

Data Management: A Unified Approach

Market
Pulse

EFFECTIVE, UNIFIED DATA MANAGEMENT STRATEGIES
DEPEND ON IT AND BUSINESS USERS WORKING TOGETHER.

Unified data management is becoming a strategic advantage in today's business world. With the advent of big data, the volume and type of information that companies must use in near-real time to gain a competitive edge is growing at an unprecedented rate. Meanwhile, industry consolidation is leading to mergers and acquisitions that require disparate IT systems to be harmonized in order to move forward. These forces, combined with ongoing pressure to use all available data to improve employee productivity, customer satisfaction and innovation, are spurring enterprises to make data management planning a top priority.

To support these plans and help achieve important business goals, enterprises are turning to data management solutions with significant urgency. According to a recent IDG Research Services study of 118 IT professionals, 87 percent of respondents said data integration tools have been deployed or are on their company's road maps; 84 percent answered the same for data quality tools; 82 percent for master data management solutions; and 81 percent for data governance/data stewardship initiatives. Nearly three-fifths of respondents at organizations that have data management solutions in place are planning to continue making near-term investments in these types of tools.

» THE DATA-DRIVEN COMPANY

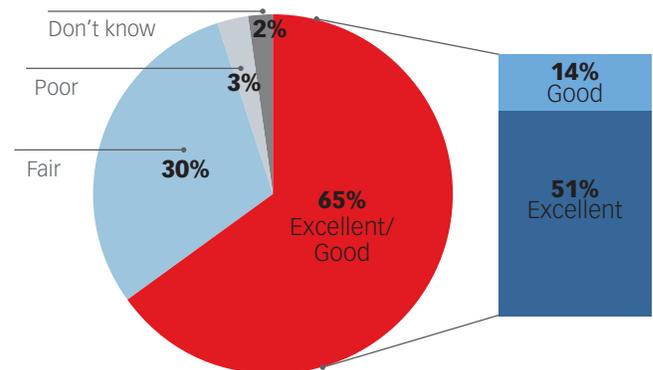
Enterprises that deploy effective data management solutions can successfully support the operational

and analytical systems that drive the business. Those systems in turn can enable companies to clear significant business obstacles. Survey respondents listed reducing costs and increasing operational efficiencies, improving agility, improving existing business processes, improving decision making, and increasing IT alignment with the business as their top five reasons for deploying data management solutions.

"We're seeing an increased awareness of how information and analytics can be used in real time operationally, not just in forecasting. When enterprises can pull insights into the business processes they get a heightened awareness of the importance and value that is embedded in new data sources," says Kimberly Nevala, Director of Business Strategies in the Best Practices department at SAS. "This has become an important competitive advantage. What we find is an organization's ability to innovate is only as good as its ability to



Quality of IT/LOB Collaboration at Organizations



SOURCE: IDG RESEARCH SERVICES, NOVEMBER 2012



integrate and access and leverage all this different data that’s at its disposal.”

» CHALLENGES TO MAKING THE MOST OF DATA

While the reasons for developing a unified data management strategy are clear, achieving this goal can be complicated. Perhaps the single most important driver of success is achieving collaboration and input from both IT and business users to create a strategy that can deliver a single, consistent set of data policies and processes for all corporate information. Yet many organizations aren’t able or aware of the need to fully engage both IT and business users in the data management process. According to the IDG Research Services study, 53 percent of the respondents said IT is responsible for leading data management efforts, while only 38 percent said their data management efforts are led by a collaborative group of IT and business users.

When this collaboration doesn’t happen, the pitfalls encountered are serious. Often, when IT leads the effort, technology tools are put in place without a clear understanding of what needs to be achieved, what processes are or should be established, and how employees need to use the data. Enterprises tend to overlook the importance of having the right management and specialized skills required to get the most out of the data, such as a chief data executive, information architects and data scientists. Without a collaborative, well-thought-out approach, enterprises rush to deploying technology

without fully understanding the goals or requirements. As a result, they end up limiting the value of data management solutions and diminishing the impact that data-driven decisions can have on the business.

Other obstacles faced when developing a unified data management strategy, as highlighted by the survey, include:

- » Complex and numerous data sources (36 percent).
- » Lack of an enterprisewide, unified view of data (36 percent).
- » No formal data governance guidelines in place (31 percent).
- » Unclear roles/responsibilities for data management (30 percent).
- » Corporate culture (29 percent).
- » Overlapping or competing data management processes (27 percent).
- » Lack of data integration strategy (27 percent).
- » Inability to perform searches across multiple data silos (23 percent).

When survey respondents look to solve data management issues by implementing solutions, they have encountered the following stumbling blocks:

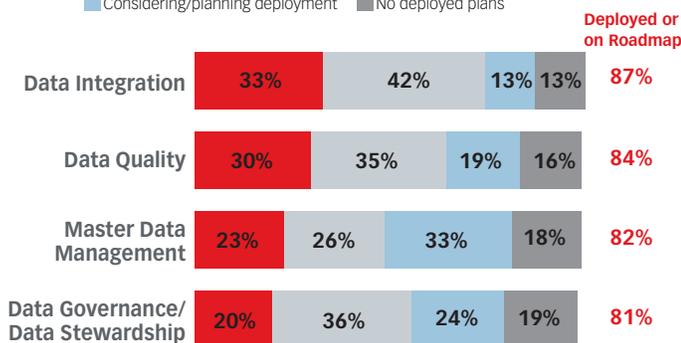
- » Internal politics (40 percent).
- » No available budget to invest in a solution (37 percent).
- » Value of data management is unclear to executive and/or line of business decision makers (34 percent).
- » Insufficient infrastructure in place to integrate a data management solution (28 percent).
- » No demand for a solution from the business (26 percent).
- » No overarching data management strategy exists to guide technology decisions (26 percent).
- » Concerns regarding user adoption and training needs (25 percent).

As these findings illustrate, IT must work with the business to clear these hurdles and gain executive-level support and funding. Enterprises benefit most when they develop a comprehensive road map for their data management strategy that aligns with the business users. Creating a road map helps to clearly identify which



Maturity of Data Management Solutions

■ Deployed (enterprise-wide)
 ■ Deployed (within certain divisions)
 ■ Considering/planning deployment
 ■ No deployed plans



SOURCE: IDG RESEARCH SERVICES, NOVEMBER 2012

BEST PRACTICES FOR CREATING A UNIFIED DATA MANAGEMENT STRATEGY

Kimberly Nevala offers the following advice for enterprises as they embark on a data management initiative:

Do...

» **Make it business-driven.** Ensure that information strategies are based on the goals and priorities set by the business, so that the project is able to have the most impact.

» **Engage in a long-term commitment.** Invest in the platforms, skills and methods to support the creation, capture, access and delivery of information. The right talent knows how to use information from a business perspective and apply data to the business process, and how that application changes the decision criteria. Specialists understand where to insert information to change (for example, how an employee interacts with a customer).

» **Include data governance.** It helps provide alignment and strategic direction around priorities, which is critical to making the case for ongoing investments. Formalize the organization and rules of engagement; include roles around decision making regarding the data that outlines who in the organization develops what policies and governs the creation of views, what information is important for the organization to govern and manage, and develop mechanisms to measure value and compliance.

» **Update capabilities and practices on an ongoing basis.** Operations should remain as efficient as possible to ensure business agility. New applications, systems and data sources are constantly being added, and the number of sources that create data and systems that consume data grows.

Don't...

» **Sell data management as an infrastructure project.** This garners very little interest and therefore, little funding. It's important that the business benefits, such as faster time to market, greater

productivity, improved customer service, etc., are emphasized.

» **Recommend a complete replacement.** Data management solutions should work with the existing infrastructure. Develop a plan for merging new solutions with those that have represented a significant investment for the organization.

» **Try to boil the ocean.** The scope and breadth of data problems in a typical organization can appear insurmountable, but it's almost impossible to find success by taking a big bang approach. Instead, start with a clear purpose, such as improving data quality or applying big data to a particular business glitch. Next, demonstrate results and then build on those results. Small successes will generate more interest, and executives will be more willing to dedicate resources to a program with a proven track record. Make some hard choices about what projects will get the bang for the buck, and in what areas it makes sense to implement unified data management capabilities – those where data has broad utilization and high business value.

» **Limit the conversation to technology.** It's as much about people and processes as it is about tools. Instead of talking in terms of what the technology can do, have conversations about how the technology can improve the business. There's a lot of technology available to organizations today that enables a flexible approach to getting information and pulling it together, but it's the value that those systems generate that matters. Executives and business stakeholders want to see the development of analytics or new operational capabilities in a timely fashion. They aren't as interested in the work going on behind the scenes to manage it and pull it together.

core capabilities the technology tools can bring to bear in order to deliver on the value proposition for each tool.

» **A COLLABORATIVE, UNIFIED APPROACH**

When teams of IT and business users are formed to guide data management, the results are often positive. “Enterprises benefit by thinking about data management as a corporate service that’s sponsored by business and hosted by IT,” says Nevala. “The strategy around data management has to deal with the coordination and collaboration of people, processes and technology.”

As these ideas of coordination and collaboration are developed within an organization, concerns over issues such as who has ownership of the data are shifted to focus on who in the organization needs to use the data. Responsibilities for data governance and policy creation fall more on the business side, while data management is more about the tactical execution of policies and is therefore IT’s domain. Ultimately both perspectives are needed so that the rules and capabilities are in place to capture data, and related policies are executed and enforced.

The IDG Research Services survey found that collaborative teams of IT and business drive positive results – 65 percent of respondents rated the level of collaboration between IT and business stakeholders regarding data management initiatives as excellent or good. This collaboration is a key ingredient to successfully implement an end-to-end data management strategy, which is underway or planned by nearly two-thirds (65 percent) of respondents and viewed as somewhat or very important to three-fourths (76 percent) of respondents.

Collaborative teams enable enterprises to use data and drive improvement in much-needed areas:

- » Empower business teams to run their own reports using data collected by the organization.
- » Allow the organization to take a data-centric approach to decision making.
- » Design data management systems to handle a rapid increase in data.
- » Enable organizations to use their data to its fullest potential.

It’s also important that enterprises select the right data management platform to cultivate collaboration and

drive the business. A range of tools are required - from point of data capture and creation through usage and end of life - encompassing data access, governance, integration, quality and master data management. The right tools allow business and IT users to plan, implement and monitor business-critical information. They establish a single, consistent set of data policies and processes for all corporate data. They also create and enforce uniform standards for enterprise data. The right data management platform becomes an ecosystem in which all the key components work together to ultimately reduce or eliminate the costs of acquiring data, promote data reuse and lower costs through automation. The platform also ensures that data is secure, compliant and adheres to internal data-sharing policies.

Respondents to the IDG Research survey rated the following characteristics as important when considering data management solutions:

- » Ability to integrate with existing systems (86 percent).
- » Ease of use (86 percent).
- » Scalability (78 percent).
- » Low cost (75 percent).
- » Ease of installation and setup (75 percent).
- » Ability to handle high-velocity or high-performance workloads (69 percent).
- » Availability of consulting expertise from the vendor (56 percent).

A unified data management strategy makes the most of these tools by implementing an enterprise’s business processes and embracing the way employees work in order to make the most of data while keeping the business agile. It’s this combination of tools, processes and practices that leads to a data-enabled organization that clearly understands which issues are most important to the business, what the objectives and drivers are, and which data is required for real-time decision making that provides value and returns.



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