Data Driven Organizations, Case Study: TD Bank – Avi Skidelsky

TD Bank is one of the largest financial institutions in the world, with locations in Europe, the Americas, and Asia-Pacific as well as having multiple business lines such as personal and commercial banking, wholesale banking, and wealth management. Yet, they weren’t immune to some of the largest data issues that face all companies, banks in particular. On the contrary, a company of that size and complexity opens itself to more possible data issues.

Due to the heavily customer facing nature of TD Bank’s operations, data problems came from both internal and external sources. The catalyst of all challenges was that data was being collected at a business level but wasn’t being passed on and used at an enterprise level. This is such a key point because in order for data to be useful it needs to be extracted from multiple sources and systems, otherwise the insights that could possibly be derived and gained from the data wouldn’t be as valuable or novel. Additionally, keeping the data localized and then dispersing reports among several teams and systems resulted in inefficiencies, ineffective data management, and confusion. These issues all led to the external problem that TD faced which was customer dissatisfaction. They were upset that they weren’t being presented with enough opportunities and products given the amount of sensitive data that the bank was collecting from them such as their social security numbers and addresses.

To solve these issues, they set up the roles of what they called “data stewards”. These employees had the task of being the liaison between those in upper management and corporate positions and those who have “boots on the ground” and do the day-to-day work. However, these employees already existed in some capacity and they were suddenly overwhelmed with work. A potential solution could have been to transfer some of this work to their managers and not just to the data stewards. This would require more training so that the managers would be as data literate as the data stewards, if not more. However, this short term expense would be useful in the long run so that everything would flow more efficiently.

Solving any problem, especially on a corporate scale, requires buy-in and in this scenario, a lot of buy-in. Unfortunately, the CDO position had been vacant for a significant amount of time so it’s tough to get significant buy-in when you are asking someone to change everything that they are doing at the drop of a hat. A few ways that they can get more buy-in is with demonstration. This includes things like showing projected increases in revenue, projected increases in efficiency, and potential drop in the amount of errors and time spent correcting those errors. An extreme measure that can be taking is to wait for a failure to come up and then point to it as an example of what to do in order to prevent that. Finally, perhaps, the most effective way of having people buy-in and get excited, is to set up incentives for those who are willing to participate in programs and “fall in line”.

Going forward, TD Bank may face a lot of challenges with their data governance policies and plans. From first hand experience working at a bank, banking regulations regarding collection, use, and sharing of data even within the bank are constantly changing and are extremely enforced even as recent as a few years ago. Additionally, while this reason isn’t as explicit of a challenge, banks keep rolling out new products and TD is no exception. With all of these new products including different investment or account options or capabilities of online and mobile banking, different types of data and regulations are constantly changing so data policies will need to be changing which makes the job of the CDO even more critical and useful within an organization. Thankfully, based on the article written, TD Bank is in a good position to move forward and keep improving on their processes.