

A Practical Guide to Data Governance Success

For SMB Organizations

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About Ample Insight

INTRODUCTION

Data integrity and the right approach to data governance play crucial roles in the success of artificial intelligence (AI) and analytics initiatives within an organization. The digital age has brought about an exponential growth in data generation and usage, with an estimated 59 zettabytes of data created, captured, copied and consumed in 2020 alone [1]. By 2025, the global datasphere is projected to reach 175 zettabytes [2], emphasizing the importance of effective data management for organizations of all sizes.

Small to medium-sized companies are no exception, as they too, must harness the power of data to drive growth, innovation and competitiveness. According to a recent Gartner study, poor data quality costs organizations an average of $12.9 million per year [3], highlighting the critical need for robust data governance practices.

This practical guide aims to provide small to medium-sized organizations with a roadmap to successfully implement a data governance strategy that ensures data quality, security and compliance. By following the outlined steps, companies can learn to more effectively navigate the complexities of data governance and unlock the full potential of their data assets.

REFERENCES

[1] Statista. (2020). Global Data Creation and Replication from 2010 to 2024. Retrieved from https://www.statista.com/statistics/871513/worldwide-data-created

[2] IDC. (2018). The Digitization of the World: From Edge to Core. Retrieved from https://www.seagate.com/files/www-content/our-story/trends/files/idc-seagate-dataage-whitepaper.pdf

[3] Gartner. (2021). How to Improve Your Data Quality. Retrieved from https://www.gartner.com/smarterwithgartner/how-to-improve-your-data-quality

CHAPTER 1

ASSESS DATA LANDSCAPE AND DEFINE OBJECTIVES

To create a pragmatic data governance strategy, it is vital for an organization to first assess the current state of their data ecosystem and establish clear objectives. This allows the organization to better understand their data strengths and shortcomings, and to develop a governance strategy that incorporates the goals and needs of all core business units. This chapter helps outline the relevant considerations and steps.

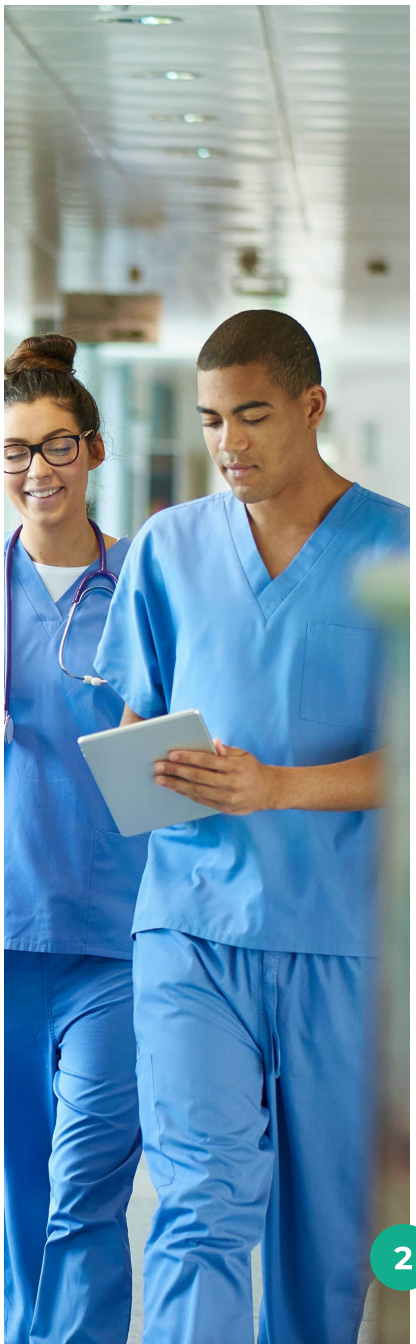
STEP 1

IDENTIFY DATA TYPES, STORAGE LOCATIONS, AND KEY STAKEHOLDERS:

- Conduct an inventory of the data your organization collects, stores and processes. This includes customer data, employee data, financial data and any other relevant data types.

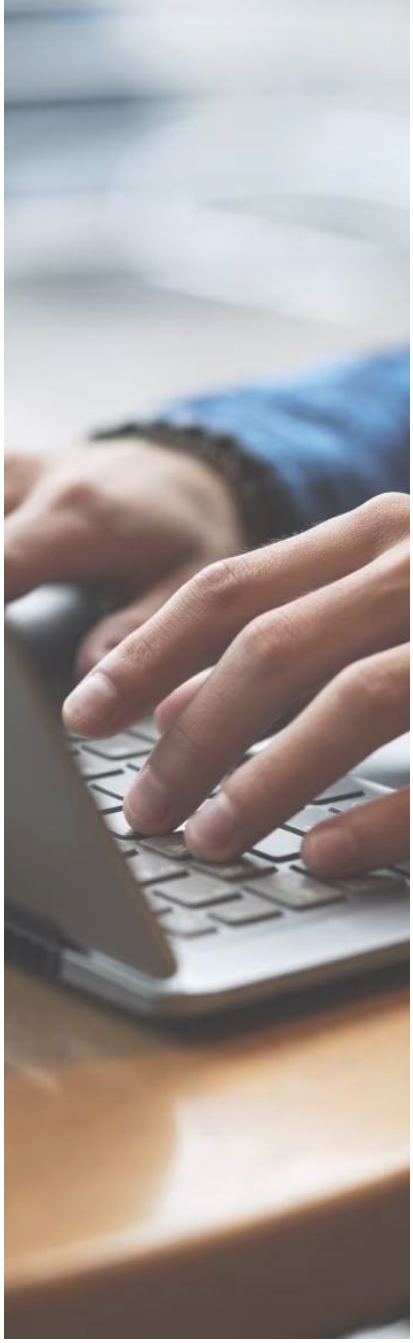
- Determine where your data is stored, whether it's on-premises, in the cloud, or a combination of both. Understanding the storage locations helps ensure data security and compliance with data protection regulations.

- Identify the key stakeholders and decision-makers involved in data management, such as department heads, IT staff, and legal advisors. Involving these stakeholders in the data governance process ensures a shared understanding of data-related risks and responsibilities.



STEP 2

SET CLEAR OBJECTIVES FOR DATA QUALITY, SECURITY, AND COMPLIANCE:



- Establish specific and measurable goals for data quality relating to the accuracy, consistency and timeliness of your data. Having data that you can trust is important for a data informed organization. It also allows you to build confidence in your analytics and AI solutions.

- Develop goals for data security, which should include protecting sensitive information, preventing data breaches, and ensuring proper access controls. Having strong data security measures also safeguards your organization's reputation, and minimizes the risk of regulatory fines.

- Address compliance goals by identifying relevant data protection regulations (e.g., GDPR, CCPA) that apply to your organization. Establishing a compliant data governance framework will help further protect your data assets, avoid legal and financial penalties, and maintain customer trust.

By better understanding your organization’s current data landscape, and setting specific and measurable data objectives, you lay a solid foundation for the rest of your data governance strategy.

CHAPTER 2

ESTABLISH A DATA GOVERNANCE TEAM

A critical aspect of implementing a successful data governance strategy lies in establishing a skilled and knowledgeable team. Bring together cross-functional representatives and appoint a dedicated leader. Invest in regular training and foster a collaborative environment where data-related challenges can be discussed and addressed.

STEP 1

ASSEMBLE A CROSS-FUNCTIONAL TEAM:

- A successful data governance strategy requires collaboration across different departments in your organization. Create a diverse team that includes representatives from different areas such as engineering, IT, legal, finance, and business operations. This ensures a comprehensive understanding of data needs, risks, and opportunities, while also promoting company-wide buy-in.



STEP 2

DESIGNATE A DATA GOVERNANCE LEADER:

- Appoint a dedicated leader to oversee the data governance team, and ensure consistency in the implementation of policies and procedures. This person should have a strong understanding of data governance, and have the ability to communicate effectively with team members and stakeholders (that may at times have competing priorities). The data governance leader will be responsible for setting priorities, tracking progress, and addressing any challenges that arise.

STEP 3

PROVIDE REGULAR TRAINING:

- Data governance is a dynamic field, with new regulations, tools, and best practices continuously emerging. To keep your team up-to-date and effective, offer regular training on data governance concepts, technologies, and regulatory requirements. This not only builds competency but also helps foster a culture of continuous improvement and collaboration among team members.



Creating a cross-functional data governance team helps cultivate a deeper understanding of data-related challenges and opportunities across the organization. It also improves company-wide buy-in, ultimately resulting in a more effective and sustainable data governance framework.

CHAPTER 3

DEVELOP AND IMPLEMENT DATA POLICIES, PROCEDURES, AND TOOLS

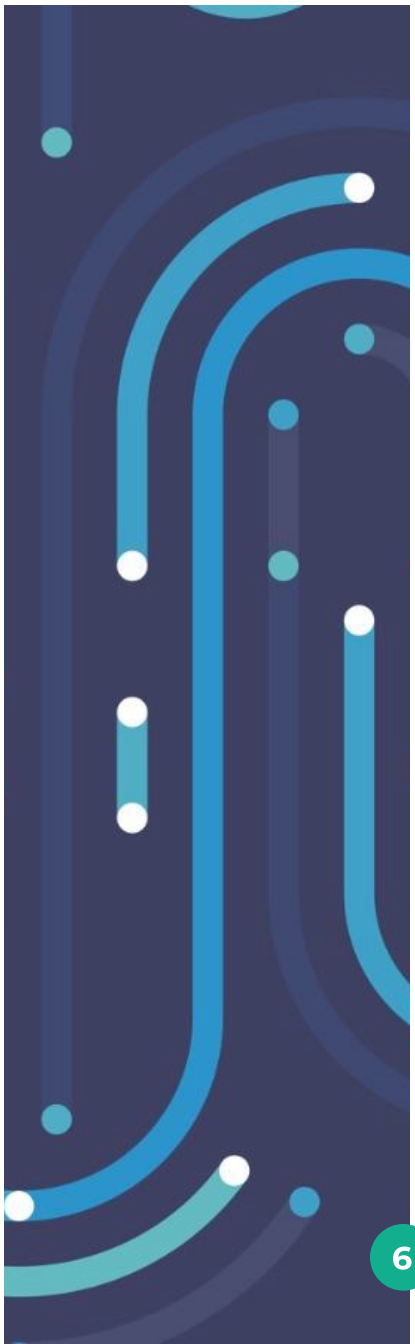
Data governance with clear policies, efficient procedures, and the right set of tools encourages broader adoption. Be realistic with respect to how quickly these new protocols and tools can be integrated into existing workflows and teams. Do research and plan ahead.

STEP 1

CREATE DATA HANDLING, STORAGE, AND ACCESS POLICIES AND PROCEDURES:

- Familiarize your team with the relevant data protection regulations, such as the General Data Protection Regulation (GDPR) or the California Consumer Privacy Act (CCPA). Incorporate these compliance requirements into the new data governance policies and procedures.

- Develop clear and concise policies that outline how data should be collected, stored, and accessed within your organization. This includes specifying data formats, storage locations, data retention periods, and access controls. These policies help maintain data quality, and ensure data security.



STEP 2

UTILIZE DATA CATALOGING, QUALITY, AND LINEAGE TOOLS:

- Implement a data cataloging tool to create a centralized inventory of your data assets. This will simplify data discovery, promote data reuse, and provide information to help you evaluate the fitness of your data assets.

- Leverage data quality tools to monitor and enhance the accuracy, consistency, and completeness of your data. These tools help identify and correct errors, standardize data formats, and validate data against predefined rules and regulations.

- Use data lineage tools to track data flow throughout your organization, from its origin to its final destination. This provides visibility into how data is transformed, who interacts with it, and its dependencies, which is essential for troubleshooting, impact analysis, and ensuring data accuracy.



STEP 3

CREATE A CHANGE MANAGEMENT PLAN:

- Identify the differences and gaps between your current data practices and your new data policies, procedures, and tools. A transition or change management plan should be created for the new data governance strategy.

A robust change management plan that sets a clear path for adopting the new policies, procedures, and tools will provide for a smoother implementation of the new data governance strategy.

CHAPTER 4

MONITOR PROGRESS AND ENSURE REGULATORY COMPLIANCE

Data governance is an ongoing process that requires continued attention and adaptation. Ensure the effectiveness of the implemented policies, procedures and tools by monitoring regulatory compliance and the internal adoption of the data governance strategies. This will help the organization proactively identify and address potential risks and gaps.

STEP 1

TRACK DATA GOVERNANCE KEY PERFORMANCE INDICATORS:

- Regularly monitor performance against the established KPIs which may include data quality scores, data request/issue resolution times, and compliance audit results. Regularly monitoring these metrics allows you to assess the effectiveness of your data governance efforts, identify areas for improvement, and ensure alignment with business objectives.

- Implement a reporting system to track and visualize your data governance metrics. Share these reports with key stakeholders to maintain transparency, accountability, and foster a data-informed culture within your organization.

STEP 2

PERFORM REGULAR COMPLIANCE AUDITS:

- Conduct regular internal audits to evaluate your organization's data governance practices and compliance with applicable regulations. These audits help identify potential risks or gaps in your data governance framework, allowing you to address them proactively and maintain compliance.

- Keep abreast of any changes to data protection regulations and update your data governance policies and procedures accordingly. This ensures your organization remains compliant in the face of evolving regulatory landscapes.



By monitoring progress using clearly defined KPIs and ensuring regulatory compliance through ongoing audits and policy updates, organizations can maintain a strong data governance framework that supports risk mitigation, and trustworthiness in the eyes of customers and regulators.

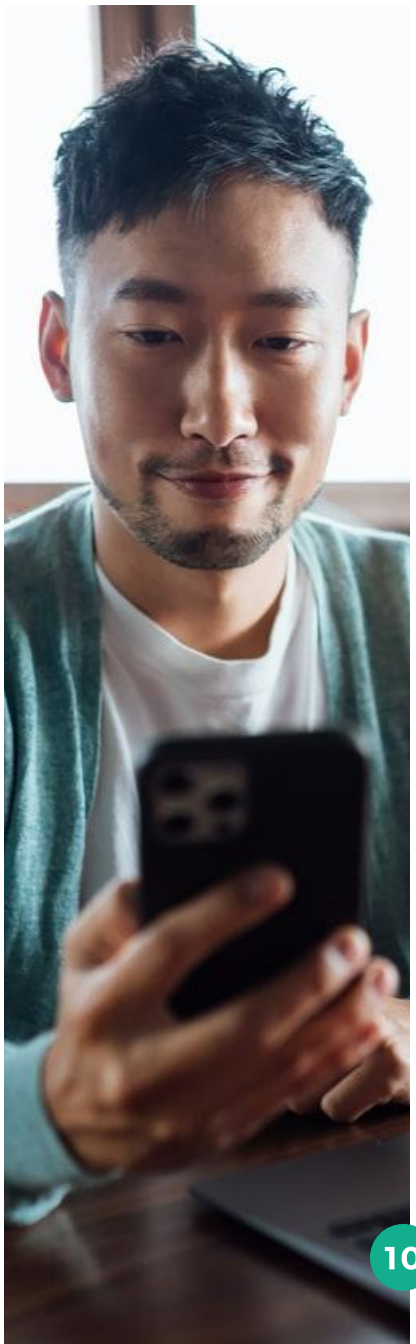
CHAPTER 5

FOSTER A DATA-INFORMED CULTURE

Not surprisingly, the more an organization incorporates data into their tools, products, and everyday decision making processes, the more data appreciation they'll have. Cultivating a data-informed culture takes time and effort. Employees need to feel empowered to use data for making decisions, and for creating new tools and workflows. Clear guidelines should be set on how data should and should not be used.

STEP 1

ENCOURAGE DATA USE IN DECISION-MAKING AND DAILY OPERATIONS:



- Promote the value of data-informed decision-making by encouraging employees to more consistently back their product, business, and operational decisions with data. Employees will begin to appreciate the critical benefits of having accurate and reliable data.

- Where appropriate, build a centralized data repository such as a data lakehouse to help make data more accessible to different data consumers within the organization. Along with increased data accessibility, ensure that data is clean, anonymized (where needed), and follows compliance and policy requirements.

- Provide data literacy training to both technical and non-technical teams. Build standardized workflows and best practices to help guide internal data consumers on the best ways to use data for analytics and AI products.

STEP 2

RECOGNIZE AND REWARD DATA GOVERNANCE CHAMPIONS:

- Identify and acknowledge employees who take the initiative in championing data governance efforts within your organization. This may include those who actively participate in data governance projects, share best practices, or contribute to the continuous improvement of your data governance strategy. Recognizing and rewarding these individuals can encourage others to follow suit and foster a culture of data ownership and responsibility.

Cultivating a data-informed culture requires an environment where data is valued, trusted, and consistently used in decision-making processes across the organization. Encouraging cross-functional knowledge sharing, and celebrating success stories and rewarding data-driven efforts will further incentivize the adoption of data-informed practices.

CONCLUSION

Implementing a successful data governance strategy takes time and careful planning. It requires a team that both appreciates the potential of well leveraged data, and has the discipline for managing data compliance, security, and policies.

While there are many commonalities in the obstacles faced by organizations when it comes to data governance and the use of data, every organization is unique. This guide is aimed to help small to medium-sized organizations begin the conversation and plan for a more robust data governance strategy.

ABOUT AMPLE INSIGHT

Ample Insight is a leading Canadian data consulting firm bringing world-class data science and engineering expertise from top technology companies. We help organizations across diverse industries build and scale AI and data solutions. As part of our service, we work closely with our clients to help them implement sustainable data integrity and data governance strategies and best practices.

We have a proven track record of solving some of the most complex technical and business problems for leading startups and Fortune 500 companies around the world in industries including medical technology, logistics and transportation, consumer packaged goods, web and mobile tech companies among others.

Visit us at www.ampleinsight.com to learn more about how we help our clients succeed.