

Data Analytics Governance

The heart of leading an effective analytics strategy

DAB: Alignment of analytic priorities to the business strategy



DACE: Team that delivers the solutions



Who's responsible for the success of your data analytics program?

There are many answers to that question, but the most important one is: Everyone.

No analytics strategy pivots solely on technology, expertise or good business objectives.

But every successful program reflects a plan for ensuring that every step of a department- or organization-wide effort to glean business insights from data operates smoothly and efficiently.

Does your organization have a holistic, actionable and measurable plan for ensuring your analytics efforts succeed?

Governance: A pillar of effective analytics

Understanding whether an organization is poised to make the most of the business intelligence their data can provide rests on a commitment to six pillars of digital analytics: crystal clear objectives; an organization-wide scope; the right expertise; tools and technology; process; and what ties them all together is governance.

Organizations that have been successful in making the most of their data have put into place well-defined, well-communicated roles and responsibilities that hold teams and people accountable across the full spectrum of activities required to collect, analyze, and use data to measure and act on business goals. We call this governance.

Another way to think of governance is responsibility. Governance is the process for outlining who has responsibility for making collection, analysis, implementation and assessment a success and how those activities are supported. This can range from ownership and responsibility of a particular area to simply being informed and aware of progress or setbacks.

Tools for Governance excellence:

- » **Key Business Objective reviews** with management and functional teams
- » **Responsibility Assignment Matrix** assessment to define the various roles involved in the analytics program along the Responsible (R), Accountable (A), Consulted (C), Informed (I) framework to align any external agencies with internal stakeholders and to ensure that knowledge base is shared
- » **Digital Advisory Board (DAB):** A decision-making body comprised of senior executives from relevant business functions across the organization, whose purpose it is to set the agenda for the Digital Analytics Center of Excellence (DACE), approve initiatives and investments, review online performance against KBOs, and to ensure that the DACE executes against strategic and business objectives. The DAB and the DACE work in concert to create a collaborative environment of all stakeholders and to ensure that the analytics program delivers against the Key Business Objectives.
- » **Digital Analytics Center of Excellence (DACE):** A multi-disciplinary team charged with executing analytics initiatives, identifying opportunities for improvement and for ensuring that the needs of key stakeholders are met. This implementing body's members have expertise in web analytics, online marketing or represent the different lines of business, as well as, the customer. The DACE reports up to the DAB.

Governance in the data analytics landscape

In 2013 Cardinal Path analyzed the analytics maturity of 220 respondents from a large variety of companies across many different sectors to illustrate an overview of strengths and weaknesses in each of the six categories of maturity – governance, objectives, scope, team/expertise, process and technology.*

Cardinal Path found that of all the areas that determine how well an organization is executing on a data analytics strategy, the area of governance was the third weakest across all industries and sectors.

At the top of a listing of ten industries who responded about their organization's roles and responsibilities for collecting, analyzing and using data on a zero to five scale, no industries could boast governance maturity higher than even the midway point – 2.5 – of our evaluation scale.

GOVERNANCE: Average of 1.84, with most respondents choosing "2". Professional, Scientific & Technical Services, as well as Public Administration, are leaders in having well-defined, well-communicated roles and responsibilities for collecting, analyzing and using data.

RANK	INDUSTRY CATEGORY	AVERAGE
1	Professional, Scientific & Technical Services	2.4
2	Public Administration	2.4
3	Wholesale Trade	2.3
4	Other Services	2.1
5	Real Estate, Rental and Leasing	2.0
6	Retail Trade	1.9
7	Health Care & Social Assistance	1.9
8	Information	1.8
9	Finance and Insurance	1.8
10	Utilities	1.7

Widespread immaturity in such a critical aspect of a data-driven business presents an excellent opportunity for organizations seeking a long-term competitive advantage in analytics.

What will a governance overhaul look like at my organization?

Cardinal Path has conducted Data Analytics Governance Audits for thousands of companies with wide-ranging levels of organizational complexity at varying points in the execution of their data analysis strategies.

Through rigorous reviews of strategic and tactical goals and objectives, interviews with stakeholders and knowledge transfer of best practices in governance, Cardinal Path has helped organizations establish in-house, employee-led governance tools such as Digital Analytics Centers of Excellence, Analytics Governance Councils and extensive roadmaps for realigning analytics staffing, integration and training with the principles of good analytics governance.

* <http://www.cardinalpath.com/case-study/white-paper-benchmarking-your-organizations-analytics-maturity/>

Cardinal Path is a premier digital data analytics firm that works with the world's most prominent organizations to create, implement and action advanced analytics. Known for its industry leadership with tools such as the Online Analytics Maturity Model, a framework for assessing enterprise-wide analytics maturity, Cardinal Path comprises dedicated teams of award-winning analysts, statisticians, academics, developers, and many of the top minds in the digital marketing space. We help our clients unlock the value of their data, sharing all that we know and empowering people to make confident business decisions for sustainable growth.

“Leadership is a critical factor in transforming an organization from being market-led to being data-driven. The success of that transformation is rooted in good analytics program governance.”

Dave Booth

Co-founder and Senior Partner
Cardinal Path

Get started!

Cardinal Path knows that every organization has unique business-specific needs and varying levels of maturity in the all-important area of governance. Let us take the mystery out of organizing your company around a data analytics strategy so you can unlock the power of your data while leveraging a competitive advantage.

We'll show you how. Contact us today:

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