Getting Greater Control of Your Bank's Data

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As banks struggle with a variety of data quality and access issues, a growing number of institutions are establishing data governance centers of excellence. Approaching challenges from a people, process and technology perspective can help banks proactively resolve data issues and maintain integrity for the long-term.

Root Causes of Data Issues
Many factors contribute to data quality problems or availability issues. Data and operational systems grow over time, usually complicated by mergers, acquisitions, and other business changes, which can make legacy systems obsolete. In addition, large institutions tend to end up with data silos, with each line of business, project or technology application relying on separate data sources and systems.

No single solution exists for data issues, but sound data governance can establish solid foundational disciplines for addressing them. Ideally, five important attributes should exist regarding data governance in a bank:

- Trust that data is accurate and that its flow can be controlled and audited
- Consistent access for business stakeholders
- A single, agreed-upon source for needed data
- A commitment to and funding for maintaining data quality and availability across the organization
- A plan for addressing data or information requests with appropriate velocity

People, Process and Technology
The attributes of effective data governance might seem desirable, but many banks might find them more aspirational than operational. What they need is a practical road map. For some, setting up a dedicated data governance center of excellence is the right solution that will address short-term needs while making these behaviors sustainable.

A data governance center of excellence is a highly organized collection of resources and assets that delivers and maintains data as a business-critical asset for operations, business management, compliance, and decision-making. Its goals include improved efficiency and stability in maintaining and delivering business-critical data, improved decision-making, and more efficient and effective regulatory compliance.

These goals might seem lofty. But by approaching data governance from a people, process and technology perspective,

they can be achieved.

- **People.** Trained, knowledgeable, and empowered people are placed in roles that are accountable for maintaining data quality.
- **Process**. Improved processes for data management are controlled and governed more consistently and efficiently. To be effective, the center's policies, practices, processes and standards must be actively maintained and assured– not just written and placed on the shelf.
- **Technology.** Optimized solutions take advantage of current technical capabilities. They are implemented, maintained, and updated consistently across the organization, rather than in individual locations or departments.

Five Major Components of the Center of Excellence
A data governance center of excellence can be an ongoing, sustainable way of doing business. The overarching goal is to set proactive policies and processes that enable the center to identify potential data issues early.

An effective center of excellence includes five main components:

- **Foundational elements**. Define a charter and vision that can be monitored and measured over time, and define the roles and responsibilities of everyone concerned.
- **Data portfolio management.** Compile and maintain a complete and up-to-date data inventory. Clarify a well defined data flow map and oversight of data security, retention and destruction policies.
- **Implementation management**. Determine implementation methods and tools, including assessing how individual projects are identified, approved, assigned, and managed; identifying the associated necessary project management, tracking, and change management tools; and developing task assignments, resource management and resource-training programs.
- **Engineering and architecture**. Establish and enforce basic system architecture and design standards that acknowledge specific technology quality assurance, testing, software configuration, change management, security and documentation standards.
- **Operations and support.** Launch clear incident and service request processes, help desk protocols, hardware and software maintenance processes, and other support functions.

Getting Started
Establishing a center of excellence is a complex undertaking, and it is important to establish a rapid and responsive approach from the outset. First, assess a baseline of the current state of data in the organization that spells out problems and challenges and documents what is working well. Then, define goals and expectations to help identify the necessary resources, prioritize implementation tasks and build practical road maps to carry the center into the future.

A data governance center of excellence can establish a problem-solving approach from a people, process and technology perspective. In addition, it helps institutionalize the recognition that data is a critical business asset, which when properly owned, managed and protected can be genuinely valuable to the organization.

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