In Your Inbox

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Treat Data as a Valuable Asset

Public sector organizations regularly need to do more with less. Whether administering a program on a tight budget, scoping a large project within reasonable parameters, or developing internal controls to prevent fraud and waste, public organizations must stretch the value of every dollar. After all, these are public funds.

Many organizations incorporate data-driven approaches to support such efforts. These approaches can be simple, like using spreadsheet software to track invoices and spending, or more complex, like incorporating generative artificial intelligence tools for constituent services. Using data can help an organization operate more efficiently and effectively, but the data itself needs to be managed and treated as a formal asset.

An effective data governance program can help you capitalize on the benefits of using data while mitigating the risks associated with maintaining data.

What Is Data Governance?

Data governance is the process through which an organization develops and implements policies that control the access, usage, and quality of data across the data lifecycle. Organizational leaders, data practitioners, and data stewards each share responsibility for successfully implementing and regularly updating a strong data governance program. Absent strong data governance controls, an organization may struggle to securely access, use, and store its data assets.

Key components of a data governance program include **data stewardship, data asset management, data classification,** and **data quality.**

Data stewardship

Data governance is an organization-wide partnership – it is not restricted to data practitioners, who regularly work with data. A governance program requires buy-in and input from “data stewards,” the business owners of the data. Data stewards serve as subject matter experts and help inform and implement the policies and procedures developed through the data governance program.

Data asset management

To effectively implement data governance, an organization must understand both its data assets and the data contained within those assets. It is important to develop a mechanism for tracking key information related to your data assets, typically in the form of a "data catalog." The information compiled into this tool serves as the single source of information on a data asset, such as who can access the data asset, any data that is sensitive, and if or how users can share the data.

Data classification

Some types of data are more heavily regulated than others. Social Security numbers are a common example. Other examples are found in 201 CMR 17.00, a regulation that establishes standards for safeguarding personally identifiable information (PII). A data governance program must classify data within data assets based on their sensitivity, criticality, and usage.[1] Common classifications include "public," "confidential," and "restricted." The procedures for accessing, using, and storing data will derive from its classification and will ensure compliance with all applicable laws and regulations.

Data quality

Data quality refers to how relevant and reliable your data is for its intended purpose. High quality data is accurate, complete, timely, consistent, valid, and unique. Without a robust data quality process, analyses may lead to incorrect conclusions and result in diminished public trust or financial loss.

Getting Started

To launch a data governance program, consider the following steps:

1. **Identify and catalog all data assets.** Work with your business units to identify the data assets they use and log the relevant information in a data catalog. Your data catalog should include information such as the individuals who can access the data asset, use the data, and whether any of the data is sensitive.

2. **Develop a scheme for classifying data assets.** Create categories that classify your data assets based on the sensitivity and criticality of the data asset's components. Data classifications should align with both external requirements (*e.g.*, state or federal regulations) and internal operations.

3. **Assign data stewards.** Identify the individuals who will serve as business owners for each data asset and support the implementation of the data governance program. These individuals should be deeply familiar with the content, structure, and business application of the data asset.

4. **Develop policies and procedures.** After getting a handle on the data assets you have and identifying the people who will serve as business owners for the data assets, create policies and procedures for accessing, using, storing, and sharing that data. As noted earlier, many of these procedures derive from the initial classification of the data asset and ensure compliance with all applicable laws and regulations.

[1] Atlan, *Data Governance vs Data Classification: 5 Key Differences,* available at https://atlan.com/data-governance-data-classification/.

5. **Measure data quality.** Develop business rules to test whether the data is sound for analytical purposes. For example, if a field in the data should have only one of three unique values, develop a test that flags instances where the field has a different value. After identifying the scope of any data quality issues, work with the relevant parties to correct these problems at the source.

Conclusion

More organizations are now treating data as a valuable asset. However, much like any other key resource, an organization must put systems and processes in place to secure and manage the use of its data. A data governance program helps to accomplish this goal by transparently cataloging all data assets, developing shared responsibility mechanisms, mapping internal practices for security and compliance requirements, and building mechanisms to ensure high-quality data fit for business purposes. A data governance program can help your organization use data intelligently to enhance its operational efficiency.

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