COLLABORATIVE DATA GOVERNANCE

The Next Evolutionary Approach

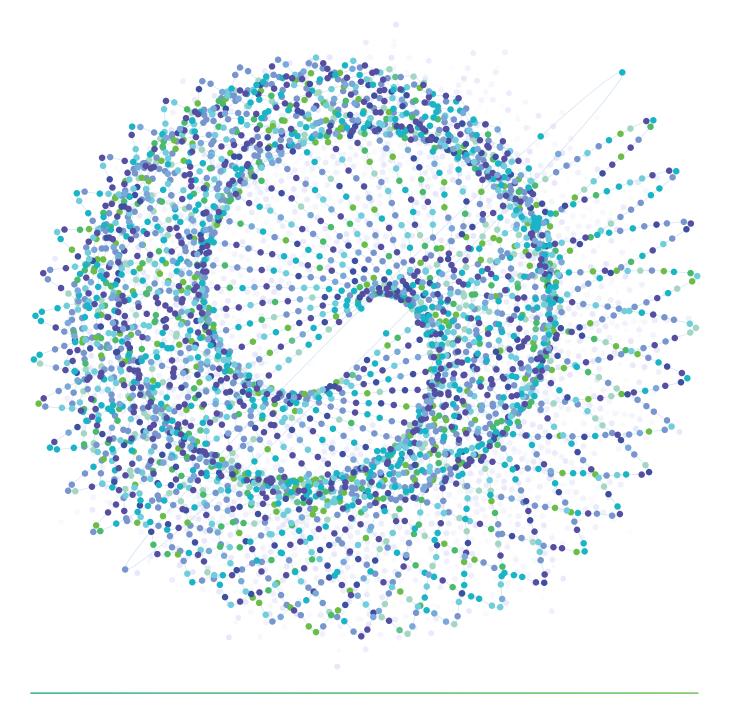






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INTRODUCTION: DATA GOVERNANCE IN THE INITIAL STAGES

Data governance is a collection of components – data, roles, processes, communications, metrics, and tools – that help organizations formally manage and gain better control over data assets. It seeks to increase data's value, and behaviors around data, for organizations of all sizes. Consequently, data governance is an essential discipline for most organizations to become <u>data-driven</u> – leveraging data for business insights to drive and make better decisions.

More than half of the <u>participants</u> in the *DATAVERSITY® 2022 Trends in Data Management Survey* (TDM) have implemented the initial stages of a data governance program. Yet, nearly 55% of respondents listed a lack of data governance as one of their organizations' biggest data management challenges.

The TDM study is one of many recognizing the importance of data governance and its implementation challenges. At the 2022 MIT Chief Data Officer and Information Quality Symposium, 45% of chief data officers (CDOs) specified establishing clear and effective data governance as their top responsibility.

Furthermore, a 2021 Gartner Data and Analytics (D&A) governance survey showed that 61% of leaders wanted to optimize data for business processes and productivity. However, only 42% believed they were on track to meet this goal.

This paper explains where gaps lie in existing data governance practices and introduces collaborative data governance (CDG) as a methodology better able to meet each user's experience, providing organizations (and their customers) with more integrated data experiences.

A. The Command-and-Control Approach

Data governance in the initial stages usually deals with a pressing business problem or project, such as complying with new data regulations enacted in a location, allowing for business insights to happen more quickly, or making data quality improvements, and oftentimes all three concurrently. Therefore, many executives respond by implementing a <u>top-down oligarchical approach</u>. This command-and-control approach centralizes decision-making to a small group of people at the top.

A person, such as a CDO or an IT leader, learns about the business problem, takes feedback, and directs workers to enact the particular data solution. In some institutions, a core group or committee develops and enforces a solution to the business problem. As a result, a lot of meetings, forms, and trainings happen. But, despite all this activity, tempers can get frayed, and people can get frustrated. They may lack change management principles to modify processes, and thus they begin to perceive data governance directives as a hindrance, even though they may have previously supported the data governance program (which also had similar problems). It's a common refrain in many organizations around governance initiatives.

B. Problems Emerge

When teams see data governance as an obstacle to their productivity, they will do anything to make that obstacle disappear, whether just doing the minimum requested or blaming incorrect data governance

"Many data consumers, globally, across various industries have usability and accessibility challenges with traditional data governance solutions. Moreover, these severely impact an organization's ability to establish a data-driven culture."

- Kash Mehdi (VP of Growth at DataGalaxy)

activities on other teams when speaking with senior managers. Unfortunately, these fractured politics among business units continue to hinder data governance progress and its success.

The conception of data governance as a business obstacle that is too bureaucratic has gained traction. The data governance space has traditionally seen mixed reviews. Some consider it too controlling and restrictive, almost akin to police action.

Command-and-control data governance needs an updated paradigm for businesses to reach their data-driven goals.

While a command-and-control approach has worked for some organizations in certain instances, a different approach is required for most to attain success with governance.

MOVING DATA GOVERNANCE TO A SERVICE MODEL FOR BUSINESS DRIVERS

Data governance cannot come solely from a command-and-control approach. While company executives have a place to articulate data governance guidance, fund capabilities, resolve disputes, and protect the company from harm, they are less likely to interact with many potential and established customers associated with the enterprise.

Business relies on getting new customers (both internal and external) and keeping existing ones to survive and thrive. When customers want something – e.g., an interactive financial app – they don't care about data governance details. They want the app to work, the sign-in to be easy, their financial data secure, and important functionalities to make their experience as seamless as possible.

Customers get drawn in by the final product, resulting from the combined cooperation of different business units to integrate services. In the case of a financial app, the graphics, functionalities, marketing, IT, compliance, etc., need to synchronize for an excellent customer experience.

To ship and integrate a product well, each business unit needs appropriate support for its operations and staff to run efficiently and to work with others. This support hinges around shared and trusted data, as well as the capability to read, work with, analyze, and argue with the data.

For example, marketing needs BI and data analytics to determine what new app releases will happen and when, while maintaining confidence in that information. That way, marketing can coordinate its communications with customers, and customers know what to expect.

Good data governance provides appropriate processes around shared and trusted data. It helps to catalyze a given business driver such as BI and data analytics, that underlies operations across business units. The graphic below is an example of other primary business drivers enabled through effective data governance.



Figure 1: Business Drivers Supported by Data Governance Services

For a data governance service model to support business drivers well with shared and trusted data, organizations need three technology focus areas:

- A flexible operating model
- Identification of data domains and critical data elements (CDEs)
- Enablement of control measurements

A. A Flexible Operating Model

Data governance needs to adapt to changeable business conditions by offering a flexible operating model to help organizations align their operating hierarchical structure. Two examples of how a flexible operating model supports business drivers are:

- Cloud Computing: Cloud computing provides extended capabilities for real-time collaboration and
 is a technological shift for many enterprises. More than half of enterprise IT spending will go to the
 cloud <u>by 2025</u>. To support enterprise-wide cloud usage, data governance needs to meet increasing
 cloud business activities and keep that data reliable.
- **Regulatory Compliance:** Analysts at Gartner have predicted that 65% of the world's population in 2023 will be covered by laws similar to GDPR. Furthermore, the EU is expected to approve draft AI regulations, imposing considerable fines of 6% of global revenue on companies who fail to comply. Data governance needs to function agilely to meet these legal requirements in a coordinated way and satisfy auditors.

B. Identification of All Data Domains and Critical Data Elements (CDEs)

Business units need to ensure data sources have appropriate business context and promote user trust. Data governance resources need to support bridging a gap in understanding between business and technology groups as well.

Inventorying data domains and CDEs within all business domains, a data governance service must accomplish both goals, backing up business drivers to do so. For example:

- **Breaking Data Silos:** A business unit has projects that start with data understood with specific, rather than company-wide, relevance. However, some of these siloed projects end up with data that can be reused for enterprise-wide purposes and benefit other teams. So, companies want their data governance to show them where siloed data exists in their data ecosystems, in order to integrate them.
 - More than 60% of the previously mentioned TDM survey participants specified data silos as their top data challenge. When business units learn about all company domains, including ones functioning independently, and have the appropriate context, departments get more support from company-wide information resources.
- **Data Literacy and Enablement:** Metadata provides the business context and knowledge for data literacy and enablement across business units. For example, business units can coordinate their operations better when the company agrees on the essential critical terms like what a data event is.

So, data governance takes charge and inventories these CDEs. More than 65% of TDM survey respondents reported using metadata management with data governance.

C. Enablement of Control Measurements

Enabling control measurements for data quality and privacy provides a baseline for trusted data and tracks the adoption of data governance over time. These results show the data governance journey through its adoption and benefits. Control measurements support business drivers, as the examples below demonstrate.

- **Mergers and Acquisitions:** Combining the business activities between different entities requires standardizing newly integrated data sets from an increased number of business units for usage. Data governance services this need by providing quality and privacy control thresholds as a starting place for conversations and updates.
 - Objective proof of data quality through metrics underpins shared trusted data literacy among a larger body of workers. Furthermore, machine learning algorithms can train on optimal data quality patterns, automatically updating data contents and formats to a desirable quality and privacy threshold.
- **Change Management:** Altering organizational behaviors or attitudes toward more data-driven approaches has remained challenging for 62% of CDOs. CDOs can obtain more synergy by enabling control metrics and showing small changes in the journey. That way, progress toward valuable data governance services supporting shared, trusted data becomes visible, and business units can become more invested in these positive changes.

COLLABORATIVE DATA GOVERNANCE – THE NEXT EVOLUTION

While data governance enables reliable data to service business drivers and fosters synergy among business units, it is only one step towards remaking data governance as an essential enterprise practice. Collaborative data governance (CDG) takes data governance evolution to the next level through a user-experience-first philosophy.

Success in CDG depends on the support given to data consumers. That can be systems or stakeholders. When applications fail to get needed data, they cannot make sense of correct inputs or outputs. The algorithms do not work.

"Collaborative data governance empowers every data consumer in the enterprise with trusted data. It fosters a robust data literacy infrastructure from the bottom up, covering stakeholders at all levels of the organization to function as one unit and lead with data."

- Kash Mehdi

When stakeholders across the organization, such as data analysts, data stewards, or data architects, fail to get reliable data, they are left with accessibility and usability challenges. Stakeholders may still find a way to solve that problem, but they lose productivity and frustration can occur.

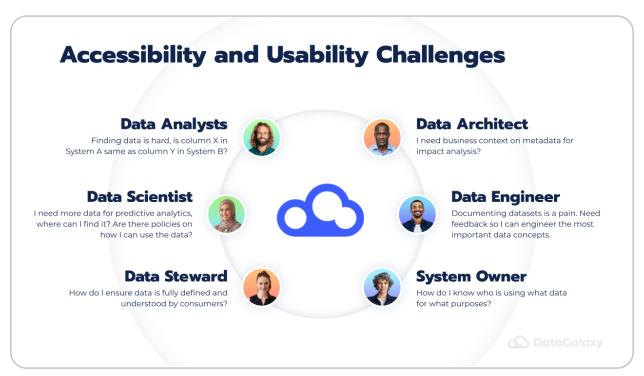


Figure 2: Accessibility and Usability Challenges of Business and Technical Users in an Organization

While trying to solve individual accessibility and usability challenges, each stakeholder struggles with their data literacy gaps and the gaps of all the other stakeholders in the organization. This lack of data reliability remains a source of frustration, leading 52% of organizations to make decisions based on gut feel or instinct, instead of the data.

Compounding this situation, each analyst has a unique data challenge that can come to odds with other analytical ones. Without trustworthy data assets, CDOs hit a roadblock to establishing an adequate data and analytics team.



Figure 3: Data Analytics Challenges (and How Collaborative Data Governance Helps Overcome Them)

CDG takes this problem head-on by connecting consumers so that they can confidently deliver outcomes with a quick time to value. By doing so, stakeholders perceive data governance as a service that engages with them rather than as a productivity obstacle.

As business and technical users use and access company data, they will find the experience more relevant to the business and can investigate their questions through self-service.

If these users get frustrated with a lack of trusted and shared data literacy, CDG provides interactive workspaces to bridge these gaps. By addressing their data literacy challenges in a positive co-creative environment, trusted data sharing improves among business and technical stakeholders.

This alignment, fostered through CDG, builds synchronized and positive customer experiences, both internal and external to the company.

NEW CHALLENGES IN COLLABORATIVE DATA GOVERNANCE

Organizations engaging in CDG face many challenges in figuring out business requirements and priorities. Most notably, synchronizing business operations that attract new customers to a company and keep its existing ones may differ according to the tactics applied.

To handle this problem, executives need to provide a data strategy, a North Star connecting business goals and operations to the benefits CDG provides.

With this kind of data strategy, CDG members can figure out how to connect data publishers and consumers.

"Companies must build and operationalize holistic data strategies that align with business goals so that actors know how to increase their organization's data-driven capabilities through CDG."

- Kash Mehdi



Figure 4: Implementing a Data Strategy with CDG Tools

As CDG continues to support data activities ushered by the data strategy, it allows organizations to apply the three capabilities mentioned earlier to support business drivers well with shared, trusted data assets. Should stakeholders find questions upon using the data strategy to implement data governance, they will find that CDG enables research and collaboration to assess (and fix) points of shared confusion.

Then, enterprise actors can research and present their inquiries to the executives for clarification and follow-through. Executives can decide based on the new information, revise the overarching data strategy, and adjust CDG to realign support for access and usage.

MAKING COLLABORATIVE DATA GOVERNANCE A REALITY

CDG should have technical support for operationalizing the data strategy by:

- Quickly delivering data from various sources, supporting data management needs, and meeting data consumers' expectations
- Providing leadership time and space to develop a data-driven culture

Achieving both requires organizations to operationalize their data strategy intelligently with technology and follow data governance <u>best practices</u> to get started or do a makeover.

"Making CDG a reality relies on a one-stop shop for all data and business needs to achieve this outcome."

- Kash Mehdi

A. Choosing a Technology

In choosing a technology, consider a vendor that combines data governance best practices with practical customer experience. Plan on budgeting as much time in making a good platform choice and deciding how to apply it as when improving data culture and adoption.

Enabling the CDO or data governance manager, along with each data consumer in the company, requires weighing the following technical components underpinning CDG:

- Sharing and managing trusted data
- Managing user productivity
- Scanning data sources and breaking data silos

See the diagram below for more details on each.



Figure 5: Enabling CDOs to Operationalize a Data Strategy

B. DataGalaxy Data Knowledge Catalog

<u>DataGalaxy</u> empowers the CDO and other data governance leaders to provide fit-for-purpose and rich data experiences for business and technical data consumers. Its Data Knowledge Catalog has attracted a growing list of customers in the CDG space and 200% year-over-year growth.

By seamlessly combining best practices and practical customer experiences, DataGalaxy's Data Knowledge Catalog provides the shared and trusted data literacy that empowers each stakeholder to implement the data strategy through collaborative data governance.

With Data Galaxy's technical resources, CDOs will find more time to focus on the people aspects of a data-driven collaborative culture.

CONCLUSION – EXPANDING COLLABORATIVE DATA GOVERNANCE

Companies have worked to implement data governance programs to become more data-driven; however, their initial attempts in many cases, based solely on a command-and-control approach, have fallen short in attaining their governance goals.

Customers want a good experience with an integrated product. Data governance services this requirement by providing reliable data assets to each stakeholder, department, and business driver needed for such success.

"DataGalaxy is the industry's only data intelligence platform designed with a user-experience-first philosophy. We believe the degree of success of a data governance program depends on empowering individual users and stakeholders at all levels of the organization with trusted data."

- Kash Mehdi

CDG enriches data governance services through a user-experience-first philosophy. While this model provides challenges in figuring out priorities, executives mitigate these by building and operationalizing a holistic data strategy.

DataGalaxy's Data Knowledge Catalog operationalizes data strategies successfully by combining data governance best practices with the required customer experience.



ABOUT DATAGALAXY

DataGalaxy is the industry's first Data Knowledge Catalog delivering culture and literacy across 110+ leading global brands (Sephora, Dior, Swiss Life, Total Energies, etc.), wherein all stakeholders understand how the entire business runs on data.

DataGalaxy offers a user-centric platform dedicated to metadata mapping, active metadata management, and metadata knowledge sharing. With its innovative approach to data cataloging, DataGalaxy helps businesses of all sizes to accelerate processes, reduce costs, ensure compliance, and eliminate data silos.

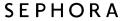
As a result, businesses gain control over their data assets, enabling them to make better, more informed decisions.

Join the ranks of 110+ leading brands

















Learn More at DataGalaxy.com

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