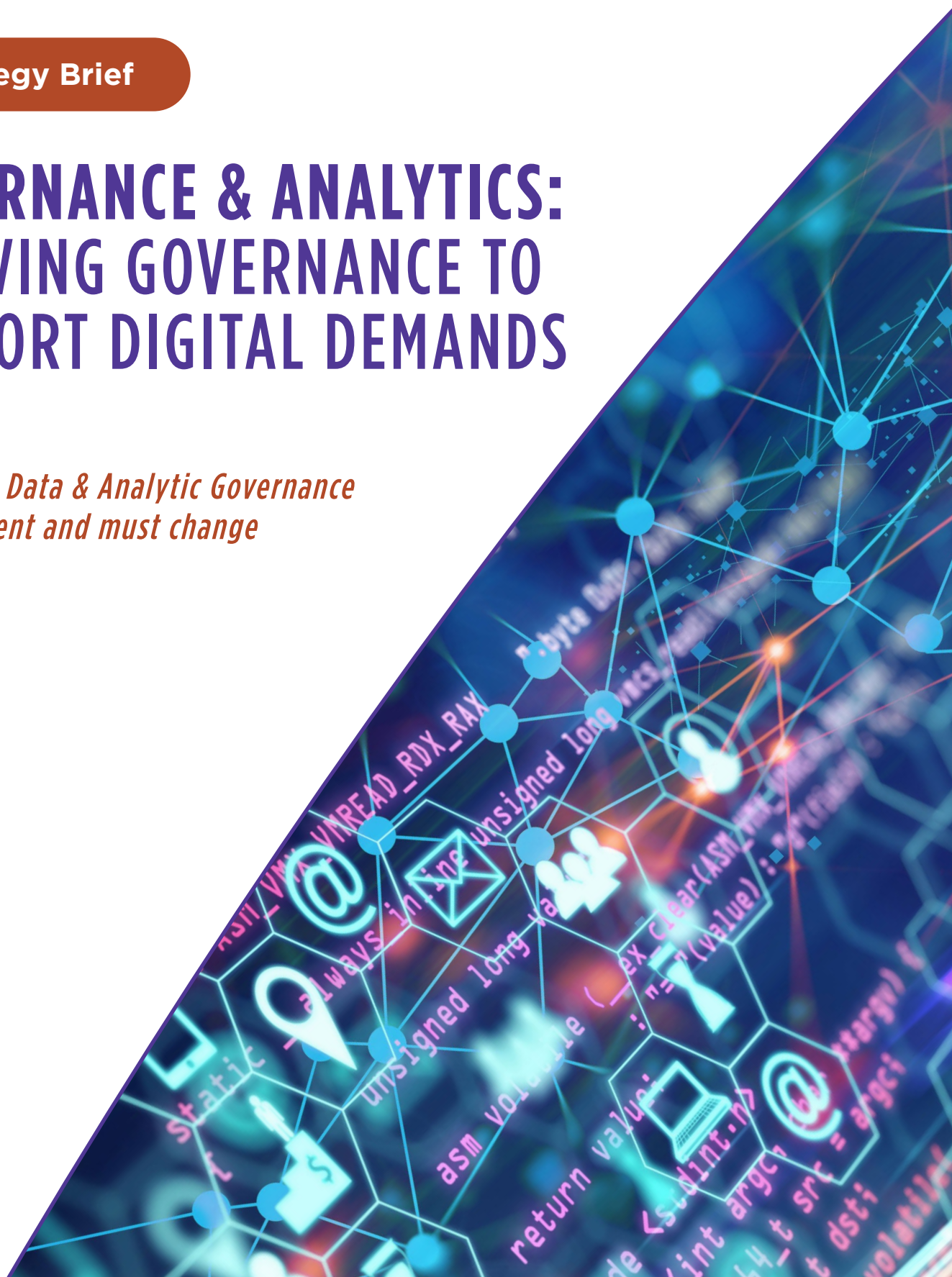


Strategy Brief

GOVERNANCE & ANALYTICS: EVOLVING GOVERNANCE TO SUPPORT DIGITAL DEMANDS

*Traditional Data & Analytic Governance
is insufficient and must change*





Traditional Data and Analytic Governance Models are insufficient for digital businesses and must evolve to be more adaptive, flexible, and responsive to business needs and demands. In this briefing series, we will explore the challenges of today's model and then discuss what the next generation of governance looks like. This first brief on "adaptive governance" explores current challenges and sets the stage for evolving governance.

TRADITIONAL GOVERNANCE IS FAILING

Today, businesses require vast amounts of internal and external data to drive operations, innovate, and deliver enhanced customer experiences. AI and ML solutions have taken off at breakneck speeds, but to be effective and successive, they need vast amounts of data. As we're all aware, data has become the lifeblood of organizations.

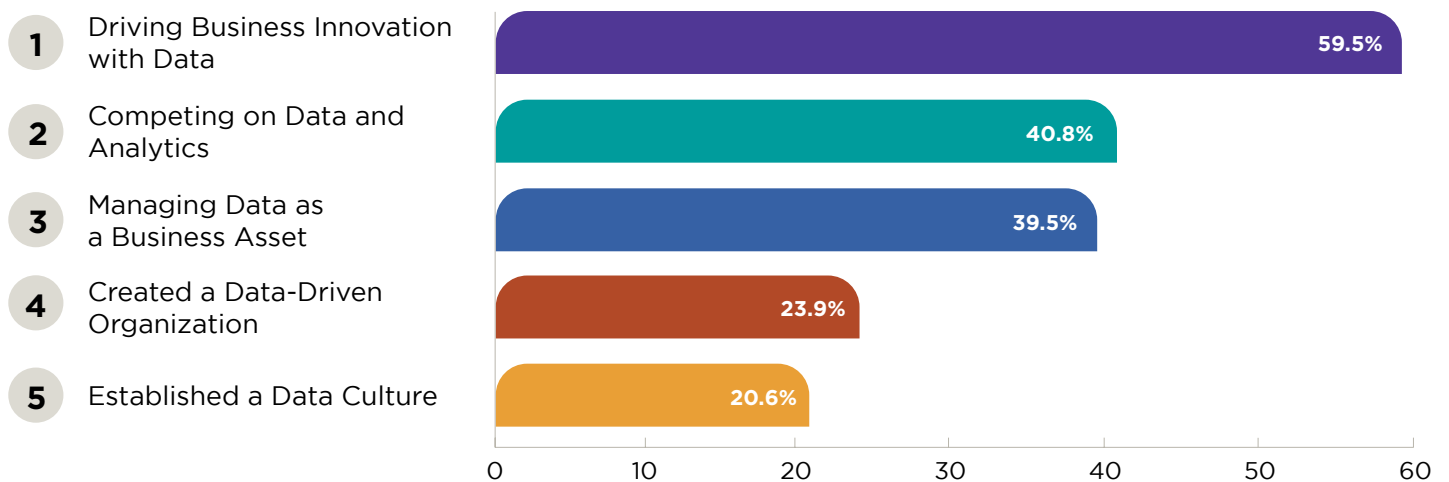
The challenge is that many data and analytic initiatives often struggle to meet business needs. Wavesone's 2023 Data and Analytics Leadership Survey highlighted the difficulties organizations are having embedding data and analytics into their business culture, managing them as real business assets, and having repeatable processes and trusted data to drive business innovation and change.

For most it isn't a technology challenge. It's a classic people and process issue. As you can see from our 2023 survey (see chart below), organizations are investing in initiatives to focus on delivering business value through data and analytics (innovation programs, measured business value delivered, etc.).

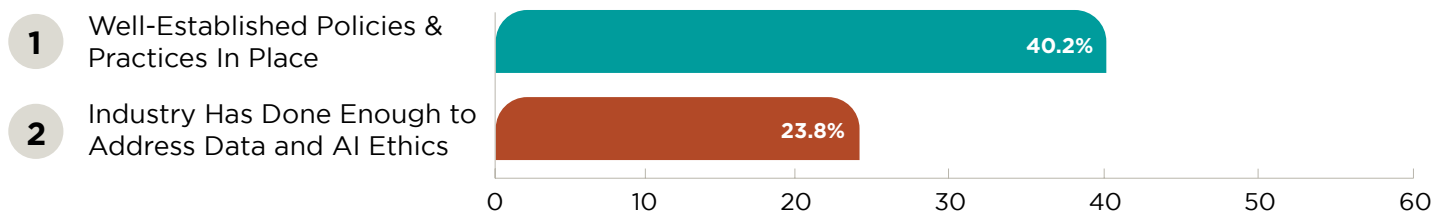
But most also complain that data governance gets in the way of this work. They claim the need to standardize, follow processes, and implement key roles just slows them down.

Becoming “Data-Driven” is Still a Struggle Business-Focused Adaptive Governance Can Help

Progress of Data and Analytics Aspirations of 2023



The State of Data Responsibility and Data Ethics



The truth is that, if governance were implemented, these wouldn't be issues. In fact, our experience shows that **when data assets are well understood and well governed, the solutions trying to leverage them get implemented in a fraction of the time, because the work to understand, interpret, transform, use the data is all faster and easier.**

So, what is the issue?

Most conventional data governance programs have been built on the need to defend data and ensure compliance with policy, legal or regulatory, contractual, or personal preference requirements. For many organizations their programs were born from audit or regulatory findings, or to comply with privacy or consumer laws, and as a result, they've defined their program one way, with one way to implement and execute them. The processes, implementation, execution, and oversight assume every need is the same.

The program is defined and rolled out, assuming all needs are similar, and most don't consider business impact beyond that of protecting the organization. Key governance and oversight processes often lack a mechanism to factor in business value creation and adjust processes or approaches to deliver this value and realize their defensive goals.

For new analytics efforts, ideation, data exploration and model development are often conducted as 1-off activities. They tend to have their own processes for acquiring data, defining data treatments, and documenting them (or not), and they hope the data they need is documented and easy to interpret.

But, when a new analytic or data project needs data that isn't already well governed, the project teams are often forced to either ignore governance or leverage the only thing they can – a one-size fits all program. The effort takes on a slow march toward validation and then to production. Even though we often have tools to help, we find many end up:



Leveraging manual activities to find and define data, and they are almost always followed by a slow process to certify definitions for use



Documenting data definitions, data quality rules, and treatments are in one-off repositories (excel, word) or in poorly crafted catalogs

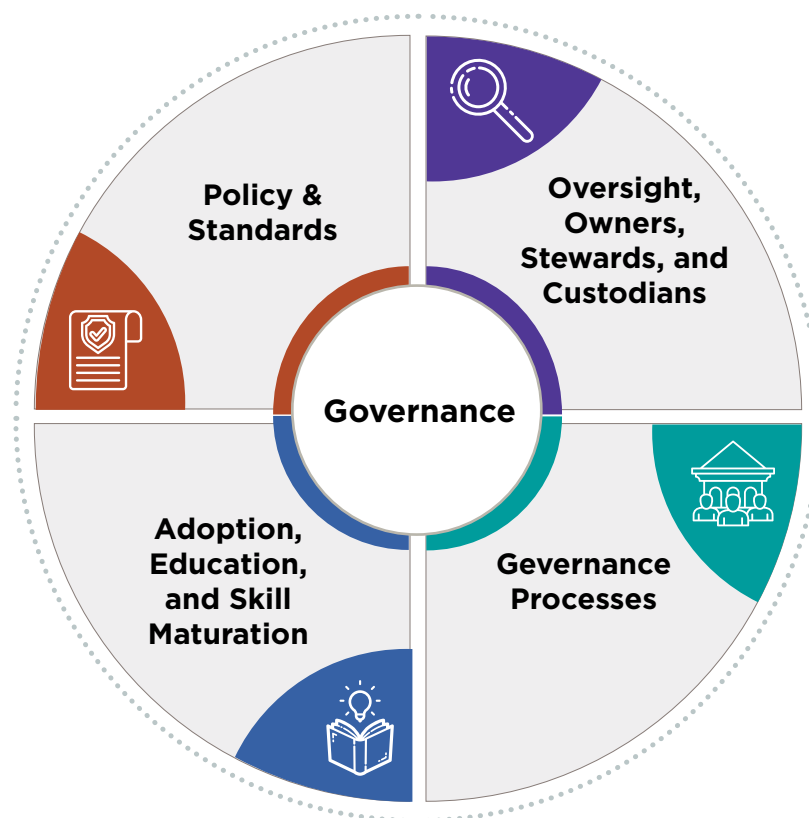


Hard coding or crafting one-off solutions to support specific needs



Ignoring data or analytic governance certification requirements or recognizing them, but negotiating exceptions that don't help deliver the long-term value originally hoped for and are almost never revisited to ensure compliance

Foundational Governance Capabilities



Conceptual View

In addition to challenges defining and certifying solutions with governance, many organizations lack any model for integrating the management and oversight of strategic, data, and analytics initiatives at the beginning of the whole process. Poor planning, product management, and oversight results in each initiative being treated a little differently, resulting in multiple, conflicting priorities, poor oversight, poor use of resources, and can limit or delay the value the business value realization.

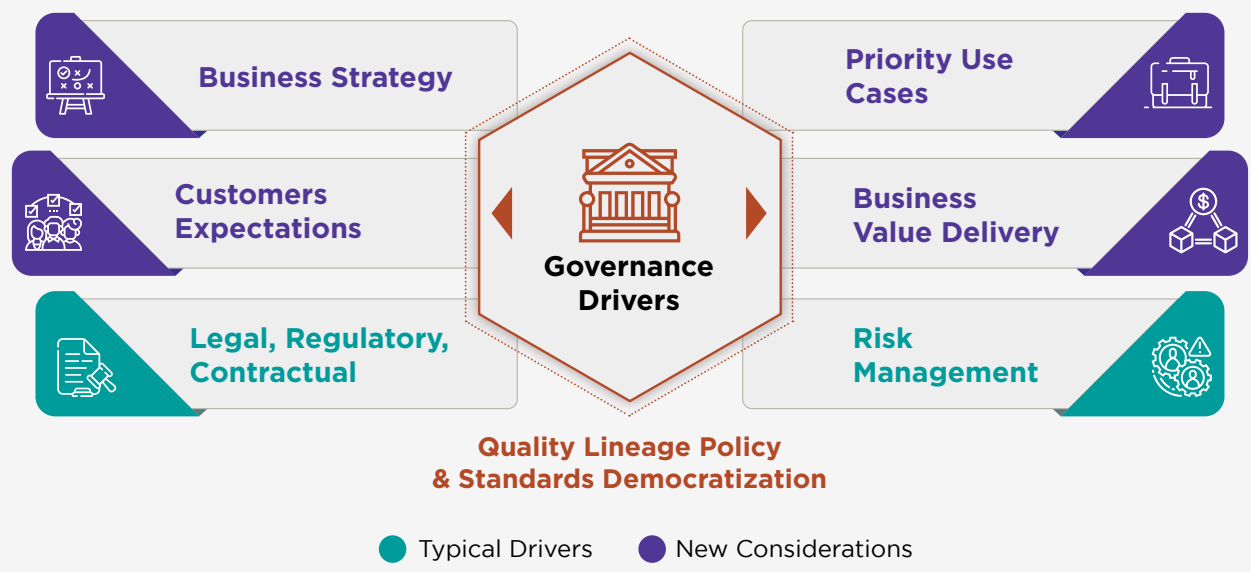
Even investment in data initiatives to enhance and shore up foundational data capabilities (modernizing data assets, data quality, master data management, etc.), get slowed, and in almost all cases these days we see there is often a point where executives get frustrated with the pace and complexity, and decisions are made to focus on specific assets, or deliverables and ultimately work around traditional data governance.

The problem is that this is a one-size-fits-all approach doesn't work. It doesn't factor in delivery of business value or the accelerated pace of business, innovation needed to compete, or effectively address the complexity and need for speed associated with AI and ML solutions.



THE OPPORTUNITY: BECOMING BUSINESS ENABLED

Going forward we need to adopt a broader interpretation of the role of Data and Analytic Governance versus the traditional defensive, compliance orientation. To be effective, governance should be viewed as a business enabler, not a restriction.



Governance programs must expand from focusing on typical drivers of legal and regulatory and risk management, and the foundational capabilities focused on things like data quality, policies and standards, and effective processes. Going forward, we need to also factor in business strategy, critical, high-priority use cases, customer expectations, and how data can enable the delivery of business value.

This is not to say organizations should abandon their mandate to defend and protect the organization's data. On the contrary, given security threats, new regulations, increased customer expectations, and new, more demanding data consumers, we need to be even more vigilant.

But we must also understand how data can help empower and enable the business and factor that into our governance work. We need to find the balance, based on business needs and priorities, that allows data to be effectively used to enable and deliver business value and do so in a responsible way.

Data enablement, via well-balanced and integrated governance, is the key to accelerating the delivery of business value.

Morden Data Management/Governance = Data Enablement



Enable business use of Data...

- Provide Data to enable Business Use
- Accelerate Analytics and Innovation
- Democratize Data
- Increase Data Literacy

AND...



In a Responsible Way

- Protect Privacy
- Comply with:
 - > Corporate policy
 - > Regulations
 - > Contractual agreements

Successful organizations are redefining the governance paradigm to include enabling the delivery of business value (offense), even as they ensure that data is used in a responsible way (defense). By including both aspects to their thinking, businesses are:

Positioned to innovate, quickly act in the marketplace, improve decision making and drive greatly improved products and services

Able to elevate data as a strategic company asset and move beyond traditional data sourcing, technology selection, and data risk & compliance

Can deliver high value use cases and effectively balance the delivery of business value and the responsible management/usage of data






Positioned to define, implement, and use data products more effectively, which accelerates delivery and value realization and ensures consistent use and protection of data. In addition to better balancing offense and defense, organizations are also implementing more product-centric approaches to planning, triage, problem resolution, funding, and prioritization. These are critical changes that help organizations navigate the complexities of delivering business value and protecting data or using it the right way.

Next Steps and Summary

Transforming your governance program will take strong executive leadership and enhanced planning and coordination capabilities with key stakeholders. It will require a rock-solid commitment to an iterative implementation to ensure data creates value fast, can adapt to required needs quickly, while still delivering a strong foundational governance capability.

Good data and analytic governance are critical to realizing business value through your analytic, digital, and strategic initiatives. Organizations seeking to make this shift, can succeed by shifting its mindset from thinking of traditional governance frameworks and policies into thinking of integrated and adaptive governance that can allow their organization to transform how they work with data and establish the right balance for them to enable their business while using their data responsibly.

As you get started, don't try to do everything all at once. As you evaluate your current approach to governance, and shift to a more agile, adaptive (right-sized) model, there are a few things you can do right away that will help:

	Begin to develop an integrated management approach; pick 1 initiative and build incrementally
	Establish basic demand management capabilities with a triage function to help align needs, plans, and enable collaboration across governance and delivery teams
	Reassess your data and analytic strategy and update operating model and roadmaps
	Update your data delivery, infrastructure, and analytic development methodologies (e.g. SDLC)
	Ensure your governance functions collaborate across Data & Analytics, Cybersecurity, Privacy, and Information Lifecycle Management, and Risk)

To learn more about how Wavestone can help you manage and accelerate digital business transformation, visit us at wavestone.us or call (646) 341-9753.



Authors



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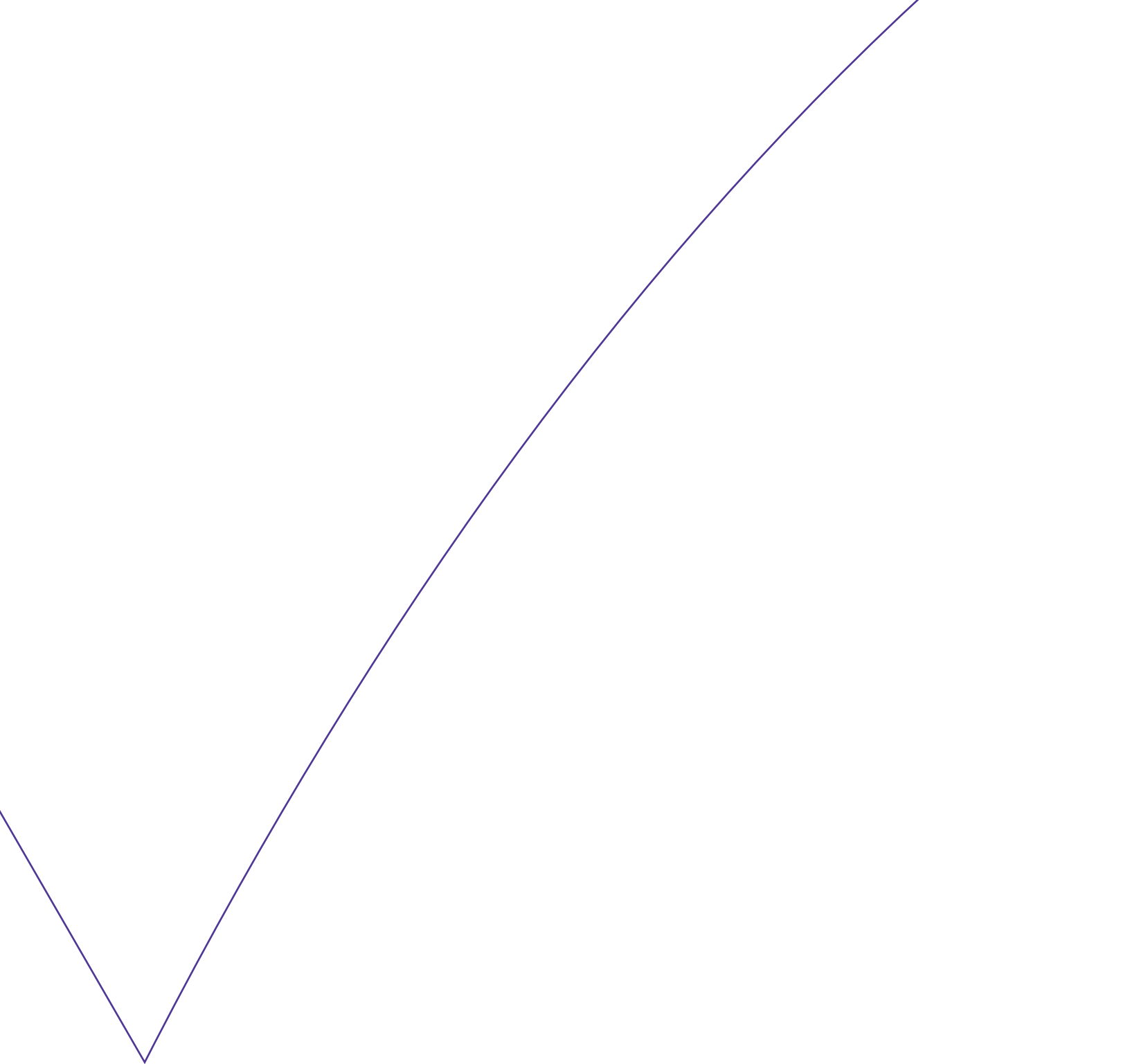
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Paul brings several decades of experience as a Chief Technology Officer and Industry Advisor guiding businesses through the application of technology capabilities to transform business operations. He possesses a deep understanding of IT Operations, data management, digital transformation, enterprise architecture, strategy, governance, and business and technology alignment. He has led global technology and data programs, developed business-centric IT and data capabilities that focus on enabling the business to deliver on its strategy and day-to-day mandates, and he excels at building and leading high-performing teams and collaborative environments.

Wavestone's Data & Analytics Service Offering

Wavestone Data & Analytics is a consulting practice specializing in strategy, data management and governance, architecture and ecosystems, data science & analytics, change management, and the responsible use of data. Our team brings a winning mix of extensive hands-on experience, thought leadership, and best practices expertise to help clients drive their data transformation to better manage, govern, and use data to create business value. As industry experts and trusted advisors, we can help revitalize data strategies, modernize capabilities and practices, and drive transformative change.



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In a world where knowing how to drive transformation is the key to success, Wavestone's mission is to guide large companies and organizations in their most critical transformation projects, with the ambition of a positive outcome for all stakeholders. That's what we call "**The Positive Way**".

Wavestone brings together 4,000 employees across 9 countries. It is a leading independent player in the global consulting market.