Better data, better decisions
The case for independent enterprise data management

The need for good data has never been greater. Governments, public sector agencies and corporations alike hunger for consistent, credible and trustworthy data to make well-informed decisions. The public is demanding more transparency and accountability from governments because they want to see the data behind the decisions that impact society. And the demands of Big Data, Open Data and data analytics are creating a world where data must be shared in ways never before imagined.

As a result, data is now recognized as one of the most valuable assets an organization possesses. Yet too many organizations fail to unlock the full value of their data—often because they lack a standardized approach to data management and governance.

The data management challenge

Traditionally, public sector organizations have managed data to meet internal reporting needs alone. Staff would source and collect data and then filter, adjust and edit it to suit specific, known business questions. Unique or ad hoc requests would be addressed in equally unique, ad hoc fashion.

As a result, organizations all too often find themselves managing data in a fragmented fashion. Data sits isolated in organizational silos, structured to meet specific applications or operational needs. It’s stored on different personal or network drives, in spreadsheets and databases developed to address a particular question or reporting requirement. It could include proprietary or external data, or a bit of both. This inconsistent approach to data management has left organizations poorly equipped to respond to more complex external reporting requests that can arrive from anywhere with little, if any, notice.

In addition, an uneven, inconsistent approach to data management can make it very difficult for organizations to trace data used for decision making and reporting back to the source and verify its quality—ensuring that the data is properly formatted and accurate, reflects reality and meets the business needs.

To resolve these challenges, organizations have typically taken a technology-driven approach. IT departments have built interfaces between systems and applications and brought a measure of standardization to data formats. Yet while these efforts have certainly brought better data containers and improved connectivity between them, other problems remain:

- There’s no one person or group responsible for data quality and consistency in terms of both format and business meaning.
- It’s often difficult to trace decisions back to source data that’s consistent and reliable.
- It’s hard to identify key data used or needed for decision making.
- Inconsistent quality makes it hard to trust the data.
- There’s limited control over data distribution.

The lack of a consistent, coordinated approach to data management means that organizations can’t be certain that they have good data. And without the credible, trustworthy data they need, decision makers must set aside other priorities to collect their own data, pass the responsibility for the decision “upstairs,” or risk making decisions based on questionable data. None of these options is ideal—and some could potentially harm the organization’s business or reputation.
**Embracing enterprise-wide data management**

Adopting an enterprise-wide approach to data management can enable organizations to overcome many of the challenges associated with traditional data management practices. Under enterprise data management (EDM), organizations establish policies, standards and controls across the enterprise in order to more effectively monitor, safeguard and assure the quality and consistency of their data.

In the EDM model, a group is established—separate and distinct from IT and other operational functions—to assume stewardship of and responsibility for an organization’s data. While IT focuses on delivering the containers and systems needed to store, process and move data quickly, the EDM function focuses on the content, or the data on which business decisions are based. EDM provides active, continuous data governance and manages data across the entire organization in order to improve the business value of the organization’s data.

The EDM approach provides organizations with the means to improve the credibility and trustworthiness of their data. In some cases, for example, implementing EDM may lead to the creation of a “core dataset” or CDS. A CDS is a flexible, open, independent and transparent store of the organization’s core data, modelled from a business context. The CDS can draw together data from a host of internal and external sources and harmonize that data to a single business meaning and standard, to be governed in a way that allows the data to be used for a wider range of purposes.

**EDM benefits**

- **Improved trust in the data**: An EDM approach results in more effective, enterprise-wide data governance and management. This allows decision makers to have greater trust in the data and reduces risks related to using the data for internal decision making and external reporting.
- **Reduced costs and effort**: A well-built EDM program eliminates the isolated, duplicative or one-off processes formerly used to gather, store and distribute data. This can improve organizational efficiency and free up time and money once spent on reconciling data problems. In addition, improving data quality can eliminate the risk of poor—and sometimes expensive—decisions.
- **Greater consistency across the enterprise**: By creating common core data and introducing standards for blending, harmonizing and sharing data, organizations can avoid the confusion and errors that occur when decision-makers are confronted by inconsistent or conflicting data sourced and combined in an *ad hoc* manner.
- **Improved collaboration**: Establishing an EDM program allows members of business units to come together to develop a shared understanding around issues of data accuracy, completeness, security, consistency, timeliness, quality and privacy.
- **Improved ability to identify key data—and data gaps**: Implementing an EDM program provides a tremendous opportunity for organizations to assess what data is collected and determining which is necessary or valuable in the decision-making process. More importantly, this effort can help organizations identify any key data gaps that may exist.
- **Improved public trust**: Open data and “open government” initiatives mean that governments and public agencies are making more and more data available to the public. Organizations will be held accountable for the quality of the data they release into the public sphere: providing verifiable, credible and consistent data will engender greater trust.
- **Better data analytics**: Data analytics can enable organizations to make sense of vast amounts of data and uncover important new insights. But the quality of those insights directly correlates to the quality of the data they’re based on.

Source: The DAMA Guide to the Data Management Body of Knowledge
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**EDM: Where to begin**

Enterprise data management can enable organizations to improve efficiency, cut costs and unlock significant value from their data assets. By improving the quality and trustworthiness of data, the EDM approach contributes to better informed, more confident decision-making.

Implementing an EDM program is a major undertaking for any organization—involving as much change management as data management. Those interested in bringing EDM to life should consider the following steps:

- **Make the business case:** Find the connections between processes, decisions and data, highlight the gaps and show the enterprise risks.
- **Develop a governance plan:** Identify who will be responsible for the data, develop roles and responsibilities, and actively steward the asset.
- **Architect the data:** Develop flexible data and information models that reflect the organization’s business perspective and that can handle future change.
- **Establish and champion a data management culture:** Establish data stewardship, and then cultivate links and partnerships between the business and IT to manage data, data product development, and data security.
- **Centralize the EDM function:** Structure—and co-locate, if possible—staff with common data management skills and focus them on business needs.
- **Separate content from container:** EDM isn’t an IT initiative; IT supports and enables data management. Ensure the functions are separate so that EDM and IT can focus on what they do best.

**What about ROI?**

It can be challenging to quantify the return on the investment required to implement an EDM model. In some extreme cases, the value of the EDM approach is realized when good data is engaged to avoid bad decisions and the associated opportunity and legal costs. In most cases, however, the real impact is qualitative, in that better governance inspires greater trust in an organization’s data—and trusted data leads to faster, better business decisions. Organizations keen to demonstrate the return on an EDM investment should therefore identify the key processes and decisions that can be improved by having trusted data on hand, and then define and roll out the policies, business rules and standards that will produce that data.

**Learn more about EDM**

Interested in how enterprise data management can benefit your organization?

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