The State of Data and Analytics Governance: Align Risk, Optimization and Data Value Initiatives

Saul Judah

"IF EVERYTHING SEEMS UNDER CONTROL, YOU'RE NOT GOING FAST ENOUGH."

Mario Andretti

… But Are We Ready for the Ride?

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Key Issues

1. What is the state of data and analytics governance today and where is it not working?

2. How can we better address data and analytics governance issues and get back on track?

3. Where is data and analytics governance heading and how do I align with its trajectory?

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Key Issues

1. **What is the state of data and analytics governance today and where is it not working?**

2. How can we better address data and analytics governance issues and get back on track?

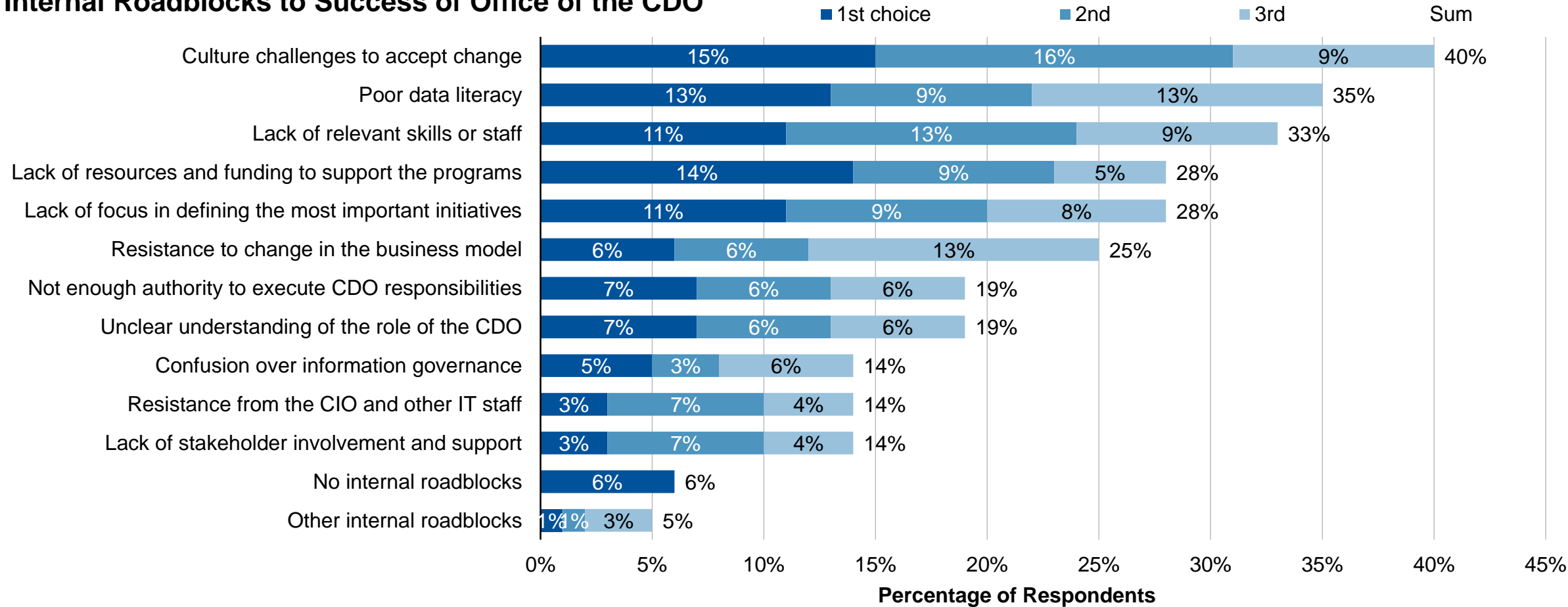3. Where is data and analytics governance heading and how do I align with its trajectory?

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Internal Roadblocks to Success of Office of the CDO

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Legend: ■ 1st choice ■ 2nd ■ 3rd   Sum

Roadblock	1st choice	2nd	3rd	Sum
Culture challenges to accept change	15%	16%	9%	40%
Poor data literacy	13%	9%	13%	35%
Lack of relevant skills or staff	11%	13%	9%	33%
Lack of resources and funding to support the programs	14%	9%	5%	28%
Lack of focus in defining the most important initiatives	11%	9%	8%	28%
Resistance to change in the business model	6%	6%	13%	25%
Not enough authority to execute CDO responsibilities	7%	6%	6%	19%
Unclear understanding of the role of the CDO	7%	6%	6%	19%
Confusion over information governance	5%	3%	6%	14%
Resistance from the CIO and other IT staff	3%	7%	4%	14%
Lack of stakeholder involvement and support	3%	7%	4%	14%
No internal roadblocks	6%			6%
Other internal roadblocks	1%	1%	3%	5%

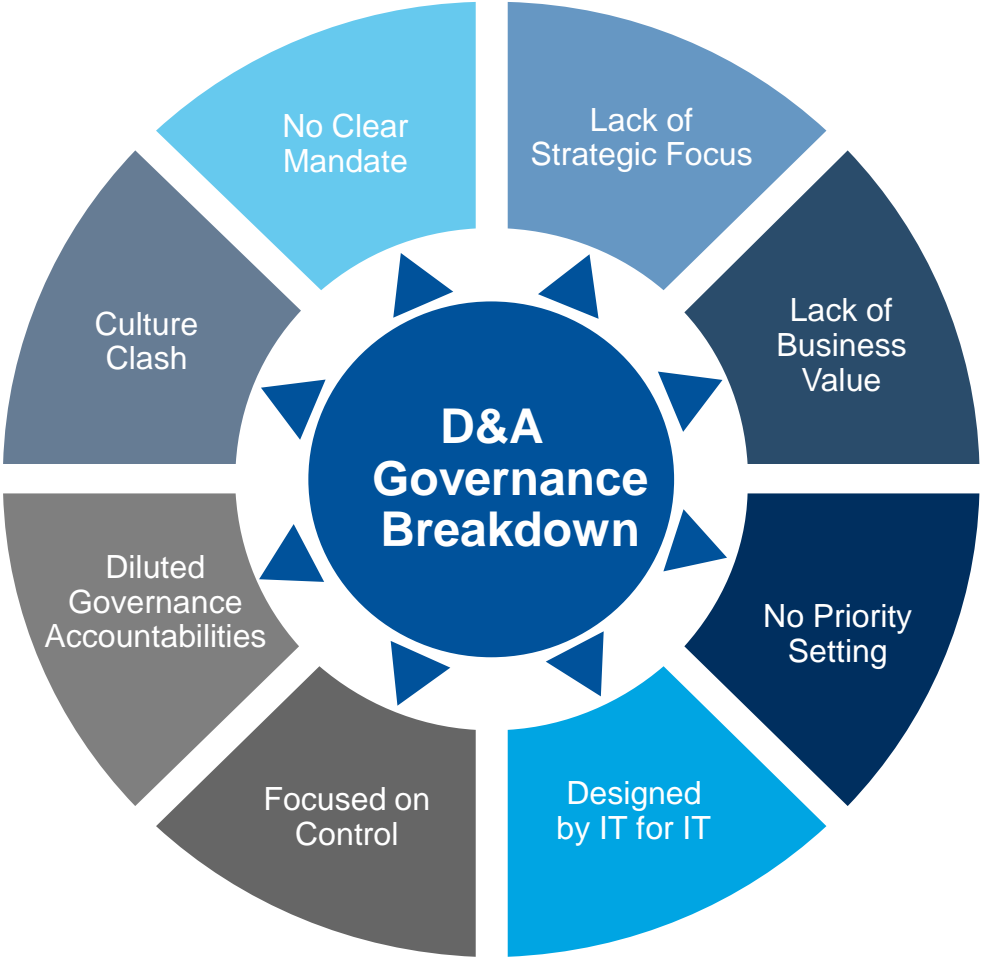Percentage of Respondents (x-axis: 0% to 45%)

Base: Full/Partial office of CDO, Excluding Unsure, n = 152
O8A. Now, what do you see as the internal roadblocks to the success of the office of the CDO? Rank of top three
ID: 332689

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Good Intentions Meet Reality: Factors That Result in Governance Failures
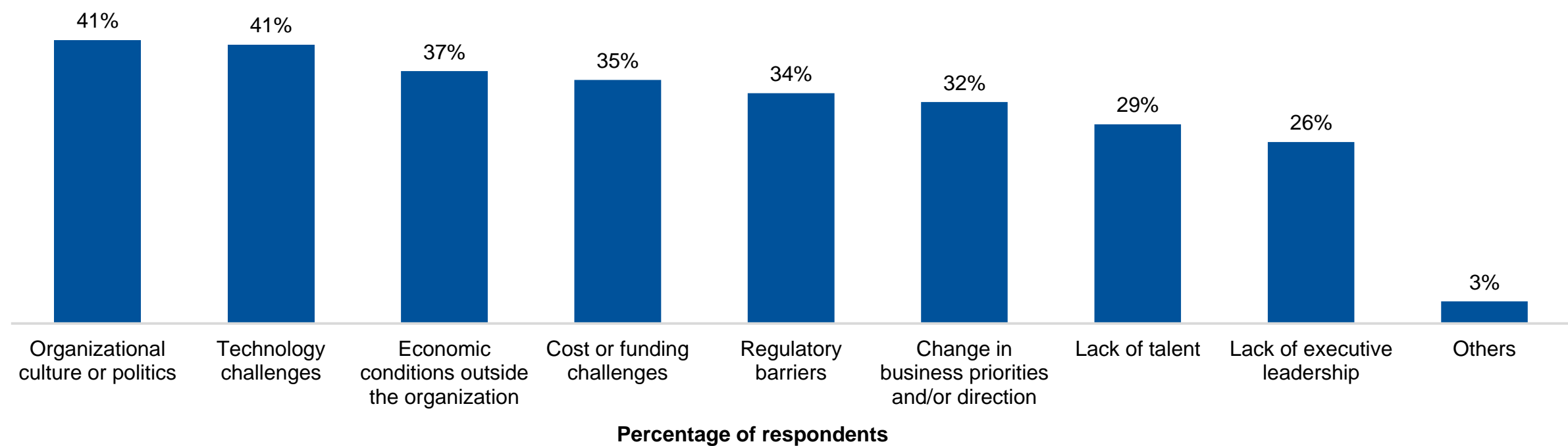
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Governance Breakdown

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Do We Recognize Governance Issues When They Arise?

Across initiative types, 41% of respondents cite organizational, culture and technology challenges as barriers to recognizing business value.

Funding challenges and regulatory barriers are hurdles to over 1/3, along with external economic conditions.

Percentage of respondents

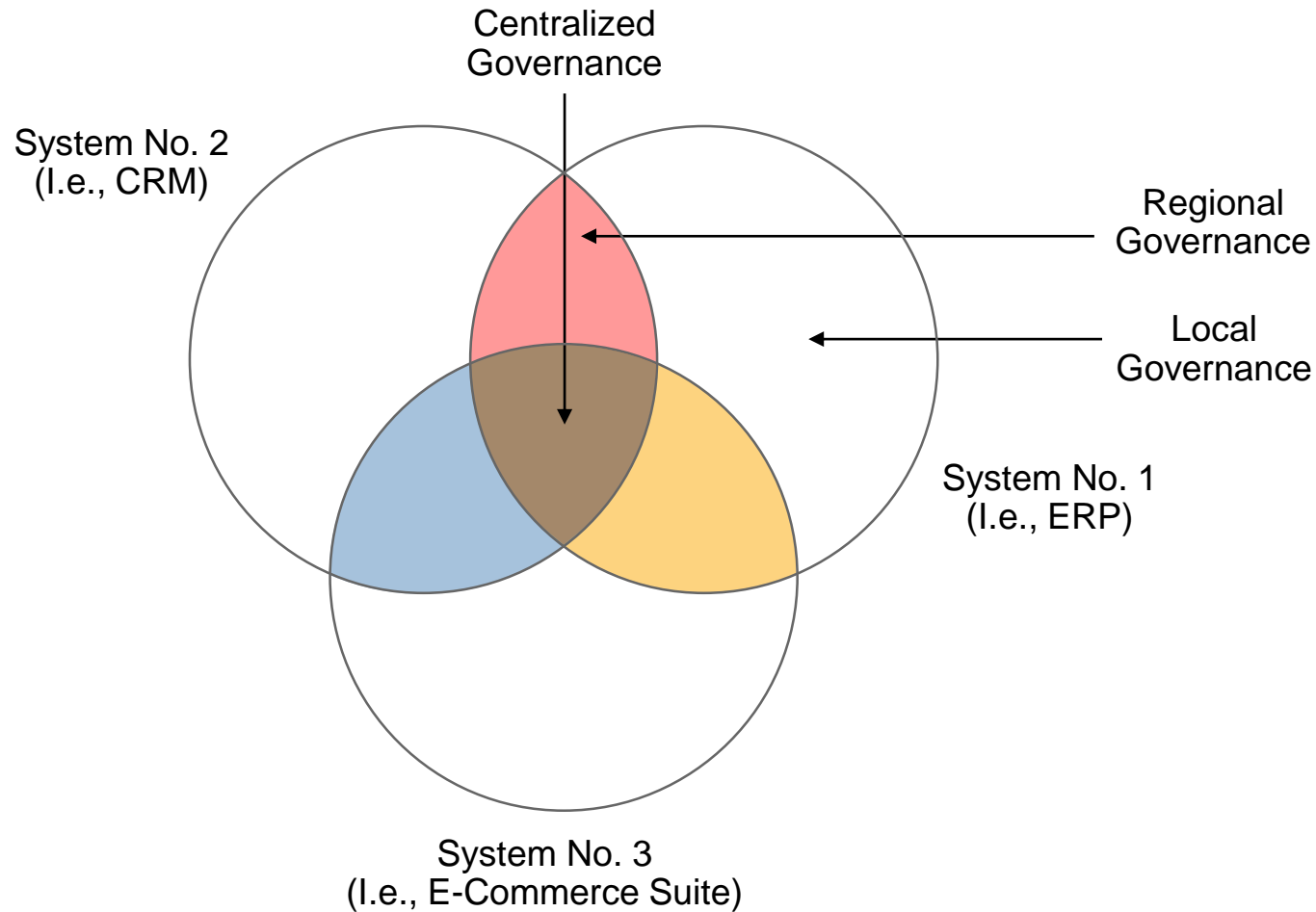|	41%	41%	37%	35%	34%	32%	29%	26%	3%
	Organizational culture or politics	Technology challenges	Economic conditions outside the organization	Cost or funding challenges	Regulatory barriers	Change in business priorities and/or direction	Lack of talent	Lack of executive leadership	Others

Multiple Responses Allowed
Base: Not yet met targets and goals (Q) n = 155
(Q) For those initiatives your organization has not yet recognize business value, what barriers have prevented such recognition?

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Example — Use The Gartner EIM Maturity Model

EIM Dimension:	Overall	Vision	Strategy	Metrics	Governance	Org/Roles	Life Cycle	Infrastructure
EIM Maturity Index:	2.62	2.86	2.90	2.27	2.60	2.60	2.72	2.41
EIM Maturity Level:	Proactive (-)							

Range of weighted responses (1-5) for each EIM maturity dimension

EIM Maturity Level Description:	Your organization is similar to about 40% of those that are more or less mainstream today in terms of their information-related capabilities. These organizations typically have become more proactive in addressing certain areas of information management, and have started to put the "enterprise" in enterprise information management. Some programs are operational and effective but there is little leverage or alignment across programs and investments.							
EIM Program Balance:	Somewhat Balanced							
Key Focus Areas:	Metrics Governance Org/Roles Infrastructure							
EIM Maturity by Dimension:								

EIM Maturity by Dimension

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Are We Governing What Makes a Difference?

System No. 2
(I.e., CRM)

Centralized
Governance

Regional
Governance

Local
Governance

System No. 1
(I.e., ERP)

System No. 3
(I.e., E-Commerce Suite)

Use this to discuss the overlapping contention across multiple applications that share the same information assets.

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Do We Have the Right Governance Footprint for Our Business Outcomes?

- Monitors Program Effectiveness
- Sets Targets for Program (Metrics for Stewards)
- Sets/Approves Policy (Workflow, Processes, Life Cycle, Business Rules)

- Deep Process Expertise
- Process Impact Analysis
- Implements Policy/Decision

Process Owners

Governance Board

Stewards Office

Data Custodians
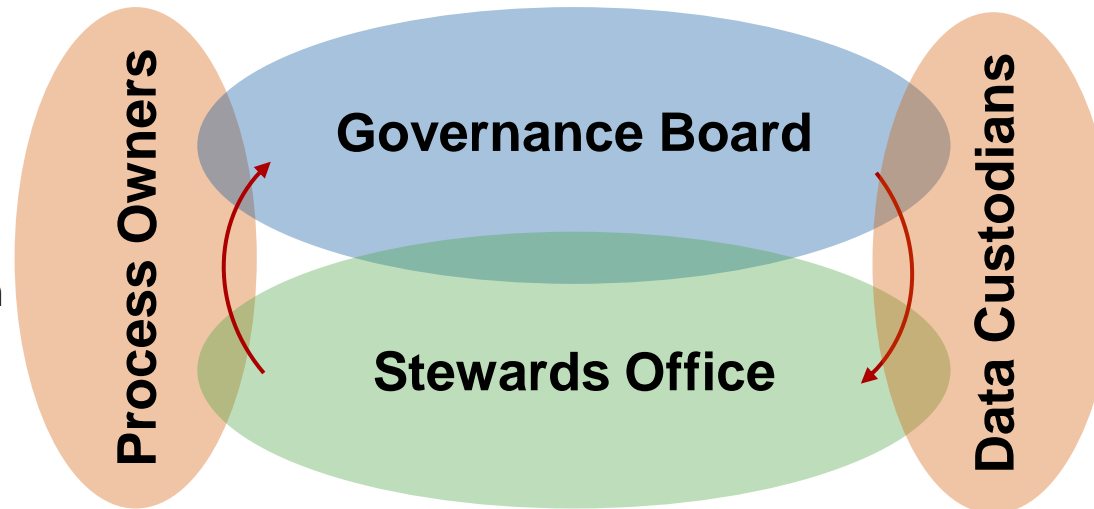
- Data Domain Expertise
- Takes the Long-View for Data
- Analysis Policy/Decision on Data

- Chief Problem Solver
- Monitors, Measures, Reports
- Business Process/Program Improvement

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Do Our Governance Models Match Our Organizational Culture?

1. D&A in the Business Unit
2. D&A in the IT Department
3. D&A in a Separate Department
4. D&A in the LOBs and the IT Department
5. D&A Experts Scattered Throughout the Enterprise
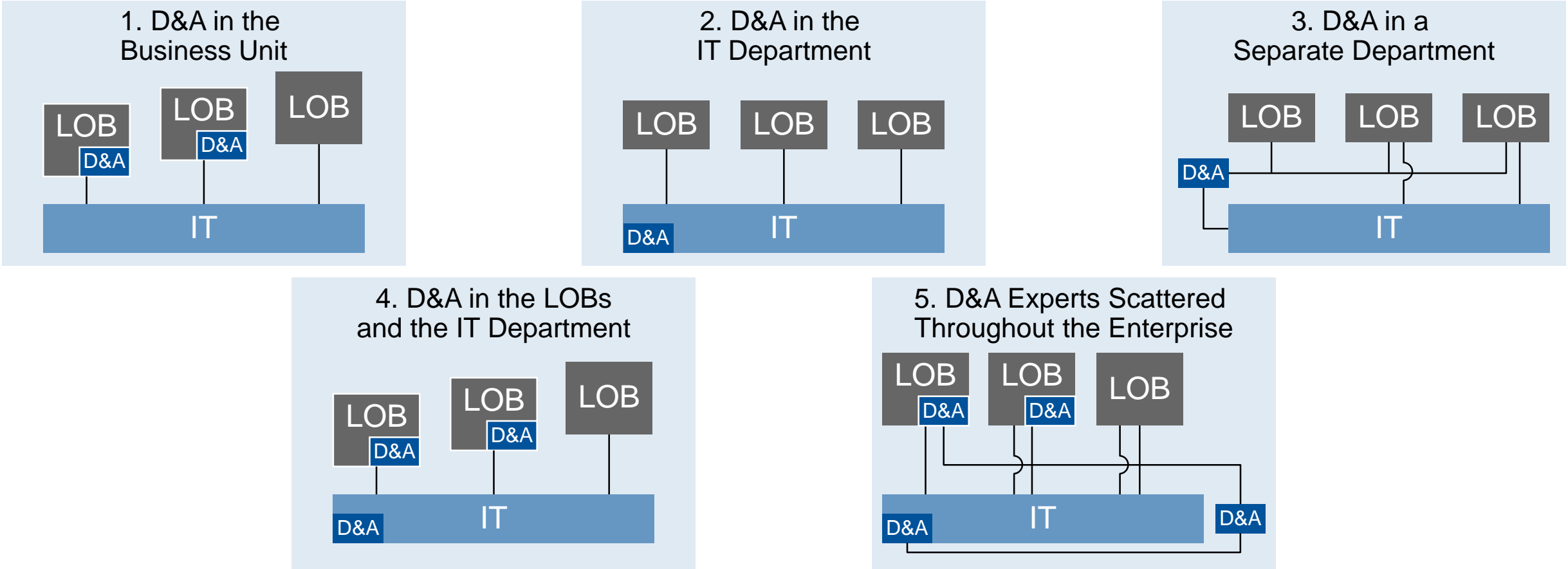
Do we have adequate elasticity in our Data & Analytics Governance Approach?

D&A = Data and Analytics; LOB = Line of Business

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Are We Focusing on Check Box Compliance or Risk-Based Decision Making?
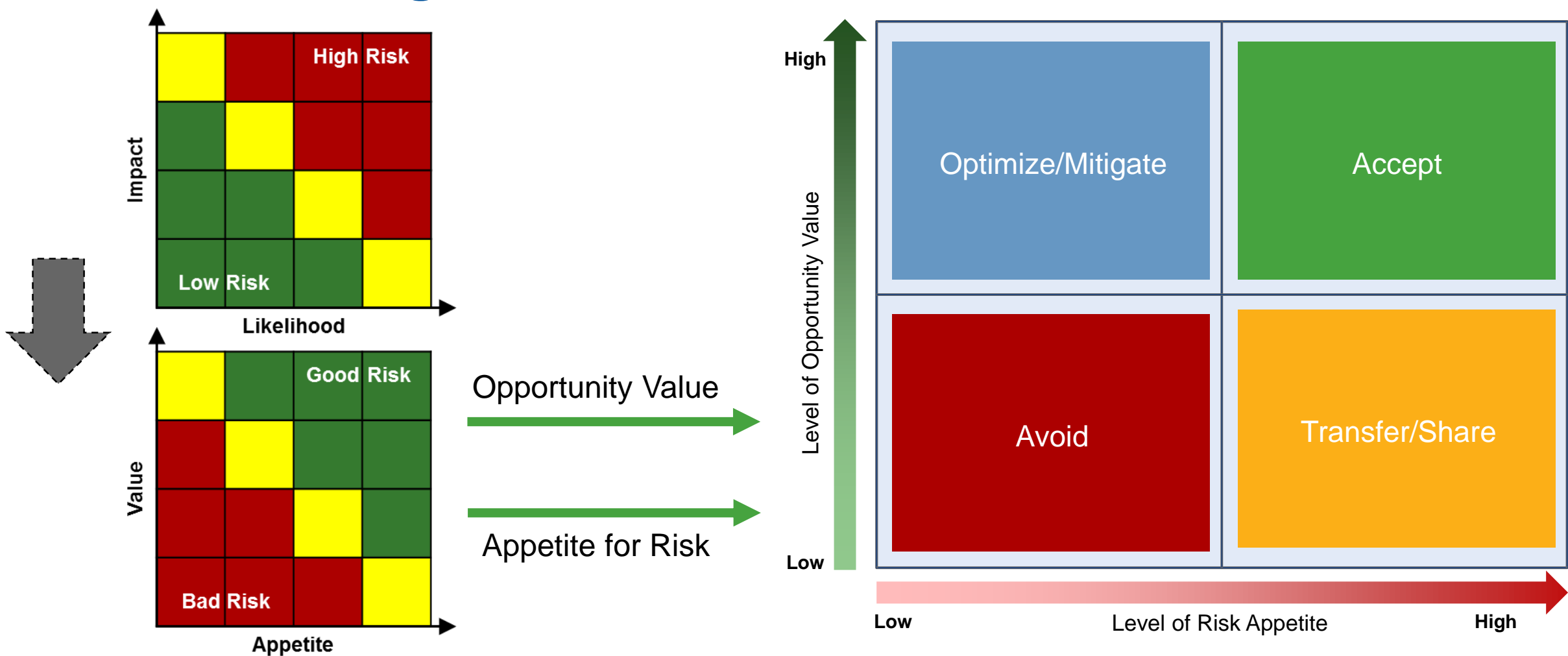
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Governance — Intent and Purpose

- **"Old school"** governance focused on **compliance and minimizing risk** — one-size-fits-all situations.

- **"New school"** governance is focused on **strategy execution and risk balancing** — the right approach is context dependent.

- **One coherent strategy and one coherent governance model focused on strategy execution.**

Data and Analytics Needs Adaptive Governance for Strategy Execution
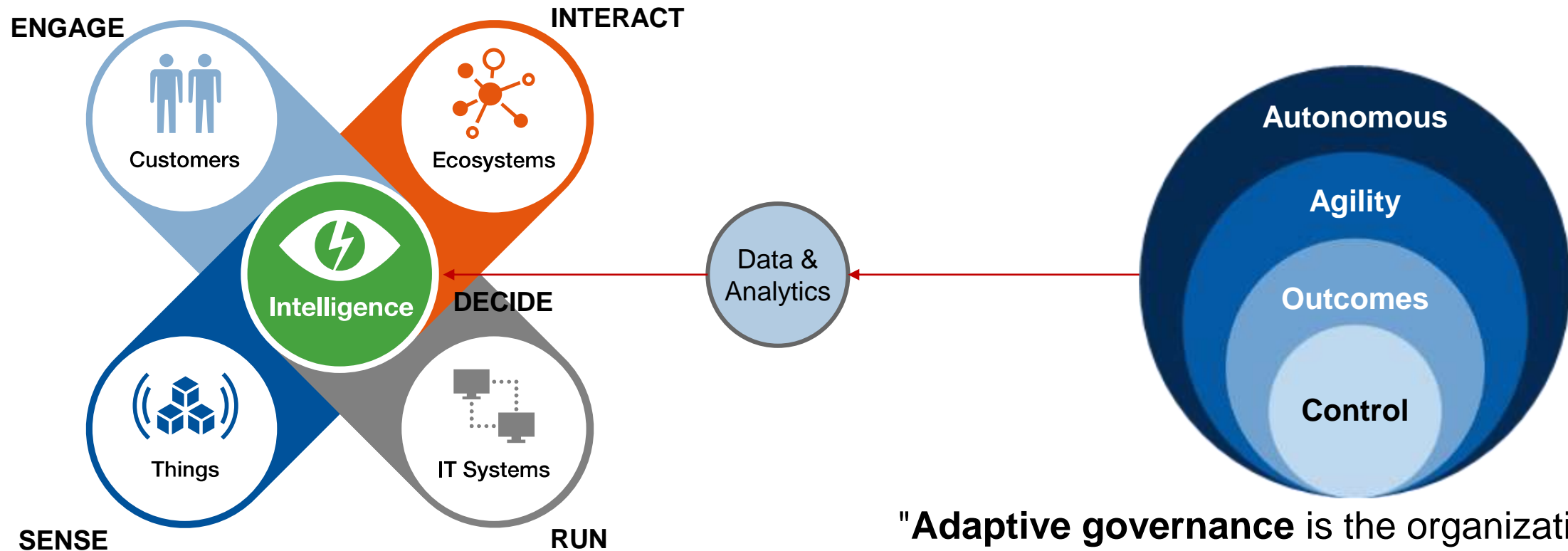
"**Adaptive governance** is the organizational capability that determines the governance styles and mechanisms that will deliver required business outcomes in a given context."

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Adaptive Governance Requires Adopting New Practices for Data and Analytics

Empowering roles and teams with the authority to make distributed and/or mandated decisions that create value for the business; relying more on people's competencies, principles, attitudes and ways of working, rather than authority and/or rules.

Achieving business outcomes while balancing risk, return and performance on investments within the enterprise guardrails

Autonomous

Agility

Outcomes
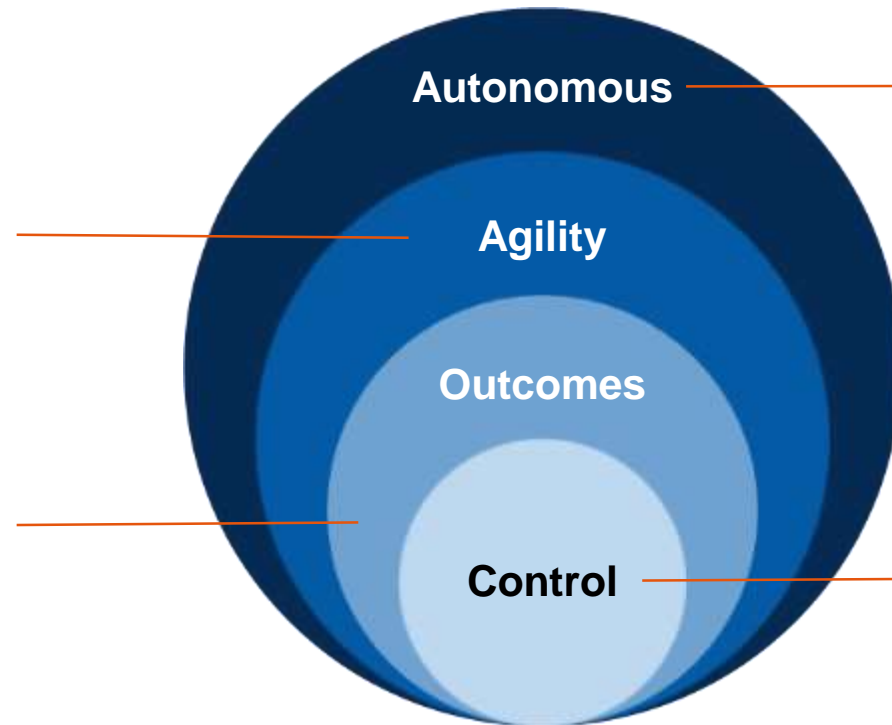
Control

Driving value and managing risk from decisions made in real time by people and things.

Making decisions according to rules, policies, standards, directives and compliance requirements from regulators dominates this command-and-control style of governance. It remains a foundation of and anchor for, governance of the enterprise.

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Use a Mix of Approaches for Effective Adaptive Governance

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Adaptive Governance Applied — Bimodal
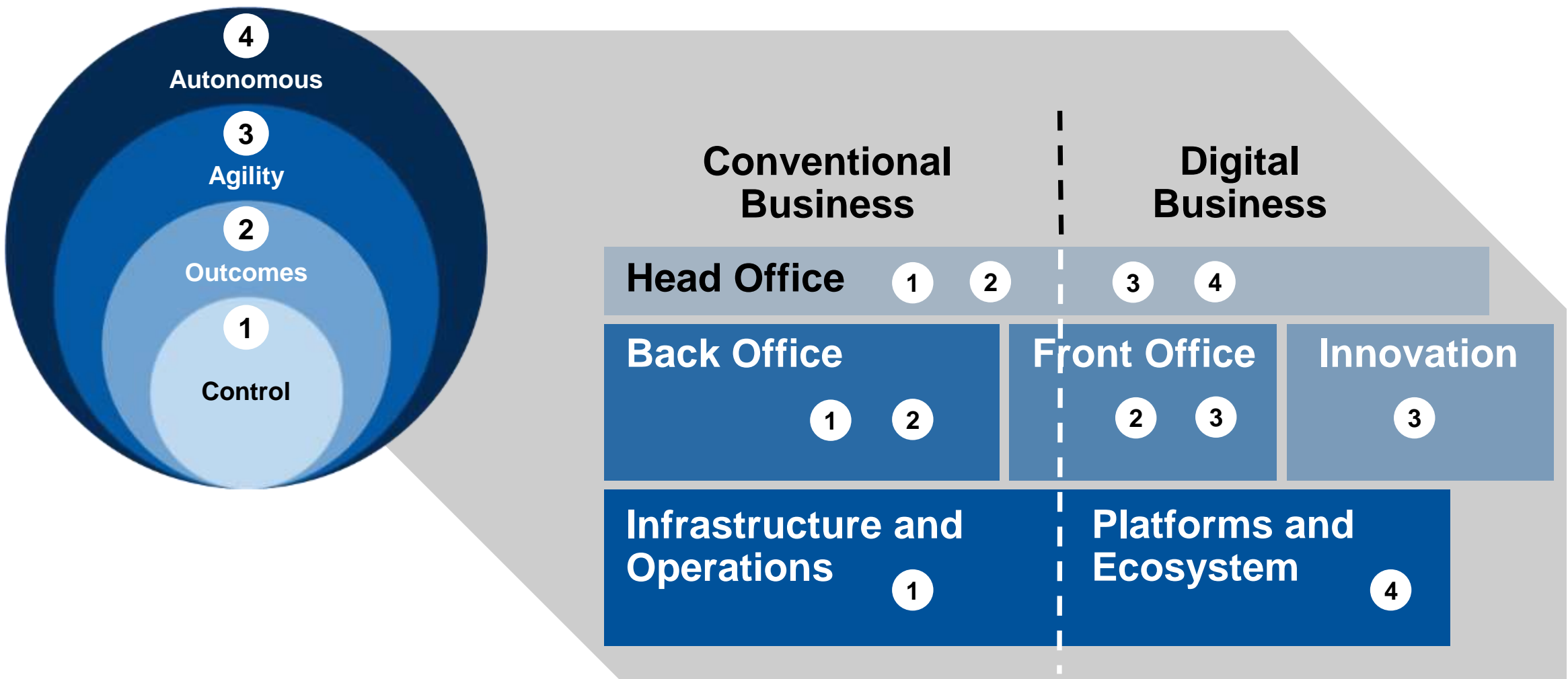
Both Must Win …
… but Who Wins When?

Control ⟷ Agility
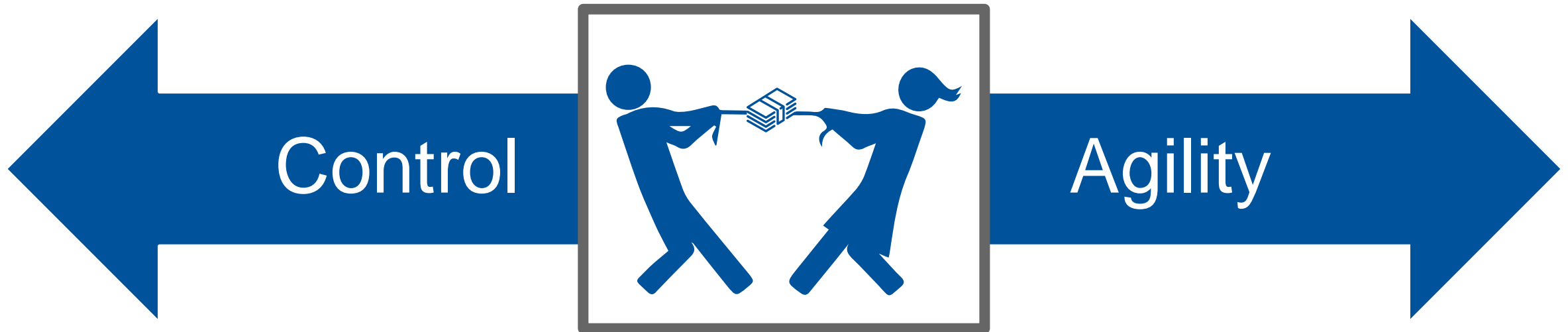
Industrializing bimodal in order to deliver a digital transformation demands agility.

Something has to change!

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Build Your Target Governance Model for Data and Analytics

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Recommendations

✓ Evaluate the health of your governance practices and their current level of effectiveness — what is working and what is not.

✓ Upgrade your governance practices with targeted improvements to current practices.

✓ Adopt **adaptive governance** principles using the right mix of governance styles and approaches that fit your purpose.

✓ Expand your repertoire to include **agile and autonomous styles.**

✓ Enlist stakeholder champions in resetting governance for the digital age.

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Recommended Gartner Research

▶ **Effective Information Governance Needs SMART Principles**
Saul Judah and Ted Friedman (G00301131)

▶ **Successful Digital Workplace Programs Require Agile Information Governance**
Saul Judah and Hanns Koehler-Kruener (G00289498)

▶ **Design an Effective Information Governance Strategy**
Andrew White and Mark A. Beyer (G00338329)

▶ **Reset Your Information Governance Approach by Moving From Truth to Trust**
Andrew White and Thomas W. Oestreich (G00319696)

▶ **ITScore for Data and Analytics**
Andrew White and Thomas W. Oestreich (G00333970)

▶ **Establishing Governance Fundamentals for the Digital Era**
Remi Gulzar and John MacDorman (G00335264)

For information, please contact your Gartner representative.

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