



Data Governance

Results of the Rapid Survey



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2. Foreword

Data Governance refers to the overall management of the availability, integrity and security of the data used within an Enterprise. A sound data governance model includes a defined approach or policy, a set of procedures, and a plan to execute those procedures under the direction of a governing body or council. To implement such a model or programme, would typically involve defining owners or custodians of the data 'assets', the development of a policy specifying who is accountable for the various data elements, such as its accuracy, consistency & updating ('data stewards' as highlighted in the survey), and also how and where the data is to be stored, backed-up and restored, retention period and how it is to be protected - whether from misuse, theft or direct attack. A set of standards & procedures would then define how that data is to be used by authorized personnel to provide the required level of service back to the designated business users, in accordance with auditable controls to deliver ongoing compliance with national, EU and potentially even world-wide government regulations.

The survey highlights the importance that all organisations whether large or small are placing around data governance identifying clear drivers such as improving the quality of customer data through to developing solid internal systems for finance and HR all of which are aimed at driving up the efficiency and effectiveness of the business. Many companies though are at the early stages of development or implementation of a data governance strategy reflected in the variety of drivers, owners and approaches highlighted as well as the current lack of hard measures of success.

In our experience, there are three main drivers towards improved data management and why data governance is becoming increasingly important. For managing Risk and streamlining compliance - as highlighted in the survey, but also for managing and controlling the demand for storage and data but also improving efficiency

As the survey points out successfully delivering on a Data Governance strategy is best done as a partnership approach between Lines of Business and IT, as typically there will be 'top down' business process initiatives driven by Risk & Compliance Officers & Records Management initiatives, together with 'bottom up' more IT driven, ILM or information management initiatives.

In summary, data governance is becoming an increasingly important element in the improved control and management of every growing data volumes & varied data types. All Enterprises need to address this growth in corporate data - whether file systems or databases - in a consistent and systematic, policy approach - but not keeping 'everything for ever' & reflecting the fact that different data types have varying importance to business users over time. Data governance is an important control mechanism - as part of an overall information architecture approach - that tools to optimise the use & deployment of appropriate policies, procedures, tools & technology as all clients will look to drive greater use, and re-use and lever 'data' as a competitive advantage.

We hope you find the following survey informative and useful in developing your own data governance plans.

Andrew Barraclough
Marketing Manager
IBM Software Business, UKISA

3. Background

This survey sought to shed light on respondents' progress towards instituting data governance processes within their organisation as well as internal drivers and inhibitors of data governance, roles and responsibilities, tools, and approaches. This research was sponsored with the expectation that readers will find the information useful as they develop plans for their own data governance initiatives.

3.1 Survey Methodology

The survey took the form of an NCC Rapid Survey which is a short web-based questionnaire available to NCC contacts for a limited period. The survey questionnaire was developed in consultation with IBM and consisted of 19 questions most of which were in optional answer format.

Participation was primarily by invitation. NCC members and contacts were e-mailed an invitation to participate in the research. A further reminder e-mailing was dispatched to members one week before the survey closed.

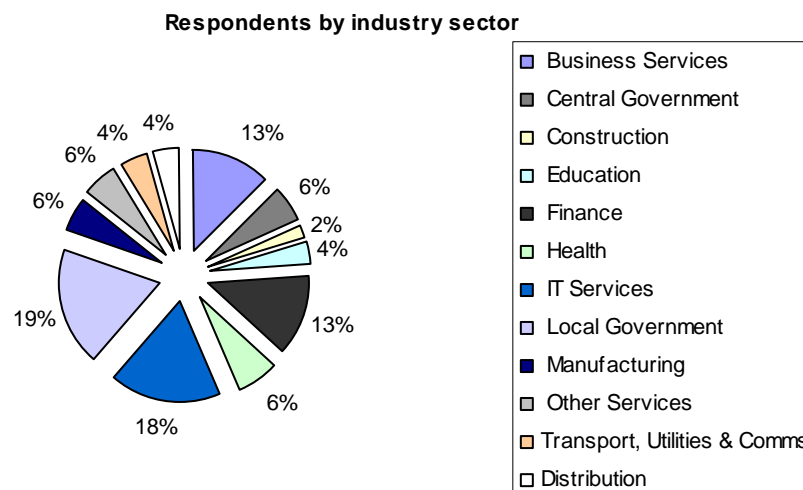
The survey was open for responses for five weeks during September and October 2006.

3.2 The Respondents

This report is based on 141 responses received by the closing date.

3.2.1 Respondents by industry sector

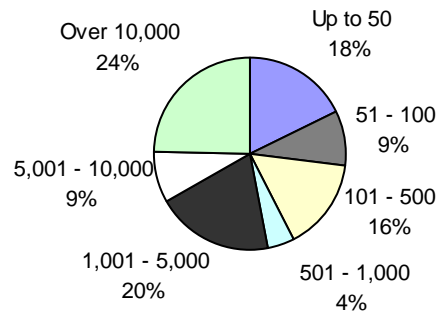
The survey respondents represented a good cross section of industries. Almost two-thirds of the responding organisations were from the private sector and the remaining one-third were from the public sector.



3.2.2 Respondents by number of end-users

Respondents split by number of end-users show a good representation of very large organisations. In this survey, 53% of respondents employ over 1,000. Since the respondents are a self-selecting sample, this suggests that larger organisations have a greater level of interest in issues relation to data governance.

Respondents by number of end-users



4. Data Governance within the Organisation

4.1. Which one of the following best describes the degree to which formal data governance is currently implemented within your organisation?

Just under two-thirds of organisations have gone some way to implement data governance, and a further 33% have identified it as important but have made no real progress in terms of implementation.

Data governance has not been implemented and is not on the planning horizon for 7% of responding organisations.

There is some correlation with size of organisation, organisations with less than 50 end-users were more likely to report that data governance has not been implemented although in some cases they had already identified it as important.

Only 14% of respondents indicated that they have implemented formal data governance and it is operational organisation-wide. However, organisation-wide implementation of data governance was furthest advanced in the Health sector (33%), closely followed by the IT Services and Business Services sectors (both 28%).

Current implementation of formal data governance



4.2. Which one of the following best describes how formal data governance lies within the wider context of overall organisation strategy?

According to respondents, data governance is more likely to be seen as a business initiative than an IT initiative. 18% see it as a business initiative driven by compliance, 5% see it as a business initiative driven by opportunity, and 14% see it as an integral part of the definition of corporate governance. A significant group, 23% indicated it was a blended IT initiative and business initiative with some key business stakeholders.

By contract, 16% of respondents see it as an IT initiative with IT acting as the driver for all or most of the development and 12% see it as part of the definition of IT governance.

50% of the Other Services sector (which includes charities and professional and trade services) indicated their initiative is being led by IT.

Half of the responding organisations with 501 to 1,000 end-users have a strategy where data governance is an integral part of a formal top level process of defining corporate governance.

Data governance in the wider context of organisation strategy

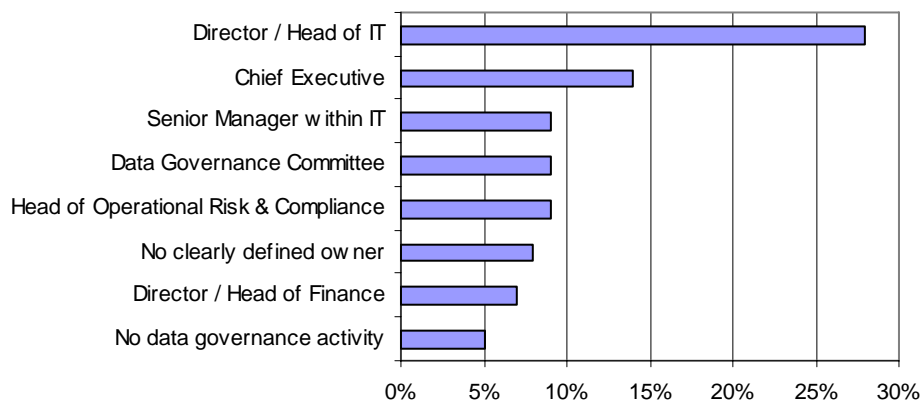


4.3. Who is responsible for driving data governance within the organisation?

It is probably not surprising that the survey results reveal that the Director or Head of IT is most likely to be responsible for driving data governance within the organisation.

However, in the smaller organisations (those with less than 50 end-users) it is more likely that the chief executive has responsibility for data governance, but this is not surprising as in smaller organisations quite a lot of these roles are unlikely to exist.

Roles responsible for driving data governance



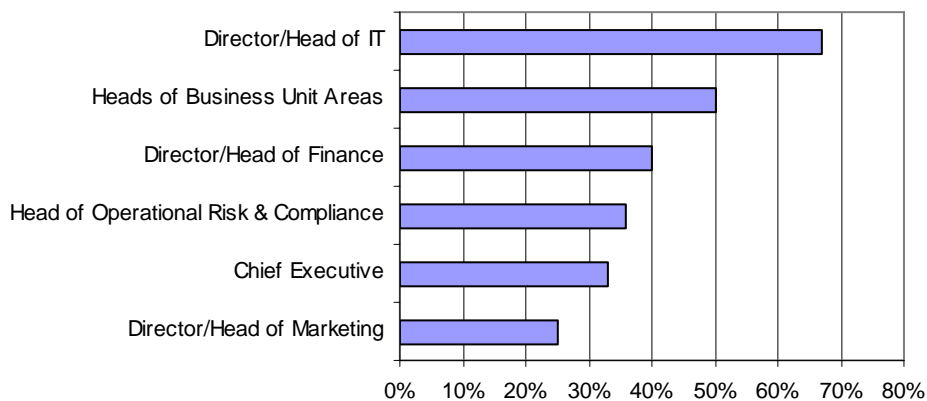
11% of respondents indicated there were others driving data governance. These included:

- "Head of Legal Services"
- "Chief administration office"
- "Director of Information and Performance Management"
- "Chief Information Officer (wider organisational mandate than Director of ICT)"
- "Director of business support services"
- "Senior Manager of IT, Facilities & Customer Services"
- "Various people own various aspects, but no one has overall responsibility for driving it forward"
- "Company Secretary"
- "Internal Audit & Corporate Policy Unit"
- "Committee has Business, IT, Legal, audit and internal control representatives"
- "Head of Information Governance supported by cross-departmental team and specialists from areas such as Legal, Risk Management and Audit"
- "The lead for data governance is currently taken by the Corporate Policy, Performance & Improvement Team and the Information & Knowledge management Team. We also have Corporate Governance Board who consider broader governance issues."

4.4. Who is involved in data governance within the organisation?

Even though there tends to be one person in the organisation responsible for driving data governance within the organisation, a large proportion of respondents indicated that there are other people involved in data governance. Half of those who cited the Director or Head of IT as involved in data governance also indicated they were responsible for driving it within the organisation.

Others within the organisation involved in data governance



15% also indicated there were others involved that were not on the list. Comments included:

- "Data Analysis team"
- "Enterprise Architect"
- "IT support"
- "Internal Auditor"
- "Information Security Officer"
- "HR Director"
- "Head of Internal Audit & Corporate Policy Manager"
- "Information Manager"
- "Currently laying down a process for Define Info Architecture, there has been limited activity to date on classifying info assets"
- "All other employees as appropriate for their roles"
- "Information & Knowledge Management Team and Corporate Policy, Performance and Improvement Team as well as varying levels of involvement in Departments"

4.5. To what extent are the following types of data the focus of data governance?

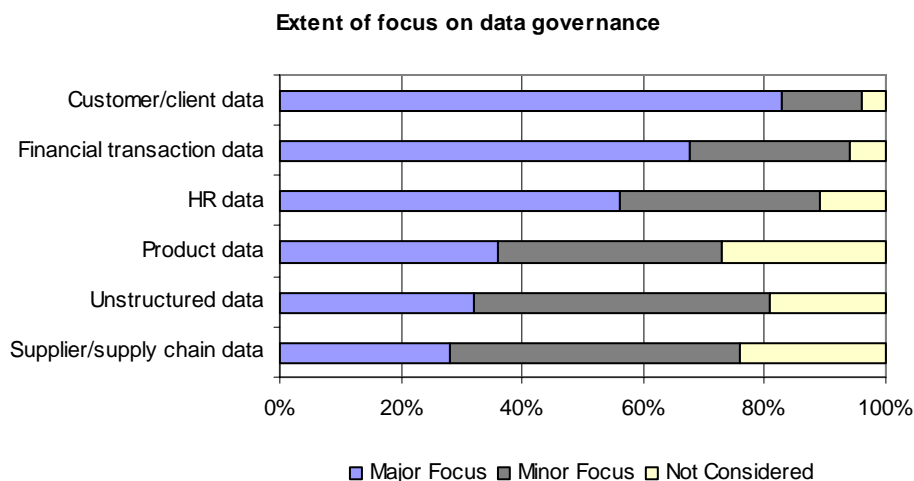
Most of the respondents are taking a wide view of data governance as they are focused to some extent on all of the different types of data listed in the survey, but it is clear that some data is more likely to be a priority. Although over 80% of respondents indicated some focus on unstructured data, only just over 30% describe this as a major focus.

It seems likely in many organisations, unstructured data will only be tackled after the most pressing data governance issues have been completed, for example, customer/client data, financial transaction data and HR data.

All respondents representing organisations with 501 to 1,000 end-users indicated that customer/client data and financial transaction data are a major focus.

Similarly all of the respondents from the Transport, Utilities and Communication sector and from Construction, Education, and Health reported major focus on customer and client data.

However, just under one-quarter have not even considered data governance when it comes to suppliers and supply chain data.

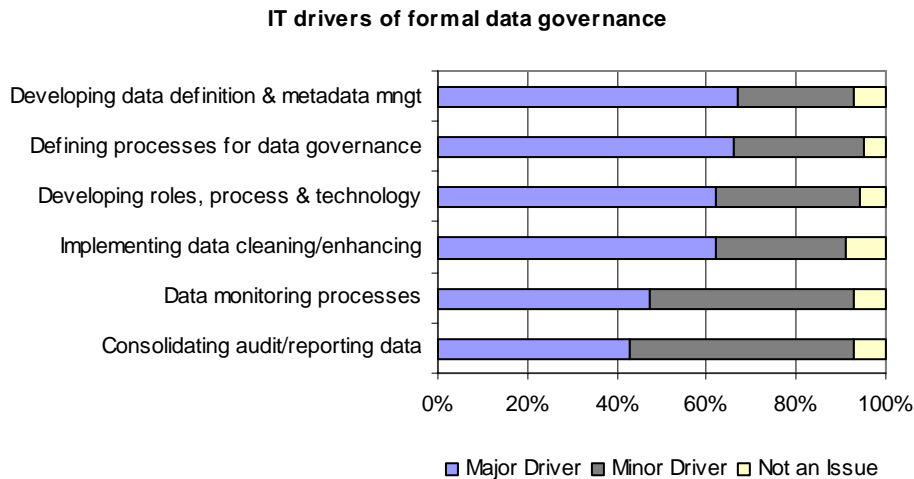


5. The Perception of Data Governance

5.1. To what extent do you see the following as the IT drivers/elements of formal data governance?

All the areas identified in the survey as drivers or elements of formal data governance scored highly with respondents.

However, improving data monitoring processes and the consolidation of audit/reporting data are only seen as a minor driver in the majority of cases.



5.2 What is the single most important IT driver/element of formal data governance?

The single most important IT driver of formal data governance for respondents is compliance. The second most important driver is developing data governance roles, processes and technologies.

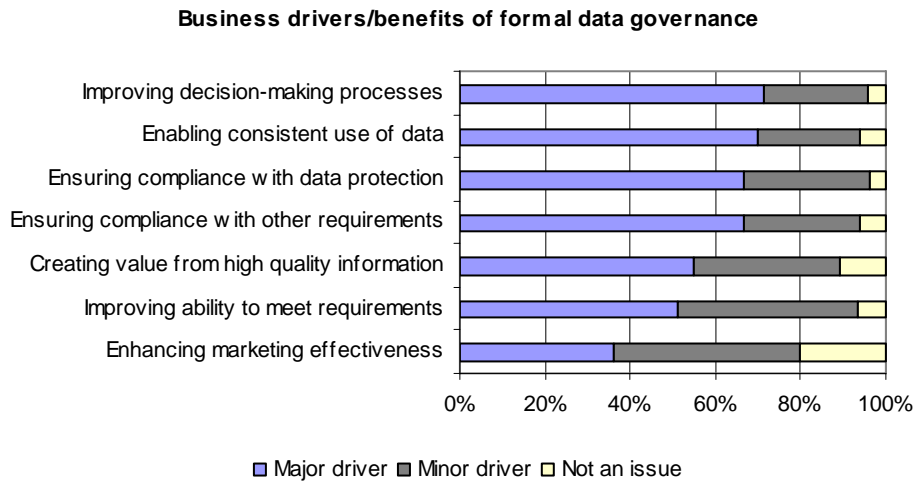
No one identified defining the processes for ensuring ongoing data governance or developing organisation organisation-wide data definition and metadata management as the most important driver.

Comments from respondents included:

- "Risk to reputation."
- "All staff bought into policies and requirements."
- "For each employee to understand the processes and procedures in place to assure high and enduring data governance standards."
- "Using technology as leverage and enabler for checks, security, communication, enforcement."
- "To establish ownership in user departments in order to relieve pressure on the IT Section."
- "Coherent view of data requirements so can deliver what business needs, rather than playing catch up."

5.3 To what extent do you see the following as the business drivers/benefits of formal data governance?

Improving decision-making processes through better quality data is the biggest driver or benefit of formal data governance, closely followed by enabling consistent use of data. These are closely followed, as major drivers, by the requirement to ensure some forms of regulatory compliance.



5.4 What is the single most important business driver/benefit of formal data governance?

Like IT drivers, compliance is also viewed as the biggest business benefit of data governance. However, comments from respondents included a range of different perspectives:

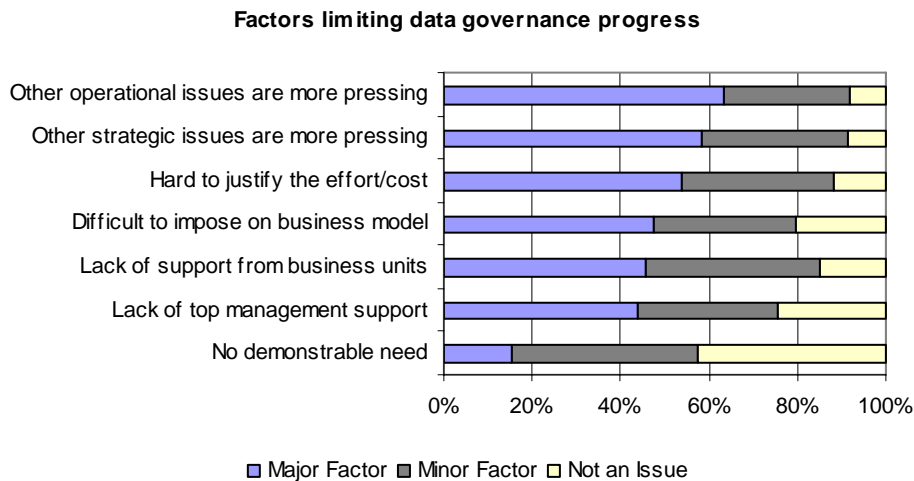
- "Cost effective IT aligned with the business."
- "Professional reputation."
- "Ability to retrieve data from any part of the organisation using an agreed records management."
- "Sarbanes Oxley compliance."
- "Having better information than our trading partners."
- "Being able to use reliable trustworthy information to drive the organisation."

5.5 To what extent do the following factors limit progress on formal data governance?

It probably isn't surprising that the biggest factors limiting progress with formal data governance in the organisation are others issues – strategic or operational – being more pressing. This is a similar picture to other cross-company issues like security.

Another factor we often see in issues that need business as well as IT high level involvement is the problems with top management support. This in itself begs the question is there a need to raise awareness across the organisation about the importance of data governance and the potential implications of not getting it right.

For larger organisations justifying the cost or effort was more likely to be a major factor in limiting progress on formal data governance.



The lack of support either form top management or the rest of the business were cited as the most important factors limiting progress on formal data governance. Additional comments from respondents included:

- "Availability of suitable resource."
- "Time it takes to get approval to access data from client."
- "Lack of support from Business units and identifying data (and sometimes process) owners."
- "Lack of resources: money and people."
- "Acceptance by the organisation of the benefits."
- "Getting buy in and commitment from remote sites who see other issues as far more important."

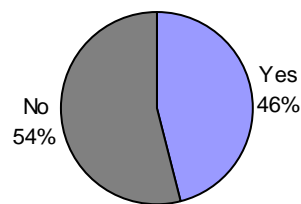
6 The Elements of Data Governance

6.1 Do you have any “data stewards” with well-defined responsibilities for data?

Just less than half of the respondents have a “data steward” in their organisation. Those in the Education sector are more likely to have such a role with 80%. Central Government (63%) and Business Services (61%) also reported “data stewards” in their organisation.

There were no great differences between the respondents by size of organisation but, interestingly, one-third of organisations with up to 50 end-users reported such a role.

Organisations with "data stewards"

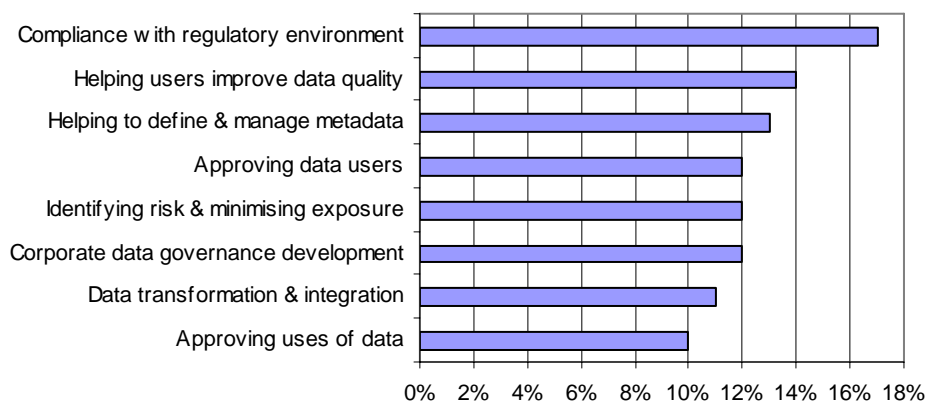


6.1.2 If you do, what types of responsibilities do they have?

Most of the typical responsibilities for data stewards were widely identified by those respondents who indicated they have such a role within their organisation. Considering the drivers and benefits of compliance it is no surprise that ensuring compliance within the regulatory environment was the most frequently cited role of data stewards.

The different roles of the data steward could be seen as training or guidance, enforcement and development. Most data stewards will incorporate elements of each of these, but the response to the list presented in the questionnaire implies that they tend to be seen first and foremost in a guiding role.

Types of responsibilities for "data stewards"



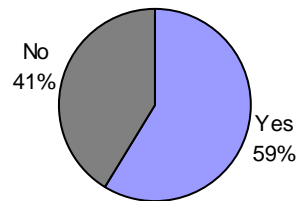
6.2 Do you clean, standardize and de-duplicate data?

58% of respondents said their organisation does clean, standardise or de-duplicate data.

IT Services and Distribution sectors were more likely to report that they cleanse data, while the Education and Manufacturing sectors were the least likely to report they do any of these activities.

The medium-sized organisations with between 101 to 1,000 end-users were the least likely to clean, standardize and de-duplicate data.

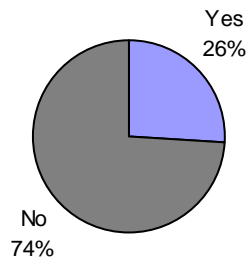
Cleaning, standardising and de-duplicating data



6.3 Do you have any metrics that you use for measuring/comparing data quality?

Just over one-quarter of responding organisations use any metrics for measuring or comparing data quality.

Current use of any metrics to measure data quality



In terms of what types of data quality metrics organisations use there was very little forthcoming from respondents.

- "Bespoke validation procedures"
- "Data quality must exceed 97%. it is tested weekly through our operational tests and a data clerk cleanses any data that falls outside our norms"
- "Data Completeness, Data accuracy (e.g. invoiced total v. supply & returns), Outstanding errors, etc"
- "Not yet. Data Quality Assurance group established to review data quality and meet requirements of Audit Commission."
- "Patchy implementation but including: completeness of key data, e.g. for customers; consistency of data from different sources; integrity of data, e.g. old enough to have a credit card"

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