



# ACTIVE DATA GOVERNANCE

Data governance doesn't have to be this difficult — there is a better way!



## Data Governance is on Everybody's Mind

Data governance is a hot topic, spurred by exploding data growth, headlines on major data breaches, expanding privacy regulations driven by consumer concerns, and new types of extrinsic security threats.

**Data growth:** As data continues to drive enterprise digital transformation, explosive growth in data volume continues unabated. IDC predicts that the Global Datasphere – the sum of all data created, captured, or replicated at core, edge, and endpoint locations – will expand from 33 ZB in 2018 to 175 ZB by 2025. Furthermore, starting in 2019, more data will be stored in the enterprise core than in all the world's existing endpoints.<sup>1</sup> It is not surprising that enterprises are quickly replacing consumers as the world's data stewards, a role that consumers welcome, but this transition places enormous responsibility on enterprises to effectively govern personal data.

**Data breaches:** Frequent news headlines related to major data breaches and the unauthorized use of personal data have fueled increased awareness of the importance of data governance. In 2019, there was a record number of penalties imposed on well-known organizations. Among these were British Airways and Marriott who faced record GDPR fines of US \$229M and US \$123M, respectively, and Equifax consented to paying US \$575M in a settlement with the FTC, CFPB, and all 50 US states and territories.<sup>2</sup> The number of reported data breaches increased 33% in 2019, resulting in more than 7.9 billion personal records exposed.<sup>3</sup>

**Expanding regulations:** Increasing demands to comply with a growing list of evolving legislative and regulatory requirements, like GDPR and CCPA, are compelling enterprises to better manage risk and the processes addressing critical policies and procedures in order to mitigate liability and ensure best practice.

<sup>1</sup> IDC. The Digitization of the World from Edge to Core. November 2018

<sup>2</sup> JDSUPRA. The Scariest Data Privacy Breaches of 2019. 31 October 2019

<sup>3</sup> The Hill. Navigating 2020's threat landscape: Many risks, but also optimism. 3 January 2020

**A top concern:** Enterprises are responding to the pressures associated with data growth, extrinsic threats, and regulations by prioritizing data governance. This is exemplified in a recent Gartner survey of senior audit professionals revealing that data governance has surpassed cybersecurity preparedness as the top concern of Chief Audit Executives (CAEs). Based on survey results, nearly 80% of executives concur that companies will lose competitive advantage if they do not effectively utilize data, and 49% acknowledge that data can be used to decrease expenses and create new avenues for innovation; protecting personal data is essential to achieving these goals.<sup>4</sup>

**Market growth:** Based on a MarketsandMarkets 2019 comprehensive survey, the worldwide data governance market is estimated to grow from \$1.8B in 2019 to \$4.8B by 2024, representing a CAGR of 21.5% during this 5-year period. Compliance management is expected to be the fastest-growing segment in the market.<sup>5</sup>

## What is Data Governance?

The following are two definitions of data governance that notably differ in their focus:

- 1** According to DAMA International, "Data governance is the exercise of authority and control (planning, monitoring, and enforcement) over the management of data assets."<sup>6</sup> This definition focuses on authority and control over data assets.
- 2** According to Seiner, "Data governance is the formalization of behavior around the definition, production, and usage of data to manage risk and improve quality and usability of selected data."<sup>7</sup> This definition focuses on formalizing behavior and holding people accountable.

<sup>4</sup> Gartner. Top Risks for Audit Leaders. 8 November 2019

<sup>5</sup> MarketsandMarkets. Data Governance Market. December 2019.

<sup>6</sup> <https://www.dataversity.net/what-is-data-governance/>

<sup>7</sup> Robert S. Seiner. Non-Invasive Data Governance: The Path of Least Resistance and Greatest Success

There are multiple schools of thought and frameworks around data governance, but two characterizations that best epitomize the predominate approaches to data governance are “traditional” and “modern.”

The traditional, centralized, data-first approach to data governance represents a top-down, defensive strategy focused on enterprise risk mitigation at the expense of the true needs of staff who work with data. The Data Governance Office develops policies in a silo and promulgates them to the organization, adding to the burden of obligations on data users throughout the enterprise who have little idea of how to meet the new and unexpected responsibilities.



The modern, agile, people-first approach to data governance focuses on providing support to people who work with data. People are empowered but nonetheless, expected to contribute to the repository of knowledge about the data and follow guidelines, rather than rigid, prescriptive procedures.

Alation is the leading enabler of the modern, people-first approach to data governance, actively engaging the community and driving broader adoption.

## Traditional Approach to Data Governance and its Shortcomings

**Data-first vs. people-first:** Traditional data governance regards data first, rather than people’s time and effort. It emphasizes governing data in contrast to governing the action of people. It represents a legacy approach embodying restrictive, iron-fisted policies that alienate data workers, especially when accompanied by unagile processes and procedures that require these workers to perform extra tasks with no clearly discernible value added. This additional work can overwhelm an organization, eventually undermining the data governance program’s effectiveness overall. This siloed approach neglects the true needs of LOB and data workers who remain disconnected from the governance process since governance is not embedded in their day-to-day activities.

***“You can pull together a policy which encompasses all the right things to do at the right time, but if you aren’t able to share that information, get buy-in and execution from everyone who is accountable, then you are not taking the right approach. It was important that our people and right individuals were involved and that’s the gap we had.”***

Amy Keelty

Information Strategy & Governance Director, American Family Insurance

**Lack of focus on business impact:** Traditional data governance targets enterprise risk mitigation and compliance at the expense of delivering good quality, curated data to the business. Often, risk management is focused on IT-concerns rather than strategic business risks. Data policies are developed in silos without engaging business, and as a result, neglect to consider the potential impact on the business. Governance policies and guidelines are not communicated effectively to the line-of-business, resulting in lack of awareness of policies relevant to their work.

**Prolonged, expensive, and document-centric:** A customer of Alation summarized the challenge the company faced after implementing a traditional data governance solution: “Spent millions of dollars on

a governance program that did not work. Needed a governance framework for self-service analytics.” This statement highlights two shortcomings of enacting a traditional data governance program: expensive and prolonged. This approach is best characterized as a long “journey” that enterprises are reluctant to take. It is often viewed as a necessary evil for enterprises endeavoring to

protect private data, comply with regulations, and leverage data governance for defined business outcomes sooner than later. It entails cumbersome,



expensive software for ensuring governance policy documentation but not actual policy compliance. This is exemplified by a quote from an Alation customer, “I wanted data governance but all I got was a business glossary.” Such a documentation-centric approach is great for passing audits, but not great for ensuring data is used in a compliant fashion.

**80% fail:** Gartner’s prediction that, “Through 2022, only 20% of organizations investing in information governance will succeed in scaling governance for digital business”<sup>8</sup> implies that 80% of companies investing in data governance will fail to leverage data governance for digitization. It correlates failure of data governance programs with their inability to align with digital business outcomes.

## An Active, People-First Approach to Data Governance

Alation’s people-first approach to data governance focuses on building a community of business experts committed to improving their organization’s effectiveness by optimizing operations and business outcomes.

Key characteristics of Alation’s approach to governance are outlined below.

**Formalizes what already exists** – The path to data governance has been misrepresented as a long, expensive journey. In reality, most organizations are probably already governing data but doing so informally. Using Alation, they can formalize these data governance efforts by first inventorying what they are presently doing, then leveraging this knowledge to improve, guide, and formalize what already exists.

*“One of Cisco’s primary goals was to enable the democratization of data while simultaneously ensuring our data was properly governed. To succeed, we needed a user-friendly platform that provided business units with the ability to utilize data and drive their business forward. With Alation we consistently deliver high quality governed data with context in a single platform, providing our business users with visibility into what data exists and where it resides.”*

Abra Le  
Director of Data Governance, Cisco

<sup>8</sup> Gartner. 7 Must-Have Foundations for Modern Data and Analytics Governance. 14 October 2019

**Starts with people** – Formalizing existing governance practices starts with people. Most of them undoubtedly already have some level of responsibility for the enterprise’s data. Alation enables organizations to intelligently analyze who does what with the data, and then use these insights to formulate an operating model of roles and responsibilities that align with peoples’ existing relationships with the data.

*“Alation helps the business uphold our governance standards so anybody coming in can get their data quickly and efficiently, and make the right decisions.”*

Amy Keelty  
Information Strategy & Governance Director, American Family Insurance

**Actively governs people, not data** – Alation’s approach focuses on governing the people (specifically, governing people’s behavior) as the means to governing the data. This contrasts with legacy approaches that focus on simply documenting data and policies. Governing people’s behavior is accomplished by embedding governance policies, standards, and terms in data consumers’ normal activities, workflows, and tools. Users have immediate access to these as a guide while searching, using data, and contributing to the corpus of knowledge.

*“The value of opportunity cost that subject matter experts save as a result of Alation is huge.”*

Andy Carrington  
VP Data Stewardship, Nielsen

**Collaborative, not bureaucratic** – Alation’s governance approach emphasizes empowering employees to participate in a community where they are rewarded for sharing their knowledge and input. It focuses on delivering value to the employee population as opposed to driving personal value to stewards or IT who have the power to control the flow of knowledge.

*“When originally built our data governance practices from the top down with a relatively rigorous framework. We didn’t consider the business... And we ran into challenges. With Alation, we’ve been able to move forward collaboratively with our business partners and anyone affected by our data governance processes. We have golden data sources and business rules identified, and descriptions of data, all in one place enabling the business to use the right data at the right time.”*

Amy Keelty  
Information Strategy & Governance Director, American Family Insurance

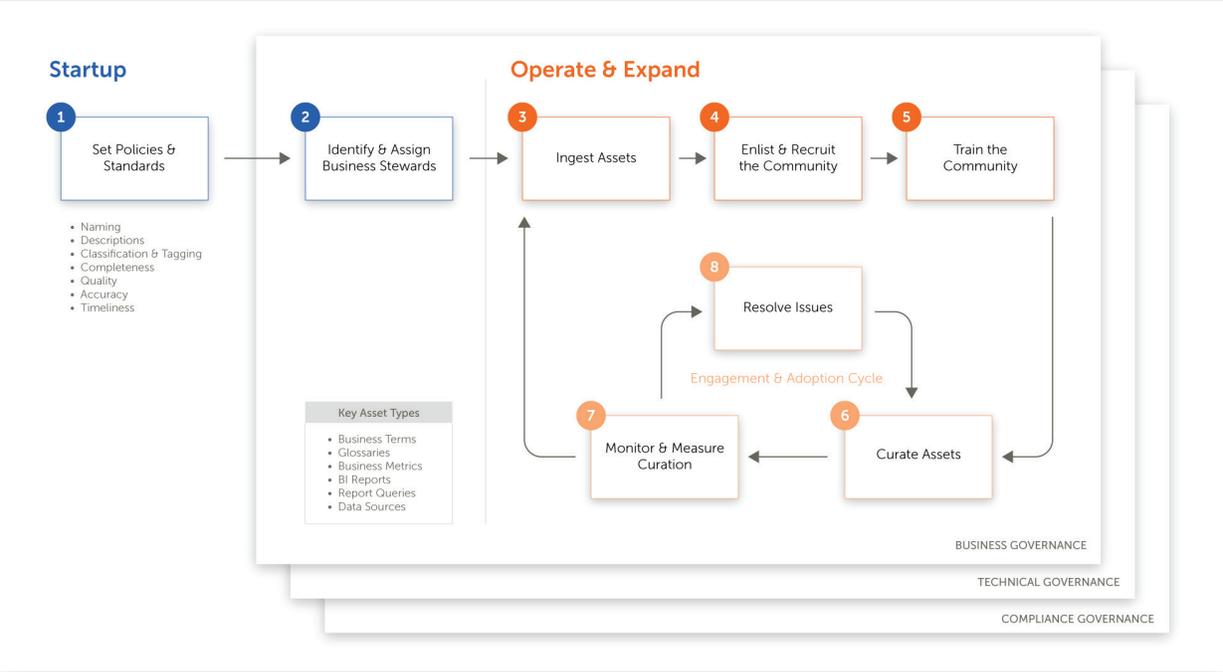
**Iterative, not waterfall** – Alation’s approach to governance employs an iterative process of continuous management and improvement of data and data-related assets. The participants in the community are central to this process. They consume as well as contribute new knowledge while stewards guide their analysis based on standards and policies.

“Our corporate glossary approval process for changing a term went from 2 to 3 weeks, down to just 1 hour.”

Susannah Barnes  
Information Standards Governance & Quality Specialist, American Family Insurance

## Alation Governance Process

Alation’s governance process for maintaining the content, quality, and understanding of core business assets and their supporting data is illustrated below followed by brief descriptions of each step.



**1 Set Policies and Standards** – Begin establishing the governance process by documenting data governance target commitments as policies and standards that are immediately accessible by the

community; these define completeness, quality, accuracy, timeliness, usage, access and classifications for both metadata and data.

- 2 Identify and Assign Business Stewards** – For each business area, identify a Business Steward who ensures that policy and standards targets are maintained through collaborative efforts by actively engaging the community.
- 3 Ingest Assets** – Automatically and iteratively ingest and analyze key assets identified by the Business Steward, enabling ongoing measurement of gaps between the standards and existing content, and perpetuating an active cycle of assignment and continuous curation.
- 4 Enlist and Recruit the Community** – This step focuses on building an ecosystem of participants and stakeholders who will adopt responsibility for contributing to stewardship efforts and maintaining the corpus of knowledge. These stakeholders are recognized and rewarded for their contribution. Business stewards enlist the community in curation efforts, assigning the curation of assets to the top users of those assets based on who understands the data best.
- 5 Train the Community** – Onboard and educate community members, promote active participation and knowledge sharing. This training marks the beginning of a self-perpetuating engagement and adoption cycle.
- 6 Curate Assets** – Curation is the process of populating and refining the attributes of assets, as stipulated in the policies and standards, to provide users with greater trust through insight and knowledge. Business Stewards maintain the standards by delegating curation responsibilities to top users and volunteers.
- 7 Monitor & Measure Curation** – Business Stewards measure curation progress against policies and standards by using analytics and reporting to identify information gaps and guide the community to build a very high quality of content.
- 8 Resolve Issues** – This step involves business stewards requesting a change, receiving a change request, or seeking an escalation the steward addresses in collaboration with the community.

# Alation's Data Governance Customers Spotlighted



Built "Business Center of Excellence" by breaking down data silos to establish a trustworthy data foundation, power self-service analytics, and meet governance needs.



Shifted to self-service to actively engage business stakeholders, enabling them to build on a solid, trustworthy data foundation.



Accelerated transformation to a data-driven organization by establishing data literacy, trust, and transparency, and democratizing analytics while complying with regulations.