

DATA GOVERN- NANCE

**Ensuring data usability
and compliance**

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softserve

The power of data is indisputable. It allows businesses to better address customer needs, identify new opportunities for growth, and increase efficiencies through technologies like artificial intelligence and machine learning.

However, many businesses are focused on collecting data without considering how the data will be organized or utilized. Where will the data be stored and in what format? Who needs to have access to which data, and for what purpose? Is the data and its usage compliant with policy regulations? When these elements remain undefined, data is amassed without proper scrutiny or management, creating material inefficiencies in data access and usage, and rendering data analysis effectively impossible.

Take control of data

Data governance outlines the rules by which data is collected, stored, and accessed. A well-designed data governance policy ensures data integrity and security. Structuring and defining data through data governance has valuable benefits across the company. Data becomes congruent across different departments, allowing data to be shared for holistic analysis; roles and processes for those handling data become transparent, avoiding collision or confusion; data analysts and technology are better able to derive insights on operations, sales, and customer interactions; and businesses avoid costly fines and harm to brand reputation.

At a high level, data governance accomplishes all of this by providing a structure for organization and compliance.

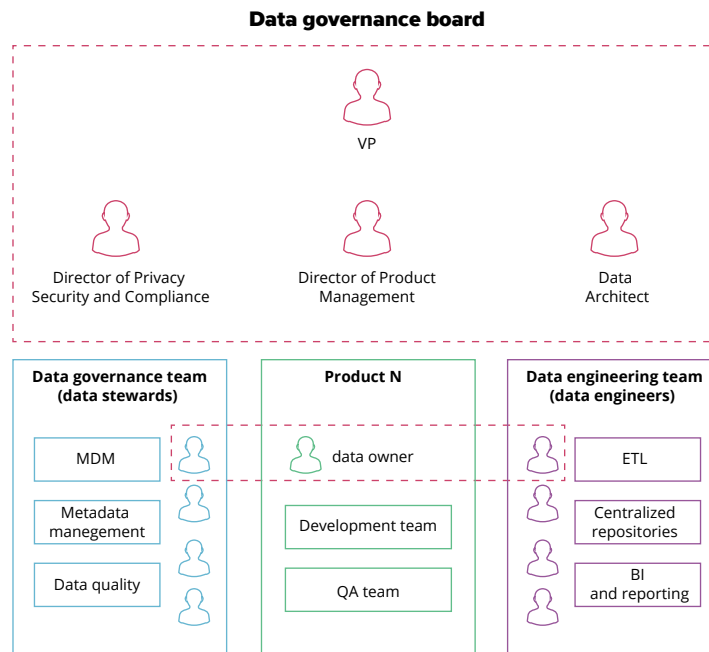
Organization

Enterprise data governance should provide an established framework, allowing all incoming data to be processed, assessed for value, and ascribed rules for access and use.

Data governance frameworks are comprised of several elements that define how data is accumulated, labeled, sorted, organized, managed, and secured. This framework establishes parameters that work across the business and breaks down information silos that can exist between departments. By nature, a governance framework affords businesses the transparency of information and invites collaboration.

A good framework provides a holistic approach. While not all employees have direct access to the data, all have assigned interactions. Roles, permissions, and access are clearly defined and understood across the enterprise. This is important, as managing data in silos leads to redundancies and misalignment, creating friction that prevents the business from leveraging the data to its full potential.

Example of a data governance framework:



Compliance

As data collection and usage increases, so does the risk of misuse. In response, GDPR, HIPAA, and other regulation policies are continuously updated for the strict management of data, making compliance paramount. Non-compliance can be costly—in 2018, GDPR's penalty for non-compliant enterprises was 4% of global revenue or €20 million, whichever is greater. HIPAA fines can reach up to \$50,000 per incident.

Typically, an organization's privacy officers will outline the data policies of the business. However, fully defining and enforcing these policies can be another matter entirely.

For example, a privacy officer may create a written document advising all employees to keep from "sending personal or sensitive information". But what is considered "personal" or "sensitive"? How is this information explicitly defined within the business? What processes exist to identify and handle misuse of data? By answering these questions, the business ensures its employees are better able to adhere to compliance regulations, and sensitive data stays secure.

To be clear, defining a data policy is just the first step. Data compliance is more than just supplying information to employees for the handling of data. It is about managing data throughout its lifecycle. Regulations are constantly changing—what might have been acceptable six months ago might now be a violation. As new sources of input emerge and internal strategy changes, so does the organization’s usage of data. Constant and attentive monitoring is essential in order to remain compliant and is a cornerstone to good data governance.

How do I know if my data governance policy works for my business?

Many companies already have a governance policy but lack the means to implement or enforce it. For example, data may be heavily documented but not utilized. Or a prevailing policy may exist at a high level without being properly implemented across IT and analytics.

The business must first measure what data is collected and available, and then determine what possibilities and capabilities are currently matched. Assessing data governance can be measured by a variety of different maturity models, but at SoftServe our preferred model is the [Stanford Data Governance Maturity Model](#), pictured here:

Foundational	People	Policies	Capabilities
Awareness	What awareness do people have about their role within the data governance program?	What awareness is there of data governance policies, standards, and best practices?	What awareness is there of data governance enabling capabilities that have been purchased or developed?
Formalization	How developed is the data governance organization and which roles are filled to support data governance activities?	To what degree are data governance policies formally defined, implemented, and enforced?	How developed is the toolset that supports data governance activities and how consistently is that toolset utilized?
Metadata	What level of cross functional participation is there in the development and maintenance of metadata?	To what degree are metadata creation and maintenance policies formally defined, implemented, and enforced?	What capabilities are in place to actively manage metadata at various levels of maturity?

Project	People	Policies	Capabilities
Stewardship	To what degree have stewardship roles been defined and filled?	To what degree are stewardship policies defined, implemented, and enforced?	What capabilities are implemented to support the effective stewardship?
Data Quality	To what degree have data quality competencies developed?	To what degree have data policies been defined, implemented, and enforced?	What capabilities are implemented to support the production and maintenance of high quality data?
Master Data	To what degree has a formal master data management organization been developed and assigned consistent responsibilities across data domains?	To what degree are metadata creation and maintenance policies formally defined, implemented, and enforced?	What capabilities are available and implemented to actively master and provision master data?

Getting Started

A strong data governance policy ensures data is organized, discoverable, and accessible for all applications. There are two ways to start:

Assessment

- Current state of data (location, sources, types)
- Present and future needs
- Departmental/employee access

Education

[Learn more](#) about foundational components such as metadata, data quality, and master data management.

These three components are some of the most critical for any data governance strategy, providing a structure for organization, veracity, and accuracy.

Ready to build your foundational strategy? [Contact SoftServe](#) today for an assessment of your business.

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