and fashion retailers working to make the strategic shift from brick-and-mortar operations to becoming so-called omnichannel retailers. Accomplishing this requires fundamentally rethinking the processes by which product/item data is captured and mastered. What do they measure? Improvement in the cycle time to take a new product from A to Z. They also measure reductions in procurement and fulfillment errors attributed to inaccurate or erroneous information. In this case, the data governance initiative not only supports the organizations’ most important strategic objectives but also improves supplier relations.

Ultimately, data governance is not about the data. It’s about how better control and management of data enables business strategy, improves business outcomes and reduces risk. The metrics you choose should reflect this understanding.
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PRACTICES

The previous section identifies the key dimensions of a sustainable data governance ecosystem: an engaged and energized community; a nurturing and supportive environment; and the creation of economic value through improved data practices.

But it doesn’t stop there.

Data governance programs that effectively keep pace with the business don’t rest on their laurels. Recognizing that the ecosystem in which data governance operates is constantly in flux, best-practice organizations continually strive to: reduce the perception of data governance as extra overhead, promote the reuse and adoption of best practices, and continuously reinvent the processes by which data governance operates.

Optimizing data governance decision making for the long term requires a vigilant approach to:

- Reducing overhead.
- Streamlining and eliminating extraneous decision points.

“Governance as usual” occurs when data governance-related activities are no longer seen as additional stuff to do, but as a fundamental part of business as usual. This can only occur when data awareness is baked into day-to-day decision-making processes.

To change to an equivalent but more fundamental expression. To concentrate or consolidate.
Over time, operational decision making should be driven closer and closer to the point at which data is being created and maintained. In this model, there are clearly defined decision boundaries and escalation criteria for determining when intervention by additional parties is required. So if you are integrating a data source for which policies and standards already exist, proceed without intervention. If your initiative might cause a change to existing standards or if you are dealing with a new data source for which no standards exist, contact your local data steward. This expedites issue resolution while promoting the creation of clear operational data guidelines and data management practices. Last but not least, it allows executives to focus on strategic rather than operational concerns.

Next, data management activities, including quality and risk assessments, should be incorporated into business process and software development life cycles. This includes project scoping and planning processes to ensure that needs for new data policies, standards and rules are identified preemptively.

This is the first aspect of “reduce”: Embedding data governance decisions and activities into operational processes.

The second aspect of reduce is to minimize or eliminate as many extraneous decision points as possible. Those of you in health care or manufacturing familiar with Six Sigma will especially appreciate this.

In the early stages of data governance, a decision-by-committee mentality can prevail. For example, all council members are asked to provide input on all topics on the docket, even if it doesn’t pertain directly to them.

To optimize productivity and minimize management by meeting, mature organizations adopt a working group mentality. In this operating model, participants - whether at a council or data stewardship level - are identified based on the data topic or issue at hand. Those members not affected or part of the decision-making tree for the identified domain are not required to attend meetings or sessions on the topic. Likewise, data stewards may form permanent and transient working groups consisting of a subset of membership to tackle a particular issue. The full stewardship team may act as a reviewer of proposed recommendations and mediate if the working group is deadlocked.

Now, all of this presumes that folks are actually responsible for making decisions in compliance with existing governance policies and standards. An issue frequently seen in maturing organizations is that even relatively minor issues are routinely escalated to data governance councils or executive steering committees. As a result, the data governance program falls prey to a “management by exception” mentality in which everything is an exception and every issue requires mediation. Not only is this operating model inefficient it quickly leads to fatigue and disillusionment with data governance at large.
When talking with clients about this issue, I’m reminded of a childhood friend. When her younger brothers were unable to resolve minor issues themselves and their father was forced to intervene, the consequences were dire. Now, I know what you’re thinking; but it was actually worse. Her teenage brothers had to sit on the couch holding hands. They might have preferred a spanking. This memory always makes me laugh, but leads to the moral of my story: For governance to work effectively, participants have to be held accountable for making the decisions they are responsible for.

A great example is a major insurance company who utilizes Kaizen techniques to ensure decisions are taken within established service-level agreements (SLA). As the stewardship group is publicly measured on responsiveness as well as the quality and appropriateness of escalated issues, their decision-making authority is well established within the organization.

The outcome: just-in-time, right-sized decision making which promotes self-sufficiency without sacrificing consistency or collaboration.

Part of the challenge of data governance is the program’s ultimate scope. Data is created and consumed by every business process and application within the enterprise. Trying to tackle even relatively small improvements across the enterprise can be daunting at best. Trying to bring everyone into compliance at the same time is also a recipe for failure. But letting folks roll on their own - tackling data issues in the way that best suits them at the time - is the reason we’re having this discussion in the first place.
I advocate the implementation of data governance via a series of small, controlled projects (SCPs) aligned with your existing business road maps or strategies.

The goal of each SCP is to incubate a limited set of new roles, practices or tools within a tightly controlled scope. Then, utilize the lessons learned to create a blueprint for other project teams and groups to follow on a move-forward basis. At the same time, look for opportunities to automate new practices/procedures whenever possible. Next: Rinse and repeat with the next innovation or capability on the road map.

This type of approach has several key benefits. First, it allows new practices to be proven and refined in the context of a safe haven. Because regardless of how well you understand the problem, the rubber always seems to hit the road in an unexpected location. Finding those gotchas early and in a controlled setting is critical.

Second, it allows for a phased approach (sometimes referred to as landing and expanding) to rolling out proven capabilities and best practices to the organization at large. This can be done while starting the next SCP on the road map.

Ultimately, the use of SCPs promotes an incremental approach to widespread data governance adoption and compliance.

To make major changes or improvements. To remake or redo.
The need to ruthlessly self-promote the benefits of data governance to engage a broad community of interest was discussed in the previous section. In a similar vein, data governance program teams need to take a ruthless approach to self-improvement. The fact is, as your business environment and priorities change, so too will the stakeholders and priorities of the data governance program.

Some key indicators that it might be time for a reboot?

**Are all the indicator lights on your data governance scorecard “green”?**

The cycle of continuous improvement demands that as specific issues are identified and resolved, proactive actions to prevent and address them are embedded into ongoing practices and new issues rise to the top. All green feels good, but it likely means you’re no longer measuring the right things or are missing a burgeoning opportunity or need.

**Has there been a recent reorg or shift in corporate objectives?**

This may trigger the need to reevaluate the projects on your data governance road map. It may also be time to assess the membership of your data governance council or even your data stewardship model (e.g., are we organized around business processes vs. functions vs. data domains?). Ultimately, the composition (who) of your executive steering committee, governance council(s) and stewardship teams must flex with the times. Your operating framework (what and how) should not.

Finally, as your organization truly embraces not only the concept but also the reality of what treating data as an asset really means, your data governance program should evolve to meet the organization where it currently stands. A common example might be the creation of a chief data officer with explicit focus on driving value from data. Or, the organization might create an enterprise data management team that has responsibility for providing standard data management toolsets and methods for application teams across the enterprise.

Each of these changes brings new roles and responsibilities to the table. If managed properly, they can raise the value and visibility of data governance in your organization. But if not proactively addressed these changes to your organizational dynamics will likely signal the beginning of the end for your data governance program.
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CONCLUSION

It's easy for everyone to agree that data is an asset. Getting folks to the data governance table the first time is easy. Getting past “yes” or the first project to an ongoing commitment to operate in a governed way is difficult. Creating a sustainable data governance program takes both vision and a dogged determination to stick with it come what may.

It is not easy. But, it can be done with a deliberate approach to developing a sustainable ecosystem and with relentless attention toward continually renewing and optimizing your data governance practices.

And, as the chief marketing officer of an iconic brand once said, “Data governance is the least sexy part of my job. It’s also the most important.”
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**KIMBERLY NEVALA** is responsible for industry education, key client strategies, and market analysis in the areas of business intelligence and analytics, data governance, and master data management. She has over 15 years’ experience advising clients on the development and implementation of strategic customer and information management programs and managing mission-critical projects.

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