



The Role of IT in Business-led Data Governance

A Whitepaper by First San Francisco Partners

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Despite companies now recognizing the importance of their enterprise data, they still have a difficult time effectively managing it as an asset. Some of those challenges arise from a lack of business involvement and sponsorship, an inability to identify data owners and encourage accountability, or a reluctance to share data. Although it is imperative for business to lead and sponsor data governance, it is equally important to align business and IT in order for organizations to fully benefit in a significant and persistent way from data management.

The importance of aligning business and IT is compounded by the trend to centralize information systems, resources and integration points. Many organizations are moving to centralize IT and with that the recognition that data can also be managed centrally to achieve economies of scale, improve productivity and effectively manage information. Consequently, the IT organization sees issues that span lines of business and geography including enterprise data issues. As such, IT may be the first to recognize and often times are the initial advocates of the need for data governance before the business. For example, IT can identify where data issues start in a source system and the changes that are made as data flows through different systems. However, the impact of the changes to the data is not always obvious to IT, nor is IT in a position to recommend changes to business processes to improve data quality either at the source or over its lifecycle. Challenges arise when it is time to assign resources to be accountable for data quality and fix data issues, which is precisely when IT needs to transfer ownership of data governance to the business while continuing with oversight and the essential role IT plays in data governance success.

This places into context the questions of **What is the role of IT in business-led data governance? How can the IT organization work with the business to ensure their needs are being met and the data governance initiative is a success?** In order to understand the role of the IT organization in data governance, let's first look at the goals and objectives of the data governance organization.

Data Governance Organization Goals

The overarching goals of a data governance organization are to provide direction on the capture, collection, security, transfer, quality and management of data within the organization in order to:

- Ensure the integrity of information
- Ensure information is secure while facilitating access
- Support decision-making
- Enhance services provided to customers and partners
- Assist in information collaboration
- Eliminate business and technical obstacles to achieving business goals
- Standardize corporate data definitions, policies and processes so the data can be more readily shared, interpreted and used
- Manage data as a corporate asset
- Reduce costs and increase effectiveness through coordination of efforts
- Ensure transparency

Organizations go about achieving these goals and measuring and reporting results in different ways based on their unique approach to data governance. What is evident is that the business cannot achieve these goals without relying on and involving IT to deploy and manage the enabling technology and tools. At the same time, business needs to own the data governance program and the decisions concerning managing data as a corporate asset.

IT and business must both play their requisite roles in data governance to avoid antagonistic or competitive impediments. Operating principles should be developed that define how the business and IT should work together in order to support collaboration. Moreover, the written guidelines should be agreed upon and communicated across and made available throughout the organization.

While there are many ways to implement a data governance organization some common roles include the Steering Committee, Data Governance Lead and the Data Governance Working Group – each comprised of representatives from both business and IT. For example, as a cross-functional business and IT team, the Data Governance Working Group are the subject matter experts who drive data management and data quality strategy and execution for their respective subject and line of business areas.

The Role of IT in Data Governance

The IT organization's mandate is to ensure that the future state of information and application architectures meet the needs of the data governance organization and are aligned to business goals and objectives. It ensures that the organization's information technologies sustain and extend the data governance organization's strategies and objectives while providing a consistent view of the end-to-end business processes.

To meet its mandate, the IT organization must provide leadership, technical infrastructure and resources that collaborate with the business to identify data issues, provide alternatives and implement solutions.

At a minimum, the IT organization should provide the following resources to the data governance organization in order to meet business stakeholder needs:

1. **IT leadership** at the Steering Committee level to provide leadership, vision and oversight
2. An **IT Partner** who is a peer to the data governance lead and is responsible for development and ownership of the data governance technical roadmap
3. A **Data Quality Lead** who works collaboratively with data stewards from the business to gain an understanding of business needs related to the quality of information and ensures that best practices regarding data quality incidents are being followed
4. A **Metadata Lead** who creates and maintains the metadata repository and defines the content of the business
5. An **Enterprise Architect** who works with the data governance lead to provide architecture and data integration oversight
6. A **Data Architect** who is responsible and accountable for the creation and maintenance of the Enterprise Data Model
7. **Data Custodians** who work closely with the data stewards and data owners to implement data governance policies and data owner requirements, and who carry out the data delivery function

The IT organization is also responsible and accountable for providing technology and technical infrastructure for the management, storage, access, security, navigation, movement and transformation of data. In this way, it implements the necessary systems to support and measure data governance requirements and data business processes. It also ensures that the data governance strategy aligns with the IT design methodology, development process methodology and best practices.

By working together with business data stewards, the IT organization plays an important role in root cause analysis on data issues and building remediation plans. It is the role of the IT organization to measure, monitor and report on data quality and deliver stakeholder service based on Service Level Agreements.

In order to successfully provision these services and support, the IT organization needs to understand why data governance is important to each business stakeholder, what the benefits are and how best to work together with the business. When the IT organization can clearly articulate the benefits for each business function, sponsorship and ownership is more easily achieved.

Summary

The trend to centralize IT compounds the importance of articulating the role of IT in business-led data governance. Although IT may be the first to recognize and advocate for data governance, challenges arise when ownership transfers to the business. A comprehensive data governance strategy not only aligns business and IT to address data issues but also defines data ownership and policies, data quality processes, decision rights and escalation procedures.

The IT organization plays a critical role in enabling data governance and contributes key resources to the data governance organization. The proper combination and collaboration of business and IT resources, skill sets and leadership is required to effectively carry out the data governance agenda.

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