Executive Summary

Complying with regulations and extending data integration are common initiatives that gain from data governance.

Anytime data crosses an organizational boundary, it should be governed, whether you're sharing data among business units internally or publishing data to customers, partners, auditors, and regulatory bodies externally. Furthermore, we now live in the "age of accountability," which (among other things) demands stricter oversight for data usage, quality, privacy, and security. Organizations are under renewed pressure to ensure that compliance and accountability requirements are met as the scope of data integration broadens. In response to this situation, many organizations are turning to data governance, which establishes policies and procedures for sharing data, as well as improving data's quality, structure, and auditability.

Data governance enables technology change and business transformation.

Furthermore, a goal of some data governance programs is to enable an organization to treat data as an organizational asset. Achieving this goal demands many interim goals, most involving dramatic change. For example, data governance transforms an organization's data, its data management technology, who owns the data, and how the organization uses data. Sweeping changes and business transformations like these need a central organizational structure such as a data governance committee or board, staffed with both business and technology people. The board must institute and enforce policies and procedures for data management and business use of data. And data governance is best coordinated with IT governance and corporate governance.

Data governance intersects with most data-driven business initiatives and technical implementations.

Once under way, data governance affects data-driven business initiatives like compliance, business intelligence, customer relationship management, and business transformations (such as reorganizations and mergers and acquisitions). When executed broadly, data governance becomes a part of almost all data management practices, including data quality, integration, warehousing, administration, architecture, and lifecycle management. Organizations typically choose a starting point from among these initiatives and implementations, then incorporate others later based on pain points and priorities.

Software automation for data governance today comes mostly from selected functions in certain tools.

The execution of data governance is all about the four Ps: People collaborate to create procedures and policies, and all that comes together into a data governance process. In other words, most data governance tasks are purely interpersonal and organizational. Yet, software automation is important, because it can potentially give data governance greater speed, accuracy, and scalability. Applications dedicated solely to data governance are rare. Software automation for data governance is already available through selected functions in tools for data quality, data integration, metadata management, and master data management. As users better define their requirements for data governance, software vendors will no doubt supply new functions and tools.

Data governance is new and complex, so confusion abounds.

Given the complexity of data governance and its many influences, it's no surprise that confusion abounds. Although many data management and business professionals have experience with data governance, few of these professionals have practiced it deeply. There are many approaches to data governance, as seen in the diverse best practices of user organizations and the array of products and services offered by vendors.

This report from TDWI Research clears the confusion by drilling into the business initiatives, technical implementations, and cross-functional organizational structures with which data governance intersects. It also quantifies the state of data governance adoption and describes some of the technologies and vendor products that can help automate data governance. All this information is tailored to assist business and technical managers in planning and implementing a sustainable data governance program.